
By: **Senator Gladden**

Introduced and read first time: January 26, 2005

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt - Baltimore City - Forest Park Senior Center**

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 Directors of The
5 Forest Park Senior Center, Inc. for certain development or improvement
6 purposes; providing for disbursement of the loan proceeds, subject to a
7 requirement that the grantee provide and expend a matching fund; establishing
8 a deadline for the encumbrance or expenditure of the loan proceeds; 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 Baltimore
14 City - Forest Park Senior Center Loan of 2005 in the total principal amount of
15 \$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 Directors of The Forest Park
28 Senior Center, Inc. (referred to hereafter in this Act as "the grantee") for the repair,
29 renovation, and capital equipping of the Forest Park Senior Center, located in
30 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) Prior to the payment of any funds under the provisions of this Act for the
6 purposes set forth in Section 1(3) above, the grantee shall provide and expend a
7 matching fund of \$300,000. No part of the grantee's matching fund may be provided,
8 either directly or indirectly, from funds of the State, whether appropriated or
9 unappropriated. No part of the fund may consist of real property or in kind
10 contributions. The grantee's matching fund may consist of funds expended prior to the
11 effective date of this Act. In case of any dispute as to the amount of the matching fund
12 or what money or assets may qualify as matching funds, the Board of Public Works
13 shall determine the matter and the Board's decision is final. The grantee has until
14 June 1, 2007, to present evidence satisfactory to the Board of Public Works that a
15 matching fund will be provided. If satisfactory evidence is presented, the Board shall
16 certify this fact to the State Treasurer, and the proceeds of the loan shall be expended
17 for the purposes provided in this Act.

18 (6) The proceeds of the loan must be expended or encumbered by the Board of
19 Public Works for the purposes provided in this Act no later than June 1, 2012. If any
20 funds authorized by this Act remain unexpended or unencumbered after June 1,
21 2012, the amount of the unencumbered or unexpended authorization shall be
22 canceled and be of no further effect. If bonds have been issued for the loan, the
23 amount of unexpended or unencumbered bond proceeds shall be disposed of as
24 provided in § 8-129 of the State Finance and Procurement Article.

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