

HOUSE BILL 1551

B4

8lr3279

By: **Delegates Busch, Beidle, V. Clagett, Love, and Sophocleus**

Introduced and read first time: February 25, 2008

Assigned to: Rules and Executive Nominations

A BILL ENTITLED

1 AN ACT concerning

2 **Anne Arundel County – Severn Danza Recreational Complex Loan of 2001**

3 FOR the purpose of amending the Anne Arundel County – Severn Danza Recreational
4 Complex Loan of 2001 to require that the loan proceeds be encumbered by the
5 Board of Public Works or expended for certain purposes by June 1, 2010.

6 BY repealing and reenacting, with amendments,
7 Chapter 268 of the Acts of the General Assembly of 2001, as amended by
8 Chapter 432 of the Acts of the General Assembly of 2004
9 Section 1

10 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
11 MARYLAND, That the Laws of Maryland read as follows:

12 **Chapter 268 of the Acts of 2001, as amended by Chapter 432 of the Acts of**
13 **2004**

14 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
15 MARYLAND, That:

16 (1) The Board of Public Works may borrow money and incur indebtedness on
17 behalf of the State of Maryland through a State loan to be known as the Anne Arundel
18 County – Severn Danza Recreational Complex Loan of 2001 in a total principal
19 amount equal to the lesser of (i) \$250,000 or (ii) the amount of the matching fund
20 provided in accordance with Section 1(5) below. This loan shall be evidenced by the
21 issuance, sale, and delivery of State general obligation bonds authorized by a
22 resolution of the Board of Public Works and issued, sold, and delivered in accordance
23 with §§ 8–117 through 8–124 of the State Finance and Procurement Article and
24 Article 31, § 22 of the Code.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



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

4 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer
5 and first shall be applied to the payment of the expenses of issuing, selling, and
6 delivering the bonds, unless funds for this purpose are otherwise provided, and then
7 shall be credited on the books of the Comptroller and expended, on approval by the
8 Board of Public Works, for the following public purposes, including any applicable
9 architects' and engineers' fees: as a grant to the County Executive and County Council
10 of Anne Arundel County (referred to hereafter in this Act as "the grantee") for the
11 planning, design, construction, and capital equipping of the Severn Danza
12 Recreational Complex and related facilities and parking, to be located in Severn, in
13 Anne Arundel County.

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

18 (5) Prior to the payment of any funds under the provisions of this Act for the
19 purposes set forth in Section 1(3) above, the grantee shall provide and expend a
20 matching fund. No part of the grantee's matching fund may be provided, either
21 directly or indirectly, from funds of the State, whether appropriated or
22 unappropriated. No part of the fund may consist of real property or in kind
23 contributions. The fund may consist of funds expended prior to the effective date of
24 this Act. In case of any dispute as to the amount of the matching fund or what money
25 or assets may qualify as matching funds, the Board of Public Works shall determine
26 the matter and the Board's decision is final. The grantee has until June 1, 2005, to
27 present evidence satisfactory to the Board of Public Works that a matching fund will
28 be provided. If satisfactory evidence is presented, the Board shall certify this fact and
29 the amount of the matching fund to the State Treasurer, and the proceeds of the loan
30 equal to the amount of the matching fund shall be expended for the purposes provided
31 in this Act. Any amount of the loan in excess of the amount of the matching fund
32 certified by the Board of Public Works shall be canceled and be of no further effect.

33 **(6) THE PROCEEDS OF THE LOAN MUST BE EXPENDED OR**
34 **ENCUMBERED BY THE BOARD OF PUBLIC WORKS FOR THE PURPOSES**
35 **PROVIDED IN THIS ACT NO LATER THAN JUNE 1, 2010. IF ANY FUNDS**
36 **AUTHORIZED BY THIS ACT REMAIN UNEXPENDED OR UNENCUMBERED AFTER**
37 **JUNE 1, 2010, THE AMOUNT OF THE UNENCUMBERED OR UNEXPENDED**
38 **AUTHORIZATION SHALL BE CANCELED AND BE OF NO FURTHER EFFECT. IF**
39 **BONDS HAVE BEEN ISSUED FOR THE LOAN, THE AMOUNT OF UNEXPENDED OR**
40 **UNENCUMBERED BOND PROCEEDS SHALL BE DISPOSED OF AS PROVIDED IN §**
41 **8-129 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.**

1 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
2 June 1, 2008.