

# SENATE BILL 898

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By: **Senator Currie**

Introduced and read first time: February 8, 2012

Assigned to: Rules

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## A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt – Prince George’s County – Largo High School PTSA**  
3 **Track Renovation**

4 FOR the purpose of authorizing the creation of a State Debt in the amount of  
5 \$245,000, the proceeds to be used as a grant to the Prince George’s County  
6 Board of Education 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:

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 Prince  
15 George’s County – Largo High School PTSA Track Renovation Loan of 2012 in the  
16 total principal amount of \$245,000. This loan shall be evidenced by the issuance, sale,  
17 and delivery of State general obligation bonds authorized by a resolution of the Board  
18 of 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

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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 Prince George's County Board of  
2 Education (referred to hereafter in this Act as "the grantee") for the planning, design,  
3 construction, repair, renovation, and reconstruction of the Largo High School Track,  
4 located in Largo.

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) Prior to the payment of any funds under the provisions of this Act for the  
10 purposes set forth in Section 1(3) above, the grantee shall provide and expend a  
11 matching fund of \$60,000. No part of the grantee's matching fund may be provided,  
12 either directly or indirectly, from funds of the State, whether appropriated or  
13 unappropriated. The fund may consist of real property, in kind contributions, or funds  
14 expended prior to the effective date of this Act. In case of any dispute as to the  
15 amount of the matching fund or what money or assets may qualify as matching funds,  
16 the Board of Public Works shall determine the matter and the Board's decision is final.  
17 The grantee has until June 1, 2014, to present evidence satisfactory to the Board of  
18 Public Works that a matching fund will be provided. If satisfactory evidence is  
19 presented, the Board shall certify this fact to the State Treasurer, and the proceeds of  
20 the loan shall be expended for the purposes provided in this Act.

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

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