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1997 Regular Session
7lr2662

CF SB 426

By: Delegates Oaks, Watson, C. Mitchell, Kirk, Opara, Rosenberg, Exum, Campbell, McIntosh, and Branch

Introduced and read first time: February 6, 1997

Assigned to: Appropriations

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 30, 1997

CHAPTER ____

1 AN ACT concerning

2 Creation of a State Debt - Baltimore Neighborhood Recreation Facility

3 FOR the purpose of authorizing the creation of a State Debt in the amount of ~~\$400,000~~
4 \$200,000, the proceeds to be used as a grant to the Mayor and City Council of
5 Baltimore for certain acquisition, development, or improvement purposes; providing
6 for disbursement of the loan proceeds, subject to a requirement that the grantee
7 provide and expend a matching fund; and providing generally for the issuance and
8 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
13 Neighborhood Recreation Facility Loan of 1997 in the total principal amount of ~~\$400,000~~
14 \$200,000. This loan shall be evidenced by the issuance, sale, and delivery of State general
15 obligation bonds authorized by a resolution of the Board of Public Works and issued,
16 sold, and delivered in accordance with §§ 8-117 through 8-124 of the State Finance and
17 Procurement Article and Article 31, § 22 of the Code.

18 (2) The bonds to evidence this loan or installments of this loan may be sold as a
19 single issue or may be consolidated and sold as part of a single issue of bonds under §
20 8-122 of the State Finance and Procurement Article.

21 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer and
22 first shall be applied to the payment of the expenses of issuing, selling, and delivering the
23 bonds, unless funds for this purpose are otherwise provided, and then shall be credited on
24 the books of the Comptroller and expended, on approval by the Board of Public Works,
25 for the following public purposes, including any applicable architects' and engineers' fees:

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1 as a grant to the Mayor and City Council of Baltimore (referred to hereafter in this Act
2 as "the grantee") for the repair, renovation, and modernization, including upgrading of
3 parts of the existing structure, of the Baltimore Neighborhood Recreation Facility,
4 located at 1601 Pennsylvania Avenue in Baltimore.

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

9 (5) Prior to the payment of any funds under the provisions of this Act for the
10 purposes set forth in Section 1(3) above, the grantee shall provide and expend a matching
11 fund of \$40,000. No part of the grantee's matching fund may be provided, either directly
12 or indirectly, from funds of the State, whether appropriated or unappropriated. No part
13 of the fund may consist of real property, in kind contributions, or funds expended prior to
14 the effective date of this Act. In case of any dispute as to the amount of the matching
15 fund or what money or assets may qualify as matching funds, the Board of Public Works
16 shall determine the matter and the Board's decision is final. The grantee has until June 1,
17 1999, to present evidence satisfactory to the Board of Public Works that a matching fund
18 will be provided. If satisfactory evidence is presented, the Board shall certify this fact to
19 the State Treasurer, and the proceeds of the loan shall be expended for the purposes
20 provided in this Act.

21 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
22 June 1, 1997.