

SENATE BILL 876

B4

8lr3307

By: **Senator Jones**

Introduced and read first time: February 14, 2008

Assigned to: Rules

A BILL ENTITLED

1 AN ACT concerning

2 **Baltimore City – The Saratoga Center Loan of 2001**

3 FOR the purpose of amending the Baltimore City – The Saratoga Center Loan of 2001
4 to require that the loan proceeds be encumbered by the Board of Public Works
5 or expended for certain purposes by June 1, 2010.

6 BY repealing and reenacting, with amendments,
7 Chapter 728 of the Acts of the General Assembly of 2001
8 Section 1

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

11 **Chapter 728 of the Acts of 2001**

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 Baltimore
16 City – The Saratoga Center Loan of 2001 in a total principal amount equal to the
17 lesser of (i) \$100,000 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.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer
2 and first shall be applied to the payment of the expenses of issuing, selling, and
3 delivering the bonds, unless funds for this purpose are otherwise provided, and then
4 shall be credited on the books of the Comptroller and expended, on approval by the
5 Board of Public Works, for the following public purposes, including any applicable
6 architects' and engineers' fees: as a grant to the Board of Directors of the CarSarCar
7 Community Development Corporation (referred to hereafter in this Act as "the
8 grantee") for the planning, design, repair, renovation, reconstruction, and capital
9 equipping of a building located at 1212 West Saratoga Street in Baltimore, Maryland,
10 for a multipurpose center to be known as The Saratoga Center.

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

15 (5) Prior to the payment of any funds under the provisions of this Act for the
16 purposes set forth in Section 1(3) above, the grantee shall provide and expend a
17 matching fund. No part of the grantee's matching fund may be provided, either
18 directly or indirectly, from funds of the State, whether appropriated or
19 unappropriated. No part of the fund may consist of real property or in kind
20 contributions. The fund may consist of funds expended prior to the effective date of
21 this Act. In case of any dispute as to the amount of the matching fund or what money
22 or assets may qualify as matching funds, the Board of Public Works shall determine
23 the matter and the Board's decision is final. The grantee has until June 1, 2003, to
24 present evidence satisfactory to the Board of Public Works that a matching fund will
25 be provided. If satisfactory evidence is presented, the Board shall certify this fact and
26 the amount of the matching fund to the State Treasurer, and the proceeds of the loan
27 equal to the amount of the matching fund shall be expended for the purposes provided
28 in this Act. Any amount of the loan in excess of the amount of the matching fund
29 certified by the Board of Public Works shall be canceled and be of no further effect.

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

38 **(7) THE PROCEEDS OF THE LOAN MUST BE EXPENDED OR**
39 **ENCUMBERED BY THE BOARD OF PUBLIC WORKS FOR THE PURPOSES**
40 **PROVIDED IN THIS ACT NO LATER THAN JUNE 1, 2010. IF ANY FUNDS**
41 **AUTHORIZED BY THIS ACT REMAIN UNEXPENDED OR UNENCUMBERED AFTER**
42 **JUNE 1, 2010, THE AMOUNT OF THE UNENCUMBERED OR UNEXPENDED**
43 **AUTHORIZATION SHALL BE CANCELED AND BE OF NO FURTHER EFFECT. IF**

1 **BONDS HAVE BEEN ISSUED FOR THE LOAN, THE AMOUNT OF UNEXPENDED OR**
2 **UNENCUMBERED BOND PROCEEDS SHALL BE DISPOSED OF AS PROVIDED IN §**
3 **8-129 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.**

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