

SENATE BILL 751

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2000 Regular Session
0lr2464
CF 0lr2068

By: **Senators Neall, Miller, Astle, Blount, Middleton, Forehand, Lawlah,
McFadden, and Hollinger**

Introduced and read first time: February 4, 2000

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt - Anne Arundel County - St. John's College**

3 FOR the purpose of authorizing the creation of a State Debt not to exceed \$2,900,000,
4 the proceeds to be used as a grant to St. John's College for certain development
5 or improvement purposes; providing for disbursement of the loan proceeds,
6 subject to a requirement that the grantee provide and expend a matching fund;
7 and providing generally for the issuance and sale of bonds evidencing the loan.

8 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
9 MARYLAND, That:

10 (1) The Board of Public Works may borrow money and incur indebtedness on
11 behalf of the State of Maryland through a State loan to be known as the St. John's
12 College Loan of 2000 in a total principal amount equal to the lesser of (i) \$2,900,000
13 or (ii) the amount of the matching fund provided in accordance with Section 1(5)
14 below. This loan shall be evidenced by the issuance, sale, and delivery of State general
15 obligation bonds authorized by a resolution of the Board of Public Works and issued,
16 sold, and delivered in accordance with §§ 8-117 through 8-124 of the State Finance
17 and Procurement Article and Article 31, § 22 of the Code.

18 (2) The bonds to evidence this loan or installments of this loan may be sold as
19 a single issue or may be consolidated and sold as part of a single issue of bonds under
20 § 8-122 of the State Finance and Procurement Article.

21 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer
22 and first shall be applied to the payment of the expenses of issuing, selling, and
23 delivering the bonds, unless funds for this purpose are otherwise provided, and then
24 shall be credited on the books of the Comptroller and expended, on approval by the
25 Board of Public Works, for the following public purposes, including any applicable
26 architects' and engineers' fees: as a grant to St. John's College (referred to hereafter in
27 this Act as "the grantee") for the planning, design, construction, repair, restoration,
28 renovation, reconstruction, and capital equipping of Mellon Hall.

29 (4) An annual State tax is imposed on all assessable property in the State in
30 rate and amount sufficient to pay the principal of and interest on the bonds, as and

1 when due and until paid in full. The principal shall be discharged within 15 years
2 after the date of issuance of the bonds.

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

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