

SENATE BILL 51

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(PRE-FILED)

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

Committee Report: Favorable
Senate action: Adopted
Read second time: January 22, 1998

CHAPTER _____

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:

1 Article 83B - Department of Housing and Community Development

2 2-201.

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

6 It is further found and declared that the counties and municipalities of the State
7 do not have adequate resources to, and the ordinary operations of private enterprise
8 cannot without State assistance, deal effectively with all of the problems of sound
9 community development.

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

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

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

19 It is further found and declared that the reduction of the consumption of energy
20 and the increase in the utilization of solar energy by the provision of financial
21 assistance to encourage energy conservation and solar energy improvements to
22 housing and buildings used for commercial purposes promotes sound community
23 development and is otherwise in the public interest.

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

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

38 2-203.

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

1 (o) "Infrastructure project" means any undertaking, project, or facility that is
2 planned, acquired, owned, developed, constructed, reconstructed, rehabilitated, or
3 improved by or on behalf of a county or municipality in order to provide the essential
4 [physical] elements that constitute the basis of the public service system[.
5 Infrastructure projects include, but are not limited to, streets, sidewalks, curbs, sewer
6 and water systems, bridges, and public buildings] AND that are owned by a county or
7 municipality or any of their agencies or instrumentalities. Infrastructure projects
8 may not include any facilities with respect to which local obligations financing such
9 facilities would be private activity bonds within the meaning of § 141 of the Internal
10 Revenue Code, for which an allocation under § 146 of the Internal Revenue Code
11 would be required.

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