

SENATE BILL 816

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B2

2002 Regular Session  
2lr2318  
CF 2lr2766

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By: **Senators Ruben, Dorman, Forehand, Frosh, Hoffman, Hogan, Hollinger,  
Teitelbaum, and Van Hollen**

Introduced and read first time: February 13, 2002

Assigned to: Rules

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A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt - Montgomery County - JCA Community Resource**  
3 **Center**

4 FOR the purpose of authorizing the creation of a State Debt not to exceed \$750,000,  
5 the proceeds to be used as a grant to the Board of Directors of The Jewish  
6 Council for the Aging of Greater Washington, Inc. for certain development or  
7 improvement purposes; providing for disbursement of the loan proceeds, subject  
8 to a requirement that the grantee provide and expend a matching fund;  
9 prohibiting the use of the proceeds of the bond sales 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 Montgomery  
16 County - JCA Community Resource Center Loan of 2002 in a total principal amount  
17 equal to the lesser of (i) \$750,000 or (ii) the amount of the matching fund provided in  
18 accordance with Section 1(5) below. This loan shall be evidenced by the issuance, sale,  
19 and delivery of State general obligation bonds authorized by a resolution of the Board  
20 of Public Works and issued, sold, and delivered in accordance with §§ 8-117 through  
21 8-124 of the State Finance and Procurement Article and Article 31, § 22 of the Code.

22 (2) The bonds to evidence this loan or installments of this loan may be sold as  
23 a single issue or may be consolidated and sold as part of a single issue of bonds under  
24 § 8-122 of the State Finance and Procurement Article.

25 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer  
26 and first shall be applied to the payment of the expenses of issuing, selling, and  
27 delivering the bonds, unless funds for this purpose are otherwise provided, and then  
28 shall be credited on the books of the Comptroller and expended, on approval by the  
29 Board of Public Works, for the following public purposes, including any applicable  
30 architects' and engineers' fees: as a grant to the Board of Directors of The Jewish  
31 Council for the Aging of Greater Washington, Inc. (referred to hereafter in this Act as

1 "the grantee") for the acquisition, planning, design, repair, renovation, reconstruction,  
2 and capital equipping of a property to be located in Montgomery County, to serve both  
3 as a community resource center for older citizens and their caregivers, and as  
4 headquarters for The Jewish Council for the Aging.

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

9 (5) Prior to the payment of any funds under the provisions of this Act for the  
10 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 funds expended  
14 prior to the effective date of this Act. The fund may consist of in kind contributions. In  
15 case of any dispute as to the amount of the matching fund or what money or assets  
16 may qualify as matching funds, the Board of Public Works shall determine the matter  
17 and the Board's decision is final. The grantee has until June 1, 2004, to present  
18 evidence satisfactory to the Board of Public Works that a matching fund will be  
19 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 (6) No portion of the proceeds of the loan or any of the matching funds may be  
25 used for the furtherance of sectarian religious instruction, or in connection with the  
26 design, acquisition, or construction of any building used or to be used as a place of  
27 sectarian religious worship or instruction, or in connection with any program or  
28 department of divinity for any religious denomination. Upon the request of the Board  
29 of Public Works, the grantee shall submit evidence satisfactory to the Board that none  
30 of the proceeds of the loan or any matching funds have been or are being used for a  
31 purpose prohibited by this Act.

32 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
33 June 1, 2002.