

CF SB 421

By: Delegates Parker, W. Baker, Branch, Boston, E. Burns, Curran, Doory, Dypski, Fulton, Grosfeld, Hammen, Harrison, Holt, B. Hughes, Kirk, Krysiak, Marriott, McIntosh, C. Mitchell, Montague, T. Murphy, Nathan-Pulliam, Oaks, Opara, Pitkin, Rawlings, and Watson

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 City - Martin Luther King, Jr., Memorial United**
3 **Methodist Church - Day Care Center**

4 FOR the purpose of authorizing the creation of a State Debt not to exceed ~~\$500,000~~
5 \$200,000, the proceeds to be used as a grant to the Martin Luther King, Jr.,
6 Memorial United Methodist Church for certain acquisition, development, or
7 improvement purposes; providing for disbursement of the loan proceeds, subject to
8 a requirement that the grantee provide and expend a matching fund; prohibiting the
9 grantee from using the proceeds of the bonds or any of the matching fund for
10 sectarian religious purposes; and providing generally for the issuance and sale of
11 bonds evidencing the loan.

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 the Martin Luther
16 King, Jr., Memorial United Methodist Church - Day Care Center Loan of 1997 in a total
17 principal amount equal to the lesser of (i) ~~\$500,000~~ \$200,000 or (ii) the amount of the
18 matching fund provided in accordance with Section 1(5) below. This loan shall be
19 evidenced by the issuance, sale, and delivery of State general obligation bonds authorized
20 by a resolution of the Board of Public Works and issued, sold, and delivered in
21 accordance with §§ 8-117 through 8-124 of the State Finance and Procurement Article
22 and Article 31, § 22 of the Code.

1 (2) The bonds to evidence this loan or installments of this loan may be sold as a
2 single issue or may be consolidated and sold as part of a single issue of bonds under §
3 8-122 of the State Finance and Procurement Article.

4 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer and
5 first shall be applied to the payment of the expenses of issuing, selling, and delivering the
6 bonds, unless funds for this purpose are otherwise provided, and then shall be credited on
7 the books of the Comptroller and expended, on approval by the Board of Public Works,
8 for the following public purposes, including any applicable architects' and engineers' fees:
9 as a grant to the Martin Luther King, Jr., Memorial United Methodist Church (referred
10 to hereafter in this Act as "the grantee") for the planning, design, repair, renovation, and
11 reconstruction of, and for the provision of capital equipment for, a building in
12 Franklinton in Baltimore City, to be used as a day care center for children.

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

17 (5) Prior to the payment of any funds under the provisions of this Act for the
18 purposes set forth in Section 1(3) above, the grantee shall provide and expend a matching
19 fund. No part of the grantee's matching fund may be provided, either directly or
20 indirectly, from funds of the State, whether appropriated or unappropriated. The fund
21 may consist of real property. No part of the fund may consist of in kind contributions or
22 funds expended prior to the effective date of this Act. In case of any dispute as to the
23 amount of the matching fund or what money or assets may qualify as matching funds, the
24 Board of Public Works shall determine the matter and the Board's decision is final. The
25 grantee has until June 1, 1999, to present evidence satisfactory to the Board of Public
26 Works that a matching fund will be provided. If satisfactory evidence is presented, the
27 Board shall certify this fact and the amount of the matching fund to the State Treasurer,
28 and the proceeds of the loan equal to the amount of the matching fund shall be expended
29 for the purposes provided in this Act. Any amount of the loan in excess of the amount of
30 the matching fund certified by the Board of Public Works shall be canceled and be of no
31 further effect.

32 (6) No portion of the proceeds of the loan or any of the matching funds may be
33 used for the furtherance of sectarian religious instruction, or in connection with the
34 design, acquisition, or construction of any building used or to be used as a place of
35 sectarian religious worship or instruction, or in connection with any program or
36 department of divinity for any religious denomination. Upon the request of the Board of
37 Public Works, the grantee shall submit evidence satisfactory to the Board that none of the
38 proceeds of the loan or any matching funds have been or are being used for a purpose
39 prohibited by this Act.

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

