

HOUSE BILL 209

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CF 9lr2064

By: **Delegates Barkley, Ali, Barve, Bronrott, Carr, Dumais, Feldman, Frick, Gilchrist, Gutierrez, Heller, Hixson, Hucker, Kaiser, Kramer, Lee, Manno, Mizeur, Montgomery, Reznik, Rice, Simmons, Taylor, and Waldstreicher**

Introduced and read first time: January 28, 2009

Assigned to: Appropriations

A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt – Montgomery County – RCI Group Home**
3 **Renovations**

4 FOR the purpose of authorizing the creation of a State Debt in the amount of
5 \$275,000, the proceeds to be used as a grant to the Board of Directors of
6 Residential Continuum, Inc. for certain development or improvement purposes;
7 providing for disbursement of the loan proceeds, subject to a requirement that
8 the grantee provide and expend a matching fund; establishing a deadline for the
9 encumbrance or expenditure of the loan proceeds; and providing generally for
10 the issuance and sale of bonds evidencing the loan.

11 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
12 MARYLAND, That:

13 (1) The Board of Public Works may borrow money and incur indebtedness on
14 behalf of the State of Maryland through a State loan to be known as the Montgomery
15 County – RCI Group Home Renovations Loan of 2009 in the total principal amount of
16 \$275,000. This loan shall be evidenced by the issuance, sale, and delivery of State
17 general obligation bonds authorized by a resolution of the Board of Public Works and
18 issued, sold, and delivered in accordance with §§ 8–117 through 8–124 of the State
19 Finance and Procurement Article and Article 31, § 22 of the Code.

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

23 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer
24 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 Residential
5 Continuum, Inc. (referred to hereafter in this Act as "the grantee") for the renovation,
6 reconstruction, and capital equipping of group homes for autistic individuals, located
7 in Montgomery Village.

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 of \$100,000. No part of the grantee's matching fund may be provided,
15 either directly or indirectly, from funds of the State, whether appropriated or
16 unappropriated. No part of the fund may consist of real property, in kind
17 contributions, or funds expended prior to the effective date of this Act. In case of any
18 dispute as to the amount of the matching fund or what money or assets may qualify as
19 matching funds, the Board of Public Works shall determine the matter and the
20 Board's decision is final. The grantee has until June 1, 2011, to present evidence
21 satisfactory to the Board of Public Works that a matching fund will be provided. If
22 satisfactory evidence is presented, the Board shall certify this fact to the State
23 Treasurer, and the proceeds of the loan shall be expended for the purposes provided in
24 this Act.

25 (6) The proceeds of the loan must be expended or encumbered by the Board
26 of Public Works for the purposes provided in this Act no later than June 1, 2016. If any
27 funds authorized by this Act remain unexpended or unencumbered after June 1, 2016,
28 the amount of the unencumbered or unexpended authorization shall be canceled and
29 be of no further effect. If bonds have been issued for the loan, the amount of
30 unexpended or unencumbered bond proceeds shall be disposed of as provided in
31 § 8-129 of the State Finance and Procurement Article.

32 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
33 June 1, 2009.