

SENATE BILL 374

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B2

1999 Regular Session  
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By: **Senators Jimeno and DeGrange**  
Introduced and read first time: February 5, 1999  
Assigned to: Budget and Taxation

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Committee Report: Favorable with amendments  
Senate action: Adopted  
Read second time: April 1, 1999

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CHAPTER \_\_\_\_\_

1 AN ACT concerning

2                                   **Creation of a State Debt - Anne Arundel County - Brooklyn Park Middle**  
3                                   **School and Community Center - Chesapeake Center for the Creative Arts**  
4                                   **Auditorium**

5 FOR the purpose of authorizing the creation of a State Debt ~~in the amount of~~ not to  
6 exceed \$425,000 \$200,000, the proceeds to be used as a grant to the County  
7 Executive and County Council of Anne Arundel County for certain development  
8 or improvement purposes; providing for disbursement of the loan proceeds,  
9 subject to a requirement that the grantee provide and expend a matching fund;  
10 and providing generally for the issuance and sale of bonds evidencing the loan.

11 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
12 MARYLAND, That:

13 (1) The Board of Public Works may borrow money and incur indebtedness on  
14 behalf of the State of Maryland through a State loan to be known as the Anne Arundel  
15 County - Brooklyn Park Middle School and Community Center - Chesapeake Center  
16 for the Creative Arts Auditorium Loan of 1999 ~~in the total principal amount of~~  
17 ~~\$425,000~~ a total principal amount equal to the lesser of (i) \$200,000 or (ii) the amount  
18 of the matching fund provided in accordance with Section 1(5) below. This loan shall  
19 be evidenced by the issuance, sale, and delivery of State general obligation bonds  
20 authorized by a resolution of the Board of Public Works and issued, sold, and  
21 delivered in accordance with §§ 8-117 through 8-124 of the State Finance and  
22 Procurement Article and Article 31, § 22 of the Code.

23 (2) The bonds to evidence this loan or installments of this loan may be sold as  
24 a single issue or may be consolidated and sold as part of a single issue of bonds under  
25 § 8-122 of the State Finance and Procurement Article.

1 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer  
2 and first shall be applied to the payment of the expenses of issuing, selling, and  
3 delivering the bonds, unless funds for this purpose are otherwise provided, and then  
4 shall be credited on the books of the Comptroller and expended, on approval by the  
5 Board of Public Works, for the following public purposes, including any applicable  
6 architects' and engineers' fees: as a grant to the County Executive and County Council  
7 of Anne Arundel County (referred to hereafter in this Act as "the grantee") for the  
8 planning, design, repair, renovation, reconstruction, construction, and capital  
9 equipping of the Chesapeake Center for the Creative Arts Auditorium, located in the  
10 Brooklyn Park Community Center at Brooklyn Park Middle School.

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

15 (5) Prior to the payment of any funds under the provisions of this Act for the  
16 purposes set forth in Section 1(3) above, the grantee shall provide and expend a  
17 matching fund. No part of the grantee's matching fund may be provided, either  
18 directly or indirectly, from funds of the State, whether appropriated or  
19 unappropriated. No part of the fund may consist of real property, in kind  
20 contributions, or funds expended prior to the effective date of this Act. In case of any  
21 dispute as to the amount of the matching fund or what money or assets may qualify  
22 as matching funds, the Board of Public Works shall determine the matter and the  
23 Board's decision is final. The grantee has until June 1, 2001, to present evidence  
24 satisfactory to the Board of Public Works that a matching fund will be provided. If  
25 satisfactory evidence is presented, the Board shall certify this fact and the amount of  
26 the matching fund to the State Treasurer, and the proceeds of the loan equal to the  
27 amount of the matching fund shall be expended for the purposes provided in this Act.  
28 Any amount of the loan in excess of the amount of the matching fund certified by the  
29 Board of Public Works shall be canceled and be of no further effect.

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