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By: **Delegates King, Barkley, Cryor, Dumais, Feldman, Hixson, Lawton,  
Madaleno, Petzold, Simmons, and Stern**

Introduced and read first time: February 15, 2006

Assigned to: Rules and Executive Nominations

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A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt - Montgomery County - Montrose Center for**  
3 **Children and Families**

4 FOR the purpose of authorizing the creation of a State Debt in the amount of  
5 \$350,000, the proceeds to be used as a grant to the Board of Directors of the  
6 Reginald S. Lourie Center for Infants and Young Children, Inc. for certain  
7 development or improvement purposes; providing for disbursement of the loan  
8 proceeds, subject to a requirement that the grantee provide and expend a  
9 matching fund; establishing a deadline for the encumbrance or expenditure of  
10 the loan proceeds; and providing generally for the issuance and sale of bonds  
11 evidencing the loan.

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

14 (1) The Board of Public Works may borrow money and incur indebtedness on  
15 behalf of the State of Maryland through a State loan to be known as the Montgomery  
16 County - Montrose Center for Children and Families Loan of 2006 in the total  
17 principal amount of \$350,000. This loan shall be evidenced by the issuance, sale, and  
18 delivery of State general obligation bonds authorized by a resolution of the Board of  
19 Public Works and issued, sold, and delivered in accordance with §§ 8-117 through  
20 8-124 of the State Finance and Procurement Article and Article 31, § 22 of the Code.

21 (2) The bonds to evidence this loan or installments of this loan may be sold as  
22 a single issue or may be consolidated and sold as part of a single issue of bonds under  
23 § 8-122 of the State Finance and Procurement Article.

24 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer  
25 and first shall be applied to the payment of the expenses of issuing, selling, and  
26 delivering the bonds, unless funds for this purpose are otherwise provided, and then  
27 shall be credited on the books of the Comptroller and expended, on approval by the  
28 Board of Public Works, for the following public purposes, including any applicable  
29 architects' and engineers' fees: as a grant to the Board of Directors of the Reginald S.  
30 Lourie Center for Infants and Young Children, Inc. (referred to hereafter in this Act

1 as "the grantee") for the repair, renovation, and capital equipping of the Montrose  
2 Center for Children and Families, an existing building located in Rockville.

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

7 (5) Prior to the payment of any funds under the provisions of this Act for the  
8 purposes set forth in Section 1(3) above, the grantee shall provide and expend a  
9 matching fund of \$ 200,000. No part of the grantee's matching fund may be provided,  
10 either directly or indirectly, from funds of the State, whether appropriated or  
11 unappropriated. No part of the fund may consist of real property, in kind  
12 contributions, or funds expended prior to the effective date of this Act. In case of any  
13 dispute as to the amount of the matching fund or what money or assets may qualify  
14 as matching funds, the Board of Public Works shall determine the matter and the  
15 Board's decision is final. The grantee has until June 1, 2008, to present evidence  
16 satisfactory to the Board of Public Works that a matching fund will be provided. If  
17 satisfactory evidence is presented, the Board shall certify this fact to the State  
18 Treasurer, and the proceeds of the loan shall be expended for the purposes provided in  
19 this Act.

20 (6) The proceeds of the loan must be expended or encumbered by the Board of  
21 Public Works for the purposes provided in this Act no later than June 1, 2013. If any  
22 funds authorized by this Act remain unexpended or unencumbered after June 1,  
23 2013, the amount of the unencumbered or unexpended authorization shall be  
24 canceled and be of no further effect. If bonds have been issued for the loan, the  
25 amount of unexpended or unencumbered bond proceeds shall be disposed of as  
26 provided in § 8-129 of the State Finance and Procurement Article.

27 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
28 June 1, 2006.