

HOUSE BILL 693

Unofficial Copy
B2

1998 Regular Session
(8lr2073)

ENROLLED BILL
-- Appropriations/Budget and Taxation --

Introduced by **Delegates Branch, C. Davis, and Harrison**

Read and Examined by Proofreaders:

Proofreader.

Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this
____ day of _____ at _____ o'clock, ____ M.

Speaker.

CHAPTER _____

1 AN ACT concerning

2 **Creation of a State Debt - Baltimore City - Fair Chance Center**

3 FOR the purpose of authorizing the creation of a State Debt not to exceed ~~\$300,000~~
4 \$200,000, the proceeds to be used as a grant to the Board of Directors of the Fair
5 Chance, Inc. for certain acquisition, development, or improvement purposes;
6 providing for disbursement of the loan proceeds, subject to a requirement that
7 the grantee provide and expend a matching fund; prohibiting the grantee from
8 using the 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 City - Fair Chance Center Loan of 1998 in a total principal amount equal to the lesser
15 of (i) ~~\$300,000~~ \$200,000 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,

1 and delivery of State general obligation bonds authorized by a resolution of the Board
2 of Public Works and issued, sold, and delivered in accordance with §§ 8-117 through
3 8-124 of the State Finance and Procurement Article and Article 31, § 22 of the Code.

4 (2) The bonds to evidence this loan or installments of this loan may be sold as
5 a single issue or may be consolidated and sold as part of a single issue of bonds under
6 § 8-122 of the State Finance and Procurement Article.

7 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer
8 and first shall be applied to the payment of the expenses of issuing, selling, and
9 delivering the bonds, unless funds for this purpose are otherwise provided, and then
10 shall be credited on the books of the Comptroller and expended, on approval by the
11 Board of Public Works, for the following public purposes, including any applicable
12 architects' and engineers' fees: as a grant to the Board of Directors of the Fair Chance,
13 Inc. (referred to hereafter in this Act as "the grantee") for the planning, design,
14 construction, repair, renovation, and capital equipping and furnishing of buildings
15 located at 301 through 323 North Gay Street, in Baltimore City, to be known as the
16 Fair Chance Center, the buildings to be used for programs addressing the needs of low
17 income people in the areas of education, job training, job placement, family
18 preservation, and other support services.

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

23 (5) Prior to the payment of any funds under the provisions of this Act for the
24 purposes set forth in Section 1(3) above, the grantee shall provide and expend a
25 matching fund. No part of the grantee's matching fund may be provided, either
26 directly or indirectly, from funds of the State, whether appropriated or
27 unappropriated. No part of the fund may consist of real property ~~or in-kind~~
28 ~~contributions~~. The fund may consist of in-kind contributions or funds expended prior
29 to the effective date of this Act. In case of any dispute as to the amount of the
30 matching fund or what money or assets may qualify as matching funds, the Board of
31 Public Works shall determine the matter and the Board's decision is final. The
32 grantee has until June 1, 2000, to present evidence satisfactory to the Board of Public
33 Works that a matching fund will be provided. If satisfactory evidence is presented, the
34 Board shall certify this fact and the amount of the matching fund to the State
35 Treasurer, and the proceeds of the loan equal to the amount of the matching fund
36 shall be expended for the purposes provided in this Act. Any amount of the loan in
37 excess of the amount of the matching fund certified by the Board of Public Works
38 shall be canceled and be of no further effect.

39 (6) No portion of the proceeds of the loan or any of the matching funds may be
40 used for the furtherance of sectarian religious instruction, or in connection with the
41 design, acquisition, or construction of any building used or to be used as a place of
42 sectarian religious worship or instruction, or in connection with any program or
43 department of divinity for any religious denomination. Upon the request of the Board
44 of Public Works, the grantee shall submit evidence satisfactory to the Board that none

1 of the proceeds of the loan or any matching funds have been or are being used for a
2 purpose prohibited by this Act.

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