

---

By: **St. Mary's County Delegation**  
Introduced and read first time: January 15, 2001  
Assigned to: Commerce and Government Matters

---

Committee Report: Favorable  
House action: Adopted  
Read second time: February 6, 2001

---

CHAPTER 46

1 AN ACT concerning

2 **St. Mary's County - Capital Revolving Financial Fund for Fire Fighting**  
3 **Equipment and Facilities**

4 FOR the purpose of providing for investment earnings on the St. Mary's County  
5 Capital Revolving Financial Fund for Fire Fighting Equipment and Facilities to  
6 be credited to the Fund instead of being paid into the St. Mary's County general  
7 fund; increasing the amount of general obligation bonding authority of the  
8 County Commissioners of St. Mary's County for the purpose of providing  
9 appropriations to the Fund; altering the loan application process to require the  
10 St. Mary's County Fire Board and the Ambulance and Rescue Association to  
11 prepare a certain recommendation of a certain loan applicant; requiring the St.  
12 Mary's County Emergency Services Committee to evaluate certain  
13 recommendations of certain loan applications in a certain manner; providing the  
14 criteria for review of certain recommendations of certain loan applications; and  
15 generally relating to the St. Mary's County Capital Revolving Financial Fund  
16 for Fire Fighting Equipment and Facilities.

17 BY repealing and reenacting, with amendments,  
18 The Public Local Laws of St. Mary's County  
19 Section 46-2 A., B., C., D.(1), E., F., G., J., and K.  
20 Article 19 - Public Local Laws of Maryland  
21 (1978 Edition and December 1999 Supplement, as amended)

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

**Article 19 - St. Mary's County**

2 46-2.

3 A. In this section, the following words have the meanings indicated.

4 "County" means the body politic and corporate of the State of Maryland known  
5 as the County Commissioners of St. Mary's County.

6 "Fire fighting equipment" means:

7 (1) Necessary furnishings;

8 (2) Fire fighting, rescue and emergency medical equipment; and

9 (3) Fixed, permanent equipment used and operated by volunteer fire,  
10 ambulance, and rescue departments.

11 "Fund" means the St. Mary's County Capital Revolving Financial Fund for Fire  
12 Fighting Equipment and Facilities.

13 "Land acquisition" means the acquisition of real and personal property for the  
14 construction of buildings to house fire fighting, rescue and emergency medical service  
15 equipment and services.

16 "Construction" means construction, reconstruction, improvement, enlargement,  
17 expansion, alteration, rehabilitation, and repair of buildings and facilities necessary  
18 for the operation of volunteer fire, ambulance, and rescue departments.

19 "Construction costs" includes, BUT IS NOT LIMITED TO, architects' and engineers'  
20 fees, costs of building means of access, and costs of extending utility systems.

21 B. There is a continuing, nonlapsing, revolving [fund] FUND for fire fighting  
22 equipment and facilities in St. Mary's County that consists of:

23 (1) Money appropriated by the county to the [fund] FUND;

24 (2) Any repayment of principal of or interest on a loan made from the  
25 [fund] FUND;

26 (3) Proceeds from the sale, lease, rental or other disposal of property or  
27 other collateral held or acquired by the county to secure the repayment of a loan made  
28 from the [fund] FUND;

29 (4) Moneys from any source to effect the purposes of this section,  
30 including, without limitation, any federal, state, or private grant; and

31 (5) Investment earnings on the [fund] FUND.

32 C. The [fund] FUND shall be managed and supervised as prescribed by the  
33 Board of County Commissioners of the county. The [fund] FUND shall be invested

1 and reinvested in the same manner as other county funds. Any investment earnings  
2 on the [fund] FUND (including interest on loans made from the [fund] FUND) to the  
3 extent not expended or obligated within any fiscal year shall be [paid into the county  
4 general fund] CREDITED TO THE FUND FOR ITS GROWTH TO PROVIDE ADDITIONAL  
5 REVENUES TO THE FIRE, AMBULANCE, AND RESCUE DEPARTMENTS EVEN IF THESE  
6 DEPARTMENTS ARE MERGED INTO ONE ENTITY.

7 D. (1) In order to provide moneys for appropriation to the [fund] FUND, the  
8 county is hereby authorized and empowered to borrow money and incur indebtedness.  
9 To evidence such borrowing, the county is hereby authorized and empowered to issue  
10 and sell upon its full faith and credit general obligation bonds at any time and from  
11 time to time for such purposes, provided that the aggregate principal amount of bonds  
12 issued and outstanding under this section, together with the principal amount of any  
13 alternative financing pursuant to Subsection K hereof, shall not exceed [\$2,000,000]  
14 \$3,000,000. The authority to issue general obligation bonds conferred hereby shall be  
15 deemed to provide an additional and alternative authority for borrowing money and  
16 shall be regarded as supplemental and additional to any authority to issue general  
17 obligation bonds conferred by other laws.

18 E. (1) The purpose of the [fund] FUND is to provide low interest loans to  
19 volunteer fire, ambulance, and rescue departments that are members in good  
20 standing of the St. Mary's County Fire Board or the St. Mary's County Ambulance and  
21 Rescue Association for the following purposes:

22 (a) To finance the purchase of fire fighting equipment; and

23 (b) To finance land acquisition and construction costs.

24 F. (1) The [fund] FUND shall be charged with all expenses of administering  
25 the provisions of this section.

26 (2) The [fund] FUND may not be used for operational expenses of the  
27 volunteer fire, ambulance, and rescue departments.

28 G. (1) A volunteer fire, ambulance, or rescue department shall apply for  
29 loans FROM THE FUND ESTABLISHED under this section on forms as prescribed by the  
30 Board of County Commissioners.

31 (2) The application shall contain information necessary to evaluate the  
32 requested loan for need, financial ability of borrower, sources of repayment, proposed  
33 costs and expenditures, fair value of complete projects, normal or useful life of  
34 equipment security for the loan, and other information as may be appropriate or  
35 useful in evaluating the loan application.

36 (3) The St. Mary's County Fire Board shall:

37 (a) Review and evaluate loan applications from the volunteer fire  
38 departments for need, practicality, and financial ability of the borrower; and

1 (b) [Assign an order of priority to the application from the  
 2 volunteer fire departments prior to submission to the county] PREPARE A WRITTEN  
 3 RECOMMENDATION FOR THE NEED, PRACTICALITY, AND FINANCIAL ABILITY OF A  
 4 LOAN APPLICANT AND FORWARD THE RECOMMENDATION TO THE ST. MARY'S  
 5 COUNTY EMERGENCY SERVICES COMMITTEE.

6 (4) The St. Mary's County Ambulance and Rescue Association shall:

7 (a) Review and evaluate loan applications from the volunteer  
 8 ambulance and rescue departments for need, practicality, and financial ability of the  
 9 borrower; and

10 (b) [Assign an order of priority to the application from the  
 11 volunteer ambulance and rescue departments prior to submission to the county]  
 12 PREPARE A WRITTEN RECOMMENDATION FOR THE NEED, PRACTICALITY, AND  
 13 FINANCIAL ABILITY OF A LOAN APPLICANT AND FORWARD THE RECOMMENDATION  
 14 TO THE ST. MARY'S COUNTY EMERGENCY SERVICES COMMITTEE.

15 (5) THE ST. MARY'S COUNTY EMERGENCY SERVICES COMMITTEE SHALL:

16 (A) EVALUATE THE RECOMMENDATIONS OF THE ST. MARY'S  
 17 COUNTY FIRE BOARD AND THE ST. MARY'S COUNTY AMBULANCE AND RESCUE  
 18 ASSOCIATION FOR CONTENT AND ASSIGN A PRIORITY BASED ON THE AVAILABILITY  
 19 OF LOAN FUNDS IN THE FUND, PAST REQUESTS, NEED OF THE RESPECTIVE  
 20 ORGANIZATIONS, AND ANY OTHER RELEVANT FACTORS APPLICABLE DURING ITS  
 21 DELIBERATIONS; AND

22 (B) FORWARD ALL LOAN APPLICATIONS AND SUBMIT ITS PRIORITY  
 23 RECOMMENDATIONS TO THE COUNTY COMMISSIONERS.

24 [(5)] (6) An officer of the county designated by the Board of County  
 25 Commissioners shall review loan applications in accordance with the priority  
 26 assigned by the [St. Mary's County Fire Board and the St. Mary's County Ambulance  
 27 and Rescue Association] ST. MARY'S COUNTY EMERGENCY SERVICES COMMITTEE.

28 [(6)] (7) Subject to the provisions of Subsections E and F of this section,  
 29 a loan may be approved by the County Commissioners up to the amount requested BY  
 30 A LOAN APPLICANT if sufficient moneys exist in the [fund] FUND.

31 J. Any and all interest income derived from loans from the [fund] FUND are  
 32 exempt from state, county, or other taxation of every kind and nature in the state.

33 K. Notwithstanding any other provision of this section, the county may  
 34 finance the purchase of fire fighting equipment and land acquisition and construction  
 35 costs for the benefit of volunteer fire, ambulance and rescue departments that are  
 36 members in good standing of the St. Mary's County Fire Board or the St. Mary's  
 37 County ambulance and Rescue Association by any means which the Board of County  
 38 Commissioners determines to be reasonable and appropriate to accomplish the  
 39 purposes of this section, including, without limitation, lease purchase agreements or  
 40 other alternative financing arrangements. Applications for financing under this

1 subsection shall be made and processed in the same manner and upon the same  
2 conditions prescribed by this section for loans from the [fund] FUND. The acquisition  
3 of equipment or other property pursuant to this subsection shall not be subject to any  
4 procurement or similar procedures that would otherwise be applicable.

5 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
6 October 1, 2001.