

HOUSE BILL 496

Unofficial Copy  
B2

2001 Regular Session  
1r1436  
CF 1r2142

---

By: **Delegates Bozman, Conway, and McClenahan**  
Introduced and read first time: February 2, 2001  
Assigned to: Appropriations

---

Committee Report: Favorable with amendments  
House action: Adopted  
Read second time: March 24, 2001

---

CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Creation of a State Debt - Worcester County - Worcester County**  
3 **Development Center**

4 FOR the purpose of authorizing the creation of a State Debt not to exceed ~~\$600,000~~  
5 \$380,000, the proceeds to be used as a grant to the Board of County  
6 Commissioners of Worcester County for certain development or improvement  
7 purposes; providing for disbursement of the loan proceeds, subject to a  
8 requirement that the grantee provide and expend a matching fund; and  
9 providing generally for the issuance and sale of bonds evidencing the loan.

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

12 (1) The Board of Public Works may borrow money and incur indebtedness on  
13 behalf of the State of Maryland through a State loan to be known as the Worcester  
14 County - Worcester County Development Center Loan of 2001 in a total principal  
15 amount equal to the lesser of (i) ~~\$600,000~~ \$380,000 or (ii) the amount of the matching  
16 fund provided in accordance with Section 1(5) below. This loan shall be evidenced by  
17 the issuance, sale, and delivery of State general obligation bonds authorized by a  
18 resolution of the Board of Public Works and issued, sold, and delivered in accordance  
19 with §§ 8-117 through 8-124 of the State Finance and Procurement Article and  
20 Article 31, § 22 of the Code.

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

24 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer  
25 and first shall be applied to the payment of the expenses of issuing, selling, and

1 delivering the bonds, unless funds for this purpose are otherwise provided, and then  
2 shall be credited on the books of the Comptroller and expended, on approval by the  
3 Board of Public Works, for the following public purposes, including any applicable  
4 architects' and engineers' fees: as a grant to the Board of County Commissioners of  
5 Worcester County (referred to hereafter in this Act as "the grantee") for the planning,  
6 design, construction, and capital equipping of a new building in Berlin, Maryland for  
7 the Worcester County Development Center.

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

12 (5) Prior to the payment of any funds under the provisions of this Act for the  
13 purposes set forth in Section 1(3) above, the grantee shall provide and expend a  
14 matching fund. No part of the grantee's matching fund may be provided, either  
15 directly or indirectly, from funds of the State, whether appropriated or  
16 unappropriated. No part of the fund may consist of in kind contributions or funds  
17 expended prior to the effective date of this Act. The fund may consist of real property.  
18 In case of any dispute as to the amount of the matching fund or what money or assets  
19 may qualify as matching funds, the Board of Public Works shall determine the matter  
20 and the Board's decision is final. The grantee has until June 1, 2003, to present  
21 evidence satisfactory to the Board of Public Works that a matching fund will be  
22 provided. If satisfactory evidence is presented, the Board shall certify this fact and  
23 the amount of the matching fund to the State Treasurer, and the proceeds of the loan  
24 equal to the amount of the matching fund shall be expended for the purposes provided  
25 in this Act. Any amount of the loan in excess of the amount of the matching fund  
26 certified by the Board of Public Works shall be canceled and be of no further effect.

27 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
28 June 1, 2001.