

SENATE BILL 293

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1998 Regular Session
8r1091
CF 8r2102

By: **Senators Baker and Colburn**
Introduced and read first time: February 4, 1998
Assigned to: Budget and Taxation

Committee Report: Favorable
Senate action: Adopted
Read second time: March 23, 1998

CHAPTER _____

1 AN ACT concerning

2 **Benedictine School for Exceptional Children Loan of 1996**

3 FOR the purpose of amending Chapter 578 of the Acts of the General Assembly of
4 1996, the Benedictine School for Exceptional Children Loan of 1996, to alter the
5 type of matching fund that shall be provided by the Benedictine School for
6 Exceptional Children so that funds expended prior to the effective date of
7 Chapter 578 of the Acts of the General Assembly of 1996 may be used as the
8 matching fund.

9 BY repealing and reenacting, with amendments,
10 Chapter 578 of the Acts of the General Assembly of 1996
11 Section 1

12 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
13 MARYLAND, That the Laws of Maryland read as follows:

14 **Chapter 578 of the Acts of 1996**

15 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
16 MARYLAND, That:

17 (1) The Board of Public Works may borrow money and incur indebtedness on
18 behalf of the State of Maryland through a State loan to be known as the Benedictine
19 School for exceptional Children Loan of 1996 in a total principal amount equal to the
20 lesser of (i) \$150,000 or (ii) the amount of the matching fund provided in accordance
21 with Section 1(5) below. This loan shall be evidenced by the issuance, sale, and
22 delivery of State general obligation bonds authorized by a resolution of the Board of

1 Public Works and issued, sold, and delivered in accordance with §§ 8-117 through
2 8-124 of the State Finance and Procurement Article and Article 31, § 22 of the Code.

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

6 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer
7 and first shall be applied to the payment of the expenses of issuing, selling, and
8 delivering the bonds, unless funds for this purpose are otherwise provided, and then
9 shall be credited on the books of the Comptroller and expended, on approval by the
10 Board of Public Works, for the following public purposes, including any applicable
11 architects' and engineers' fees: as a grant to the Benedictine School for Exceptional
12 Children (known hereafter in this Act as "the grantee") for the repair and renovation
13 of the Benedictine School for Exceptional Children in Caroline County, including
14 replacement of roofs, road resurfacing and repair, and groundwater drainage
15 improvements, and for the installation of air-conditioning in the Academic Hall.

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

20 (5) Prior to the payment of any funds under the provisions of this Act for the
21 purposes set forth in Section 1(3) above, the grantee shall provide and expend a
22 matching fund. No part of the grantee's matching fund may be provided, either
23 directly or indirectly, from funds of the State, whether appropriated or
24 unappropriated. No part of the fund may consist of real property[,] OR in kind
25 contributions[, or]. THE MATCHING FUND MAY CONSIST OF funds expended prior to
26 the effective date of this Act. In case of any dispute as to the amount of the matching
27 fund or what money or assets may qualify as matching funds, the Board of Public
28 Works shall determine the matter and the Board's decision is final. The grantee has
29 until June 1, 1998, to present evidence satisfactory to the Board of Public Works that
30 a matching fund will be provided. If satisfactory evidence is presented, the Board
31 shall certify this fact and the amount of the matching fund to the State Treasurer, and
32 the proceeds of the loan equal to the amount of the matching fund shall be expended
33 for the purposes provided in this Act. Any amount of the loan in excess of the amount
34 of the matching fund certified by the Board of Public Works shall be canceled and be
35 of no further effect.

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

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