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By: **Senators Miller and McFadden**

Introduced and read first time: February 1, 2005

Assigned to: Budget and Taxation

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A BILL ENTITLED

1 AN ACT concerning

2 **Baltimore City - Maryland Historical Society Loan of 1997**

3 FOR the purpose of amending the Baltimore City - Maryland Historical Society Loan  
4 of 1997, as amended by Chapter 183 of the Acts of the General Assembly of 2000,  
5 to require that the loan proceeds be encumbered by the Board of Public Works or  
6 expended for the purpose provided in the Act by a certain date; and generally  
7 relating to the Baltimore City - Maryland Historical Society Loan of 1997.

8 BY repealing and reenacting, with amendments,  
9 Chapter 290 of the Acts of the General Assembly of 1997, as amended by  
10 Chapter 183 of the Acts of the General Assembly of 2000  
11 Section 1

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

14 **Chapter 290 of the Acts of 1997, as amended by Chapter 183 of the Acts of**  
15 **2000**

16 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
17 MARYLAND, That:

18 (1) The Board of Public Works may borrow money and incur indebtedness on  
19 behalf of the State of Maryland through a State loan to be known as the Baltimore  
20 City - Maryland Historical Society Loan of 1997 in a total principal amount equal to  
21 the lesser of (i) \$500,000 or (ii) the amount of the matching fund provided in  
22 accordance with Section 1(5) below. This loan shall be evidenced by the issuance, sale,  
23 and delivery of State general obligation bonds authorized by a resolution of the Board  
24 of Public Works and issued, sold, and delivered in accordance with §§ 8-117 through  
25 8-124 of the State Finance and Procurement Article and Article 31, § 22 of the Code.

26 (2) The bonds to evidence this loan or installments of this loan may be sold as  
27 a single issue or may be consolidated and sold as part of a single issue of bonds under  
28 § 8-122 of the State Finance and Procurement Article.

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

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

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

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

33 (i) On the land or such portion of the land acceptable to the Trust;  
34 and

35 (ii) On the exterior and interior, where appropriate, of the historic  
36 structures.

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

39 (7) THE PROCEEDS OF THE LOAN MUST BE EXPENDED OR ENCUMBERED BY  
40 THE BOARD OF PUBLIC WORKS FOR THE PURPOSES PROVIDED IN THIS ACT NO LATER  
41 THAN JUNE 1, 2006. IF ANY FUNDS AUTHORIZED BY THIS ACT REMAIN UNEXPENDED  
42 OR UNENCUMBERED AFTER JUNE 1, 2006, THE AMOUNT OF THE UNENCUMBERED OR

1 UNEXPENDED AUTHORIZATION SHALL BE CANCELED AND BE OF NO FURTHER  
2 EFFECT. IF BONDS HAVE BEEN ISSUED FOR THE LOAN, THE AMOUNT OF  
3 UNEXPENDED OR UNENCUMBERED BOND PROCEEDS SHALL BE DISPOSED OF AS  
4 PROVIDED IN § 8-129 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

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