

HOUSE BILL 314

B2

5lr2109

By: **Delegates Valentino-Smith, Holmes, and Vallario**

Introduced and read first time: February 5, 2015

Assigned to: Appropriations

A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt – Prince George’s County – Knights of St. John Hall**

3 FOR the purpose of authorizing the creation of a State Debt in the amount of \$190,000, the
4 proceeds to be used as a grant to the Board of Trustees of the Knights of St. John,
5 Ascension Commandery 283, Inc. for certain development or improvement purposes;
6 providing for disbursement of the loan proceeds; prohibiting the use of the loan
7 proceeds for sectarian religious purposes; establishing a deadline for the
8 encumbrance or expenditure of the loan proceeds; and providing generally for the
9 issuance and sale of bonds evidencing the loan.

10 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
11 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 George’s
14 County – Knights of St. John Hall Loan of 2015 in the total principal amount of \$190,000.
15 This loan shall be evidenced by the issuance, sale, and delivery of State general obligation
16 bonds authorized by a resolution of the Board of Public Works and issued, sold, and
17 delivered in accordance with §§ 8–117 through 8–124 and 8–131.2 of the State Finance and
18 Procurement Article.

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

22 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer and
23 first shall be applied to the payment of the expenses of issuing, selling, and delivering the
24 bonds, unless funds for this purpose are otherwise provided, and then shall be credited on
25 the books of the Comptroller and expended, on approval by the Board of Public Works, for
26 the following public purposes, including any applicable architects’ and engineers’ fees: as a
27 grant to the Board of Trustees of the Knights of St. John, Ascension Commandery 283, Inc.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (referred to hereafter as “the grantee”) for the acquisition, planning, design, construction,
2 repair, renovation, reconstruction, and capital equipping of the Knights of St. John Hall,
3 located in Prince George’s County.

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

8 (5) No portion of the proceeds of the loan may be used for the furtherance of
9 sectarian religious instruction, or in connection with the acquisition, planning, design,
10 construction, repair, renovation, reconstruction, or capital equipping of any building used
11 or to be used as a place of sectarian religious worship or instruction, or in connection with
12 any program or department of divinity for any religious denomination. Upon the request of
13 the Board of Public Works, the grantee shall submit evidence satisfactory to the Board that
14 none of the proceeds of the loan have been or are being used for a purpose prohibited by
15 this Act.

16 (6) The proceeds of the loan must be expended or encumbered by the Board of
17 Public Works for the purposes provided in this Act no later than June 1, 2022. If any funds
18 authorized by this Act remain unexpended or unencumbered after June 1, 2022, the
19 amount of the unencumbered or unexpended authorization shall be canceled and be of no
20 further effect. If bonds have been issued for the loan, the amount of unexpended or
21 unencumbered bond proceeds shall be disposed of as provided in
22 § 8–129 of the State Finance and Procurement Article.

23 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June
24 1, 2015.