

# SENATE BILL 450

L2

9lr2101  
CF HB 489

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By: **Senator Edwards**

Introduced and read first time: February 4, 2009

Assigned to: Budget and Taxation

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## A BILL ENTITLED

1 AN ACT concerning

2 **Allegany County – Upper Potomac River Commission – Savage River Dam**  
3 **– Borrowing Authority**

4 FOR the purpose of repealing a certain limitation on the amount the County  
5 Commissioners of Allegany County may borrow for a capital outlay on behalf of  
6 the Upper Potomac River Commission; repealing a requirement that certain  
7 voters approve the capital outlay; authorizing the County Commissioners to  
8 borrow certain money, by resolution, for the capital outlay; repealing a  
9 requirement that certain bonds bear a certain interest rate, contain interest  
10 coupons, be in a certain denomination, and mature within a certain number of  
11 years; requiring the County Commissioners to determine the form of certain  
12 bonds, including any interest coupons, the date of maturity, the denomination of  
13 the bonds, and the date for payment of principal and interest; authorizing the  
14 bonds to be redeemable before their maturity at certain prices; repealing a  
15 requirement that the voters of Allegany County approve borrowing certain  
16 money; making stylistic changes and technical corrections; and generally  
17 relating to the authority of the County Commissioners of Allegany County to  
18 borrow certain money on behalf of the Upper Potomac River Commission.

19 BY repealing and reenacting, with amendments,  
20 The Public Local Laws of Allegany County  
21 Section 76–7  
22 Article 1 – Public Local Laws of Maryland  
23 (1983 Edition and July 2008 Supplement, as amended)

24 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
25 MARYLAND, That the Laws of Maryland read as follows:

26 **Article 1 – Allegany County**

27 Chapter 76

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 Upper Potomac River District

2 76-7.

3 **A.** If the County Commissioners of Allegany County shall at any time hereafter  
4 deem it advisable and expedient for the welfare of the citizens of [said county]  
5 **ALLEGANY COUNTY** to make a capital outlay or expenditure of money to assist the  
6 Commission in aid of the acquisition, [and/or] construction, [and/or] **OR** maintenance  
7 of any lands, structures, buildings, dams, impounding reservoirs, stream beds,  
8 waterways, roadways, rights-of-way, water rights or watersheds and appurtenances  
9 within the district [and thereafter such capital outlay of expenditure is approved by  
10 the voters of said county as is hereafter provided for, said] **THE** County  
11 Commissioners [are authorized and empowered to] **MAY, BY RESOLUTION,** borrow  
12 any amount necessary for such purpose [up to but not exceeding two hundred  
13 thousand dollars (\$200,000.)] from any governmental agency authorized to make such  
14 a loan at reasonable interest rates, or [they are hereby authorized and empowered to]  
15 issue and sell bonds [to an amount not exceeding two hundred thousand dollars  
16 (\$200,000.)] **ON THE FULL FAITH AND CREDIT OF ALLEGANY COUNTY IN SUCH**  
17 **AMOUNTS AS THE COUNTY COMMISSIONERS MAY CONSIDER TO BE NECESSARY**  
18 **FOR THE COMMISSION TO CARRY ON ITS WORK.**

19 **B.** Should a bond issue be decided upon, then the County Commissioners of  
20 Allegany County [are hereby directed to] **SHALL** advertise, in such newspapers  
21 printed and published in Allegany County as may be determined by [said] **THE**  
22 County Commissioners, at least once a week for four (4) successive weeks, the sale of  
23 [said] **THE** bonds. [Said] **THE** advertisement shall state the time and place where  
24 bids, conditioned as may be required, will be opened, and [said] **THE** County  
25 Commissioners shall reserve unto themselves the right to reject any and all bids.

26 **C.** [Said] **THE** bonds shall be signed on behalf of the County Commissioners of  
27 Allegany County by the President and countersigned by the Clerk thereof and shall  
28 bear the Corporate Seal of said Allegany County.

29 **D.** [They shall bear interest, payable semiannually and at the rate of not over five  
30 percent (5%) per annum, for which interest coupons are to be attached to said bonds.  
31 They shall be in the denomination of one hundred dollars (\$100.) or any multiple  
32 thereof and shall mature and become payable not over fifteen (15) years from the date  
33 thereof,] **THE COUNTY COMMISSIONERS OF ALLEGANY COUNTY SHALL**  
34 **DETERMINE THE FORM OF THE BONDS, INCLUDING ANY INTEREST COUPONS TO**  
35 **BE ATTACHED TO THE BONDS, THE DATE OF MATURITY OF THE BONDS, THE**  
36 **DENOMINATION OR DENOMINATIONS OF THE BONDS, AND THE PLACE OR**  
37 **PLACES OF PAYMENT OF PRINCIPAL AND INTEREST, WHICH MAY BE AT ANY**  
38 **BANK OR TRUST COMPANY WITHIN OR WITHOUT THE STATE. THE BONDS MAY**  
39 **BE REDEEMABLE BEFORE THEIR MATURITY OR MATURITIES, AT THE OPTION OF**

1 THE COUNTY COMMISSIONERS, AT THE PRICE OR PRICES AND UNDER THE  
2 TERMS AND CONDITIONS AS MAY BE FIXED BY THE COUNTY COMMISSIONERS  
3 PRIOR TO ISSUANCE OF THE BONDS.

4 E. [and said] THE bonds and interest [thereon] ON THE BONDS shall be exempt  
5 from all state, county and municipal taxation in the State of Maryland.

6 F. [Upon] ON the procuring of said loan or the sale of said bonds, the County  
7 Commissioners of Allegany County [are hereby authorized and directed to] SHALL  
8 give all the proceeds of [said] THE loan or sale to the Commission, to be used by it in  
9 carrying out the purposes and intentions of this chapter[.].

10 G. THE COUNTY COMMISSIONERS OF ALLEGANY COUNTY [and thereafter  
11 they are hereby authorized and directed to] SHALL make a special tax levy upon the  
12 assessable property of [said county] ALLEGANY COUNTY annually from year to year  
13 so long as the same may be necessary to meet all the interest and principal payments  
14 which may become due upon said loan or bonds according to the original tenor of  
15 either[;]. [provided, however, that before said County Commissioners shall borrow any  
16 of said money or issue said bonds or any of them, the question of the advisability of  
17 making such a capital outlay or expenditure shall be first submitted to a vote of the  
18 qualified voters of Allegany County, after adequate notice thereof by advertisement, at  
19 either a general election or at a special election called for that purpose, and if, at the  
20 election where said question is submitted, the number of ballots cast upon said  
21 question and reading "Against the Upper Potomac River Control Capital Expenditure  
22 of ..... Thousand Dollars" (amount of bond issue to be inserted)  
23 shall exceed the number of ballots cast upon said question and reading "For the Upper  
24 Potomac River Capital Expenditure of ..... Thousand Dollars"  
25 (amount of bond issue to be inserted), then the provisions of this section of this chapter  
26 and only this section of this chapter shall be void and inoperative, and no loan shall be  
27 made and no bonds sold hereunder for said purpose by said County Commissioners of  
28 Allegany County.]

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