

SENATE BILL 749

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B2

1998 Regular Session
8lr2659
CF 8lr2649

By: **Senator Colburn**

Introduced and read first time: February 23, 1998

Rule 32 suspended

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt - Dorchester County - City of Cambridge - Liberty**
3 **Village Empowerment Center**

4 FOR the purpose of authorizing the creation of a State Debt not to exceed \$299,300,
5 the proceeds to be used as a grant to the City of Cambridge for certain
6 acquisition, development, or improvement purposes; providing for disbursement
7 of the loan proceeds, subject to a requirement that the grantee provide and
8 expend a matching fund; and providing generally for the issuance and sale of
9 bonds evidencing the loan.

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

12 (1) The Board of Public Works may borrow money and incur indebtedness on
13 behalf of the State of Maryland through a State loan to be known as the Dorchester
14 County - City of Cambridge - Liberty Village Empowerment Center Loan of 1998 in
15 a total principal amount equal to the lesser of (i) \$299,300 or (ii) the amount of the
16 matching fund provided in accordance with Section 1(5) below. This loan shall be
17 evidenced by the issuance, sale, and delivery of State general obligation bonds
18 authorized by a resolution of the Board of Public Works and issued, sold, and
19 delivered in accordance with §§ 8-117 through 8-124 of the State Finance and
20 Procurement Article and Article 31, § 22 of the Code.

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

24 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer
25 and first shall be applied to the payment of the expenses of issuing, selling, and
26 delivering the bonds, unless funds for this purpose are otherwise provided, and then
27 shall be credited on the books of the Comptroller and expended, on approval by the
28 Board of Public Works, for the following public purposes, including any applicable
29 architects' and engineers' fees: as a grant to the City of Cambridge (referred to
30 hereafter in this Act as "the grantee") for the planning, design, construction, and
31 capital equipping and furnishing of Phase 2 of Liberty Village, a building to be known

1 as the Liberty Village Empowerment Center on the grounds of the Pine Street
2 Elementary School in Cambridge, the Center to be used as a facility where people can
3 learn of the rich cultural heritage of the area and also to be used as a computer and
4 medical educational, training, and retraining center for people in the area.

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

9 (5) Prior to the payment of any funds under the provisions of this Act for the
10 purposes set forth in Section 1(3) above, the grantee shall provide and expend a
11 matching fund. No part of the grantee's matching fund may be provided, either
12 directly or indirectly, from funds of the State, whether appropriated or
13 unappropriated. The fund may consist of real property, in kind contributions, or funds
14 expended prior to the effective date of this Act. In case of any dispute as to the amount
15 of the matching fund or what money or assets may qualify as matching funds, the
16 Board of Public Works shall determine the matter and the Board's decision is final.
17 The grantee has until June 1, 2000, to present evidence satisfactory to the Board of
18 Public Works that a matching fund will be provided. If satisfactory evidence is
19 presented, the Board shall certify this fact and the amount of the matching fund to
20 the State Treasurer, and the proceeds of the loan equal to the amount of the matching
21 fund shall be expended for the purposes provided in this Act. Any amount of the loan
22 in excess of the amount of the matching fund certified by the Board of Public Works
23 shall be canceled and be of no further effect.

24 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
25 June 1, 1998.