

HOUSE BILL 604

B2

71r2480
CF SB 727

By: **Delegates Vallario, Barnes, Benson, Braveboy, Davis, Frush, Gaines, Griffith, Healey, Holmes, Howard, Hubbard, Ivey, Levi, Niemann, Pena-Melnyk, Proctor, Ramirez, Ross, Valderrama, Vaughn, and Walker**

Introduced and read first time: February 8, 2007

Assigned to: Appropriations

A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt - Prince George's County - Courthouse - Duvall**
3 **Wing**

4 FOR the purpose of authorizing the creation of a State Debt in the amount of
5 \$7,000,000, the proceeds to be used as a grant to the County Executive and
6 County Council of Prince George's County for certain development or
7 improvement purposes; providing for disbursement of the loan proceeds, subject
8 to a requirement that the grantee provide and expend a matching fund;
9 requiring the grantee to grant and convey a certain easement to the Maryland
10 Historical Trust; establishing a deadline for the encumbrance or expenditure of
11 the loan proceeds; and providing generally for the issuance and sale of bonds
12 evidencing the loan.

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

15 (1) The Board of Public Works may borrow money and incur indebtedness on
16 behalf of the State of Maryland through a State loan to be known as the Prince
17 George's County - Courthouse - Duvall Wing Loan of 2007 in the total principal
18 amount of \$7,000,000. This loan shall be evidenced by the issuance, sale, and delivery
19 of State general obligation bonds authorized by a resolution of the Board of Public
20 Works and issued, sold, and delivered in accordance with §§ 8-117 through 8-124 of
21 the State Finance and Procurement Article and Article 31, § 22 of the Code.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



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

4 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer
5 and first shall be applied to the payment of the expenses of issuing, selling, and
6 delivering the bonds, unless funds for this purpose are otherwise provided, and then
7 shall be credited on the books of the Comptroller and expended, on approval by the
8 Board of Public Works, for the following public purposes, including any applicable
9 architects' and engineers' fees: as a grant to the County Executive and County Council
10 of Prince George's County (referred to hereafter in this Act as "the grantee") for the
11 construction, repair, renovation, reconstruction, and capital equipping of the Duvall
12 Wing of the Prince George's County Courthouse, located in Upper Marlboro.

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

17 (5) Prior to the payment of any funds under the provisions of this Act for the
18 purposes set forth in Section 1(3) above, the grantee shall provide and expend a
19 matching fund of \$3,000,000. No part of the grantee's matching fund may be provided,
20 either directly or indirectly, from funds of the State, whether appropriated or
21 unappropriated. No part of the fund may consist of real property, in kind
22 contributions, or funds expended prior to the effective date of this Act. In case of any
23 dispute as to the amount of the matching fund or what money or assets may qualify as
24 matching funds, the Board of Public Works shall determine the matter and the
25 Board's decision is final. The grantee has until June 1, 2009, to present evidence
26 satisfactory to the Board of Public Works that a matching fund will be provided. If
27 satisfactory evidence is presented, the Board shall certify this fact to the State
28 Treasurer, and the proceeds of the loan shall be expended for the purposes provided in
29 this Act.

30 (6) (a) Prior to the issuance of the bonds, the grantee shall grant and
31 convey to the Maryland Historical Trust a perpetual preservation easement to the
32 extent of its interest:

33 (i) On the land or such portion of the land acceptable to the
34 Trust; and

35 (ii) On the exterior and interior, where appropriate, of the
36 historic structures.

1 (b) If the grantee or beneficiary of the grant holds a lease on the land
2 and structures, the Trust may accept an easement on the leasehold interest.

3 (c) The easement must be in form and substance acceptable to the
4 Trust and any liens or encumbrances against the land or the structures must be
5 acceptable to the Trust.

6 (7) The proceeds of the loan must be expended or encumbered by the Board
7 of Public Works for the purposes provided in this Act no later than June 1, 2014. If any
8 funds authorized by this Act remain unexpended or unencumbered after June 1, 2014,
9 the amount of the unencumbered or unexpended authorization shall be canceled and
10 be of no further effect. If bonds have been issued for the loan, the amount of
11 unexpended or unencumbered bond proceeds shall be disposed of as provided in §
12 8-129 of the State Finance and Procurement Article.

13 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
14 June 1, 2007.