

CHAPTER 7*

(House Bill 623)

AN ACT to add new Section 22A to Article 89B of the Annotated Code of Maryland (1964 Replacement Volume), title "State Roads," subtitle "In General," to follow immediately after Section 21 thereof, authorizing the State Roads Commission to enter into agreements with the trustees of the three State pension systems for the acquisition with funds of these systems of real properties needed for the future improvement of the State roads system; providing for such purchase prices to be secured by first mortgages from the State Roads Commission to such retirement systems; providing for the management of the property and redemption of such first mortgages from the State Roads Commission; providing for a limitation of the amounts permitted to be loaned by the retirement systems, and relating generally to the purchase and mortgaging of property to the three State retirement systems for the future use of the State Roads Commission.

SECTION 1. *Be it enacted by the General Assembly of Maryland,* That new Section 22A be and it is hereby added to Article 89B of the Annotated Code of Maryland (1964 Replacement Volume), title "State Roads," subtitle "In General," to follow immediately after Section 21 thereof, and to read as follows:

22A.

(a) *The State Roads Commission, in addition to its other duties and powers provided by law, and notwithstanding any provisions to the contrary in Article 73B, 77 and 88B of the Annotated Code of Maryland or any other statute, is authorized to purchase real property that it deems necessary for future improvement of the State Highway System by the following method:*

(b) *The Director of Highways, with the approval of the State Roads Commission, may enter into an agreement or agreements, singly or jointly, with the Trustees of the Employees' Retirement System of the State of Maryland, the Teachers' Retirement System of the State of Maryland or the State Police Retirement System of the State of Maryland for the acquisition of real property that the State Roads Commission deems will be necessary for the future improvement of the State Roads System. Such agreements shall provide that the title to such property to be so acquired to be taken in the name of the State Roads Commission of Maryland to the use of the State of Maryland, and for the simultaneous execution of a first mortgage by the State Roads Commission, acting for the State of Maryland, for the full amount of the acquisition price for such property, to the retirement system lending such acquisition price. Such agreements may be entered into for the acquisition and financing as aforesaid of an individual parcel or of any number of parcels within the limits of a contemplated highway project. Such mortgages shall provide for the payment of interest at ~~the rate of five (5%)~~ A RATE NOT TO EXCEED SIX (6%) per cent per annum, payable annually to such mortgagees, shall provide also that the duration of such mortgage shall be for no longer than five (5) years subject to prepayment at any time prior to the expiration*

*This Bill was passed by both Houses of the General Assembly during the Regular Session of 1967. It was vetoed by the Governor, and the Bill was passed over the veto at the Special Session of June 22, 1967.