
By: Delegates Boston, E. Burns, Cummings, Doory, Fulton, Hammen, Harrison, Kirk, Krysiak, Marriott, McHale, McIntosh, Montague, T. Murphy, Oaks, Opara, Parker, and Rosenberg

Introduced and read first time: February 5, 1996

Assigned to: Appropriations

A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt - Baltimore Children's Museum - Maryland Consolidated**
3 **Capital Bond Loan of 1995 and Baltimore Children's Museum Loan of 1995**

4 FOR the purpose of authorizing the creation of a State Debt not to exceed \$1,000,000,
5 the proceeds to be used as a grant to the Board of Directors of the Baltimore
6 Children's Museum, Inc. for certain planning, acquisition, development, or
7 improvement purposes; providing for disbursement of the loan proceeds, subject to
8 a requirement that the grantee provide and expend a matching fund; requiring the
9 grantee to grant and convey to the Maryland Historical Trust a historic preservation
10 easement; clarifying the use of the proceeds of the grant; providing generally for the
11 issuance and sale of bonds evidencing the loan; amending Chapter 115 of the Acts
12 of the General Assembly of 1994, as amended by Chapter 131 of the Acts of the
13 General Assembly of 1995, to alter the purposes of the grant to the Baltimore
14 Children's Museum and to clarify the use of the proceeds of the grant; and
15 amending Chapter 183 of the Acts of the General Assembly of 1995 to alter the
16 purposes of the grant to the Baltimore Children's Museum and to clarify the use of
17 the proceeds of the grant.

18 BY repealing and reenacting, with amendments,
19 Chapter 115 of the Acts of the General Assembly of 1994, as amended by Chapter
20 131 of the Acts of the General Assembly of 1995
21 Section 1(3) Item 50.01.00(D)

22 BY repealing and reenacting, with amendments,
23 Chapter 183 of the Acts of the General Assembly of 1995
24 Section 1

25 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
26 MARYLAND, That:

27 (1) The Board of Public Works may borrow money and incur indebtedness on
28 behalf of the State of Maryland through a State loan to be known as the Baltimore
29 Children's Museum Loan of 1996 in a total principal amount equal to the lesser of (i)
30 \$1,000,000 or (ii) the amount of the matching fund provided in accordance with Section
31 1(5) below. This loan shall be evidenced by the issuance, sale, and delivery of State

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1 general obligation bonds authorized by a resolution of the Board of Public Works and
2 issued, sold, and delivered in accordance with §§ 8-117 through 8-124 of the State
3 Finance and Procurement Article and Article 31, § 22 of the Code.

4 (2) The bonds to evidence this loan or installments of this loan maybe sold as a
5 single issue or may be consolidated and sold as part of a single issue of bonds under §
6 8-122 of the State Finance and Procurement Article.

7 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer and
8 first shall be applied to the payment of the expenses of issuing, selling, and delivering the
9 bonds, unless funds for this purpose are otherwise provided, and then shall be credited on
10 the books of the Comptroller and expended, on approval by the Board of Public Works,
11 for the following public purposes, including any applicable architects'and engineers' fees:
12 as a grant to the Board of Directors of the Baltimore Children's Museum, Inc. (referred
13 to hereafter in this Act as "the grantee") for the acquisition of real property and for the
14 planning, design, construction, alteration, and renovation of, for the provision of
15 equipment and furnishings for, and for the installation of exhibits at,the Baltimore
16 Children's Museum, to be located at Market Place in Baltimore City, adjacent to and
17 including an existing open-air plaza, the grant to include expenses incurred by the
18 grantee for:

19 (a) the preparation of a master plan for the area immediately surrounding
20 the Children's Museum;

21 (b) the securing of third party construction, development and management
22 of services in connection with the construction, alteration, renovation, equipping, and
23 furnishing of the Children's Museum; and

24 (c) the planning, design, construction, and purchase of exhibits for the
25 Children's Museum.

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

30 (5) Prior to the payment of any funds under the provisions of this Act for the
31 purposes set forth in Section 1(3) above, the grantee shall provide andexpend a matching
32 fund. No part of the grantee's matching fund may be provided, either directly or
33 indirectly, from funds of the State, whether appropriated or unappropriated. No part of
34 the fund may consist of real property, in kind contributions, or funds expended prior to
35 the effective date of this Act. In case of any dispute as to the amountof the matching
36 fund or what money or assets may qualify as matching funds, the Board of Public Works
37 shall determine the matter and the Board's decision is final. The grantee has until June 1,
38 1998, to present evidence satisfactory to the Board of Public Works that a matching fund
39 will be provided. If satisfactory evidence is presented, the Board shall certify this fact and
40 the amount of the matching fund to the State Treasurer, and the proceeds of the loan
41 equal to the amount of the matching fund shall be expended for the purposes provided in
42 this Act. Any amount of the loan in excess of the amount of the matching fund certified
43 by the Board of Public Works shall be canceled and be of no further effect.

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1 (6) (a) As provided in § 8-127(b)(1)(ii) of the State Finance and Procurement
2 Article, the grantee may expend the proceeds of the grant for expenses incurred by the
3 grantee in connection with the planning, design, construction, and purchase of
4 equipment, exhibits, and furnishings.

5 (b) The improvements for which the funds are expended are not required to
6 be capital improvements within the meaning of § 8-127(b)(2) of the State Finance and
7 Procurement Article or the regulations or guidelines of the Board of Public Works.

8 (7) (a) Prior to the issuance of the bonds, the grantee shall grant and convey to
9 the Maryland Historical Trust a perpetual preservation easement to the extent of its
10 interest:

11 (i) On the land or such portion of the land acceptable to the Trust;
12 and

13 (ii) On the exterior and interior, where appropriate, of the historic
14 structures.

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

17 SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland
18 read as follows:

19 **Chapter 115 of the Acts of 1994, as amended by Chapter 131 of the Acts of 1995**

20 Section 1(3)

21 50.01.00

22 MISCELLANEOUS GRANT PROGRAMS

23 [TAG cap](D) (1) Baltimore Children's Museum, Inc. Provide a grant to the
24 Baltimore Children's Museum, Inc. [to assist in the acquisition,
25 design, construction, and equipping of the Baltimore Children's
26 Museum, Inc.,] (REFERRED TO HEREAFTER IN THIS ACT AS
27 "THE GRANTEE") FOR THE ACQUISITION OF REAL PROPERTY
28 AND FOR THE PLANNING, DESIGN, CONSTRUCTION,
29 ALTERATION, AND RENOVATION OF, FOR THE PROVISION OF
30 EQUIPMENT AND FURNISHINGS FOR, AND FOR THE
31 INSTALLATION OF EXHIBITS AT, THE BALTIMORE CHILDREN'S
32 MUSEUM, TO BE LOCATED AT MARKET PLACE IN BALTIMORE
33 CITY, ADJACENT TO AND INCLUDING AN EXISTING OPEN-AIR
34 PLAZA, THE GRANT TO INCLUDE EXPENSES INCURRED BY THE
35 GRANTEE FOR:

36 [TAG cap](A) THE PREPARATION OF A MASTER PLAN FOR THE AREA
37 IMMEDIATELY SURROUNDING THE CHILDREN'S MUSEUM;

38 [TAG cap](B) THE SECURING OF THIRD PARTY CONSTRUCTION,
39 DEVELOPMENT AND MANAGEMENT SERVICES IN CONNECTION
40 WITH THE CONSTRUCTION, ALTERATION, RENOVATION,
41 EQUIPPING, AND FURNISHING OF THE CHILDREN'S MUSEUM;

42 AND

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1 [TAG cap](C) THE PLANNING, DESIGN, CONSTRUCTION, AND PURCHASE OF
2 EXHIBITS FOR THE CHILDREN'S MUSEUM.
3 [TAG cap](2) (A) AS PROVIDED IN § 8-127(B) (1)(II) OF THE STATE FINANCE
4 AND PROCUREMENT ARTICLE, THE GRANTEE MAY EXPEND
5 THE PROCEEDS OF THE GRANT FOR EXPENSES INCURRED BY
6 THE GRANTEE IN CONNECTION WITH THE PLANNING, DESIGN,
7 CONSTRUCTION, AND PURCHASE OF EQUIPMENT, EXHIBITS,
8 AND FURNISHINGS.
9 [TAG cap](B) THE IMPROVEMENTS FOR WHICH THE FUNDS ARE EXPENDED
10 ARE NOT REQUIRED TO BE CAPITAL IMPROVEMENTS WITHIN
11 THE MEANING OF § 8-127(B)(2) OF THE STATE FINANCE AND
12 PROCUREMENT ARTICLE OR THE REGULATIONS OR
13 GUIDELINES OF THE BOARD OF PUBLIC WORKS.
14 [TAG cap](3) THIS GRANT IS subject to the requirement that the grantee and/or
15 the Mayor and City Council of Baltimore provide an equal and
16 matching fund for this purpose, and IS further subject to the
17 requirement that the Mayor and City Council of Baltimore provide
18 assurances satisfactory to the Board of Public Works that
19 additional funds will be made available in the amount necessary to
20 complete this project. Further provided that no funds may be
21 expended until a complete Board of Directors and a Chairman of
22 the Board of Directors have been selected (Baltimore City)... 2,000,00

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23 **Chapter 183 of the Acts of 1995**

24 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
25 MARYLAND, That:

26 (1) The Board of Public Works may borrow money and incur indebtedness on
27 behalf of the State of Maryland through a State loan to be known as the Baltimore
28 Children's Museum Loan of 1995 in a total principal amount equal to the lesser of (i)
29 \$1,000,000 or (ii) the amount of the matching fund provided in accordance with Section
30 1(5) below. This loan shall be evidenced by the issuance, sale, and delivery of State
31 general obligation bonds authorized by a resolution of the Board of Public Works and
32 issued, sold, and delivered in accordance with §§ 8-117 through 8-124 of the State
33 Finance and Procurement Article and Article 31, § 22 of the Code.

34 (2) The bonds to evidence this loan or installments of this loan may be sold as a
35 single issue or may be consolidated and sold as part of a single issue of bonds under §
36 8-122 of the State Finance and Procurement Article.

37 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer and
38 first shall be applied to the payment of the expenses of issuing, selling, and delivering the
39 bonds, unless funds for this purpose are otherwise provided, and then shall be credited on
40 the books of the Comptroller and expended, on approval by the Board of Public Works,
41 for the following public purposes, including any applicable architects' and engineers' fees:
42 as a grant to the Baltimore Children's Museum, Inc. (referred to hereafter in this Act as
43 "the grantee") for the acquisition of real property and for the planning, design,

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1 construction, alteration, AND renovation OF, [and equipping of] FOR THE PROVISION
2 OF EQUIPMENT AND FURNISHINGS FOR, AND FOR THE INSTALLATION OF EXHIBITS
3 AT the Baltimore Children's Museum, TO BE LOCATED AT MARKET PLACE IN
4 BALTIMORE CITY, ADJACENT TO AND INCLUDING AN EXISTING OPEN-AIR PLAZA,
5 THE GRANT TO INCLUDE EXPENSES INCURRED BY THE GRANTEE FOR:

6 (A) THE PREPARATION OF A MASTER PLAN FOR THE AREA
7 IMMEDIATELY SURROUNDING THE CHILDREN'S MUSEUM;

8 (B) THE SECURING OF THIRD PARTY CONSTRUCTION, DEVELOPMENT
9 AND MANAGEMENT OF SERVICES IN CONNECTION WITH THE CONSTRUCTION,
10 ALTERATION, RENOVATION, EQUIPPING, AND FURNISHING OF THE CHILDREN'S
11 MUSEUM; AND

12 (C) THE PLANNING, DESIGN, CONSTRUCTION, AND PURCHASE OF
13 EXHIBITS FOR THE CHILDREN'S MUSEUM.

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

18 (5) Prior to the payment of any funds under the provisions of this Act for the
19 purposes set forth in Section 1(3) above, the grantee shall provide and expend a matching
20 fund. No part of the grantee's matching fund may be provided, either directly or
21 indirectly, from funds of the State, whether appropriated or unappropriated. No part of
22 the fund may consist of real property, in kind contributions, or funds expended prior to
23 the effective date of this Act. In case of any dispute as to the amount of the matching
24 fund or what money or assets may qualify as matching funds, the Board of Public Works
25 shall determine the matter and the Board's decision is final. The grantee has until June 1,
26 1997, to present evidence satisfactory to the Board of Public Works that a matching fund
27 will be provided. If satisfactory evidence is presented, the Board shall certify this fact and
28 the amount of the matching fund to the State Treasurer, and the proceeds of the loan
29 equal to the amount of the matching fund shall be expended for the purposes provided in
30 this Act. Any amount of the loan in excess of the amount of the matching fund certified
31 by the 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 to
33 the Maryland Historical Trust a perpetual preservation easement to the extent of its
34 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) (A) AS PROVIDED IN § 8-127(B)(1)(II) OF THE STATE FINANCE AND
42 PROCUREMENT ARTICLE, THE GRANTEE MAY EXPEND THE PROCEEDS OF THE

HOUSE BILL 1025

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1 GRANT FOR EXPENSES INCURRED BY THE GRANTEE IN CONNECTION WITH THE
2 PLANNING, DESIGN, CONSTRUCTION, AND PURCHASE OF EQUIPMENT, EXHIBITS,
3 AND FURNISHINGS.

4 (B) THE IMPROVEMENTS FOR WHICH THE FUNDS ARE EXPENDED ARE
5 NOT REQUIRED TO BE CAPITAL IMPROVEMENTS WITHIN THE MEANING OF §
6 8-127(B)(2) OF THE STATE FINANCE AND PROCUREMENT ARTICLE OR THE
7 REGULATIONS OR GUIDELINES OF THE BOARD OF PUBLIC WORKS.

8 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
9 June 1, 1996.