
By: **Delegates Aumann, Arnick, Bates, Boteler, Bromwell, Burns, Cardin, Cluster, DeBoy, Edwards, Elliott, Frank, Glassman, James, Jennings, Kach, Kelly, Kohl, Krebs, Malone, McComas, Miller, Minnick, Morhaim, Myers, Nathan-Pulliam, Parrott, Shewell, Stocksdale, Stull, Weir, Weldon, and Zirkin**

Introduced and read first time: February 1, 2006

Assigned to: Appropriations

A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt - Baltimore County - Maryland State Fairgrounds**

3 FOR the purpose of authorizing the creation of a State Debt not to exceed \$600,000,
 4 the proceeds to be used as a grant to the Board of Directors of the Maryland
 5 State Fair and Agricultural Society, Inc. for certain development or
 6 improvement purposes; providing for disbursement of the loan proceeds, subject
 7 to a requirement that the grantee provide and expend a matching fund;
 8 establishing a deadline for the encumbrance or expenditure of the loan proceeds;
 9 and providing generally for the issuance and sale of bonds evidencing the loan.

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

12 (1) The Board of Public Works may borrow money and incur indebtedness on
 13 behalf of the State of Maryland through a State loan to be known as the Baltimore
 14 County - Maryland State Fairgrounds Loan of 2006 in a total principal amount equal
 15 to the lesser of (i) \$600,000 or (ii) the amount of the matching fund provided in
 16 accordance with Section 1(5) below. This loan shall be evidenced by the issuance, sale,
 17 and delivery of State general obligation bonds authorized by a resolution of the Board
 18 of Public Works and issued, sold, and delivered in accordance with §§ 8-117 through
 19 8-124 of the State Finance and Procurement Article and Article 31, § 22 of the Code.

20 (2) The bonds to evidence this loan or installments of this loan may be sold as
 21 a single issue or may be consolidated and sold as part of a single issue of bonds under
 22 § 8-122 of the State Finance and Procurement Article.

23 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer
 24 and first shall be applied to the payment of the expenses of issuing, selling, and
 25 delivering the bonds, unless funds for this purpose are otherwise provided, and then
 26 shall be credited on the books of the Comptroller and expended, on approval by the
 27 Board of Public Works, for the following public purposes, including any applicable
 28 architects' and engineers' fees: as a grant to the Board of Directors of the Maryland

1 State Fair and Agricultural Society, Inc. (referred to hereafter in this Act as "the
2 grantee") for the planning, design, construction, and capital equipping of a new
3 exhibit building, located on York Road in Timonium.

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

8 (5) Prior to the payment of any funds under the provisions of this Act for the
9 purposes set forth in Section 1(3) above, the grantee shall provide and expend a
10 matching fund. No part of the grantee's matching fund may be provided, either
11 directly or indirectly, from funds of the State, whether appropriated or
12 unappropriated. No part of the fund may consist of real property, in kind
13 contributions, or funds expended prior to the effective date of this Act. In case of any
14 dispute as to the amount of the matching fund or what money or assets may qualify
15 as matching funds, the Board of Public Works shall determine the matter and the
16 Board's decision is final. The grantee has until June 1, 2008, to present evidence
17 satisfactory to the Board of Public Works that a matching fund will be provided. If
18 satisfactory evidence is presented, the Board shall certify this fact and the amount of
19 the matching fund to the State Treasurer, and the proceeds of the loan equal to the
20 amount of the matching fund shall be expended for the purposes provided in this Act.
21 Any amount of the loan in excess of the amount of the matching fund certified by the
22 Board of Public Works shall be canceled and be of no further effect.

23 (6) The proceeds of the loan must be expended or encumbered by the Board of
24 Public Works for the purposes provided in this Act no later than June 1, 2013. If any
25 funds authorized by this Act remain unexpended or unencumbered after June 1,
26 2013, the amount of the unencumbered or unexpended authorization shall be
27 canceled and be of no further effect. If bonds have been issued for the loan, the
28 amount of unexpended or unencumbered bond proceeds shall be disposed of as
29 provided in § 8-129 of the State Finance and Procurement Article.

30 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
31 June 1, 2006.