

SENATE BILL 565
EMERGENCY BILL

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B4

2004 Regular Session
4r2315

By: **Senator Grosfeld**

Introduced and read first time: February 6, 2004

Assigned to: Budget and Taxation

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 9, 2004

CHAPTER 133

1 AN ACT concerning

2 **Montgomery County - Kensington Community Center Loan of 1993**

3 FOR the purpose of ~~providing that the Board of Public Works has until June 1, 2005,~~
4 ~~to encumber or expend the proceeds of the Montgomery County - Kensington~~
5 ~~Community Center Loan of 1993 amending Chapter 611 of the Acts of 1993, as~~
6 ~~amended by Chapter 208 of the Acts of 2002 to require that the loan proceeds be~~
7 ~~encumbered by the Board of Public Works or expended for certain purposes by a~~
8 ~~certain date; and making this Act an emergency measure.~~

9 BY repealing and reenacting, with amendments,
10 Chapter 611 of the Acts of the General Assembly of 1993, as amended by
11 Chapter 208 of the Acts of the General Assembly of 2002
12 Section 1

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

15 **Chapter 611 of the Acts of 1993, as amended by Chapter 208 of the Acts of**
16 **2002**

17 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
18 MARYLAND, That:

19 (1) The Board of Public Works may borrow money and incur indebtedness on
20 behalf of the State of Maryland through a State loan to be known as the Kensington
21 Community Center Loan of 1993 in a total principal amount equal to the lesser of (i)
22 \$150,000 or (ii) the amount of the matching fund provided in accordance with Section
23 1(5) below. This loan shall be evidenced by the issuance, sale, and delivery of State

1 general obligation bonds authorized by a resolution of the Board of Public Works and
2 issued, sold, and delivered in accordance with §§ 8-117 through 8-124 of the State
3 Finance and Procurement Article and Article 31, § 22 of the Code.

4 (2) The bonds to evidence this loan or installments of this loan may be sold as
5 a single issue or may be consolidated and sold as part of a single issue of bonds under
6 § 8-122 of the State Finance and Procurement Article.

7 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer
8 and first shall be applied to the payment of the expenses of issuing, selling, and
9 delivering the bonds, unless funds for this purpose are otherwise provided, and then
10 shall be credited on the books of the Comptroller and expended, on approval by the
11 Board of Public Works, for the following public purposes, including any applicable
12 architects' and engineers' fees: as a grant to the Mayor and Town Council of the Town
13 of Kensington for the repair, renovation, rehabilitation, reconstruction, and equipping
14 of the Kensington Community Center.

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

19 (5) Prior to the payment of any funds under the provisions of this Act for the
20 purposes set forth in Section 1(3) above, the Mayor and Town Council of the Town of
21 Kensington shall provide and expend a matching fund. No part of an applicant's
22 matching fund may be provided, either directly or indirectly, from funds of the State,
23 whether appropriated or unappropriated. No part of the fund may consist of in kind
24 contributions or funds expended prior to the effective date of this Act. The fund may
25 consist of real property. In case of any dispute as to the amount of the matching fund
26 or what money or assets may qualify as matching funds, the Board of Public Works
27 shall determine the matter and the Board's decision is final. The Mayor and Town
28 Council of the Town of Kensington have until June 1, 2004, to present evidence
29 satisfactory to the Board of Public Works that a matching fund will be provided. If
30 satisfactory evidence is presented, the Board shall certify this fact and the amount of
31 the matching fund to the State Treasurer, and the proceeds of the loan equal to the
32 amount of the matching fund shall be expended for the purposes provided in this Act.
33 Any amount of the loan in excess of the amount of the matching fund certified by the
34 Board of Public Works shall be canceled and be of no further effect.

35 (6) ~~THE BOARD OF PUBLIC WORKS MUST ENCUMBER OR EXPEND THE~~
36 ~~PROCEEDS OF THE LOAN BY THE PROCEEDS OF THE LOAN MUST BE ENCUMBERED~~
37 ~~BY THE BOARD OF PUBLIC WORKS OR EXPENDED FOR THE PURPOSES PROVIDED IN~~
38 ~~THIS ACT NO LATER THAN JUNE 1, 2005.~~

39 (7) (a) Prior to the issuance of the bonds, the Mayor and Town Council of the
40 Town of Kensington shall grant and convey to the Maryland Historical Trust a
41 perpetual preservation easement to the extent of its interest:

- 1 (i) On the land or such portion of the land acceptable to the Trust;
- 2 and
- 3 (ii) On the exterior and interior, where appropriate, of the historic
- 4 structures.
- 5 (b) The easement must be in form and substance acceptable to the Trust
- 6 and the extent of the interest to be encumbered must be acceptable to the Trust.

7 SECTION 2. AND BE IT FURTHER ENACTED, That this Act is an emergency
8 measure, is necessary for the immediate preservation of the public health or safety,
9 has been passed by a yea and nay vote supported by three-fifths of all the members
10 elected to each of the two Houses of the General Assembly, and shall take effect from
11 the date it is enacted.