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**By: Senator Hughes**

Introduced and read first time: February 2, 1996

Assigned to: Budget and Taxation

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A BILL ENTITLED

1 AN ACT concerning

2 **Franciscan Center Loan of 1994**

3 FOR the purpose of amending Chapter 198 of the Acts of the General Assembly of 1994,  
4 the Franciscan Center Loan of 1994, to extend the time by which the Board of  
5 Directors of the Franciscan Center, Inc. shall provide and expend a matching fund.

6 BY repealing and reenacting, with amendments,  
7 Chapter 198 of the Acts of the General Assembly of 1994  
8 Section 1

9 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
10 MARYLAND, That the Laws of Maryland read as follows:

11 **Chapter 198 of the Acts of 1994**

12 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
13 MARYLAND, That:

14 (1) The Board of Public Works may borrow money and incur indebtedness on  
15 behalf of the State of Maryland through a State loan to be known as theFranciscan  
16 Center Loan of 1994 in a total principal amount equal to the lesser of (i) \$800,000 or (ii)  
17 the amount of the matching fund provided in accordance with Section 1(5) below. This  
18 loan shall be evidenced by the issuance, sale, and delivery of State general obligation  
19 bonds authorized by a resolution of the Board of Public Works and issued, sold, and  
20 delivered in accordance with §§ 8-117 through 8-124 of the State Finance and  
21 Procurement Article 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 Franciscan Center, Inc. forthe repair,  
31 renovation, rehabilitation, and expansion of, and for the provision of capital equipment

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1 for, the Franciscan Center, a facility providing food and clothes for the poor, to be  
2 located at 2214 Maryland Avenue in Baltimore.

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

7 (5) Prior to the payment of any funds under the provisions of this Act for the  
8 purposes set forth in Section 1(3) above, the Board of Directors of the Franciscan Center,  
9 Inc. shall provide and expend a matching fund. No part of an applicant's matching fund  
10 may be provided, either directly or indirectly, from funds of the State, whether  
11 appropriated or unappropriated. No part of the fund may consist of real property or in  
12 kind contributions. The fund may consist of funds expended prior to the effective date of  
13 this Act. In case of any dispute as to the amount of the matching fund or what money or  
14 assets may qualify as matching funds, the Board of Public Works shall determine the  
15 matter and the Board's decision is final. The Board of Directors of the Franciscan Center,  
16 Inc. has until June 1, [1996] 1997, to present evidence satisfactory to the Board of Public  
17 Works that a matching fund will be provided. If satisfactory evidence is presented, the  
18 Board shall certify this fact and the amount of the matching fund to the State Treasurer,  
19 and the proceeds of the loan equal to the amount of the matching fund shall be expended  
20 for the purposes provided in this Act. Any amount of the loan in excess of the amount of  
21 the matching fund certified by the Board of Public Works shall be canceled and be of no  
22 further effect.

23 (6) No portion of the proceeds of the loan or any of the matching funds may be  
24 used for the furtherance of sectarian religious instruction, or in connection with the  
25 design, acquisition, or construction of any building used or to be used as a place of  
26 sectarian religious worship or instruction, or in connection with any program or  
27 department of divinity for any religious denomination. Upon the request of the Board of  
28 Public Works, the Board of Directors of the Franciscan Center, Inc. shall submit evidence  
29 satisfactory to the Board that none of the proceeds of the loan or any matching funds has  
30 been or is being used for a purpose prohibited by this Act.

31 (7) (a) Prior to the issuance of the bonds, the Board of Directors of the  
32 Franciscan Center, Inc. shall grant and convey to the Maryland Historical Trust a  
33 perpetual preservation easement to the extent of its interest:

34 (i) On the land or such portion of the land acceptable to the Trust;  
35 and

36 (ii) On the exterior and interior, where appropriate, of the historic  
37 structures.

38 (b) The easement must be in form and substance acceptable to the Trust  
39 and the extent of the interest to be encumbered must be acceptable to the Trust.

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