

SENATE BILL 49

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B2

1998 Regular Session
8lr0420
CF 8lr0493

(PRE-FILED)

By: **Senators Colburn and Baker**

Requested: September 22, 1997

Introduced and read first time: January 14, 1998

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt - Talbot County - YMCA Pool**

3 FOR the purpose of authorizing the creation of a State Debt not to exceed \$600,000,
4 the proceeds to be used as a grant to the Board of Directors of the Young Men's
5 Christian Association of Talbot County, Inc. for certain acquisition, development,
6 or improvement purposes; providing for disbursement of the loan proceeds,
7 subject to a requirement that the grantee provide and expend a matching fund;
8 prohibiting the use of the loan proceeds or any of the matching funds for
9 sectarian religious purposes; and providing generally for the issuance and sale
10 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 Talbot
15 County - YMCA Pool Loan of 1998 in a total principal amount equal to the lesser of (i)
16 \$600,000 or (ii) the amount of the matching fund provided in accordance with Section
17 1(5) below. This loan shall be evidenced by the issuance, sale, and delivery of State
18 general obligation bonds authorized by a resolution of the Board of Public Works and
19 issued, sold, and delivered in accordance with §§ 8-117 through 8-124 of the State
20 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
26 delivering the bonds, unless funds for this purpose are otherwise provided, and then
27 shall be credited on the books of the Comptroller and expended, on approval by the
28 Board of Public Works, for the following public purposes, including any applicable
29 architects' and engineers' fees: as a grant to the Board of Directors of the Young Men's
30 Christian Association of Talbot County, Inc. (referred to hereafter in this Act as "the
31 grantee") for the planning, design, construction, and capital equipping of a

1 therapeutic and rehabilitative pool, specifically designed for use by the elderly and by
2 handicapped persons, to be located at the Talbot County YMCA on Peachblossom
3 Road in Easton, Maryland.

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

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

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

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