

SENATE BILL 262

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B2  
SB 727/00 - B&T

2001 Regular Session  
11r1555  
CF 11r2229

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By: **Senator McFadden**

Introduced and read first time: January 26, 2001

Assigned to: Budget and Taxation

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A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt - Baltimore City - Cole-Grant-Higgs Senior Center**

3 FOR the purpose of authorizing the creation of a State Debt not to exceed \$250,000,  
4 the proceeds to be used as a grant to the Board of Directors of the Southern  
5 Baptist Community Development Corporation for certain development or  
6 improvement purposes; providing for disbursement of the loan proceeds, subject  
7 to a requirement that the grantee provide and expend a matching fund;  
8 providing that no proceeds of a loan or any matching funds may be used for  
9 religious purposes; and providing generally for the issuance and sale of bonds  
10 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 City - Cole-Grant-Higgs Senior Center Loan of 2001 in a total principal amount  
16 equal to the lesser of (i) \$250,000 or (ii) the amount of the matching fund provided in  
17 accordance with Section 1(5) below. This loan shall be evidenced by the issuance, sale,  
18 and delivery of State general obligation bonds authorized by a resolution of the Board  
19 of Public Works and issued, sold, and delivered in accordance with §§ 8-117 through  
20 8-124 of the State Finance and 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 Board of Directors of the Southern  
30 Baptist Community Development Corporation (referred to hereafter in this Act as  
31 "the grantee") for the planning, design, construction, and capital equipping of the

1 Cole-Grant-Higgs Senior Center, a facility being developed to provide programs and  
2 services for senior citizens located in Baltimore City.

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

7 (5) Prior to the payment of any funds under the provisions of this Act for the  
8 purposes set forth in Section 1(3) above, the grantee shall provide and expend a  
9 matching fund. No part of the grantee's matching fund may be provided, either  
10 directly or indirectly, from funds of the State, whether appropriated or  
11 unappropriated. No part of the fund may consist of real property, in kind  
12 contributions, or funds expended prior to the effective date of this Act. In case of any  
13 dispute as to the amount of the matching fund or what money or assets may qualify  
14 as matching funds, the Board of Public Works shall determine the matter and the  
15 Board's decision is final. The grantee has until June 1, 2003, to present evidence  
16 satisfactory to the Board of Public Works that a matching fund will be provided. If  
17 satisfactory evidence is presented, the Board shall certify this fact to the State  
18 Treasurer, and the proceeds of the loan shall be expended for the purposes provided in  
19 this Act.

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

28 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
29 June 1, 2001.