

HOUSE BILL 549

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B2

1999 Regular Session  
9r1376  
CF 9r1375

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By: **Delegates Rawlings, Taylor, Conway, Dewberry, Kopp, Rosenberg,  
Hecht, Franchot, Nathan-Pulliam, Palumbo, Zirkin, Branch, Campbell,  
Barve, Heller, and Slade**

Introduced and read first time: February 11, 1999  
Assigned to: Appropriations

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Committee Report: Favorable with amendments  
House action: Adopted  
Read second time: March 29, 1999

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CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Creation of a State Debt - The Johns Hopkins University - Biomedical**  
3 **Engineering Institute**

4 FOR the purpose of authorizing the creation of a State Debt not to exceed \$3,000,000,  
5 the proceeds to be used as a grant to The Johns Hopkins University for certain  
6 development or improvement purposes; providing for disbursement of the loan  
7 proceeds, subject to a requirement that the grantee provide and expend a  
8 matching fund; and providing generally for the issuance and sale of bonds  
9 evidencing the loan.

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

12 (1) The Board of Public Works may borrow money and incur indebtedness on  
13 behalf of the State of Maryland through a State loan to be known as ~~the~~ The Johns  
14 Hopkins University - Biomedical Engineering Institute Loan of 1999 in a total  
15 principal amount equal to the lesser of (i) \$3,000,000 or (ii) the amount of the  
16 matching fund provided in accordance with Section 1(5) below. This loan shall be  
17 evidenced by the issuance, sale, and delivery of State general obligation bonds  
18 authorized by a resolution of the Board of Public Works and issued, sold, and  
19 delivered in accordance with §§ 8-117 through 8-124 of the State Finance and  
20 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.

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 Johns Hopkins University (referred  
7 to hereafter in this Act as "the grantee") for the planning, design, construction, and  
8 capital equipping of the new academic building for the Biomedical Engineering  
9 Institute on the Homewood Campus.

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

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

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