

By: Cecil County Delegation

Introduced and read first time: March 1, 1999
Assigned to: Rules and Executive Nominations
Re-referred to: Economic Matters, March 4, 1999

Committee Report: Favorable with amendments
House action: Adopted
Read second time: March 26, 1999

CHAPTER _____

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; providing that the obligations of the Corporation do not
18 constitute a debt, liability, or pledge of full faith and credit of the State; making
19 certain legislative findings; defining certain terms; and generally relating to the
20 creation of the Bainbridge Development Corporation.

21 BY adding to
22 Article 83A - Department of Business and Economic Development
23 Section 5-1301 through ~~5-1310~~ 5-1309, inclusive, to be under the new subtitle
24 "Subtitle 13. Bainbridge Development Corporation"
25 Annotated Code of Maryland

1 (1998 Replacement Volume)

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

4 **Article 83A - Department of Business and Economic Development**

5 SUBTITLE 13. BAINBRIDGE DEVELOPMENT CORPORATION.

6 5-1301.

7 (A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS
8 INDICATED.

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

11 (2) "BONDS" INCLUDES:

12 (I) BOND ANTICIPATION NOTES;

13 (II) REVENUE ANTICIPATION NOTES;

14 (III) GRANT ANTICIPATION NOTES;

15 (IV) REFUNDING BONDS;

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

17 (VI) OTHER EVIDENCES OF INDEBTEDNESS ISSUED ON BEHALF OF
18 THE CORPORATION, WHETHER GENERAL OR LIMITED OBLIGATIONS OF THE
19 CORPORATION ISSUED UNDER THIS SUBTITLE.

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

21 (D) "COST" INCLUDES:

22 (1) (I) THE PURCHASE PRICE OF ANY PROJECT OR THE COST OF
23 ACQUIRING ALL OR ANY PORTION OF THE RIGHT, TITLE, OR INTEREST OF A PROJECT;
24 AND

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

28 (2) THE COST OF:

29 (I) ANY RECONSTRUCTION, EXTENSION, ENLARGEMENT,
30 ALTERATION, REPAIR, OR IMPROVEMENT;

1 (II) ALL LANDS, PROPERTIES, RIGHTS, EASEMENTS, FRANCHISES,
2 AND PERMITS;

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

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

9 (3) FINANCING CHARGES;

10 (4) INTEREST BEFORE AND DURING CONSTRUCTION AND, IF DEEMED
11 DESIRABLE BY THE CORPORATION, FOR A LIMITED PERIOD AFTER THE COMPLETION
12 OF CONSTRUCTION;

13 (5) RESERVES FOR PRINCIPAL AND INTEREST AND FOR EXTENSIONS,
14 ENLARGEMENTS, ADDITIONS, AND IMPROVEMENTS;

15 (6) (I) ADMINISTRATIVE EXPENSES; AND

16 (II) OTHER EXPENSES NECESSARY OR INCIDENT TO:

17 1. PROJECT FINANCING;

18 2. THE ACQUISITION, OPERATION, MAINTENANCE,
19 IMPROVEMENT, CONSTRUCTION, AND MARKETING OF A PROJECT; AND

20 3. THE PLACING OF THE PROJECT IN OPERATION BY THE
21 CORPORATION OR OTHER OWNER, INCLUDING REASONABLE PROVISION FOR
22 WORKING CAPITAL.

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

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

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

31 (2) "PROJECT" INCLUDES:

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

1 OTHER RIGHTS NECESSARY OR USEFUL IN THE CONSTRUCTION OR OPERATION OF A
2 PROJECT; AND

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

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

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

13 ~~5-1302.~~

14 ~~THE GENERAL ASSEMBLY FINDS THAT:~~

15 ~~(1) THE ECONOMY OF CECIL COUNTY WAS GREATLY IMPACTED BY THE~~
16 ~~CLOSURE OF THE BAINBRIDGE NAVAL TRAINING CENTER;~~

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

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

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

35 ~~5-1303. 5-1302.~~

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

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

4 (3) ANY OBLIGATION OF THE CORPORATION DOES NOT CONSTITUTE A
5 DEBT, LIABILITY, OR PLEDGE OF FULL FAITH AND CREDIT OF THE STATE AND MAY
6 NOT BE DEEMED TO CONSTITUTE A DEBT, LIABILITY, OR PLEDGE OF THE FULL FAITH
7 AND CREDIT OF THE STATE.

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

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

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

13 1. TWO MEMBERS RECOMMENDED BY THE MAYOR AND
14 TOWN COUNCIL OF PORT DEPOSIT;

15 2. TWO MEMBERS RECOMMENDED BY THE STATE
16 LEGISLATIVE DELEGATION OF CECIL COUNTY;

17 3. THE DIRECTOR OF THE CECIL COUNTY DEPARTMENT OF
18 ECONOMIC DEVELOPMENT; AND

19 4. FOUR AT-LARGE MEMBERS;

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

21 1. THE SECRETARY OF BUSINESS AND ECONOMIC
22 DEVELOPMENT OR THE SECRETARY'S DESIGNEE;

23 2. THE SECRETARY OF GENERAL SERVICES OR THE
24 SECRETARY'S DESIGNEE;

25 3. THE EXECUTIVE DIRECTOR OF THE MARYLAND
26 ECONOMIC DEVELOPMENT CORPORATION;

27 4. THE DIRECTOR OF THE MARYLAND HISTORICAL TRUST;

28 5. THE PRESIDENT OF THE BOARD OF COUNTY
29 COMMISSIONERS OF CECIL COUNTY; AND

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

31 (3) (I) THE TERM OF AN APPOINTED MEMBER OF THE BOARD IS 4
32 YEARS.

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

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

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

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

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

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

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

14 (1) A REPRESENTATIVE OF THE BOARD OF COUNTY COMMISSIONERS OF
15 CECIL COUNTY;

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

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

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

19 (5) THE PRESIDENT OF CECIL COMMUNITY COLLEGE;

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

21 (7) THE COORDINATOR OF THE LOWER SUSQUEHANNA HERITAGE
22 GREENWAY; AND

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

24 ~~5-1304.~~ 5-1303.

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

28 (2) THE SALARY OF THE EXECUTIVE DIRECTOR SHALL BE DETERMINED
29 BY THE BOARD.

30 (B) (1) THE EXECUTIVE DIRECTOR SHALL BE THE CHIEF ADMINISTRATIVE
31 OFFICER FOR THE CORPORATION AND DIRECT AND SUPERVISE THE
32 ADMINISTRATIVE AFFAIRS AND TECHNICAL ACTIVITIES OF THE CORPORATION IN
33 ACCORDANCE WITH POLICIES AND PROCEDURES ESTABLISHED BY THE BOARD OF
34 DIRECTORS.

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

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

5 (II) APPROVE ALL ACCOUNTS FOR SALARIES, PER DIEM PAYMENTS,
6 AND ALLOWABLE EXPENSES OF THE CORPORATION OR OF ANY OF ITS EMPLOYEES
7 OR CONSULTANTS, AND ANY EXPENSES INCIDENTAL TO THE OPERATION OF THE
8 CORPORATION; AND

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

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

14 (2) THE OFFICERS OR EMPLOYEES OF THE CORPORATION ARE NOT
15 SUBJECT TO:

16 (I) DIVISION II OF THE STATE PERSONNEL AND PENSIONS
17 ARTICLE; OR

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

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

22 ~~5-1305.~~ 5-1304.

23 THE CORPORATION MAY:

24 (1) ADOPT BYLAWS FOR THE REGULATION OF ITS AFFAIRS AND THE
25 CONDUCT OF ITS BUSINESS;

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

27 (3) MAINTAIN OFFICES THAT IT DESIGNATES AT THE BAINBRIDGE
28 NAVAL TRAINING CENTER;

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

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

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

1 (7) ACQUIRE, CONSTRUCT, DEVELOP, MANAGE, MARKET,
2 RECONSTRUCT, REHABILITATE, IMPROVE, MAINTAIN, EQUIP, LEASE AS LESSOR OR
3 AS LESSEE, REPAIR, AND OPERATE ANY PROJECT AT THE BAINBRIDGE NAVAL
4 TRAINING CENTER;

5 (8) ACQUIRE, PURCHASE, HOLD, LEASE AS LESSEE, AND USE ANY
6 FRANCHISE, PATENT, OR LICENSE AND ANY PROPERTY WHETHER REAL, PERSONAL,
7 MIXED, OR TANGIBLE OR INTANGIBLE, OR ANY INTEREST IN SUCH PROPERTY,
8 NECESSARY OR CONVENIENT FOR CARRYING OUT THE PURPOSES OF THE
9 CORPORATION;

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

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

20 (11) BORROW MONEY TO FINANCE OR REFINANCE ALL OR ANY PART OF
21 THE COST OF ANY ONE OR MORE PROJECTS OR FOR ANY OTHER CORPORATE
22 PURPOSE OF THE CORPORATION AND SECURE THE PAYMENT OF SUCH BORROWING
23 OR ANY PART BY PLEDGE OF OR MORTGAGE OR DEED OF TRUST ON ALL OR ANY PART
24 OF ITS PROPERTIES OR REVENUES;

25 (12) COMBINE PROJECTS FOR FINANCING;

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

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

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

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

37 ~~5-1306.~~ 5-1305.

38 (A) TO ACCOMPLISH THE LEGISLATIVE INTENT OF THIS SUBTITLE, THE
39 MARYLAND ECONOMIC DEVELOPMENT CORPORATION PERIODICALLY MAY ISSUE

1 BONDS FOR THE PURPOSES OF FINANCING OR REFINANCING ALL OR PART OF THE
2 COSTS OF A PROJECT.

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

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

12 ~~5-1307.~~ 5-1306.

13 (A) THE CORPORATION PERIODICALLY MAY:

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

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

17 (3) (I) CONTRACT WITH ANY PERSON, PARTNERSHIP, ASSOCIATION,
18 OR CORPORATION DESIRING THE USE OF ANY OF THE SERVICES OF THE
19 CORPORATION; AND

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

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

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

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

32 ~~5-1308.~~ 5-1307.

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

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

4 ~~5-1309.~~ 5-1308.

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

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

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

15 (B) UNLESS OTHERWISE PROVIDED IN ANY AGREEMENT OR COVENANT
16 BETWEEN THE CORPORATION AND THE HOLDERS OF ANY OF ITS OBLIGATIONS
17 LIMITING OR RESTRICTING CLASSES OF INVESTMENTS, ANY MONEY OF THE
18 CORPORATION MAY BE INVESTED IN BONDS OR OTHER OBLIGATIONS OF, OR
19 GUARANTEED AS TO PRINCIPAL AND INTEREST BY, THE UNITED STATES OR THIS
20 STATE OR IN THE POLITICAL SUBDIVISIONS OR UNITS OF THIS STATE.

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

23 (2) THE FISCAL YEAR OF THE CORPORATION SHALL BE JULY 1 TO JUNE
24 30.

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

28 (2) THE AUDIT SHALL BE MADE BY INDEPENDENT CERTIFIED PUBLIC
29 ACCOUNTANTS, SELECTED BY THE CORPORATION AND LICENSED TO PRACTICE IN
30 THE STATE.

31 (3) THE ACCOUNTANTS:

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

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

36 (III) SHALL REPORT THE RESULTS OF THEIR EXAMINATION,
37 INCLUDING THEIR UNQUALIFIED OPINION ON THE PRESENTATION OF THE

1 FINANCIAL POSITION OF THE VARIOUS FUNDS AND THE RESULTS OF THE FINANCIAL
2 OPERATIONS OF THE CORPORATION; AND

3 (IV) IF THE ACCOUNTANTS ARE UNABLE TO EXPRESS AN
4 UNQUALIFIED OPINION, THEY SHALL STATE AND EXPLAIN IN DETAIL THE REASONS
5 FOR THEIR QUALIFICATION, DISCLAIMER, OR OPINION, INCLUDING ANY
6 RECOMMENDATION NECESSARY TO MAKE POSSIBLE FUTURE UNQUALIFIED
7 OPINIONS.

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

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

15 (2) EACH REPORT SHALL SET FORTH THE COMPLETE OPERATING AND
16 FINANCIAL STATEMENT COVERING THE OPERATIONS OF THE CORPORATION DURING
17 THE PRECEDING FISCAL YEAR AND SHALL SUMMARIZE THE ACTIVITIES OF THE
18 CORPORATION.

19 ~~5-1310.~~ 5-1309.

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

22 (1) IS EXEMPT FROM:

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

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

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

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

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

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

34 (1) THE CORPORATION IS SUBJECT TO ANY STATE OR LOCAL
35 REGULATORY REQUIREMENTS TO WHICH A PRIVATE CORPORATION WOULD BE
36 SUBJECT; AND

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

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