

SENATE BILL 734

B4

8lr3067
CF 8lr3068

By: **Senator Miller**

Introduced and read first time: February 1, 2008

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Calvert County – Chesapeake Beach Railway Trail Loan of 2001**

3 FOR the purpose of amending the Calvert County – Chesapeake Beach Railway Trail
4 Loan of 2001 to require that the loan proceeds be encumbered by the Board of
5 Public Works or expended for certain purposes by June 1, 2011; and generally
6 relating to the Calvert County – Chesapeake Beach Railway Trail Loan of 2001.

7 BY repealing and reenacting, with amendments,
8 Chapter 175 of the Acts of the General Assembly of 2001
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 175 of the Acts of 2001**

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

15 (1) The Board of Public Works may borrow money and incur indebtedness on
16 behalf of the State of Maryland through a State loan to be known as the Calvert
17 County – Chesapeake Beach Railway Trail Loan of 2001 in a total principal amount of
18 \$250,000. This loan shall be evidenced by the issuance, sale, and delivery of State
19 general obligation bonds authorized by a resolution of the Board of Public Works and
20 issued, sold, and delivered in accordance with §§ 8–117 through 8–124 of the State
21 Finance and Procurement Article and Article 31, § 22 of the Code.

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.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer
2 and first shall be applied to the payment of the expenses of issuing, selling, and
3 delivering the bonds, unless funds for this purpose are otherwise provided, and then
4 shall be credited on the books of the Comptroller and expended, on approval by the
5 Board of Public Works, for the following public purposes, including any applicable
6 architects' and engineers' fees: as a grant to the Mayor and Town Council of the Town
7 of Chesapeake Beach (referred to hereafter in this Act as "the grantee") for the
8 planning, design, and construction of facilities for the Chesapeake Beach Railway
9 Trail, a recreational trail that will include paved trails, timber walkways, and bridges.

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

14 **(5) THE PROCEEDS OF THE LOAN MUST BE EXPENDED OR**
15 **ENCUMBERED BY THE BOARD OF PUBLIC WORKS FOR THE PURPOSES**
16 **PROVIDED IN THIS ACT NO LATER THAN JUNE 1, 2011. IF ANY FUNDS**
17 **AUTHORIZED BY THIS ACT REMAIN UNEXPENDED OR UNENCUMBERED AFTER**
18 **JUNE 1, 2011, THE AMOUNT OF THE UNENCUMBERED OR UNEXPENDED**
19 **AUTHORIZATION SHALL BE CANCELED AND BE OF NO FURTHER EFFECT. IF**
20 **BONDS HAVE BEEN ISSUED FOR THE LOAN, THE AMOUNT OF UNEXPENDED OR**
21 **UNENCUMBERED BOND PROCEEDS SHALL BE DISPOSED OF AS PROVIDED IN §**
22 **8-129 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.**

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