

SENATE BILL 664

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SB 79/02 - B&T

2003 Regular Session
3lr2231
CF 3lr2036

By: **Senator Gladden**

Introduced and read first time: February 13, 2003

Assigned to: Rules

A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt - Baltimore City - TuT's Place**

3 FOR the purpose of authorizing the creation of a State Debt not to exceed \$325,000,
4 the proceeds to be used as a grant to the Board of Directors of TuT's Place for
5 certain development or improvement purposes; providing for disbursement of
6 the loan proceeds, subject to a requirement that the grantee provide and expend
7 a matching fund; and providing generally for the issuance and sale of bonds
8 evidencing the loan.

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

11 (1) The Board of Public Works may borrow money and incur indebtedness on
12 behalf of the State of Maryland through a State loan to be known as the Baltimore
13 City - TuT's Place Loan of 2003 in a total principal amount equal to the lesser of (i)
14 \$325,000 or (ii) the amount of the matching fund provided in accordance with Section
15 1(5) below. This loan shall be evidenced by the issuance, sale, and delivery of State
16 general obligation bonds authorized by a resolution of the Board of Public Works and
17 issued, sold, and delivered in accordance with §§ 8-117 through 8-124 of the State
18 Finance and Procurement Article and Article 31, § 22 of the Code.

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

22 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer
23 and first shall be applied to the payment of the expenses of issuing, selling, and
24 delivering the bonds, unless funds for this purpose are otherwise provided, and then
25 shall be credited on the books of the Comptroller and expended, on approval by the
26 Board of Public Works, for the following public purposes, including any applicable
27 architects' and engineers' fees: as a grant to the Board of Directors of TuT's Place
28 (referred to hereafter in this Act as "the grantee"), for renovation and reconstruction
29 of a residential group home for adolescents, located in Baltimore.

30 (4) An annual State tax is imposed on all assessable property in the State in
31 rate and amount sufficient to pay the principal of and interest on the bonds, as and

1 when due and until paid in full. The principal shall be discharged within 15 years
2 after the date of issuance of the bonds.

3 (5) Prior to the payment of any funds under the provisions of this Act for the
4 purposes set forth in Section 1(3) above, the grantee shall provide and expend a
5 matching fund. No part of the grantee's matching fund may be provided, either
6 directly or indirectly, from funds of the State, whether appropriated or
7 unappropriated. The fund may consist of real property, in kind contributions, or funds
8 expended prior to the effective date of this Act. In case of any dispute as to the amount
9 of the matching fund or what money or assets may qualify as matching funds, the
10 Board of Public Works shall determine the matter and the Board's decision is final.
11 The grantee has until June 1, 2005, to present evidence satisfactory to the Board of
12 Public Works that a matching fund will be provided. If satisfactory evidence is
13 presented, the Board shall certify this fact and the amount of the matching fund to
14 the State Treasurer, and the proceeds of the loan equal to the amount of the matching
15 fund shall be expended for the purposes provided in this Act. Any amount of the loan
16 in excess of the amount of the matching fund certified by the Board of Public Works
17 shall be canceled and be of no further effect.

18 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
19 June 1, 2003.