

incidental expenses connected with the execution of its provisions in connection with said loan.

SEC. 5. *And be it further enacted*, That the actual cash proceeds of the sale of the bonds to be issued under this Act shall be paid to the Treasurer of the State upon the warrant of the Comptroller and such proceeds shall be used exclusively for the following purposes, to wit:

1. The Comptroller, immediately upon the sale OF and payment of FOR said bonds, first, shall return to and credit the Treasury for a sum equivalent to the amount expended under Section 4 of this Act.

2. The remainder of the proceeds of such loan shall be credited on the books of the State Comptroller, to be expended as needed by the State, upon approval by the Board of Public Works, to provide funds for one or more loans to be made to Provident Hospital, Inc., to assist in financing expenses incurred in constructing, equipping, opening and operating the new Provident Hospital, the terms and conditions of such loan or loans to be mutually agreed upon by the Board and the Hospital, provided (1) that the principal of such loan or loans, together with interest thereon, shall be repaid in full to the State over a period not to exceed 40 years from the time the loan funds are paid out and (2) that any such loan shall bear interest at an annual rate which equals the net interest cost to the State of the sale of its bonds under the authority of this Act for the purpose of funding such loan hereunder plus one-eighth of one per cent. If the State has exercised its borrowing power under this Act under the provisions of Section 2B of Article 31 of the Annotated Code of Maryland (1957 Edition, ~~1967~~ 1971 Replacement Volume, as from time to time amended or replaced), the net interest cost of the entire State and Local Facilities Loan of which such exercise of borrowing power under this Act is a part, plus one-eighth of one per cent, shall be the annual rate of interest at which such loan may be made hereunder with the net proceeds thereof.

SEC. 6. *And be it further enacted*, That until all of the interest on and principal of any bonds issued under this Act SHALL have been paid in full, there is hereby levied and imposed an annual State tax on each \$100 of assessable property at the rate to be determined in the following manner: on or before May 1, 1972, and on or before May 1 in each taxable year thereafter, the Board of Public Works shall certify to the governing bodies of each of the counties and Baltimore City the rate of State tax on each \$100 of assessable property necessary to produce revenue to meet interest and principal which will be payable to the close of the next ensuing taxable year on all bonds theretofore issued, or theretofore authorized by resolution of the Board of Public Works to be issued, and the governing bodies of each of the counties and of Baltimore City shall forthwith levy and collect such tax at such rate.

All matters committed by this Act to the discretion of the Board of Public Works shall be determined by a majority of said Board.

Sec. 7. *And be it further enacted*, That this Act shall take effect June 1, 1971.