

SENATE BILL 236

B2

8lr1561

By: **Senator Currie**

Introduced and read first time: January 23, 2008

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt – Prince George’s County – Walker Mill Daycare and**
3 **Training Center**

4 FOR the purpose of authorizing the creation of a State Debt not to exceed \$300,000,
5 the proceeds to be used as a grant to the Board of Directors of Walker Mill
6 Development, Inc. for certain development or improvement purposes; providing
7 for disbursement of the loan proceeds, subject to a requirement that the grantee
8 provide and expend a matching fund; requiring the grantee to grant and convey
9 a certain easement to the Maryland Historical Trust; establishing a deadline for
10 the encumbrance or expenditure of the loan proceeds; and providing generally
11 for the issuance and sale of bonds 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 Walker Mill
16 Daycare and Training Center Loan of 2008 in a total principal amount equal to the
17 lesser of (i) \$300,000 or (ii) the amount of the matching fund provided in accordance
18 with Section 1(5) below. This loan shall be evidenced by the issuance, sale, and
19 delivery of State general obligation bonds authorized by a resolution of the Board of
20 Public Works and issued, sold, and delivered in accordance with §§ 8–117 through
21 8–124 of the State Finance and Procurement Article and Article 31, § 22 of the Code.

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

25 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer
26 and first shall be applied to the payment of the expenses of issuing, selling, and
27 delivering the bonds, unless funds for this purpose are otherwise provided, and then

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 shall be credited on the books of the Comptroller and expended, on approval by the
2 Board of Public Works, for the following public purposes, including any applicable
3 architects' and engineers' fees: as a grant to the Board of Directors of Walker Mill
4 Development, Inc. (referred to hereafter in this Act as "the grantee") for the planning,
5 design, construction, and capital equipping of the Walker Mill Daycare and Training
6 Center, located in Capitol Heights.

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

11 (5) Prior to the payment of any funds under the provisions of this Act for the
12 purposes set forth in Section 1(3) above, the grantee shall provide and expend a
13 matching fund. No part of the grantee's matching fund may be provided, either
14 directly or indirectly, from funds of the State, whether appropriated or
15 unappropriated. No part of the fund may consist of funds expended prior to the
16 effective date of this Act. The fund may consist of real property or in kind
17 contributions. In case of any dispute as to the amount of the matching fund or what
18 money or assets may qualify as matching funds, the Board of Public Works shall
19 determine the matter and the Board's decision is final. The grantee has until June 1,
20 2010, to present evidence satisfactory to the Board of Public Works that a matching
21 fund will be provided. If satisfactory evidence is presented, the Board shall certify this
22 fact and the amount of the matching fund to the State Treasurer, and the proceeds of
23 the loan equal to the amount of the matching fund shall be expended for the purposes
24 provided in this Act. Any amount of the loan in excess of the amount of the matching
25 fund certified by the Board of Public Works shall be canceled and be of no further
26 effect.

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

30 (i) On the land or such portion of the land acceptable to the
31 Trust; and

32 (ii) On the exterior and interior, where appropriate, of the
33 historic structures.

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

36 (c) The easement must be in form and substance acceptable to the
37 Trust and any liens or encumbrances against the land or the structures must be
38 acceptable to the Trust.

39 (7) The proceeds of the loan must be expended or encumbered by the Board
40 of Public Works for the purposes provided in this Act no later than June 1, 2015. If any

1 funds authorized by this Act remain unexpended or unencumbered after June 1, 2015,
2 the amount of the unencumbered or unexpended authorization shall be canceled and
3 be of no further effect. If bonds have been issued for the loan, the amount of
4 unexpended or unencumbered bond proceeds shall be disposed of as provided in
5 § 8-129 of the State Finance and Procurement Article.

6 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
7 June 1, 2008.