

HOUSE BILL 1056

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B2

1999 Regular Session  
9lr2380  
CF 9lr2381

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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  
Re-referred to: Appropriations, February 24, 1999

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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 - 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; requiring the grantee to grant and convey a certain  
10 easement to the Maryland Historical Trust; and providing generally for the  
11 issuance and sale of bonds evidencing the loan.

12 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
13 MARYLAND, That:

14 (1) The Board of Public Works may borrow money and incur indebtedness on  
15 behalf of the State of Maryland through a State loan to be known as the Baltimore  
16 City - G.R.O.U.P. Ministries, Inc. Loan of 1999 in the total principal amount of  
17 \$125,000. This loan shall be evidenced by the issuance, sale, and delivery of State  
18 general obligation bonds authorized by a resolution of the Board of Public Works and  
19 issued, sold, and delivered in accordance with §§ 8-117 through 8-124 of the State  
20 Finance and 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 Board of Directors of G.R.O.U.P.  
7 Ministries Baltimore, Inc. (referred to hereafter in this Act as "the grantee") for the  
8 repair, renovation, construction, reconstruction, and capital equipping of a building to  
9 house a community outreach center located at 818 Franklinton Road in Baltimore.

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 of \$65,000. No part of the grantee's matching fund may be provided,  
17 either directly or indirectly, from funds of the State, whether appropriated or  
18 unappropriated. No part of the fund may consist of in kind contributions or funds  
19 expended prior to the effective date of this Act. The fund may consist of real property.  
20 In case of any dispute as to the amount of the matching fund or what money or assets  
21 may qualify as matching funds, the Board of Public Works shall determine the matter  
22 and the Board's decision is final. The grantee has until June 1, 2001, to present  
23 evidence satisfactory to the Board of Public Works that a matching fund will be  
24 provided. If satisfactory evidence is presented, the Board shall certify this fact to the  
25 State Treasurer, and the proceeds of the loan shall be expended for the purposes  
26 provided in this Act.

27 (6) No portion of the proceeds of the loan or any of the matching funds may be  
28 used for the furtherance of sectarian religious instruction, or in connection with the  
29 design, acquisition, or construction of any building used or to be used as a place of  
30 sectarian religious worship or instruction, or in connection with any program or  
31 department of divinity for any religious denomination. Upon the request of the Board  
32 of Public Works, the grantee shall submit evidence satisfactory to the Board that none  
33 of the proceeds of the loan or any matching funds have been or are being used for a  
34 purpose prohibited by this Act.

35 (7) (a) Prior to the issuance of the bonds, the grantee shall grant and convey  
36 to the Maryland Historical Trust a perpetual preservation easement to the extent of  
37 its interest:

38 (i) On the land or such portion of the land acceptable to the Trust;  
39 and

40 (ii) On the exterior and interior, where appropriate, of the historic  
41 structures.

1           (b)       The easement must be in form and substance acceptable to the Trust  
2 and the extent of the interest to be encumbered must be acceptable to the Trust.

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