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By: **Delegates Busch and Haynes**

Introduced and read first time: March 7, 2005

Assigned to: Rules and Executive Nominations

Re-referred to: Appropriations, March 14, 2005

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Committee Report: Favorable

House action: Adopted

Read second time: March 25, 2005

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CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Baltimore City - Maryland Historical Society Loan of 1996**

3 FOR the purpose of amending the Baltimore City - Maryland Historical Society Loan  
4 of 1996 to require that the loan proceeds be encumbered by the Board of Public  
5 Works or expended for the purposes provided in this Act by a certain date; and  
6 generally relating to the Baltimore City - Maryland Historical Society Loan of  
7 1996.

8 BY repealing and reenacting, with amendments,  
9 Chapter 169 of the Acts of the General Assembly of 1996  
10 Section 1

11 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
12 MARYLAND, That the Laws of Maryland read as follows:

13 **Chapter 169 of the Acts of 1996**

14 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
15 MARYLAND, That:

16 (1) The Board of Public Works may borrow money and incur indebtedness on  
17 behalf of the State of Maryland through a State loan to be known as the Baltimore  
18 City - Maryland Historical Society Loan of 1996 in a total principal amount equal to  
19 the lesser of (i) \$700,000 or (ii) the amount of the matching fund provided in  
20 accordance with Section 1(5) below. This loan shall be evidenced by the issuance, sale,  
21 and delivery of State general obligation bonds authorized by a resolution of the Board

1 of Public Works and issued, sold, and delivered in accordance with §§ 8-117 through  
2 8-124 of the State Finance and Procurement Article and Article 31, § 22 of the Code.

3 (2) The bonds to evidence this loan or installments of this loan may be sold as  
4 a single issue or may be consolidated and sold as part of a single issue of bonds under  
5 § 8-122 of the State Finance and Procurement Article.

6 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer  
7 and first shall be applied to the payment of the expenses of issuing, selling, and  
8 delivering the bonds, unless funds for this purpose are otherwise provided, and then  
9 shall be credited on the books of the Comptroller and expended, on approval by the  
10 Board of Public Works, for the following public purposes, including any applicable  
11 architects' and engineers' fees: as a grant to the Maryland Historical Society (referred  
12 to hereafter in this Act as "the grantee") for the repair, renovation, reconstruction,  
13 and capital equipping of the existing facilities and the planning, design, construction,  
14 and capital equipping of new facilities in Baltimore City.

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

19 (5) Prior to the payment of any funds under the provisions of this Act for the  
20 purposes set forth in Section 1(3) above, the grantee shall provide and expend a  
21 matching fund. No part of the grantee's matching fund may be provided, either  
22 directly or indirectly, from funds of the State, whether appropriated or  
23 unappropriated. No part of the fund may consist of real property, in kind  
24 contributions, or funds expended prior to the effective date of this Act. In case of any  
25 dispute as to the amount of the matching fund or what money or assets may qualify  
26 as matching funds, the Board of Public Works shall determine the matter and the  
27 Board's decision is final. The grantee has until June 1, 1998, to present evidence  
28 satisfactory to the Board of Public Works that a matching fund will be provided. If  
29 satisfactory evidence is presented, the Board shall certify this fact and the amount of  
30 the matching fund to the State Treasurer, and the proceeds of the loan equal to the  
31 amount of the matching fund shall be expended for the purposes provided in this Act.  
32 Any amount of the loan in excess of the amount of the matching fund certified by the  
33 Board of Public Works shall be canceled and be of no further effect.

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

37 (i) On the land or such portion of the land acceptable to the Trust;  
38 and

39 (ii) On the exterior and interior, where appropriate, of the historic  
40 structures.

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

1 (7) THE PROCEEDS OF THE LOAN MUST BE EXPENDED OR ENCUMBERED BY  
2 THE BOARD OF PUBLIC WORKS FOR THE PURPOSES PROVIDED IN THIS ACT NO LATER  
3 THAN JUNE 1, 2006. IF ANY FUNDS AUTHORIZED BY THIS ACT REMAIN UNEXPENDED  
4 OR UNENCUMBERED AFTER JUNE 1, 2006, THE AMOUNT OF THE UNENCUMBERED OR  
5 UNEXPENDED AUTHORIZATION SHALL BE CANCELED AND BE OF NO FURTHER  
6 EFFECT. IF BONDS HAVE BEEN ISSUED FOR THE LOAN, THE AMOUNT OF  
7 UNEXPENDED OR UNENCUMBERED BOND PROCEEDS SHALL BE DISPOSED OF AS  
8 PROVIDED IN § 8-129 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

9 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
10 June 1, 2005.