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By: **Delegates Rawlings, Kirk, C. Mitchell, Watson, Fulton, Conway,  
Rosenberg, and Marriott**

Introduced and read first time: February 13, 1998

Assigned to: Appropriations

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A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt - Baltimore City - YMCA of Central Maryland -**  
3 **Druid Hill Family Branch**

4 FOR the purpose of authorizing the creation of a State Debt not to exceed \$350,000,  
5 the proceeds to be used as a grant to the Board of Directors of the YMCA of  
6 Central Maryland, Inc. - Druid Hill Family Branch for certain acquisition,  
7 development, or improvement purposes; providing for disbursement of the loan  
8 proceeds, subject to a requirement that the grantee provide and expend a  
9 matching fund; prohibiting the use of the proceeds or any of the matching funds  
10 for sectarian religious purposes; and providing generally for the issuance and  
11 sale of bonds 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 Baltimore  
16 City - YMCA of Central Maryland - Druid Hill Family Branch Loan of 1998 in a total  
17 principal amount equal to the lesser of (i) \$350,000 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.

26 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer  
27 and first shall be applied to the payment of the expenses of issuing, selling, and  
28 delivering the bonds, unless funds for this purpose are otherwise provided, and then  
29 shall be credited on the books of the Comptroller and expended, on approval by the  
30 Board of Public Works, for the following public purposes, including any applicable  
31 architects' and engineers' fees: as a grant to the Board of Directors of the YMCA of

1 Central Maryland, Inc. - Druid Hill Family Branch (referred to hereafter in this Act  
2 as "the grantee") for the planning, design, repair, renovation, and capital equipping of  
3 the Family Residence and Community Resource Center of the Druid Hill YMCA in  
4 part of the current facility and in an adjacent row house, the space to be used as a  
5 community resource center and family residence for homeless women and children,  
6 and for the development of a parking lot for the facility across the street from the  
7 facility.

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

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

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

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