

HOUSE BILL 634

B2

7lr2546
CF SB 514

By: **Delegates Beidle, Carey, Chang, Frush, S. Howard, Malone, McConkey, McMillan, Pena–Melnik, Saab, Simonaire, and Sophocleus**

Introduced and read first time: February 1, 2017

Assigned to: Appropriations

A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt – Anne Arundel County – YWCA Domestic Violence and**
3 **Trafficking Shelters**

4 FOR the purpose of authorizing the creation of a State Debt not to exceed \$1,000,000, the
5 proceeds to be used as a grant to the Board of Directors of The Young Women’s
6 Christian Association of Annapolis and Anne Arundel County, Maryland, Inc. for
7 certain development or improvement purposes; providing for disbursement of the
8 loan proceeds, subject to a requirement that the grantee provide and expend a
9 matching fund; prohibiting the use of the loan proceeds or matching fund for
10 sectarian religious purposes; establishing a deadline for the encumbrance or
11 expenditure of the loan proceeds; and providing generally for the issuance and sale
12 of bonds evidencing the loan.

13 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
14 That:

15 (1) The Board of Public Works may borrow money and incur indebtedness on
16 behalf of the State of Maryland through a State loan to be known as the Anne Arundel
17 County – YWCA Domestic Violence and Trafficking Shelters Loan of 2017 in a total
18 principal amount equal to the lesser of (i) \$1,000,000 or (ii) the amount of the matching
19 fund provided in accordance with Section 1(5) below. This loan shall be evidenced by the
20 issuance, sale, and delivery of State general obligation bonds authorized by a resolution of
21 the Board of Public Works and issued, sold, and delivered in accordance with §§ 8–117
22 through 8–124 and 8–131.2 of the State Finance and Procurement Article.

23 (2) The bonds to evidence this loan or installments of this loan may be sold as a
24 single issue or may be consolidated and sold as part of a single issue of bonds under §
25 8–122 of the State Finance and Procurement Article.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



(3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer and first shall be applied to the payment of the expenses of issuing, selling, and delivering the bonds, unless funds for this purpose are otherwise provided, and then shall be credited on the books of the Comptroller and expended, on approval by the Board of Public Works, for the following public purposes, including any applicable architects' and engineers' fees: as a grant to the Board of Directors of The Young Women's Christian Association of Annapolis and Anne Arundel County, Maryland, Inc. (referred to hereafter in this Act as "the grantee") for the acquisition, planning, design, construction, repair, renovation, reconstruction, site improvement, and capital equipping of the YWCA Domestic Violence and Trafficking Shelters, located in Anne Arundel County.

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

(5) Prior to the payment of any funds under the provisions of this Act for the purposes set forth in Section 1(3) above, the grantee shall provide and expend a matching fund. No part of the grantee's matching fund may be provided, either directly or indirectly, from funds of the State, whether appropriated or unappropriated. No part of the fund may consist of in kind contributions. The fund may consist of real property or funds expended prior to the effective date of this Act. In case of any dispute as to the amount of the matching fund or what money or assets may qualify as matching funds, the Board of Public Works shall determine the matter and the Board's decision is final. The grantee has until June 1, 2019, to present evidence satisfactory to the Board of Public Works that a matching fund will be provided. If satisfactory evidence is presented, the Board shall certify this fact and the amount of the matching fund to the State Treasurer, and the proceeds of the loan equal to the amount of the matching fund shall be expended for the purposes provided in this Act. Any amount of the loan in excess of the amount of the matching fund certified by the Board of Public Works shall be canceled and be of no further effect.

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

(7) The proceeds of the loan must be expended or encumbered by the Board of Public Works for the purposes provided in this Act no later than June 1, 2024. If any funds authorized by this Act remain unexpended or unencumbered after June 1, 2024, the amount of the unencumbered or unexpended authorization shall be canceled and be of no further effect. If bonds have been issued for the loan, the amount of unexpended or unencumbered bond proceeds shall be disposed of as provided in § 8-129 of the State Finance and Procurement Article.

1 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June
2 1, 2017.