

SENATE BILL 615

Unofficial Copy
B2

1998 Regular Session
8r1907

By: **Senators Van Hollen, Hogan, Frosh, Dorman, Forehand, Teitelbaum,
Ruben, and Roesser**

Introduced and read first time: February 6, 1998

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt - Montgomery County - Center for Children and**
3 **Families**

4 FOR the purpose of authorizing the creation of a State Debt not to exceed \$1,000,000,
5 the proceeds to be used as a grant to the Reginald S. Lourie Center for Infants
6 and Young Children and the Grafton School for certain acquisition,
7 development, or improvement purposes; providing for disbursement of the loan
8 proceeds, subject to a requirement that the grantees jointly provide and expend
9 a matching fund; and providing generally for the issuance and sale of bonds
10 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 Center for
15 Children and Families Loan of 1998 in a total principal amount equal to the lesser of
16 (i) \$1,000,000 or (ii) the amount of the matching fund provided in accordance with
17 Section 1(5) below. This loan shall be evidenced by the issuance, sale, and delivery of
18 State general obligation bonds authorized by a resolution of the Board of Public
19 Works and issued, sold, and delivered in accordance with §§ 8-117 through 8-124 of
20 the State 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 Reginald S. Lourie Center for Infants
30 and Young Children and the Grafton School (referred to hereafter in this Act as "the
31 grantees") for the planning, design, repair, renovation, construction, and

1 reconstruction, including the testing for and abatement of hazardous materials, and
2 capital equipping of a facility and related site work in Montgomery County for use as
3 a center for children and families.

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 grantees jointly shall provide and expend
10 a matching fund. No part of the grantees' 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 or in kind
13 contributions. The matching fund may consist of funds expended prior to the effective
14 date of this Act. In case of any dispute as to the amount of the matching fund or what
15 money or assets may qualify as matching funds, the Board of Public Works shall
16 determine the matter and the Board's decision is final. The grantees have until June
17 1, 2000, to present evidence satisfactory to the Board of Public Works that a matching
18 fund will be provided. If satisfactory evidence is presented, the Board shall certify this
19 fact and the amount of the matching fund to the State Treasurer, and the proceeds of
20 the loan equal to the amount of the matching fund shall be expended for the purposes
21 provided in this Act. Any amount of the loan in excess of the amount of the matching
22 fund certified by the Board of Public Works shall be canceled and be of no further
23 effect.

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