

# SENATE BILL 894

B2  
SB 594/06 – B&T

71r3130

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By: **Senator Pugh**  
Introduced and read first time: February 21, 2007  
Assigned to: Rules

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## A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt – Baltimore City – The Trinity Family Life Center**

3 FOR the purpose of authorizing the creation of a State Debt in the amount of  
4 \$430,000, the proceeds to be used as a grant to the Board of Directors of The  
5 Trinity Family Life Center, Inc. for certain development or improvement  
6 purposes; providing for disbursement of the loan proceeds, subject to a  
7 requirement that the grantee provide and expend a matching fund; prohibiting  
8 the loan proceeds or the matching fund from being used for sectarian religious  
9 purposes; establishing a deadline for the encumbrance or expenditure of the  
10 loan proceeds; and providing generally for the issuance and sale of bonds  
11 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 Baltimore  
16 City – The Trinity Family Life Center Loan of 2007 in the total principal amount of  
17 \$430,000. This loan shall be evidenced by the issuance, sale, and delivery of State  
18 general obligation bonds authorized by a resolution of the Board of Public Works and  
19 issued, sold, and delivered in accordance with §§ 8–117 through 8–124 of the State  
20 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  
22 as a single issue or may be consolidated and sold as part of a single issue of bonds  
23 under § 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  
2 and first shall be applied to the payment of the expenses of issuing, selling, and  
3 delivering the bonds, unless funds for this purpose are otherwise provided, and then  
4 shall be credited on the books of the Comptroller and expended, on approval by the  
5 Board of Public Works, for the following public purposes, including any applicable  
6 architects' and engineers' fees: as a grant to the Board of Directors of The Trinity  
7 Family Life Center, Inc. (referred to hereafter in this Act as "the grantee") for the  
8 repair, renovation, reconstruction, and capital equipping of a community center to  
9 offer medical referral services, family counseling, tutorial services, and other services  
10 to the community, located in Baltimore City.

11           (4)     An annual State tax is imposed on all assessable property in the State in  
12 rate and amount sufficient to pay the principal of and interest on the bonds as and  
13 when due and until paid in full. The principal shall be discharged within 15 years  
14 after the date of 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  
17 matching fund of \$215,000. No part of the grantee's matching fund may be provided,  
18 either directly or indirectly, from funds of the State, whether appropriated or  
19 unappropriated. The fund may consist of real property, in kind contributions, or funds  
20 expended prior to the effective date of this Act. In case of any dispute as to the amount  
21 of the matching fund or what money or assets may qualify as matching funds, the  
22 Board of Public Works shall determine the matter and the Board's decision is final.  
23 The grantee has until June 1, 2009, to present evidence satisfactory to the Board of  
24 Public Works that a matching fund will be provided. If satisfactory evidence is  
25 presented, the Board shall certify this fact to the State Treasurer, and the proceeds of  
26 the loan shall be expended for the purposes provided in this Act.

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

35           (7)     The proceeds of the loan must be expended or encumbered by the Board  
36 of Public Works for the purposes provided in this Act no later than June 1, 2014. If any  
37 funds authorized by this Act remain unexpended or unencumbered after June 1, 2014,  
38 the amount of the unencumbered or unexpended authorization shall be canceled and

1 be of no further effect. If bonds have been issued for the loan, the amount of  
2 unexpended or unencumbered bond proceeds shall be disposed of as provided in  
3 § 8-129 of the State Finance and Procurement Article.

4 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
5 June 1, 2007.