

# HOUSE BILL 1507

B2

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By: **Delegate Rudolph**

Introduced and read first time: February 27, 2014

Assigned to: Rules and Executive Nominations

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## A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt – Cecil County – Department of Parks and**  
3 **Recreation Project – Calvert Regional Park**

4 FOR the purpose of authorizing the creation of a State Debt not to exceed \$150,000,  
5 the proceeds to be used as a grant to the County Executive and County Council  
6 of Cecil County for certain development or improvement purposes; providing for  
7 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 Cecil County  
15 – Department of Parks and Recreation Project – Calvert Regional Park Loan of 2014  
16 in a total principal amount equal to the lesser of (i) \$150,000 or (ii) the amount of the  
17 matching fund provided in accordance with Section 1(5) below. This loan shall be  
18 evidenced by the issuance, sale, and delivery of State general obligation bonds  
19 authorized by a resolution of the Board of Public Works and issued, sold, and delivered  
20 in accordance with §§ 8–117 through 8–124 and 8–131.2 of the State Finance and  
21 Procurement Article.

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

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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 County Executive and County Council  
4 of Cecil County (referred to hereafter in this Act as "the grantee") for the acquisition,  
5 planning, design, construction, repair, renovation, reconstruction, and capital  
6 equipping of the Calvert Regional Park facilities, including the purchase and  
7 installation of dugouts, concession stands, fencing, scoreboards, and bleachers, located  
8 in Cecil County.

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

13 (5) Prior to the payment of any funds under the provisions of this Act for the  
14 purposes set forth in Section 1(3) above, the grantee shall provide and expend a  
15 matching fund. No part of the grantee's matching fund may be provided, either  
16 directly or indirectly, from funds of the State, whether appropriated or  
17 unappropriated. No part of the fund may consist of real property or funds expended  
18 prior to the effective date of this Act. The fund may consist of in kind contributions. In  
19 case of any dispute as to the amount of the matching fund or what money or assets  
20 may qualify as matching funds, the Board of Public Works shall determine the matter  
21 and the Board's decision is final. The grantee has until June 1, 2016, to present  
22 evidence satisfactory to the Board of Public Works that a matching fund will be  
23 provided. If satisfactory evidence is presented, the Board shall certify this fact and the  
24 amount of the matching fund to the State Treasurer, and the proceeds of the loan  
25 equal to the amount of the matching fund shall be expended for the purposes provided  
26 in this Act. Any amount of the loan in excess of the amount of the matching fund  
27 certified by the Board of Public Works shall be canceled and be of no further effect.

28 (6) The proceeds of the loan must be expended or encumbered by the Board  
29 of Public Works for the purposes provided in this Act no later than June 1, 2021. If any  
30 funds authorized by this Act remain unexpended or unencumbered after June 1, 2021,  
31 the amount of the unencumbered or unexpended authorization shall be canceled and  
32 be of no further effect. If bonds have been issued for the loan, the amount of  
33 unexpended or unencumbered bond proceeds shall be disposed of as provided in  
34 § 8-129 of the State Finance and Procurement Article.

35 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
36 June 1, 2014.