

SENATE BILL 729

B2

7lr2696
CF HB 814

By: **Senators Smith and Lee**

Introduced and read first time: February 3, 2017

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt – Montgomery County – Korean Community Service**
3 **Center Branch Office**

4 FOR the purpose of authorizing the creation of a State Debt in the amount of \$265,000, the
5 proceeds to be used as a grant to the Board of Directors of the Korean Community
6 Service Center of Greater Washington, Incorporated for certain development or
7 improvement purposes; providing for disbursement of the loan proceeds, subject to a
8 requirement that the grantee provide and expend a matching fund; establishing a
9 deadline for the encumbrance or expenditure of the loan proceeds; and providing
10 generally for the 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 on
14 behalf of the State of Maryland through a State loan to be known as the Montgomery
15 County – Korean Community Service Center Branch Office Loan of 2017 in the total
16 principal amount of \$265,000. This loan shall be evidenced by the issuance, sale, and
17 delivery of State general obligation bonds authorized by a resolution of the Board of Public
18 Works and issued, sold, and delivered in accordance with §§ 8–117 through 8–124 and
19 8–131.2 of the 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

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 grant to the Board of Directors of the Korean Community Service Center of Greater
2 Washington, Incorporated (referred to hereafter in this Act as “the grantee”) for the
3 acquisition, planning, design, construction, repair, renovation, reconstruction, site
4 improvement, and capital equipping of a branch office for the Korean Community Service
5 Center, located in Montgomery County.

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

10 (5) Prior to the payment of any funds under the provisions of this Act for the
11 purposes set forth in Section 1(3) above, the grantee shall provide and expend a matching
12 fund of \$50,000. 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, 2019,
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 to the State
20 Treasurer, and the proceeds of the loan shall be expended for the purposes provided in this
21 Act.

22 (6) The proceeds of the loan must be expended or encumbered by the Board of
23 Public Works for the purposes provided in this Act no later than June 1, 2024. If any funds
24 authorized by this Act remain unexpended or unencumbered after June 1, 2024, the
25 amount of the unencumbered or unexpended authorization shall be canceled and be of no
26 further effect. If bonds have been issued for the loan, the amount of unexpended or
27 unencumbered bond proceeds shall be disposed of as provided in § 8–129 of the State
28 Finance and Procurement Article.

29 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June
30 1, 2017.