

# HOUSE BILL 1057

B2

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CF SB 683

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By: **Delegate Beitzel**

Introduced and read first time: February 11, 2016

Assigned to: Appropriations

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## A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt – Garrett County – Emergency Operations Center**

3 FOR the purpose of authorizing the creation of a State Debt not to exceed \$250,000, the  
4 proceeds to be used as a grant to the Board of County Commissioners of Garrett  
5 County for certain development or improvement purposes; providing for  
6 disbursement of the loan proceeds, subject to a requirement that the grantee provide  
7 and expend a matching fund; establishing a deadline for the encumbrance or  
8 expenditure of the loan proceeds; and providing generally for the issuance and sale  
9 of bonds evidencing the loan.

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

12 (1) The Board of Public Works may borrow money and incur indebtedness on  
13 behalf of the State of Maryland through a State loan to be known as the Garrett  
14 County – Emergency Operations Center Loan of 2016 in a total principal amount equal to  
15 the lesser of (i) \$250,000 or (ii) the amount of the matching fund provided in accordance  
16 with Section 1(5) below. This loan shall be evidenced by the issuance, sale, and delivery of  
17 State general obligation bonds authorized by a resolution of the Board of Public Works and  
18 issued, sold, and delivered in accordance with §§ 8–117 through 8–124 and 8–131.2 of the  
19 State Finance and Procurement Article.

20 (2) The bonds to evidence this loan or installments of this loan may be sold as a  
21 single issue or may be consolidated and sold as part of a single issue of bonds under §  
22 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 and  
24 first shall be applied to the payment of the expenses of issuing, selling, and delivering the  
25 bonds, unless funds for this purpose are otherwise provided, and then shall be credited on  
26 the books of the Comptroller and expended, on approval by the Board of Public Works, for  
27 the following public purposes, including any applicable architects' and engineers' fees: as a

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 grant to the Board of County Commissioners of Garrett County (referred to hereafter in  
2 this Act as “the grantee”) for the acquisition, planning, design, construction, repair,  
3 renovation, reconstruction, and capital equipping of an emergency operations center,  
4 located in Garrett County.

5 (4) An annual State tax is imposed on all assessable property in the State in rate  
6 and amount sufficient to pay the principal of and interest on the bonds, as and when due  
7 and until paid in full. The principal shall be discharged within 15 years after the date of  
8 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 matching  
11 fund. No part of the grantee’s matching fund may be provided, either directly or indirectly,  
12 from funds of the State, whether appropriated or unappropriated. The fund may consist of  
13 real property, in kind contributions, or funds expended prior to the effective date of this  
14 Act. In case of any dispute as to the amount of the matching fund or what money or assets  
15 may qualify as matching funds, the Board of Public Works shall determine the matter and  
16 the Board’s decision is final. The grantee has until June 1, 2018, to present evidence  
17 satisfactory to the Board of Public Works that a matching fund will be provided. If  
18 satisfactory evidence is presented, the Board shall certify this fact and the amount of the  
19 matching fund to the State Treasurer, and the proceeds of the loan equal to the amount of  
20 the matching fund shall be expended for the purposes provided in this Act. Any amount of  
21 the loan in excess of the amount of the matching fund certified by the Board of Public Works  
22 shall be canceled and be of no further effect.

23 (6) The proceeds of the loan must be expended or encumbered by the Board of  
24 Public Works for the purposes provided in this Act no later than June 1, 2023. If any funds  
25 authorized by this Act remain unexpended or unencumbered after June 1, 2023, the  
26 amount of the unencumbered or unexpended authorization shall be canceled and be of no  
27 further effect. If bonds have been issued for the loan, the amount of unexpended or  
28 unencumbered bond proceeds shall be disposed of as provided in § 8–129 of the State  
29 Finance and Procurement Article.

30 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June  
31 1, 2016.