5lr0559 CF 5lr1953

## A BILL ENTITLED

1 AN ACT concerning

2	Creation of a State Debt - Howard County - North Laurel Community
3	Center
4	Но. Со. 9-05

5 FOR the purpose of authorizing the creation of a State Debt not to exceed \$500,000,

6 the proceeds to be used as a grant to the County Executive and County Council

7 of Howard County for certain development or improvement purposes; providing

8 for disbursement of the loan proceeds, subject to a requirement that the grantee

9 provide and expend a matching fund; establishing a deadline for the

10 encumbrance or expenditure of the loan proceeds; and providing generally for

11 the issuance and sale of bonds evidencing the loan.

12 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF 13 MARYLAND, That:

14 (1) The Board of Public Works may borrow money and incur indebtedness on

15 behalf of the State of Maryland through a State loan to be known as the Howard16 County - North Laurel Community Center Loan of 2005 in a total principal amount

17 equal to the lesser of (i) \$500,000 or (ii) the amount of the matching fund provided in

18 accordance with Section 1(5) below. This loan shall be evidenced by the issuance, sale,

19 and delivery of State general obligation bonds authorized by a resolution of the Board

20 of Public Works and issued, sold, and delivered in accordance with §§ 8-117 through

21 8-124 of the State Finance and Procurement Article and Article 31, § 22 of the Code.

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

25 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer

26 and first shall be applied to the payment of the expenses of issuing, selling, and

27 delivering the bonds, unless funds for this purpose are otherwise provided, and then

28 shall be credited on the books of the Comptroller and expended, on approval by the 29 Board of Public Works, for the following public purposes, including any applicable

30 architects' and engineers' fees: as a grant to the County Executive and County

31 Council of Howard County (referred to hereafter in this Act as "the grantee") for the

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planning, design, and site preparation of the North Laurel Community Center,
 located in Howard County.

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 Prior to the payment of any funds under the provisions of this Act for the (5)8 purposes set forth in Section 1(3) above, the grantee shall provide and expend a 9 matching fund. No part of the grantee's matching fund may be provided, either 10 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, 2007, to present evidence 16 satisfactory to the Board of Public Works that a matching fund will be provided. If satisfactory evidence is presented, the Board shall certify this fact and the amount of 17 18 the matching fund to the State Treasurer, and the proceeds of the loan equal to the 19 amount of the matching fund shall be expended for the purposes provided in this Act. 20 Any amount of the loan in excess of the amount of the matching fund certified by the 21 Board of Public Works shall be canceled and be of no further effect.

(6) The proceeds of the loan must be expended or encumbered by the Board of
Public Works for the purposes provided in this Act no later than June 1, 2012. If any
funds authorized by this Act remain unexpended or unencumbered after June 1,
2012, the amount of the unencumbered or unexpended authorization shall be
canceled and be of no further effect. If bonds have been issued for the loan, the
amount of unexpended or unencumbered bond proceeds shall be disposed of as
provided in § 8-129 of the State Finance and Procurement Article.

29 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect 30 June 1, 2005.

2