

SENATE BILL 623

Unofficial Copy  
B2

2001 Regular Session  
11r1867  
CF 11r1868

---

By: **Senator Hughes**  
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 - Pimlico Road Arts and**  
3 **Community Center**

4 FOR the purpose of authorizing the creation of a State Debt not to exceed \$1,000,000,  
5 the proceeds to be used as a grant to the Board of Directors of Holy Nativity and  
6 St. John's Development Corporation for certain development or improvement  
7 purposes; providing for disbursement of the loan proceeds, subject to a  
8 requirement that the grantee provide and expend a matching fund; prohibiting  
9 the use of the proceeds of the sale of the bonds and the matching fund for  
10 sectarian religious purposes; and providing generally for the issuance and sale  
11 of bonds 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 - Pimlico Road Arts and Community Center Loan of 2001 in a total principal  
17 amount equal to the lesser of (i) \$1,000,000 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 Holy Nativity  
32 and St. John's Development Corporation (referred to hereafter in this Act as "the

1 grantee") for the acquisition of the property located at 4403 Pimlico Road in Baltimore  
2 and for the design and construction of a facility to provide community activities,  
3 programs, and functions.

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

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

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

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