

of recovery and the priority of the proceeding and lien; and providing generally for the issuance 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 Adult Day Care Centers Loan of 1989 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: for State grants to counties, municipal corporations, and nonprofit organizations for:

(a) The conversion of public buildings or parts of buildings to Adult Day Care Centers;

(b) The acquisition of existing buildings or parts of buildings for use as Adult Day Care Centers;

(c) The renovation of Adult Day Care Centers;

(d) The purchase of capital equipment for Adult Day Care Centers; or

(e) The planning, design, and construction of Adult Day Care Centers.

(4) For purposes of this Act, the following terms have the meanings indicated.

(a) "Department" means the Department of Health and Mental Hygiene.