

SENATE BILL 6

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B2  
SB 22/03 - B&T

2004 Regular Session  
4r0278

(PRE-FILED)

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By: **Senator Green**

Requested: July 7, 2003

Introduced and read first time: January 14, 2004

Assigned to: Budget and Taxation

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A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt - Prince George's County - Knights of St. John Hall**

3 FOR the purpose of authorizing the creation of a State Debt in the amount of  
4 \$500,000, the proceeds to be used as a grant to the Board of Trustees of Knights  
5 of St. John Hall, Inc. for certain development or improvement purposes;  
6 requiring the grantee to grant and convey a certain easement to the Maryland  
7 Historical Trust; providing for disbursement of the loan proceeds; prohibiting  
8 the use of the proceeds of the sale of the bonds for religious purposes; 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 Prince  
14 George's County - Knights of St. John Hall Loan of 2004 in the total principal amount  
15 of \$500,000. This loan shall be evidenced by the issuance, sale, and delivery of State  
16 general obligation bonds authorized by a resolution of the Board of Public Works and  
17 issued, sold, and delivered in accordance with §§ 8-117 through 8-124 of the State  
18 Finance and Procurement Article and Article 31, § 22 of the Code.

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

22 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer  
23 and first shall be applied to the payment of the expenses of issuing, selling, and  
24 delivering the bonds, unless funds for this purpose are otherwise provided, and then  
25 shall be credited on the books of the Comptroller and expended, on approval by the  
26 Board of Public Works, for the following public purposes, including any applicable  
27 architects' and engineers' fees: as a grant to the Board of Trustees of Knights of St.  
28 John Hall, Inc. for the repair, renovation, and capital equipping of the historic  
29 meeting hall, located in Bowie.

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

5 (5) (a) Prior to the issuance of the bonds, the grantee shall grant and convey  
6 to the Maryland Historical Trust a perpetual preservation easement to the extent of  
7 its interest:

8 (i) On the land or such portion of the land acceptable to the Trust;  
9 and

10 (ii) On the exterior and interior, where appropriate, of the historic  
11 structures.

12 (b) If the grantee or beneficiary of the grant holds a lease on the land  
13 and structures, the Trust may accept an easement on the leasehold interest.

14 (c) The easement must be in form and substance acceptable to the Trust  
15 and any liens or encumbrances against the land or the structures must be acceptable  
16 to the Trust.

17 (6) No portion of the proceeds of the loan or any of the matching funds may be  
18 used for the furtherance of sectarian religious instruction, or in connection with the  
19 design, acquisition, or construction of any building used or to be used as a place of  
20 sectarian religious worship or instruction, or in connection with any program or  
21 department of divinity for any religious denomination. Upon the request of the Board  
22 of Public Works, the grantee shall submit evidence satisfactory to the Board that none  
23 of the proceeds of the loan or any matching funds have been or are being used for a  
24 purpose prohibited by this Act.

25 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
26 June 1, 2004.