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**By: Delegates Opara, Rawlings, Oaks, and Branch**

Introduced and read first time: February 29, 1996

Assigned to: Rules and Executive Nominations

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A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt - Baltimore City - Rehoboth Church of God in Christ Jesus**  
3 **Apostolic, Inc. Day Care Center and Academy**

4 FOR the purpose of authorizing the creation of a State Debt not to exceed \$150,000, the  
5 proceeds to be used as a grant to the Board of Directors of the Rehoboth Church of  
6 God in Christ Jesus Apostolic, Inc. for certain acquisition, development, or  
7 improvement purposes; providing for disbursement of the loan proceeds, subject to  
8 a requirement that the grantee provide and expend a matching fund; prohibiting the  
9 use of the grant or any of the matching funds for sectarian religious purposes; and  
10 providing generally for the issuance and sale of bonds evidencing the loan.

11 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
12 MARYLAND, 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 City  
15 - Rehoboth Church of God in Christ Jesus Apostolic, Inc. Day Care Center and Academy  
16 Loan of 1996 in a total principal amount equal to the lesser of (i) \$150,000 or (ii) the  
17 amount of the matching fund provided in accordance with Section 1(5) below. This loan  
18 shall be evidenced by the issuance, sale, and delivery of State general obligation bonds  
19 authorized by a resolution of the Board of Public Works and issued, sold, and delivered in  
20 accordance with §§ 8-117 through 8-124 of the State Finance and Procurement Article  
21 and Article 31, § 22 of the Code.

22 (2) The bonds to evidence this loan or installments of this loan maybe sold as a  
23 single issue or may be consolidated and sold as part of a single issue of bonds under §  
24 8-122 of the State Finance and Procurement Article.

25 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer and  
26 first shall be applied to the payment of the expenses of issuing, selling, and delivering the  
27 bonds, unless funds for this purpose are otherwise provided, and then shall be credited on  
28 the books of the Comptroller and expended, on approval by the Board of Public Works,  
29 for the following public purposes, including any applicable architects and engineers' fees:  
30 as a grant to the Board of Directors of the Rehoboth Church of God in Christ Jesus  
31 Apostolic, Inc. (referred to hereafter in this Act as "the grantee") for the planning,  
32 design, repair, renovation, and equipping of a building at 818 Franklinton Road in  
33 Baltimore City, to be used as a day care center and an academy for kindergarten through  
34 grade eight.

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

5           (5) Prior to the payment of any funds under the provisions of this Act for the  
6 purposes set forth in Section 1(3) above, the grantee shall provide and expend a matching  
7 fund. No part of the grantee's matching fund may be provided, either directly or  
8 indirectly, from funds of the State, whether appropriated or unappropriated. No part of  
9 the fund may consist of real property, in kind contributions, or funds expended prior to  
10 the effective date of this Act. In case of any dispute as to the amount of the matching  
11 fund or what money or assets may qualify as matching funds, the Board of Public Works  
12 shall determine the matter and the Board's decision is final. The grantee has until June 1,  
13 1998, to present evidence satisfactory to the Board of Public Works that a matching fund  
14 will be provided. If satisfactory evidence is presented, the Board shall certify this fact and  
15 the amount of the matching fund to the State Treasurer, and the proceeds of the loan  
16 equal to the amount of the matching fund shall be expended for the purposes provided in  
17 this Act. Any amount of the loan in excess of the amount of the matching fund certified  
18 by the Board of Public Works shall be canceled and be of no further effect.

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

27           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
28 June 1, 1996.