

SENATE BILL 718

B2

3lr0898
CF HB 169

By: **Senator Ramirez**

Introduced and read first time: February 1, 2013

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt – Prince George’s County – St. Ann’s Security**
3 **Renovations**

4 FOR the purpose of authorizing the creation of a State Debt not to exceed \$40,000, the
5 proceeds to be used as a grant to the Board of Directors of St. Ann’s Center for
6 Children, Youth, and Families, Inc. for certain development or improvement
7 purposes; providing for disbursement of the loan proceeds, subject to a
8 requirement that the grantee provide and expend a matching fund; prohibiting
9 the use of the loan proceeds or matching fund for sectarian religious purposes;
10 establishing a deadline for the encumbrance or expenditure of the loan
11 proceeds; and providing generally for the issuance and sale of bonds evidencing
12 the loan.

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

15 (1) The Board of Public Works may borrow money and incur indebtedness on
16 behalf of the State of Maryland through a State loan to be known as the Prince
17 George’s County – St. Ann’s Security Renovations Loan of 2013 in a total principal
18 amount equal to the lesser of (i) \$40,000 or (ii) the amount of the matching fund
19 provided in accordance with Section 1(5) below. This loan shall be evidenced by the
20 issuance, sale, and delivery of State general obligation bonds authorized by a
21 resolution of the Board of Public Works and issued, sold, and delivered in accordance
22 with §§ 8–117 through 8–124 of the State Finance and Procurement Article and
23 Article 31, § 22 of the Code.

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

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



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 St. Ann's Center
7 for Children, Youth, and Families, Inc. (referred to hereafter in this Act as "the
8 grantee") for the design, planning, and renovation of the St. Ann's Center for Children,
9 Youth, and Families, located in Hyattsville.

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 funds expended
19 prior to the effective date of this Act. In case of any dispute as to the amount of the
20 matching fund or what money or assets may qualify as matching funds, the Board of
21 Public Works shall determine the matter and the Board's decision is final. The grantee
22 has until June 1, 2015, to present evidence satisfactory to the Board of Public Works
23 that a matching fund will be provided. If satisfactory evidence is presented, the Board
24 shall certify this fact and the amount of the matching fund to the State Treasurer, and
25 the proceeds of the loan equal to the amount of the matching fund shall be expended
26 for the purposes provided in this Act. Any amount of the loan in excess of the amount
27 of the matching fund certified by the Board of Public Works shall be canceled and be of
28 no further effect.

29 (6) No portion of the proceeds of the loan or any of the matching funds may
30 be 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 (7) The proceeds of the loan must be expended or encumbered by the Board
38 of Public Works for the purposes provided in this Act no later than June 1, 2020. If any
39 funds authorized by this Act remain unexpended or unencumbered after June 1, 2020,
40 the amount of the unencumbered or unexpended authorization shall be canceled and
41 be of no further effect. If bonds have been issued for the loan, the amount of
42 unexpended or unencumbered bond proceeds shall be disposed of as provided in
43 § 8-129 of the State Finance and Procurement Article.

1 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
2 June 1, 2013.