
By: **Cecil County Delegation**

Introduced and read first time: March 1, 1999

Assigned to: Rules and Executive Nominations

A BILL ENTITLED

1 AN ACT concerning

2 **Bainbridge Development Corporation**

3 FOR the purpose of creating the Bainbridge Development Corporation as a public
4 instrumentality of the State; providing for the establishment, membership, and
5 officers of the Board of Directors of the Corporation; authorizing the Board of
6 Directors to establish a Bainbridge Development Advisory Board that consists of
7 certain persons; providing for the appointment, powers, and duties of the
8 executive director of the Corporation; providing for the powers of the
9 Corporation; authorizing the Corporation to borrow money for certain purposes,
10 secure payment of the borrowing, and combine projects for financing;
11 authorizing the Maryland Economic Development Corporation to issue bonds on
12 behalf of the Corporation; authorizing the Corporation to fix and revise rates or
13 charges for certain services; providing for certain exemptions from certain taxes
14 or assessments except under certain circumstances; providing for the creation,
15 continuation, and administration of the funds of the Corporation; requiring a
16 certain report; providing certain exemptions for the Corporation from certain
17 provisions of State law; making certain legislative findings; defining certain
18 terms; and generally relating to the creation of the Bainbridge Development
19 Corporation.

20 BY adding to

21 Article 83A - Department of Business and Economic Development
22 Section 5-1301 through 5-1310, inclusive, to be under the new subtitle "Subtitle
23 13. Bainbridge Development Corporation"
24 Annotated Code of Maryland
25 (1998 Replacement Volume)

26 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
27 MARYLAND, That the Laws of Maryland read as follows:

Article 83A - Department of Business and Economic Development

SUBTITLE 13. BAINBRIDGE DEVELOPMENT CORPORATION.

3 5-1301.

4 (A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS
5 INDICATED.

6 (B) (1) "BONDS" MEANS ALL BONDS AND NOTES ISSUED ON BEHALF OF THE
7 CORPORATION.

8 (2) "BONDS" INCLUDES:

9 (I) BOND ANTICIPATION NOTES;

10 (II) REVENUE ANTICIPATION NOTES;

11 (III) GRANT ANTICIPATION NOTES;

12 (IV) REFUNDING BONDS;

13 (V) NOTES IN THE NATURE OF COMMERCIAL PAPER; OR

14 (VI) OTHER EVIDENCES OF INDEBTEDNESS ISSUED ON BEHALF OF
15 THE CORPORATION, WHETHER GENERAL OR LIMITED OBLIGATIONS OF THE
16 CORPORATION ISSUED UNDER THIS SUBTITLE.

17 (C) "CORPORATION" MEANS THE BAINBRIDGE DEVELOPMENT CORPORATION.

18 (D) "COST" INCLUDES:

19 (1) (I) THE PURCHASE PRICE OF ANY PROJECT OR THE COST OF
20 ACQUIRING ALL OR ANY PORTION OF THE RIGHT, TITLE, OR INTEREST OF A PROJECT;
21 AND

22 (II) THE AMOUNT TO BE PAID TO DISCHARGE ALL OBLIGATIONS
23 NECESSARY OR DESIRABLE TO VEST TITLE TO THE PROJECT OR ANY PART OF IT IN
24 THE CORPORATION OR OTHER OWNER;

25 (2) THE COST OF:

26 (I) ANY RECONSTRUCTION, EXTENSION, ENLARGEMENT,
27 ALTERATION, REPAIR, OR IMPROVEMENT;

28 (II) ALL LANDS, PROPERTIES, RIGHTS, EASEMENTS, FRANCHISES,
29 AND PERMITS;

30 (III) ALL LABOR, MACHINERY, AND EQUIPMENT; AND

1 (IV) REVENUE ESTIMATES, ENGINEERING, AND LEGAL SERVICES,
2 PLANS, DESIGNS, SPECIFICATIONS, SURVEYS, INVESTIGATIONS, DEMONSTRATIONS,
3 STUDIES, ESTIMATES OF COST, AND OTHER EXPENSES NECESSARY OR INCIDENT TO
4 DETERMINING THE FEASIBILITY OR PRACTICABILITY OF ANY ACQUISITION,
5 IMPROVEMENT, REPAIR, OR CONSTRUCTION OF THE PROJECT;

6 (3) FINANCING CHARGES;

7 (4) INTEREST BEFORE AND DURING CONSTRUCTION AND, IF DEEMED
8 DESIRABLE BY THE CORPORATION, FOR A LIMITED PERIOD AFTER THE COMPLETION
9 OF CONSTRUCTION;

10 (5) RESERVES FOR PRINCIPAL AND INTEREST AND FOR EXTENSIONS,
11 ENLARGEMENTS, ADDITIONS, AND IMPROVEMENTS;

12 (6) (I) ADMINISTRATIVE EXPENSES; AND

13 (II) OTHER EXPENSES NECESSARY OR INCIDENT TO:

14 1. PROJECT FINANCING;

15 2. THE ACQUISITION, OPERATION, MAINTENANCE,
16 IMPROVEMENT, CONSTRUCTION, AND MARKETING OF A PROJECT; AND

17 3. THE PLACING OF THE PROJECT IN OPERATION BY THE
18 CORPORATION OR OTHER OWNER, INCLUDING REASONABLE PROVISION FOR
19 WORKING CAPITAL.

20 (E) "MEDCO" MEANS THE MARYLAND ECONOMIC DEVELOPMENT
21 CORPORATION ESTABLISHED UNDER § 5-203 OF THIS ARTICLE.

22 (F) "PERSON" MEANS ANY NATURAL PERSON, CORPORATION, FIRM,
23 PARTNERSHIP, COOPERATIVE, POLITICAL SUBDIVISION, OR OTHER ENTITY.

24 (G) (1) "PROJECT" MEANS THE ESTABLISHMENT OF ECONOMIC ACTIVITY ON
25 THE PROPERTY THAT IS CURRENTLY THE BAINBRIDGE NAVAL TRAINING CENTER AT
26 PORT DEPOSIT, MARYLAND, TO BE CONVEYED TO THE CORPORATION, INCLUDING
27 THE HISTORIC TOME SCHOOL FOR BOYS.

28 (2) "PROJECT" INCLUDES:

29 (I) LAND, IMPROVEMENTS, INFRASTRUCTURE, MACHINERY,
30 EQUIPMENT, FURNISHINGS, AND ALL REAL OR PERSONAL PROPERTIES AND RIGHTS
31 THEREIN AND APPURTENANCES, RIGHTS-OF-WAY, FRANCHISES, EASEMENTS, AND
32 OTHER INTERESTS IN LAND, ALL LAND AND FACILITIES WHICH ARE FUNCTIONALLY
33 RELATED AND SUBORDINATE TO THE PROJECT AND ALL PATENTS, LICENSES, AND
34 OTHER RIGHTS NECESSARY OR USEFUL IN THE CONSTRUCTION OR OPERATION OF A
35 PROJECT; AND

1 (II) ANY FACILITIES AND PROPERTIES SPECIFIED IN THIS
2 SUBSECTION, WHETHER OR NOT THESE FACILITIES OR PROPERTIES CAN BE
3 FINANCED BY BONDS THE INTEREST ON WHICH IS TAX EXEMPT UNDER THE
4 INTERNAL REVENUE CODE.

5 (H) (1) "REVENUES" INCLUDES ALL INCOME, REVENUES, AND OTHER
6 MONEYS RECEIVED BY THE CORPORATION FROM OR IN CONNECTION WITH ANY
7 PROJECT.

8 (2) "REVENUES" INCLUDES GRANTS, RENTALS, RATES, FEES, CHARGES
9 FOR THE USE OF THE SERVICES FURNISHED OR AVAILABLE, AND ALL OTHER
10 INCOME INURING TO THE CORPORATION.

11 5-1302.

12 THE GENERAL ASSEMBLY FINDS THAT:

13 (1) THE ECONOMY OF CECIL COUNTY WAS GREATLY IMPACTED BY THE
14 CLOSURE OF THE BAINBRIDGE NAVAL TRAINING CENTER;

15 (2) WHILE THIS CLOSURE RESULTED IN ECONOMIC CONTRACTION AND
16 DISLOCATION, IT ALSO AFFORDS OPPORTUNITIES TO EXPAND PRODUCTIVE
17 EMPLOYMENT AND EXPAND THE ECONOMY AND TAX BASE OF THE STATE;

18 (3) THE ESTABLISHMENT OF A STATE PUBLIC CORPORATION TO
19 DEVELOP THE BAINBRIDGE NAVAL TRAINING CENTER WOULD SERVE THE PUBLIC
20 INTEREST AND COMPLEMENT EXISTING STATE MARKETING PROGRAMS
21 ADMINISTERED BY THE DEPARTMENT OF BUSINESS AND ECONOMIC DEVELOPMENT
22 THROUGH ITS OFFICE OF BUSINESS DEVELOPMENT AND RESOURCES AND THROUGH
23 FINANCIAL ASSISTANCE PROGRAMS, SUCH AS THOSE OF THE MARYLAND
24 INDUSTRIAL DEVELOPMENT FINANCING AUTHORITY, THE MARYLAND INDUSTRIAL
25 LAND ACT, AND THE MARYLAND INDUSTRIAL AND COMMERCIAL REDEVELOPMENT
26 FUND ACT; AND

27 (4) IN ACCORDANCE WITH THE PURPOSES OF THIS SUBTITLE, THE
28 CORPORATION SHOULD STRUCTURE ITS PROJECTS IN A MANNER THAT
29 ACCELERATES THE TRANSFER OF FACILITIES AND SITES INTO PRODUCTIVE USE IN
30 THE PRIVATE SECTOR AND COOPERATE WITH THE GOVERNING BODY OF CECIL
31 COUNTY IN MAXIMIZING NEW ECONOMIC OPPORTUNITIES FOR THE CITIZENS OF
32 THIS STATE.

33 5-1303.

34 (A) (1) THE CORPORATION IS A BODY POLITIC AND CORPORATE AND IS
35 CONSTITUTED AS A PUBLIC INSTRUMENTALITY OF THE STATE OF MARYLAND.

36 (2) THE EXERCISE BY THE CORPORATION OF THE POWERS CONFERRED
37 BY THIS SUBTITLE SHALL BE DEEMED TO BE THE PERFORMANCE OF AN ESSENTIAL
38 PUBLIC FUNCTION.

1 (B) (1) A BOARD OF DIRECTORS SHALL MANAGE THE AFFAIRS OF THE
2 CORPORATION AND SHALL EXERCISE ALL OF ITS CORPORATE POWERS.

3 (2) THE BOARD OF DIRECTORS SHALL CONSIST OF:

4 (I) NINE MEMBERS APPOINTED BY THE BOARD OF COUNTY
5 COMMISSIONERS OF CECIL COUNTY AS FOLLOWS:

6 1. TWO MEMBERS RECOMMENDED BY THE MAYOR AND
7 TOWN COUNCIL OF PORT DEPOSIT;

8 2. TWO MEMBERS RECOMMENDED BY THE STATE
9 LEGISLATIVE DELEGATION OF CECIL COUNTY;

10 3. THE DIRECTOR OF THE CECIL COUNTY DEPARTMENT OF
11 ECONOMIC DEVELOPMENT; AND

12 4. FOUR AT-LARGE MEMBERS;

13 (II) SIX NONVOTING EX OFFICIO MEMBERS AS FOLLOWS:

14 1. THE SECRETARY OF BUSINESS AND ECONOMIC
15 DEVELOPMENT OR THE SECRETARY'S DESIGNEE;

16 2. THE SECRETARY OF GENERAL SERVICES OR THE
17 SECRETARY'S DESIGNEE;

18 3. THE EXECUTIVE DIRECTOR OF THE MARYLAND
19 ECONOMIC DEVELOPMENT CORPORATION;

20 4. THE DIRECTOR OF THE MARYLAND HISTORICAL TRUST;

21 5. THE PRESIDENT OF THE BOARD OF COUNTY
22 COMMISSIONERS OF CECIL COUNTY; AND

23 6. THE MAYOR OF THE TOWN OF PORT DEPOSIT.

24 (3) (I) THE TERM OF AN APPOINTED MEMBER OF THE BOARD IS 4
25 YEARS.

26 (II) THE TERMS OF APPOINTED MEMBERS SHALL BE STAGGERED
27 TO ENSURE LONG-TERM CONTINUITY IN BOARD ACTION.

28 (III) AT THE END OF A TERM, A MEMBER CONTINUES TO SERVE
29 UNTIL A SUCCESSOR IS APPOINTED.

30 (IV) A MEMBER WHO IS APPOINTED AFTER A TERM HAS BEGUN
31 SERVES ONLY FOR THE REST OF THE TERM AND UNTIL A SUCCESSOR IS APPOINTED.

32 (C) (1) THE BOARD SHALL ELECT ONE OF ITS MEMBERS AS CHAIRMAN, ONE
33 AS VICE CHAIRMAN, AND ONE AS TREASURER.

1 (2) FIVE MEMBERS OF THE BOARD CONSTITUTE A QUORUM, BUT
2 ACTION MAY NOT BE TAKEN BY LESS THAN THE VOTE OF FIVE MEMBERS.

3 (3) A VACANCY IN THE MEMBERSHIP OF THE BOARD OF DIRECTORS
4 DOES NOT IMPAIR THE RIGHT OF A QUORUM OF THE BOARD OF DIRECTORS TO
5 EXERCISE ALL RIGHTS AND PERFORM ALL THE DUTIES OF THE CORPORATION.

6 (D) THE BOARD OF DIRECTORS SHALL ESTABLISH A BAINBRIDGE
7 DEVELOPMENT ADVISORY BOARD WHICH SHALL CONSIST OF:

8 (1) A REPRESENTATIVE OF THE BOARD OF COUNTY COMMISSIONERS OF
9 CECIL COUNTY;

10 (2) THE STATE LEGISLATIVE DELEGATION OF CECIL COUNTY;

11 (3) A REPRESENTATIVE OF THE MAYOR OF PORT DEPOSIT;

12 (4) A REPRESENTATIVE OF THE TOWN COUNCIL OF PORT DEPOSIT;

13 (5) THE PRESIDENT OF CECIL COMMUNITY COLLEGE;

14 (6) THE SUPERINTENDENT OF CECIL COUNTY PUBLIC SCHOOLS;

15 (7) THE COORDINATOR OF THE LOWER SUSQUEHANNA HERITAGE
16 GREENWAY; AND

17 (8) OTHER PERSONS AS DETERMINED BY THE BOARD OF DIRECTORS.

18 5-1304.

19 (A) (1) SUBJECT TO APPROVAL OF THE BOARD OF COUNTY
20 COMMISSIONERS, THE BOARD OF DIRECTORS SHALL APPOINT AN EXECUTIVE
21 DIRECTOR WHO SHALL SERVE AT THE PLEASURE OF THE BOARD.

22 (2) THE SALARY OF THE EXECUTIVE DIRECTOR SHALL BE DETERMINED
23 BY THE BOARD.

24 (B) (1) THE EXECUTIVE DIRECTOR SHALL BE THE CHIEF ADMINISTRATIVE
25 OFFICER FOR THE CORPORATION AND DIRECT AND SUPERVISE THE
26 ADMINISTRATIVE AFFAIRS AND TECHNICAL ACTIVITIES OF THE CORPORATION IN
27 ACCORDANCE WITH POLICIES AND PROCEDURES ESTABLISHED BY THE BOARD OF
28 DIRECTORS.

29 (2) THE EXECUTIVE DIRECTOR, OR THE EXECUTIVE DIRECTOR'S
30 DESIGNEE, SHALL:

31 (I) ATTEND ALL MEETINGS OF THE BOARD OF DIRECTORS, ACT AS
32 SECRETARY TO THE BOARD, AND KEEP MINUTES OF ALL ITS PROCEEDINGS;

33 (II) APPROVE ALL ACCOUNTS FOR SALARIES, PER DIEM PAYMENTS,
34 AND ALLOWABLE EXPENSES OF THE CORPORATION OR OF ANY OF ITS EMPLOYEES

1 OR CONSULTANTS, AND ANY EXPENSES INCIDENTAL TO THE OPERATION OF THE
2 CORPORATION; AND

3 (III) PERFORM ANY OTHER DUTIES THAT MAY BE DIRECTED BY THE
4 BOARD OF DIRECTORS IN CARRYING OUT THE PURPOSES OF THIS SUBTITLE.

5 (C) (1) THE BOARD OF DIRECTORS SHALL APPROVE ANY ADDITIONAL
6 PROFESSIONAL AND CLERICAL STAFF THAT IS NECESSARY TO CARRY OUT THE
7 PURPOSES OF THIS SUBTITLE.

8 (2) THE OFFICERS OR EMPLOYEES OF THE CORPORATION ARE NOT
9 SUBJECT TO:

10 (I) DIVISION II OF THE STATE PERSONNEL AND PENSIONS
11 ARTICLE; OR

12 (II) DIVISION I OF THE STATE PERSONNEL AND PENSIONS ARTICLE
13 THAT GOVERN THE STATE PERSONNEL MANAGEMENT SYSTEM.

14 (D) THE BOARD OF DIRECTORS MAY ENGAGE ANY NECESSARY ACCOUNTANTS,
15 ENGINEERS, LAWYERS, FINANCIAL ADVISORS, OR OTHER CONSULTANTS.

16 5-1305.

17 THE CORPORATION MAY:

18 (1) ADOPT BYLAWS FOR THE REGULATION OF ITS AFFAIRS AND THE
19 CONDUCT OF ITS BUSINESS;

20 (2) ADOPT AN OFFICIAL SEAL AND ALTER IT AT ITS PLEASURE;

21 (3) MAINTAIN OFFICES THAT IT DESIGNATES AT THE BAINBRIDGE
22 NAVAL TRAINING CENTER;

23 (4) APPLY FOR AND ACCEPT ANY LOANS, GRANTS, OR ASSISTANCE OF
24 ANY TYPE FROM THE FEDERAL, STATE, OR LOCAL GOVERNMENTS, OR ANY PRIVATE
25 SOURCES;

26 (5) MAKE, EXECUTE, AND ENTER INTO ANY CONTRACTS OR OTHER
27 LEGAL INSTRUMENTS;

28 (6) SUE AND BE SUED IN ITS OWN NAME;

29 (7) ACQUIRE, CONSTRUCT, DEVELOP, MANAGE, MARKET,
30 RECONSTRUCT, REHABILITATE, IMPROVE, MAINTAIN, EQUIP, LEASE AS LESSOR OR
31 AS LESSEE, REPAIR, AND OPERATE ANY PROJECT AT THE BAINBRIDGE NAVAL
32 TRAINING CENTER;

33 (8) ACQUIRE, PURCHASE, HOLD, LEASE AS LESSEE, AND USE ANY
34 FRANCHISE, PATENT, OR LICENSE AND ANY PROPERTY WHETHER REAL, PERSONAL,
35 MIXED, OR TANGIBLE OR INTANGIBLE, OR ANY INTEREST IN SUCH PROPERTY,

1 NECESSARY OR CONVENIENT FOR CARRYING OUT THE PURPOSES OF THE
2 CORPORATION;

3 (9) SELL, LEASE AS LESSOR, TRANSFER, AND DISPOSE OF ANY PROPERTY
4 OR INTEREST IN THE CORPORATION AT ANY TIME ACQUIRED BY THE CORPORATION;

5 (10) ACQUIRE, EITHER DIRECTLY OR BY OR THROUGH ANY AGREEMENT
6 WITH THE U.S. NAVY, BY PURCHASE OR BY GIFT OR DEVISE, ANY LANDS,
7 STRUCTURES, REAL OR PERSONAL PROPERTY, RIGHTS, RIGHTS-OF-WAY,
8 FRANCHISES, EASEMENTS, AND OTHER INTERESTS IN LANDS, INCLUDING LANDS
9 LYING UNDER WATER AND RIPARIAN RIGHTS WHICH ARE LOCATED WITHIN OR
10 WITHOUT THE STATE, WHICH IT DEEMS NECESSARY OR CONVENIENT FOR THE
11 CONSTRUCTION, IMPROVEMENT, REHABILITATION, OR OPERATION OF A PROJECT,
12 AND ON ANY TERMS AND AT ANY PRICES THAT IT CONSIDERS TO BE REASONABLE;

13 (11) BORROW MONEY TO FINANCE OR REFINANCE ALL OR ANY PART OF
14 THE COST OF ANY ONE OR MORE PROJECTS OR FOR ANY OTHER CORPORATE
15 PURPOSE OF THE CORPORATION AND SECURE THE PAYMENT OF SUCH BORROWING
16 OR ANY PART BY PLEDGE OF OR MORTGAGE OR DEED OF TRUST ON ALL OR ANY PART
17 OF ITS PROPERTIES OR REVENUES;

18 (12) COMBINE PROJECTS FOR FINANCING;

19 (13) FIX, REVISE FROM TIME TO TIME, AND COLLECT RATES, RENTALS,
20 FEES, AND CHARGES FOR THE USE OF, OR FOR SERVICES AND FACILITIES PROVIDED
21 OR MADE AVAILABLE BY, THE CORPORATION;

22 (14) WITH THE PERMISSION OF THE OWNER, ENTER UPON LANDS,
23 WATERS, OR PREMISES TO MAKE SURVEYS, SOUNDINGS, BORINGS, AND
24 EXAMINATIONS TO ACCOMPLISH ANY PURPOSE AUTHORIZED BY THIS SUBTITLE;

25 (15) EXERCISE ANY POWER USUALLY POSSESSED BY PRIVATE
26 CORPORATIONS IN PERFORMING SIMILAR FUNCTIONS, IF THE POWER IS NOT IN
27 CONFLICT WITH THE CONSTITUTION AND THE LAWS OF THIS STATE; AND

28 (16) DO ALL THINGS NECESSARY AND CONVENIENT TO CARRY OUT THE
29 POWERS EXPRESSLY GRANTED BY THIS SUBTITLE.

30 5-1306.

31 (A) TO ACCOMPLISH THE LEGISLATIVE INTENT OF THIS SUBTITLE, THE
32 MARYLAND ECONOMIC DEVELOPMENT CORPORATION PERIODICALLY MAY ISSUE
33 BONDS FOR THE PURPOSES OF FINANCING OR REFINANCING ALL OR PART OF THE
34 COSTS OF A PROJECT.

35 (B) (1) THE CORPORATION MAY LEND OR OTHERWISE MAKE AVAILABLE
36 THE PROCEEDS OF ITS NET EARNINGS TO ANY PERSON TO FINANCE OR REFINANCE
37 THE COSTS OF ANY PROJECT, AND MAY ENTER INTO FINANCING AGREEMENTS,
38 MORTGAGES, AND OTHER INSTRUMENTS AS IT DETERMINES TO BE NECESSARY OR
39 DESIRABLE TO EVIDENCE OR SECURE THE LOAN.

1 (2) IF ANY PROPERTY OF THE CORPORATION IS LEASED TO ANY PERSON,
2 THE LEASE MAY PROVIDE THAT ON CONVEYANCE OF THE PROPERTY, THE LESSEE OR
3 ANOTHER PERSON MAY OR SHALL PURCHASE OR OTHERWISE ACQUIRE THE
4 PROPERTY FOR CONSIDERATION ESTABLISHED BY THE CORPORATION.

5 5-1307.

6 (A) THE CORPORATION PERIODICALLY MAY:

7 (1) FIX AND REVISE RATES OR CHARGES FOR THE USE OF THE SERVICES
8 OF THE CORPORATION;

9 (2) CHARGE AND COLLECT THE RATES AND CHARGES; AND

10 (3) (I) CONTRACT WITH ANY PERSON, PARTNERSHIP, ASSOCIATION,
11 OR CORPORATION DESIRING THE USE OF ANY OF THE SERVICES OF THE
12 CORPORATION; AND

13 (II) FIX THE TERMS, CONDITIONS, AND RATES OF CHARGES FOR
14 THAT USE.

15 (B) (1) THE RATES OR CHARGES OF THE CORPORATION ARE NOT SUBJECT
16 TO SUPERVISION OR REGULATION BY ANY OTHER COMMISSION, BOARD, BUREAU, OR
17 AGENCY OF THE STATE OR ANY POLITICAL SUBDIVISION.

18 (2) SUBJECT TO THE PROVISIONS OF ANY RESOLUTION, TRUST
19 INDENTURE, OR OTHER AGREEMENT RELATING TO BONDS OR TO THE
20 CORPORATION, THE CORPORATION MAY APPLY THE RATES, CHARGES, AND ALL
21 OTHER REVENUES THAT IT DERIVES TO ANY LAWFUL PURPOSE.

22 (C) THE NET EARNINGS OF THE CORPORATION, EXCEPT THOSE NECESSARY
23 TO PAY OBLIGATIONS OR TO IMPLEMENT THE PROGRAMS OF THE CORPORATION,
24 MAY NOT INURE TO THE BENEFIT OF ANY PERSON OTHER THAN CECIL COUNTY.

25 5-1308.

26 (A) EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION, THE
27 CORPORATION MAY NOT BE REQUIRED TO PAY ANY TAXES OR ASSESSMENTS ON ITS
28 PROPERTIES OR ACTIVITIES OR ON ANY REVENUES DERIVED FROM ITS PROPERTIES
29 OR ACTIVITIES.

30 (B) WHENEVER THE CORPORATION SELLS OR LEASES LAND OR FACILITIES TO
31 ANY PRIVATE ENTITY, THE LAND OR FACILITIES SHALL BE SUBJECT TO STATE AND
32 LOCAL PROPERTY TAXES FROM THE TIME OF THE SALE OR LEASE.

33 5-1309.

34 (A) (1) THE CORPORATION MAY PROVIDE FOR THE CREATION,
35 CONTINUATION, AND ADMINISTRATION OF ANY FUNDS IT MAY REQUIRE.

1 (2) MONEY IN THESE FUNDS AND OTHER MONEY OF THE CORPORATION
2 SHALL BE DEPOSITED, AS DIRECTED BY THE CORPORATION, IN ANY STATE OR
3 NATIONAL BANK, OR FEDERALLY OR STATE INSURED SAVINGS AND LOAN
4 ASSOCIATIONS LOCATED IN THE STATE THAT HAVE A TOTAL PAID-IN CAPITAL OF AT
5 LEAST \$1,000,000.

6 (3) THE TRUST DEPARTMENT OF ANY STATE OR NATIONAL BANK OR
7 SAVINGS AND LOAN ASSOCIATION MAY BE DESIGNATED AS A DEPOSITORY TO
8 RECEIVE ANY SECURITIES ACQUIRED OR OWNED BY THE CORPORATION.

9 (B) UNLESS OTHERWISE PROVIDED IN ANY AGREEMENT OR COVENANT
10 BETWEEN THE CORPORATION AND THE HOLDERS OF ANY OF ITS OBLIGATIONS
11 LIMITING OR RESTRICTING CLASSES OF INVESTMENTS, ANY MONEY OF THE
12 CORPORATION MAY BE INVESTED IN BONDS OR OTHER OBLIGATIONS OF, OR
13 GUARANTEED AS TO PRINCIPAL AND INTEREST BY, THE UNITED STATES OR THIS
14 STATE OR IN THE POLITICAL SUBDIVISIONS OR UNITS OF THIS STATE.

15 (C) (1) THE CORPORATION SHALL MAKE PROVISION FOR A SYSTEM OF
16 FINANCIAL ACCOUNTING, CONTROLS, AUDITS, AND REPORTS.

17 (2) THE FISCAL YEAR OF THE CORPORATION SHALL BE JULY 1 TO JUNE
18 30.

19 (D) (1) AS SOON AS PRACTICABLE AFTER THE CLOSING OF THE FISCAL
20 YEAR, AN AUDIT SHALL BE MADE OF THE FINANCIAL BOOKS, RECORDS, AND
21 ACCOUNTS OF THE CORPORATION.

22 (2) THE AUDIT SHALL BE MADE BY INDEPENDENT CERTIFIED PUBLIC
23 ACCOUNTANTS, SELECTED BY THE CORPORATION AND LICENSED TO PRACTICE IN
24 THE STATE.

25 (3) THE ACCOUNTANTS:

26 (I) MAY NOT HAVE A PERSONAL INTEREST EITHER DIRECTLY OR
27 INDIRECTLY IN THE FISCAL AFFAIRS OF THE CORPORATION;

28 (II) SHALL BE EXPERIENCED AND QUALIFIED IN THE ACCOUNTING
29 AND AUDITING OF PUBLIC BODIES;

30 (III) SHALL REPORT THE RESULTS OF THEIR EXAMINATION,
31 INCLUDING THEIR UNQUALIFIED OPINION ON THE PRESENTATION OF THE
32 FINANCIAL POSITION OF THE VARIOUS FUNDS AND THE RESULTS OF THE FINANCIAL
33 OPERATIONS OF THE CORPORATION; AND

34 (IV) IF THE ACCOUNTANTS ARE UNABLE TO EXPRESS AN
35 UNQUALIFIED OPINION, THEY SHALL STATE AND EXPLAIN IN DETAIL THE REASONS
36 FOR THEIR QUALIFICATION, DISCLAIMER, OR OPINION, INCLUDING ANY
37 RECOMMENDATION NECESSARY TO MAKE POSSIBLE FUTURE UNQUALIFIED
38 OPINIONS.

1 (E) THE BOOKS, RECORDS, AND ACCOUNTS OF THE CORPORATION ARE
2 SUBJECT TO AUDIT BY THE STATE.

3 (F) (1) WITHIN THE FIRST 90 DAYS OF EACH FISCAL YEAR, THE
4 CORPORATION SHALL MAKE A REPORT TO THE GOVERNOR, THE BOARD OF COUNTY
5 COMMISSIONERS OF CECIL COUNTY, THE DEPARTMENT OF BUSINESS AND
6 ECONOMIC DEVELOPMENT, AND, SUBJECT TO § 2-1246 OF THE STATE GOVERNMENT
7 ARTICLE, TO THE GENERAL ASSEMBLY.

8 (2) EACH REPORT SHALL SET FORTH THE COMPLETE OPERATING AND
9 FINANCIAL STATEMENT COVERING THE OPERATIONS OF THE CORPORATION DURING
10 THE PRECEDING FISCAL YEAR AND SHALL SUMMARIZE THE ACTIVITIES OF THE
11 CORPORATION.

12 5-1310.

13 (A) EXCEPT AS OTHERWISE PROVIDED IN THIS SECTION, IN EXERCISING ITS
14 CORPORATE POWERS, THE CORPORATION:

15 (1) IS EXEMPT FROM:

16 (I) ARTICLES 41 AND 78A OF THE CODE;

17 (II) § 10-507 OF THE STATE GOVERNMENT ARTICLE; AND

18 (III) § 2-105; TITLE 2, SUBTITLES 2, 4, AND 5; TITLES 3 AND 4, TITLE 6,
19 SUBTITLE 1, TITLE 7, SUBTITLES 1, 2, AND 3, §§ 8-127, 8-128, AND 8-129, TITLE 8,
20 SUBTITLE 1, TITLE 10, AND DIVISION II OF THE STATE FINANCE AND PROCUREMENT
21 ARTICLE; AND

22 (2) MAY CARRY OUT ITS CORPORATE PURPOSES WITHOUT OBTAINING
23 THE CONSENT OF ANY DEPARTMENT, BOARD, OR AGENCY OF THE STATE.

24 (B) THE CORPORATION AND ITS OFFICERS AND EMPLOYEES ARE SUBJECT TO
25 THE PUBLIC ETHICS LAW AND THE PUBLIC INFORMATION ACT.

26 (C) NOTWITHSTANDING SUBSECTION (A) OF THIS SECTION:

27 (1) THE CORPORATION IS SUBJECT TO ANY STATE OR LOCAL
28 REGULATORY REQUIREMENTS TO WHICH A PRIVATE CORPORATION WOULD BE
29 SUBJECT; AND

30 (2) A PROJECT OF THE CORPORATION IS SUBJECT TO ALL ZONING AND
31 SUBDIVISION REGULATIONS OF THE JURISDICTION IN WHICH THE PROJECT IS
32 LOCATED.

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