

HOUSE BILL 494

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HB 1413/98 - APP

2000 Regular Session
0lr0583
CF 0lr1932

By: **Delegates Conway, Eckardt, Schisler, Cane, Walkup, Bozman,
McClenahan, and W. Baker**

Introduced and read first time: February 4, 2000

Assigned to: Appropriations

A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt - Wicomico County - Drill Academy for Youth**

3 FOR the purpose of authorizing the creation of a State Debt not to exceed \$850,000,
4 the proceeds to be used as a grant to the County Council of Wicomico County for
5 certain development or improvement purposes; providing for disbursement of
6 the loan proceeds, subject to a requirement that the grantee provide and expend
7 a matching fund; and providing generally for the issuance and sale of bonds
8 evidencing the loan.

9 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
10 MARYLAND, That:

11 (1) The Board of Public Works may borrow money and incur indebtedness on
12 behalf of the State of Maryland through a State loan to be known as the Wicomico
13 County - Drill Academy for Youth Loan of 2000 in a total principal amount equal to
14 the lesser of (i) \$850,000 or (ii) the amount of the matching fund provided in
15 accordance with Section 1(5) below. This loan shall be evidenced by the issuance, sale,
16 and delivery of State general obligation bonds authorized by a resolution of the Board
17 of Public Works and issued, sold, and delivered in accordance with §§ 8-117 through
18 8-124 of the State Finance and Procurement Article and Article 31, § 22 of the Code.

19 (2) The bonds to evidence this loan or installments of this loan may be sold as
20 a single issue or may be consolidated and sold as part of a single issue of bonds under
21 § 8-122 of the State Finance and Procurement Article.

22 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer
23 and first shall be applied to the payment of the expenses of issuing, selling, and
24 delivering the bonds, unless funds for this purpose are otherwise provided, and then
25 shall be credited on the books of the Comptroller and expended, on approval by the
26 Board of Public Works, for the following public purposes, including any applicable
27 architects' and engineers' fees: as a grant to the County Council of Wicomico County
28 (referred to hereafter in this Act as "the grantee") for the planning, design,
29 construction, equipping, and furnishing of a residential drill academy the purpose of
30 which is to retrain the youth of Wicomico, Worcester, Somerset, and Dorchester
31 Counties who have been recommended for a program at the facility as a result of

1 proceedings within the judicial system in the four counties or other regions of the
2 State, if beds are available.

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

7 (5) Prior to the payment of any funds under the provisions of this Act for the
8 purposes set forth in Section 1(3) above, the grantee shall provide and expend a
9 matching fund. 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 in kind contributions or funds expended
12 prior to the effective date of this Act. The fund may, with appropriate documentation,
13 consist of real property. In case of any dispute as to the amount of the matching fund
14 or what money or assets may qualify as matching funds, the Board of Public Works
15 shall determine the matter and the Board's decision is final. The grantee has until
16 June 1, 2002, to present evidence satisfactory to the Board of Public Works that a
17 matching fund will be provided. If satisfactory evidence is presented, the Board shall
18 certify this fact and the amount of the matching fund to the State Treasurer, and the
19 proceeds of the loan equal to the amount of the matching fund shall be expended for
20 the purposes provided in this Act. Any amount of the loan in excess of the amount of
21 the matching fund certified by the Board of Public Works shall be canceled and be of
22 no further effect.

23 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
24 June 1, 2000.