

SENATE BILL 528

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B2

1998 Regular Session
8lr2235
CF 8lr1258

By: **Senators Currie, Dorman, Lawlah, Madden, Miller, and Trotter**
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 - Prince George's County - Showplace Arena**
3 **(Equestrian Center)**

4 FOR the purpose of authorizing the creation of a State Debt not to exceed \$1,500,000,
5 the proceeds to be used as a grant to the County Executive and County Council
6 of Prince George's 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 Prince
14 George's County - Showplace Arena (Equestrian Center) Loan of 1998 in a total
15 principal amount equal to the lesser of (i) \$1,500,000 or (ii) the amount of the
16 matching fund provided in accordance with Section 1(5) below. This loan shall be
17 evidenced by the issuance, sale, and delivery of State general obligation bonds
18 authorized by a resolution of the Board of Public Works and issued, sold, and
19 delivered in accordance with §§ 8-117 through 8-124 of the State Finance and
20 Procurement Article and 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 Prince George's County (referred to hereafter in this Act as "the grantee") for the
31 planning, design, renovation, repair, and capital equipping of the Showplace Arena
32 (also known as the Equestrian Center) in Upper Marlboro, the renovation to include

1 retrofitting of the facility to include an ice rink to be used by an East Coast Hockey
2 League (ECHL) professional hockey team that is affiliated with a National Hockey
3 League team and also to include locker rooms, shower facilities, box seats, and other
4 installations, capital equipment, and capital furnishings that are necessary for
5 professional hockey games to be played at the facility, as well as other capital
6 expenses involved.

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

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

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