

# SENATE BILL 1088

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CF 8lr3695

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By: **Senator King**

Introduced and read first time: February 12, 2018

Assigned to: Rules

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## A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt – Montgomery County – Germantown Bank Museum**

3 FOR the purpose of authorizing the creation of a State Debt in the amount of \$200,000, the  
4 proceeds to be used as a grant to the Board of Directors of The Germantown  
5 Historical Society, Inc. for certain development or improvement purposes; providing  
6 for disbursement of the loan proceeds, subject to a requirement that the grantee  
7 provide and expend a matching fund; establishing a deadline for the encumbrance  
8 or expenditure of the loan proceeds; and providing generally for the issuance and  
9 sale of bonds evidencing the loan.

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

12 (1) The Board of Public Works may borrow money and incur indebtedness on  
13 behalf of the State of Maryland through a State loan to be known as the Montgomery  
14 County – Germantown Bank Museum Loan of 2018 in the total principal amount of  
15 \$200,000. This loan shall be evidenced by the issuance, sale, and delivery of State general  
16 obligation bonds authorized by a resolution of the Board of Public Works and issued, sold,  
17 and delivered in accordance with §§ 8–117 through 8–124 and 8–131.2 of the State Finance  
18 and Procurement Article.

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

22 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer and  
23 first shall be applied to the payment of the expenses of issuing, selling, and delivering the  
24 bonds, unless funds for this purpose are otherwise provided, and then shall be credited on  
25 the books of the Comptroller and expended, on approval by the Board of Public Works, for  
26 the following public purposes, including any applicable architects' and engineers' fees: as a  
27 grant to the Board of Directors of The Germantown Historical Society, Inc. (referred to

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 hereafter in this Act as “the grantee”) for the acquisition, planning, design, construction,  
2 repair, renovation, reconstruction, site improvement, and capital equipping of the  
3 Germantown Bank Museum building, including improvements to the building’s parking  
4 lot, located in Montgomery County.

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

9 (5) Prior to the payment of any funds under the provisions of this Act for the  
10 purposes set forth in Section 1(3) above, the grantee shall provide and expend a matching  
11 fund of \$25,000. No part of the grantee’s matching fund may be provided, either directly or  
12 indirectly, from funds of the State, whether appropriated or unappropriated. No part of the  
13 fund may consist of real property or funds expended prior to the effective date of this Act.  
14 The fund may consist of in kind contributions. In case of any dispute as to the amount of  
15 the matching fund or what money or assets may qualify as matching funds, the Board of  
16 Public Works shall determine the matter and the Board’s decision is final. The grantee has  
17 until June 1, 2020, to present evidence satisfactory to the Board of Public Works that a  
18 matching fund will be provided. If satisfactory evidence is presented, the Board shall certify  
19 this fact to the State Treasurer, and the proceeds of the loan shall be expended for the  
20 purposes provided in this Act.

21 (6) The proceeds of the loan must be expended or encumbered by the Board of  
22 Public Works for the purposes provided in this Act no later than June 1, 2025. If any funds  
23 authorized by this Act remain unexpended or unencumbered after June 1, 2025, the  
24 amount of the unencumbered or unexpended authorization shall be canceled and be of no  
25 further effect. If bonds have been issued for the loan, the amount of unexpended or  
26 unencumbered bond proceeds shall be disposed of as provided in § 8–129 of the State  
27 Finance and Procurement Article.

28 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June  
29 1, 2018.