

CF HB 1354

By: Senators Amoss and Baker

Introduced and read first time: February 26, 1997

Assigned to: Rules

A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt - Cecil County - Woodlawn Landfill Site**

3 FOR the purpose of authorizing the creation of a State Debt not to exceed \$2,700,000,
4 the proceeds to be used as a grant to the County Commissioners of Cecil County for
5 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
12 on behalf of the State of Maryland through a State loan to be known as the Cecil County
13 - Woodlawn Landfill Site Loan of 1997 in a total principal amount equal to the lesser of
14 (i) \$2,700,000 or (ii) the amount of the matching fund provided in accordance with
15 Section 1(5) below. This loan shall be evidenced by the issuance, sale, and delivery of
16 State general obligation bonds authorized by a resolution of the Board of Public Works
17 and 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
20 as a 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
23 and first shall be applied to the payment of the expenses of issuing, selling, and delivering
24 the bonds, unless funds for this purpose are otherwise provided, and then shall be
25 credited on the books of the Comptroller and expended, on approval by the Board of
26 Public Works, for the following public purposes, including any applicable architects' and
27 engineers' fees: as a grant to the County Commissioners of Cecil County (referred to
28 hereafter in this Act as "the grantee") for the remediation of the Woodlawn Landfill Site,
29 including excavation and disposal of specific soils, capping of the landfill and PVC sludge
30 disposal cells, correction of ground water problems, the provision of fencing around the
31 Site, and other capital improvements that are necessary to meet the remediation and
32 cleanup standards established by the Environmental Protection Agency for the Woodlawn
33 Landfill Site.

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

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

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