

HOUSE BILL 410

Unofficial Copy  
B2

2001 Regular Session  
(11r1897)

**ENROLLED BILL**  
*-- Appropriations/Budget and Taxation --*

Introduced by **Delegates Kagan, Gordon, and Barve**

Read and Examined by Proofreaders:

\_\_\_\_\_  
Proofreader.

\_\_\_\_\_  
Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this  
\_\_\_\_ day of \_\_\_\_\_ at \_\_\_\_\_ o'clock, \_\_\_\_ M.

\_\_\_\_\_  
Speaker.

CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Creation of a State Debt - Montgomery County - Gaithersburg Youth Center**

3 FOR the purpose of authorizing the creation of a State Debt not to exceed ~~\$600,000~~  
4 \$300,000 \$250,000, the proceeds to be used as a grant to the Mayor and City  
5 Council of the City of Gaithersburg 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; and  
8 providing generally for the issuance and sale of bonds evidencing the loan.

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

11 (1) The Board of Public Works may borrow money and incur indebtedness on  
12 behalf of the State of Maryland through a State loan to be known as the Montgomery  
13 County - Gaithersburg Youth Center Loan of 2001 in a total principal amount equal  
14 to the lesser of (i) ~~\$600,000~~ \$300,000 \$250,000 or (ii) the amount of the matching fund  
15 provided in accordance with Section 1(5) below. This loan shall be evidenced by the  
16 issuance, sale, and delivery of State general obligation bonds authorized by a

1 resolution of the Board of Public Works and issued, sold, and delivered in accordance  
2 with §§ 8-117 through 8-124 of the State Finance and Procurement Article and  
3 Article 31, § 22 of the Code.

4 (2) The bonds to evidence this loan or installments of this loan may be sold as  
5 a single issue or may be consolidated and sold as part of a single issue of bonds under  
6 § 8-122 of the State Finance and Procurement Article.

7 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer  
8 and first shall be applied to the payment of the expenses of issuing, selling, and  
9 delivering the bonds, unless funds for this purpose are otherwise provided, and then  
10 shall be credited on the books of the Comptroller and expended, on approval by the  
11 Board of Public Works, for the following public purposes, including any applicable  
12 architects' and engineers' fees: as a grant to the Mayor and City Council of the City of  
13 Gaithersburg (referred to hereafter in this Act as "the grantee") for the planning,  
14 design, construction, and capital equipping of a building for the Gaithersburg Youth  
15 Center, to be located at 801 Rabbitt Road in Gaithersburg, Maryland.

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

20 (5) Prior to the payment of any funds under the provisions of this Act for the  
21 purposes set forth in Section 1(3) above, the grantee shall provide and expend a  
22 matching fund. No part of the grantee's matching fund may be provided, either  
23 directly or indirectly, from funds of the State, whether appropriated or  
24 unappropriated. No part of the fund may consist of real property, in kind  
25 contributions, or funds expended prior to the effective date of this Act. In case of any  
26 dispute as to the amount of the matching fund or what money or assets may qualify  
27 as matching funds, the Board of Public Works shall determine the matter and the  
28 Board's decision is final. The grantee has until June 1, 2003, to present evidence  
29 satisfactory to the Board of Public Works that a matching fund will be provided. If  
30 satisfactory evidence is presented, the Board shall certify this fact and the amount of  
31 the matching fund to the State Treasurer, and the proceeds of the loan equal to the  
32 amount of the matching fund shall be expended for the purposes provided in this Act.  
33 Any amount of the loan in excess of the amount of the matching fund certified by the  
34 Board of Public Works shall be canceled and be of no further effect.

35 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
36 June 1, 2001.

