

SENATE BILL 265

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B2

2000 Regular Session
0lr1602
CF 0lr2176

By: **Senators Blount, Della, Kelley, Mitchell, Sfikas, McFadden, Hughes, and Hoffman**

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 - Baltimore City - Outward Bound-Leakin Park**
3 **Project**

4 FOR the purpose of authorizing the creation of a State Debt not to exceed \$500,000,
5 the proceeds to be used as a grant to the Board of Directors of the Baltimore
6 Chesapeake Bay Outward Bound Program for certain development or
7 improvement purposes; providing for disbursement of the loan proceeds, subject
8 to a requirement that the grantee provide and expend a matching fund; and
9 providing generally for the issuance and sale of bonds evidencing the loan.

10 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
11 MARYLAND, That:

12 (1) The Board of Public Works may borrow money and incur indebtedness on
13 behalf of the State of Maryland through a State loan to be known as the Outward
14 Bound-Leakin Park Project Loan of 2000 in a total principal amount equal to the
15 lesser of (i) \$500,000 or (ii) the amount of the matching fund provided in accordance
16 with Section 1(5) below. This loan shall be evidenced by the issuance, sale, and
17 delivery of State general obligation bonds authorized by a resolution of the Board of
18 Public Works and issued, sold, and delivered in accordance with §§ 8-117 through
19 8-124 of the State 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 the Baltimore
29 Chesapeake Bay Outward Bound Program (referred to hereafter in this Act as "the
30 grantee") for the planning, design, and construction of a new building, and the repair,
31 renovation, and reconstruction of Honeymoon Cottage, at Leakin Park, located at

1 1900 Eagle Drive, Baltimore, Maryland 21207, as part of a multiphase project to
2 renovate and expand facilities to accommodate growth in student population and
3 additional programs.

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

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

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