

SENATE BILL 402

B2

8lr2024
CF 8lr1838

By: **Senator Stone**

Introduced and read first time: January 31, 2008

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt – Baltimore County – Shore Stabilization**

3 FOR the purpose of authorizing the creation of a State Debt in the amount of
4 \$1,500,000, the proceeds to be used as a grant to the County Executive and
5 County Council of Baltimore County for certain development or improvement
6 purposes; providing for disbursement of the loan proceeds; establishing a
7 deadline for the encumbrance or expenditure of the loan proceeds; and providing
8 generally for the issuance and sale of bonds evidencing the loan.

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

11 (1) The Board of Public Works may borrow money and incur indebtedness on
12 behalf of the State of Maryland through a State loan to be known as the Baltimore
13 County – Shore Stabilization Loan of 2008 in the total principal amount of \$1,500,000.
14 This loan shall be evidenced by the issuance, sale, and delivery of State general
15 obligation bonds authorized by a resolution of the Board of Public Works and issued,
16 sold, and delivered in accordance with §§ 8–117 through 8–124 of the State Finance
17 and Procurement Article and Article 31, § 22 of the Code.

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

21 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer
22 and first shall be applied to the payment of the expenses of issuing, selling, and
23 delivering the bonds, unless funds for this purpose are otherwise provided, and then
24 shall be credited on the books of the Comptroller and expended, on approval by the
25 Board of Public Works, for the following public purposes, including any applicable
26 architects' and engineers' fees: as a grant to the County Executive and County Council

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 of Baltimore County for the grading and stabilization of various shoreline properties,
2 located in Baltimore County.

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

7 (5) The proceeds of the loan must be expended or encumbered by the Board
8 of Public Works for the purposes provided in this Act no later than June 1, 2015. If any
9 funds authorized by this Act remain unexpended or unencumbered after June 1, 2015,
10 the amount of the unencumbered or unexpended authorization shall be canceled and
11 be of no further effect. If bonds have been issued for the loan, the amount of
12 unexpended or unencumbered bond proceeds shall be disposed of as provided in
13 § 8-129 of the State Finance and Procurement Article.

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