

SENATE BILL 637

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2002 Regular Session
2lr2631
CF 2lr1600

By: **Senator Miller**

Introduced and read first time: February 1, 2002

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt - Prince George's County - Melwood Horticultural**
3 **Training Center Facilities**

4 FOR the purpose of authorizing the creation of a State Debt in the amount of
5 \$1,600,000, the proceeds to be used as a grant to the Board of Directors of the
6 Melwood Horticultural Training Center, Inc. for certain development or
7 improvement purposes; providing for disbursement of the loan proceeds, subject
8 to a 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 Prince
14 George's County - Melwood Horticultural Training Center Facilities Loan of 2002 in
15 the total principal amount of \$1,600,000. This loan shall be evidenced by the issuance,
16 sale, and delivery of State general obligation bonds authorized by a resolution of the
17 Board of Public Works and issued, sold, and delivered in accordance with §§ 8-117
18 through 8-124 of the State Finance and Procurement Article and Article 31, § 22 of
19 the Code.

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

23 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer
24 and first shall be applied to the payment of the expenses of issuing, selling, and
25 delivering the bonds, unless funds for this purpose are otherwise provided, and then
26 shall be credited on the books of the Comptroller and expended, on approval by the
27 Board of Public Works, for the following public purposes, including any applicable
28 architects' and engineers' fees: as a grant to the Board of Directors of the Melwood
29 Horticultural Training Center, Inc. (referred to hereafter in this Act as "the grantee")
30 for the development of 10 acres of land adjoining the Melwood property on Dower
31 House Road in Upper Marlboro, including the construction and capital equipping of a
32 new grounds maintenance, storage, and repair facility, as well as other site

1 improvements, all of which will aid in the training of developmentally disabled
2 individuals.

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 of \$400,000. No part of the grantee's matching fund may be provided,
10 either directly or indirectly, from funds of the State, whether appropriated or
11 unappropriated. No part of the fund may consist of real property, in kind
12 contributions, or funds expended prior to the effective date of this Act. In case of any
13 dispute as to the amount of the matching fund or what money or assets may qualify
14 as matching funds, the Board of Public Works shall determine the matter and the
15 Board's decision is final. The grantee has until June 1, 2004, to present evidence
16 satisfactory to the Board of Public Works that a matching fund will be provided. If
17 satisfactory evidence is presented, the Board shall certify this fact to the State
18 Treasurer, and the proceeds of the loan shall be expended for the purposes provided in
19 this Act.

20 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
21 June 1, 2002.