
By: Anne Arundel County Senators

Introduced and read first time: January 19, 1996

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt - Anne Arundel County - Maryland Hall for the Creative Arts,**
3 **Inc.**

4 FOR the purpose of authorizing the creation of a State Debt not to exceed \$250,000, the
5 proceeds to be used as a grant to the Board of Directors of the Maryland Hall for
6 the Creative Arts, Inc. for certain acquisition, development, or improvement
7 purposes; providing for disbursement of the loan proceeds, subject to a requirement
8 that the grantee provide and expend a matching fund; and providing generally for
9 the issuance and sale of bonds evidencing the loan.

10 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
11 MARYLAND, 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 Maryland Hall
14 for the Creative Arts, Inc. Loan of 1996 in a total principal amount equal to the lesser of
15 (i) \$250,000, or (ii) the amount of the matching fund provided in accordance with Section
16 1(5) below. This loan shall be evidenced by the issuance, sale, and delivery of State
17 general obligation bonds authorized by a resolution of the Board of Public Works and
18 issued, sold, and delivered in accordance with §§ 8-117 through 8-124 of the State
19 Finance and Procurement Article and Article 31, § 22 of the Code.

20 (2) The bonds to evidence this loan or installments of this loan maybe sold as a
21 single issue or may be consolidated and sold as part of a single issue of bonds under §
22 8-122 of the State Finance and Procurement Article.

23 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer and
24 first shall be applied to the payment of the expenses of issuing, selling, and delivering the
25 bonds, unless funds for this purpose are otherwise provided, and then shall be credited on
26 the books of the Comptroller and expended, on approval by the Board of Public Works,
27 for the following public purposes, including any applicable architects' and engineers' fees:
28 as a grant to the Board of Directors of the Maryland Hall for the Creative Arts, Inc.
29 (referred to hereafter in this Act as "the grantee") for the repair, renovation,
30 rehabilitation, restoration, and reconstruction of, and for the provision of capital
31 equipment for, the Maryland Hall for the Creative Arts, Inc. located in Annapolis.

32 (4) An annual State tax is imposed on all assessable property in the State in rate
33 and amount sufficient to pay the principal of and interest on the bonds as and when due

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1 and until paid in full. The principal shall be discharged within 15 years after the date of
2 issuance of the bonds.

3 (5) Prior to the payment of any funds under the provisions of this Act for the
4 purposes set forth in Section 1(3) above, the grantee shall provide and expend a matching
5 fund. No part of the grantee's matching fund may be provided, either directly or
6 indirectly, from funds of the State, whether appropriated or unappropriated. No part of
7 the fund may consist of real property, in kind contributions, or funds expended prior to
8 the effective date of this Act. The grantee may use funds received from the County
9 Executive and County Council of Anne Arundel County as matching funds. In case of any
10 dispute as to the amount of the matching fund or what money or assets may qualify as
11 matching funds, the Board of Public Works shall determine the matter and the Board's
12 decision is final. The grantee has until June 1, 1998, to present evidence satisfactory to
13 the Board of Public Works that a matching fund will be provided. If satisfactory evidence
14 is presented, the Board shall certify this fact and the amount of the matching fund to the
15 State Treasurer, and the proceeds of the loan equal to the amount of the matching fund
16 shall be expended for the purposes provided in this Act. Any amount of the loan in excess
17 of the amount of the matching fund certified by the Board of Public Works shall be
18 canceled and be of no further effect.

19 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
20 June 1, 1996.