
By: **Delegate Bohanan**

Introduced and read first time: March 3, 2005

Assigned to: Rules and Executive Nominations

A BILL ENTITLED

1 AN ACT concerning

2 **Economic Development - Local Redevelopment Authorities**

3 FOR the purpose of authorizing the Secretary of Business and Economic Development
4 to create certain local redevelopment authorities in accordance with the federal
5 Defense Base Closure and Realignment Act of 1990; requiring the Secretary of
6 the Department to file articles of incorporation of an authority with the State
7 Department of Assessments and Taxation; providing for the establishment,
8 membership, and officers of the Board of Directors of an authority; requiring the
9 Board to approve the hiring of certain staff; exempting officers and employees of
10 an authority from certain provisions of State law; providing for the
11 appointment, powers, salary, and duties of the executive director of an authority;
12 authorizing the Board of an authority to perform certain functions; authorizing
13 an authority to perform certain functions and exercise certain powers;
14 establishing certain rights of holders of bonds issued under this Act; exempting
15 an authority from the payment of certain taxes or assessments except under
16 certain circumstances; providing for the creation, continuation, and
17 administration of the funds of an authority; requiring an annual audit and
18 report of the audit; exempting an authority from certain provisions of State law;
19 extending the termination date of the Maryland Military Installation Strategic
20 Planning Council; requiring the Council to submit a final report to the Governor
21 and the General Assembly on or before a certain date; declaring the findings and
22 intent of the General Assembly; defining certain terms; and generally relating to
23 the creation of local redevelopment authorities.

24 BY adding to

25 Article 83A - Department of Business and Economic Development
26 Section 5-1701 through 5-1711, inclusive, to be under the new subtitle "Subtitle
27 17. Local Redevelopment Authorities"
28 Annotated Code of Maryland
29 (2003 Replacement Volume and 2004 Supplement)

30 BY repealing and reenacting, with amendments,

31 Chapter 335 of the Acts of the General Assembly of 2003
32 Section 1(g) and 2

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

3 **Article 83A - Department of Business and Economic Development**

4 SUBTITLE 17. LOCAL REDEVELOPMENT AUTHORITIES.

5 5-1701.

6 (A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS
7 INDICATED.

8 (B) "BOARD" MEANS THE BOARD OF DIRECTORS OF AN AUTHORITY.

9 (C) (1) "BOND" MEANS A BOND OR NOTE OF AN AUTHORITY ISSUED UNDER
10 THIS SUBTITLE.

11 (2) "BOND" INCLUDES:

12 (I) A BOND ANTICIPATION NOTE;

13 (II) A REVENUE ANTICIPATION NOTE;

14 (III) A GRANT ANTICIPATION NOTE;

15 (IV) A REFUNDING BOND;

16 (V) A NOTE IN THE NATURE OF COMMERCIAL PAPER; AND

17 (VI) ANY OTHER EVIDENCE OF INDEBTEDNESS OF THE AUTHORITY,
18 WHETHER A GENERAL OR LIMITED OBLIGATION OF THE AUTHORITY.

19 (D) "COST" INCLUDES:

20 (1) THE PURCHASE PRICE OF A PROJECT;

21 (2) THE COST TO ACQUIRE ALL OR ANY RIGHT, TITLE, OR INTEREST IN A
22 PROJECT;

23 (3) THE AMOUNT TO BE PAID TO DISCHARGE EACH OBLIGATION
24 NECESSARY OR DESIRABLE TO VEST TITLE TO ANY PART OF THE PROJECT IN AN
25 AUTHORITY OR OTHER OWNER;

26 (4) THE COST TO IMPROVE;

27 (5) THE COST OF LANDS, PROPERTIES, RIGHTS, EASEMENTS,
28 FRANCHISES, AND PERMITS;

29 (6) THE COST OF LABOR, MACHINERY, AND EQUIPMENT;

30 (7) FINANCING CHARGES;

1 (8) INTEREST BEFORE AND DURING CONSTRUCTION AND, IF AN
2 AUTHORITY DETERMINES, FOR A LIMITED PERIOD AFTER THE COMPLETION OF
3 CONSTRUCTION;

4 (9) RESERVES FOR PRINCIPAL AND INTEREST AND FOR IMPROVEMENTS;

5 (10) THE COST OF REVENUE ESTIMATES, ENGINEERING AND LEGAL
6 SERVICES, PLANS, DESIGNS, SPECIFICATIONS, SURVEYS, INVESTIGATIONS,
7 DEMONSTRATIONS, STUDIES, ESTIMATES OF COST, AND OTHER EXPENSES
8 NECESSARY OR INCIDENT TO DETERMINING THE FEASIBILITY OR PRACTICABILITY
9 OF AN ACQUISITION OR IMPROVEMENT; AND

10 (11) ADMINISTRATIVE EXPENSES AND OTHER EXPENSES AS NECESSARY
11 OR INCIDENT TO:

12 (I) FINANCING A PROJECT;

13 (II) ACQUIRING AND IMPROVING A PROJECT;

14 (III) PLACING A PROJECT IN OPERATION BY AN AUTHORITY OR
15 OTHER OWNER, INCLUDING REASONABLE PROVISION FOR WORKING CAPITAL; AND

16 (IV) OPERATING AND MAINTAINING A PROJECT.

17 (E) "COUNCIL" MEANS THE MARYLAND MILITARY INSTALLATION STRATEGIC
18 PLANNING COUNCIL.

19 (F) "IMPROVE" MEANS TO ADD, ALTER, CONSTRUCT, EQUIP, EXPAND, EXTEND,
20 RECONSTRUCT, REHABILITATE, REMODEL, OR REPAIR.

21 (G) (1) "LOCAL REDEVELOPMENT AUTHORITY" OR "AUTHORITY" MEANS A
22 CORPORATION INCORPORATED IN ACCORDANCE WITH THIS SUBTITLE TO ACT AS A
23 LOCAL REDEVELOPMENT AUTHORITY IN ACCORDANCE WITH CRITERIA SET BY THE
24 U.S. DEPARTMENT OF DEFENSE OR ITS MILITARY SERVICES UNDER THE FEDERAL
25 DEFENSE BASE CLOSURE AND REALIGNMENT ACT OF 1990.

26 (2) "LOCAL REDEVELOPMENT AUTHORITY" OR "AUTHORITY" DOES NOT
27 INCLUDE:

28 (I) BAINBRIDGE DEVELOPMENT CORPORATION; OR

29 (II) PENMAR DEVELOPMENT CORPORATION.

30 (H) "MEDCO" MEANS THE MARYLAND ECONOMIC DEVELOPMENT
31 CORPORATION ESTABLISHED UNDER § 5-203 OF THIS ARTICLE.

32 (I) (1) "PERSON" MEANS AN INDIVIDUAL, RECEIVER, TRUSTEE, GUARDIAN,
33 PERSONAL REPRESENTATIVE, FIDUCIARY, REPRESENTATIVE OF ANY KIND,
34 PARTNERSHIP, FIRM, ASSOCIATION, CORPORATION, OR OTHER ENTITY.

35 (2) "PERSON" INCLUDES A POLITICAL SUBDIVISION.

1 (J) (1) "PROJECT" MEANS AN UNDERTAKING TO ESTABLISH ECONOMIC
2 ACTIVITY UNDER THIS SUBTITLE ON PROPERTY TO BE CONVEYED TO AN AUTHORITY
3 BY THE U.S. DEPARTMENT OF DEFENSE OR A MILITARY SERVICE, WHETHER OR NOT
4 A FACILITY OR PROPERTY USED OR USEFUL IN CONNECTION WITH ANY ACTIVITY
5 RELATED TO THE ECONOMIC ACTIVITY ON THE PROPERTY:

6 (I) IS OR WILL BE USED FOR PROFIT OR NOT FOR PROFIT;

7 (II) IS LOCATED ON A SINGLE SITE OR MULTIPLE SITES; OR

8 (III) MAY BE FINANCED BY BONDS, THE INTEREST OF WHICH IS
9 EXEMPT FROM TAXATION UNDER FEDERAL LAW.

10 (2) "PROJECT" INCLUDES:

11 (I) LAND OR AN INTEREST IN LAND;

12 (II) STRUCTURES, MACHINERY, EQUIPMENT, AND FURNISHINGS;

13 (III) REAL OR PERSONAL PROPERTY, OR ANY CONTINUATION OF
14 REAL AND PERSONAL PROPERTY, AND RIGHTS RELATED TO THE PROPERTY,
15 APPURTENANCES, RIGHTS-OF-WAY, FRANCHISES, AND EASEMENTS;

16 (IV) LAND AND FACILITIES THAT ARE FUNCTIONALLY RELATED
17 AND SUBORDINATE TO THE PROJECT; AND

18 (V) PATENTS, LICENSES, AND OTHER RIGHTS NECESSARY OR
19 USEFUL IN THE IMPROVEMENT OR OPERATION OF A PROJECT.

20 (K) (1) "REVENUES" MEANS THE INCOME, REVENUE, AND OTHER MONEY AN
21 AUTHORITY RECEIVES FROM OR IN CONNECTION WITH A PROJECT.

22 (2) "REVENUES" INCLUDES GRANTS, RENTALS, RATES, FEES, CHARGES
23 FOR THE USE OF THE SERVICES FURNISHED OR AVAILABLE, AND ALL OTHER
24 INCOME OF THE AUTHORITY CONNECTED WITH A PROJECT.

25 5-1702.

26 (A) THE GENERAL ASSEMBLY FINDS THAT:

27 (1) THE ECONOMY OF THE STATE AND ITS LOCAL GOVERNMENTS WILL
28 BE GREATLY IMPACTED BY THE CLOSURE OR REALIGNMENT OF ANY MILITARY
29 INSTALLATION THROUGH ANY BASE REALIGNMENT OR CLOSING ACTION;

30 (2) ALTHOUGH A CLOSURE OR REALIGNMENT WILL RESULT IN
31 ECONOMIC CONTRACTION AND DISLOCATION, IT ALSO AFFORDS OPPORTUNITIES TO
32 EXPAND PRODUCTIVE EMPLOYMENT AND EXPAND THE STATE'S ECONOMY AND TAX
33 BASE;

34 (3) FOR THIS REASON, THE GENERAL ASSEMBLY ENACTED THE
35 MARYLAND MILITARY INSTALLATION STRATEGIC PLANNING COUNCIL ACT; AND

1 (4) THE ESTABLISHMENT OF STATE CHARTERED PUBLIC
2 CORPORATIONS TO DEVELOP MILITARY INSTALLATIONS SLATED FOR CLOSURE OR
3 REALIGNMENT IN THE STATE WOULD:

4 (I) SERVE THE PUBLIC INTEREST;

5 (II) COMPLEMENT EXISTING STATE MARKETING PROGRAMS
6 ADMINISTERED BY THE DEPARTMENT THROUGH ITS OFFICE OF BUSINESS
7 DEVELOPMENT AND RESOURCES AND THROUGH FINANCIAL ASSISTANCE PROGRAMS
8 SUCH AS THOSE OF THE MARYLAND INDUSTRIAL DEVELOPMENT FINANCING
9 AUTHORITY AND THE MARYLAND ECONOMIC DEVELOPMENT ASSISTANCE
10 AUTHORITY AND FUND; AND

11 (III) SERVE AS AN ADDITIONAL MEANS TO ACHIEVE THE MISSION
12 OF THE COUNCIL.

13 (B) THE GENERAL ASSEMBLY INTENDS THAT:

14 (1) AN AUTHORITY STRUCTURE ITS PROJECTS TO ACCELERATE THE
15 TRANSFER OF FACILITIES AND SITES FROM THE FEDERAL GOVERNMENT INTO
16 PRODUCTIVE REUSE OF THE FACILITIES AND SITES TO MAXIMIZE ECONOMIC
17 OPPORTUNITIES FOR THE CITIZENS OF THIS STATE; AND

18 (2) THIS SUBTITLE IS A TEMPLATE FOR THE STRUCTURE,
19 AUTHORIZATION, AND OPERATION OF EACH LOCAL REDEVELOPMENT AUTHORITY
20 ACCEPTED BY THE OFFICE OF ECONOMIC ADJUSTMENT OF THE DEPARTMENT OF
21 DEFENSE TO PERFORM THE TASKS REQUIRED WHEN LAND IS TRANSFERRED FROM
22 THE FEDERAL GOVERNMENT TO AN AUTHORITY IN ACCORDANCE WITH THE
23 FEDERAL DEFENSE BASE CLOSURE AND REALIGNMENT ACT OF 1990.

24 5-1703.

25 (A) THIS SUBTITLE IS SELF-EXECUTING AND FULLY AUTHORIZES THE
26 SECRETARY TO CREATE A LOCAL REDEVELOPMENT AUTHORITY.

27 (B) (1) THE SECRETARY SHALL EXECUTE AND FILE PROPOSED ARTICLES OF
28 INCORPORATION OF AN AUTHORITY WITH THE DEPARTMENT OF ASSESSMENTS AND
29 TAXATION.

30 (2) THE PROPOSED ARTICLES OF INCORPORATION SHALL STATE:

31 (I) THE NAME OF THE AUTHORITY;

32 (II) THAT THE AUTHORITY IS FORMED UNDER THIS SUBTITLE;

33 (III) THE NAMES, ADDRESSES, AND TERMS OF OFFICE OF THE FIRST
34 MEMBERS OF THE BOARD OF DIRECTORS OF THE AUTHORITY;

35 (IV) THE LOCATION OF THE PRINCIPAL OFFICE OF THE AUTHORITY;

36 (V) THE PURPOSES FOR WHICH THE AUTHORITY IS FORMED; AND

1 (VI) THE POWERS OF THE AUTHORITY, SUBJECT TO THE
2 RESTRICTIONS OR LIMITATIONS ON THE POWERS OF THE AUTHORITY UNDER THIS
3 SUBTITLE.

4 (3) WHEN THE DEPARTMENT OF ASSESSMENTS AND TAXATION ISSUES A
5 CERTIFICATE OF APPROVAL, THE AUTHORITY BECOMES A BODY POLITIC AND
6 CORPORATE AND AN INSTRUMENTALITY CONCLUSIVELY CONSIDERED TO HAVE
7 BEEN LAWFULLY AND PROPERLY CREATED AND AUTHORIZED TO EXERCISE ITS
8 POWERS.

9 (C) (1) A LOCAL REDEVELOPMENT AUTHORITY IS A BODY POLITIC AND
10 CORPORATE AND IS AN INSTRUMENTALITY OF THE STATE.

11 (2) THE EXERCISE BY AN AUTHORITY OF THE POWERS CONFERRED BY
12 THIS SUBTITLE IS THE PERFORMANCE OF AN ESSENTIAL PUBLIC FUNCTION.

13 (D) (1) (I) A BOARD OF DIRECTORS OVERSEES THE AFFAIRS OF THE
14 AUTHORITY AND EXERCISES ALL OF ITS CORPORATE POWERS.

15 (II) 1. THE BOARD MAY ADOPT AMENDMENTS TO THE ARTICLES
16 OF INCORPORATION.

17 2. AN AMENDMENT TO THE ARTICLES OF INCORPORATION
18 SHALL BE FILED WITH THE DEPARTMENT OF ASSESSMENTS AND TAXATION.

19 (2) THE BOARD CONSISTS OF NO FEWER THAN 7 NOR MORE THAN 11
20 MEMBERS APPOINTED AS FOLLOWS:

21 (I) THE FOLLOWING MEMBERS, TO SERVE AT THE PLEASURE OF
22 THE GOVERNOR:

23 1. THE SECRETARY OF PLANNING;

24 2. THE EXECUTIVE DIRECTOR OF MEDCO; AND

25 3. THE PRESIDENT OF THE MILITARY ALLIANCE OF EACH
26 COUNTY IN WHICH THE FACILITY IS LOCATED;

27 (II) 1. IF THE FACILITY IS LOCATED IN ONE COUNTY, THE
28 GOVERNING BODY OF THE COUNTY IN WHICH THE FACILITY IS LOCATED SHALL
29 APPOINT THE EXECUTIVE DIRECTOR OF THE COUNTY ECONOMIC DEVELOPMENT
30 COMMISSION AND TWO OTHER MEMBERS; OR

31 2. IF THE FACILITY IS LOCATED IN MORE THAN ONE
32 COUNTY, THE GOVERNING BODY OF EACH COUNTY SHALL APPOINT THE EXECUTIVE
33 DIRECTOR OF ITS COUNTY ECONOMIC DEVELOPMENT COMMISSION AND ONE OTHER
34 MEMBER; AND

35 (III) THE FOLLOWING AS NON-VOTING, EX OFFICIO MEMBERS:

36 1. THE EXECUTIVE DIRECTOR OF THE AUTHORITY; AND

1 2. THE DIRECTOR OF TRANSITIONAL SERVICES OF THE
2 DEPARTMENT OF HUMAN RESOURCES.

3 (3) (I) THE TERM OF AN APPOINTED MEMBER OF THE BOARD IS 4
4 YEARS.

5 (II) THE TERMS OF APPOINTED MEMBERS SHALL BE STAGGERED.

6 (III) AT THE END OF A TERM, A MEMBER CONTINUES TO SERVE
7 UNTIL A SUCCESSOR IS APPOINTED.

8 (IV) A MEMBER WHO IS APPOINTED AFTER A TERM HAS BEGUN
9 SERVES ONLY FOR THE REST OF THE TERM AND UNTIL A SUCCESSOR IS APPOINTED.

10 (E) (1) (I) FROM AMONG ITS MEMBERS, THE BOARD SHALL ELECT A
11 CHAIR, A VICE CHAIR, AND A TREASURER.

12 (II) THE CHAIR, VICE CHAIR, AND TREASURER SERVE AT THE
13 PLEASURE OF THE GOVERNOR.

14 (2) FIFTY PERCENT OF THE VOTING BOARD MEMBERS SERVING AT THE
15 TIME, PLUS ONE, IS A QUORUM.

16 (3) A VACANCY IN THE MEMBERSHIP OF THE BOARD DOES NOT IMPAIR
17 THE RIGHT OF A QUORUM OF THE BOARD TO EXERCISE ALL RIGHTS AND PERFORM
18 ALL THE DUTIES OF THE AUTHORITY.

19 (4) (I) THE BOARD MAY ESTABLISH SUBCOMMITTEES AS
20 APPROPRIATE.

21 (II) A SUBCOMMITTEE MAY INCLUDE AS MEMBERS INDIVIDUALS
22 OTHER THAN BOARD MEMBERS.

23 (III) THE BOARD SHALL ESTABLISH A FINANCE COMMITTEE.

24 (IV) THE TREASURER OF THE BOARD CHAIRS THE FINANCE
25 COMMITTEE AND OVERSEES THE FINANCES OF THE AUTHORITY.

26 5-1704.

27 (A) (1) THE BOARD SHALL APPOINT THE EXECUTIVE DIRECTOR OF THE
28 AUTHORITY.

29 (2) THE BOARD SHALL DETERMINE THE SALARY OF THE EXECUTIVE
30 DIRECTOR.

31 (3) THE EXECUTIVE DIRECTOR SERVES AT THE PLEASURE OF THE
32 BOARD.

33 (B) (1) (I) THE EXECUTIVE DIRECTOR IS THE CHIEF OPERATING OFFICER
34 OF THE AUTHORITY.

1 (II) THE EXECUTIVE DIRECTOR SHALL MANAGE THE
2 ADMINISTRATIVE AFFAIRS AND TECHNICAL ACTIVITIES OF THE AUTHORITY IN
3 ACCORDANCE WITH POLICIES AND PROCEDURES THAT THE BOARD ESTABLISHES.

4 (2) THE EXECUTIVE DIRECTOR, OR THE EXECUTIVE DIRECTOR'S
5 DESIGNEE, SHALL:

6 (I) ATTEND ALL MEETINGS OF THE BOARD;

7 (II) ACT AS SECRETARY TO THE BOARD;

8 (III) KEEP MINUTES OF ALL ITS PROCEEDINGS;

9 (IV) APPROVE ACCOUNTS FOR SALARIES, PER DIEM PAYMENTS,
10 ALLOWABLE EXPENSES OF THE AUTHORITY, ITS EMPLOYEES OR CONSULTANTS, AND
11 ANY EXPENSES INCIDENTAL TO THE OPERATION OF THE AUTHORITY; AND

12 (V) PERFORM THE OTHER DUTIES THAT THE BOARD DIRECTS IN
13 CARRYING OUT THIS SUBTITLE.

14 (C) (1) THE BOARD SHALL APPROVE THE HIRING OF ANY ADDITIONAL
15 PROFESSIONAL AND CLERICAL STAFF NECESSARY TO CARRY OUT THIS SUBTITLE.

16 (2) THE OFFICERS AND EMPLOYEES OF THE AUTHORITY ARE NOT
17 SUBJECT TO:

18 (I) DIVISION II OF THE STATE PERSONNEL AND PENSIONS
19 ARTICLE; OR

20 (II) THE PROVISIONS OF DIVISION I OF THE STATE PERSONNEL
21 AND PENSIONS ARTICLE THAT GOVERN THE STATE PERSONNEL MANAGEMENT
22 SYSTEM.

23 (D) THE BOARD MAY ALSO ENGAGE ANY NECESSARY ACCOUNTANTS,
24 ENGINEERS, LAWYERS, FINANCIAL ADVISORS, OR OTHER CONSULTANTS.

25 5-1705.

26 THE AUTHORITY MAY:

27 (1) ADOPT BYLAWS FOR THE CONDUCT OF ITS BUSINESS;

28 (2) ADOPT A SEAL;

29 (3) MAINTAIN OFFICES IN THE STATE;

30 (4) APPLY FOR AND ACCEPT LOANS, GRANTS, OR ASSISTANCE OF ANY
31 KIND FROM THE FEDERAL OR STATE GOVERNMENT, A LOCAL GOVERNMENT, OR A
32 PRIVATE SOURCE;

33 (5) ENTER INTO CONTRACTS OR OTHER LEGAL INSTRUMENTS;

1 (6) SUE AND BE SUED IN ITS OWN NAME;

2 (7) ACQUIRE, IMPROVE, DEVELOP, MANAGE, MARKET, MAINTAIN, LEASE
3 AS LESSOR OR AS LESSEE, AND OPERATE A PROJECT;

4 (8) ACQUIRE, PURCHASE, HOLD, LEASE AS LESSEE, AND USE ANY
5 FRANCHISE, PATENT, OR LICENSE AND REAL, PERSONAL, MIXED, TANGIBLE, OR
6 INTANGIBLE PROPERTY, OR ANY INTEREST IN PROPERTY, NECESSARY OR
7 CONVENIENT TO CARRY OUT ITS PURPOSES;

8 (9) SELL, LEASE AS LESSOR, TRANSFER, AND DISPOSE OF ITS PROPERTY
9 OR INTEREST IN PROPERTY;

10 (10) ACQUIRE, EITHER DIRECTLY OR BY OR THROUGH ANY AGREEMENT
11 WITH THE U.S. DEPARTMENT OF DEFENSE OR A MILITARY SERVICE, BY PURCHASE
12 OR OTHERWISE ANY LAND, STRUCTURES, PROPERTY, RIGHTS, RIGHTS-OF-WAY,
13 FRANCHISES, EASEMENTS, AND OTHER INTERESTS IN LANDS, INCLUDING LANDS
14 LYING UNDER WATER AND RIPARIAN RIGHTS LOCATED IN OR OUTSIDE THE STATE
15 THAT IT CONSIDERS NECESSARY OR CONVENIENT TO IMPROVE OR OPERATE A
16 PROJECT ON TERMS AND AT PRICES THAT IT CONSIDERS TO BE REASONABLE;

17 (11) BORROW MONEY TO FINANCE OR REFINANCE THE COST OF A
18 PROJECT OR FOR ANY OTHER CORPORATE PURPOSE OF THE AUTHORITY AND
19 MORTGAGE OR OTHERWISE ENCUMBER ITS PROPERTY OR REVENUES FOR THE LOAN;

20 (12) COMBINE PROJECTS FOR FINANCING;

21 (13) FIX, REVISE FROM TIME TO TIME, AND COLLECT RATES, RENTALS,
22 FEES, AND CHARGES FOR THE USE OF OR FOR SERVICES AND FACILITIES PROVIDED
23 OR MADE AVAILABLE BY THE AUTHORITY;

24 (14) WITH THE PERMISSION OF THE OWNER, ENTER LAND, WATERS, OR
25 PREMISES TO MAKE SURVEYS, SOUNDINGS, BORINGS, AND EXAMINATIONS TO
26 ACCOMPLISH ANY PURPOSE AUTHORIZED BY THIS SUBTITLE;

27 (15) EXERCISE A POWER USUALLY POSSESSED BY A PRIVATE
28 CORPORATION IN PERFORMING SIMILAR FUNCTIONS, UNLESS TO DO SO WOULD
29 CONFLICT WITH STATE LAW OR UNLESS THE ACTION OR DECISION OF THE
30 AUTHORITY WOULD IMPOSE LIABILITY ON THE STATE OR ANY COUNTY; AND

31 (16) DO ALL THINGS NECESSARY AND CONVENIENT TO CARRY OUT THE
32 POWERS EXPRESSLY GRANTED BY THIS SUBTITLE.

33 5-1706.

34 (A) TO ACCOMPLISH THE LEGISLATIVE INTENT OF THIS SUBTITLE, MEDCO
35 MAY ISSUE BONDS, AT ONE TIME OR FROM TIME TO TIME, TO FINANCE OR
36 REFINANCE ALL OR PART OF THE COSTS OF A PROJECT.

1 (B) (1) THE AUTHORITY MAY LEND OR OTHERWISE MAKE AVAILABLE THE
2 PROCEEDS OF ITS NET EARNINGS TO ANY PERSON IN ORDER TO FINANCE OR
3 REFINANCE THE COSTS OF ANY PROJECT, AND MAY ENTER INTO FINANCING
4 AGREEMENTS, MORTGAGES, AND OTHER INSTRUMENTS THAT IT DETERMINES TO BE
5 NECESSARY OR DESIRABLE TO EVIDENCE OR SECURE THE LOAN.

6 (2) IF PROPERTY OF THE AUTHORITY IS LEASED TO ANY PERSON, THE
7 LEASE MAY PROVIDE THAT ON THE CONVEYANCE OF THE PROPERTY, THE LESSEE OR
8 ANOTHER PERSON MAY OR SHALL PURCHASE OR OTHERWISE ACQUIRE THE
9 PROPERTY FOR THE CONSIDERATION THAT THE AUTHORITY ESTABLISHES.

10 (C) AN OBLIGATION OF THE AUTHORITY IS NOT A DEBT, LIABILITY, OR
11 PLEDGE OF FULL FAITH AND CREDIT OF THE STATE AND MAY NOT BE DEEMED TO
12 CONSTITUTE A DEBT, LIABILITY, OR PLEDGE OF FULL FAITH AND CREDIT OF THE
13 STATE OR ANY COUNTY.

14 5-1707.

15 (A) THE AUTHORITY MAY:

16 (1) FIX, REVISE, AND COLLECT RATES AND CHARGES FOR THE USE OF
17 THE SERVICES OF THE AUTHORITY;

18 (2) CONTRACT WITH A PERSON FOR THE USE OF ANY OF THE SERVICES
19 OF THE AUTHORITY; AND

20 (3) ESTABLISH THE TERMS AND CONDITIONS AND FIX THE TERMS AND
21 CONDITIONS FOR THE USE OF THE SERVICES.

22 (B) (1) THE RATES OR CHARGES OF THE AUTHORITY MAY NOT BE SUBJECT
23 TO SUPERVISION OR REGULATION BY ANY OTHER UNIT OF THE STATE OR ANY
24 POLITICAL SUBDIVISION OF THE STATE.

25 (2) THE RATES, CHARGES, AND ALL OTHER REVENUES DERIVED BY THE
26 AUTHORITY MAY BE APPLIED BY THE AUTHORITY TO ANY LAWFUL PURPOSE,
27 SUBJECT TO THE PROVISIONS OF ANY RESOLUTION, TRUST INDENTURE, OR OTHER
28 AGREEMENT RELATING TO BONDS OR THE AUTHORITY.

29 (C) THE NET EARNINGS OF THE AUTHORITY, ASIDE FROM THOSE NECESSARY
30 TO PAY OBLIGATIONS OR TO IMPLEMENT THE AUTHORITY'S PROGRAMS, MAY NOT
31 BENEFIT ANY PERSON OTHER THAN THE COUNTY OR COUNTIES IN WHICH THE
32 FACILITY IS LOCATED.

33 5-1708.

34 (A) EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION, THE
35 AUTHORITY MAY NOT BE REQUIRED TO PAY ANY TAXES OR ASSESSMENTS ON ITS
36 PROPERTIES OR ACTIVITIES OR ON ANY REVENUES FROM THE PROPERTIES OR
37 ACTIVITIES.

1 (B) LAND OR A FACILITY THAT THE AUTHORITY SELLS OR LEASES TO A
2 PRIVATE ENTITY IS SUBJECT TO STATE AND LOCAL PROPERTY TAXES FROM THE
3 TIME OF THE SALE OR LEASE.

4 5-1709.

5 (A) (1) THE AUTHORITY MAY CREATE, CONTINUE, AND ADMINISTER ANY
6 FUNDS THAT IT REQUIRES.

7 (2) MONEY IN THESE FUNDS AND OTHER MONEY OF THE AUTHORITY
8 SHALL BE DEPOSITED, AS THE AUTHORITY DIRECTS, IN ANY STATE OR NATIONAL
9 BANK, OR FEDERALLY OR STATE INSURED SAVINGS AND LOAN ASSOCIATIONS
10 LOCATED IN THE STATE HAVING A TOTAL PAID-IN CAPITAL OF AT LEAST \$1,000,000.

11 (3) THE TRUST DEPARTMENT OF ANY STATE OR FEDERAL BANK OR
12 SAVINGS AND LOAN ASSOCIATION MAY BE DESIGNATED AS A DEPOSITORY TO
13 RECEIVE ANY SECURITIES THAT THE AUTHORITY ACQUIRES OR OWNS.

14 (B) EXCEPT AS OTHERWISE PROVIDED IN AN AGREEMENT OR COVENANT
15 BETWEEN THE AUTHORITY AND THE HOLDERS OF ANY OF ITS OBLIGATIONS
16 LIMITING OR RESTRICTING CLASSES OF INVESTMENTS, THE AUTHORITY MAY
17 INVEST ITS MONEY IN BONDS OR OTHER OBLIGATIONS OF, OR GUARANTEED AS TO
18 PRINCIPAL AND INTEREST BY, THE UNITED STATES, THE STATE, OR THEIR POLITICAL
19 SUBDIVISIONS OR UNITS.

20 (C) (1) THE AUTHORITY SHALL ESTABLISH A PROVISION FOR A SYSTEM OF
21 FINANCIAL ACCOUNTING, CONTROLS, AUDITS, AND REPORTS.

22 (2) THE FISCAL YEAR OF THE AUTHORITY IS JULY 1 TO JUNE 30.

23 (D) (1) AS SOON AS PRACTICAL AFTER THE CLOSE OF THE FISCAL YEAR, AN
24 INDEPENDENT CERTIFIED PUBLIC ACCOUNTANT SHALL AUDIT THE FINANCIAL
25 BOOKS, RECORDS, AND ACCOUNTS OF THE AUTHORITY.

26 (2) THE AUTHORITY'S FINANCE COMMITTEE SHALL SELECT AN
27 ACCOUNTANT TO CONDUCT THE AUDIT WHO:

28 (I) IS LICENSED TO PRACTICE ACCOUNTANCY IN THE STATE;

29 (II) IS EXPERIENCED AND QUALIFIED IN THE ACCOUNTING AND
30 AUDITING OF PUBLIC BODIES; AND

31 (III) DOES NOT HAVE A DIRECT OR INDIRECT INTEREST IN THE
32 FISCAL AFFAIRS OF THE AUTHORITY.

33 (3) (I) THE ACCOUNTANT SHALL REPORT THE RESULTS OF THE
34 AUDIT, INCLUDING THE ACCOUNTANT'S UNQUALIFIED OPINION ON THE
35 PRESENTATION OF THE FINANCIAL POSITION OF THE FUNDS OF THE AUTHORITY
36 AND THE RESULTS OF THE FINANCIAL OPERATIONS OF THE AUTHORITY.

1 (II) IF THE ACCOUNTANT CANNOT EXPRESS AN UNQUALIFIED
2 OPINION, THE ACCOUNTANT SHALL EXPLAIN IN DETAIL THE REASONS FOR THE
3 QUALIFICATIONS, DISCLAIMERS, OR OPINIONS, INCLUDING RECOMMENDATIONS OF
4 CHANGES WHICH COULD MAKE FUTURE UNQUALIFIED OPINIONS POSSIBLE.

5 (E) THE STATE MAY AUDIT THE BOOKS, RECORDS, AND ACCOUNTS OF THE
6 AUTHORITY.

7 (F) (1) WITHIN 90 DAYS AFTER THE START OF EACH FISCAL YEAR, THE
8 AUTHORITY SHALL SUBMIT A REPORT TO THE GOVERNOR, THE LOCAL GOVERNING
9 BODY OF EACH COUNTY IN WHICH THE FACILITY IS LOCATED, THE DEPARTMENT,
10 AND, IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE, TO THE
11 GENERAL ASSEMBLY.

12 (2) THE REPORT SHALL INCLUDE A COMPLETE OPERATING AND
13 FINANCIAL STATEMENT AND SUMMARIZE THE AUTHORITY'S ACTIVITIES DURING
14 THE PRECEDING FISCAL YEAR.

15 5-1710.

16 (A) EXCEPT AS OTHERWISE PROVIDED IN THIS SECTION, IN EXERCISING ITS
17 CORPORATE POWERS, THE AUTHORITY:

18 (1) MAY CARRY OUT ITS CORPORATE PURPOSES WITHOUT THE CONSENT
19 OF ANY STATE UNIT; AND

20 (2) IS NOT SUBJECT TO ARTICLE 41 OF THE CODE AND THE FOLLOWING
21 PROVISIONS OF THE STATE FINANCE AND PROCUREMENT ARTICLE:

22 (I) TITLE 2, SUBTITLES 2, 4, AND 5;

23 (II) TITLE 3;

24 (III) TITLE 4;

25 (IV) TITLE 6, SUBTITLE 1;

26 (V) TITLE 7, SUBTITLES 1, 2, AND 3;

27 (VI) TITLE 8, SUBTITLE 1;

28 (VII) TITLE 10; AND

29 (VIII) DIVISION II.

30 (B) THE AUTHORITY, ITS OFFICERS, AND ITS EMPLOYEES ARE SUBJECT TO
31 THE PUBLIC ETHICS LAW, THE PUBLIC INFORMATION ACT, AND THE OPEN MEETINGS
32 ACT.

1 (C) (1) NOTWITHSTANDING SUBSECTION (A) OF THIS SECTION, THE
2 AUTHORITY IS SUBJECT TO THE SAME STATE AND LOCAL REGULATIONS AND
3 REGULATORY REQUIREMENTS AS ANY PRIVATE CORPORATION.

4 (2) A PROJECT OF THE AUTHORITY IS SUBJECT TO THE ZONING AND
5 SUBDIVISION REGULATIONS OF THE JURISDICTION WHERE IT IS LOCATED.

6 5-1711.

7 THIS SUBTITLE MAY BE CITED AS THE MARYLAND LOCAL MILITARY
8 INSTALLATION REDEVELOPMENT AUTHORITY ACT.

9 **Chapter 335 of the Acts of 2003**

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

12 (g) (1) On or before December 31, 2003, the Council shall report its findings
13 and recommendations to the Governor, and, subject to § 2-1246 of the State
14 Government Article, to the General Assembly.

15 (2) ON OR BEFORE DECEMBER 1, 2008, THE COUNCIL SHALL ISSUE A
16 FINAL REPORT OF THE COUNCIL TO THE GOVERNOR, AND, IN ACCORDANCE WITH §
17 2-1246 OF THE STATE GOVERNMENT ARTICLE, TO THE GENERAL ASSEMBLY.

18 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
19 June 1, 2003. It shall remain effective for a period of [1 year and 6 months] 5 YEARS
20 AND 7 MONTHS and, at the end of December 31, [2005] 2008, with no further action
21 required by the General Assembly, this Act shall be abrogated and of no further force
22 and effect.

23 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
24 October 1, 2005.