

HOUSE BILL 572

Unofficial Copy  
B2

1998 Regular Session  
8r2102  
CF 8r1091

---

By: **Delegates Walkup, Guns, and W. Baker**  
Introduced and read first time: February 6, 1998  
Assigned to: Appropriations

---

A BILL ENTITLED

1 AN ACT concerning

2 **Benedictine School for Exceptional Children Loan of 1996**

3 FOR the purpose of amending Chapter 578 of the Acts of the General Assembly of  
4 1996, the Benedictine School for Exceptional Children Loan of 1996, to alter the  
5 type of matching fund that shall be provided by the Benedictine School for  
6 Exceptional Children so that funds expended prior to the effective date of  
7 Chapter 578 of the Acts of the General Assembly of 1996 may be used as the  
8 matching fund.

9 BY repealing and reenacting, with amendments,  
10 Chapter 578 of the Acts of the General Assembly of 1996  
11 Section 1

12 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
13 MARYLAND, That the Laws of Maryland read as follows:

14 **Chapter 578 of the Acts of 1996**

15 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
16 MARYLAND, That:

17 (1) The Board of Public Works may borrow money and incur indebtedness on  
18 behalf of the State of Maryland through a State loan to be known as the Benedictine  
19 School for exceptional Children Loan of 1996 in a total principal amount equal to the  
20 lesser of (i) \$150,000 or (ii) the amount of the matching fund provided in accordance  
21 with Section 1(5) below. This loan shall be evidenced by the issuance, sale, and  
22 delivery of State general obligation bonds authorized by a resolution of the Board of  
23 Public Works and issued, sold, and delivered in accordance with §§ 8-117 through  
24 8-124 of the State Finance and Procurement Article and Article 31, § 22 of the Code.

25 (2) The bonds to evidence this loan or installments of this loan may be sold as  
26 a single issue or may be consolidated and sold as part of a single issue of bonds under  
27 § 8-122 of the State Finance and Procurement Article.

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

1 delivering the bonds, unless funds for this purpose are otherwise provided, and then  
2 shall be credited on the books of the Comptroller and expended, on approval by the  
3 Board of Public Works, for the following public purposes, including any applicable  
4 architects' and engineers' fees: as a grant to the Benedictine School for Exceptional  
5 Children (known hereafter in this Act as "the grantee") for the repair and renovation  
6 of the Benedictine School for Exceptional Children in Caroline County, including  
7 replacement of roofs, road resurfacing and repair, and groundwater drainage  
8 improvements, and for the installation of air-conditioning in the Academic Hall.

9 (4) An annual State tax is imposed on all assessable property in the State in  
10 rate and amount sufficient to pay the principal of and interest on the bonds as and  
11 when due and until paid in full. The principal shall be discharged within 15 years  
12 after the date of 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  
15 matching fund. No part of the grantee's matching fund may be provided, either  
16 directly or indirectly, from funds of the State, whether appropriated or  
17 unappropriated. No part of the fund may consist of real property[,] OR in kind  
18 contributions[, or]. THE MATCHING FUND MAY CONSIST OF 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  
21 Works shall determine the matter and the Board's decision is final. The grantee has  
22 until June 1, 1998, to present evidence satisfactory to the Board of Public Works that  
23 a matching fund will be provided. If satisfactory evidence is presented, the Board  
24 shall certify this fact and the amount of the matching fund to the State Treasurer, and  
25 the proceeds of the loan equal to the amount of the matching fund shall be expended  
26 for the purposes provided in this Act. Any amount of the loan in excess of the amount  
27 of the matching fund certified by the Board of Public Works shall be canceled and be  
28 of no further effect.

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

37 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take  
38 effect June 1, 1998.