

SENATE BILL 443

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B2

1998 Regular Session
8r1810
CF 8r1287

By: **Senator Hollinger**

Introduced and read first time: February 6, 1998

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt - Owings Mills Volunteer Fire Company of**
3 **Baltimore County**

4 FOR the purpose of authorizing the creation of a State Debt not to exceed \$250,000,
5 the proceeds to be used as a grant to the County Executive and County Council
6 of Baltimore County for certain acquisition, development, or improvement
7 purposes; providing for disbursement of the loan proceeds, subject to a
8 requirement that the grantee provide and expend a matching fund; and
9 providing generally for the issuance and sale of bonds evidencing the loan.

10 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
11 MARYLAND, That:

12 (1) The Board of Public Works may borrow money and incur indebtedness on
13 behalf of the State of Maryland through a State loan to be known as the Owings Mills
14 Volunteer Fire Company of Baltimore County Loan of 1998 in a total principal
15 amount equal to the lesser of (i) \$250,000 or (ii) the amount of the matching fund
16 provided in accordance with Section 1(5) below. This loan shall be evidenced by the
17 issuance, sale, and delivery of State general obligation bonds authorized by a
18 resolution of the Board of Public Works and issued, sold, and delivered in accordance
19 with §§ 8-117 through 8-124 of the State Finance and Procurement Article and
20 Article 31, § 22 of the Code.

21 (2) The bonds to evidence this loan or installments of this loan may be sold as
22 a single issue or may be consolidated and sold as part of a single issue of bonds under
23 § 8-122 of the State Finance and Procurement Article.

24 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer
25 and first shall be applied to the payment of the expenses of issuing, selling, and
26 delivering the bonds, unless funds for this purpose are otherwise provided, and then
27 shall be credited on the books of the Comptroller and expended, on approval by the
28 Board of Public Works, for the following public purposes, including any applicable
29 architects' and engineers' fees: as a grant to the County Executive and County Council
30 of Baltimore County (referred to hereafter in this Act as "the grantee") for site
31 acquisition, and the planning, design, construction, and capital equipping of a new
32 station for the Owings Mills Volunteer Fire Company of Baltimore County.

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
3 when due and until paid in full. The principal shall be discharged within 15 years
4 after the date of issuance of the bonds.

5 (5) Prior to the payment of any funds under the provisions of this Act for the
6 purposes set forth in Section 1(3) above, the grantee shall provide and expend a
7 matching fund and the property on which the Owings Mills Volunteer Fire Company
8 of Baltimore County is currently located shall be sold and the proceeds of the sale
9 expended or dedicated for the purposes set forth in Section 1(3) above. No part of the
10 grantee's matching fund may be provided, either directly or indirectly, from funds of
11 the State, whether appropriated or unappropriated. No part of the fund may consist of
12 in kind contributions. The matching fund may consist of real property or funds
13 expended prior to the effective date of this Act. In case of any dispute as to the amount
14 of the matching fund or what money or assets may qualify as matching funds, the
15 Board of Public Works shall determine the matter and the Board's decision is final.
16 The grantee has until June 1, 2000, to present evidence satisfactory to the Board of
17 Public Works that a matching fund will be provided. If satisfactory evidence is
18 presented, the Board shall certify this fact and the amount of the matching fund to
19 the State Treasurer, and the proceeds of the loan equal to the amount of the matching
20 fund shall be expended for the purposes provided in this Act. Any amount of the loan
21 in excess of the amount of the matching fund certified by the Board of Public Works
22 shall be canceled and be of no further effect.

23 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
24 June 1, 1998.