

CF SB 884

By: Delegate Hixson

Introduced and read first time: March 3, 1997
Assigned to: Rules and Executive Nominations
Re-referred to: Appropriations, March 7, 1997

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 - Montgomery County - Raising ~~Hispanic~~ Hispanic Academic**
3 **Achievement, Inc.**

4 FOR the purpose of authorizing the creation of a State Debt not to exceed ~~\$250,000~~
5 \$100,000, the proceeds to be used as a grant to the Board of Directors of Raising
6 ~~Hispanic~~ Hispanic Academic Achievement, Inc. for certain acquisition,
7 development, or improvement purposes; providing for disbursement of the loan
8 proceeds, subject to a requirement that the grantee provide and expend a matching
9 fund; and providing generally for the issuance and sale of bonds evidencing the
10 loan.

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

13 (1) The Board of Public Works may borrow money and incur indebtedness on
14 behalf of the State of Maryland through a State loan to be known as the Montgomery
15 County - Raising ~~Hispanic~~ Hispanic Academic Achievement, Inc. Loan of 1997 in a total
16 principal amount equal to the lesser of (i) ~~\$250,000~~ \$100,000 or (ii) the amount of the
17 matching fund provided in accordance with Section 1(5) below. This loan shall be
18 evidenced by the issuance, sale, and delivery of State general obligation bonds authorized
19 by a resolution of the Board of Public Works and issued, sold, and delivered in
20 accordance with §§ 8-117 through 8-124 of the State Finance and Procurement Article
21 and Article 31, § 22 of the Code.

22 (2) The bonds to evidence this loan or installments of this loan may be 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.

1 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer and
2 first shall be applied to the payment of the expenses of issuing, selling, and delivering the
3 bonds, unless funds for this purpose are otherwise provided, and then shall be credited on
4 the books of the Comptroller and expended, on approval by the Board of Public Works,
5 for the following public purposes, including any applicable architects' and engineers' fees:
6 as a grant to the Board of Directors of Raising ~~Hispanic~~ Hispanic Academic
7 Achievement, Inc. (referred to hereafter in this Act as "the grantee") for the acquisition,
8 repair, and renovation of a facility in the Montgomery Blair High School community, the
9 facility to be used for academic counseling of Hispanic students, the counseling services to
10 include career development programs, course reviews for students, and project
11 management by Raising ~~Hispanic~~ Hispanic Academic Achievement, Inc.

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

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

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