

SENATE BILL 888

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B2

2000 Regular Session  
0lr3079  
CF 0lr3080

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By: **Senators McFadden, Conway, and Blount**  
Introduced and read first time: March 1, 2000  
Assigned to: Rules

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A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt - Baltimore City - The Morgan Center**

3 FOR the purpose of authorizing the creation of a State Debt in the amount of  
4 \$750,000, the proceeds to be used as a grant to the Board of Directors of the  
5 Morgan Christian Center, Inc. for certain development or improvement  
6 purposes; providing for disbursement of the loan proceeds, subject to a  
7 requirement that the grantee provide and expend a matching fund; prohibiting  
8 the use of the proceeds of the sale of the bonds and the matching funds for  
9 religious purposes; and providing generally for the issuance and sale of bonds  
10 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 - The Morgan Center Loan of 2000 in the total principal amount of \$750,000.  
16 This loan shall be evidenced by the issuance, sale, and delivery of State general  
17 obligation bonds authorized by a resolution of the Board of Public Works and issued,  
18 sold, and delivered in accordance with §§ 8-117 through 8-124 of the State Finance  
19 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 Morgan  
29 Christian Center, Inc. (referred to hereafter in this Act as "the grantee") for the repair,  
30 renovation, restoration, and capital equipping of the Morgan Center, for use in  
31 community activities, located in Baltimore, Maryland.

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

5 (5) Prior to the payment of any funds under the provisions of this Act for the  
6 purposes set forth in Section 1(3) above, the grantee shall provide and expend a  
7 matching fund of \$250,000. No part of the grantee's matching fund may be provided,  
8 either directly or indirectly, from funds of the State, whether appropriated or  
9 unappropriated. The fund may consist of real property, in kind contributions, or funds  
10 expended prior to the effective date of this Act. In case of any dispute as to the amount  
11 of the matching fund or what money or assets may qualify as matching funds, the  
12 Board of Public Works shall determine the matter and the Board's decision is final.  
13 The grantee has until June 1, 2002, to present evidence satisfactory to the Board of  
14 Public Works that a matching fund will be provided. If satisfactory evidence is  
15 presented, the Board shall certify this fact to the State Treasurer, and the proceeds of  
16 the loan shall be expended for the purposes provided in this Act.

17 (6) No portion of the proceeds of the loan or any of the matching funds may be  
18 used for the furtherance of sectarian religious instruction, or in connection with the  
19 design, acquisition, or construction of any building used or to be used as a place of  
20 sectarian religious worship or instruction, or in connection with any program or  
21 department of divinity for any religious denomination. Upon the request of the Board  
22 of Public Works, the grantee shall submit evidence satisfactory to the Board that none  
23 of the proceeds of the loan or any matching funds have been or are being used for a  
24 purpose prohibited by this Act.

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