

SENATE BILL 438

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B2

2000 Regular Session
Olr1862
CF 0lr2248

By: **Senator Baker**

Introduced and read first time: February 4, 2000

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt - Cecil County - Town of Elkton**

3 FOR the purpose of authorizing the creation of a State Debt in the amount of
4 \$2,325,870, the proceeds to be used as a grant to the Mayor and Commissioners
5 of the Town of Elkton for certain development or improvement purposes;
6 providing for disbursement of the loan proceeds; and providing generally for the
7 issuance and sale of bonds evidencing the loan.

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

10 (1) The Board of Public Works may borrow money and incur indebtedness on
11 behalf of the State of Maryland through a State loan to be known as the Cecil County
12 - Town of Elkton Loan of 2000 in the total principal amount of \$2,325,870. This loan
13 shall be evidenced by the issuance, sale, and delivery of State general obligation
14 bonds authorized by a resolution of the Board of Public Works and issued, sold, and
15 delivered in accordance with §§ 8-117 through 8-124 of the State Finance and
16 Procurement Article and Article 31, § 22 of the Code.

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

20 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer
21 and first shall be applied to the payment of the expenses of issuing, selling, and
22 delivering the bonds, unless funds for this purpose are otherwise provided, and then
23 shall be credited on the books of the Comptroller and expended, on approval by the
24 Board of Public Works, for the following public purposes, including any applicable
25 architects' and engineers' fees: as a grant to the Mayor and Commissioners of the
26 Town of Elkton for the placement of underground utilities, to be located beneath Main
27 Street in Elkton, Maryland.

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

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