

SENATE BILL 261

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HB 574/97 - APP

2000 Regular Session
0lr1908
CF 0lr1584

By: **Senator Astle**

Introduced and read first time: January 28, 2000

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt - Anne Arundel County - Owensville Primary Care**
3 **Community Medical Center**

4 FOR the purpose of authorizing the creation of a State Debt not to exceed \$200,000,
5 the proceeds to be used as a grant to the Board of Directors of Owensville
6 Primary Care, Inc. for certain development or improvement purposes; providing
7 for disbursement of the loan proceeds, subject to the requirement that the Board
8 of Directors of Owensville Primary Care, Inc. provide and expend a matching
9 fund; and providing generally for the issuance and sale of bonds evidencing the
10 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 Anne Arundel
15 County - Owensville Primary Care, Inc. Loan of 2000 in a total principal amount
16 equal to the lesser of (i) \$200,000 or (ii) the amount of the matching fund provided in
17 accordance with Section 1(5) below. This loan shall be evidenced by the issuance, sale,
18 and delivery of State general obligation bonds authorized by a resolution of the Board
19 of Public Works and issued, sold, and delivered in accordance with §§ 8-117 through
20 8-124 of the State 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.

24 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer
25 and first shall be applied to the payment of the expenses of issuing, selling, and
26 delivering the bonds, unless funds for this purpose are otherwise provided, and then
27 shall be credited on the books of the Comptroller and expended, on approval by the
28 Board of Public Works, for the following public purposes, including any applicable
29 architects' and engineers' fees: as a grant to the Board of Directors of Owensville
30 Primary Care, Inc. (referred to hereafter in this Act as "the grantee") for the repair,
31 renovation, and rehabilitation of the facility located in Owensville in Anne Arundel
32 County, Maryland, and used to provide primary care medical services for southern

1 Anne Arundel County, focusing on low-income, underinsured, uninsured, and
2 indigent patients.

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

7 (5) Prior to the payment of any funds under the provisions of this Act for the
8 purposes set forth in Section 1(3) above, the grantee shall provide and expend a
9 matching fund. No part of the grantee's matching fund may be provided, either
10 directly or indirectly, from funds of the State, whether appropriated or
11 unappropriated. No part of the fund may consist of real property. The fund may
12 consist of in kind contributions or funds expended prior to the effective date of this
13 Act. In case of any dispute as to the amount of the matching fund or what money or
14 assets may qualify as matching funds, the Board of Public Works shall determine the
15 matter and the Board's decision is final. The grantee has until June 1, 2002, to
16 present evidence satisfactory to the Board of Public Works that a matching fund will
17 be provided. If satisfactory evidence is presented, the Board shall certify this fact and
18 the amount of the matching fund to the State Treasurer, and the proceeds of the loan
19 equal to the amount of the matching fund shall be expended for the purposes provided
20 in this Act. Any amount of the loan in excess of the amount of the matching fund
21 certified by the Board of Public Works shall be canceled and be of no further effect.

22 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
23 June 1, 2000.