

CHAPTER 712

(House Bill 873)

AN ACT concerning

Creation of a State Debt – Capitol College

FOR the purpose of authorizing the creation of a State Debt in the amount of \$2,500,000 the proceeds to be used as a grant to Capitol College to assist in the planning, design, construction, and equipping of a library, subject to the requirement that Capitol College provide up to a certain sum of a certain type of funds as a matching fund for the same purpose by a certain date; and providing generally for the issue and sale of bonds evidencing the loan.

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

(1) The Board of Public Works may borrow money and incur indebtedness on behalf of the State of Maryland through a State loan to be known as the Capitol College Loan of 1990 in the total principal amount of \$2,500,000. This loan shall be evidenced by the issuance, sale, and delivery of State general obligation bonds authorized by a resolution of the Board of Public Works and issued, sold, and delivered in accordance with §§ 8-117 through 8-124 of the State Finance and Procurement Article and Article 31, § 22 of the Code.

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

(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 Capitol College to assist in the planning, design, construction, and equipping of a library.

(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 issue of the bonds.

(5) The payment of any funds under the provisions of this Act for the purposes set forth in Section 1(3) above, shall be contingent upon the provision by Capitol College of a sum up to \$2,500,000 as a matching fund for this project. No part of an applicant's matching fund may be provided from State funds either directly or indirectly, in whole or in part. No part of the fund may consist of real property or in kind contributions. In case of any dispute as to what money or assets may qualify as matching funds, the Board of Public Works shall determine the matter, and the Board's