

# HOUSE BILL 114

B2

7lr1375

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By: **Delegates DeBoy and Malone**

Introduced and read first time: January 24, 2007

Assigned to: Appropriations

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## A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt – Baltimore County – Westchester Community**  
3 **Center**

4 FOR the purpose of authorizing the creation of a State Debt in the amount of  
5 \$150,000, the proceeds to be used as a grant to the Board of Directors of the  
6 Westchester Center Foundation, Inc. for certain development or improvement  
7 purposes; providing for disbursement of the loan proceeds, subject to a  
8 requirement that the grantee provide and expend a matching fund; requiring  
9 the grantee to grant and convey a certain easement to the Maryland Historical  
10 Trust; prohibiting the use of the loan proceeds or matching fund for sectarian  
11 religious purposes; establishing a deadline for the encumbrance or expenditure  
12 of the loan proceeds; and providing generally for the issuance and sale of bonds  
13 evidencing the loan.

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 – Westchester Community Center Loan of 2007 in the total principal amount  
19 of \$150,000. This loan shall be evidenced by the issuance, sale, and delivery of State  
20 general obligation bonds authorized by a resolution of the Board of Public Works and  
21 issued, sold, and delivered in accordance with §§ 8–117 through 8–124 of the State  
22 Finance and Procurement Article and Article 31, § 22 of the Code.

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



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

4           (3)     The cash proceeds of the sale of the bonds shall be paid to the Treasurer  
5 and first shall be applied to the payment of the expenses of issuing, selling, and  
6 delivering the bonds, unless funds for this purpose are otherwise provided, and then  
7 shall be credited on the books of the Comptroller and expended, on approval by the  
8 Board of Public Works, for the following public purposes, including any applicable  
9 architects' and engineers' fees: as a grant to the Board of Directors of the Westchester  
10 Center Foundation, Inc. (referred to hereafter in this Act as "the grantee") for the  
11 repair, renovation, reconstruction, and capital equipping of the Westchester  
12 Community Center, located in Oella.

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

17           (5)     Prior to the payment of any funds under the provisions of this Act for the  
18 purposes set forth in Section 1(3) above, the grantee shall provide and expend a  
19 matching fund of \$30,000. No part of the grantee's matching fund may be provided,  
20 either directly or indirectly, from funds of the State, whether appropriated or  
21 unappropriated. No part of the fund may consist of real property, in kind  
22 contributions, or funds expended prior to the effective date of this Act. In case of any  
23 dispute as to the amount of the matching fund or what money or assets may qualify as  
24 matching funds, the Board of Public Works shall determine the matter and the  
25 Board's decision is final. The grantee has until June 1, 2009, to present evidence  
26 satisfactory to the Board of Public Works that a matching fund will be provided. If  
27 satisfactory evidence is presented, the Board shall certify this fact to the State  
28 Treasurer, and the proceeds of the loan shall be expended for the purposes provided in  
29 this Act.

30           (6)     (a)     Prior to the issuance of the bonds, the grantee shall grant and  
31 convey to the Maryland Historical Trust a perpetual preservation easement to the  
32 extent of its interest:

33                           (i)     On the land or such portion of the land acceptable to the  
34 Trust; and

35                           (ii)    On the exterior and interior, where appropriate, of the  
36 historic structures.

1           (b)     If the grantee or beneficiary of the grant holds a lease on the land  
2 and structures, the Trust may accept an easement on the leasehold interest.

3           (c)     The easement must be in form and substance acceptable to the  
4 Trust and any liens or encumbrances against the land or the structures must be  
5 acceptable to the Trust.

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

14          (8)     The proceeds of the loan must be expended or encumbered by the Board  
15 of Public Works for the purposes provided in this Act no later than June 1, 2014. If any  
16 funds authorized by this Act remain unexpended or unencumbered after June 1, 2014,  
17 the amount of the unencumbered or unexpended authorization shall be canceled and  
18 be of no further effect. If bonds have been issued for the loan, the amount of  
19 unexpended or unencumbered bond proceeds shall be disposed of as provided in §  
20 8–129 of the State Finance and Procurement Article.

21          SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
22 June 1, 2007.