

SENATE BILL 461

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2001 Regular Session
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CF 1lr1190

By: **Senators Hoffman, Blount, Collins, Conway, Della, Dorman, Hollinger,
Hughes, Kelley, Lawlah, McFadden, Mitchell, Munson, Sfikas, and Van
Hollen**

Introduced and read first time: February 2, 2001

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt - Baltimore City - The Hearing and Speech Agency**

3 FOR the purpose of authorizing the creation of a State Debt not to exceed \$1,000,000,
4 the proceeds to be used as a grant to the Board of Directors of The Hearing and
5 Speech Agency of Metropolitan Baltimore, Inc. for certain development or
6 improvement purposes; providing for disbursement of the loan proceeds, subject
7 to a 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
12 indebtedness on behalf of the State of Maryland through a State loan to be known as
13 the Baltimore City - The Hearing and Speech Agency Loan of 2001 in a total principal
14 amount equal to the lesser of (i) \$1,000,000 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
17 resolution of the Board of Public Works and issued, sold, and delivered in accordance
18 with §§ 8-117 through 8-124 of the State Finance and Procurement Article and
19 Article 31, § 22 of the Code.

20 (2) The bonds to evidence this loan or installments of this loan may be
21 sold as a single issue or may be consolidated and sold as part of a single issue of bonds
22 under § 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
24 Treasurer and first shall be applied to the payment of the expenses of issuing, selling,
25 and delivering the bonds, unless funds for this purpose are otherwise provided, and
26 then shall be credited on the books of the Comptroller and expended, on approval by
27 the 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 Hearing and
29 Speech Agency of Metropolitan Baltimore, Inc. (referred to hereafter in this Act as
30 "the grantee") for the acquisition of land for, and for the planning, design,

1 construction, and capital equipping of a new building for The Hearing and Speech
2 Agency of Metropolitan Baltimore, to be used to expand existing programs for
3 children and adults who are deaf or hearing impaired or who have speech or language
4 disabilities.

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

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

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