

SENATE BILL 1109

B2

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CF HB 1522

By: **Senator Kasemeyer**

Introduced and read first time: March 8, 2010

Assigned to: Rules

A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt – Baltimore County – Little Sisters of the Poor**

3 FOR the purpose of authorizing the creation of a State Debt in the amount of
4 \$500,000, the proceeds to be used as a grant to the Board of Directors of the
5 Little Sisters of the Poor of Baltimore, Inc. for certain development or
6 improvement purposes; providing for disbursement of the loan proceeds;
7 establishing a deadline for the encumbrance or expenditure of the loan
8 proceeds; prohibiting the use of the loan proceeds or matching funds for
9 sectarian religious purposes; and providing generally for the issuance and sale
10 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 Baltimore
15 County – Little Sisters of the Poor Loan of 2010 in the total principal amount of
16 \$500,000. 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
25 delivering the bonds, unless funds for this purpose are otherwise provided, and then
26 shall be credited on the books of the Comptroller and expended, on approval by the
27 Board of Public Works, for the following public purposes, including any applicable

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 architects' and engineers' fees: as a grant to the Board of Directors of the Little Sisters
2 of the Poor of Baltimore, Inc. for the acquisition, repair, and capital equipping of an
3 HVAC unit for the Little Sisters of the Poor facility, located in Catonsville.

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

8 (5) No portion of the proceeds of the loan or any of the matching funds may
9 be used for the furtherance of sectarian religious instruction, or in connection with the
10 design, acquisition, or construction of any building used or to be used as a place of
11 sectarian religious worship or instruction, or in connection with any program or
12 department of divinity for any religious denomination. Upon the request of the Board
13 of Public Works, the grantee shall submit evidence satisfactory to the Board that none
14 of the proceeds of the loan or any matching funds have been or are being used for a
15 purpose prohibited by this Act.

16 (6) The proceeds of the loan must be expended or encumbered by the Board
17 of Public Works for the purposes provided in this Act no later than June 1, 2017. If any
18 funds authorized by this Act remain unexpended or unencumbered after June 1, 2017,
19 the amount of the unencumbered or unexpended authorization shall be canceled and
20 be of no further effect. If bonds have been issued for the loan, the amount of
21 unexpended or unencumbered bond proceeds shall be disposed of as provided in
22 § 8-129 of the State Finance and Procurement Article.

23 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
24 June 1, 2010.