

SENATE BILL 727

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2000 Regular Session
0lr2518
CF 0lr2723

By: **Senator McFadden**
Introduced and read first time: February 4, 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 - Baltimore City - Cole-Grant-Higgs Senior Center**

3 FOR the purpose of authorizing the creation of a State Debt ~~in the amount of~~
4 ~~\$250,000~~ not to exceed \$200,000, the proceeds to be used as a grant to the Board
5 of Directors of the Cole-Grant-Higgs Senior Center, 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; providing that no proceeds of a loan or any matching funds may
9 be used for religious purposes; and providing generally for the issuance and sale
10 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 Baltimore
15 City - Cole-Grant-Higgs Senior Center Loan of 2000 in ~~the total principal amount of~~
16 ~~\$250,000~~ a total principal amount equal to the lesser (i) of \$200,000 or (ii) the amount
17 of the matching fund provided in accordance with Section 1(5) below. This loan shall
18 be evidenced by the issuance, sale, and delivery of State general obligation bonds
19 authorized by a resolution of the Board of Public Works and issued, sold, and
20 delivered in accordance with §§ 8-117 through 8-124 of the State Finance and
21 Procurement Article and Article 31, § 22 of the Code.

22 (2) The bonds to evidence this loan or installments of this loan may be sold as
23 a single issue or may be consolidated and sold as part of a single issue of bonds under
24 § 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
7 Cole-Grant-Higgs Senior Center, Inc. (referred to hereafter in this Act as "the
8 grantee") for the planning, design, construction, and capital equipping of the
9 Cole-Grant-Higgs Senior Center, a facility being developed to provide programs and
10 services for senior citizens located in Baltimore City.

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

15 (5) Prior to the payment of any funds under the provisions of this Act for the
16 purposes set forth in Section 1(3) above, the grantee shall provide and expend a
17 matching fund of \$125,000. No part of the grantee's matching fund may be provided,
18 either directly or indirectly, from funds of the State, whether appropriated or
19 unappropriated. No part of the fund may consist of real property, in kind
20 contributions, or funds expended prior to the effective date of this Act. In case of any
21 dispute as to the amount of the matching fund or what money or assets may qualify
22 as matching funds, the Board of Public Works shall determine the matter and the
23 Board's decision is final. The grantee has until June 1, 2002, to present evidence
24 satisfactory to the Board of Public Works that a matching fund will be provided. If
25 satisfactory evidence is presented, the Board shall certify this fact to the State
26 Treasurer, and the proceeds of the loan shall be expended for the purposes provided in
27 this Act.

28 (6) No portion of the proceeds of the loan or any of the matching funds may be
29 used for the furtherance of sectarian religious instruction, in connection with the
30 design, acquisition, or construction of any building used or to be used as a place of
31 sectarian religious worship or instruction, or in connection with any program or
32 department of divinity for any religious denomination. Upon the request of the Board
33 of Public Works, the grantee shall submit evidence satisfactory to the Board that none
34 of the proceeds of the loan or any matching funds has been or is being used for a
35 purpose prohibited by this Act.

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

