

HOUSE BILL 592

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B2

1998 Regular Session
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By: **Delegates Kach and Klima**
Introduced and read first time: February 6, 1998
Assigned to: Appropriations

Committee Report: Favorable with amendments
House action: Adopted
Read second time: March 31, 1998

CHAPTER _____

1 AN ACT concerning

2 **Creation of a State Debt - Baltimore County - Camp Puh'Tok**

3 FOR the purpose of authorizing the creation of a State Debt not to exceed ~~\$350,000~~
4 \$150,000, the proceeds to be used as a grant to The Salvation Army for certain
5 acquisition, development, or improvement purposes; providing for disbursement
6 of the loan proceeds, subject to a requirement that the grantee provide and
7 expend a matching fund; prohibiting the use of the proceeds or any of the
8 matching funds for sectarian religious purposes; and providing generally for the
9 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 Baltimore
14 County - Camp Puh'Tok Loan of 1998 in a total principal amount equal to the lesser
15 of (i) ~~\$350,000~~ \$150,000 or (ii) the amount of the matching fund provided in
16 accordance with Section 1(5) below. This loan shall be evidenced by the issuance, sale,
17 and delivery of State general obligation bonds authorized by a resolution of the Board
18 of Public Works and issued, sold, and delivered in accordance with §§ 8-117 through
19 8-124 of the State 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
21 a 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
24 and first shall be applied to the payment of the expenses of issuing, selling, and
25 delivering the bonds, unless funds for this purpose are otherwise provided, and then

1 shall be credited on the books of the Comptroller and expended, on approval by the
2 Board of Public Works, for the following public purposes, including any applicable
3 architects' and engineers' fees: as a grant to The Salvation Army (referred to hereafter
4 in this Act as "the grantee") for the planning, design, construction, and capital
5 equipping of a new facility at Camp Puh'Tok in Monkton, the facility to be used as an
6 environmental and educational center with programs for children from the Baltimore
7 County schools, as well as for children who attend the camp, which is nonprofit and
8 open to the public.

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. The fund may consist of real property, in kind contributions, or funds
18 expended prior to the effective date of this Act. In case of any dispute as to the amount
19 of the matching fund or what money or assets may qualify as matching funds, the
20 Board of Public Works shall determine the matter and the Board's decision is final.
21 The grantee has until June 1, 2000, to present evidence satisfactory to the Board of
22 Public Works that a matching fund will be provided. If satisfactory evidence is
23 presented, the Board shall certify this fact and the amount of the matching fund to
24 the State Treasurer, and the proceeds of the loan equal to the amount of the matching
25 fund shall be expended for the purposes provided in this Act. Any amount of the loan
26 in excess of the amount of the matching fund certified by the Board of Public Works
27 shall be canceled and be of no further effect.

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

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

