

HOUSE BILL 284

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B2

1999 Regular Session
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By: **Allegany County Delegation**

Introduced and read first time: February 4, 1999

Assigned to: Appropriations

A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt - Allegany County Agricultural Expo and**
3 **Fairgrounds**

4 FOR the purpose of authorizing the creation of a State Debt not to exceed \$450,000,
5 the proceeds to be used as a grant to the Board of County Commissioners of
6 Allegany County for certain development or improvement purposes; providing
7 for disbursement of the loan proceeds, subject to a requirement that the grantee
8 provide and expend a matching fund; and providing generally for the issuance
9 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 Allegany
14 County Agricultural Expo and Fairgrounds Loan of 1999 in a total principal amount
15 equal to the lesser of (i) \$450,000 or (ii) the amount of the matching fund provided in
16 accordance with Section 1(5) below. This loan shall be evidenced by the issuance, sale,
17 and delivery of State general obligation bonds authorized by a resolution of the Board
18 of Public Works and issued, sold, and delivered in accordance with §§ 8-117 through
19 8-124 of the State Finance and Procurement Article and Article 31, § 22 of 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 County Commissioners of
29 Allegany County (referred to hereafter in this Act as "the grantee") for the planning,
30 design, construction, and capital equipping of the Allegany County fairgrounds of
31 three connected pavilion buildings that would contain the Allegany County
32 Agricultural Expo offices, exhibition areas, rest rooms, and showers and a separate

1 expo building that would contain a year-round activity area with a catering kitchen
2 and rest rooms that could be used for meetings, conventions, banquets, trade shows,
3 and similar events.

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

8 (5) (a) The grantee shall provide and expend a matching fund.

9 (b) No part of the grantee's matching fund may be provided, either
10 directly or indirectly, from funds of the State, whether appropriated or
11 unappropriated. The fund may consist of real property, in kind contributions, or funds
12 expended prior to the effective date of this Act. In case of any dispute as to the amount
13 of the matching fund or what money or assets may qualify as matching funds, the
14 Board of Public Works shall determine the matter and the Board's decision is final.

15 (c) The grantee shall present evidence to the satisfaction of the Board of
16 Public Works of the provision and expenditure of the matching fund, and the Board of
17 Public Works shall disburse the proceeds of the grant under the provisions of this Act
18 for the purposes set forth in Section 1(3) above, both to be done in installments.

19 (d) As the grantee provides and expends an installment of the matching
20 fund, the Board of Public Works shall disburse an installment of the proceeds of the
21 grant equal to the portion of the matching fund presented at that time by the grantee.

22 (e) This method of presentation of the matching fund in installments and
23 of the disbursement of the proceeds of the loan in installments that are equal to each
24 presentation of the matching fund shall continue until the first to occur of the
25 disbursement of the total amount of the grant or June 1, 2001.

26 (f) The grantee has until June 1, 2001, to present the final evidence
27 satisfactory to the Board of Public Works that the total matching fund will be
28 provided. If satisfactory evidence is presented, the Board shall certify this fact, the
29 amount of the final installment of the matching fund, and the amount of the total
30 matching fund to the State Treasurer, and the final proceeds of the loan equal to the
31 final installment of the matching fund shall be expended for the purposes provided in
32 this Act. After June 1, 2001, any amount of the loan in excess of the amount of the
33 matching fund certified by the Board of Public Works shall be canceled and be of no
34 further effect.

35 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
36 June 1, 1999.