
By: **Delegate Dewberry**
Introduced and read first time: February 9, 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 - Islamic Society of Baltimore, Inc. - Community**
3 **Center**

4 FOR the purpose of authorizing the creation of a State Debt not to exceed ~~\$600,000~~
5 \$300,000, the proceeds to be used as a grant to the Board of Directors of the
6 Islamic Society of Baltimore, Inc. for certain acquisition, development, or
7 improvement purposes; providing for disbursement of the loan proceeds, subject
8 to a requirement that the grantee provide and expend a matching fund;
9 providing that no proceeds of a loan or any matching funds may be used for
10 religious purposes; and providing generally for the issuance and sale of bonds
11 evidencing the loan.

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

14 (1) The Board of Public Works may borrow money and incur indebtedness on
15 behalf of the State of Maryland through a State loan to be known as the Islamic
16 Society of Baltimore, Inc. - Community Center Loan of 1998 in a total principal
17 amount equal to the lesser of (i) ~~\$600,000~~ \$300,000 or (ii) the amount of the matching
18 fund provided in accordance with Section 1(5) below. This loan shall be evidenced by
19 the issuance, sale, and delivery of State general obligation bonds authorized by a
20 resolution of the Board of Public Works and issued, sold, and delivered in accordance
21 with §§ 8-117 through 8-124 of the State Finance and Procurement Article and
22 Article 31, § 22 of the Code.

23 (2) The bonds to evidence this loan or installments of this loan may be sold as
24 a single issue or may be consolidated and sold as part of a single issue of bonds under
25 § 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
2 and first shall be applied to the payment of the expenses of issuing, selling, and
3 delivering the bonds, unless funds for this purpose are otherwise provided, and then
4 shall be credited on the books of the Comptroller and expended, on approval by the
5 Board of Public Works, for the following public purposes, including any applicable
6 architects' and engineers' fees: as a grant to the Board of Directors of the Islamic
7 Society of Baltimore, Inc. (referred to hereafter in this Act as "the grantee") for the
8 planning, design, construction, capital equipping, site improvements and landscaping
9 of a multipurpose community center on the grounds of the Islamic Society of
10 Baltimore, Inc.

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

15 (5) Prior to the payment of any funds under the provisions of this Act for the
16 purposes set forth in Section 1(3) above, the grantee shall provide and expend a
17 matching fund. No part of the grantee's matching fund may be provided, either
18 directly or indirectly, from funds of the State, whether appropriated or
19 unappropriated. No part of the fund may consist of in kind contributions. The fund
20 may consist of real property or funds expended prior to the effective date of this Act.
21 In case of any dispute as to the amount of the matching fund or what money or assets
22 may qualify as matching funds, the Board of Public Works shall determine the matter
23 and the Board's decision is final. The grantee has until June 1, 2000, to present
24 evidence satisfactory to the Board of Public Works that a matching fund will be
25 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
28 in this Act. Any amount of the loan in excess of the amount of the matching fund
29 certified by the Board of Public Works shall be canceled and be of no further effect.

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

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

