
By: Senator Hafer

Introduced and read first time: January 29, 1997

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Garrett County - Purchase of Real Property - Financing**

3 FOR the purpose of authorizing the County Commissioners of Garrett County to enter
4 certain financing agreements for the purchase of real property and to secure the
5 financing in a certain manner; capping the maximum authorized amount of debt
6 under this Act; specifying the maximum duration of financing agreements and
7 requiring that the County Commissioners reserve a specified right; requiring that
8 certain taxes be imposed to meet specified obligations; requiring that certain
9 documents be reviewed by the attorney for the County Commissioners; and
10 generally relating to authorization for the Garrett County Commissioners to finance
11 the purchase of real property through financial instructions or with the seller of the
12 property.

13 BY adding to

14 The Public Local Laws of Garrett County
15 Section 20-16.2
16 Article 12 - Public Local Laws of Maryland
17 (1985 Edition and December 1996 Supplement, as amended)

18 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
19 MARYLAND, That the Laws of Maryland read as follows:

20 **Article 12 - Garrett County**

21 20-16.2.

22 A. SUBJECT TO SUBSECTIONS B THROUGH D OF THIS SECTION, THE COUNTY
23 COMMISSIONERS BY RESOLUTION MAY:

24 (1) ENTER INTO AN AGREEMENT TO FINANCE THE PURCHASE OF REAL
25 PROPERTY PURCHASED BY THE COUNTY FOR ANY PUBLIC PURPOSE
26 THROUGH A FINANCIAL INSTITUTION OR WITH A PERSON SELLING
27 THE PROPERTY AT AN INTEREST RATE AND UNDER TERMS AND
28 CONDITIONS THAT THE COUNTY COMMISSIONERS DEEM IN THE
29 BEST INTEREST OF THE COUNTY; AND

2

1 (2) SECURE THE FINANCING THROUGH A MORTGAGE OR OTHER
2 INSTRUMENT UNDER TERMS THAT THE COUNTY COMMISSIONERS
3 DEEM APPROPRIATE.

4 B. (1) THE TOTAL AMOUNT OF COUNTY DEBT ENTERED UNDER THIS
5 SECTION MAY NOT EXCEED \$500,000 AT ANY POINT IN TIME.

6 (2) A FINANCING AGREEMENT ENTERED UNDER THIS SECTION MAY
7 NOT EXTEND BEYOND A 20-YEAR PERIOD AND SHALL RESERVE TO
8 THE COUNTY THE RIGHT TO PREPAY THE DEBT AT ANY TIME AT
9 THE OPTION OF THE COUNTY COMMISSIONERS WITHOUT ANY
10 PENALTY.

11 C. IN ANY FISCAL YEAR IN WHICH DEBT UNDER THIS SECTION IS
12 OUTSTANDING, THE COUNTY COMMISSIONERS SHALL LEVY AD VALOREM
13 TAXES ON THE ASSESSABLE PROPERTY IN THE COUNTY AT A RATE AND
14 AMOUNT SUFFICIENT TO PROVIDE FOR THE PAYMENT OF THE PRINCIPAL
15 AND INTEREST UNDER ANY FINANCING AGREEMENT ENTERED UNDER
16 THIS SECTION AS IT BECOMES DUE.

17 D. BEFORE THE COUNTY COMMISSIONERS ADOPT A RESOLUTION UNDER
18 THIS SECTION, THE FINANCING AGREEMENT AND ANY RELATED
19 DOCUMENTS SHALL BE REVIEWED BY THE ATTORNEY FOR THE COUNTY
20 COMMISSIONERS FOR LEGAL SUFFICIENCY.

21 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
22 July 1, 1997.