

SENATE BILL 176

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2001 Regular Session
11r0887
CF 11r1745

By: **Senator Ruben**
Introduced and read first time: January 19, 2001
Assigned to: Budget and Taxation

Committee Report: Favorable with amendments
Senate action: Adopted
Read second time: March 29, 2001

CHAPTER _____

1 AN ACT concerning

2 **Creation of a State Debt - Montgomery County - The Link - Ages Place**

3 FOR the purpose of authorizing the creation of a State Debt not to exceed ~~\$750,000~~
4 \$50,000, the proceeds to be used as a grant to the Board of Trustees of Christ
5 Congregational Church, Inc. for certain development or improvement purposes;
6 providing for disbursement of the loan proceeds, subject to a requirement that
7 the grantee provide and expend a matching fund; prohibiting use of the proceeds
8 of the sale of the bonds and the matching fund for religious purposes; and
9 providing generally for the issuance 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 Montgomery
14 County - The Link - Ages Place Loan of 2001 in a total principal amount equal to the
15 lesser of (i) ~~\$750,000~~ \$50,000 or (ii) the amount of the matching fund provided in
16 accordance with Section 1(5) below. This loan shall be evidenced by the issuance, sale,
17 and delivery of State general obligation bonds authorized by a resolution of the Board
18 of Public Works and issued, sold, and delivered in accordance with §§ 8-117 through
19 8-124 of the State Finance and Procurement Article and Article 31, § 22 of the Code.

20 (2) The bonds to evidence this loan or installments of this loan may be sold as
21 a single issue or may be consolidated and sold as part of a single issue of bonds under
22 § 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

1 shall be credited on the books of the Comptroller and expended, on approval by the
2 Board of Public Works, for the following public purposes, including any applicable
3 architects' and engineers' fees: as a grant to the Board of Trustees of Christ
4 Congregational Church, Inc. (referred to hereafter in this Act as "the grantee") for the
5 planning, design, repair, reconstruction, renovation, and capital equipping of a facility
6 located at 9525 Colesville Road in Silver Spring, Maryland, for use as an
7 intergenerational center where both older and younger individuals can participate in
8 academic and cultural programs designed to integrate the community and stimulate
9 learning across generational lines.

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

14 (5) Prior to the payment of any funds under the provisions of this Act for the
15 purposes set forth in Section 1(3) above, the grantee shall provide and expend a
16 matching fund. No part of the grantee's matching fund may be provided, either
17 directly or indirectly, from funds of the State, whether appropriated or
18 unappropriated. No part of the fund may consist of real property or in kind
19 contributions. The fund may consist of funds expended prior to the effective date of
20 this Act. In case of any dispute as to the amount of the matching fund or what money
21 or assets may qualify as matching funds, the Board of Public Works shall determine
22 the matter and the Board's decision is final. The grantee has until June 1, 2003, to
23 present evidence satisfactory to the Board of Public Works that a matching fund will
24 be provided. If satisfactory evidence is presented, the Board shall certify this fact and
25 the amount of the matching fund to the State Treasurer, and the proceeds of the loan
26 equal to the amount of the matching fund shall be expended for the purposes provided
27 in this Act. Any amount of the loan in excess of the amount of the matching fund
28 certified by the Board of Public Works shall be canceled and be of no further effect.

29 (6) No portion of the proceeds of the loan or any of the matching funds may be
30 used for the furtherance of sectarian religious instruction, or in connection with the
31 design, acquisition, or construction of any building used or to be used as a place of
32 sectarian religious worship or instruction, or in connection with any program or
33 department of divinity for any religious denomination. Upon the request of the Board
34 of Public Works, the grantee shall submit evidence satisfactory to the Board that none
35 of the proceeds of the loan or any matching funds have been or are being used for a
36 purpose prohibited by this Act.

37 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
38 June 1, 2001.

