
By: **Senator Exum**

Introduced and read first time: February 3, 2006

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt - Prince George's County - Glen Arden City Hall**
3 **Renovation**

4 FOR the purpose of authorizing the creation of a State Debt in the amount of
5 \$500,000, the proceeds to be used as a grant to the Mayor and City Council of
6 the City of Glen Arden for certain development or improvement purposes;
7 providing for disbursement of the loan proceeds, subject to a requirement that
8 the grantee provide and expend a matching fund; establishing a deadline for the
9 encumbrance or expenditure of the loan proceeds; and providing generally for
10 the issuance and sale of bonds evidencing the loan.

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

13 (1) The Board of Public Works may borrow money and incur indebtedness on
14 behalf of the State of Maryland through a State loan to be known as the Prince
15 George's County - Glen Arden City Hall Renovation Loan of 2006 in the total
16 principal amount of \$500,000. This loan shall be evidenced by the issuance, sale, and
17 delivery of State general obligation bonds authorized by a resolution of the Board of
18 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 Mayor and City Council of the City of
29 Glen Arden (referred to hereafter in this Act as "the grantee") for the design, repair,
30 and renovation of the Glen Arden City Hall, located in Glen Arden.

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

5 (5) Prior to the payment of any funds under the provisions of this Act for the
6 purposes set forth in Section 1(3) above, the grantee shall provide and expend a
7 matching fund of \$100,000. No part of the grantee's matching fund may be provided,
8 either directly or indirectly, from funds of the State, whether appropriated or
9 unappropriated. No part of the fund may consist of real property or funds expended
10 prior to the effective date of this Act. The fund may consist of in kind contributions. In
11 case of any dispute as to the amount of the matching fund or what money or assets
12 may qualify as matching funds, the Board of Public Works shall determine the matter
13 and the Board's decision is final. The grantee has until June 1, 2008, to present
14 evidence satisfactory to the Board of Public Works that a matching fund will be
15 provided. If satisfactory evidence is presented, the Board shall certify this fact to the
16 State Treasurer, and the proceeds of the loan shall be expended for the purposes
17 provided in this Act.

18 (6) The proceeds of the loan must be expended or encumbered by the Board of
19 Public Works for the purposes provided in this Act no later than June 1, 2013. If any
20 funds authorized by this Act remain unexpended or unencumbered after June 1,
21 2013, the amount of the unencumbered or unexpended authorization shall be
22 canceled and be of no further effect. If bonds have been issued for the loan, the
23 amount of unexpended or unencumbered bond proceeds shall be disposed of as
24 provided in § 8-129 of the State Finance and Procurement Article.

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