

# SENATE BILL 647

B2

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CF 7lr2185

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By: **Senator Exum**

Introduced and read first time: February 2, 2007

Assigned to: Budget and Taxation

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## A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt – Prince George’s County – Delta Alumnae**  
3 **Community Development Center**

4 FOR the purpose of authorizing the creation of a State Debt not to exceed \$150,000,  
5 the proceeds to be used as a grant to the Board of Directors of the Prince  
6 George’s County Delta Alumnae Foundation, Inc. for certain development or  
7 improvement purposes; providing for disbursement of the loan proceeds, subject  
8 to a requirement that the grantee provide and expend a matching fund;  
9 establishing a deadline for the encumbrance or expenditure of the loan  
10 proceeds; and providing generally for the issuance and sale of bonds evidencing  
11 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 Prince  
16 George’s County – Delta Alumnae Community Development Center Loan of 2007 in a  
17 total principal amount equal to the lesser of (i) \$150,000 or (ii) the amount of the  
18 matching fund provided in accordance with Section 1(5) below. This loan shall be  
19 evidenced by the issuance, sale, and delivery of State general obligation bonds  
20 authorized by a resolution of the Board of Public Works and issued, sold, and delivered  
21 in accordance with §§ 8–117 through 8–124 of the State Finance and Procurement  
22 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.



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. No part of the grantee's matching fund may be provided, either  
20 directly or indirectly, from funds of the State, whether appropriated or  
21 unappropriated. No part of the fund may consist of real property or funds expended  
22 prior to the effective date of this Act. The fund may consist of in kind contributions. In  
23 case of any dispute as to the amount of the matching fund or what money or assets  
24 may qualify as matching funds, the Board of Public Works shall determine the matter  
25 and the Board's decision is final. The grantee has until June 1, 2009, to present  
26 evidence satisfactory to the Board of Public Works that a matching fund will be  
27 provided. If satisfactory evidence is presented, the Board shall certify this fact and the  
28 amount of the matching fund to the State Treasurer, and the proceeds of the loan  
29 equal to the amount of the matching fund shall be expended for the purposes provided  
30 in this Act. Any amount of the loan in excess of the amount of the matching fund  
31 certified by the Board of Public Works shall be canceled and be of no further effect.

32       (6) The proceeds of the loan must be expended or encumbered by the Board  
33 of Public Works for the purposes provided in this Act no later than June 1, 2014. If any  
34 funds authorized by this Act remain unexpended or unencumbered after June 1, 2014,  
35 the amount of the unencumbered or unexpended authorization shall be canceled and  
36 be of no further effect. If bonds have been issued for the loan, the amount of  
37 unexpended or unencumbered bond proceeds shall be disposed of as provided in  
38 8-129 of the State Finance and Procurement Article.

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