

SENATE BILL 462

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By: **Senator Pinsky**

Introduced and read first time: January 27, 2014

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt – Prince George’s County – New Carrollton**
3 **Playground and Open Space Project**

4 FOR the purpose of authorizing the creation of a State Debt in the amount of
5 \$100,000, the proceeds to be used as a grant to the Mayor and City Council of
6 the City of New Carrollton for certain development or improvement purposes;
7 providing for disbursement of the loan proceeds, subject to a requirement that
8 the grantee provide and expend a matching fund; establishing a deadline for the
9 encumbrance or expenditure of the loan proceeds; and providing generally for
10 the issuance and sale of bonds evidencing the loan.

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

13 (1) The Board of Public Works may borrow money and incur indebtedness on
14 behalf of the State of Maryland through a State loan to be known as the Prince
15 George’s County – New Carrollton Playground and Open Space Project Loan of 2014 in
16 the total principal amount of \$100,000. This loan shall be evidenced by the issuance,
17 sale, and delivery of State general obligation bonds authorized by a resolution of the
18 Board of Public Works and issued, sold, and delivered in accordance with §§ 8–117
19 through 8–124 and 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 Mayor and City Council of the City of
2 New Carrollton (referred to hereafter in this Act as "the grantee") for the acquisition,
3 planning, design, construction, repair, renovation, reconstruction, and capital
4 equipping of the New Carrollton Playground and related open space, located in Prince
5 George's 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 of \$20,000. No part of the grantee's matching fund may be provided,
13 either directly or indirectly, from funds of the State, whether appropriated or
14 unappropriated. No part of the fund may consist of funds expended prior to the
15 effective date of this Act. The fund may consist of real property or in kind
16 contributions. In case of any dispute as to the amount of the matching fund or what
17 money or assets may qualify as matching funds, the Board of Public Works shall
18 determine the matter and the Board's decision is final. The grantee has until June 1,
19 2016, to present evidence satisfactory to the Board of Public Works that a matching
20 fund will be provided. If satisfactory evidence is presented, the Board shall certify this
21 fact to the State Treasurer, and the proceeds of the loan shall be expended for the
22 purposes provided in this Act.

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

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