

# SENATE BILL 909

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By: **Senators Garagiola, Astle, Brinkley, Conway, Currie, Forehand, Frosh, Hogan, Kittleman, McFadden, Middleton, Miller, and Peters**

Introduced and read first time: February 22, 2007

Assigned to: Rules

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## A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt – Pentagon Memorial**

3 FOR the purpose of authorizing the creation of a State Debt in the amount of  
4 \$500,000, the proceeds to be used as a grant to the Board of Directors of the  
5 Pentagon Memorial Fund, Inc. for certain development or improvement  
6 purposes; providing for disbursement of the loan proceeds; establishing a  
7 deadline for the encumbrance or expenditure of the loan proceeds; and providing  
8 generally for the issuance and sale of bonds evidencing the loan.

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

11 (1) The Board of Public Works may borrow money and incur indebtedness on  
12 behalf of the State of Maryland through a State loan to be known as the Pentagon  
13 Memorial Loan of 2007 in the total principal amount of \$500,000. This loan shall be  
14 evidenced by the issuance, sale, and delivery of State general obligation bonds  
15 authorized by a resolution of the Board of Public Works and issued, sold, and delivered  
16 in accordance with §§ 8–117 through 8–124 of the State Finance and Procurement  
17 Article and Article 31, § 22 of the Code.

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

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1           (3)     The cash proceeds of the sale of the bonds shall be paid to the Treasurer  
2 and first shall be applied to the payment of the expenses of issuing, selling, and  
3 delivering the bonds, unless funds for this purpose are otherwise provided, and then  
4 shall be credited on the books of the Comptroller and expended, on approval by the  
5 Board of Public Works, for the following public purposes, including any applicable  
6 architects' and engineers' fees: as a grant to the Board of Directors of the Pentagon  
7 Memorial Fund, Inc. for the construction of the Pentagon Memorial, located on the  
8 Pentagon Reservation.

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

13           (5)     The proceeds of the loan must be expended or encumbered by the Board  
14 of Public Works for the purposes provided in this Act no later than June 1, 2014. If any  
15 funds authorized by this Act remain unexpended or unencumbered after June 1, 2014,  
16 the amount of the unencumbered or unexpended authorization shall be canceled and  
17 be of no further effect. If bonds have been issued for the loan, the amount of  
18 unexpended or unencumbered bond proceeds shall be disposed of as provided in §  
19 8–129 of the State Finance and Procurement Article.

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