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**By: Delegate Bissett**

Introduced and read first time: February 19, 1997  
Assigned to: Commerce and Government Matters

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A BILL ENTITLED

1 AN ACT concerning

2 **Anne Arundel County - Tipton Airport Authority**

3 FOR the purpose of authorizing the governing body of Anne Arundel County to establish  
4 the Tipton Airport Authority as a public corporation to acquire, equip, maintain,  
5 and operate Tipton Airport at Fort George G. Meade in Anne Arundel County;  
6 providing for the powers, rights, and obligations of the Authority, subject to certain  
7 requirements; authorizing the Authority to issue negotiable taxable and tax exempt  
8 revenue bonds, revenue refunding bonds, notes, and other evidences of  
9 indebtedness; and generally relating to the establishment of the Tipton Airport  
10 Authority as a public corporation.

11 BY adding to

12 The Public Local Laws of Anne Arundel County  
13 Section 12-101 through 12-109, inclusive, to be under the new title "Title 12.  
14 Tipton Airport Authority" of Article 2  
15 Article 2 - Public Local Laws of Maryland  
16 (1985 Edition and December 1996 Supplement, as amended)

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

19 **Article 2 - Anne Arundel County**

20 Article 2

21 TITLE 12. TIPTON AIRPORT AUTHORITY

22 12-101.

23 THE GOVERNING BODY OF ANNE ARUNDEL COUNTY MAY ESTABLISH BY  
24 LOCAL LEGISLATION A PUBLIC CORPORATION TO BE KNOWN AS THE TIPTON  
25 AIRPORT AUTHORITY.

26 12-102.

27 THE AUTHORITY MAY ACQUIRE, EQUIP, MAINTAIN, AND OPERATE AN  
28 AIRPORT OR LANDING FIELD AND APPURTENANT FACILITIES AT FORT GEORGE G.  
29 MEADE IN ANNE ARUNDEL COUNTY.

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1 12-103.

2 (A) THE COUNTY MAY:

3 (1) SPECIFY THE ORGANIZATION AND MEMBERSHIP OF THE  
4 AUTHORITY;

5 (2) SPECIFY THE POWERS TO BE EXERCISED BY THE AUTHORITY;

6 (3) PROVIDE FOR THE EXERCISE OF ALL POWER, AUTHORITY, RIGHTS,  
7 AND OBLIGATIONS REQUIRED UNDER THIS TITLE; AND

8 (4) SPECIFY ANY OTHER MATTERS RELATING TO THE AUTHORITY AS  
9 THE COUNTY MAY DEEM PRUDENT OR NECESSARY.

10 (B) THE COUNTY SHALL:

11 (1) ESTABLISH THE AUTHORITY AS A BODY CORPORATE AND POLITIC,  
12 WHICH SHALL BE DEEMED AN INSTRUMENTALITY OF THE COUNTY AND A PUBLIC  
13 CORPORATION;

14 (2) PROVIDE THAT THE POWERS TO BE EXERCISED BY THE AUTHORITY  
15 INCLUDE ALL POWERS NECESSARY OR CONVENIENT FOR CARRYING OUT THE  
16 PURPOSES OF THE AUTHORITY; AND

17 (3) PROVIDE FOR THE ESTABLISHMENT OF REGULATIONS RELATING  
18 TO MEMBERSHIP OF THE AUTHORITY.

19 (C) THE COUNTY MAY PROVIDE THAT THE AUTHORITY, BY RESOLUTION,  
20 MAY ISSUE NEGOTIABLE, TAXABLE AND TAX EXEMPT REVENUE BONDS, REVENUE  
21 REFUNDING BONDS, NOTES, AND OTHER EVIDENCES OF INDEBTEDNESS IN  
22 ACCORDANCE WITH THE FOLLOWING:

23 (1) THE BONDS OR OTHER EVIDENCES OF INDEBTEDNESS SHALL BE  
24 USED TO PAY ALL OR PART OF THE COST OR PURCHASE PRICE OF ONE OR MORE  
25 PROJECTS OR TO REFUND OUTSTANDING REVENUE BONDS THAT ARE ISSUED WITH  
26 OR WITHOUT AN ELECTION REFERENDUM, ANY OTHER PROCEEDINGS, OR THE  
27 OCCURRENCE OF ANY OTHER CONDITIONS OR EVENTS;

28 (2) ANY REVENUE BOND PROCEEDS SHALL BECOME TRUST FUNDS FOR  
29 THE PURPOSES FOR WHICH THE BONDS ARE AUTHORIZED;

30 (3) A LIEN SHALL BE ESTABLISHED ON THE REVENUE BOND PROCEEDS  
31 IN FAVOR OF THE HOLDERS OF ANY BONDS OR ANY TRUSTEE UNTIL MONEYS ARE  
32 APPLIED TO THE PURPOSES FOR WHICH THE BONDS ARE AUTHORIZED;

33 (4) THE AUTHORITY MAY SECURE ANY REVENUE BOND ISSUED TO  
34 PROVIDE FUNDS FOR ANY PROJECT BY A TRUST INDENTURE BETWEEN THE  
35 AUTHORITY AND A CORPORATE TRUSTEE;

36 (5) THE AUTHORITY MAY FIX RATES, FEES, RENTS, AND CHARGES FOR  
37 THE USE OF ANY OF ITS PROJECTS SUFFICIENT TO OPERATE AND MAINTAIN THE  
38 PROJECT, PAY THE PRINCIPAL OF AND INTEREST ON ITS BONDS, AND MAINTAIN A  
39 SINKING FUND PLEDGED AND CHARGED WITH THE PAYMENT OF INTEREST ON THE

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1 PRINCIPAL OF THE BONDS, ADMINISTRATIVE CHARGES BY THE DEPOSITORY OF THE  
2 FUND PAYING THE PRINCIPAL AND INTEREST, AND ANY PREMIUM ON THE BONDS  
3 RETIRED BY CALL OR PURCHASE;

4 (6) EXCEPT FOR REVENUES REQUIRED TO PAY THE COST OF  
5 OPERATING AND MAINTAINING ANY PROJECT AND TO PAY THE PRINCIPAL OF AND  
6 INTEREST ON THE BONDS AND MAINTAIN THE SINKING FUND, ALL OTHER  
7 REVENUES MAY BE PLACED IN A FUND PLEDGED AND CHARGED WITH FINANCING  
8 PROJECTS DEVOTED WHOLLY OR PARTIALLY TO THE OPERATION AND  
9 MAINTENANCE OF TIPTON AIRPORT;

10 (7) THE BONDHOLDERS HAVE THE RIGHTS AND REMEDIES  
11 ESTABLISHED BY THE COUNTY;

12 (8) UNLESS OTHERWISE PROVIDED IN THE RESOLUTION AUTHORIZING  
13 ANY ISSUE OF BONDS, OR UNLESS OTHERWISE PROVIDED IN THE TRUST INDENTURE  
14 THAT SECURES THE BONDS, ALL MONEYS MAY BE DEPOSITED BY THE AUTHORITY  
15 IN ONE OR MORE BANKS OR TRUST COMPANIES IN ONE OR MORE SPECIAL  
16 ACCOUNTS; AND

17 (9) THE AUTHORITY SHALL HAVE AN ANNUAL EXAMINATION OF ITS  
18 BOOKS, ACCOUNTS, AND RECORDS BY A CERTIFIED PUBLIC ACCOUNTANT.

19 (D) BECAUSE THE AUTHORITY IS PERFORMING AN ESSENTIAL  
20 GOVERNMENTAL FUNCTION, IT IS NOT SUBJECT TO ANY TAX OR ASSESSMENT ON  
21 ANY FACILITY OR PART OF A FACILITY, ACTIVITIES IN THE OPERATION OF ANY  
22 FACILITY, ANY REVENUES FROM OPERATION OF ANY FACILITY OR PROJECT, OR  
23 THE BONDS OF THE AUTHORITY OR THE INTEREST ON THE BONDS.

24 (E) THE STATE HEREBY PLEDGES TO AND AGREES WITH ANY PERSON , FIRM,  
25 CORPORATION, OR FEDERAL AGENCY SUBSCRIBING TO OR ACQUIRING THE  
26 REVENUE BONDS TO BE ISSUED BY THE AUTHORITY FOR THE CONSTRUCTION,  
27 EXTENSION, IMPROVEMENT, EQUIPPING, FURNISHING, OR ENLARGEMENT OF ANY  
28 PROJECT OR PART THEREOF THAT THE STATE SHALL NOT LIMIT OR ALTER THE  
29 RIGHTS HEREBY VESTED IN THE AUTHORITY UNTIL ANY REVENUE BONDS ISSUED  
30 BY THE AUTHORITY, TOGETHER WITH THE INTEREST THEREON, ARE FULLY MET  
31 AND DISCHARGED, IT BEING THE INTENT OF THIS TITLE THAT THE AUTHORITY  
32 SHALL CONTINUE TO HAVE AND MAY EXERCISE ALL POWERS HEREIN GRANTED, SO  
33 LONG AS THE SAME SHALL BE NECESSARY OR DESIRABLE FOR THE CARRYING OUT  
34 OF THE PURPOSES OF THIS TITLE.

35 12-104.

36 (A) THE AUTHORITY MAY ISSUE REVENUE BONDS, NOTES, OR OTHER  
37 EVIDENCES OF INDEBTEDNESS ON BEHALF OF THE COUNTY FOR THE PURPOSES OF  
38 THE AUTHORITY.

39 (B) THE REVENUE BONDS, NOTES, OR OTHER EVIDENCES OF INDEBTEDNESS  
40 ISSUED UNDER THE PROVISIONS OF THIS TITLE MAY NOT BE DEEMED TO  
41 CONSTITUTE A DEBT OF THE COUNTY OR A PLEDGE OF THE FAITH AND CREDIT OF  
42 THE COUNTY OR OF THE STATE OF MARYLAND OR ANY POLITICAL SUBDIVISION OF  
43 THE STATE OF MARYLAND.

1 (C) THE REVENUE BONDS, NOTES, OR OTHER EVIDENCES OF INDEBTEDNESS  
2 SHALL BE PAYABLE FROM THE FUNDS OF THE AUTHORITY PROVIDED FROM  
3 REVENUES OF THE PROJECT OR PROJECTS OF THE AUTHORITY.

4 (D) ALL REVENUE BONDS SHALL CONTAIN A STATEMENT ON THEIR FACE TO  
5 THE EFFECT THAT THE FULL FAITH AND CREDIT OF THE STATE, COUNTY, OR ANY  
6 OTHER POLITICAL SUBDIVISION OF THE STATE IS NOT PLEDGED TO PAY BONDS OR  
7 THE INTEREST THEREON.

8 (E) EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (F) OF THIS SECTION,  
9 THE ISSUANCE OF THE REVENUE BONDS, CERTIFICATES, OR OTHER EVIDENCES OF  
10 INDEBTEDNESS UNDER THE PROVISIONS OF THIS SECTION MAY NOT DIRECTLY,  
11 INDIRECTLY, OR CONTINGENTLY OBLIGATE THE COUNTY TO LEVY OR PLEDGE ANY  
12 FORM OF TAXATION OR ANY APPROPRIATION FOR THEIR PAYMENT.

13 (F) THE COUNTY EXECUTIVE MAY, WITH THE APPROVAL OF THE COUNTY  
14 COUNCIL, COLLATERALLY AGREE TO PROVIDE SUFFICIENT MONEYS FROM THE  
15 GENERAL FUND OF THE COUNTY TO PAY ANY DEFICIENCY IN THE DEBT SERVICE  
16 REQUIREMENT OF SUCH BONDS FOR ANY YEAR IN WHICH THERE IS A DEFICIT.

17 (G) AN ADVANCE OF MONEYS FROM THE GENERAL FUND OF THE COUNTY  
18 SHALL BE REPAID FROM THE RECEIPTS, RENTALS, OR REVENUES OF THE  
19 AUTHORITY IN THE NEXT SUCCEEDING YEAR IN WHICH SUCH RECEIPTS, RENTALS  
20 OR REVENUES EXCEED DEBT SERVICE REQUIREMENTS AND OPERATING EXPENSES.

21 (H) AN ADVANCE OF MONEYS FROM THE GENERAL FUND OF THE COUNTY  
22 UNDER ANY AGREEMENT OR AGREEMENTS MAY NOT EXCEED THE LESSER OF  
23 \$25,000 OR AN AMOUNT ESTABLISHED BY LOCAL LAW.

24 (I) (1) REVENUE BONDS ISSUED BY THE AUTHORITY AUTHORIZED BY THIS  
25 TITLE ARE HEREBY MADE SECURITIES IN WHICH ALL PUBLIC OFFICERS AND PUBLIC  
26 AGENCIES OF THE STATE AND ITS POLITICAL SUBDIVISIONS, AND ALL BANKS, TRUST  
27 COMPANIES, SAVINGS AND LOAN ASSOCIATIONS, INVESTMENT COMPANIES, AND  
28 OTHERS CARRYING ON A BANKING BUSINESS, ALL ADMINISTRATORS, EXECUTORS,  
29 GUARDIANS, TRUSTEES, AND OTHER FIDUCIARIES, AND ALL OTHER PERSONS MAY  
30 LEGALLY AND PROPERLY INVEST FUNDS, INCLUDING CAPITAL, IN THEIR CONTROL  
31 OR BELONGING TO THEM.

32 (2) REVENUE BONDS ISSUED BY THE AUTHORITY ARE HEREBY MADE  
33 SECURITIES WHICH MAY PROPERLY AND LEGALLY BE DEPOSITED WITH AND  
34 RECEIVED BY ANY STATE OR MUNICIPAL OFFICER OR ANY AGENCY OR POLITICAL  
35 SUBDIVISION OF THE STATE FOR ANY PURPOSE FOR WHICH THE DEPOSIT OF BONDS  
36 OR OTHER OBLIGATIONS OF THE STATE IS NOW OR MAY HEREAFTER BE  
37 AUTHORIZED BY LAW.

38 (J) THE TAX EXEMPT BONDS, NOTES, AND OTHER EVIDENCES OF  
39 INDEBTEDNESS ISSUED BY THE AUTHORITY, THEIR TRANSFER, THE INTEREST  
40 PAYABLE ON THEM, AND ANY INCOME DERIVED FROM THEM, INCLUDING ANY  
41 PROFIT REALIZED IN THEIR SALE OR EXCHANGE, SHALL BE EXEMPT AT ALL TIMES  
42 FROM TAXATION BY THE STATE, OR BY ANY OF ITS COUNTIES, MUNICIPAL  
43 CORPORATIONS, OR PUBLIC AGENCIES OF ANY KIND.

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1 (K) THE BONDS, NOTES, AND OTHER EVIDENCES OF INDEBTEDNESS ISSUED  
2 BY THE AUTHORITY ESTABLISHED BY THE COUNTY SHALL BE EXEMPT FROM THE  
3 PROVISIONS OF ARTICLE 31, §§ 9, 10, AND 11 OF THE ANNOTATED CODE OF  
4 MARYLAND, OR ANY SUCCESSOR PROVISION.

5 12-105.

6 (A) THE COUNTY EXECUTIVE, WITH THE APPROVAL OF THE COUNTY  
7 COUNCIL, MAY CONVEY TO THE AUTHORITY THE COUNTY'S TITLE TO ANY LANDS,  
8 STREETS, ALLEYS, BUILDINGS, FACILITIES, OR OTHER PUBLIC PLACES.

9 (B) (1) THE COUNTY EXECUTIVE, WITH THE APPROVAL OF THE COUNTY  
10 COUNCIL, MAY ADVANCE OR ASSIGN TO THE AUTHORITY ANY RATES, RENTALS,  
11 FEES, OR CHARGES NOW BEING OR HEREINAFTER RECEIVED BY THE COUNTY.

12 (2) THE ADVANCE OR ASSIGNMENT SHALL BE MADE FOR THE PURPOSE  
13 OF PROVIDING ADDITIONAL SECURITY FOR ANY BONDS TO BE ISSUED BY THE  
14 AUTHORITY OR FOR OTHER PURPOSES AS AGREED BETWEEN THE AUTHORITY AND  
15 THE COUNTY.

16 (C) (1) THE COUNTY EXECUTIVE, WITH THE APPROVAL OF THE COUNTY  
17 COUNCIL, MAY ADVANCE TO THE AUTHORITY FROM THE GENERAL FUNDS OF THE  
18 COUNTY, SUMS TO BE USED BY THE AUTHORITY TO DEFRAY EXPENSES FOR  
19 INVESTIGATION, ENGINEERING AND ARCHITECTURAL STUDIES, OPINIONS, AND  
20 COMPENSATION OF EMPLOYEES AND COUNSEL WHICH MAY BE INCURRED PRIOR TO  
21 THE SALE OF ITS REVENUE BONDS.

22 (2) ADVANCES SHALL BE REPAID OUT OF THE FIRST PROCEEDS OF THE  
23 SALE OF REVENUE BONDS BY THE AUTHORITY FOLLOWING ANY SUCH ADVANCE.

24 (D) NO PROVISION OF THE COUNTY CHARTER OR OTHER COUNTY LAW  
25 APPLIES TO THE AUTHORITY REGARDING THE DUTIES, POWERS, OR  
26 ORGANIZATION OF THE AUTHORITY, UNLESS THE COUNTY EXPRESSLY PROVIDES  
27 BY LAW THAT THE CHARTER PROVISION OR LAW APPLIES TO THE AUTHORITY.

28 12-106.

29 (A) THE AUTHORITY MAY ACQUIRE REAL AND PERSONAL PROPERTY AND  
30 INTERESTS IN REAL AND PERSONAL PROPERTY IN ITS OWN NAME AND MAY  
31 PLEDGE, MORTGAGE, ENCUMBER, SELL, LEASE, TRANSFER, OR CONVEY ANY  
32 INTEREST IN ITS REAL AND PERSONAL PROPERTY TO THE COUNTY OR ANY PERSON.

33 (B) THE AUTHORITY MAY EXERCISE THE POWERS OF EMINENT DOMAIN IN  
34 ORDER TO ACQUIRE IN ITS OWN NAME AVIGATION EASEMENTS THAT THE  
35 AUTHORITY REQUIRES FOR THE OPERATION OR MAINTENANCE OF TIPTON  
36 AIRPORT.

37 12-107.

38 (A) EARNINGS OF THE AUTHORITY MAY NOT INURE TO THE BENEFIT OF  
39 PRIVATE PERSONS.

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1 (B) IN THE EVENT OF DISSOLUTION OF THE AUTHORITY, THE TITLE TO ALL  
2 PROPERTY FINANCED BY THE PROCEEDS OF BONDS, NOTES, OR OTHER EVIDENCES  
3 OF INDEBTEDNESS ISSUED BY THE AUTHORITY SHALL REVERT TO THE COUNTY.

4 12-108.

5 (A) IT IS THE INTENT OF THIS TITLE THAT THE AUTHORITY BE A  
6 "CONSTITUTED AUTHORITY" WITHIN THE MEANING OF THE INTERNAL REVENUE  
7 CODE OF 1986, AS AMENDED, AND THE RELEVANT REGULATIONS, RULINGS, AND  
8 PROCEDURES.

9 (B) THE POWERS OF THE AUTHORITY SHALL BE CONSTRUED TO GIVE  
10 EFFECT OF THIS INTENT.

11 12-109.

12 IT IS THE PURPOSE OF THIS TITLE TO PROVIDE FOR THE MAINTENANCE AND  
13 OPERATION OF TIPTON AIRPORT IN A PRUDENT AND ECONOMICAL MANNER, AND  
14 THIS TITLE SHALL BE LIBERALLY CONSTRUED AS GIVING TO THE AUTHORITY FULL  
15 AND COMPLETE POWER REASONABLY REQUIRED TO GIVE EFFECT TO THE  
16 PURPOSES OF THE AUTHORITY AS PROVIDED BY THIS TITLE. THE PROVISIONS OF  
17 THIS TITLE ARE IN ADDITION TO AND NOT IN DEROGATION OF ANY POWER  
18 EXISTING IN ANNE ARUNDEL COUNTY UNDER ANY CONSTITUTIONAL, STATUTORY,  
19 OR CHARTER PROVISIONS.

20 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
21 July 1, 1997.