

HOUSE BILL 1342

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B2

2000 Regular Session  
0lr2895  
CF 0lr2897

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By: **Delegates Benson, Howard, and Swain**  
Introduced and read first time: February 21, 2000  
Assigned to: Rules and Executive Nominations  
Re-referred to: Appropriations, March 6, 2000

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Committee Report: Favorable  
House action: Adopted  
Read second time: April 1, 2000

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CHAPTER \_\_\_\_\_

1 AN ACT concerning

2                                   **Creation of a State Debt - Prince George's County - Mt. Rainier**  
3                                   **Revitalization Project**

4 FOR the purpose of authorizing the creation of a State Debt not to exceed \$60,000, the  
5 proceeds to be used as a grant to the Board of Directors of the Housing Initiative  
6 Partnership, Inc. for certain development or improvement purposes; providing  
7 for disbursement of the loan proceeds, subject to a requirement that the grantee  
8 provide and expend a matching fund; and providing generally for the issuance  
9 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 Prince  
14 George's County - Mt. Rainier Revitalization Project Loan of 2000 in a total principal  
15 amount equal to the lesser of (i) \$60,000 or (ii) the amount of the matching fund  
16 provided in accordance with Section 1(5) below. This loan shall be evidenced by the  
17 issuance, sale, and delivery of State general obligation bonds authorized by a  
18 resolution of the Board of Public Works and issued, sold, and delivered in accordance  
19 with §§ 8-117 through 8-124 of the State Finance and Procurement Article and  
20 Article 31, § 22 of the Code.

21 (2) The bonds to evidence this loan or installments of this loan may be sold as  
22 a single issue or may be consolidated and sold as part of a single issue of bonds under  
23 § 8-122 of the State Finance and Procurement Article.

1 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer  
2 and first shall be applied to the payment of the expenses of issuing, selling, and  
3 delivering the bonds, unless funds for this purpose are otherwise provided, and then  
4 shall be credited on the books of the Comptroller and expended, on approval by the  
5 Board of Public Works, for the following public purposes, including any applicable  
6 architects' and engineers' fees: as a grant to the Board of Directors of the Housing  
7 Initiative Partnership, Inc. (referred to hereafter in this Act as "the grantee") for the  
8 planning, design, repair, renovation, reconstruction, and capital equipping of an  
9 apartment building in Mt. Rainier, Prince George's County, for residences for  
10 low-income artists.

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

15 (5) Prior to the payment of any funds under the provisions of this Act for the  
16 purposes set forth in Section 1(3) above, the grantee shall provide and expend a  
17 matching fund. No part of the grantee's matching fund may be provided, either  
18 directly or indirectly, from funds of the State, whether appropriated or  
19 unappropriated. No part of the fund may consist of real property, in kind  
20 contributions, or funds expended prior to the effective date of this Act. In case of any  
21 dispute as to the amount of the matching fund or what money or assets may qualify  
22 as matching funds, the Board of Public Works shall determine the matter and the  
23 Board's decision is final. The grantee has until June 1, 2002, to present evidence  
24 satisfactory to the Board of Public Works that a matching fund will be provided. If  
25 satisfactory evidence is presented, the Board shall certify this fact and the amount of  
26 the matching fund to the State Treasurer, and the proceeds of the loan equal to the  
27 amount of the matching fund shall be expended for the purposes provided in this Act.  
28 Any amount of the loan in excess of the amount of the matching fund certified by the  
29 Board of Public Works shall be canceled and be of no further effect.

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