

SENATE BILL 919

B2

8lr3380
CF HB 1508

By: **Senator Gladden**

Introduced and read first time: February 20, 2008

Assigned to: Rules

A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt - Baltimore City - Wayland Senior Village**

3 FOR the purpose of authorizing the creation of a State Debt not to exceed \$1,000,000,
4 the proceeds to be used as a grant to the Board of Directors of the Wayland
5 Baptist Church Community Development Corporation for certain development
6 or improvement purposes; providing for disbursement of the loan proceeds,
7 subject to a requirement that the grantee provide and expend a matching fund;
8 prohibiting the use of the loan proceeds or matching fund 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 - Wayland Senior Village Loan of 2008 in a total principal amount equal to the
17 lesser of (i) \$1,000,000 or (ii) the amount of the matching fund provided in accordance
18 with Section 1(5) below. This loan shall be evidenced by the issuance, sale, and
19 delivery of State general obligation bonds authorized by a resolution of the Board of
20 Public Works and issued, sold, and delivered in accordance with §§ 8-117 through
21 8-124 of the State Finance and Procurement Article and Article 31, § 22 of the Code.

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

25 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer
26 and first shall be applied to the payment of the expenses of issuing, selling, and
27 delivering the bonds, unless funds for this purpose are otherwise provided, and then

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 shall be credited on the books of the Comptroller and expended, on approval by the
2 Board of Public Works, for the following public purposes, including any applicable
3 architects' and engineers' fees: as a grant to the Board of Directors of the Wayland
4 Baptist Church Community Development Corporation (referred to hereafter in this
5 Act as "the grantee") for the construction and capital equipping of senior housing at
6 Wayland Senior Village, located in Baltimore City.

7 (4) An annual State tax is imposed on all assessable property in the State in
8 rate and amount sufficient to pay the principal of and interest on the bonds, as and
9 when due and until paid in full. The principal shall be discharged within 15 years
10 after the date of 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
13 matching fund. No part of the grantee's matching fund may be provided, either
14 directly or indirectly, from funds of the State, whether appropriated or
15 unappropriated. No part of the fund may consist of real property, in kind
16 contributions, or funds expended prior to the effective date of this Act. In case of any
17 dispute as to the amount of the matching fund or what money or assets may qualify as
18 matching funds, the Board of Public Works shall determine the matter and the
19 Board's decision is final. The grantee has until June 1, 2010, to present evidence
20 satisfactory to the Board of Public Works that a matching fund will be provided. If
21 satisfactory evidence is presented, the Board shall certify this fact and the amount of
22 the matching fund to the State Treasurer, and the proceeds of the loan equal to the
23 amount of the matching fund shall be expended for the purposes provided in this Act.
24 Any amount of the loan in excess of the amount of the matching fund certified by the
25 Board of Public Works shall be canceled and be of no further effect.

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

34 (7) The proceeds of the loan must be expended or encumbered by the Board
35 of Public Works for the purposes provided in this Act no later than June 1, 2015. If any
36 funds authorized by this Act remain unexpended or unencumbered after June 1, 2015,
37 the amount of the unencumbered or unexpended authorization shall be canceled and
38 be of no further effect. If bonds have been issued for the loan, the amount of
39 unexpended or unencumbered bond proceeds shall be disposed of as provided in
40 § 8-129 of the State Finance and Procurement Article.

41 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
42 June 1, 2008.