

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

Committee Report: Favorable with amendments
Senate action: Adopted
Read second time: March 29, 2001

CHAPTER _____

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 \$250,000, the proceeds to be used as a grant to the Board of Directors of The
5 Hearing and Speech Agency of Metropolitan Baltimore, Inc. for certain
6 development or improvement purposes; providing for disbursement of the loan
7 proceeds, subject to a requirement that the grantee provide and expend a
8 matching fund; and providing generally for the issuance and sale of bonds
9 evidencing the loan.

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

12 (1) The Board of Public Works may borrow money and incur
13 indebtedness on behalf of the State of Maryland through a State loan to be known as
14 the Baltimore City - The Hearing and Speech Agency Loan of 2001 in a total principal
15 amount equal to the lesser of (i) ~~\$1,000,000~~ \$250,000 or (ii) the amount of the
16 matching fund provided in accordance with Section 1(5) below. This loan shall be
17 evidenced by the issuance, sale, and delivery of State general obligation bonds
18 authorized by a resolution of the Board of Public Works and issued, sold, and
19 delivered in accordance with §§ 8-117 through 8-124 of the State Finance and
20 Procurement Article and Article 31, § 22 of the Code.

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

1 (3) The cash proceeds of the sale of the bonds shall be paid to the
2 Treasurer and first shall be applied to the payment of the expenses of issuing, selling,
3 and delivering the bonds, unless funds for this purpose are otherwise provided, and
4 then shall be credited on the books of the Comptroller and expended, on approval by
5 the Board of Public Works, for the following public purposes, including any applicable
6 architects' and engineers' fees: as a grant to the Board of Directors of The Hearing and
7 Speech Agency of Metropolitan Baltimore, Inc. (referred to hereafter in this Act as
8 "the grantee") for the acquisition of land for, and for the planning, design,
9 construction, and capital equipping of a new building for The Hearing and Speech
10 Agency of Metropolitan Baltimore, to be used to expand existing programs for
11 children and adults who are deaf or hearing impaired or who have speech or language
12 disabilities.

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

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

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