

SENATE BILL 734

B2

5l2448
CF 5l2447

By: **Senator Zirkin**

Introduced and read first time: February 13, 2015

Assigned to: Rules

A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt – Baltimore County – Gilead House Renovation**

3 FOR the purpose of authorizing the creation of a State Debt not to exceed \$65,000, the
4 proceeds to be used as a grant to the Board of Trustees of The Vestry of
5 St. Mark's-on-the-Hill for certain development or improvement purposes; providing
6 for disbursement of the loan proceeds, subject to a requirement that the grantee
7 provide and expend a matching fund; prohibiting the use of the loan proceeds or
8 matching fund for sectarian religious purposes; establishing a deadline for the
9 encumbrance or expenditure of the loan proceeds; and providing generally for the
10 issuance and sale of bonds evidencing the loan.

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

13 (1) The Board of Public Works may borrow money and incur indebtedness
14 on behalf of the State of Maryland through a State loan to be known as the Baltimore
15 County – Gilead House Renovation Loan of 2015 in a total principal amount equal to the
16 lesser of (i) \$65,000 or (ii) the amount of the matching fund provided in accordance with
17 Section 1(5) below. This loan shall be evidenced by the issuance, sale, and delivery of State
18 general obligation bonds authorized by a resolution of the Board of Public Works and
19 issued, sold, and delivered in accordance with §§ 8–117 through 8–124 and 8–131.2 of the
20 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 under §
23 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 delivering
26 the bonds, unless funds for this purpose are otherwise provided, and then shall be credited
27 on the books of the Comptroller and expended, on approval by the Board of Public Works,

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 for the following public purposes, including any applicable architects' and engineers' fees:
2 as a grant to the Board of Trustees of The Vestry of St. Mark's-on-the-Hill (referred to
3 hereafter in this Act as "the grantee") for the acquisition, planning, design, construction,
4 repair, renovation, reconstruction, and capital equipping of the Gilead House, located in
5 Baltimore County.

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

10 (5) Prior to the payment of any funds under the provisions of this Act for
11 the purposes set forth in Section 1(3) above, the grantee shall provide and expend a
12 matching fund. No part of the grantee's matching fund may be provided, either directly or
13 indirectly, from funds of the State, whether appropriated or unappropriated. No part of the
14 fund may consist of real property, in kind contributions, or funds expended prior to the
15 effective date of this Act. In case of any dispute as to the amount of the matching fund or
16 what money or assets may qualify as matching funds, the Board of Public Works shall
17 determine the matter and the Board's decision is final. The grantee has until June 1, 2017,
18 to present evidence satisfactory to the Board of Public Works that a matching fund will be
19 provided. If satisfactory evidence is presented, the Board shall certify this fact and the
20 amount of the matching fund to the State Treasurer, and the proceeds of the loan equal to
21 the amount of the matching fund shall be expended for the purposes provided in this Act.
22 Any amount of the loan in excess of the amount of the matching fund certified by the Board
23 of Public Works shall be canceled and be of no further effect.

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

32 (7) The proceeds of the loan must be expended or encumbered by the Board
33 of Public Works for the purposes provided in this Act no later than June 1, 2022. If any
34 funds authorized by this Act remain unexpended or unencumbered after June 1, 2022, the
35 amount of the unencumbered or unexpended authorization shall be canceled and be of no
36 further effect. If bonds have been issued for the loan, the amount of unexpended or
37 unencumbered bond proceeds shall be disposed of as provided in § 8-129 of the State
38 Finance and Procurement Article.

39 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June
40 1, 2015.