

WILLIAM DONALD SCHAEFER, Governor

Sincerely,
William Donald Schaefer
Governor

Senate Bill No. 675

AN ACT concerning

Capitol Heights - Debt Owed to State

FOR the purpose of requiring the Board of Public Works, upon a certain recommendation, to pass a resolution to ~~cancel modify~~ a certain debt owed by the Town of Capitol Heights to the State; ~~prohibiting the Comptroller from making repayment for the cancelled indebtedness from certain State funds to which the Town of Capitol Heights would otherwise be entitled;~~ and generally relating to the ~~cancellation of modification of an~~ indebtedness owed by the Town of Capitol Heights to the State.

Preamble

WHEREAS, Chapter 726 of the Acts of the General Assembly of 1974 authorized the Board of Public Works to issue a State loan known as the "Municipal Government Loan of 1974", the proceeds of which were to be used to assist in the financing of construction of streets, roads, and public buildings by municipal corporations in the State; and

WHEREAS, In accordance with the provisions of Chapter 726 of the Acts of 1974, the State made an allotment in the amount of \$1,330,948.53 to the Town of Capitol Heights, for which the Town of Capitol Heights agreed to repay that amount with interest under the terms of an agreement dated May 19, 1980; and

WHEREAS, The Town of Capitol Heights has been unable to repay the indebtedness according to the terms of the May 19, 1980 agreement; and

WHEREAS, The Board of Public Works agreed to a modification of the repayment schedule and under an agreement dated June 27, 1984 the Town of Capitol Heights agreed to repay the loan according to a modified schedule contained in the agreement; and

WHEREAS, The financial condition of the Town of Capitol Heights has failed to improve sufficiently, resulting in delinquent payment of its payroll and its other obligations; now, therefore,

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That upon the recommendation of the Governor or the