
By: Delegates B. Hughes, Howard, D. Davis, Crumlin, Muse, Benson, and Exum

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Assigned to: Appropriations

Committee Report: Favorable

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Read second time: March 30, 1997

CHAPTER ____

1 AN ACT concerning

2 **Creation of a State Debt - Prince George's County - Mission of Love Center**

3 FOR the purpose of authorizing the creation of a State Debt not to exceed \$150,000, the
4 proceeds to be used as a grant to the Board of Directors of the Mission of Love, Inc.
5 for certain acquisition, development, or improvement purposes; providing for
6 disbursement of the loan proceeds, subject to a requirement that the grantee
7 provide and expend a matching fund; prohibiting the use of the proceeds of the
8 bonds or matching funds for sectarian religious purposes; and providing generally
9 for the issuance and sale of bonds evidencing the loan.

10 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
11 MARYLAND, That:

12 (1) The Board of Public Works may borrow money and incur indebtedness on
13 behalf of the State of Maryland through a State loan to be known as the Prince George's
14 County - Mission of Love Center Loan of 1997 in a total principal amount equal to the
15 lesser of (i) \$150,000 or (ii) the amount of the matching fund provided in accordance with
16 Section 1(5) below. This loan shall be evidenced by the issuance, sale, and delivery of
17 State general obligation bonds authorized by a resolution of the Board of Public Works
18 and issued, sold, and delivered in accordance with §§ 8-117 through 8-124 of the State
19 Finance and Procurement Article and Article 31, § 22 of the Code.

20 (2) The bonds to evidence this loan or installments of this loan may be 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
26 the books of the Comptroller and expended, on approval by the Board of Public Works,

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1 for the following public purposes, including any applicable architects' and engineers' fees:
2 as a grant to the Board of Directors of the Mission of Love, Inc. (referred to hereafter in
3 this Act as "the grantee") for the repair, renovation, and expansion of, and for the
4 provision of capital equipment for, a building, or for the acquisition of another building,
5 as well as for the repair, and renovation of, and the provision of capital equipment for,
6 that building, either or both of these buildings to be used as facilities for storing goods to
7 be distributed to the poor and for other associated activities of the Mission of Love, Inc.
8 located in Capitol Heights in Prince George's County.

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

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

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

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

