
By: Carroll County Delegation

Requested: September 24, 1996

Introduced and read first time: January 8, 1997

Assigned to: Appropriations

A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt - Carroll County Agricultural Center**

3 FOR the purpose of authorizing the creation of a State Debt not to exceed \$600,000, the
4 proceeds to be used as a grant to the Carroll County Agricultural Center for certain
5 development or improvement purposes; providing for disbursement of the loan
6 proceeds, subject to a requirement that the grantee provide and expend a matching
7 fund; and providing generally for the issuance and sale of bonds evidencing the
8 loan.

9 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
10 MARYLAND, That:

11 (1) The Board of Public Works may borrow money and incur indebtedness on
12 behalf of the State of Maryland through a State loan to be known as the Carroll County
13 Agricultural Center Loan of 1997 in a total principal amount equal to the lesser of (i)
14 \$600,000 or (ii) the amount of the matching fund provided in accordance with Section
15 1(5) below. This loan shall be evidenced by the issuance, sale, and delivery of State
16 general obligation bonds authorized by a resolution of the Board of Public Works and
17 issued, sold, and delivered in accordance with §§ 8-117 through 8-124 of the State
18 Finance and Procurement Article and Article 31, § 22 of the Code.

19 (2) The bonds to evidence this loan or installments of this loan may be 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 Carroll County Agricultural Center (referred to hereafter in this Act as
28 "the grantee") for the planning, design, and construction of and for the provision of
29 capital equipment for an agricultural building, the building to be used for agricultural, as
30 well as other community activities.

31 (4) An annual State tax is imposed on all assessable property in the State in rate
32 and amount sufficient to pay the principal of and interest on the bonds, as and when due

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1 and until paid in full. The principal shall be discharged within 15 years after the date of
2 issuance of the bonds.

3 (5) Prior to the payment of any funds under the provisions of this Act for the
4 purposes set forth in Section 1(3) above, the grantee shall provide and expend a matching
5 fund. No part of the grantee's matching fund may be provided, either directly or
6 indirectly, from funds of the State, whether appropriated or unappropriated. The fund
7 may consist of real property, in kind contributions, or funds expended prior to the
8 effective date of this Act. In case of any dispute as to the amount of the matching fund or
9 what money or assets may qualify as matching funds, the Board of Public Works shall
10 determine the matter and the Board's decision is final. The grantee has until June 1,
11 1999, to present evidence satisfactory to the Board of Public Works that a matching fund
12 will be provided. If satisfactory evidence is presented, the Board shall certify this fact and
13 the amount of the matching fund to the State Treasurer, and the proceeds of the loan
14 equal to the amount of the matching fund shall be expended for the purposes provided in
15 this Act. Any amount of the loan in excess of the amount of the matching fund certified
16 by the Board of Public Works shall be canceled and be of no further effect.

17 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
18 June 1, 1997.