

CHAPTER 527

(Senate Bill 438)

AN ACT concerning

Creation of a State Debt - Cecil County - Town of Elkton

FOR the purpose of authorizing the creation of a State Debt in the amount of ~~\$2,325,870~~ ~~\$750,000~~ \$650,000, the proceeds to be used as a grant to the Mayor and Commissioners of the Town of Elkton for certain development or improvement purposes; providing for disbursement of the loan proceeds; and providing generally for the issuance and sale of bonds evidencing the loan.

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

(1) The Board of Public Works may borrow money and incur indebtedness on behalf of the State of Maryland through a State loan to be known as the Cecil County - Town of Elkton Loan of 2000 in the total principal amount of ~~\$2,325,870~~ ~~\$750,000~~ \$650,000. This loan shall be evidenced by the issuance, sale, and delivery of State general obligation bonds authorized by a resolution of the Board of Public Works and issued, sold, and delivered in accordance with §§ 8-117 through 8-124 of the State Finance and Procurement Article and Article 31, § 22 of the Code.

(2) The bonds to evidence this loan or installments of this loan may be sold as a single issue or may be consolidated and sold as part of a single issue of bonds under § 8-122 of the State Finance and Procurement Article.

(3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer and first shall be applied to the payment of the expenses of issuing, selling, and delivering the bonds, unless funds for this purpose are otherwise provided, and then shall be credited on the books of the Comptroller and expended, on approval by the Board of Public Works, for the following public purposes, including any applicable architects' and engineers' fees: as a grant to the Mayor and Commissioners of the Town of Elkton for the placement of underground utilities, to be located beneath Main Street in Elkton, Maryland.

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

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2000.

Approved May 18, 2000.