

# HOUSE BILL 900

B2, B5

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CF SB 492

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By: **Delegates Dumais, Barkley, Barve, Carr, Cullison, Fraser–Hidalgo, Frick, Gilchrist, Gutierrez, Hixson, Kaiser, Kelly, Korman, Kramer, Luedtke, A. Miller, Moon, Morales, Platt, Reznik, S. Robinson, Smith, Waldstreicher, and Zucker**

Introduced and read first time: February 13, 2015

Assigned to: Appropriations

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## A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt – Montgomery County – Cornerstone Montgomery and**  
3 **Interfaith Works Project**

4 FOR the purpose of authorizing the creation of a State Debt in certain years not to exceed  
5 \$350,000 each year, the proceeds to be used as a grant to the Board of Directors of  
6 the Cornerstone Montgomery, Inc. and the Board of Directors of the Interfaith  
7 Works, Inc. for certain development or improvement purposes; providing for  
8 disbursement of the loan proceeds each year, subject to a requirement that the  
9 grantee provide and expend a matching fund each year; prohibiting the use of the  
10 loan proceeds or matching fund for sectarian religious purposes; establishing a  
11 deadline for the encumbrance or expenditure of the loan proceeds; and providing  
12 generally for the issuance and sale of bonds evidencing the loans.

13 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,  
14 That:

15 (1) The Board of Public Works may borrow money and incur indebtedness on  
16 behalf of the State of Maryland through a State loan to be known as the Montgomery  
17 County – Cornerstone Montgomery and Interfaith Works Project Loan of 2015 in a total  
18 principal amount equal to the lesser of (i) \$350,000 or (ii) the amount of the matching fund  
19 provided in accordance with Section 1(5) below. This loan shall be evidenced by the  
20 issuance, sale, and delivery of State general obligation bonds authorized by a resolution of  
21 the Board of Public Works and issued, sold, and delivered in accordance with §§ 8–117  
22 through 8–124 and 8–131.2 of the State Finance and Procurement Article.

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

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1           (3)     The cash proceeds of the sale of the bonds shall be paid to the Treasurer and  
2 first shall be applied to the payment of the expenses of issuing, selling, and delivering the  
3 bonds, unless funds for this purpose are otherwise provided, and then shall be credited on  
4 the books of the Comptroller and expended, on approval by the Board of Public Works, for  
5 the following public purposes, including any applicable architects' and engineers' fees: as a  
6 grant to the Board of Directors of the Cornerstone Montgomery, Inc. and the Board of  
7 Directors of the Interfaith Works, Inc. (referred to hereafter in this Act as "the grantee")  
8 for the acquisition, planning, design, construction, repair, renovation, reconstruction, and  
9 capital equipping of #2 Taft Court facility and for the relocation of Cornerstone Montgomery  
10 and Interfaith Works facilities, located in Montgomery County.

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

15           (5)     Prior to the payment of any funds under the provisions of this Act for the  
16 purposes set forth in Section 1 (3) above, the grantee shall provide and expend a matching  
17 fund. No part of the grantee's matching fund may be provided, either directly or indirectly,  
18 from funds of the State, whether appropriated or unappropriated. No part of the fund may  
19 consist of real property, in kind contributions, or funds expended prior to the effective date  
20 of this Act. In case of any dispute as to the amount of the matching fund or what money or  
21 assets may qualify as matching funds, the Board of Public Works shall determine the  
22 matter and the Board's decision is final. The grantee has until June 1, 2017, to present  
23 evidence satisfactory to the Board of Public Works that a matching fund will be provided.  
24 If satisfactory evidence is presented, the Board shall certify this fact and the amount of the  
25 matching fund to the State Treasurer, and the proceeds of the loan equal to the amount of  
26 the matching fund shall be expended for the purposes provided in this Act. Any amount of  
27 the loan in excess of the amount of the matching fund certified by the Board of Public Works  
28 shall be canceled and be of no further effect.

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

37           (7)     The proceeds of the loan must be expended or encumbered by the Board of  
38 Public Works for the purposes provided in this Act no later than June 1, 2022. If any funds  
39 authorized by this Act remain unexpended or unencumbered after June 1, 2022, the  
40 amount of the unencumbered or unexpended authorization shall be canceled and be of no  
41 further effect. If bonds have been issued for the loan, the amount of unexpended or

1 unencumbered bond proceeds shall be disposed of as provided in § 8–129 of the State  
2 Finance and Procurement Article.

3 SECTION 2. AND BE IT FURTHER ENACTED, That:

4 (1) The Board of Public Works may borrow money and incur indebtedness on  
5 behalf of the State of Maryland through a State loan to be known as the Maryland  
6 Consolidated Capital Bond Loan Preauthorization Act of 2016 in total principal amount of  
7 \$350,000. These loans shall be evidenced by the issuance, sale, and delivery of State general  
8 obligation bonds authorized by a resolution of the Board of Public Works and issued, sold,  
9 and delivered in accordance with §§ 8–117 through 8–124 and 8–131.2 of the State Finance  
10 and Procurement Article.

11 (2) The bonds to evidence these loans or installments of these loans may be sold  
12 as a single issue or may be consolidated and sold as part of a single issue of bonds under §  
13 8–122 of the State Finance and Procurement Article.

14 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer and  
15 first shall be applied to the payment of the expenses of issuing, selling, and delivering the  
16 bonds, unless funds for this purpose are otherwise provided, and then shall be credited on  
17 the books of the Comptroller and expended, on approval by the Board of Public Works, for  
18 the following public purposes, including any applicable architects’ and engineers’ fees:

19 ZA00 LEGISLATIVE INITIATIVES

20	(A)	Cornerstone Montgomery and Interfaith Works Project.	
21		Provide a grant equal to the lesser of (i) \$350,000 or (ii) the	
22		amount of the matching fund provided, to the Board of	
23		Directors of the Cornerstone Montgomery, Inc. and the Board	
24		of Directors of the Interfaith Works, Inc. for the acquisition,	
25		planning, design, construction, repair, renovation,	
26		reconstruction, and capital equipping of #2 Taft Court facility	
27		and for the relocation of Cornerstone Montgomery and	
28		Interfaith Works facilities (Montgomery County) .....	350,000

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

33 (5) Prior to the payment of any funds under the provisions of this Act for the  
34 purposes set forth in Section 1(3) above, the grantee shall provide and expend a matching  
35 fund. No part of the grantee’s matching fund may be provided, either directly or indirectly,  
36 from funds of the State, whether appropriated or unappropriated. No part of the fund may  
37 consist of real property, in kind contributions, or funds expended prior to the effective date  
38 of this Act. In case of any dispute as to the amount of the matching fund or what money or  
39 assets may qualify as matching funds, the Board of Public Works shall determine the

1 matter and the Board's decision is final. The grantee has until June 1, 2018, to present  
2 evidence satisfactory to the Board of Public Works that a matching fund will be provided.  
3 If satisfactory evidence is presented, the Board shall certify this fact and the amount of the  
4 matching fund to the State Treasurer, and the proceeds of the loan equal to the amount of  
5 the matching fund shall be expended for the purposes provided in this Act. Any amount of  
6 the loan in excess of the amount of the matching fund certified by the Board of Public Works  
7 shall be canceled and be of no further effect.

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

16 (7) The proceeds of the loan must be expended or encumbered by the Board of  
17 Public Works for the purposes provided in this Act no later than June 1, 2023. If any funds  
18 authorized by this Act remain unexpended or unencumbered after June 1, 2023, the  
19 amount of the unencumbered or unexpended authorization shall be canceled and be of no  
20 further effect. If bonds have been issued for the loan, the amount of unexpended or  
21 unencumbered bond proceeds shall be disposed of as provided in § 8-129 of the State  
22 Finance and Procurement Article.

23 SECTION 3. AND BE IT FURTHER ENACTED, That:

24 (1) The Board of Public Works may borrow money and incur indebtedness on  
25 behalf of the State of Maryland through a State loan to be known as the Maryland  
26 Consolidated Capital Bond Loan Preauthorization Act of 2017 in total principal amount of  
27 \$350,000. These loans shall be evidenced by the issuance, sale, and delivery of State general  
28 obligation bonds authorized by a resolution of the Board of Public Works and issued, sold,  
29 and delivered in accordance with §§ 8-117 through 8-124 and 8-131.2 of the State Finance  
30 and Procurement Article.

31 (2) The bonds to evidence these loans or installments of these loans may be sold  
32 as a single issue or may be consolidated and sold as part of a single issue of bonds under §  
33 8-122 of the State Finance and Procurement Article.

34 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer and  
35 first shall be applied to the payment of the expenses of issuing, selling, and delivering the  
36 bonds, unless funds for this purpose are otherwise provided, and then shall be credited on  
37 the books of the Comptroller and expended, on approval by the Board of Public Works, for  
38 the following public purposes, including any applicable architects' and engineers' fees:

1 (A) Cornerstone Montgomery and Interfaith Works Project.  
 2 Provide a grant equal to the lesser of (i) \$350,000 or (ii) the  
 3 amount of the matching fund provided, to the Board of  
 4 Directors of the Cornerstone Montgomery, Inc. and the Board  
 5 of Directors of the Interfaith Works, Inc. for the acquisition,  
 6 planning, design, construction, repair, renovation,  
 7 reconstruction, and capital equipping of #2 Taft Court facility  
 8 and for the relocation of Cornerstone Montgomery and  
 9 Interfaith Works facilities (Montgomery County) ..... 350,000

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

14 (5) Prior to the payment of any funds under the provisions of this Act for the  
 15 purposes set forth in Section 1(3) above, the grantee shall provide and expend a matching  
 16 fund. No part of the grantee’s matching fund may be provided, either directly or indirectly,  
 17 from funds of the State, whether appropriated or unappropriated. No part of the fund may  
 18 consist of real property, in kind contributions, or funds expended prior to the effective date  
 19 of this Act. In case of any dispute as to the amount of the matching fund or what money or  
 20 assets may qualify as matching funds, the Board of Public Works shall determine the  
 21 matter and the Board’s decision is final. The grantee has until June 1, 2019, to present  
 22 evidence satisfactory to the Board of Public Works that a matching fund will be provided.  
 23 If satisfactory evidence is presented, the Board shall certify this fact and the amount of the  
 24 matching fund to the State Treasurer, and the proceeds of the loan equal to the amount of  
 25 the matching fund shall be expended for the purposes provided in this Act. Any amount of  
 26 the loan in excess of the amount of the matching fund certified by the Board of Public Works  
 27 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 be  
 29 used for the furtherance of sectarian religious instruction, or in connection with the design,  
 30 acquisition, or construction of any building used or to be used as a place of sectarian  
 31 religious worship or instruction, or in connection with any program or department of  
 32 divinity for any religious denomination. Upon the request of the Board of Public Works, the  
 33 grantee shall submit evidence satisfactory to the Board that none of the proceeds of the  
 34 loan or any matching funds have been or are being used for a purpose prohibited by this  
 35 Act.

36 (7) The proceeds of the loan must be expended or encumbered by the Board of  
 37 Public Works for the purposes provided in this Act no later than June 1, 2024. If any funds  
 38 authorized by this Act remain unexpended or unencumbered after June 1, 2024, the  
 39 amount of the unencumbered or unexpended authorization shall be canceled and be of no  
 40 further effect. If bonds have been issued for the loan, the amount of unexpended or  
 41 unencumbered bond proceeds shall be disposed of as provided in § 8–129 of the State  
 42 Finance and Procurement Article.

SECTION 4. AND BE IT FURTHER ENACTED, That:

(1) The Board of Public Works may borrow money and incur indebtedness on behalf of the State of Maryland through a State loan to be known as the Maryland Consolidated Capital Bond Loan Preauthorization Act of 2018 in total principal amount of \$350,000. These loans shall be evidenced by the issuance, sale, and delivery of State general obligation bonds authorized by a resolution of the Board of Public Works and issued, sold, and delivered in accordance with §§ 8–117 through 8–124 and 8–131.2 of the State Finance and Procurement Article.

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

(3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer and first shall be applied to the payment of the expenses of issuing, selling, and delivering the bonds, unless funds for this purpose are otherwise provided, and then shall be credited on the books of the Comptroller and expended, on approval by the Board of Public Works, for the following public purposes, including any applicable architects’ and engineers’ fees:

ZA00 LEGISLATIVE INITIATIVES

18	(A)	Cornerstone Montgomery and Interfaith Works Project.	
19		Provide a grant equal to the lesser of (i) \$350,000 or (ii) the	
20		amount of the matching fund provided, to the Board of	
21		Directors of the Cornerstone Montgomery, Inc. and the Board	
22		of Directors of the Interfaith Works, Inc. for the acquisition,	
23		planning, design, construction, repair, renovation,	
24		reconstruction, and capital equipping of #2 Taft Court facility	
25		and for the relocation of Cornerstone Montgomery and	
26		Interfaith Works facilities (Montgomery County) .....	350,000

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

(5) Prior to the payment of any funds under the provisions of this Act for the purposes set forth in Section 1(3) above, the grantee shall provide and expend a matching fund. No part of the grantee’s matching fund may be provided, either directly or indirectly, from funds of the State, whether appropriated or unappropriated. No part of the fund may consist of real property, in kind contributions, or funds expended prior to the effective date of this Act. In case of any dispute as to the amount of the matching fund or what money or assets may qualify as matching funds, the Board of Public Works shall determine the matter and the Board’s decision is final. The grantee has until June 1, 2020, to present evidence satisfactory to the Board of Public Works that a matching fund will be provided. If satisfactory evidence is presented, the Board shall certify this fact and the amount of the

1 matching fund to the State Treasurer, and the proceeds of the loan equal to the amount of  
2 the matching fund shall be expended for the purposes provided in this Act. Any amount of  
3 the loan in excess of the amount of the matching fund certified by the Board of Public Works  
4 shall be canceled and be of no further effect.

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

13 (7) The proceeds of the loan must be expended or encumbered by the Board of  
14 Public Works for the purposes provided in this Act no later than June 1, 2025. If any funds  
15 authorized by this Act remain unexpended or unencumbered after June 1, 2025, the  
16 amount of the unencumbered or unexpended authorization shall be canceled and be of no  
17 further effect. If bonds have been issued for the loan, the amount of unexpended or  
18 unencumbered bond proceeds shall be disposed of as provided in § 8–129 of the State  
19 Finance and Procurement Article.

20 SECTION 5. AND BE IT FURTHER ENACTED, That:

21 (1) The Board of Public Works may borrow money and incur indebtedness on  
22 behalf of the State of Maryland through a State loan to be known as the Maryland  
23 Consolidated Capital Bond Loan Preauthorization Act of 2019 in total principal amount of  
24 \$350,000. These loans shall be evidenced by the issuance, sale, and delivery of State general  
25 obligation bonds authorized by a resolution of the Board of Public Works and issued, sold,  
26 and delivered in accordance with §§ 8–117 through 8–124 and 8–131.2 of the State Finance  
27 and Procurement Article.

28 (2) The bonds to evidence these loans or installments of these loans may be sold  
29 as a single issue or may be consolidated and sold as part of a single issue of bonds under §  
30 8–122 of the State Finance and Procurement Article.

31 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer and  
32 first shall be applied to the payment of the expenses of issuing, selling, and delivering the  
33 bonds, unless funds for this purpose are otherwise provided, and then shall be credited on  
34 the books of the Comptroller and expended, on approval by the Board of Public Works, for  
35 the following public purposes, including any applicable architects' and engineers' fees:

36 ZA00

#### LEGISLATIVE INITIATIVES

37 (A) Cornerstone Montgomery and Interfaith Works Project.  
38 Provide a grant equal to the lesser of (i) \$350,000 or (ii) the  
39 amount of the matching fund provided, to the Board of

1	Directors of the Cornerstone Montgomery, Inc. and the Board	
2	of Directors of the Interfaith Works, Inc. for the acquisition,	
3	planning, design, construction, repair, renovation,	
4	reconstruction, and capital equipping of #2 Taft Court facility	
5	and for the relocation of Cornerstone Montgomery and	
6	Interfaith Works facilities (Montgomery County) .....	350,000

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

11           (5)    Prior to the payment of any funds under the provisions of this Act for the  
12 purposes set forth in Section 1(3) above, the grantee shall provide and expend a matching  
13 fund. No part of the grantee’s matching fund may be provided, either directly or indirectly,  
14 from funds of the State, whether appropriated or unappropriated. No part of the fund may  
15 consist of real property, in kind contributions, or funds expended prior to the effective date  
16 of this Act. In case of any dispute as to the amount of the matching fund or what money or  
17 assets may qualify as matching funds, the Board of Public Works shall determine the  
18 matter and the Board’s decision is final. The grantee has until June 1, 2021, to present  
19 evidence satisfactory to the Board of Public Works that a matching fund will be provided.  
20 If satisfactory evidence is presented, the Board shall certify this fact and the amount of the  
21 matching fund to the State Treasurer, and the proceeds of the loan equal to the amount of  
22 the matching fund shall be expended for the purposes provided in this Act. Any amount of  
23 the loan in excess of the amount of the matching fund certified by the Board of Public Works  
24 shall be canceled and be of no further effect.

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

33           (7)    The proceeds of the loan must be expended or encumbered by the Board of  
34 Public Works for the purposes provided in this Act no later than June 1, 2026. If any funds  
35 authorized by this Act remain unexpended or unencumbered after June 1, 2026, the  
36 amount of the unencumbered or unexpended authorization shall be canceled and be of no  
37 further effect. If bonds have been issued for the loan, the amount of unexpended or  
38 unencumbered bond proceeds shall be disposed of as provided in § 8–129 of the State  
39 Finance and Procurement Article.

40           SECTION 6. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall take  
41 effect June 1, 2016.



1           SECTION 7. AND BE IT FURTHER ENACTED, That Section 3 of this Act shall take  
2 effect June 1, 2017.

3           SECTION 8. AND BE IT FURTHER ENACTED, That Section 4 of this Act shall take  
4 effect June 1, 2018.

5           SECTION 9. AND BE IT FURTHER ENACTED, That Section 5 of this Act shall take  
6 effect June 1, 2019.

7           SECTION 10. AND BE IT FURTHER ENACTED, That, except as provided in  
8 Sections 6, 7, 8, and 9 of this Act, this Act shall take effect June 1, 2015.