

HOUSE BILL 1470

B2

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By: **Delegate Busch**

Introduced and read first time: February 20, 2014

Assigned to: Rules and Executive Nominations

A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt – Anne Arundel County – Bestgate Park**

3 FOR the purpose of authorizing the creation of a State Debt not to exceed \$150,000,
4 the proceeds to be used as a grant to the County Executive and County Council
5 of Anne Arundel County for certain development or improvement purposes;
6 providing for disbursement of the loan proceeds, subject to a requirement that
7 the grantee provide and expend a matching fund; establishing a deadline for the
8 encumbrance or expenditure of the loan proceeds; and providing generally for
9 the issuance and sale of bonds evidencing the loan.

10 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
11 MARYLAND, 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 Anne Arundel
14 County – Bestgate Park Loan of 2014 in a total principal amount equal to the lesser of
15 (i) \$150,000 or (ii) the amount of the matching fund provided in accordance with
16 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
18 and issued, sold, and delivered in accordance with §§ 8–117 through 8–124 and
19 8–131.2 of the State Finance and Procurement Article.

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

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 architects' and engineers' fees: as a grant to the County Executive and County Council
2 of Anne Arundel County (referred to hereafter in this Act as "the grantee") for the
3 acquisition, planning, design, construction, repair, renovation, reconstruction, and
4 capital equipping of Bestgate Park, including the installation of a scoreboard, fencing,
5 and a well for irrigation access, located in Anne Arundel County.

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

10 (5) Prior to the payment of any funds under the provisions of this Act for the
11 purposes set forth in Section 1(3) above, the grantee shall provide and expend a
12 matching fund. No part of the grantee's matching fund may be provided, either
13 directly or indirectly, from funds of the State, whether appropriated or
14 unappropriated. No part of the fund may consist of real property or funds expended
15 prior to the effective date of this Act. The fund may consist of in kind contributions. In
16 case of any dispute as to the amount of the matching fund or what money or assets
17 may qualify as matching funds, the Board of Public Works shall determine the matter
18 and the Board's decision is final. The grantee has until June 1, 2016, to present
19 evidence satisfactory to the Board of Public Works that a matching fund will be
20 provided. If satisfactory evidence is presented, the Board shall certify this fact and the
21 amount of the matching fund to the State Treasurer, and the proceeds of the loan
22 equal to the amount of the matching fund shall be expended for the purposes provided
23 in this Act. Any amount of the loan in excess of the amount of the matching fund
24 certified by the Board of Public Works shall be canceled and be of no further effect.

25 (6) The proceeds of the loan must be expended or encumbered by the Board
26 of Public Works for the purposes provided in this Act no later than June 1, 2021. If any
27 funds authorized by this Act remain unexpended or unencumbered after June 1, 2021,
28 the amount of the unencumbered or unexpended authorization shall be canceled and
29 be of no further effect. If bonds have been issued for the loan, the amount of
30 unexpended or unencumbered bond proceeds shall be disposed of as provided in
31 § 8-129 of the State Finance and Procurement Article.

32 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
33 June 1, 2014.