

HOUSE BILL 356

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B2

1999 Regular Session  
9r0642  
CF 9r1433

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By: **Delegates Conway and Bozman**

Introduced and read first time: February 8, 1999

Assigned to: Appropriations

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Committee Report: Favorable

House action: Adopted

Read second time: March 29, 1999

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CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Creation of a State Debt - Somerset County - McCready Memorial Hospital**

3 FOR the purpose of authorizing the creation of a State Debt in the amount of  
4 \$496,000, the proceeds to be used as a grant to the Board of Directors of  
5 McCready Memorial Hospital, Inc. for certain development or improvement  
6 purposes; providing for disbursement of the loan proceeds, subject to a  
7 requirement that the grantee provide and expend a matching fund; and  
8 providing generally for 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 Somerset  
13 County - McCready Memorial Hospital Loan of 1999 in the total principal amount of  
14 \$496,000. This loan shall be evidenced by the issuance, sale, and delivery of State  
15 general obligation bonds authorized by a resolution of the Board of Public Works and  
16 issued, sold, and delivered in accordance with §§ 8-117 through 8-124 of the State  
17 Finance and Procurement Article and Article 31, § 22 of the Code.

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

21 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer  
22 and first shall be applied to the payment of the expenses of issuing, selling, and  
23 delivering the bonds, unless funds for this purpose are otherwise provided, and then  
24 shall be credited on the books of the Comptroller and expended, on approval by the  
25 Board of Public Works, for the following public purposes, including any applicable

1 architects' and engineers' fees: as a grant to the Board of Directors of McCready  
2 Memorial Hospital, Inc. for the planning, design, renovation, repair, reconstruction,  
3 construction, and capital equipping of a cancer/dialysis center to be located at the  
4 McCready Memorial Hospital, Inc. in Crisfield.

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

9 (5) Prior to the payment of any funds under the provisions of this Act for the  
10 purposes set forth in Section 1(3) above, the grantee shall provide and expend a  
11 matching fund of \$99,200. No part of the grantee's matching fund may be provided,  
12 either directly or indirectly, from funds of the State, whether appropriated or  
13 unappropriated. No part of the fund may consist of real property or in kind  
14 contributions. The fund may consist of funds expended prior to the effective date of  
15 this Act. In case of any dispute as to the amount of the matching fund or what money  
16 or assets may qualify as matching funds, the Board of Public Works shall determine  
17 the matter and the Board's decision is final. The grantee has until June 1, 2001, to  
18 present evidence satisfactory to the Board of Public Works that a matching fund will  
19 be provided. If satisfactory evidence is presented, the Board shall certify this fact to  
20 the State Treasurer, and the proceeds of the loan shall be expended for the purposes  
21 provided in this Act.

22 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
23 June 1, 1999.