

SENATE BILL 789

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B2

1998 Regular Session
8r2790
CF HB 1269

By: **Senator Stoltzfus**

Constitutional Requirements Complied with for Introduction in the last 35 Days of Session

Introduced and read first time: March 11, 1998

Rule 32 suspended

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt - Caroline, Cecil, Dorchester, Kent, Queen Anne's,**
3 **Somerset, Talbot, Wicomico, and Worcester Counties - Dry Hydrant System**

4 FOR the purpose of authorizing the creation of a State Debt in the amount of
5 \$100,000, the proceeds to be used as a grant to the Delmarva Advisory Council
6 for certain acquisition, development, or improvement purposes; providing for
7 disbursement of the loan proceeds; and providing generally for the issuance and
8 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 Caroline,
13 Cecil, Dorchester, Kent, Queen Anne's, Somerset, Talbot, Wicomico, and Worcester
14 Counties - Dry Hydrant System Loan of 1998 in the total principal amount of
15 \$100,000. This loan shall be evidenced by the issuance, sale, and delivery of State
16 general obligation bonds authorized by a resolution of the Board of Public Works and
17 issued, sold, and delivered in accordance with §§ 8-117 through 8-124 of the State
18 Finance and Procurement Article and Article 31, § 22 of the Code.

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

22 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer
23 and first shall be applied to the payment of the expenses of issuing, selling, and
24 delivering the bonds, unless funds for this purpose are otherwise provided, and then
25 shall be credited on the books of the Comptroller and expended, on approval by the
26 Board of Public Works, for the following public purposes, including any applicable
27 architects' and engineers' fees: as a grant to the Delmarva Advisory Council for the
28 planning, design, and construction, in cooperation with the Maryland Forest Service,

1 of a dry hydrant system for fire service in rural areas of Caroline, Cecil, Dorchester,
2 Kent, Queen Anne's, Somerset, Talbot, Wicomico, and Worcester Counties.

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