
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 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
22 of Public Works and issued, sold, and delivered in accordance with §§ 8-117 through
23 8-124 of the State Finance and Procurement Article and Article 31, § 22 of the Code.

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

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

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

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

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

35 (i) On the land or such portion of the land acceptable to the Trust;
36 and

37 (ii) On the exterior and interior, where appropriate, of the historic
38 structures.

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

41 (7) THE PROCEEDS OF THE LOAN MUST BE EXPENDED OR ENCUMBERED BY
42 THE BOARD OF PUBLIC WORKS FOR THE PURPOSES PROVIDED IN THIS ACT NO LATER

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

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