

SENATE BILL 797

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B2

2002 Regular Session  
2lr2471  
CF 2lr2005

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By: **Senators Van Hollen, Hogan, Roesser, Ruben, and Teitelbaum**

Introduced and read first time: February 11, 2002

Assigned to: Rules

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A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt - Montgomery College Primary Care Health Clinic**

3 FOR the purpose of authorizing the creation of a State Debt not to exceed \$345,000,  
4 the proceeds to be used as a grant to the Board of Trustees of Holy Cross Health  
5 for certain development or improvement purposes; providing for disbursement of  
6 the loan proceeds, subject to a requirement that the grantee provide and expend  
7 a matching fund; prohibiting the use of the proceeds of the sale of the bonds or  
8 the matching fund for sectarian religious purposes; and providing generally for  
9 the issuance and sale of bonds 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 indebtedness on  
13 behalf of the State of Maryland through a State loan to be known as the Montgomery  
14 College Primary Care Health Clinic Loan of 2002 in a total principal amount equal to  
15 the lesser of (i) \$345,000 or (ii) the amount of the matching fund provided in  
16 accordance with Section 1(5) below. This loan shall be evidenced by the issuance, sale,  
17 and delivery of State general obligation bonds authorized by a resolution of the Board  
18 of Public Works and issued, sold, and delivered in accordance with §§ 8-117 through  
19 8-124 of the State Finance and Procurement Article and Article 31, § 22 of the Code.

20 (2) The bonds to evidence this loan or installments of this loan may be sold as  
21 a single issue or may be consolidated and sold as part of a single issue of bonds under  
22 § 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 Treasurer  
24 and first shall be applied to the payment of the expenses of issuing, selling, and  
25 delivering the bonds, unless funds for this purpose are otherwise provided, and then  
26 shall be credited on the books of the Comptroller and expended, on approval by the  
27 Board of Public Works, for the following public purposes, including any applicable  
28 architects' and engineers' fees: as a grant to the Board of Trustees of Holy Cross  
29 Health (referred to hereafter in this Act as "the grantee") for the planning, design,  
30 construction, repair, renovation, and capital equipping of a primary care clinic, a  
31 collaborative project with Montgomery College, to provide training for nurses and  
32 professional students from Montgomery College and to provide free or reduced-price

1 care and health education to primarily uninsured adults living in the communities  
2 around Takoma Park and Silver Spring, located at 7987 Georgia Avenue in Silver  
3 Spring.

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 or in kind  
13 contributions. The fund may consist of funds expended prior to the effective date of  
14 this Act. In case of any dispute as to the amount of the matching fund or what money  
15 or assets may qualify as matching funds, the Board of Public Works shall determine  
16 the matter and the Board's decision is final. The grantee has until June 1, 2004, to  
17 present evidence satisfactory to the Board of Public Works that a matching fund will  
18 be provided. If satisfactory evidence is presented, the Board shall certify this fact and  
19 the amount of the matching fund to the State Treasurer, and the proceeds of the loan  
20 equal to the amount of the matching fund shall be expended for the purposes provided  
21 in this Act. Any amount of the loan in excess of the amount of the matching fund  
22 certified by the 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, 2002.