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By: Senator Bromwell
Introduced and read first time: February 28, 1996
Assigned to: Rules

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A BILL ENTITLED

1 AN ACT concerning

2   **Creation of a State Debt - Hospice of Baltimore**

3 FOR the purpose of authorizing the creation of a State Debt not to exceed $1,000,000,
4   the proceeds to be used as a grant to Hospice of Baltimore for certain acquisition,
5   development, or improvement purposes; providing for disbursement of the loan
6   proceeds, subject to a requirement that the grantee provide and expend a matching
7   fund; and providing generally for the issuance and sale of bonds evidencing the
8   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 theHospice of
13 Baltimore Loan of 1996 in a total principal amount equal to the lesser of (i) $1,000,000 or
14 (ii) the amount of the matching fund provided in accordance with Section 1(5) below.
15 This loan shall be evidenced by the issuance, sale, and delivery of State general obligation
16 bonds authorized by a resolution of the Board of Public Works and issued, sold, and
17 delivered in accordance with §§ 8-117 through 8-124 of the State Finance and
18 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:
27 as a grant to Hospice of Baltimore (referred to hereafter in this Act as "the grantee") for
28 the planning, design, and construction of, and for the provision of capital equipment for
29 a building at 6701 N. Charles Street in Baltimore County for use by Hospice of Baltimore.

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

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

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