

SENATE BILL 730

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B2
SB 670/02 - B&T

2003 Regular Session
3lr2628
CF HB 1024

By: **Washington County Senators**

Introduced and read first time: February 26, 2003

Assigned to: Rules

A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt - Washington County - Boys and Girls Club of**
3 **Washington County**

4 FOR the purpose of authorizing the creation of a State Debt not to exceed \$100,000,
5 the proceeds to be used as a grant to the Board of Directors of the Boys and Girls
6 Club of Washington County, Inc. 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; and
9 providing generally for 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 Washington
14 County - Boys and Girls Club of Washington County Loan of 2003 in a total principal
15 amount equal to the lesser of (i) \$100,000 or (ii) the amount of the matching fund
16 provided in accordance with Section 1(5) below. This loan shall be evidenced by the
17 issuance, sale, and delivery of State general obligation bonds authorized by a
18 resolution of the Board of Public Works and issued, sold, and delivered in accordance
19 with §§ 8-117 through 8-124 of the State Finance and Procurement Article and
20 Article 31, § 22 of the Code.

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

24 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer
25 and first shall be applied to the payment of the expenses of issuing, selling, and
26 delivering the bonds, unless funds for this purpose are otherwise provided, and then
27 shall be credited on the books of the Comptroller and expended, on approval by the
28 Board of Public Works, for the following public purposes, including any applicable
29 architects' and engineers' fees: as a grant to the Board of Directors of the Boys and
30 Girls Club of Washington County, Inc. (referred to hereafter in this Act as "the
31 grantee") for the acquisition, planning, design, construction, capital equipping,
32 testing, and site preparation of a new boys and girls club unit, located on 2.9 acres of

1 land in and around the Noland Village Public Housing Community, to provide a
2 gymnasium and accompanying rooms for community events and programs, such as
3 character and leadership development, education and career development, health and
4 life skills, the arts, and sports and other recreation programs to aid in its mission of
5 inspiring and enabling all young people, especially those from disadvantaged
6 circumstances, to realize their full potential as productive, responsible, and caring
7 citizens.

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

12 (5) Prior to the payment of any funds under the provisions of this Act for the
13 purposes set forth in Section 1(3) above, the grantee shall provide and expend a
14 matching fund. No part of the grantee's matching fund may be provided, either
15 directly or indirectly, from funds of the State, whether appropriated or
16 unappropriated. No part of the fund may consist of real property, in kind
17 contributions, or funds expended prior to the effective date of this Act. In case of any
18 dispute as to the amount of the matching fund or what money or assets may qualify
19 as matching funds, the Board of Public Works shall determine the matter and the
20 Board's decision is final. The grantee has until June 1, 2005, to present evidence
21 satisfactory to the Board of Public Works that a matching fund will be provided. If
22 satisfactory evidence is presented, the Board shall certify this fact and the amount of
23 the matching fund to the State Treasurer, and the proceeds of the loan equal to the
24 amount of the matching fund shall be expended for the purposes provided in this Act.
25 Any amount of the loan in excess of the amount of the matching fund certified by the
26 Board of Public Works shall be canceled and be of no further effect.

27 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
28 June 1, 2003.