
By: Prince George's County Delegation

Introduced and read first time: February 1, 1996

Assigned to: Commerce and Government Matters

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 19, 1996

CHAPTER ____

1 AN ACT concerning

2 **Revenue Authority of Prince George's County**
3 **PG 421-96**

4 FOR the purpose of authorizing Prince George's County to establish the Revenue
5 Authority of Prince George's County; specifying the purposes, legal status, powers,
6 duties, and requirements applicable to the Authority; providing for the membership,
7 officers, and employees of the Authority; authorizing the Authority to issue certain
8 bonds and other evidences of indebtedness; providing for certain exemptions from
9 taxation; ~~specifying the authority of the County concerning the Authority~~; providing
10 certain penalties for violations of the regulations of the Authority; providing for the
11 disposition of the assets and obligations of the Authority on termination of the
12 Authority; defining certain terms; and generally relating to the establishment of a
13 certain revenue authority by Prince George's County.

14 BY adding to

15 The Public Local Laws of Prince George's County
16 Section 21A-101 through 21A-112, inclusive, to be under the new subtitle "Subtitle
17 21A. Revenue Authority"
18 Article 17 - Public Local Laws of Maryland
19 (1991 Edition and 1994 Supplement, as amended)

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

2

1 **Article 17 - Prince George's County**

2 SUBTITLE 21A. REVENUE AUTHORITY.

3 21A-101.

4 (A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS
5 INDICATED.

6 (B) "AUTHORITY" MEANS THE REVENUE AUTHORITY ESTABLISHED UNDER §
7 21A-102 OF THIS SUBTITLE.

8 (C) "BOND" OR "BONDS" MEANS REVENUE BONDS OR NOTES, INCLUDING,
9 WITHOUT LIMITATION, BOND ANTICIPATION NOTES AND NOTES IN THE NATURE OF
10 COMMERCIAL PAPER, OR OTHER INSTRUMENTS, CERTIFICATES, OR EVIDENCES OF
11 OBLIGATION ISSUED AND SOLD OR OFFERED FOR SALE BY THE AUTHORITY,
12 INCLUDING REFUNDING OBLIGATIONS.

13 (D) "COST" MEANS THE COST OF OR EXPENSE ASSOCIATED WITH:

14 (1) ALL LAND, PROPERTY, RIGHTS, EASEMENTS, FRANCHISES, AND
15 LICENSES OR INTERESTS THEREIN DEEMED NECESSARY FOR ANY PROJECT;

16 (2) ALL LABOR, MATERIALS, MACHINERY, FURNISHINGS, AND
17 EQUIPMENT;

18 (3) FINANCING CHARGES;

19 (4) ESTABLISHMENT OF RESERVES;

20 (5) INTEREST PRIOR TO AND DURING CONSTRUCTION AND FOR A
21 REASONABLE PERIOD AFTER COMPLETION OF CONSTRUCTION;

22 (6) ENGINEERING, ARCHITECTURAL, AND LEGAL SERVICES;

23 (7) PLANS, SPECIFICATIONS, SURVEYS, ESTIMATES OF COST AND OF
24 REVENUES, AND OTHER EXPENSES NECESSARY OR INCIDENT TO DETERMINING THE
25 FEASIBILITY OR PRACTICALITY OF ANY PROJECT;

26 (8) ADMINISTRATIVE EXPENSES;

27 (9) LETTERS OR LINES OF CREDIT, MUNICIPAL BOND INSURANCE, OR
28 ANY OTHER FORM OF FINANCIAL GUARANTY OR SURETY;

29 ~~(9)~~ (10) WORKING CAPITAL; AND

30 ~~(10)~~ (11) OTHER EXPENSES AS MAY BE NECESSARY OR INCIDENT TO
31 THE CONSTRUCTION, RECONSTRUCTION, RENOVATION, REMODELING,
32 IMPROVEMENT, EQUIPPING, FURNISHING, MAINTENANCE, ACQUISITION,
33 OPERATION, OR FINANCING OR REFINANCING OF A PROJECT, INCLUDING, THE
34 PURCHASE, REMODELING, RENOVATION, OR RECONSTRUCTION OF ANY EXISTING
35 FACILITY ACQUIRED BY THE AUTHORITY AS A PROJECT AND PLACING A PROJECT IN
36 OPERATION.

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1 (E) "COUNTY" MEANS PRINCE GEORGE'S COUNTY, MARYLAND.

2 (F) "LOCAL LAW" MEANS A LEGISLATIVE ACT OF THE COUNTY.

3 (G) "PROJECT" MEANS ANY STRUCTURE, FACILITY, OR UNDERTAKING, OR
4 ANY COMBINATION THEREOF OF A SIMILAR CLASS OR CHARACTER, WHICH THE
5 AUTHORITY IS AUTHORIZED TO CONSTRUCT, RECONSTRUCT, REMODEL,
6 RENOVATE, IMPROVE, EQUIP, FURNISH, MAINTAIN, ACQUIRE, OPERATE, CONTROL,
7 REGULATE, FINANCE, OR REFINANCE.

8 21A-102.

9 (A) THE GOVERNING BODY OF THE COUNTY IS AUTHORIZED TO CREATE, BY
10 LOCAL LAW, A BODY CORPORATE AND POLITIC AND A UNIT OF THE COUNTY
11 KNOWN AS THE "REVENUE AUTHORITY OF PRINCE GEORGE'S COUNTY".

12 (B) THE AUTHORITY SHALL BE CREATED WHEN THE COUNTY:

13 (1) PASSES LOCAL LAWS PROVIDING AND CONSTITUTING THE TERMS
14 OF THE CHARTER FOR THE AUTHORITY; AND

15 (2) FILES THE CHARTER WITH:

16 (I) THE DEPARTMENT OF ASSESSMENTS AND TAXATION;

17 (II) THE DEPARTMENT OF LEGISLATIVE REFERENCE; AND

18 (III) THE SECRETARY OF STATE.

19 (C) THE COUNTY MAY:

20 (1) AMEND THE AUTHORITY'S CHARTER THROUGH LOCAL LAW IF THE
21 AMENDMENTS ARE FILED WITH THE DEPARTMENT OF ASSESSMENTS AND
22 TAXATION, THE DEPARTMENT OF LEGISLATIVE REFERENCE, AND THE SECRETARY
23 OF STATE;

24 (2) CHANGE THE STRUCTURE, ORGANIZATION, PROGRAM, POWERS, OR
25 ACTIVITY OF THE AUTHORITY UNLESS THE CHANGE WOULD IMPAIR THE
26 AUTHORITY'S OBLIGATIONS UNDER A CONTRACT OR AGREEMENT THE AUTHORITY
27 ENTERED INTO BEFORE THE CHANGE; AND

28 (3) TERMINATE THE AUTHORITY UNLESS THE TERMINATION WOULD
29 IMPAIR THE AUTHORITY'S OBLIGATIONS UNDER A CONTRACT OR AGREEMENT THE
30 AUTHORITY ENTERED INTO BEFORE THE TERMINATION.

31 21A-103.

32 (A) SUBJECT TO THE PROVISIONS OF SUBSECTION (C) OF THIS SECTION, THE
33 AUTHORITY MAY CONSTRUCT, RECONSTRUCT, REMODEL, RENOVATE, IMPROVE,
34 EQUIP, FURNISH, MAINTAIN, ACQUIRE (BY PURCHASE, LEASE, OR OTHER LEGAL
35 MEANS), OPERATE, CONTROL, REGULATE, AND FINANCE OR REFINANCE PROJECTS
36 WITHIN THE BOUNDARY LINES OF THE COUNTY, DEVOTED WHOLLY OR PARTIALLY
37 FOR PUBLIC USES, GOOD, OR GENERAL WELFARE.

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1 (B) PROJECTS AUTHORIZED UNDER SUBSECTION (A) OF THIS SECTION MAY
2 INCLUDE:

3 (1) PROJECTS TO STIMULATE EMPLOYMENT OR ECONOMIC GROWTH IN
4 THE COUNTY;

5 (2) STADIUMS AND RECREATIONAL FACILITIES;

6 (3) HOUSING PROJECTS;

7 (4) HEALTH AND WELFARE FACILITIES;

8 (5) TRANSPORTATION FACILITIES AND SYSTEMS;

9 (6) LAND AND BUILDINGS TO BE OCCUPIED BY GOVERNMENTAL OR
10 EDUCATIONAL AGENCIES; AND

11 (7) OTHER PROJECTS AUTHORIZED BY LOCAL LAW.

12 (C) THE APPROVAL OF THE GOVERNING BODY OF THE COUNTY, BY
13 ORDINANCE OR RESOLUTION, SHALL BE REQUIRED FOR ALL PROJECTS
14 AUTHORIZED UNDER THIS SECTION.

15 21A-104.

16 (A) (1) THE AUTHORITY SHALL CONSIST OF NOT LESS THAN FIVE
17 MEMBERS.

18 (2) THE NUMBER OF MEMBERS OF THE AUTHORITY MAY BE GREATER
19 THAN FIVE IF AUTHORIZED BY LOCAL LAW.

20 (B) THE RESIDENCY REQUIREMENTS, MEANS OF APPOINTMENT AND
21 REMOVAL, QUALIFICATIONS, AND TERMS OF OFFICE OF THE MEMBERS OF THE
22 AUTHORITY SHALL BE SPECIFIED BY LOCAL LAW.

23 (C) THE OFFICERS AND EMPLOYEES OF THE AUTHORITY SHALL BE
24 APPOINTED AND REMOVED AS SPECIFIED BY LOCAL LAW.

25 (D) THE EXERCISE OF ALL POWERS, AUTHORITY, RIGHTS, AND OBLIGATIONS
26 OF THE AUTHORITY SHALL BE AS SPECIFIED BY LOCAL LAW AND BY THIS SUBTITLE.

27 (E) AN ACT OF THE AUTHORITY MAY NOT BE CHALLENGED ON THE BASIS OF
28 THE ABSENCE OF QUALIFICATIONS OF A MEMBER OF THE AUTHORITY IF THE
29 MEMBER:

30 (1) HAS BEEN APPOINTED BY THE APPROPRIATE AUTHORITY
31 DESIGNATED BY LOCAL LAW; AND

32 (2) HAS TAKEN THE OATH OF OFFICE.

33 21A-105.

34 (A) SUBJECT TO LOCAL LAW, THE AUTHORITY MAY:

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1 (1) ACQUIRE, PURCHASE, OR OTHERWISE OBTAIN, HOLD, AND USE ANY
2 PROPERTY, REAL, PERSONAL, OR MIXED, TANGIBLE OR INTANGIBLE, OR ANY
3 INTEREST THEREIN;

4 (2) LEASE AS LESSEE ANY PROPERTY, REAL, PERSONAL, OR MIXED,
5 TANGIBLE OR INTANGIBLE, OR ANY INTEREST THEREIN;

6 (3) LEASE AS LESSOR ANY PROJECT OR PART OF ANY PROJECT,
7 WHETHER WHOLLY OR PARTIALLY COMPLETED, AND ANY PROPERTY, REAL,
8 PERSONAL, OR MIXED, TANGIBLE OR INTANGIBLE, OR ANY INTEREST THEREIN, AT
9 ANY TIME ACQUIRED BY THE AUTHORITY;

10 (4) MORTGAGE OR OTHERWISE PLEDGE OR ENCUMBER ANY
11 PROPERTY, REAL, PERSONAL, OR MIXED, TANGIBLE OR INTANGIBLE, OR ANY
12 INTEREST THEREIN, OF THE AUTHORITY; AND

13 (5) SELL, TRANSFER, OR CONVEY ANY PROJECT OR ANY PROPERTY,
14 WHETHER REAL, PERSONAL, OR MIXED, TANGIBLE OR INTANGIBLE, OR ANY
15 INTEREST THEREIN, ACQUIRED OR CONSTRUCTED BY THE AUTHORITY AT ANY
16 TIME.

17 (B) THE AUTHORITY MAY ACCEPT GRANTS FROM, MAKE LOANS TO, AND
18 ENTER INTO CONTRACTS WITH ANY FEDERAL, STATE, OR LOCAL AGENCY OR ANY
19 PRIVATE ENTITY OR PARTY.

20 (C) THE AUTHORITY MAY ESTABLISH, IMPOSE, AND COLLECT TOLLS, RATES,
21 RENTALS, FEES, AND CHARGES RELATING TO ITS PROJECTS AND PROPERTY.

22 (D) SUBJECT TO PUBLIC GENERAL LAW AND LOCAL LAW, THE AUTHORITY
23 HAS ALL OTHER POWERS NECESSARY OR CONVENIENT TO CARRY OUT THE
24 PURPOSES OF THE AUTHORITY.

25 (E) THE BUDGETARY AND FINANCIAL PROCEDURES OF THE AUTHORITY
26 SHALL BE SET BY LOCAL LAW.

27 (F) NO PROVISIONS OF THE CHARTER OF THE COUNTY OR OTHER COUNTY
28 LAW REGARDING THE DUTIES, POWERS, OR ORGANIZATION OF THE AUTHORITY
29 APPLY TO THE AUTHORITY, UNLESS THE COUNTY EXPRESSLY PROVIDES BY LOCAL
30 LAW THAT THE CHARTER PROVISION OR OTHER COUNTY LAW APPLIES TO THE
31 AUTHORITY.

32 21A-106.

33 THE AUTHORITY MAY NOT BE DEEMED A MUNICIPAL CORPORATION AS
34 DEFINED IN ARTICLE XI-E OF THE CONSTITUTION OF MARYLAND.

35 21A-107.

36 (A) THE AUTHORITY MAY MAKE RULES AND REGULATIONS FOR THE
37 OPERATION AND USE OF PROPERTY AND PROJECTS UNDER ITS JURISDICTION IN
38 THE MANNER PROVIDED BY LOCAL LAW.

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1 (B) ANY VIOLATION OF THE RULES AND REGULATIONS DULY ADOPTED BY
2 THE AUTHORITY IS A MISDEMEANOR AND IS PUNISHABLE BY A FINE NOT TO
3 EXCEED \$1,000 OR IMPRISONMENT FOR NOT MORE THAN 180 DAYS OR BOTH.

4 21A-108.

5 (A) THE AUTHORITY MAY ISSUE BONDS FOR THE PURPOSE OF FINANCING OR
6 REFINANCING, IN WHOLE OR IN PART, THE COST OF ANY ONE OR MORE OF THE
7 PROJECTS UNDERTAKEN BY THE AUTHORITY.

8 (B) (1) THE BONDS:

9 (I) SHALL NOT CONSTITUTE A DEBT OF THE COUNTY OR A
10 PLEDGE OF THE FAITH AND CREDIT OF THE COUNTY, OF THE STATE, OR OF ANY
11 POLITICAL SUBDIVISION OF THE STATE; AND

12 (II) SHALL NOT BE CONSIDERED OBLIGATIONS OF THE COUNTY
13 FOR PURPOSES OF ANY DEBT LIMITATION IMPOSED ON THE COUNTY UNDER ANY
14 CONSTITUTIONAL, STATUTORY, OR CHARTER PROVISION.

15 (2) THE BONDS, THE BORROWING WHICH THEY REPRESENT, AND THE
16 PROJECT THE COST OF WHICH IS BEING FINANCED OR REFINANCED, ARE NOT
17 SUBJECT TO ANY REFERENDUM REQUIREMENTS OF THE CHARTER OF THE COUNTY.

18 (C) BY RESOLUTION, THE AUTHORITY MAY DETERMINE ALL MATTERS WITH
19 RESPECT TO THE ISSUANCE, SALE, DELIVERY, AND PAYMENT OF THE BONDS,
20 INCLUDING THE ISSUE DATE OR DATES, MATURITY OR MATURITIES, INTEREST
21 RATE OR RATES OR MANNER OF DETERMINING THE INTEREST RATE OR RATES,
22 TERMS, FORM OR FORMS, DENOMINATION OR DENOMINATIONS, MANNER OF
23 EXECUTION, PLACE OR PLACES OF PAYMENT, SOURCE OR SOURCES OF PAYMENT,
24 REDEMPTION, REFUNDING, SALE PRICE, MANNER OF SALE, AND SECURITY FOR THE
25 BONDS.

26 ~~(D) (1) NOTWITHSTANDING THE PROVISIONS OF SUBSECTION (B) OF THIS~~
27 ~~SECTION, AND TO THE EXTENT NOT INCONSISTENT WITH ANY CONSTITUTIONAL OR~~
28 ~~CHARTER PROVISION OR PUBLIC GENERAL LAW, ANY ISSUE OF BONDS MAY BE~~
29 ~~GUARANTEED, IN WHOLE OR IN PART, AS TO PAYMENT OF PRINCIPAL, INTEREST, OR~~
30 ~~ANY REDEMPTION PREMIUM, BY AND UPON THE FULL FAITH AND CREDIT OF THE~~
31 ~~COUNTY.~~

32 ~~(2) THE GUARANTEE OF THE COUNTY CONCERNING THE PAYMENT OF~~
33 ~~THE PRINCIPAL OF, OR INTEREST OR REDEMPTION PREMIUM ON ANY BONDS IS NOT~~
34 ~~SUBJECT TO ANY REFERENDUM REQUIREMENTS OF THE CHARTER OF THE COUNTY.~~

35 ~~(E) (D)~~ (D) THE BONDS, THE TRANSFER OF THE BONDS, THE INTEREST
36 PAYABLE ON THE BONDS, AND ANY INCOME DERIVED FROM THE BONDS,
37 INCLUDING ANY PROFIT REALIZED IN THE SALE OR EXCHANGE OF THE BONDS,
38 SHALL BE EXEMPT AT ALL TIMES FROM TAXATION BY THE STATE OR BY ANY OF ITS
39 COUNTIES, MUNICIPAL CORPORATIONS, OR PUBLIC AGENCIES OF ANY KIND.

40 ~~(E) (E)~~ (E) THE BONDS ARE EXEMPT FROM THE PROVISIONS OF ARTICLE 31, §§ 9
41 THROUGH 11 OF THE CODE.

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1 ~~(G)~~ (F) (1) A PLEDGE BY THE AUTHORITY OF REVENUES AS SECURITY
2 FOR AN ISSUE OF BONDS SHALL BE VALID AND BINDING FROM THE TIME THE
3 PLEDGE IS MADE.

4 (2) REVENUES PLEDGED BY THE AUTHORITY ARE SUBJECT
5 IMMEDIATELY TO THE LIEN OF THE PLEDGE WITHOUT ANY PHYSICAL DELIVERY OR
6 FURTHER ACT.

7 (3) THE LIEN OF ANY PLEDGE IS VALID AND BINDING AGAINST ANY
8 PERSON HAVING ANY CLAIM OF ANY KIND IN TORT, CONTRACT, OR OTHERWISE
9 AGAINST THE AUTHORITY, WHETHER OR NOT THE PERSON HAS NOTICE OF THE
10 LIEN.

11 (4) NOTWITHSTANDING ANY PROVISION OF PUBLIC GENERAL OR
12 PUBLIC LOCAL LAW, PERFECTION AGAINST THIRD PARTIES OF A LIEN OF A PLEDGE
13 BY THE AUTHORITY OF ITS REVENUES DOES NOT REQUIRE THE FILING OR
14 RECORDING OF A RESOLUTION, TRUST AGREEMENT, FINANCING STATEMENT,
15 CONTINUATION, OR OTHER STATEMENT OR INSTRUMENT ADOPTED OR ENTERED
16 INTO BY THE AUTHORITY IN ANY PUBLIC RECORD OTHER THAN THE RECORDS OF
17 THE AUTHORITY.

18 21A-109.

19 AS SPECIFIED BY LOCAL LAW, AND TO THE EXTENT NOT INCONSISTENT WITH
20 ANY CONSTITUTIONAL OR CHARTER PROVISION OR ANY PUBLIC GENERAL OR
21 PUBLIC LOCAL LAW, THE COUNTY MAY:

22 (1) ASSIGN, PLEDGE, GRANT, CONTRIBUTE, OR PROVIDE TO THE
23 AUTHORITY ANY TAXES, RATES, RENTALS, FEES, CHARGES, OR OTHER FUNDS HELD
24 OR RECEIVABLE BY THE COUNTY FOR ANY PURPOSE, INCLUDING AS ADDITIONAL
25 SECURITY FOR ANY BONDS OF THE AUTHORITY; AND

26 (2) (I) ADVANCE AMOUNTS TO THE AUTHORITY FOR ANY PURPOSE,
27 INCLUDING PAYMENT OF PRELIMINARY EXPENDITURES RELATING TO ANY
28 PROJECT OF THE AUTHORITY OR FOR DEFICIENCIES IN DEBT SERVICE
29 REQUIREMENTS; AND

30 (II) PROVIDE FOR THE REPAYMENT OR FORGIVENESS OF THE
31 ADVANCES.

32 21A-110.

33 NOTWITHSTANDING ANY OTHER PROVISION OF THIS SUBTITLE AND TO THE
34 EXTENT NOT INCONSISTENT WITH ANY CONSTITUTIONAL OR CHARTER PROVISION
35 OR ANY PUBLIC GENERAL OR PUBLIC LOCAL LAW, THE AUTHORITY, AS PROVIDED
36 BY LOCAL LAW, MAY:

37 (1) RECEIVE AND APPLY TO ITS CORPORATE PURPOSES AND PROJECTS
38 ANY GRANTS, CONTRIBUTIONS, PLEDGES, LOANS, OR OTHER AMOUNTS FROM THE
39 STATE, THE COUNTY, THE FEDERAL GOVERNMENT, ANY OTHER GOVERNMENTAL
40 UNIT, OR ANY PUBLIC OR PRIVATE ENTITY OR PARTY; AND

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1 (2) TO THE EXTENT NOT INCONSISTENT WITH ANY CONTRACT,
2 INSTRUMENT, OR LAW RELATING TO A GRANT, CONTRIBUTION, PLEDGE, LOAN, OR
3 OTHER AMOUNT, PLEDGE THE RECEIPTS AS SECURITY FOR ANY OF ITS BONDS.

4 21A-111.

5 (A) THE PROPERTY OWNED OR CONTROLLED BY, AND THE REVENUES OF,
6 THE AUTHORITY ARE EXEMPT FROM TAXATION OF EVERY KIND BY THE STATE OR
7 BY ANY OF ITS POLITICAL SUBDIVISIONS, MUNICIPAL CORPORATIONS, OR PUBLIC
8 UNITS.

9 (B) THE AUTHORITY MAY REQUIRE A PAYMENT IN LIEU OF TAXES FROM
10 ANY USER OR LESSEE OF ANY PROPERTY OR PRODUCT OF THE AUTHORITY.

11 21A-112.

12 (A) THE NET EARNINGS OF THE AUTHORITY, APART FROM THOSE
13 NECESSARY TO PAY DEBT SERVICE OR TO IMPLEMENT THE PURPOSES OF THIS
14 SUBTITLE, MAY NOT INURE TO THE BENEFIT OF ANY PERSON OTHER THAN THE
15 COUNTY.

16 (B) ON TERMINATION OF THE AUTHORITY, ALL RIGHTS AND TITLE TO ALL
17 ASSETS OF THE AUTHORITY SHALL VEST IN, AND ALL OBLIGATIONS AND ASSETS OF
18 THE AUTHORITY SHALL BE TRANSFERRED TO AND BE ASSUMED BY, THE COUNTY.

19 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
20 June 1, 1996.