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By: **Senators Stone, Brochin, Haines, Harris, Hollinger, Kasemeyer, Kelley, and Klausmeier**

Introduced and read first time: January 26, 2005

Assigned to: Budget and Taxation

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Committee Report: Favorable

Senate action: Adopted

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CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Baltimore County - Camp Puh'Tok Loan of 1998**

3 FOR the purpose of amending the Baltimore County - Camp Puh'Tok Loan of 1998 to  
4 change the use of the proceeds of the loan to allow for the planning, design,  
5 construction, and capital equipping of new facilities and requiring that the  
6 proceeds of the loan be encumbered by the Board of Public Works or expended  
7 for the purposes provided by a certain date.

8 BY repealing and reenacting, with amendments,  
9 Chapter 170 of the Acts of the General Assembly of 1998  
10 Section 1

11 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
12 MARYLAND, That the Laws of Maryland read as follows:

13 **Chapter 170 of the Acts of 1998**

14 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
15 MARYLAND, That:

16 (1) The Board of Public Works may borrow money and incur indebtedness on  
17 behalf of the State of Maryland through a State loan to be known as the Baltimore  
18 County - Camp Puh'Tok Loan of 1998 in a total principal amount equal to the lesser  
19 of (i) \$250,000 or (ii) the amount of the matching fund provided in accordance with  
20 Section 1(5) below. This loan shall be evidenced by the issuance, sale, and delivery of  
21 State general obligation bonds authorized by a resolution of the Board of Public

1 Works and issued, sold, and delivered in accordance with §§ 8-117 through 8-124 of  
2 the State Finance and Procurement Article and Article 31, § 22 of the Code.

3 (2) The bonds to evidence this loan or installments of this loan may be sold as  
4 a single issue or may be consolidated and sold as part of a single issue of bonds under  
5 § 8-122 of the State Finance and Procurement Article.

6 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer  
7 and first shall be applied to the payment of the expenses of issuing, selling, and  
8 delivering the bonds, unless funds for this purpose are otherwise provided, and then  
9 shall be credited on the books of the Comptroller and expended, on approval by the  
10 Board of Public Works, for the following public purposes, including any applicable  
11 architects' and engineers' fees: as a grant to The Salvation Army (referred to hereafter  
12 in this Act as "the grantee") for the planning, design, construction, and capital  
13 equipping of [a] new [facility] FACILITIES at Camp Puh'Tok in Monkton, [the]  
14 WHICH MAY INCLUDE A facility to be used as an environmental and educational  
15 center with programs for children from Baltimore County schools, as well as for  
16 children who attend the camp, which is nonprofit and open to the public.

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

21 (5) Prior to the payment of any funds under the provisions of this Act for the  
22 purposes set forth in Section 1(3) above, the grantee shall provide and expend a  
23 matching fund. No part of the grantee's matching fund may be provided, either  
24 directly or indirectly, from funds of the State, whether appropriated or  
25 unappropriated. The fund may consist of real property, in kind contributions, or funds  
26 expended prior to the effective date of this Act. In case of any dispute as to the amount  
27 of the matching fund or what money or assets may qualify as matching funds, the  
28 Board of Public Works shall determine the matter and the Board's decision is final.  
29 The grantee has until June 1, 2000, to present evidence satisfactory to the Board of  
30 Public Works that a matching fund will be provided. If satisfactory evidence is  
31 presented, the Board shall certify this fact and the amount of the matching fund to  
32 the State Treasurer, and the proceeds of the loan equal to the amount of the matching  
33 fund shall be expended for the purposes provided in this Act. Any amount of the loan  
34 in excess of the amount of the matching fund certified by the Board of Public Works  
35 shall be canceled and be of no further effect.

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

1       (7)     THE PROCEEDS OF THE LOAN MUST BE EXPENDED OR ENCUMBERED BY  
2 THE BOARD OF PUBLIC WORKS FOR THE PURPOSES PROVIDED IN THIS ACT NO LATER  
3 THAN JUNE 1, 2006. IF ANY FUNDS AUTHORIZED BY THIS ACT REMAIN UNEXPENDED  
4 OR UNENCUMBERED AFTER JUNE 1, 2006, THE AMOUNT OF THE UNENCUMBERED OR  
5 UNEXPENDED AUTHORIZATION SHALL BE CANCELED AND BE OF NO FURTHER  
6 EFFECT. IF BONDS HAVE BEEN ISSUED FOR THE LOAN, THE AMOUNT OF  
7 UNEXPENDED OR UNENCUMBERED BOND PROCEEDS SHALL BE DISPOSED OF AS  
8 PROVIDED IN § 8-129 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

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