

HOUSE BILL 837

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B2

2000 Regular Session  
0lr2059  
CF 0lr2465

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By: **Delegates Kopp, Taylor, Rawlings, Conway, Franchot, Pitkin, Marriott,  
McIntosh, Clagett, Hecht, Rosenberg, and Cadden**

Introduced and read first time: February 11, 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 418

1 AN ACT concerning

2 **Creation of a State Debt - Baltimore City - Maryland Institute, College of Art**

3 FOR the purpose of authorizing the creation of a State Debt not to exceed \$2,900,000,  
4 the proceeds to be used as a grant to Maryland Institute, College of Art for  
5 certain development or improvement purposes; providing for disbursement of  
6 the loan proceeds, subject to a requirement that the grantee provide and expend  
7 a matching fund; and providing generally for the issuance and sale of bonds  
8 evidencing the loan.

9 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
10 MARYLAND, That:

11 (1) The Board of Public Works may borrow money and incur indebtedness on  
12 behalf of the State of Maryland through a State loan to be known as the Baltimore  
13 City - Maryland Institute, College of Art Loan of 2000 in a total principal amount  
14 equal to the lesser of (i) \$2,900,000 or (ii) the amount of the matching fund provided  
15 in accordance with Section 1(5) below. This loan shall be evidenced by the issuance,  
16 sale, and delivery of State general obligation bonds authorized by a resolution of the  
17 Board of Public Works and issued, sold, and delivered in accordance with §§ 8-117  
18 through 8-124 of the State Finance and Procurement Article and Article 31, § 22 of  
19 the Code.

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

23 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer  
24 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 Maryland Institute, College of Art  
5 (referred to hereafter in this Act as "the grantee") for the acquisition, planning,  
6 design, repair, renovation, restoration, construction, and capital equipping of a new  
7 academic building, to be located in Baltimore City.

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. No part of the grantee's matching fund may be provided, either  
15 directly or indirectly, from funds of the State, whether appropriated or  
16 unappropriated. No part of the fund may consist of real property or in kind  
17 contributions. The fund may consist of funds expended prior to the effective date of  
18 this Act. In case of any dispute as to the amount of the matching fund or what money  
19 or assets may qualify as matching funds, the Board of Public Works shall determine  
20 the matter and the Board's decision is final. The grantee has until June 1, 2002, to  
21 present evidence satisfactory to the Board of Public Works that a matching fund will  
22 be provided. If satisfactory evidence is presented, the Board shall certify this fact and  
23 the amount of the matching fund to the State Treasurer, and the proceeds of the loan  
24 equal to the amount of the matching fund shall be expended for the purposes provided  
25 in this Act. Any amount of the loan in excess of the amount of the matching fund  
26 certified by the Board of Public Works shall be canceled and be of no further effect.

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