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By: ~~Senator Hoffman~~ Senators Hoffman and Pica

Introduced and read first time: January 18, 1996

Assigned to: Budget and Taxation

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Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 27, 1996

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CHAPTER \_\_\_\_

1 AN ACT concerning

2 **Creation of a State Debt - Baltimore City - Mount Washington Pediatric Hospital**

3 FOR the purpose of authorizing the creation of a State Debt not to exceed \$945,000, the  
4 proceeds to be used as a grant to the ~~Board of Trustees of~~ Mount Washington  
5 Pediatric Hospital, ~~to~~ for certain acquisition, development, or improvement  
6 purposes; providing for disbursement of the loan proceeds, subject to a requirement  
7 that the grantee provide and expend a matching fund; and providing generally for  
8 the issuance and sale of bonds evidencing the loan.

9 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
10 MARYLAND, That:

11 (1) The Board of Public Works may borrow money and incur indebtedness on  
12 behalf of the State of Maryland through a State loan to be known as the Baltimore City  
13 - Mount Washington Pediatric Hospital Loan of 1996 in a total principal amount equal to  
14 the lesser of (i) \$945,000 or (ii) the amount of the matching fund provided in accordance  
15 with Section 1(5) below. This loan shall be evidenced by the issuance, sale, and delivery of  
16 State general obligation bonds authorized by a resolution of the Board of Public Works  
17 and issued, sold, and delivered in accordance with §§ 8-117 through 8-124 of the State  
18 Finance and Procurement Article and Article 31, § 22 of the Code.

19 (2) The bonds to evidence this loan or installments of this loan maybe 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,  
26 for the following public purposes, including any applicable architects' and engineers' fees:

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1 as a grant to the ~~Board of Trustees of~~ Mount Washington Pediatric Hospital, ~~Inc.~~  
 2 (referred to hereafter in this Act as "the grantee") for the planning, development, and  
 3 construction of, and for the provision of capital equipment for, a center for pediatric  
 4 respiratory medicine, which will provide ambulatory care services, diagnostics, education  
 5 and training, and a communication system for children throughout the State who have  
 6 ~~serious~~ chronic pulmonary disorders, and for necessary support services for their families,  
 7 to be located at the current Hospital site in Baltimore City.

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

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

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