

SENATE BILL 878

B2

5lr2929
CF HB 831

By: **Harford County Senators**

Introduced and read first time: March 2, 2015

Assigned to: Rules

A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt – Harford County – Regional Fire and Rescue Boat**

3 FOR the purpose of authorizing the creation of a State Debt not to exceed \$100,000, the
4 proceeds to be used as a grant to the Mayor and City Council of the City of Havre de
5 Grace and the Board of Directors of the Susquehanna Hose Company, Inc. for certain
6 development or improvement purposes; providing for disbursement of the loan
7 proceeds, subject to a requirement that the grantee provide and expend a matching
8 fund; establishing a deadline for the encumbrance or expenditure of the loan
9 proceeds; and providing generally for the issuance and sale of bonds evidencing the
10 loan.

11 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
12 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 Harford County –
15 Regional Fire and Rescue Boat Loan of 2015 in a total principal amount equal to the lesser
16 of (i) \$100,000 or (ii) the amount of the matching fund provided in accordance with Section
17 1(5) below. This loan shall be evidenced by the issuance, sale, and delivery of State general
18 obligation bonds authorized by a resolution of the Board of Public Works and issued, sold,
19 and delivered in accordance with §§ 8–117 through 8–124 and 8–131.2 of the State Finance
20 and Procurement Article.

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

24 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer and
25 first shall be applied to the payment of the expenses of issuing, selling, and delivering the
26 bonds, unless funds for this purpose are otherwise provided, and then shall be credited on
27 the books of the Comptroller and expended, on approval by the Board of Public Works, for

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 the following public purposes, including any applicable architects' and engineers' fees: as a
2 grant to the Mayor and City Council of the City of Havre de Grace and the Board of
3 Directors of the Susquehanna Hose Company, Inc. (referred to hereafter in this Act as "the
4 grantee") for the acquisition, planning, design, construction, repair, renovation,
5 reconstruction, and capital equipping of a fire and rescue boat for the Lower Susquehanna
6 River and Upper Chesapeake Bay and their tributaries, including site improvements to and
7 construction, repair, and renovation of a boat dock and boat launch for the fire and rescue
8 boat, located in Harford County and Cecil County.

9 (4) An annual State tax is imposed on all assessable property in the State in rate
10 and amount sufficient to pay the principal of and interest on the bonds, as and when due
11 and until paid in full. The principal shall be discharged within 15 years after the date of
12 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 matching
15 fund. No part of the grantee's matching fund may be provided, either directly or indirectly,
16 from funds of the State, whether appropriated or unappropriated. The fund may consist of
17 real property, in kind contributions, or funds expended prior to the effective date of this
18 Act. In case of any dispute as to the amount of the matching fund or what money or assets
19 may qualify as matching funds, the Board of Public Works shall determine the matter and
20 the Board's decision is final. The grantee has until June 1, 2017, to present evidence
21 satisfactory to the Board of Public Works that a matching fund will be provided. If
22 satisfactory evidence is presented, the Board shall certify this fact and the amount of the
23 matching fund to the State Treasurer, and the proceeds of the loan equal to the amount of
24 the matching fund shall be expended for the purposes provided in this Act. Any amount of
25 the loan in excess of the amount of the matching fund certified by the Board of Public Works
26 shall be canceled and be of no further effect.

27 (6) The proceeds of the loan must be expended or encumbered by the Board of
28 Public Works for the purposes provided in this Act no later than June 1, 2022. If any funds
29 authorized by this Act remain unexpended or unencumbered after June 1, 2022, the
30 amount of the unencumbered or unexpended authorization shall be canceled and be of no
31 further effect. If bonds have been issued for the loan, the amount of unexpended or
32 unencumbered bond proceeds shall be disposed of as provided in § 8-129 of the State
33 Finance and Procurement Article.

34 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June
35 1, 2015.