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May 1, 2014

The Honorable Martin O'Malley Governor of Maryland State House 100 State Circle Annapolis, Maryland 21401-1991

## RE: Senate Bill 171, "Creation of a State Debt – Maryland Consolidated Capital Bond Loan of 2014, and the Maryland Consolidated Capital Bond Loans of 2005, 2006, 2007, 2008, 2009, 2010, 2011, 2012, and 2013"

Dear Governor O'Malley:

We hereby approve Senate Bill 171, the 2014 Capital Bond Bill, for constitutionality and legal sufficiency.

In doing so, we note that we have been advised by the Department of Legislative Services that several of the non-match grant descriptions mistakenly include language suggesting that a match is required. The Green Branch Athletic Complex grant description (page 28, line 38 to page 29, line 6) and the Hospice of the Chesapeake grant description (page 29, lines 28-34), despite no match being specified, both include the following language, "Notwithstanding Section 1(5) of this Act, the matching fund may consist of real property or in kind contributions." We believe that the match language in these provisions should be interpreted as superfluous and that the grant funds be permitted to be expended without any evidence of a match.

By contrast, the Jewish Community Center of Greater Washington grant description (page 29, line 40 to page 30, line 3) and the South River High School Athletic Facilities grant description (page 34, lines 4-12) both include a clause at the end of the description that states that the grant is "subject to the requirement that the grantee provide a matching fund for this purpose." Whether or not included in error, Senate Bill 171 requires that matching funds be provided for these two grants. For each of these two items, we

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recommend that the match language be interpreted to require that equal matching funds be provided by the respective grantee prior to any expenditure of grant proceeds.

If you have any questions about this, we stand ready to assist.

Very truly yours,

Douglas F. Gansler Attorney General

DFG/DF/kk

cc: The Honorable John P. McDonough Jeanne D. Hitchcock Karl Aro