

HOUSE BILL 679

B2

8lr1438
CF SB 452

By: **Delegates Taylor, Kaiser, and Montgomery**

Introduced and read first time: February 1, 2008

Assigned to: Appropriations

A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt – Montgomery County – Laytonsville District**
3 **Volunteer Fire Station**

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 Board of Directors of the
6 Laytonsville District Volunteer Fire Department, Inc. for certain development
7 or improvement purposes; providing for disbursement of the loan proceeds;
8 establishing a deadline for the encumbrance or expenditure of the loan
9 proceeds; and providing generally for the issuance and sale of bonds evidencing
10 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 Montgomery
15 County – Laytonsville District Volunteer Fire Station Loan of 2008 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
21 as a single issue or may be consolidated and sold as part of a single issue of bonds
22 under § 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

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 architects' and engineers' fees: as a grant to the Board of Directors of the Laytonsville
2 District Volunteer Fire Department, Inc. for the planning, design, construction,
3 renovation, and reconstruction of the Laytonsville District Volunteer Fire Station,
4 located in Laytonsville.

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

9 (5) The proceeds of the loan must be expended or encumbered by the Board
10 of Public Works for the purposes provided in this Act no later than June 1, 2015. If any
11 funds authorized by this Act remain unexpended or unencumbered after June 1, 2015,
12 the amount of the unencumbered or unexpended authorization shall be canceled and
13 be of no further effect. If bonds have been issued for the loan, the amount of
14 unexpended or unencumbered bond proceeds shall be disposed of as provided in
15 § 8–129 of the State Finance and Procurement Article.

16 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
17 June 1, 2008.