

# HOUSE BILL 1401

B2

3lr3247  
CF SB 921

---

By: **Delegates Kramer, Arora, and Cullison**

Introduced and read first time: February 15, 2013

Assigned to: Rules and Executive Nominations

---

## A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt – Montgomery County – Melvin J. Berman Hebrew**  
3 **Academy Restorations**

4 FOR the purpose of authorizing the creation of a State Debt in the amount of  
5 \$100,000, the proceeds to be used as a grant to the Board of Directors of the  
6 Melvin J. Berman Hebrew Academy for certain development or improvement  
7 purposes; providing for disbursement of the loan proceeds, subject to a  
8 requirement that the grantee provide and expend a matching fund; prohibiting  
9 the use of the loan proceeds or matching fund for sectarian religious purposes;  
10 establishing a deadline for the encumbrance or expenditure of the loan  
11 proceeds; and providing generally for the issuance and sale of bonds evidencing  
12 the loan.

13 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
14 MARYLAND, 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 Montgomery  
17 County – Melvin J. Berman Hebrew Academy Restorations Loan of 2013 in the total  
18 principal amount of \$100,000. This loan shall be evidenced by the issuance, sale, and  
19 delivery of State general obligation bonds authorized by a resolution of the Board of  
20 Public Works and issued, sold, and delivered in accordance with §§ 8–117 through  
21 8–124 of the State Finance and Procurement Article and Article 31, § 22 of the Code.

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

25 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer  
26 and first shall be applied to the payment of the expenses of issuing, selling, and  
27 delivering the bonds, unless funds for this purpose are otherwise provided, and then

---

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 shall be credited on the books of the Comptroller and expended, on approval by the  
2 Board of Public Works, for the following public purposes, including any applicable  
3 architects' and engineers' fees: as a grant to the Board of Directors of the Melvin J.  
4 Berman Hebrew Academy (referred to hereafter in this Act as "the grantee") for the  
5 planning, construction, repair, renovation, reconstruction, and capital equipping of the  
6 Melvin J. Berman Hebrew Academy, including restoring the track and field, and  
7 installing a fitness circuit, located in Rockville.

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

12 (5) Prior to the payment of any funds under the provisions of this Act for the  
13 purposes set forth in Section 1(3) above, the grantee shall provide and expend a  
14 matching fund of \$10,000. No part of the grantee's matching fund may be provided,  
15 either directly or indirectly, from funds of the State, whether appropriated or  
16 unappropriated. No part of the fund may consist of funds expended prior to the  
17 effective date of this Act. The fund may consist of real property or in kind  
18 contributions. In case of any dispute as to the amount of the matching fund or what  
19 money or assets may qualify as matching funds, the Board of Public Works shall  
20 determine the matter and the Board's decision is final. The grantee has until June 1,  
21 2015, to present evidence satisfactory to the Board of Public Works that a matching  
22 fund will be provided. If satisfactory evidence is presented, the Board shall certify this  
23 fact to the State Treasurer, and the proceeds of the loan shall be expended for the  
24 purposes provided in this Act.

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

33 (7) The proceeds of the loan must be expended or encumbered by the Board  
34 of Public Works for the purposes provided in this Act no later than June 1, 2020. If any  
35 funds authorized by this Act remain unexpended or unencumbered after June 1, 2020,  
36 the amount of the unencumbered or unexpended authorization shall be canceled and  
37 be of no further effect. If bonds have been issued for the loan, the amount of  
38 unexpended or unencumbered bond proceeds shall be disposed of as provided in  
39 § 8-129 of the State Finance and Procurement Article.

40 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
41 June 1, 2013.