

SENATE BILL 18

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1999 Regular Session
9lr0440
CF 9lr2387

(PRE-FILED)

By: **Senator Sfikas**
Requested: November 10, 1998
Introduced and read first time: January 13, 1999
Assigned to: Budget and Taxation

Committee Report: Favorable with amendments
Senate action: Adopted
Read second time: April 1, 1999

CHAPTER _____

1 AN ACT concerning

2 **Creation of a State Debt - Federation of Hispanic Organizations of the**
3 **Baltimore Metropolitan Area, Inc.**

4 FOR the purpose of authorizing the creation of a State Debt not to exceed ~~\$250,000~~
5 \$175,000, the proceeds to be used as a grant to the Board of Directors of the
6 Federation of Hispanic Organizations of the Baltimore Metropolitan Area, Inc.
7 for certain acquisition, development, or improvement purposes; providing for
8 disbursement of the loan proceeds, subject to a requirement that the grantee
9 provide and expend a matching fund; requiring the grantee to grant and convey
10 a certain easement to the Maryland Historical Trust; and providing generally for
11 the 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 Federation of
16 Hispanic Organizations of the Baltimore Metropolitan Area, Inc. Loan of 1999 in a
17 total principal amount equal to the lesser of (i) ~~\$250,000~~ \$175,000 or (ii) the amount
18 of the matching fund provided in accordance with Section 1(5) below. This loan shall
19 be evidenced by the issuance, sale, and delivery of State general obligation bonds
20 authorized by a resolution of the Board of Public Works and issued, sold, and
21 delivered in accordance with §§ 8-117 through 8-124 of the State Finance and
22 Procurement Article and Article 31, § 22 of the Code.

23 (2) The bonds to evidence this loan or installments of this loan may be sold as
24 a single issue or may be consolidated and sold as part of a single issue of bonds under
25 § 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 the Federation
7 of Hispanic Organizations of the Baltimore Metropolitan Area, Inc. (referred to
8 hereafter in this Act as "the grantee") for the acquisition, planning, design, repair,
9 renovation, and capital equipping of a building leased by the Federation, the building
10 to be used for the expansion of the services of the Federation, including the
11 after-school drop-in center, adult literacy programs, English as a second language
12 programs, Spanish language programs, cultural programs, and other seminars,
13 training programs, and workshops.

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

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

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

36 (i) On the land or such portion of the land acceptable to the Trust;
37 and

38 (ii) On the exterior and interior, where appropriate, of the historic
39 structures.

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

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