

HOUSE BILL 1505

B2

9lr3390
CF SB 1008

By: **Delegate Kullen**

Introduced and read first time: March 4, 2009

Assigned to: Rules and Executive Nominations

A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt – Calvert County – North Beach Boardwalk**

3 FOR the purpose of authorizing the creation of a State Debt in the amount of
4 \$250,000, the proceeds to be used as a grant to the Town of North Beach for
5 certain development or improvement purposes; providing for disbursement of
6 the loan proceeds; establishing a deadline for the encumbrance or expenditure
7 of the loan proceeds; and providing generally for the issuance and sale of bonds
8 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 Calvert
13 County – North Beach Boardwalk Loan of 2009 in the total principal amount of
14 \$250,000. This loan shall be evidenced by the issuance, sale, and delivery of State
15 general obligation bonds authorized by a resolution of the Board of Public Works and
16 issued, sold, and delivered in accordance with §§ 8–117 through 8–124 of the State
17 Finance and Procurement 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.

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

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 design, construction, and capital equipping of the North Beach Boardwalk, located in
2 North Beach.

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

7 (5) The proceeds of the loan must be expended or encumbered by the Board
8 of Public Works for the purposes provided in this Act no later than June 1, 2016. If any
9 funds authorized by this Act remain unexpended or unencumbered after June 1, 2016,
10 the amount of the unencumbered or unexpended authorization shall be canceled and
11 be of no further effect. If bonds have been issued for the loan, the amount of
12 unexpended or unencumbered bond proceeds shall be disposed of as provided in
13 § 8-129 of the State Finance and Procurement Article.

14 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
15 June 1, 2009.