

SENATE BILL 1000

B2

7lr3384

CF HB 1303

By: **Senator Astle**

Introduced and read first time: March 5, 2007

Assigned to: Rules

A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt – Anne Arundel County – Mount Olive Community**
3 **Life Center**

4 FOR the purpose of authorizing the creation of a State Debt not to exceed \$250,000,
5 the proceeds to be used as a grant to the Board of Directors of the Mount Olive
6 Community Development Corporation, 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 prohibiting the use of the loan proceeds or matching fund for sectarian religious
10 purposes; establishing a deadline for the encumbrance or expenditure of the
11 loan proceeds; and providing generally for the issuance and sale of bonds
12 evidencing the loan.

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

15 (1) The Board of Public Works may borrow money and incur indebtedness on
16 behalf of the State of Maryland through a State loan to be known as the Anne Arundel
17 County – Mount Olive Community Life Center Loan of 2007 in a total principal
18 amount equal to the lesser of (i) \$250,000 or (ii) the amount of the matching fund
19 provided in accordance with Section 1(5) below. This loan shall be evidenced by the
20 issuance, sale, and delivery of State general obligation bonds authorized by a
21 resolution of the Board of Public Works and issued, sold, and delivered in accordance
22 with §§ 8–117 through 8–124 of the State Finance and Procurement Article and
23 Article 31, § 22 of the Code.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



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

1 of the proceeds of the loan or any matching funds have been or are being used for a
2 purpose prohibited by this Act.

3 (7) The proceeds of the loan must be expended or encumbered by the Board
4 of Public Works for the purposes provided in this Act no later than June 1, 2014. If any
5 funds authorized by this Act remain unexpended or unencumbered after June 1, 2014,
6 the amount of the unencumbered or unexpended authorization shall be canceled and
7 be of no further effect. If bonds have been issued for the loan, the amount of
8 unexpended or unencumbered bond proceeds shall be disposed of as provided in §
9 8-129 of the State Finance and Procurement Article.

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