

SENATE BILL 397

Unofficial Copy  
B2

1999 Regular Session  
(9r1252)

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

Introduced by **Senators Munson and Mooney**

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.

\_\_\_\_\_  
President.

CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Creation of a State Debt - Washington County - Hagerstown YMCA**

3 FOR the purpose of authorizing the creation of a State Debt not to exceed ~~\$1,500,000~~  
4 \$500,000, the proceeds to be used as a grant to the Board of Directors of the  
5 Young Men's Christian Association of Hagerstown, Maryland, Inc. for certain  
6 development or improvement purposes; providing for disbursement of the loan  
7 proceeds, subject to a requirement that the grantee provide and expend a  
8 matching fund; prohibiting the use by the grantee of the proceeds of the bonds or  
9 the matching fund for sectarian religious purposes; and providing generally for  
10 the issuance and sale of bonds 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 Washington  
15 County - Hagerstown YMCA Loan of 1999 in a total principal amount equal to the  
16 lesser of (i) ~~\$1,500,000~~ \$500,000 or (ii) the amount of the matching fund provided in

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

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

8 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer  
9 and first shall be applied to the payment of the expenses of issuing, selling, and  
10 delivering the bonds, unless funds for this purpose are otherwise provided, and then  
11 shall be credited on the books of the Comptroller and expended, on approval by the  
12 Board of Public Works, for the following public purposes, including any applicable  
13 architects' and engineers' fees: as a grant to *the* Board of Directors of the Young Men's  
14 Christian Association of Hagerstown, Maryland, Inc. (referred to hereafter in this Act  
15 as "the grantee") for the construction, reconstruction, repair, renovation, and capital  
16 equipping of a building to house the Hagerstown YMCA.

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

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

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

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