

SENATE BILL 724

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B2

2002 Regular Session
2lr2550
CF 2lr2551

By: **Senator Stoltzfus**

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 - Somerset County - Agricultural and Civic Center**

3 FOR the purpose of authorizing the creation of a State Debt in the amount of \$25,000,
4 the proceeds to be used as a grant to the Board of Directors of Somerset County
5 Agricultural and Civic Center, Inc. for certain development or improvement
6 purposes; providing for disbursement of the loan proceeds, subject to a
7 requirement that the grantee provide and expend a matching fund; and
8 providing generally for the issuance and sale of bonds 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 Somerset
13 County - Agricultural and Civic Center Loan of 2002 in the total principal amount of
14 \$25,000. This loan shall be evidenced by the issuance, sale, and delivery of State
15 general obligation bonds authorized by a resolution of the Board of Public Works and
16 issued, sold, and delivered in accordance with §§ 8-117 through 8-124 of the State
17 Finance and Procurement Article and Article 31, § 22 of the Code.

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

21 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer
22 and first shall be applied to the payment of the expenses of issuing, selling, and
23 delivering the bonds, unless funds for this purpose are otherwise provided, and then
24 shall be credited on the books of the Comptroller and expended, on approval by the
25 Board of Public Works, for the following public purposes, including any applicable
26 architects' and engineers' fees: as a grant to the Board of Directors of Somerset
27 County Agricultural and Civic Center, Inc. (referred to hereafter in this Act as "the
28 grantee") for the acquisition and installation of a new furnace at the Somerset County
29 Agricultural and Civic Center located on Crisfield Lane in Princess Anne.

30 (4) An annual State tax is imposed on all assessable property in the State in
31 rate and amount sufficient to pay the principal of and interest on the bonds, as and

1 when due and until paid in full. The principal shall be discharged within 15 years
2 after the date of issuance of the bonds.

3 (5) Prior to the payment of any funds under the provisions of this Act for the
4 purposes set forth in Section 1(3) above, the grantee shall provide and expend a
5 matching fund of \$13,000. No part of the grantee's matching fund may be provided,
6 either directly or indirectly, from funds of the State, whether appropriated or
7 unappropriated. No part of the fund may consist of real property, in kind
8 contributions, or funds expended prior to the effective date of this Act. In case of any
9 dispute as to the amount of the matching fund or what money or assets may qualify
10 as matching funds, the Board of Public Works shall determine the matter and the
11 Board's decision is final. The grantee has until June 1, 2004, to present evidence
12 satisfactory to the Board of Public Works that a matching fund will be provided. If
13 satisfactory evidence is presented, the Board shall certify this fact to the State
14 Treasurer, and the proceeds of the loan shall be expended for the purposes provided in
15 this Act.

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