

CHAPTER 381

(Senate Bill 561)

AN ACT to repeal and re-enact, with amendments, Section 5 of Chapter 539 of the Acts of 1963, relating to the Area Redevelopment Loan of 1963; to provide that any loan which the State of Maryland shall make for any one project under this Act shall bear interest at an annual rate which equals the net interest cost to the State of the sale of its bonds under the authority of this Act for the purpose of funding such loan.

SECTION 1. *Be it enacted by the General Assembly of Maryland,* That Section 5 of Chapter 539 of the Acts of 1963, be and it is hereby repealed and re-enacted, with amendments, to read as follows:

5.

~~*And be it further enacted,*~~ That the actual cash proceeds of the sale of the Certificates of Indebtedness to be issued under this Act shall be paid to the Treasurer of the State upon the warrant of the Comptroller and such proceeds shall be used exclusively for the following purposes to wit:

The Comptroller shall immediately upon the sale of and payment for said certificates, first return to and credit the Treasury for a sum equivalent to the amount expended as provided for in Section 4 of this Act; the remainder of the proceeds of said loan shall be credited on the books of the State Treasury Department, to be used as needed by the State, upon approval by the Board of Public Works to aid in financing up to five per centum (5%) of any project under Section 6 of Public Law 87-27 (The Area Redevelopment Act) within an officially designated redevelopment area for the purchase, lease, or development of land and facilities (including, in cases of demonstrated need, machinery and equipment) for industrial or commercial usage, including the construction of new buildings, the rehabilitation of abandoned or unoccupied buildings, and the alteration, conversion, or enlargement of existing buildings. These purposes are as provided in Public Law 87-27, being an Act of the 87th Congress of the United States generally known and referred to as the Area Redevelopment Act, as it may be amended or supplemented from time to time and the provisions and purposes of said Public Law 87-27, as it may be amended or supplemented from time to time, are incorporated by reference in this Act insofar as they may affect the purposes and procedures for lending funds under the provisions of this Act. Without impairing the generality of the preceding sentence, it is specifically provided that for the purposes of this Act, a "redevelopment area" is as designated from time to time by the Secretary of Commerce under said Public Law 87-27, as it may be amended or supplemented from time to time and it is further specifically provided that only those projects authorized under Section 6 of Public Law 87-27 shall be eligible for loans under this Act.

The State of Maryland shall not lend for any one project with funds secured from the certificates issued under this Act, a sum of money which exceeds an amount equal to five per centum (5%) of the total cost of the project as approved by the Area Redevelopment Administration for loan purposes under their program. [No loan