

SENATE BILL 792

Unofficial Copy
B2

1998 Regular Session
8lr2806
CF 8lr2804

By: **Senator Conway**

Constitutional Requirements Complied with for Introduction in the last 35 Days of Session

Introduced and read first time: March 18, 1998

Rule 32 suspended

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt - Baltimore City - Pen Lucy Community Center**

3 FOR the purpose of authorizing the creation of a State Debt not to exceed \$200,000,
4 the proceeds to be used as a grant to the Govans Economic Management Senate
5 (GEMS) for certain acquisition, development, or improvement purposes;
6 providing for disbursement of the loan proceeds, subject to a requirement that
7 the grantee provide and expend a matching fund; and providing generally for
8 the issuance and sale of bonds evidencing the loan.

9 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
10 MARYLAND, That:

11 (1) The Board of Public Works may borrow money and incur indebtedness on
12 behalf of the State of Maryland through a State loan to be known as the Baltimore
13 City - Pen Lucy Community Center Loan of 1998 in a total principal amount equal to
14 the lesser of (i) \$200,000 or (ii) the amount of the matching fund provided in
15 accordance with Section 1(5) below. This loan shall be evidenced by the issuance, sale,
16 and delivery of State general obligation bonds authorized by a resolution of the Board
17 of Public Works and issued, sold, and delivered in accordance with §§ 8-117 through
18 8-124 of the State Finance and Procurement Article and Article 31, § 22 of the Code.

19 (2) The bonds to evidence this loan or installments of this loan may be sold as
20 a single issue or may be consolidated and sold as part of a single issue of bonds under
21 § 8-122 of the State Finance and Procurement Article.

22 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer
23 and first shall be applied to the payment of the expenses of issuing, selling, and
24 delivering the bonds, unless funds for this purpose are otherwise provided, and then
25 shall be credited on the books of the Comptroller and expended, on approval by the
26 Board of Public Works, for the following public purposes, including any applicable
27 architects' and engineers' fees: as a grant to the Govans Economic Management
28 Senate (GEMS) (referred to hereafter in this Act as "the grantee") for the planning,
29 design, repair, renovation, reconstruction, construction, and capital equipping and

1 furnishing of a multipurpose community center in the Wah building in the Pen Lucy
2 Community of Baltimore City, the center to include a police facility, a health facility,
3 and a recreation facility for the residents of the community.

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 or funds expended
13 prior to the effective date of this Act. The matching fund may consist of in kind
14 contributions. 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 grantee has until June 1,
17 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.