

# SENATE BILL 955

B2

1lr3063  
CF HB 979

By: Senator Benson

Introduced and read first time: March 2, 2011

Assigned to: Rules

A BILL ENTITLED

## 1 AN ACT concerning

## **Creation of a State Debt – Prince George’s County – City of Seat Pleasant Public Works Facility**

4 FOR the purpose of authorizing the creation of a State Debt not to exceed \$500,000,  
5 the proceeds to be used as a grant to the Mayor and Common Council of the City  
6 of Seat Pleasant for certain development or improvement purposes; providing  
7 for disbursement of the loan proceeds, subject to a requirement that the grantee  
8 provide and expend a matching fund; establishing a deadline for the  
9 encumbrance or expenditure of the loan proceeds; and providing generally for  
10 the issuance and sale of bonds evidencing the loan.

11 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
12 MARYLAND, That:

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

**EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.**

[Brackets] indicate matter deleted from existing law.



1 shall be credited on the books of the Comptroller and expended, on approval by the  
2 Board of Public Works, for the following public purposes, including any applicable  
3 architects' and engineers' fees: as a grant to the Mayor and Common Council of the  
4 City of Seat Pleasant (referred to hereafter in this Act as "the grantee") for the  
5 planning, design, construction, renovation, and capital equipping of the City of Seat  
6 Pleasant Public Works Facility, located in Seat Pleasant.

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

11 (5) Prior to the payment of any funds under the provisions of this Act for the  
12 purposes set forth in Section 1(3) above, the grantee shall provide and expend a  
13 matching fund. No part of the grantee's matching fund may be provided, either  
14 directly or indirectly, from funds of the State, whether appropriated or  
15 unappropriated. No part of the fund may consist of real property, in kind  
16 contributions, or funds expended prior to the effective date of this Act. The fund may  
17 consist of real property. In case of any dispute as to the amount of the matching fund  
18 or what money or assets may qualify as matching funds, the Board of Public Works  
19 shall determine the matter and the Board's decision is final. The grantee has until  
20 June 1, 2013, to present evidence satisfactory to the Board of Public Works that a  
21 matching fund will be provided. If satisfactory evidence is presented, the Board shall  
22 certify this fact and the amount of the matching fund to the State Treasurer, and the  
23 proceeds of the loan equal to the amount of the matching fund shall be expended for  
24 the purposes provided in this Act. Any amount of the loan in excess of the amount of  
25 the matching fund certified by the Board of Public Works shall be canceled and be of  
26 no further effect.

27 (6) The proceeds of the loan must be expended or encumbered by the Board  
28 of Public Works for the purposes provided in this Act no later than June 1, 2018. If any  
29 funds authorized by this Act remain unexpended or unencumbered after June 1, 2018,  
30 the amount of the unencumbered or unexpended authorization shall be canceled and  
31 be of no further effect. If bonds have been issued for the loan, the amount of  
32 unexpended or unencumbered bond proceeds shall be disposed of as provided in  
33 § 8-129 of the State Finance and Procurement Article.

34 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
35 June 1, 2011.