
By: **Senators Miller and McFadden**
Introduced and read first time: February 1, 2005
Assigned to: Budget and Taxation

Committee Report: Favorable
Senate action: Adopted
Read second time: March 7, 2005

CHAPTER_____

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

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, and reconstruction
13 of, and for the provision of capital equipment for, the existing facilities and for the
14 planning, design, and construction of, and for the provision of capital equipment for,
15 new facilities in Baltimore City.

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

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

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

- 38 (i) On the land or such portion of the land acceptable to the Trust;
39 and
- 40 (ii) On the exterior and interior, where appropriate, of the historic
41 structures.

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

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

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