

SENATE BILL 559

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B2

1998 Regular Session
(8lr2287)

ENROLLED BILL
-- Budget and Taxation/Appropriations --

Introduced by **Senators Baker and Fry**

Read and Examined by Proofreaders:

Proofreader.

Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this
____ day of _____ at _____ o'clock, ____ M.

President.

CHAPTER _____

1 AN ACT concerning

2 **Creation of a State Debt - Cecil County - Elk ~~Creek~~ River - Dredging**

3 FOR the purpose of authorizing the creation of a State Debt not to exceed ~~\$450,000~~
4 \$225,000 \$200,000, the proceeds to be used as a grant to the County
5 Commissioners of Cecil County for certain acquisition, development, or
6 improvement purposes; providing for disbursement of the loan proceeds, subject
7 to a requirement that the grantee provide and expend a matching fund; and
8 providing generally for the issuance and 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 on
12 behalf of the State of Maryland through a State loan to be known as the Cecil County
13 - Elk ~~Creek~~ River - Dredging Loan of 1998 in a total principal amount equal to the
14 lesser of (i) ~~\$450,000~~ \$225,000 \$200,000 or (ii) the amount of the matching fund
15 provided in accordance with Section 1(5) below. This loan shall be evidenced by the
16 issuance, sale, and delivery of State general obligation bonds authorized by a

1 resolution of the Board of Public Works and issued, sold, and delivered in accordance
2 with §§ 8-117 through 8-124 of the State Finance and Procurement Article and
3 Article 31, § 22 of the Code.

4 (2) The bonds to evidence this loan or installments of this loan may be sold as
5 a single issue or may be consolidated and sold as part of a single issue of bonds under
6 § 8-122 of the State Finance and Procurement Article.

7 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer
8 and first shall be applied to the payment of the expenses of issuing, selling, and
9 delivering the bonds, unless funds for this purpose are otherwise provided, and then
10 shall be credited on the books of the Comptroller and expended, on approval by the
11 Board of Public Works, for the following public purposes, including any applicable
12 architects' and engineers' fees: as a grant to the County Commissioners of Cecil
13 County (referred to hereafter in this Act as "the grantee") for waterway dredging
14 operations at Elk ~~Creek~~ River, including sediment removal, structural and
15 nonstructural improvements, bank reconstruction, revegetation, erosion control,
16 necessary studies, capital equipping, and necessary acquisition of property for the
17 dredging of the ~~Creek~~ River.

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

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

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

