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By: **Delegates C. Davis, Branch, Harrison, Dypski, Kirk, Paige, Hammen,  
Krysiak, and V. Jones**

Introduced and read first time: February 12, 1999

Assigned to: Appropriations

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A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt - Baltimore City - Shalom Community Initiative**

3 FOR the purpose of authorizing the creation of a State Debt in the amount of  
4 \$450,000, the proceeds to be used as a grant to the Shalom Community  
5 Initiative for certain development or improvement purposes; providing for  
6 disbursement of the loan proceeds; prohibiting the use of the proceeds for  
7 sectarian religious purposes; and providing generally for the issuance and sale  
8 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 - Shalom Community Initiative Loan of 1999 in the total principal amount of  
14 \$450,000. 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  
26 architects' and engineers' fees: as a grant to the Shalom Community Initiative for the  
27 planning, design, renovation, repair, reconstruction, and capital equipping of two  
28 buildings on North Linwood Avenue in Baltimore, the first building to serve as a site  
29 for Head Start, a senior center, and community association center, the second building  
30 to serve as a site for the Youth Check Program, a psychosocial model that provides

1 highly technical assistance for adolescents who have been adjudicated as Children in  
2 Need of Assistance (CINA).

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

7 (5) No portion of the proceeds of the loan may be used for the furtherance of  
8 sectarian religious instruction, or in connection with the design, acquisition, or  
9 construction of any building used or to be used as a place of sectarian religious  
10 worship or instruction, or in connection with any program or department of divinity  
11 for any religious denomination. Upon the request of the Board of Public Works, the  
12 grantee shall submit evidence satisfactory to the Board that none of the proceeds of  
13 the loan or any matching funds have been or are being used for a purpose prohibited  
14 by this Act.

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