

SENATE BILL 785

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1998 Regular Session
8lr2657
CF HB 969

By: **Senators Fry, Craig, and Collins**
Introduced and read first time: March 9, 1998
Rule 32 suspended
Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt - Harford County - Bel Air Youth and Senior Center**

3 FOR the purpose of authorizing the creation of a State Debt not to exceed \$1,000,000,
4 the proceeds to be used as a grant to the Board of Town Commissioners of Bel
5 Air for certain acquisition, development, or improvement purposes; providing for
6 disbursement of the loan proceeds, subject to a requirement that the grantee
7 provide and expend a matching fund; and providing generally for the issuance
8 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 Harford
13 County - Bel Air Youth and Senior Center Loan of 1998 in a total principal amount
14 equal to the lesser of (i) \$1,000,000 or (ii) the amount of the matching fund provided
15 in accordance with Section 1(5) below. This loan shall be evidenced by the issuance,
16 sale, and delivery of State general obligation bonds authorized by a resolution of the
17 Board of Public Works and issued, sold, and delivered in accordance with §§ 8-117
18 through 8-124 of the State Finance and Procurement Article and Article 31, § 22 of
19 the Code.

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

23 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer
24 and first shall be applied to the payment of the expenses of issuing, selling, and
25 delivering the bonds, unless funds for this purpose are otherwise provided, and then
26 shall be credited on the books of the Comptroller and expended, on approval by the
27 Board of Public Works, for the following public purposes, including any applicable
28 architects' and engineers' fees: as a grant to the Board of Town Commissioners of Bel
29 Air (referred to hereafter in this Act as "the grantee") for the planning, design,
30 construction, and capital equipping of a building in Bel Air to be used as the Bel Air

1 Youth and Senior Center, a facility that will benefit both the youthful and senior
2 populations of the community of Bel Air.

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

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

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