

HOUSE BILL 432

B4

9lr2337

By: **Delegates Branch and Harrison**

Introduced and read first time: February 3, 2009

Assigned to: Appropriations

A BILL ENTITLED

1 AN ACT concerning

2 **Baltimore City – East Baltimore Community Recreation and Learning Center**
3 **Loan of 2001**

4 FOR the purpose of amending the Baltimore City – East Baltimore Community
5 Recreation and Learning Center Loan of 2001 to require that the proceeds of the
6 loan be encumbered by the Board of Public Works or expended for the purposes
7 provided by June 1, 2011.

8 BY repealing and reenacting, with amendments,
9 Chapter 715 of the Acts of the General Assembly of 2001, as amended by
10 Chapter 94 of the Acts of the General Assembly of 2002
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 715 of the Acts of 2001, as amended by Chapter 94 of the Acts of 2002**

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

17 (1) The Board of Public Works may borrow money and incur indebtedness on
18 behalf of the State of Maryland through a State loan to be known as the Baltimore
19 City – East Baltimore Community Recreation and Learning Center Loan of 2001 in a
20 total principal amount equal to the lesser of (i) \$500,000 or (ii) the amount of the
21 matching fund provided in accordance with Section 1(5) below. This loan shall be
22 evidenced by the issuance, sale, and delivery of State general obligation bonds
23 authorized by a resolution of the Board of Public Works and issued, sold, and delivered
24 in accordance with §§ 8–117 through 8–124 of the State Finance and Procurement
25 Article and Article 31, § 22 of the Code.

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 Mayor and City Council of the City of
10 Baltimore (referred to hereafter in this Act as "the grantee") for the acquisition,
11 planning, design, and construction of a facility to be located at 2101 East Biddle Street
12 in Baltimore to be used as a community recreation and learning center.

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. No part of the fund may consist of in kind contributions or funds
22 expended prior to the effective date of this Act. The fund may consist of real property.
23 In case of any dispute as to the amount of the matching fund or what money or assets
24 may qualify as matching funds, the Board of Public Works shall determine the matter
25 and the Board's decision is final. The grantee has until June 1, 2003, to present
26 evidence satisfactory to the Board of Public Works that a matching fund will be
27 provided. If satisfactory evidence is presented, the Board shall certify this fact and the
28 amount of the matching fund to the State Treasurer, and the proceeds of the loan
29 equal to the amount of the matching fund shall be expended for the purposes provided
30 in this Act. Any amount of the loan in excess of the amount of the matching fund
31 certified by the Board of Public Works 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, 2011. IF ANY FUNDS**
35 **AUTHORIZED BY THIS ACT REMAIN UNEXPENDED OR UNENCUMBERED AFTER**
36 **JUNE 1, 2011, 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.**

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