

SENATE BILL 591

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B2

1998 Regular Session
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By: **Senators Fry and Craig**
Introduced and read first time: February 6, 1998
Assigned to: Budget and Taxation

Committee Report: Favorable
Senate action: Adopted
Read second time: March 27, 1998

CHAPTER _____

1 AN ACT concerning

2 **Creation of a State Debt - Harford County - Senator William Amoss**
3 **Agricultural Education Project**

4 FOR the purpose of authorizing the creation of a State Debt not to exceed \$100,000,
5 the proceeds to be used as a grant to the Board of Directors of the Maryland
6 Agricultural Education Foundation, Inc. for certain acquisition, development, or
7 improvement purposes; providing for disbursement of the loan proceeds, subject
8 to a 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 Harford
14 County - Senator William Amoss Agricultural Education Project Loan of 1998 in a
15 total principal amount equal to the lesser of (i) \$100,000 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

1 delivering the bonds, unless funds for this purpose are otherwise provided, and then
2 shall be credited on the books of the Comptroller and expended, on approval by the
3 Board of Public Works, for the following public purposes, including any applicable
4 architects' and engineers' fees: as a grant to the Board of Directors of the Maryland
5 Agricultural Education Foundation, Inc. (referred to hereafter in this Act as "the
6 grantee") for the planning, design, repair, renovation, reconstruction, construction,
7 and capital equipping of classroom and office facilities at Swan Harbor Farm in Havre
8 de Grace to be named in memory of the late Senator William Amoss.

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

13 (5) Prior to the payment of any funds under the provisions of this Act for the
14 purposes set forth in Section 1(3) above, the grantee shall provide and expend a
15 matching fund. No part of the grantee's matching fund may be provided, either
16 directly or indirectly, from funds of the State, whether appropriated or
17 unappropriated. No part of the fund may consist of real property or in kind
18 contributions. The matching fund may consist of funds expended after December 1,
19 1997 and prior to the effective date of this Act. In case of any dispute as to the amount
20 of the matching fund or what money or assets may qualify as matching funds, the
21 Board of Public Works shall determine the matter and the Board's decision is final.
22 The grantee has until June 1, 2000, to present evidence satisfactory to the Board of
23 Public Works that a matching fund will be provided. If satisfactory evidence is
24 presented, the Board shall certify this fact and the amount of the matching fund to
25 the State Treasurer, and the proceeds of the loan equal to the amount of the matching
26 fund shall be expended for the purposes provided in this Act. Any amount of the loan
27 in excess of the amount of the matching fund certified by the Board of Public Works
28 shall be canceled and be of no further effect.

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