
By: Senators Amoss and Craig

Introduced and read first time: February 2, 1996

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt - Harford Community College - Higher Education and Applied**
3 **Technology (H.E.A.T.) Center**

4 FOR the purpose of authorizing the creation of a State Debt not to exceed \$1,000,000,
5 the proceeds to be used as a grant to the Harford Community College for certain
6 acquisition, development, or improvement purposes; providing for disbursement of
7 the loan proceeds, subject to a requirement that the Harford County Government
8 provide and expend a matching fund; and providing generally for the issuance and
9 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 Harford
14 Community College - Higher Education and Applied Technology (H.E.A.T.) Center
15 Loan of 1996 in a total principal amount equal to the lesser of (i) \$1,000,000 or (ii) the
16 amount of the matching fund provided in accordance with Section 1(5) below. This loan
17 shall be evidenced by the issuance, sale, and delivery of State general obligation bonds
18 authorized by a resolution of the Board of Public Works and issued, sold, and delivered in
19 accordance with §§ 8-117 through 8-124 of the State Finance and Procurement Article
20 and Article 31, § 22 of the Code.

21 (2) The bonds to evidence this loan or installments of this loan may be sold as a
22 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 and
25 first shall be applied to the payment of the expenses of issuing, selling, and delivering the
26 bonds, unless funds for this purpose are otherwise provided, and then shall be credited on
27 the books of the Comptroller and expended, on approval by the Board of Public Works,
28 for the following public purposes, including any applicable architects' and engineers' fees:
29 as a grant to the Harford Community College, Higher Education and Applied Technology
30 (H.E.A.T.) Center (referred to hereafter in this Act as "the grantee") for the planning,
31 design, conversion, repair, renovation, rehabilitation, reconstruction, construction, and
32 equipping of the facility and the parking lot, located at Harford Community College, to be
33 used for higher education in general and for advanced technology courses specifically .

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 Harford County Government shall provide
7 and expend a matching fund. No part of the County's matching fund may be provided,
8 either directly or indirectly, from funds of the State, whether appropriated or
9 unappropriated. The fund may consist of real property, in kind contributions, or funds
10 expended prior to the effective date of this Act. In case of any dispute as to the amount
11 of the matching fund or what money or assets may qualify as matching funds, the Board
12 of Public Works shall determine the matter and the Board's decision is final. The Harford
13 County Government has until June 1, 1998, to present evidence satisfactory to the Board
14 of Public Works that a matching fund will be provided. If satisfactory evidence is
15 presented, the Board shall certify this fact and the amount of the matching fund to the
16 State Treasurer, and the proceeds of the loan equal to the amount of the matching fund
17 shall be expended for the purposes provided in this Act. Any amount of the loan in excess
18 of the amount of the matching fund certified by the Board of Public Works shall be
19 canceled and be of no further effect.

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