

CF 7r3071

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**By: Senator Ruben**

Introduced and read first time: February 25, 1997

Assigned to: Rules

Re-referred to: Budget and Taxation, February 27, 1997

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Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: April 2, 1997

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## CHAPTER \_\_\_\_

1 AN ACT concerning

2 **Creation of a State Debt - Montgomery County - Raising Hispanic Academic**  
3 **Achievement, Inc.**

4 FOR the purpose of authorizing the creation of a State Debt not to exceed ~~\$250,000~~  
5 \$200,000, the proceeds to be used as a grant to the Board of Directors of Raising  
6 Hispanic Academic Achievement, Inc. 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; and providing  
9 generally 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 Montgomery  
14 County - Raising Hispanic Academic Achievement, Inc. Loan of 1997 in a total principal  
15 amount equal to the lesser of (i) ~~\$250,000~~ \$200,000 or (ii) the amount of the matching  
16 fund provided in accordance with Section 1(5) below. This loan shall be evidenced by the  
17 issuance, sale, and delivery of State general obligation bonds authorized by a resolution of  
18 the Board of Public Works and issued, sold, and delivered in accordance with §§ 8-117  
19 through 8-124 of the State Finance and Procurement Article and Article 31, § 22 of the  
20 Code.

21 (2) The bonds to evidence this loan or installments of this loan may be sold as a  
22 single issue or may be consolidated and sold as part of a single issue of bonds under §  
23 8-122 of the State Finance and Procurement Article.

24 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer and  
25 first shall be applied to the payment of the expenses of issuing, selling, and delivering the

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

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

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

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