

SENATE BILL 901

B2

8lr3353
CF HB 590

By: **Senators Exum and Currie**

Introduced and read first time: February 18, 2008

Assigned to: Rules

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 \$300,000,
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 2008 in a
17 total principal amount equal to the lesser of (i) \$300,000 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.

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

26 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer
27 and first shall be applied to the payment of the expenses of issuing, selling, and

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 delivering the bonds, unless funds for this purpose are otherwise provided, and then
2 shall be credited on the books of the Comptroller and expended, on approval by the
3 Board of Public Works, for the following public purposes, including any applicable
4 architects' and engineers' fees: as a grant to the Board of Directors of the Prince
5 George's County Delta Alumnae Foundation, Inc. (referred to hereafter in this Act as
6 "the grantee") for the acquisition, planning, and design of a community development
7 center, located in Suitland.

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

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

27 (6) The proceeds of the loan must be expended or encumbered by the Board
28 of Public Works for the purposes provided in this Act no later than June 1, 2015. If any
29 funds authorized by this Act remain unexpended or unencumbered after June 1, 2015,
30 the amount of the unencumbered or unexpended authorization shall be canceled and
31 be of no further effect. If bonds have been issued for the loan, the amount of
32 unexpended or unencumbered bond proceeds shall be disposed of as provided in
33 § 8-129 of the State Finance and Procurement Article.

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