



LAWS OF DELAWARE
VOLUME 85
CHAPTER 387
153rd GENERAL ASSEMBLY
FORMERLY
HOUSE BILL NO. 336

AN ACT TO AMEND THE CHARTER OF THE TOWN OF LAUREL RELATING TO THE POWER TO BORROW MONEY AND ISSUE BONDS.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF DELAWARE (Two-thirds of all members elected to each house thereof concurring therein):

Section 1. Amend Section 36 of the Charter of the Town of Laurel by making deletions as shown by strike through and insertions as shown by underline as follows:

Power To Borrow Money And Issue Bonds

Section 36.

(a) The Town Council may borrow money and issue bonds or certificates of indebtedness to secure the repayment thereof on the faith and credit of The Town of Laurel to provide funds for the erection, extension, enlargement, purchase or the repair of any plant, machinery, appliances, or equipment for the supply, or the manufacture and distribution of electricity or gas for light, heat or power purposes; for the furnishing of water to the public, for the construction, repair and Improvements of highways, streets or lanes or the paving, curbing or erection of gutters and curbs along the same; for the purchase of real estate for any municipal purpose; for the construction or repair of sewage disposal equipment; or to defray the cost or the share of the Town of the costs of any permanent municipal improvements; provided, however, that the borrowing of money therefor shall have been authorized for the Town Council in the manner following:

(1) The town council by Resolution shall propose to the residents and property owners of the Town that the Town Council proposes to borrow a certain sum of money for any of the purposes above stated. The Resolution shall state the amount of money desired to be borrowed, the purpose for which it is desired, the manner of securing the same, and all other pertinent facts relating to the loan which are deemed pertinent by the Town Council and in their possession at the time of the passage of the Resolution and shall fix a time and place for a hearing on the said Resolution.

(2) Notice of the time and place of the hearing on the Resolution authorizing said loan shall be printed in a newspaper having a general circulation in the Town or distributed in circular form at least one week before the time set for the public hearing.

(3) Following the public hearing a second Resolution shall then be passed by the Town council ordering a Special Election to be held not less than thirty (30) days nor more than sixty (60) days after the said public hearing to borrow the said money, the said Special Election to be for the purpose of voting for or against the proposed loan. The passing of the second Resolution calling a Special Election shall ipso facto be considered the determination of the Town Council to proceed with the matter in issue.

(4) The notice of the time and place of holding the said Special Election shall be printed in two (2) issues of a newspaper having a general circulation in The Town of Laurel within thirty (30) days prior to the said special Election or distributed in circular form at least fifteen (15) days prior to the Special Election, or both, at the discretion of the Town Council.

(5) At the said Special Election, every resident of The town of Laurel who shall have attained the age of eighteen (18) years shall have one vote and, in addition, every partnership or corporation owning property within the corporate limits of The Town of Laurel shall also have one vote and the said votes may be cast either in person or by proxy.

(6) The Town Council shall cause to be prepared, printed and have available for distribution a sufficient number of ballots not less than five (5) days prior to the said Special Election. The Special Election may, at the discretion of the Town Council, be conducted by the use of voting machines or by paper ballot. The Mayor of The Town of Laurel, by and with the advice and consent of the majority of the Town Council shall appoint three (3) persons to act as a Board of Special Election. The polling places shall be opened from one o'clock in the afternoon, prevailing time, until seven o'clock in the evening, prevailing time, on the date set for the Special Election.

(7) The Board of Special Election shall count the votes for and against the proposed loan and shall announce the result thereof. The Board of Special Election shall make a certificate under their hands of the number of votes cast for and against the proposed loan and the number of void votes and shall deliver the same to the Town Council, which said certificate shall be retained by the Town Council with the other papers of the Town Council.

(8) The form of the bond or certificate of indebtedness, the interest rate, the time or times of payment of interest, the classes of the bond, the time or times of maturity, and the provisions as to registration shall be determined by the Town Council after the said Special Election.

(9) The bonds may be sold at either public or private sale as determined by the Town Council. If the bonds shall be offered for public sale they shall be sold to the best and most responsible bidder therefor after advertisement in a manner to be described by the Town Council for at least one (1) month before offering the same for sale.

(10) The Town Council shall provide in its budget and in the fixing of the rate of tax for the payment of interest on and principal of the said bonds at the maturity thereof.

(11) The faith and credit of The Town of Laurel shall be deemed to be pledged for the due payment of the bonds and interest thereon issued pursuant to the provisions hereof when the same had been properly executed and delivered for value.

(b) Notwithstanding the foregoing provisions of this Section, The Town Council may authorize the issuance of bonds, certificates of indebtedness, notes or other obligations of The Town under this Section in an aggregate amount of up to \$17,000,000.00 outstanding at any time, without regard to the requirements set forth in paragraphs (1) - (8) of Section 36 (a), if:

(i) The Town Council, by Resolution (adopted by at least a majority of all of the members of Town Council) approves of the issuance of bonds, certificates of indebtedness, notes or other obligations pursuant hereto for a proper municipal purpose with such Resolution stating the amount of such issuance, or borrowing, the purpose of such issuance or borrowing, the manner, if any, of securing the same, that the amount of all other bonds, certificates of indebtedness, notes and other obligations issued pursuant to this paragraph (b) does not exceed \$17,000,000.00 and any other facts relating to the issuance which are deemed pertinent by The Town Council and in its possession at that time.

(ii) Such Resolution (or a subsequent Resolution adopted by at least a majority of a quorum as established pursuant to Section 11 hereof) shall establish the form of the bonds, certificates of indebtedness, notes or other obligations, the time or times of payment, the interest rate or rates, the classes, the series, the maturity or maturities, the registration, any callable or redeemable features, the denominations, whether such bonds, certificates of indebtedness, notes or other obligations shall be sold at either public or private sale, and the name or names thereof and any other relative or appurtenant matter pertaining thereto.

(iii) Except for the provisions of paragraphs (1) - (8) of Section 36(a), all other provisions of this Section 36, if not in conflict, shall be applicable to the bonds, certificates of indebtedness, notes and other obligations issued pursuant to this paragraph (b).

(c) Principal Forgiveness Obligations. Notwithstanding any other provisions of the Charter to the contrary, including without limitation the requirements of Section 36(a)(1) through (8) and any debt limitation set forth in this Section, the Town Council is authorized, by Resolution duly adopted by a majority of its members, to borrow money, in any amount and without limitation, from any federal, state, local government, or quasi-government funding source, provided that such financing:

(i) bears no interest on the principal indebtedness,

(ii) requires no principal payments by the Town during the term of such obligations, and

(iii) provides for complete forgiveness of one hundred percent (100%) of the principal indebtedness.

Any obligations incurred pursuant to the terms of this subsection shall not count towards the debt limits set in Sections 36(b) above or 36(d) below, shall not require a special election or referendum for approval, and shall not be included within the Town's budgeting obligations set forth in Section 36(a)(10) above.

(e) (d) The bonded indebtedness shall not at any time exceed in the aggregate the total sum of fifty (50%) percent of the assessed value of real property situate within the limits of The Town of Laurel shown by the last assessment preceding the creation of the said indebtedness. 75 Del. Laws, c. 176; 77 Del. Laws, c. 7; 79 Del. Laws, c. 316;

Approved July 23, 2026