

SENATE BILL 598

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B2

1998 Regular Session  
8r2163  
CF 8r1750

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By: **Senators Hughes and Hoffman**  
Introduced and read first time: February 6, 1998  
Assigned to: Budget and Taxation

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Committee Report: Favorable  
Senate action: Adopted  
Read second time: March 27, 1998

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CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Creation of a State Debt - Baltimore City - St. Ambrose Family Outreach**  
3 **Center**

4 FOR the purpose of authorizing the creation of a State Debt not to exceed \$500,000,  
5 the proceeds to be used as a grant to the Board of Directors of the St. Vincent de  
6 Paul 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 prohibiting the use of the proceeds or any of the matching funds for sectarian  
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 Baltimore  
16 City - St. Ambrose Family Outreach Center Loan of 1998 in a total principal amount  
17 equal to the lesser of (i) \$500,000 or (ii) the amount of the matching fund provided in  
18 accordance with Section 1(5) below. This loan shall be evidenced by the issuance, sale,  
19 and delivery of State general obligation bonds authorized by a resolution of the Board  
20 of Public Works and issued, sold, and delivered in accordance with §§ 8-117 through  
21 8-124 of the State Finance and Procurement Article and Article 31, § 22 of the Code.

22 (2) The bonds to evidence this loan or installments of this loan may be sold as  
23 a single issue or may be consolidated and sold as part of a single issue of bonds under  
24 § 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 St. Vincent  
7 de Paul Society of Baltimore, Inc. (referred to hereafter in this Act as "the grantee")  
8 for the demolition of two existing buildings adjoining the St. Ambrose Family  
9 Outreach Center, for the planning, design, construction, and capital equipping of a  
10 new replacement structure, for the planning, design, repair, renovation, and capital  
11 equipping of the existing building used by the Center, and for the integration of the  
12 two structures to maximize the functional layout and design of the entire facility used  
13 by the Center for child, adult, and family outreach and support programs.

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

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

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

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

