

SENATE BILL 834

Unofficial Copy  
B2

2001 Regular Session  
11r2880  
CF 11r2872

---

By: **Senator Currie**

Introduced and read first time: February 16, 2001

Assigned to: Rules

---

A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt - Prince George's County - King's Kids Child**  
3 **Development Center at Largo Town Center**

4 FOR the purpose of authorizing the creation of a State Debt not to exceed \$679,134,  
5 the proceeds to be used as a grant to the Board of Directors of St. Paul  
6 Community Development Corporation for certain development or improvement  
7 purposes; prohibiting the use of the proceeds of the sale of the bonds and the  
8 matching fund for sectarian religious purposes; providing for disbursement of  
9 the loan proceeds, subject to a requirement that the grantee provide and expend  
10 a 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 Prince  
16 George's County - King's Kids Child Development Center at Largo Town Center Loan  
17 of 2001 in a total principal amount equal to the lesser of (i) \$679,134 or (ii) the  
18 amount of the matching fund provided in accordance with Section 1(5) below. This  
19 loan shall be evidenced by the issuance, sale, and delivery of State general obligation  
20 bonds authorized by a resolution of the Board of Public Works and issued, sold, and  
21 delivered in accordance with §§ 8-117 through 8-124 of the State Finance and  
22 Procurement Article and 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 St. Paul  
32 Community Development Corporation (referred to hereafter in this Act as "the

1 grantee") for the planning, design, construction, and capital equipping of King's Kids  
2 Child Development Center, to be located at the Largo Town Center in Prince George's  
3 County, Maryland.

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.