

SENATE BILL 398

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2000 Regular Session
0lr2382
CF 0lr2492

By: **Senator Currie**
Introduced and read first time: February 3, 2000
Assigned to: Budget and Taxation

Committee Report: Favorable with amendments
Senate action: Adopted
Read second time: March 29, 2000

CHAPTER _____

1 AN ACT concerning

2 **Creation of a State Debt - Prince George's County - Suitland Business**
3 **Incubator**

4 FOR the purpose of authorizing the creation of a State Debt not to exceed ~~\$240,000~~
5 \$100,000, the proceeds to be used as a grant to the Board of Directors of
6 Suitland Family and Life Development Corporation 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 Prince
14 George's County - Suitland Business Incubator Loan of 2000 in a total principal
15 amount equal to the lesser of (i) ~~\$240,000~~ \$100,000 or (ii) the amount of the matching
16 fund provided in accordance with Section 1(5) below. This loan shall be evidenced by
17 the issuance, sale, and delivery of State general obligation bonds authorized by a
18 resolution of the Board of Public Works and issued, sold, and delivered in accordance
19 with §§ 8-117 through 8-124 of the State Finance and Procurement Article and
20 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

1 delivering the bonds, unless funds for this purpose are otherwise provided, and then
2 shall be credited on the books of the Comptroller and expended, on approval by the
3 Board of Public Works, for the following public purposes, including any applicable
4 architects' and engineers' fees: as a grant to the Board of Directors of Suitland Family
5 and Life Development Corporation (referred to hereafter in this Act as "the grantee")
6 for the construction, repair, renovation, reconstruction, and capital equipping of a
7 facility located in Suitland, Maryland, for use as a business incubator.

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

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

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