

By: Senator Colburn

Requested: November 15, 1995

Introduced and read first time: January 10, 1996

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 Creation of a State Debt - Caroline County - Town of Greensboro - Community Center

3 FOR the purpose of authorizing the creation of a State Debt in the amount of \$400,000,
4 the proceeds to be used as a grant to the Mayor and Town Council of Greensboro
5 and the County Commissioners of Caroline County for certain acquisition,
6 development, or improvement purposes; providing for disbursement of the loan
7 proceeds, subject to a requirement that the grantee provide and expend a matching
8 fund; and providing generally for the issuance and sale of bonds evidencing the
9 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 theCaroline County
14 - Town of Greensboro - Community Center Loan of 1996 in the total principal amount of
15 \$400,000. This loan shall be evidenced by the issuance, sale, and delivery of State general
16 obligation bonds authorized by a resolution of the Board of Public Works and issued,
17 sold, and delivered in accordance with §§ 8-117 through 8-124 of the State Finance and
18 Procurement Article and Article 31, § 22 of the Code.

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

22 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer and
23 first shall be applied to the payment of the expenses of issuing, selling, and delivering the
24 bonds, unless funds for this purpose are otherwise provided, and then shall be credited on
25 the books of the Comptroller and expended, on approval by the Board of Public Works,
26 for the following public purposes, including any applicable architects'and engineers' fees:
27 as a grant to the Mayor and Town Council of Greensboro and the County Commissioners
28 of Caroline County (known hereafter in this Act as "the grantees") for the provision of
29 capital equipment , furnishings, and associated expenses for the Greensboro Community
30 Center, to be used by civic and community groups in the Greensboro areaof Caroline
31 County.

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

5 (5) Prior to the payment of any funds under the provisions of this Act for the
6 purposes set forth in Section 1(3) above, the grantees shall provide and expend a
7 matching fund of \$200,000. No part of the grantees' matching fund may be provided,
8 either directly or indirectly, from funds of the State, whether appropriated or
9 unappropriated. No part of the fund may consist of in kind contributions. The fund may
10 consist of real property or funds expended prior to the effective date of this Act. In case
11 of any dispute as to the amount of the matching fund or what money or assets may qualify
12 as matching funds, the Board of Public Works shall determine the matter and the Board's
13 decision is final. The grantees have until June 1, 1998, to present evidence satisfactory to
14 the Board of Public Works that a matching fund will be provided. If satisfactory evidence
15 is presented, the Board shall certify this fact to the State Treasurer, and the proceeds of
16 the loan shall be expended for the purposes provided in this Act.

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