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By: **Delegates Gladden and Rawlings**  
Introduced and read first time: February 9, 2001  
Assigned to: Appropriations

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A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt - Baltimore City - Progressive Gardens Adult**  
3 **Daycare Center**

4 FOR the purpose of authorizing the creation of a State Debt not to exceed \$50,000, the  
5 proceeds to be used as a grant to the Board of Directors of Progressive First  
6 Baptist Church, Inc. for certain development or improvement purposes;  
7 prohibiting the use of the proceeds of the sale of the bonds and the matching  
8 fund for sectarian religious purposes; providing for disbursement of the loan  
9 proceeds, subject to a requirement that the grantee provide and expend a  
10 matching fund; and providing generally for the issuance and sale of bonds  
11 evidencing the loan.

12 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
13 MARYLAND, That:

14 (1) The Board of Public Works may borrow money and incur indebtedness on  
15 behalf of the State of Maryland through a State loan to be known as the Baltimore  
16 City - Progressive Gardens Adult Daycare Center Loan of 2001 in a total principal  
17 amount equal to the lesser of (i) \$50,000 or (ii) the amount of the matching fund  
18 provided in accordance with Section 1(5) below. This loan shall be evidenced by the  
19 issuance, sale, and delivery of State general obligation bonds authorized by a  
20 resolution of the Board of Public Works and issued, sold, and delivered in accordance  
21 with §§ 8-117 through 8-124 of the State Finance and Procurement Article and  
22 Article 31, § 22 of the Code.

23 (2) The bonds to evidence this loan or installments of this loan may be sold as  
24 a single issue or may be consolidated and sold as part of a single issue of bonds under  
25 § 8-122 of the State Finance and Procurement Article.

26 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer  
27 and first shall be applied to the payment of the expenses of issuing, selling, and  
28 delivering the bonds, unless funds for this purpose are otherwise provided, and then  
29 shall be credited on the books of the Comptroller and expended, on approval by the  
30 Board of Public Works, for the following public purposes, including any applicable  
31 architects' and engineers' fees: as a grant to the Board of Directors of Progressive  
32 First Baptist Church, Inc. (referred to hereafter in this Act as "the grantee") for the

1 repair, renovation, reconstruction, and capital equipping of a building located at 3220  
2 Garrison Boulevard in Baltimore, Maryland, for use as an adult daycare center.

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

7 (5) Prior to the payment of any funds under the provisions of this Act for the  
8 purposes set forth in Section 1(3) above, the grantee shall provide and expend a  
9 matching fund. No part of the grantee's matching fund may be provided, either  
10 directly or indirectly, from funds of the State, whether appropriated or  
11 unappropriated. No part of the fund may consist of real property or in kind  
12 contributions. The fund may consist of funds expended prior to the effective date of  
13 this Act. In case of any dispute as to the amount of the matching fund or what money  
14 or assets may qualify as matching funds, the Board of Public Works shall determine  
15 the matter and the Board's decision is final. The grantee has until June 1, 2003, to  
16 present evidence satisfactory to the Board of Public Works that a matching fund will  
17 be provided. If satisfactory evidence is presented, the Board shall certify this fact and  
18 the amount of the matching fund to the State Treasurer, and the proceeds of the loan  
19 equal to the amount of the matching fund shall be expended for the purposes provided  
20 in this Act. Any amount of the loan in excess of the amount of the matching fund  
21 certified by the Board of Public Works shall be canceled and be of no further effect.

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

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