

HOUSE BILL 1037

Unofficial Copy  
B2

1999 Regular Session  
(9lr2296)

**ENROLLED BILL**  
-- Appropriations/Budget and Taxation --

Introduced by **Delegates Fulton and Rawlings**

Read and Examined by Proofreaders:

\_\_\_\_\_  
Proofreader.

\_\_\_\_\_  
Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this  
\_\_\_\_ day of \_\_\_\_\_ at \_\_\_\_\_ o'clock, \_\_\_\_ M.

\_\_\_\_\_  
Speaker.

CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Creation of a State Debt - Baltimore City - New Song Center**

3 FOR the purpose of authorizing the creation of a State Debt not to exceed ~~\$1,500,000~~  
4 \$700,000 \$300,000, the proceeds to be used as a grant to the Board of Directors  
5 of New Song Urban Ministries, 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; prohibiting  
8 the use of the proceeds of the bonds or the matching funds for sectarian religious  
9 purposes; and providing generally for the issuance and sale of bonds evidencing  
10 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 Baltimore  
15 City - New Song Center Loan of 1999 in a total principal amount equal to the lesser  
16 of (i) ~~\$1,500,000~~ \$700,000 \$300,000 or (ii) the amount of the matching fund provided

1 in accordance with Section 1(5) below. This loan shall be evidenced by the issuance,  
2 sale, and delivery of State general obligation bonds authorized by a resolution of the  
3 Board of Public Works and issued, sold, and delivered in accordance with §§ 8-117  
4 through 8-124 of the State Finance and Procurement Article and Article 31, § 22 of  
5 the Code.

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

9 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer  
10 and first shall be applied to the payment of the expenses of issuing, selling, and  
11 delivering the bonds, unless funds for this purpose are otherwise provided, and then  
12 shall be credited on the books of the Comptroller and expended, on approval by the  
13 Board of Public Works, for the following public purposes, including any applicable  
14 architects' and engineers' fees: as a grant to the Board of Directors of New Song Urban  
15 Ministries, Inc. (referred to hereafter in this Act as "the grantee") for the planning,  
16 design, construction, and capital equipping of a new facility, the New Song Center, to  
17 be used for community programs.

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

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

37 (6) No portion of the proceeds of the loan or any of the matching funds may be  
38 used for the furtherance of sectarian religious instruction, or in connection with the  
39 design, acquisition, or construction of any building used or to be used as a place of  
40 sectarian religious worship or instruction, or in connection with any program or  
41 department of divinity for any religious denomination. Upon the request of the Board  
42 of Public Works, the grantee shall submit evidence satisfactory to the Board that none  
43 of the proceeds of the loan or any matching funds have been or are being used for a  
44 purpose prohibited by this Act.

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