

SENATE BILL 565
EMERGENCY BILL

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B4

2004 Regular Session
4r2315

By: **Senator Grosfeld**

Introduced and read first time: February 6, 2004

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Montgomery County - Kensington Community Center Loan of 1993**

3 FOR the purpose of providing that the Board of Public Works has until June 1, 2005,
4 to encumber or expend the proceeds of the Montgomery County - Kensington
5 Community Center Loan of 1993; and making this Act an emergency measure.

6 BY repealing and reenacting, with amendments,
7 Chapter 611 of the Acts of the General Assembly of 1993, as amended by
8 Chapter 208 of the Acts of the General Assembly of 2002
9 Section 1

10 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
11 MARYLAND, That the Laws of Maryland read as follows:

12 **Chapter 611 of the Acts of 1993, as amended by Chapter 208 of the Acts of**
13 **2002**

14 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
15 MARYLAND, That:

16 (1) The Board of Public Works may borrow money and incur indebtedness on
17 behalf of the State of Maryland through a State loan to be known as the Kensington
18 Community Center Loan of 1993 in a total principal amount equal to the lesser of (i)
19 \$150,000 or (ii) the amount of the matching fund provided in accordance with Section
20 1(5) below. This loan shall be evidenced by the issuance, sale, and delivery of State
21 general obligation bonds authorized by a resolution of the Board of Public Works and
22 issued, sold, and delivered in accordance with §§ 8-117 through 8-124 of the State
23 Finance and Procurement Article and Article 31, § 22 of the Code.

24 (2) The bonds to evidence this loan or installments of this loan may be sold as
25 a single issue or may be consolidated and sold as part of a single issue of bonds under
26 § 8-122 of the State Finance and Procurement Article.

27 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer
28 and first shall be applied to the payment of the expenses of issuing, selling, and
29 delivering the bonds, unless funds for this purpose are otherwise provided, and then

1 shall be credited on the books of the Comptroller and expended, on approval by the
2 Board of Public Works, for the following public purposes, including any applicable
3 architects' and engineers' fees: as a grant to the Mayor and Town Council of the Town
4 of Kensington for the repair, renovation, rehabilitation, reconstruction, and equipping
5 of the Kensington Community Center.

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

10 (5) Prior to the payment of any funds under the provisions of this Act for the
11 purposes set forth in Section 1(3) above, the Mayor and Town Council of the Town of
12 Kensington shall provide and expend a matching fund. No part of an applicant's
13 matching fund may be provided, either directly or indirectly, from funds of the State,
14 whether appropriated or unappropriated. No part of the fund may consist of in kind
15 contributions or funds expended prior to the effective date of this Act. The fund may
16 consist of real property. In case of any dispute as to the amount of the matching fund
17 or what money or assets may qualify as matching funds, the Board of Public Works
18 shall determine the matter and the Board's decision is final. The Mayor and Town
19 Council of the Town of Kensington have until June 1, 2004, to present evidence
20 satisfactory to the Board of Public Works that a matching fund will be provided. If
21 satisfactory evidence is presented, the Board shall certify this fact and the amount of
22 the matching fund to the State Treasurer, and the proceeds of the loan equal to the
23 amount of the matching fund shall be expended for the purposes provided in this Act.
24 Any amount of the loan in excess of the amount of the matching fund certified by the
25 Board of Public Works shall be canceled and be of no further effect.

26 (6) THE BOARD OF PUBLIC WORKS MUST ENCUMBER OR EXPEND THE
27 PROCEEDS OF THE LOAN BY JUNE 1, 2005.

28 (7) (a) Prior to the issuance of the bonds, the Mayor and Town Council of the
29 Town of Kensington shall grant and convey to the Maryland Historical Trust a
30 perpetual preservation easement to the extent of its interest:

31 (i) On the land or such portion of the land acceptable to the Trust;
32 and

33 (ii) On the exterior and interior, where appropriate, of the historic
34 structures.

35 (b) The easement must be in form and substance acceptable to the Trust
36 and the extent of the interest to be encumbered must be acceptable to the Trust.

37 SECTION 2. AND BE IT FURTHER ENACTED, That this Act is an emergency
38 measure, is necessary for the immediate preservation of the public health or safety,
39 has been passed by a yea and nay vote supported by three-fifths of all the members
40 elected to each of the two Houses of the General Assembly, and shall take effect from
41 the date it is enacted.