

HOUSE BILL 1312

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B2

2000 Regular Session
0lr2995
CF 0lr2996

By: **Delegate Owings**
Introduced and read first time: February 18, 2000
Assigned to: Rules and Executive Nominations
Re-referred to: Appropriations, February 28, 2000

Committee Report: Favorable with amendments
House action: Adopted
Read second time: April 1, 2000

CHAPTER _____

1 AN ACT concerning

2 **Creation of a State Debt - Calvert County - Kellam Recreational Complex**

3 FOR the purpose of authorizing the creation of a State Debt not to exceed ~~\$250,000~~
4 \$200,000, the proceeds to be used as a grant to the Mayor and Town Council of
5 the Town of Chesapeake Beach, Inc. for certain development or improvement
6 purposes; providing for disbursement of the loan proceeds, subject to a
7 requirement that the grantee provide and expend a matching fund; and
8 providing generally for the issuance and sale of bonds evidencing the loan.

9 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
10 MARYLAND, That:

11 (1) The Board of Public Works may borrow money and incur indebtedness on
12 behalf of the State of Maryland through a State loan to be known as the Calvert
13 County - Kellam Recreational Complex Loan of 2000 in a total principal amount
14 equal to the lesser of (i) ~~\$250,000~~ \$200,000 or (ii) the amount of the matching fund
15 provided in accordance with Section 1(5) below. This loan shall be evidenced by the
16 issuance, sale, and delivery of State general obligation bonds authorized by a
17 resolution of the Board of Public Works and issued, sold, and delivered in accordance
18 with §§ 8-117 through 8-124 of the State Finance and Procurement Article and
19 Article 31, § 22 of the Code.

20 (2) The bonds to evidence this loan or installments of this loan may be sold as
21 a single issue or may be consolidated and sold as part of a single issue of bonds under
22 § 8-122 of the State Finance and Procurement Article.

23 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer
24 and first shall be applied to the payment of the expenses of issuing, selling, and

1 delivering the bonds, unless funds for this purpose are otherwise provided, and then
2 shall be credited on the books of the Comptroller and expended, on approval by the
3 Board of Public Works, for the following public purposes, including any applicable
4 architects' and engineers' fees: as a grant to the Mayor and Town Council of the Town
5 of Chesapeake Beach, Inc. (referred to hereafter in this Act as "the grantee") for the
6 planning, design, construction, and capital equipping of the Kellam Recreational
7 Complex and related facilities and parking.

8 (4) An annual State tax is imposed on all assessable property in the State in
9 rate and amount sufficient to pay the principal of and interest on the bonds, as and
10 when due and until paid in full. The principal shall be discharged within 15 years
11 after the date of issuance of the bonds.

12 (5) Prior to the payment of any funds under the provisions of this Act for the
13 purposes set forth in Section 1(3) above, the grantee shall provide and expend a
14 matching fund. No part of the grantee's matching fund may be provided, either
15 directly or indirectly, from funds of the State, whether appropriated or
16 unappropriated. The fund may consist of real property, in kind contributions, or funds
17 expended prior to the effective date of this Act. In case of any dispute as to the amount
18 of the matching fund or what money or assets may qualify as matching funds, the
19 Board of Public Works shall determine the matter and the Board's decision is final.
20 The grantee has until June 1, 2002, to present evidence satisfactory to the Board of
21 Public Works that a matching fund will be provided. If satisfactory evidence is
22 presented, the Board shall certify this fact and the amount of the matching fund to
23 the State Treasurer, and the proceeds of the loan equal to the amount of the matching
24 fund shall be expended for the purposes provided in this Act. Any amount of the loan
25 in excess of the amount of the matching fund certified by the Board of Public Works
26 shall be canceled and be of no further effect.

27 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
28 June 1, 2000.