
By: ~~Delegate Bissett~~ Anne Arundel County Delegation

Introduced and read first time: February 19, 1997

Assigned to: Commerce and Government Matters

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 27, 1997

CHAPTER ____

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; prohibiting the Authority from extending a runway to certain lengths
8 under certain circumstances; authorizing the Authority to issue negotiable taxable
9 and tax exempt revenue bonds, revenue refunding bonds, notes, and other evidences
10 of indebtedness; and generally relating to the establishment of the Tipton Airport
11 Authority as a public corporation.

12 BY adding to

13 The Public Local Laws of Anne Arundel County
14 Section 12-101 through 12-109, inclusive, to be under the new title "Title 12.
15 Tipton Airport Authority" of Article 2
16 Article 2 - Public Local Laws of Maryland
17 (1985 Edition and December 1996 Supplement, as amended)

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

2

1 **Article 2 - Anne Arundel County**

2 Article 2

3 TITLE 12. TIPTON AIRPORT AUTHORITY

4 12-101.

5 THE GOVERNING BODY OF ANNE ARUNDEL COUNTY MAY ESTABLISH BY
6 LOCAL LEGISLATION A PUBLIC CORPORATION TO BE KNOWN AS THE TIPTON
7 AIRPORT AUTHORITY.

8 12-102.

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

12 12-103.

13 (A) THE COUNTY MAY:

14 (1) SPECIFY THE ORGANIZATION AND MEMBERSHIP OF THE
15 AUTHORITY;

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

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

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

21 (B) THE COUNTY SHALL:

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

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

28 (3) PROVIDE FOR THE ESTABLISHMENT OF REGULATIONS RELATING
29 TO MEMBERSHIP OF THE AUTHORITY.

30 (C) THE COUNTY MAY PROVIDE THAT THE AUTHORITY, BY RESOLUTION,
31 MAY ISSUE NEGOTIABLE, TAXABLE AND TAX EXEMPT REVENUE BONDS, REVENUE
32 REFUNDING BONDS, NOTES, AND OTHER EVIDENCES OF INDEBTEDNESS IN
33 ACCORDANCE WITH THE FOLLOWING:

34 (1) THE BONDS OR OTHER EVIDENCES OF INDEBTEDNESS SHALL BE
35 USED TO PAY ALL OR PART OF THE COST OR PURCHASE PRICE OF ONE OR MORE
36 PROJECTS OR TO REFUND OUTSTANDING REVENUE BONDS THAT ARE ISSUED WITH

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1 OR WITHOUT AN ELECTION REFERENDUM, ANY OTHER PROCEEDINGS, OR THE
2 OCCURRENCE OF ANY OTHER CONDITIONS OR EVENTS;

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

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

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

11 (5) THE AUTHORITY MAY FIX RATES, FEES, RENTS, AND CHARGES FOR
12 THE USE OF ANY OF ITS PROJECTS SUFFICIENT TO OPERATE AND MAINTAIN THE
13 PROJECT, PAY THE PRINCIPAL OF AND INTEREST ON ITS BONDS, AND MAINTAIN A
14 SINKING FUND PLEDGED AND CHARGED WITH THE PAYMENT OF INTEREST ON THE
15 PRINCIPAL OF THE BONDS, ADMINISTRATIVE CHARGES BY THE DEPOSITORY OF THE
16 FUND PAYING THE PRINCIPAL AND INTEREST, AND ANY PREMIUM ON THE BONDS
17 RETIRED BY CALL OR PURCHASE;

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

24 (7) THE BONDHOLDERS HAVE THE RIGHTS AND REMEDIES
25 ESTABLISHED BY THE COUNTY;

26 (8) UNLESS OTHERWISE PROVIDED IN THE RESOLUTION AUTHORIZING
27 ANY ISSUE OF BONDS, OR UNLESS OTHERWISE PROVIDED IN THE TRUST INDENTURE
28 THAT SECURES THE BONDS, ALL MONEYS MAY BE DEPOSITED BY THE AUTHORITY
29 IN ONE OR MORE BANKS OR TRUST COMPANIES IN ONE OR MORE SPECIAL
30 ACCOUNTS; AND

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

33 (D) BECAUSE THE AUTHORITY IS PERFORMING AN ESSENTIAL
34 GOVERNMENTAL FUNCTION, IT IS NOT SUBJECT TO ANY TAX OR ASSESSMENT ON
35 ANY FACILITY OR PART OF A FACILITY, ACTIVITIES IN THE OPERATION OF ANY
36 FACILITY, ANY REVENUES FROM OPERATION OF ANY FACILITY OR PROJECT, OR
37 THE BONDS OF THE AUTHORITY OR THE INTEREST ON THE BONDS.

38 (E) THE STATE HEREBY PLEDGES TO AND AGREES WITH ANY PERSON , FIRM,
39 CORPORATION, OR FEDERAL AGENCY SUBSCRIBING TO OR ACQUIRING THE
40 REVENUE BONDS TO BE ISSUED BY THE AUTHORITY FOR THE CONSTRUCTION,
41 EXTENSION, IMPROVEMENT, EQUIPPING, FURNISHING, OR ENLARGEMENT OF ANY
42 PROJECT OR PART THEREOF THAT THE STATE SHALL NOT LIMIT OR ALTER THE

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1 RIGHTS HEREBY VESTED IN THE AUTHORITY UNTIL ANY REVENUE BONDS ISSUED
2 BY THE AUTHORITY, TOGETHER WITH THE INTEREST THEREON, ARE FULLY MET
3 AND DISCHARGED, IT BEING THE INTENT OF THIS TITLE THAT THE AUTHORITY
4 SHALL CONTINUE TO HAVE AND MAY EXERCISE ALL POWERS HEREIN GRANTED, SO
5 LONG AS THE SAME SHALL BE NECESSARY OR DESIRABLE FOR THE CARRYING OUT
6 OF THE PURPOSES OF THIS TITLE.

7 12-104.

8 (A) THE AUTHORITY MAY ISSUE REVENUE BONDS, NOTES, OR OTHER
9 EVIDENCES OF INDEBTEDNESS ON BEHALF OF THE COUNTY FOR THE PURPOSES OF
10 THE AUTHORITY.

11 (B) THE REVENUE BONDS, NOTES, OR OTHER EVIDENCES OF INDEBTEDNESS
12 ISSUED UNDER THE PROVISIONS OF THIS TITLE MAY NOT BE DEEMED TO
13 CONSTITUTE A DEBT OF THE COUNTY OR A PLEDGE OF THE FAITH AND CREDIT OF
14 THE COUNTY OR OF THE STATE OF MARYLAND OR ANY POLITICAL SUBDIVISION OF
15 THE STATE OF MARYLAND.

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

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

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

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

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

36 (H) AN ADVANCE OF MONEYS FROM THE GENERAL FUND OF THE COUNTY
37 UNDER ANY AGREEMENT OR AGREEMENTS MAY NOT EXCEED THE LESSER OF
38 \$25,000 OR AN AMOUNT ESTABLISHED BY LOCAL LAW.

39 (I) (1) REVENUE BONDS ISSUED BY THE AUTHORITY AUTHORIZED BY THIS
40 TITLE ARE HEREBY MADE SECURITIES IN WHICH ALL PUBLIC OFFICERS AND PUBLIC
41 AGENCIES OF THE STATE AND ITS POLITICAL SUBDIVISIONS, AND ALL BANKS, TRUST
42 COMPANIES, SAVINGS AND LOAN ASSOCIATIONS, INVESTMENT COMPANIES, AND

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1 OTHERS CARRYING ON A BANKING BUSINESS, ALL ADMINISTRATORS, EXECUTORS,
2 GUARDIANS, TRUSTEES, AND OTHER FIDUCIARIES, AND ALL OTHER PERSONS MAY
3 LEGALLY AND PROPERLY INVEST FUNDS, INCLUDING CAPITAL, IN THEIR CONTROL
4 OR BELONGING TO THEM.

5 (2) REVENUE BONDS ISSUED BY THE AUTHORITY ARE HEREBY MADE
6 SECURITIES WHICH MAY PROPERLY AND LEGALLY BE DEPOSITED WITH AND
7 RECEIVED BY ANY STATE OR MUNICIPAL OFFICER OR ANY AGENCY OR POLITICAL
8 SUBDIVISION OF THE STATE FOR ANY PURPOSE FOR WHICH THE DEPOSIT OF BONDS
9 OR OTHER OBLIGATIONS OF THE STATE IS NOW OR MAY HEREAFTER BE
10 AUTHORIZED BY LAW.

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

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

21 12-105.

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

25 (B) (1) THE COUNTY EXECUTIVE, WITH THE APPROVAL OF THE COUNTY
26 COUNCIL, MAY ADVANCE OR ASSIGN TO THE AUTHORITY ANY RATES, RENTALS,
27 FEES, OR CHARGES NOW BEING OR HEREAFTER RECEIVED BY THE COUNTY.

28 (2) THE ADVANCE OR ASSIGNMENT SHALL BE MADE FOR THE PURPOSE
29 OF PROVIDING ADDITIONAL SECURITY FOR ANY BONDS TO BE ISSUED BY THE
30 AUTHORITY OR FOR OTHER PURPOSES AS AGREED BETWEEN THE AUTHORITY AND
31 THE COUNTY.

32 (C) (1) THE COUNTY EXECUTIVE, WITH THE APPROVAL OF THE COUNTY
33 COUNCIL, MAY ADVANCE TO THE AUTHORITY FROM THE GENERAL FUNDS OF THE
34 COUNTY, SUMS TO BE USED BY THE AUTHORITY TO DEFRAY EXPENSES FOR
35 INVESTIGATION, ENGINEERING AND ARCHITECTURAL STUDIES, OPINIONS, AND
36 COMPENSATION OF EMPLOYEES AND COUNSEL WHICH MAY BE INCURRED PRIOR TO
37 THE SALE OF ITS REVENUE BONDS.

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

40 (D) NO PROVISION OF THE COUNTY CHARTER OR OTHER COUNTY LAW
41 APPLIES TO THE AUTHORITY REGARDING THE DUTIES, POWERS, OR

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1 ORGANIZATION OF THE AUTHORITY, UNLESS THE COUNTY EXPRESSLY PROVIDES
2 BY LAW THAT THE CHARTER PROVISION OR LAW APPLIES TO THE AUTHORITY.

3 12-106.

4 (A) THE AUTHORITY MAY ACQUIRE REAL AND PERSONAL PROPERTY AND
5 INTERESTS IN REAL AND PERSONAL PROPERTY IN ITS OWN NAME AND MAY
6 PLEDGE, MORTGAGE, ENCUMBER, SELL, LEASE, TRANSFER, OR CONVEY ANY
7 INTEREST IN ITS REAL AND PERSONAL PROPERTY TO THE COUNTY OR ANY PERSON.

8 (B) THE AUTHORITY MAY EXERCISE THE POWERS OF EMINENT DOMAIN IN
9 ORDER TO ACQUIRE IN ITS OWN NAME AVIGATION EASEMENTS THAT THE
10 AUTHORITY REQUIRES FOR THE OPERATION OR MAINTENANCE OF TIPTON
11 AIRPORT.

12 (C) (1) THE AUTHORITY MAY NOT EVER EXTEND ANY RUNWAY TO A
13 LENGTH IN EXCESS OF 4,000 FEET.

14 (2) THE AUTHORITY MAY NOT EXTEND A RUNWAY TO A LENGTH IN
15 EXCESS OF 3,000 FEET UNTIL:

16 (I) A PUBLIC MEETING IS HELD IN WHICH THE PROPOSED
17 EXTENSION IS EXPLAINED AND FOR WHICH THE COMMENTS ARE ACCEPTED; AND

18 (II) FINAL APPROVAL IS GRANTED BY AN AFFIRMATIVE MAJORITY
19 VOTE OF THE ANNE ARUNDEL COUNTY COUNCIL.

20 12-107.

21 (A) EARNINGS OF THE AUTHORITY MAY NOT INURE TO THE BENEFIT OF
22 PRIVATE PERSONS.

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

26 12-108.

27 (A) IT IS THE INTENT OF THIS TITLE THAT THE AUTHORITY BE A
28 "CONSTITUTED AUTHORITY" WITHIN THE MEANING OF THE INTERNAL REVENUE
29 CODE OF 1986, AS AMENDED, AND THE RELEVANT REGULATIONS, RULINGS, AND
30 PROCEDURES.

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

33 12-109.

34 IT IS THE PURPOSE OF THIS TITLE TO PROVIDE FOR THE MAINTENANCE AND
35 OPERATION OF TIPTON AIRPORT IN A PRUDENT AND ECONOMICAL MANNER, AND
36 THIS TITLE SHALL BE LIBERALLY CONSTRUED AS GIVING TO THE AUTHORITY FULL
37 AND COMPLETE POWER REASONABLY REQUIRED TO GIVE EFFECT TO THE
38 PURPOSES OF THE AUTHORITY AS PROVIDED BY THIS TITLE. THE PROVISIONS OF
39 THIS TITLE ARE IN ADDITION TO AND NOT IN DEROGATION OF ANY POWER

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1 EXISTING IN ANNE ARUNDEL COUNTY UNDER ANY CONSTITUTIONAL, STATUTORY,
2 OR CHARTER PROVISIONS.

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