

CF 7r1564

By: Senator Trotter

Introduced and read first time: January 24, 1997

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 Creation of a State Debt - Prince George's County - Mount Rainier Public Facilities

3 FOR the purpose of authorizing the creation of a State Debt in the amount of \$975,000,
4 the proceeds to be used as a grant to the Mayor and City Council of Mount Rainier
5 for certain acquisition, development, or improvement purposes; providing for
6 disbursement of the loan proceeds, subject to a requirement that the grantee
7 provide and expend a matching fund; and providing generally for the issuance and
8 sale of bonds evidencing the 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 Prince George's
13 County - Mount Rainier Public Facilities Loan of 1997 in the total principal amount of
14 \$975,000. This loan shall be evidenced by the issuance, sale, and delivery of State general
15 obligation bonds authorized by a resolution of the Board of Public Works and issued,
16 sold, and delivered in accordance with §§ 8-117 through 8-124 of the State Finance and
17 Procurement Article and Article 31, § 22 of the Code.

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

21 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer and
22 first shall be applied to the payment of the expenses of issuing, selling, and delivering the
23 bonds, unless funds for this purpose are otherwise provided, and then shall be credited on
24 the books of the Comptroller and expended, on approval by the Board of Public Works,
25 for the following public purposes, including any applicable architects' and engineers' fees:
26 as a grant to the Mayor and City Council of Mount Rainier (referred to hereafter in this
27 Act as "the grantee") for the acquisition, planning, design, repair, renovation,
28 construction and reconstruction of, and for the provision of capital equipment for a police
29 station in Mount Rainier.

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

1 (5) Prior to the payment of any funds under the provisions of this Act for the
2 purposes set forth in Section 1(3) above, the grantee shall provide and expend a matching
3 fund of \$325,000. No part of the grantee's matching fund may be provided, either directly
4 or indirectly, from funds of the State, whether appropriated or unappropriated. No part
5 of the fund may consist of real property, in kind contributions, or funds expended prior to
6 the effective date of this Act. In case of any dispute as to the amount of the matching
7 fund or what money or assets may qualify as matching funds, the Board of Public Works
8 shall determine the matter and the Board's decision is final. The grantee has until June 1,
9 1999, to present evidence satisfactory to the Board of Public Works that a matching fund
10 will be provided. If satisfactory evidence is presented, the Board shall certify this fact to
11 the State Treasurer, and the proceeds of the loan shall be expended for the purposes
12 provided in this Act.

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