
By: Senators Young and Hoffman

Introduced and read first time: February 2, 1996

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt - Baltimore City Life Museums**

3 FOR the purpose of authorizing the creation of a State Debt not to exceed \$500,000, the
4 proceeds to be used as a grant to the Board of Trustees of the Baltimore City Life
5 Museums, Inc. for certain acquisition, development, or improvement purposes;
6 providing for disbursement of the loan proceeds, subject to a requirement that the
7 grantee provide and expend a matching fund; requiring a historic easement; and
8 providing generally for the issuance and sale of bonds evidencing the loan.

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

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

19 (2) The bonds to evidence this loan or installments of this loan maybe 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,
26 for the following public purposes, including any applicable architects' and engineers' fees:
27 as a grant to the Board of Trustees of the Baltimore City Life Museums, Inc. (referred to
28 hereafter in this Act as "the grantee") for the repair, renovation, and equipping of a
29 warehouse to serve as a storage and management facility for the historical collections of
30 the City Life Museums and to complete the construction of a paved courtyard, which shall
31 be the public entrance to five museums and historic sites.

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. The fund may consist of funds
8 expended prior to the effective date of this Act. In case of any dispute as to the amount
9 of the matching fund or what money or assets may qualify as matching funds, the Board
10 of Public Works shall determine the matter and the Board's decision is final. The grantee
11 has until June 1, 1998, to present evidence satisfactory to the Board of Public Works that
12 a matching fund will be provided. If satisfactory evidence is presented, the Board shall
13 certify this fact and the amount of the matching fund to the State Treasurer, and the
14 proceeds of the loan equal to the amount of the matching fund shall be expended for the
15 purposes provided in this Act. Any amount of the loan in excess of the amount of the
16 matching fund certified by the Board of Public Works shall be canceled and be of no
17 further effect.

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

21 (i) On the land or such portion of the land acceptable to the Trust;
22 and

23 (ii) On the exterior and interior, where appropriate, of the historic
24 structures.

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

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