

HOUSE BILL 628

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B2

2000 Regular Session  
0lr1629  
CF 0lr1568

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By: **Delegates Franchot and Hixson**  
Introduced and read first time: February 9, 2000  
Assigned to: Appropriations

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Committee Report: Favorable with amendments  
House action: Adopted  
Read second time: April 1, 2000

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CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Creation of a State Debt - Montgomery County - Alpha Phi Alpha Smithville**  
3 **School Museum**

4 FOR the purpose of authorizing the creation of a State Debt in the amount of  
5 ~~\$300,000~~ \$250,000, the proceeds to be used as a grant to the Board of Directors  
6 of Iota Upsilon Lambda, Inc. for certain development or improvement purposes;  
7 providing for disbursement of the loan proceeds, subject to a requirement that  
8 the grantee provide and expend a matching fund; requiring the grantee to grant  
9 and convey a certain easement to the Maryland Historical Trust; and providing  
10 generally for the issuance and sale of bonds evidencing the loan.

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

13 (1) The Board of Public Works may borrow money and incur indebtedness on  
14 behalf of the State of Maryland through a State loan to be known as the Montgomery  
15 County - Alpha Phi Alpha Smithville School Museum Loan of 2000 in the total  
16 principal amount of ~~\$300,000~~ \$250,000. This loan shall be evidenced by the issuance,  
17 sale, and delivery of State general obligation bonds authorized by a resolution of the  
18 Board of Public Works and issued, sold, and delivered in accordance with §§ 8-117  
19 through 8-124 of the State Finance and Procurement Article and Article 31, § 22 of  
20 the Code.

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

24 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer  
25 and first shall be applied to the payment of the expenses of issuing, selling, and

1 delivering the bonds, unless funds for this purpose are otherwise provided, and then  
2 shall be credited on the books of the Comptroller and expended, on approval by the  
3 Board of Public Works, for the following public purposes, including any applicable  
4 architects' and engineers' fees: as a grant to the Board of Directors of Iota Upsilon  
5 Lambda, Inc. (referred to hereafter in this Act as "the grantee") for the planning,  
6 design, construction, reconstruction, repair, renovation, and capital equipping of  
7 buildings located at 811 East Randolph Road, Colesville, Maryland, for use as a  
8 museum, educational center, and community and meeting center.

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

13 (5) Prior to the payment of any funds under the provisions of this Act for the  
14 purposes set forth in Section 1(3) above, the grantee shall provide and expend a  
15 matching fund of ~~\$300,000~~ \$250,000. No part of the grantee's matching fund may be  
16 provided, either directly or indirectly, from funds of the State, whether appropriated  
17 or unappropriated. No part of the fund may consist of real property. The fund may  
18 consist of in kind contributions or funds expended prior to the effective date of this  
19 Act. In case of any dispute as to the amount of the matching fund or what money or  
20 assets may qualify as matching funds, the Board of Public Works shall determine the  
21 matter and the Board's decision is final. The grantee has until June 1, 2002, to  
22 present evidence satisfactory to the Board of Public Works that a matching fund will  
23 be provided. If satisfactory evidence is presented, the Board shall certify this fact to  
24 the State Treasurer, and the proceeds of the loan shall be expended for the purposes  
25 provided in this Act.

26 (6) (a) Prior to the issuance of the bonds, the grantee shall grant and convey  
27 to the Maryland Historical Trust a perpetual preservation easement to the extent of  
28 its interest:

29 (i) On the land or such portion of the land acceptable to the Trust;  
30 and

31 (ii) On the exterior and interior, where appropriate, of the historic  
32 structures.

33 (b) The easement must be in form and substance acceptable to the Trust  
34 and the extent of the interest to be encumbered must be acceptable to the Trust.

35 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
36 June 1, 2000.

