

# SENATE BILL 672

B2

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CF HB 816

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By: **Senator Kelley**

Introduced and read first time: February 3, 2017

Assigned to: Budget and Taxation

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## A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt – Baltimore County – St. Luke’s United Methodist**  
3 **Church Fellowship Hall**

4 FOR the purpose of authorizing the creation of a State Debt in the amount of \$200,000, the  
5 proceeds to be used as a grant to the Board of Trustees of St. Luke’s United Methodist  
6 Church for certain development or improvement purposes; providing for  
7 disbursement of the loan proceeds; prohibiting the use of the loan proceeds for  
8 sectarian religious purposes; establishing a deadline for the encumbrance or  
9 expenditure of the loan proceeds; and providing generally for the issuance and sale  
10 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 on  
14 behalf of the State of Maryland through a State loan to be known as the Baltimore County  
15 – St. Luke’s United Methodist Church Fellowship Hall Loan of 2017 in the total principal  
16 amount of \$200,000. This loan shall be evidenced by the issuance, sale, and delivery of State  
17 general obligation bonds authorized by a resolution of the Board of Public Works and  
18 issued, sold, and delivered in accordance with §§ 8–117 through 8–124 and 8–131.2 of the  
19 State Finance and Procurement Article.

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

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

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 grant to the Board of Trustees of St. Luke's United Methodist Church for the acquisition,  
2 planning, design, construction, repair, renovation, reconstruction, site improvement, and  
3 capital equipping of the St. Luke's United Methodist Church Fellowship Hall, located in  
4 Baltimore County.

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

9 (5) No portion of the proceeds of the loan may be used for the furtherance of  
10 sectarian religious instruction, or in connection with the design, acquisition, or construction  
11 of any building used or to be used as a place of sectarian religious worship or instruction,  
12 or in connection with any program or department of divinity for any religious denomination.  
13 Upon the request of the Board of Public Works, the grantee shall submit evidence  
14 satisfactory to the Board that none of the proceeds of the loan have been or are being used  
15 for a purpose prohibited by 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, 2024. If any funds  
18 authorized by this Act remain unexpended or unencumbered after June 1, 2024, 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 § 8-129 of the State  
22 Finance and Procurement Article.

23 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June  
24 1, 2017.