

SENATE BILL 528

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By: **Senator Peters**

Introduced and read first time: February 3, 2012

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt – Prince George’s County – Prince George’s**
3 **Community Safety and Surveillance Systems and Equipment – 23rd**
4 **Legislative District**

5 FOR the purpose of authorizing the creation of a State Debt in the amount of
6 \$175,000, the proceeds to be used as a grant to the Board of Directors of the 301
7 Community Corporation for certain development or improvement purposes;
8 providing for disbursement of the loan proceeds, subject to a requirement that
9 the grantee provide and expend a matching fund; establishing a deadline for the
10 encumbrance or expenditure of the loan proceeds; and providing generally for
11 the issuance and sale of bonds evidencing the loan.

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

14 (1) The Board of Public Works may borrow money and incur indebtedness on
15 behalf of the State of Maryland through a State loan to be known as the Prince
16 George’s County – Prince George’s Safety and Surveillance Systems and Equipment
17 Loan of 2012 in the total principal amount of \$175,000. This loan shall be evidenced by
18 the issuance, sale, and delivery of State general obligation bonds authorized by a
19 resolution of the Board of Public Works and issued, sold, and delivered in accordance
20 with §§ 8–117 through 8–124 of the State Finance and Procurement Article and
21 Article 31, § 22 of the Code.

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.

25 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer
26 and first shall be applied to the payment of the expenses of issuing, selling, and
27 delivering the bonds, unless funds for this purpose are otherwise provided, and then

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 Board of Directors of the 301
4 Community Corporation (referred to hereafter in this Act as "the grantee") for the
5 acquisition, construction, and capital equipping of community safety surveillance
6 systems and equipment, for community projects located in the 23rd Legislative
7 District of Prince George's County.

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

12 (5) Prior to the payment of any funds under the provisions of this Act for the
13 purposes set forth in Section 1(3) above, the grantee shall provide and expend a
14 matching fund of \$43,750. No part of the grantee's matching fund may be provided,
15 either directly or indirectly, from funds of the State, whether appropriated or
16 unappropriated. No part of the fund may consist of funds expended prior to the
17 effective date of this Act. The fund may consist of real property or in kind
18 contributions. In case of any dispute as to the amount of the matching fund or what
19 money or assets may qualify as matching funds, the Board of Public Works shall
20 determine the matter and the Board's decision is final. The grantee has until June 1,
21 2014, to present evidence satisfactory to the Board of Public Works that a matching
22 fund will be provided. If satisfactory evidence is presented, the Board shall certify this
23 fact to the State Treasurer, and the proceeds of the loan shall be expended for the
24 purposes provided in this Act.

25 (6) The proceeds of the loan must be expended or encumbered by the Board
26 of Public Works for the purposes provided in this Act no later than June 1, 2019. If any
27 funds authorized by this Act remain unexpended or unencumbered after June 1, 2019,
28 the amount of the unencumbered or unexpended authorization shall be canceled and
29 be of no further effect. If bonds have been issued for the loan, the amount of
30 unexpended or unencumbered bond proceeds shall be disposed of as provided in
31 § 8-129 of the State Finance and Procurement Article.

32 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
33 June 1, 2012.