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By: **Senator Gladden**

Introduced and read first time: January 26, 2005

Assigned to: Budget and Taxation

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A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt - Baltimore City - St. Bernardine's Catholic Church**  
3 **Community Center**

4 FOR the purpose of authorizing the creation of a State Debt in the amount of  
5 \$500,000, the proceeds to be used as a grant to the Board of Directors of St.  
6 Bernardine's Roman Catholic Congregation, Inc. for certain development or  
7 improvement purposes; providing for disbursement of the loan proceeds;  
8 prohibiting the use of the proceeds of the loan for sectarian religious purposes;  
9 establishing a deadline for the encumbrance or expenditure of the loan proceeds;  
10 and providing generally for the issuance and sale of bonds evidencing the loan.

11 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
12 MARYLAND, That:

13 (1) The Board of Public Works may borrow money and incur indebtedness on  
14 behalf of the State of Maryland through a State loan to be known as the Baltimore  
15 City - St. Bernardine's Catholic Church Community Center Loan of 2005 in the total  
16 principal amount of \$500,000. This loan shall be evidenced by the issuance, sale, and  
17 delivery of State general obligation bonds authorized by a resolution of the Board of  
18 Public Works and issued, sold, and delivered in accordance with §§ 8-117 through  
19 8-124 of the State Finance and Procurement Article and Article 31, § 22 of the Code.

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

23 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer  
24 and first shall be applied to the payment of the expenses of issuing, selling, and  
25 delivering the bonds, unless funds for this purpose are otherwise provided, and then  
26 shall be credited on the books of the Comptroller and expended, on approval by the  
27 Board of Public Works, for the following public purposes, including any applicable  
28 architects' and engineers' fees: as a grant to the Board of Directors of St. Bernardine's  
29 Roman Catholic Congregation, Inc. for the acquisition, planning, design, repair,  
30 renovation, reconstruction, and capital equipping of a building to be used as a  
31 neighborhood community center, located in Baltimore City.

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

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

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