
By: **Delegates Curran, Doory, and Montague, and Dobson**

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 City - Epiphany House**

3 FOR the purpose of authorizing the creation of a State Debt not to exceed \$150,000,
4 the proceeds to be used as a grant to the Board of Directors of Govans
5 Ecumenical ~~Developmental Corporation~~ Homes, Inc. for certain acquisition,
6 development, or improvement purposes; providing for disbursement of the loan
7 proceeds, subject to a requirement that the grantee provide and expend a
8 matching fund; prohibiting the use of the proceeds or any of the matching funds
9 for sectarian religious purposes; and providing generally for the issuance and
10 sale of bonds evidencing the 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 Baltimore
15 City - Epiphany House Loan of 1998 in a total principal amount equal to the lesser of
16 (i) \$150,000 or (ii) the amount of the matching fund provided in accordance with
17 Section 1(5) below. This loan shall be evidenced by the issuance, sale, and delivery of
18 State general obligation bonds authorized by a resolution of the Board of Public
19 Works and issued, sold, and delivered in accordance with §§ 8-117 through 8-124 of
20 the State Finance and Procurement Article and Article 31, § 22 of the Code.

21 (2) The bonds to evidence this loan or installments of this loan may be sold as
22 a 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
25 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 Board of Directors of Govans
5 Ecumenical ~~Development Corporation~~ Homes, Inc. (referred to hereafter in this Act
6 as "the grantee") for the repair, renovation, capital equipping and furnishing, and
7 landscaping of Epiphany House, a congregate care facility with supportive services for
8 low income, frail senior citizens, located in the Govans community of Baltimore City.

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

