

SENATE BILL 51

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1998 Regular Session  
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(PRE-FILED)

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By: **Chairman, Economic and Environmental Affairs Committee**  
**(Departmental - Housing and Community Dev.)**

Requested: October 8, 1997

Introduced and read first time: January 14, 1998

Assigned to: Economic and Environmental Affairs

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A BILL ENTITLED

1 AN ACT concerning

2 **Department of Housing and Community Development - Infrastructure**  
3 **Projects**

4 FOR the purpose of authorizing the financing of intangible assets as part of the local  
5 government infrastructure financing program of the Department of Housing  
6 and Community Development; and generally relating to the infrastructure  
7 financing program of the Department of Housing and Community Development.

8 BY repealing and reenacting, with amendments,  
9 Article 83B - Department of Housing and Community Development  
10 Section 2-201(a) and 2-203(o)  
11 Annotated Code of Maryland  
12 (1995 Replacement Volume and 1997 Supplement)

13 BY repealing and reenacting, without amendments,  
14 Article 83B - Department of Housing and Community Development  
15 Section 2-203(a)  
16 Annotated Code of Maryland  
17 (1995 Replacement Volume and 1997 Supplement)

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

20 **Article 83B - Department of Housing and Community Development**

21 2-201.

22 (a) It is found and declared that in this era of rapid population growth and  
23 expansion and of increasing urbanization, there is a need, in many areas of the State,  
24 to promote sound community development.

25 It is further found and declared that the counties and municipalities of the State  
26 do not have adequate resources to, and the ordinary operations of private enterprise

1 cannot without State assistance, deal effectively with all of the problems of sound  
2 community development.

3 It is further found that a need exists to coordinate and concentrate federal,  
4 State, regional and local public and private community development efforts and  
5 resources.

6 It is further found and declared that there is a shortage of adequate, safe, and  
7 sanitary housing for families of limited income particularly; and that by increasing  
8 the housing supply for families of limited incomes this shortage will be alleviated and  
9 sound community development promoted.

10 It is further found and declared that the increase of opportunities for  
11 homeownership is desirable and promotes sound community development.

12 It is further found and declared that the reduction of the consumption of energy  
13 and the increase in the utilization of solar energy by the provision of financial  
14 assistance to encourage energy conservation and solar energy improvements to  
15 housing and buildings used for commercial purposes promotes sound community  
16 development and is otherwise in the public interest.

17 It is further found and declared that the public infrastructure maintained by  
18 local government[, which includes streets, sidewalks, curbs, sewer and water  
19 systems, bridges, and public buildings,] is in need of IMPROVEMENT, rehabilitation  
20 [and], OR construction, that the resources necessary for financing infrastructure  
21 projects [have become scarcer in recent years] ARE LIMITED, and that providing an  
22 additional, accessible, and uncomplicated mechanism for financing infrastructure  
23 needs promotes sound community development, is vital to a strong economy, improves  
24 the quality of the environment, and otherwise promotes the health, safety, and  
25 welfare of the citizens of the State.

26 It is further found and declared that to promote sound community development  
27 is a proper public purpose and State use for which public money may be expended and  
28 property may be acquired, and that the functions and responsibilities of the  
29 Community Development Administration as hereinafter set forth are necessary and  
30 proper for the purpose of achieving the ends here recited.

31 2-203.

32 (a) In this subtitle the following words have the meanings indicated.

33 (o) "Infrastructure project" means any undertaking, project, or facility that is  
34 planned, acquired, owned, developed, constructed, reconstructed, rehabilitated, or  
35 improved by or on behalf of a county or municipality in order to provide the essential  
36 [physical] elements that constitute the basis of the public service system[.  
37 Infrastructure projects include, but are not limited to, streets, sidewalks, curbs, sewer  
38 and water systems, bridges, and public buildings] AND that are owned by a county or  
39 municipality or any of their agencies or instrumentalities. Infrastructure projects  
40 may not include any facilities with respect to which local obligations financing such  
41 facilities would be private activity bonds within the meaning of § 141 of the Internal

1 Revenue Code, for which an allocation under § 146 of the Internal Revenue Code  
2 would be required.

3 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take  
4 effect July 1, 1998.