
By: **Delegate Bohanan**

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Assigned to: Rules and Executive Nominations

Re-referred to: Economic Matters, March 14, 2005

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 25, 2005

CHAPTER _____

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

1 17. Local Redevelopment Authorities"
2 Annotated Code of Maryland
3 (2003 Replacement Volume and 2004 Supplement)

4 BY repealing and reenacting, with amendments,
5 Chapter 335 of the Acts of the General Assembly of 2003
6 Section 1(g) and 2

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

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

10 **SUBTITLE 17. LOCAL REDEVELOPMENT AUTHORITIES.**

11 5-1701.

12 (A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS
13 INDICATED.

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

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

17 (2) "BOND" INCLUDES:

18 (I) A BOND ANTICIPATION NOTE;

19 (II) A REVENUE ANTICIPATION NOTE;

20 (III) A GRANT ANTICIPATION NOTE;

21 (IV) A REFUNDING BOND;

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

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

25 (D) "COST" INCLUDES:

26 (1) THE PURCHASE PRICE OF A PROJECT;

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

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

- 1 (4) THE COST TO IMPROVE;
- 2 (5) THE COST OF LANDS, PROPERTIES, RIGHTS, EASEMENTS,
3 FRANCHISES, AND PERMITS;
- 4 (6) THE COST OF LABOR, MACHINERY, AND EQUIPMENT;
- 5 (7) FINANCING CHARGES;
- 6 (8) INTEREST BEFORE AND DURING CONSTRUCTION AND, IF AN
7 AUTHORITY DETERMINES, FOR A LIMITED PERIOD AFTER THE COMPLETION OF
8 CONSTRUCTION;
- 9 (9) RESERVES FOR PRINCIPAL AND INTEREST AND FOR IMPROVEMENTS;
- 10 (10) THE COST OF REVENUE ESTIMATES, ENGINEERING AND LEGAL
11 SERVICES, PLANS, DESIGNS, SPECIFICATIONS, SURVEYS, INVESTIGATIONS,
12 DEMONSTRATIONS, STUDIES, ESTIMATES OF COST, AND OTHER EXPENSES
13 NECESSARY OR INCIDENT TO DETERMINING THE FEASIBILITY OR PRACTICABILITY
14 OF AN ACQUISITION OR IMPROVEMENT; AND
- 15 (11) ADMINISTRATIVE EXPENSES AND OTHER EXPENSES AS NECESSARY
16 OR INCIDENT TO:
- 17 (I) FINANCING A PROJECT;
- 18 (II) ACQUIRING AND IMPROVING A PROJECT;
- 19 (III) PLACING A PROJECT IN OPERATION BY AN AUTHORITY OR
20 OTHER OWNER, INCLUDING REASONABLE PROVISION FOR WORKING CAPITAL; AND
- 21 (IV) OPERATING AND MAINTAINING A PROJECT.
- 22 (E) "COUNCIL" MEANS THE MARYLAND MILITARY INSTALLATION STRATEGIC
23 PLANNING COUNCIL.
- 24 (F) "IMPROVE" MEANS TO ADD, ALTER, CONSTRUCT, EQUIP, EXPAND, EXTEND,
25 RECONSTRUCT, REHABILITATE, REMODEL, OR REPAIR.
- 26 (G) (1) "LOCAL REDEVELOPMENT AUTHORITY" OR "AUTHORITY" MEANS A
27 CORPORATION INCORPORATED IN ACCORDANCE WITH THIS SUBTITLE TO ACT AS A
28 LOCAL REDEVELOPMENT AUTHORITY IN ACCORDANCE WITH CRITERIA SET BY THE
29 U.S. DEPARTMENT OF DEFENSE OR ITS MILITARY SERVICES UNDER THE FEDERAL
30 DEFENSE BASE CLOSURE AND REALIGNMENT ACT OF 1990.
- 31 (2) "LOCAL REDEVELOPMENT AUTHORITY" OR "AUTHORITY" DOES NOT
32 INCLUDE:
- 33 (I) BAINBRIDGE DEVELOPMENT CORPORATION; ~~OR~~

1 (II) HOLABIRD WORKING GROUP/BALTIMORE DEVELOPMENT
2 CORPORATION (BDC); OR

3 ~~(H)~~ (III) PENMAR DEVELOPMENT CORPORATION.

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

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

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

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

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

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

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

19 (2) "PROJECT" INCLUDES:

20 (I) LAND OR AN INTEREST IN LAND;

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

22 (III) REAL OR PERSONAL PROPERTY, OR ANY CONTINUATION OF
23 REAL AND PERSONAL PROPERTY, AND RIGHTS RELATED TO THE PROPERTY,
24 APPURTENANCES, RIGHTS-OF-WAY, FRANCHISES, AND EASEMENTS;

25 (IV) LAND AND FACILITIES THAT ARE FUNCTIONALLY RELATED
26 AND SUBORDINATE TO THE PROJECT; AND

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

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

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

1 5-1702.

2 (A) THE GENERAL ASSEMBLY FINDS THAT:

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

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

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

12 (4) THE ESTABLISHMENT OF STATE CHARTERED PUBLIC
13 CORPORATIONS TO DEVELOP MILITARY INSTALLATIONS SLATED FOR CLOSURE OR
14 REALIGNMENT IN THE STATE WOULD:

15 (I) SERVE THE PUBLIC INTEREST;

16 (II) COMPLEMENT EXISTING STATE MARKETING PROGRAMS
17 ADMINISTERED BY THE DEPARTMENT THROUGH ITS OFFICE OF BUSINESS
18 DEVELOPMENT AND RESOURCES AND THROUGH FINANCIAL ASSISTANCE PROGRAMS
19 SUCH AS THOSE OF THE MARYLAND INDUSTRIAL DEVELOPMENT FINANCING
20 AUTHORITY AND THE MARYLAND ECONOMIC DEVELOPMENT ASSISTANCE
21 AUTHORITY AND FUND; AND

22 (III) SERVE AS AN ADDITIONAL MEANS TO ACHIEVE THE MISSION
23 OF THE COUNCIL.

24 (B) THE GENERAL ASSEMBLY INTENDS THAT:

25 (1) AN AUTHORITY STRUCTURE ITS PROJECTS TO ACCELERATE THE
26 TRANSFER OF FACILITIES AND SITES FROM THE FEDERAL GOVERNMENT INTO
27 PRODUCTIVE REUSE OF THE FACILITIES AND SITES TO MAXIMIZE ECONOMIC
28 OPPORTUNITIES FOR THE CITIZENS OF THIS STATE; AND

29 (2) THIS SUBTITLE IS A TEMPLATE FOR THE STRUCTURE,
30 AUTHORIZATION, AND OPERATION OF EACH LOCAL REDEVELOPMENT AUTHORITY
31 ACCEPTED BY THE OFFICE OF ECONOMIC ADJUSTMENT OF THE DEPARTMENT OF
32 DEFENSE TO PERFORM THE TASKS REQUIRED WHEN LAND IS TRANSFERRED FROM
33 THE FEDERAL GOVERNMENT TO AN AUTHORITY IN ACCORDANCE WITH THE
34 FEDERAL DEFENSE BASE CLOSURE AND REALIGNMENT ACT OF 1990.

35 5-1703.

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

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

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

5 (I) THE NAME OF THE AUTHORITY;

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

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

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

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

11 (VI) THE POWERS OF THE AUTHORITY, SUBJECT TO THE
12 RESTRICTIONS OR LIMITATIONS ON THE POWERS OF THE AUTHORITY UNDER THIS
13 SUBTITLE.

14 (3) WHEN THE DEPARTMENT OF ASSESSMENTS AND TAXATION ISSUES A
15 CERTIFICATE OF APPROVAL, THE AUTHORITY BECOMES A BODY POLITIC AND
16 CORPORATE AND AN INSTRUMENTALITY CONCLUSIVELY CONSIDERED TO HAVE
17 BEEN LAWFULLY AND PROPERLY CREATED AND AUTHORIZED TO EXERCISE ITS
18 POWERS.

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

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

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

25 (II) 1. THE BOARD MAY ADOPT AMENDMENTS TO THE ARTICLES
26 OF INCORPORATION.

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

29 (2) THE BOARD CONSISTS OF ~~NO FEWER THAN 7 NOR MORE THAN 11~~
30 MEMBERS APPOINTED AS FOLLOWS:

31 (I) THE FOLLOWING MEMBERS, TO SERVE AT THE PLEASURE OF
32 THE GOVERNOR:

33 1. THE SECRETARY, OR THE SECRETARY'S DESIGNEE;

1 ~~2.~~ THE SECRETARY OF GENERAL SERVICES, OR THE
 2 DESIGNEE OF THE SECRETARY OF GENERAL SERVICES;

3 ~~4.~~ ~~3.~~ THE SECRETARY OF PLANNING; OR THE DESIGNEE
 4 OF THE SECRETARY OF PLANNING; AND

5 ~~2.~~ ~~THE EXECUTIVE DIRECTOR OF MEDCO; AND~~

6 ~~3.~~ ~~4.~~ THE PRESIDENT OF THE MILITARY ALLIANCE OF
 7 EACH COUNTY IN WHICH THE FACILITY IS LOCATED;

8 (II) 1. IF THE FACILITY IS LOCATED IN ONE COUNTY, THE
 9 GOVERNING BODY OF THE COUNTY IN WHICH THE FACILITY IS LOCATED SHALL
 10 APPOINT THE EXECUTIVE DIRECTOR OF THE COUNTY ECONOMIC DEVELOPMENT
 11 ~~COMMISSION~~ UNIT AND TWO OTHER MEMBERS; OR

12 2. IF THE FACILITY IS LOCATED IN MORE THAN ONE
 13 COUNTY, THE GOVERNING BODY OF EACH COUNTY SHALL APPOINT THE EXECUTIVE
 14 DIRECTOR OF ITS COUNTY ECONOMIC DEVELOPMENT ~~COMMISSION~~ UNIT AND ONE
 15 OTHER MEMBER; AND

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

17 1. THE EXECUTIVE DIRECTOR OF MEDCO;

18 ~~2.~~ THE EXECUTIVE DIRECTOR OF THE AUTHORITY; AND

19 ~~2.~~ ~~3.~~ THE DIRECTOR OF TRANSITIONAL SERVICES OF THE
 20 STATE DEPARTMENT OF HUMAN RESOURCES.

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

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

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

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

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

30 (II) THE CHAIR, VICE CHAIR, AND TREASURER SERVE AT THE
 31 PLEASURE OF THE GOVERNOR.

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

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

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

6 (II) A SUBCOMMITTEE MAY INCLUDE AS MEMBERS INDIVIDUALS
7 OTHER THAN BOARD MEMBERS.

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

9 (IV) THE TREASURER OF THE BOARD CHAIRS THE FINANCE
10 COMMITTEE AND OVERSEES THE FINANCES OF THE AUTHORITY.

11 5-1704.

12 (A) (1) THE BOARD SHALL APPOINT THE EXECUTIVE DIRECTOR OF THE
13 AUTHORITY.

14 (2) THE BOARD SHALL DETERMINE THE SALARY OF THE EXECUTIVE
15 DIRECTOR.

16 (3) THE EXECUTIVE DIRECTOR SERVES AT THE PLEASURE OF THE
17 BOARD.

18 (B) (1) (I) THE EXECUTIVE DIRECTOR IS THE CHIEF OPERATING OFFICER
19 OF THE AUTHORITY.

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

23 (2) THE EXECUTIVE DIRECTOR, ~~OR THE EXECUTIVE DIRECTOR'S~~
24 ~~DESIGNEE~~, SHALL:

25 (I) ATTEND ALL MEETINGS OF THE BOARD;

26 (II) ACT AS SECRETARY TO THE BOARD;

27 (III) KEEP MINUTES OF ALL ITS PROCEEDINGS;

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

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

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

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

3 (I) DIVISION II OF THE STATE PERSONNEL AND PENSIONS
4 ARTICLE; OR

5 (II) THE PROVISIONS OF DIVISION I OF THE STATE PERSONNEL
6 AND PENSIONS ARTICLE THAT GOVERN THE STATE PERSONNEL MANAGEMENT
7 SYSTEM.

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

10 5-1705.

11 THE AUTHORITY MAY:

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

13 (2) ADOPT A SEAL;

14 (3) MAINTAIN OFFICES IN THE STATE;

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

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

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

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

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

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

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

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

4 (12) COMBINE PROJECTS FOR FINANCING;

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

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

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

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

17 5-1706.

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

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

26 (2) IF PROPERTY OF THE AUTHORITY IS LEASED TO ANY PERSON, THE
27 LEASE MAY PROVIDE THAT ON THE CONVEYANCE OF THE PROPERTY, THE LESSEE OR
28 ANOTHER PERSON MAY OR SHALL PURCHASE OR OTHERWISE ACQUIRE THE
29 PROPERTY FOR THE CONSIDERATION THAT THE AUTHORITY ESTABLISHES.

30 (C) AN OBLIGATION OF THE AUTHORITY IS NOT A DEBT, LIABILITY, OR
31 PLEDGE OF FULL FAITH AND CREDIT OF THE STATE AND MAY NOT BE DEEMED TO
32 CONSTITUTE A DEBT, LIABILITY, OR PLEDGE OF FULL FAITH AND CREDIT OF THE
33 STATE OR ANY COUNTY.

34 5-1707.

35 (A) THE AUTHORITY MAY:

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

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

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

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

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

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

16 5-1708.

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

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

24 5-1709.

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

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

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

34 (B) EXCEPT AS OTHERWISE PROVIDED IN AN AGREEMENT OR COVENANT
35 BETWEEN THE AUTHORITY AND THE HOLDERS OF ANY OF ITS OBLIGATIONS
36 LIMITING OR RESTRICTING CLASSES OF INVESTMENTS, THE AUTHORITY MAY
37 INVEST ITS MONEY IN BONDS OR OTHER OBLIGATIONS OF, OR GUARANTEED AS TO

1 PRINCIPAL AND INTEREST BY, THE UNITED STATES, THE STATE, OR THEIR POLITICAL
2 SUBDIVISIONS OR UNITS.

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

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

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

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

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

12 (II) IS EXPERIENCED AND QUALIFIED IN THE ACCOUNTING AND
13 AUDITING OF PUBLIC BODIES; AND

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

16 (3) (I) THE ACCOUNTANT SHALL REPORT THE RESULTS OF THE
17 AUDIT, INCLUDING THE ACCOUNTANT'S UNQUALIFIED OPINION ON THE
18 PRESENTATION OF THE FINANCIAL POSITION OF THE FUNDS OF THE AUTHORITY
19 AND THE RESULTS OF THE FINANCIAL OPERATIONS OF THE AUTHORITY.

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

24 (E) THE STATE MAY AUDIT THE BOOKS, RECORDS, AND ACCOUNTS OF THE
25 AUTHORITY.

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

31 (2) THE REPORT SHALL INCLUDE A COMPLETE OPERATING AND
32 FINANCIAL STATEMENT AND SUMMARIZE THE AUTHORITY'S ACTIVITIES DURING
33 THE PRECEDING FISCAL YEAR.

34 5-1710.

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

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

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

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

6 (II) TITLE 3;

7 (III) TITLE 4;

8 (IV) TITLE 6, SUBTITLE 1;

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

10 (VI) TITLE 8, SUBTITLE 1;

11 (VII) TITLE 10; AND

12 (VIII) DIVISION II.

13 (B) THE AUTHORITY, ITS OFFICERS, AND ITS EMPLOYEES ARE SUBJECT TO
14 THE PUBLIC ETHICS LAW, THE PUBLIC INFORMATION ACT, AND THE OPEN MEETINGS
15 ACT.

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

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

21 5-1711.

22 THIS SUBTITLE MAY BE CITED AS THE MARYLAND LOCAL MILITARY
23 INSTALLATION REDEVELOPMENT AUTHORITY ACT.

24 **Chapter 335 of the Acts of 2003**

25 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
26 MARYLAND, That:

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

30 (2) ON OR BEFORE DECEMBER 1, 2008, THE COUNCIL SHALL ISSUE A
31 FINAL REPORT OF THE COUNCIL TO THE GOVERNOR, AND, IN ACCORDANCE WITH §
32 2-1246 OF THE STATE GOVERNMENT ARTICLE, TO THE GENERAL ASSEMBLY.

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

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