

# SENATE BILL 233

B4

8lr1848

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By: **Senator Exum**

Introduced and read first time: January 23, 2008

Assigned to: Budget and Taxation

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## A BILL ENTITLED

1 AN ACT concerning

2 **Prince George's County – Palmer Park Boys and Girls Club Loan of 2001**

3 FOR the purpose of amending the Prince George's County – Palmer Park Boys and  
4 Girls Club Loan of 2001 to require that the proceeds of the loan be encumbered  
5 by the Board of Public Works or expended for the purposes provided by a certain  
6 date.

7 BY repealing and reenacting, with amendments,  
8 Chapter 680 of the Acts of the General Assembly of 2001, as amended by  
9 Chapter 32 of the Acts of the General Assembly of 2003, and Chapter 30  
10 of the Acts of the General Assembly of 2004  
11 Section 1

12 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
13 MARYLAND, That the Laws of Maryland read as follows:

14 **Chapter 680 of the Acts of 2001, as amended by Chapter 32 of the Acts of 2003**  
15 **and Chapter 30 of the Acts of 2004**

16 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
17 MARYLAND, That:

18 (1) The Board of Public Works may borrow money and incur indebtedness on  
19 behalf of the State of Maryland through a State loan to be known as the Prince  
20 George's County – Palmer Park Boys and Girls Club Loan of 2001 in a total principal  
21 amount equal to the lesser of (i) \$200,000 or (ii) the amount of the matching fund  
22 provided in accordance with Section 1(5) below. This loan shall be evidenced by the  
23 issuance, sale, and delivery of State general obligation bonds authorized by a  
24 resolution of the Board of Public Works and issued, sold, and delivered in accordance  
25 with §§ 8–117 through 8–124 of the State Finance and Procurement Article and  
26 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 Palmer Park  
10 Boys and Girls Club, Inc. (referred to hereafter in this Act as "the grantee") for the  
11 planning, design, repair, renovation, and capital equipping of a facility at Barlowe  
12 Road in Palmer Park to house the Palmer Park Boys and Girls Club.

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. 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. The fund may consist of real property, in kind contributions, or funds  
22 expended prior to the effective date of this Act. In case of any dispute as to the amount  
23 of the matching fund or what money or assets may qualify as matching funds, the  
24 Board of Public Works shall determine the matter and the Board's decision is final.  
25 The grantee has until June 1, 2005, to present evidence satisfactory to the Board of  
26 Public Works that a matching fund will be provided. If satisfactory evidence is  
27 presented, the Board shall certify this fact and the amount of the matching fund to the  
28 State Treasurer, and the proceeds of the loan equal to the amount of the matching  
29 fund shall be expended for the purposes provided in this Act. Any amount of the loan  
30 in excess of the amount of the matching fund certified by the Board of Public Works  
31 shall be canceled and be of no further effect.

32           **(6) THE PROCEEDS OF THE LOAN MUST BE EXPENDED OR**  
33 **ENCUMBERED BY THE BOARD OF PUBLIC WORKS FOR THE PURPOSES**  
34 **PROVIDED IN THIS ACT NO LATER THAN JUNE 1, 2009. IF ANY FUNDS**  
35 **AUTHORIZED BY THIS ACT REMAIN UNEXPENDED OR UNENCUMBERED AFTER**  
36 **JUNE 1, 2009, THE AMOUNT OF THE UNENCUMBERED OR UNEXPENDED**  
37 **AUTHORIZATION SHALL BE CANCELED AND BE OF NO FURTHER EFFECT. IF**  
38 **BONDS HAVE BEEN ISSUED FOR THE LOAN, THE AMOUNT OF UNEXPENDED OR**  
39 **UNENCUMBERED BOND PROCEEDS SHALL BE DISPOSED OF AS PROVIDED IN §**  
40 **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, 2008.