

HOUSE BILL 1056

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B2

1999 Regular Session
9lr2380
CF 9lr2381

By: **Delegates Oaks, Rawlings, Gladden, Paige, V. Jones, Marriott,
Rosenberg, Kirk, Dypski, Branch, and Phillips**

Introduced and read first time: February 19, 1999

Assigned to: Rules and Executive Nominations

A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt - Baltimore City - G.R.O.U.P. Ministries, Inc.**

3 FOR the purpose of authorizing the creation of a State Debt in the amount of
4 \$125,000, the proceeds to be used as a grant to the Board of Directors of
5 G.R.O.U.P. Ministries Baltimore, 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 grantee from using any part of the grant or the matching fund for sectarian
9 religious purposes; and providing generally for the issuance and sale of bonds
10 evidencing 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 - G.R.O.U.P. Ministries, Inc. Loan of 1999 in the total principal amount of
16 \$125,000. This loan shall be evidenced by the issuance, sale, and delivery of State
17 general obligation bonds authorized by a resolution of the Board of Public Works and
18 issued, sold, and delivered in accordance with §§ 8-117 through 8-124 of the State
19 Finance and Procurement Article and Article 31, § 22 of the Code.

20 (2) The bonds to evidence this loan or installments of this loan may be sold as
21 a single issue or may be consolidated and sold as part of a single issue of bonds under
22 § 8-122 of the State Finance and Procurement Article.

23 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer
24 and first shall be applied to the payment of the expenses of issuing, selling, and
25 delivering the bonds, unless funds for this purpose are otherwise provided, and then
26 shall be credited on the books of the Comptroller and expended, on approval by the
27 Board of Public Works, for the following public purposes, including any applicable
28 architects' and engineers' fees: as a grant to the Board of Directors of G.R.O.U.P.
29 Ministries Baltimore, Inc. (referred to hereafter in this Act as "the grantee") for the
30 repair, renovation, construction, reconstruction, and capital equipping of a building to
31 house a community outreach center located at 818 Franklinton Road in Baltimore.

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

5 (5) Prior to the payment of any funds under the provisions of this Act for the
6 purposes set forth in Section 1(3) above, the grantee shall provide and expend a
7 matching fund of \$65,000. No part of the grantee's matching fund may be provided,
8 either directly or indirectly, from funds of the State, whether appropriated or
9 unappropriated. No part of the fund may consist of in kind contributions or funds
10 expended prior to the effective date of this Act. The fund may consist of real property.
11 In case of any dispute as to the amount of the matching fund or what money or assets
12 may qualify as matching funds, the Board of Public Works shall determine the matter
13 and the Board's decision is final. The grantee has until June 1, 2001, to present
14 evidence satisfactory to the Board of Public Works that a matching fund will be
15 provided. If satisfactory evidence is presented, the Board shall certify this fact to the
16 State Treasurer, and the proceeds of the loan shall be expended for the purposes
17 provided in this Act.

18 (6) No portion of the proceeds of the loan or any of the matching funds may be
19 used for the furtherance of sectarian religious instruction, or in connection with the
20 design, acquisition, or construction of any building used or to be used as a place of
21 sectarian religious worship or instruction, or in connection with any program or
22 department of divinity for any religious denomination. Upon the request of the Board
23 of Public Works, the grantee shall submit evidence satisfactory to the Board that none
24 of the proceeds of the loan or any matching funds have been or are being used for a
25 purpose prohibited by this Act.

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