

HOUSE BILL 840

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B2

2000 Regular Session
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By: **Delegates Bozman, McClenahan, and Conway**
Introduced and read first time: February 11, 2000
Assigned to: Appropriations

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

CHAPTER 641

1 AN ACT concerning

2 **Creation of a State Debt - Worcester County - Ocean City Visitors and**
3 **Information Center**

4 FOR the purpose of authorizing the creation of a State Debt not to exceed \$400,000,
5 the proceeds to be used as a grant to the Board of Directors of The Ocean City,
6 Maryland Chamber of Commerce, Inc. for certain development or improvement
7 purposes; providing for disbursement of the loan proceeds, subject to a
8 requirement that the grantee provide and expend a matching fund; and
9 providing generally for the issuance and sale of bonds evidencing the loan.

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

12 (1) The Board of Public Works may borrow money and incur indebtedness on
13 behalf of the State of Maryland through a State loan to be known as the Worcester
14 County - Ocean City Visitors and Information Center Loan of 2000 in a total principal
15 amount equal to the lesser of (i) \$400,000 or (ii) the amount of the matching fund
16 provided in accordance with Section 1(5) below. This loan shall be evidenced by the
17 issuance, sale, and delivery of State general obligation bonds authorized by a
18 resolution of the Board of Public Works and issued, sold, and delivered in accordance
19 with §§ 8-117 through 8-124 of the State Finance and Procurement Article and
20 Article 31, § 22 of the Code.

21 (2) The bonds to evidence this loan or installments of this loan may be sold as
22 a single issue or may be consolidated and sold as part of a single issue of bonds under
23 § 8-122 of the State Finance and Procurement Article.

24 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer
25 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 Board of Directors of The Ocean City,
5 Maryland Chamber of Commerce, Inc. (referred to hereafter in this Act as "the
6 grantee") for the planning, design, construction, and capital equipping (including
7 furnishing) of the Ocean City Visitors and Information Center, to be located in
8 Worcester County.

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

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

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