
By: **Senator Hughes**

Introduced and read first time: February 3, 2006

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt - Baltimore City - The Trinity Family Life Center**

3 FOR the purpose of authorizing the creation of a State Debt in the amount of
4 \$400,000, the proceeds to be used as a grant to the Board of Directors of The
5 Trinity Family Life 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; prohibiting
8 the loan proceeds or the matching fund from being used for sectarian religious
9 purposes; establishing a deadline for the encumbrance or expenditure of the
10 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 Baltimore
16 City - The Trinity Family Life Center Loan of 2006 in the total principal amount of
17 \$400,000. This loan shall be evidenced by the issuance, sale, and delivery of State
18 general obligation bonds authorized by a resolution of the Board of Public Works and
19 issued, sold, and delivered in accordance with §§ 8-117 through 8-124 of the State
20 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 Trinity
30 Family Life Center, Inc. (referred to hereafter in this Act as "the grantee") for the
31 repair, renovation, reconstruction, and capital equipping of a community center to

1 offer medical referral services, family counseling, tutorial services, and other services
2 to the community, located in Baltimore City.

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 \$30,000. 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. The fund may consist of real property, in kind contributions, or funds
12 expended prior to the effective date of this Act. In case of any dispute as to the amount
13 of the matching fund or what money or assets may qualify as matching funds, the
14 Board of Public Works shall determine the matter and the Board's decision is final.
15 The grantee has until June 1, 2008, to present evidence satisfactory to the Board of
16 Public Works that a matching fund will be provided. If satisfactory evidence is
17 presented, the Board shall certify this fact to the State Treasurer, and the proceeds of
18 the loan shall be expended for the purposes provided in this Act.

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

27 (7) The proceeds of the loan must be expended or encumbered by the Board of
28 Public Works for the purposes provided in this Act no later than June 1, 2013. If any
29 funds authorized by this Act remain unexpended or unencumbered after June 1,
30 2013, the amount of the unencumbered or unexpended authorization shall be
31 canceled and be of no further effect. If bonds have been issued for the loan, the
32 amount of unexpended or unencumbered bond proceeds shall be disposed of as
33 provided in § 8-129 of the State Finance and Procurement Article.

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