
By: **Senator Green**

Introduced and read first time: January 18, 2005

Assigned to: Budget and Taxation

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 \$250,000, 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 providing for disbursement of the loan proceeds; prohibiting the use of the loan
7 proceeds for religious purposes; establishing a deadline for the encumbrance or
8 expenditure of the loan proceeds; and providing generally for the issuance and
9 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 2005 in the total principal amount
15 of \$250,000. 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 of the Knights of St. John, located in Bowie.

30 (4) An annual State tax is imposed on all assessable property in the State in
31 rate and amount sufficient to pay the principal of and interest on the bonds, as and

1 when due and until paid in full. The principal shall be discharged within 15 years
2 after the date of issuance of the bonds.

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

11 (6) The proceeds of the loan must be expended or encumbered by the Board of
12 Public Works for the purposes provided in this Act no later than June 1, 2012. If any
13 funds authorized by this Act remain unexpended or unencumbered after June 1,
14 2012, the amount of the unencumbered or unexpended authorization shall be
15 canceled and be of no further effect. If bonds have been issued for the loan, the
16 amount of unexpended or unencumbered bond proceeds shall be disposed of as
17 provided in § 8-129 of the State Finance and Procurement Article.

18 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
19 June 1, 2005.