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SB 572/94 - B&T

1996 Regular Session
6r0640
CF 6r0639

By: Senator Della

Introduced and read first time: January 25, 1996
Assigned to: Budget and Taxation

Committee Report: Favorable with amendments
Senate action: Adopted
Read second time: March 27, 1996

CHAPTER _____

1 AN ACT concerning

2 **Creation of a State Debt - Baltimore City - Fort McHenry - Education and Visitors**
3 **Center**

4 [TAG fto]FOR the purpose of authorizing the creation of a State Debt not to exceed ~~\$1,000,000~~
5 \$500,000, the proceeds to be used as a grant to the Board of Directors of the
6 Patriots of Fort McHenry, Inc. for certain acquisition, development, or
7 improvement purposes; providing for disbursement of the loan proceeds, subject to
8 the requirement that the grantee provide and expend a matching fund; ~~requiring the~~
9 ~~grantee to grant and convey a certain easement to the Maryland Historical Trust;~~
10 and providing generally for the issuance and sale of bonds evidencing the loan.

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

13 (1) The Board of Public Works may borrow money and incur indebtedness on
14 behalf of the State of Maryland through a State loan to be known as theFort McHenry -
15 Education and Visitors Center Loan of 1996 in a total principal amount equal to the
16 lesser of (i) ~~\$1,000,000~~ \$500,000 or (ii) the amount of the matching fund provided in
17 accordance with Section 1(5) below. This loan shall be evidenced by theissuance, sale,
18 and delivery of State general obligation bonds authorized by a resolution of the Board of
19 Public Works and issued, sold, and delivered in accordance with §§ 8-117 through 8-124
20 of the State Finance and Procurement Article and Article 31, § 22 of the Code.

21 (2) The bonds to evidence this loan or installments of this loan maybe sold as a
22 single issue or may be consolidated and sold as part of a single issue of bonds under §
23 8-122 of the State Finance and Procurement Article.

24 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer and
25 first shall be applied to the payment of the expenses of issuing, selling, and delivering the
26 bonds, unless funds for this purpose are otherwise provided, and then shall be credited on

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1 the books of the Comptroller and expended, on approval by the Board of Public Works,
2 for the following public purposes, including any applicable architects'and engineers' fees:
3 as a grant to the Board of Directors of the Patriots of Fort McHenry, Inc. for the planning
4 and design and construction of, and the provision of capital equipment for, an education
5 and visitors center at Fort McHenry.

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

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

24 ~~(6) (a) Prior to the issuance of the bonds, the Board of Directors of the Patriots~~
25 ~~of Fort McHenry, Inc. shall grant and convey to the Maryland Historical Trust a~~
26 ~~perpetual preservation easement to the extent of its interest:~~

27 ~~(i) On the land or such portion of the land acceptable to the Trust;~~
28 ~~and~~

29 ~~(ii) On the exterior and interior, where appropriate, of the historie~~
30 ~~structures.~~

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

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