

(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 Aging School Program – Qualified Zone Academy Bonds Loan of 2003 in a total principal amount of ~~\$9,100,000~~ \$9,043,000. This loan shall be evidenced by the issuance, sale, and delivery of State general obligation qualified zone academy bonds, as defined in § 1397E(d)(1) of the Internal Revenue Code of the United States, as amended, 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, Article 31, § 22 of the Code, and § 1397E of the Internal Revenue Code, as amended.

(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. Notwithstanding § 8–123 of the State Finance and Procurement Article, the Board of Public Works may sell the bonds authorized herein at one or more private sales that best meet the terms and conditions of sale set by the Board.

(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 held separately in a qualified zone academy bond account, and expended, on approval by the Board of Public Works, for the following public purposes: as a grant to the Interagency Committee on School Construction (referred to hereafter in this Act as “the grantee”) for the allocation to eligible school systems under the Aging School Program for the renovation, repair, and capital improvements of qualified zone academies, as defined in § 1397E(d)(4)(A) of the Internal Revenue Code, as amended, and in accordance with the Aging School Program of the Interagency Committee on School Construction, as provided under § 5–303 of the Education Article of the Annotated Code of Maryland.

(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, if any, 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) (a) The grantee shall document the provision of a matching fund as provided in this paragraph.

(b) No part of the 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 real property. The fund shall consist of private business contributions, which may consist of funds or in kind contributions, as required under § 1397E(d)(2) of the Internal Revenue Code, as amended. 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 decision is final.

(c) The grantee shall present evidence to the satisfaction of the Board of Public Works of the provision and documentation of the matching fund, and the Board