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By: **Senators Ferguson and Mooney (Frederick County Senators)**

Introduced and read first time: February 1, 1999

Assigned to: Economic and Environmental Affairs

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A BILL ENTITLED

1 AN ACT concerning

2 **Frederick County - Purchase or Lease of Personal Property**

3 FOR the purpose of granting Frederick County the power to purchase or lease certain  
4 personal property under certain conditions; and generally relating to the  
5 purchase or lease of personal property by Frederick County.

6 BY repealing and reenacting, with amendments,  
7 Article 25 - County Commissioners  
8 Section 9D  
9 Annotated Code of Maryland  
10 (1998 Replacement Volume and 1998 Supplement)

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

13 **Article 25 - County Commissioners**

14 9D.

15 (a) This section applies only to the following counties:

- 16 (1) Calvert County,
- 17 (2) Caroline County,
- 18 (3) Charles County,
- 19 (4) Dorchester County, [and]
- 20 (5) Garrett County, AND
- 21 (6) FREDERICK COUNTY.

22 (b) The county commissioners in the exercise of their borrowing powers may:

1           (1)       Purchase or lease any personal property necessary or desirable for  
2 the operation of their respective county, pursuant to a multiyear contract requiring  
3 that the county commissioners of the purchasing or leasing county make installment  
4 or rental payments during 2 or more fiscal years;

5           (2)       Pay interest as part of any installment or rental payments in  
6 accordance with the terms of the contract; and

7           (3)       Pledge and assign the personal property purchased or leased  
8 pursuant to any contract to secure the purchasing or leasing county's obligations.

9       (c)       The action specified in subsection (b) of this section may be taken if the  
10 following conditions are met:

11           (1)       Funds sufficient to pay all amounts due under the contract during  
12 the first fiscal year in which the contract is effective are or will be available and have  
13 been appropriated and can be used for this purpose;

14           (2)       The contract includes a termination provision which permits the  
15 purchasing or leasing county to terminate the contract if funds sufficient to pay all  
16 amounts due under the contract for any fiscal year are not appropriated for this  
17 purpose for the fiscal year. However, the contract may provide that termination of the  
18 contract shall be ineffective if the county purchases or leases personal property  
19 similar or functionally related to that purchased or leased under the contract within  
20 a period of time after termination, as specified in the contract;

21           (3)       The contract provides that, absent a default in payment by the  
22 purchasing or leasing county under the contract, any obligation to pay amounts due  
23 under the contract shall be limited to funds appropriated for this purpose for that  
24 fiscal year; and

25           (4)       The contract provides that, in the event of default in payment by the  
26 county under the contract, any obligation to pay amounts due under the contract shall  
27 be limited to funds appropriated for this purpose for that fiscal year, amounts realized  
28 from the personal property purchased or leased under the contract, and any other  
29 funds legally available for this purpose.

30       SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
31 July 1, 1999.