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SB 373/94 - B&T

1996 Regular Session
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By: Senators Young, Blount, McFadden, Hughes, Pica, Bromwell, Kelley, Della, and Hoffman

Introduced and read first time: February 2, 1996
Assigned to: Budget and Taxation

Committee Report: Favorable with amendments
Senate action: Adopted
Read second time: March 27, 1996

CHAPTER _____

1 AN ACT concerning

2 Creation of a State Debt - Baltimore Neighborhood Recreation Facility

3 [TAG ftpo]FOR the purpose of authorizing the creation of a State Debt ~~in the amount of \$1,200,000~~
4 not to exceed \$500,000, the proceeds to be used as a grant to the Mayorand City
5 Council of Baltimore for certain acquisition, development, or improvement
6 purposes; providing for disbursement of the loan proceeds, subject to arequirement
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 theBaltimore
13 Neighborhood Recreation Facility Loan of 1996 in ~~the total principal amount of~~
14 \$1,200,000 a total principal amount equal to the lesser of (i) \$500,000or (ii) the amount
15 of the matching fund provided in accordance with Section 1(5) below. This loan shall be
16 evidenced by the issuance, sale, and delivery of State general obligation bonds authorized
17 by a resolution of the Board of Public Works and issued, sold, and delivered in
18 accordance with §§ 8-117 through 8-124 of the State Finance and Procurement Article
19 and Article 31, § 22 of the Code.

20 (2) The bonds to evidence this loan or installments of this loan maybe 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

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1 the books of the Comptroller and expended, on approval by the Board of Public Works,
2 for the following public purposes, including any applicable architects'and engineers' fees:
3 as a grant to the Mayor and City Council of Baltimore (referred to hereafter in this Act
4 as "the grantee") for the repair, renovation, and modernization, including upgrading of
5 parts of the existing structure, of the Baltimore Neighborhood Recreation Facility,
6 located at 1601 Pennsylvania Avenue in Baltimore.

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

11 (5) Prior to the payment of any funds under the provisions of this Act for the
12 purposes set forth in Section 1(3) above, the grantee shall provide andexpend a matching
13 fund ~~of \$120,000~~. No part of the grantee's matching fund may be provided, either directly
14 or indirectly, from funds of the State, whether appropriated or unappropriated. No part
15 of the fund may consist of real property, in kind contributions, or funds expended prior to
16 the effective date of this Act. In case of any dispute as to the amountof the matching
17 fund or what money or assets may qualify as matching funds, the Board of Public Works
18 shall determine the matter and the Board's decision is final. The grantee has until June 1,
19 1998, to present evidence satisfactory to the Board of Public Works that a matching fund
20 will be provided. If satisfactory evidence is presented, the Board shall certify this fact and
21 the amount of the matching fund to the State Treasurer, and the proceeds of the loan
22 equal to the amount of the matching fund shall be expended for the purposes provided in
23 this Act. Any amount of the loan in excess of the amount of the matching fund certified
24 by the Board of Public Works shall be canceled and be of no further effect.

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