

SENATE BILL 917

B2

4lr2792

By: **Senator Manno**

Introduced and read first time: January 31, 2014

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt – Montgomery County – Melvin J. Berman Hebrew**
3 **Academy**

4 FOR the purpose of authorizing the creation of a State Debt in the amount of \$65,000,
5 the proceeds to be used as a grant to the Board of Directors of the Melvin J.
6 Berman Hebrew Academy for certain development or improvement purposes;
7 providing for disbursement of the loan proceeds, subject to a requirement that
8 the grantee provide and expend a matching fund; prohibiting the use of the loan
9 proceeds or matching fund for sectarian religious purposes; establishing a
10 deadline for the encumbrance or expenditure of the loan proceeds; and providing
11 generally for the issuance and sale of bonds evidencing the loan.

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

14 (1) The Board of Public Works may borrow money and incur indebtedness on
15 behalf of the State of Maryland through a State loan to be known as the Montgomery
16 County – Melvin J. Berman Hebrew Academy Loan of 2014 in the total principal
17 amount of \$65,000. This loan shall be evidenced by the issuance, sale, and delivery of
18 State general obligation bonds authorized by a resolution of the Board of Public Works
19 and issued, sold, and delivered in accordance with §§ 8–117 through 8–124 and
20 8–131.2 of the State Finance and Procurement Article.

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

24 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer
25 and first shall be applied to the payment of the expenses of issuing, selling, and
26 delivering the bonds, unless funds for this purpose are otherwise provided, and then
27 shall be credited on the books of the Comptroller and expended, on approval by the

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 Board of Public Works, for the following public purposes, including any applicable
2 architects' and engineers' fees: as a grant to the Board of Directors of the Melvin J.
3 Berman Hebrew Academy (referred to hereafter in this Act as "the grantee") for the
4 acquisition, planning, design, construction, repair, renovation, reconstruction, and
5 capital equipping of the Melvin J. Berman Hebrew Academy, including restoring the
6 track and field, and installing a fitness circuit, located in Montgomery County.

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

11 (5) Prior to the payment of any funds under the provisions of this Act for the
12 purposes set forth in Section 1(3) above, the grantee shall provide and expend a
13 matching fund of \$16,250. No part of the grantee's matching fund may be provided,
14 either directly or indirectly, from funds of the State, whether appropriated or
15 unappropriated. The fund may consist of real property, in kind contributions, or funds
16 expended prior to the effective date of this Act. In case of any dispute as to the amount
17 of the matching fund or what money or assets may qualify as matching funds, the
18 Board of Public Works shall determine the matter and the Board's decision is final.
19 The grantee has until June 1, 2016, to present evidence satisfactory to the Board of
20 Public Works that a matching fund will be provided. If satisfactory evidence is
21 presented, the Board shall certify this fact to the State Treasurer, and the proceeds of
22 the loan shall be expended for the purposes provided in this Act.

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

31 (7) The proceeds of the loan must be expended or encumbered by the Board
32 of Public Works for the purposes provided in this Act no later than June 1, 2021. If any
33 funds authorized by this Act remain unexpended or unencumbered after June 1, 2021,
34 the amount of the unencumbered or unexpended authorization shall be canceled and
35 be of no further effect. If bonds have been issued for the loan, the amount of
36 unexpended or unencumbered bond proceeds shall be disposed of as provided in
37 § 8–129 of the State Finance and Procurement Article.

38 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
39 June 1, 2014.