

SENATE BILL 984

B2
SB 922/13 – B&T

4r2076
CF HB 706

By: **Senators Manno, Feldman, Forehand, Frosh, King, and Raskin**

Introduced and read first time: February 10, 2014

Assigned to: Rules

A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt – Montgomery County – Silver Spring Learning**
3 **Center Expansion**

4 FOR the purpose of authorizing the creation of a State Debt not to exceed \$150,000,
5 the proceeds to be used as a grant to the Board of Trustees of the Silver Spring
6 Jewish Center, 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; prohibiting the use of the loan
9 proceeds or matching fund for sectarian religious purposes; establishing a
10 deadline for the encumbrance or expenditure of the loan proceeds; and providing
11 generally for the issuance and sale of bonds evidencing 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 Montgomery
16 County – Silver Spring Learning Center Expansion Loan of 2014 in a total principal
17 amount equal to the lesser of (i) \$150,000 or (ii) the amount of the matching fund
18 provided in accordance with Section 1(5) below. This loan shall be evidenced by the
19 issuance, sale, and delivery of State general obligation bonds authorized by a
20 resolution of the Board of Public Works and issued, sold, and delivered in accordance
21 with §§ 8–117 through 8–124 and 8–131.2 of the State Finance and Procurement
22 Article.

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 Trustees of the Silver Spring
5 Jewish Center, Inc. (referred to hereafter in this Act as "the grantee") for the
6 acquisition, planning, design, construction, repair, renovation, reconstruction, and
7 capital equipping of the Silver Spring Learning Center, located in Montgomery
8 County.

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

13 (5) Prior to the payment of any funds under the provisions of this Act for the
14 purposes set forth in Section 1(3) above, the grantee shall provide and expend a
15 matching fund. No part of the grantee's matching fund may be provided, either
16 directly or indirectly, from funds of the State, whether appropriated or
17 unappropriated. No part of the fund may consist of real property, in kind
18 contributions, or funds expended prior to the effective date of this Act. In case of any
19 dispute as to the amount of the matching fund or what money or assets may qualify as
20 matching funds, the Board of Public Works shall determine the matter and the
21 Board's decision is final. The grantee has until June 1, 2016, to present evidence
22 satisfactory to the Board of Public Works that a matching fund will be provided. If
23 satisfactory evidence is presented, the Board shall certify this fact and the amount of
24 the matching fund to the State Treasurer, and the proceeds of the loan equal to the
25 amount of the matching fund shall be expended for the purposes provided in this Act.
26 Any amount of the loan in excess of the amount of the matching fund certified by the
27 Board of Public Works shall be canceled and be of no further effect.

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

36 (7) The proceeds of the loan must be expended or encumbered by the Board
37 of Public Works for the purposes provided in this Act no later than June 1, 2021. If any
38 funds authorized by this Act remain unexpended or unencumbered after June 1, 2021,
39 the amount of the unencumbered or unexpended authorization shall be canceled and
40 be of no further effect. If bonds have been issued for the loan, the amount of
41 unexpended or unencumbered bond proceeds shall be disposed of as provided in
42 § 8-129 of the State Finance and Procurement Article.

1 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
2 June 1, 2014.