Unofficial Copy B2

2003 Regular Session 3lr2033

By: Howard County Delegation

Introduced and read first time: February 14, 2003 Assigned to: Rules and Executive Nominations

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## A BILL ENTITLED

1 AN ACT cor	ncerning
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- Creation of a State Debt Howard County Grace Episcopal Church Child
  Care Center
  Ho. Co. 10-03
- 5 FOR the purpose of authorizing the creation of a State Debt not to exceed \$50,000, the
- 6 proceeds to be used as a grant to the Vestry of the Grace Episcopal Church for
- 7 certain development or improvement purposes; providing for disbursement of
- 8 the loan proceeds, subject to a requirement that the grantee provide and expend
- 9 a matching fund; prohibiting the bond proceeds and the matching fund from
- being used for sectarian religious purposes; and providing generally for the
- issuance and sale 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 Howard
- 16 County Grace Episcopal Church Child Care Center Loan of 2003 in a total principal
- 17 amount equal to the lesser of (i) \$50,000 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 Vestry of the Grace Episcopal Church

- 1 (referred to hereafter in this Act as "the grantee") for the construction and capital
- 2 equipping of a building to serve as a child care center located in Elkridge.
- 3 (4) An annual State tax is imposed on all assessable property in the State in 4 rate and amount sufficient to pay the principal of and interest on the bonds, as and
- 5 when due and until paid in full. The principal shall be discharged within 15 years
- 6 after the date of issuance of the bonds.
- 7 (5) Prior to the payment of any funds under the provisions of this Act for the
- 8 purposes set forth in Section 1(3) above, the grantee shall provide and expend a
- 9 matching fund. No part of the grantee's matching fund may be provided, either
- 10 directly or indirectly, from funds of the State, whether appropriated or
- 11 unappropriated. No part of the fund may consist of real property, in kind
- 12 contributions, or funds expended prior to the effective date of this Act. In case of any
- 13 dispute as to the amount of the matching fund or what money or assets may qualify
- 14 as matching funds, the Board of Public Works shall determine the matter and the
- 15 Board's decision is final. The grantee has until June 1, 2005, to present evidence
- 16 satisfactory to the Board of Public Works that a matching fund will be provided. If
- 17 satisfactory evidence is presented, the Board shall certify this fact and the amount of
- 18 the matching fund to the State Treasurer, and the proceeds of the loan equal to the
- 19 amount of the matching fund shall be expended for the purposes provided in this Act.
- 20 Any amount of the loan in excess of the amount of the matching fund certified by the
- 21 Board of Public Works shall be canceled and be of no further effect.
- 22 (6) No portion of the proceeds of the loan or any of the matching funds may be
- 23 used for the furtherance of sectarian religious instruction, or in connection with the
- 24 design, acquisition, or construction of any building used or to be used as a place of
- 25 sectarian religious worship or instruction, or in connection with any program or
- 26 department of divinity for any religious denomination. Upon the request of the Board
- 27 of Public Works, the grantee shall submit evidence satisfactory to the Board that none
- 28 of the proceeds of the loan or any matching funds have been or are being used for a
- 29 purpose prohibited by this Act.
- 30 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
- 31 June 1, 2003.