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**By: Senators Pica, Hoffman, Blount, and Young**

Introduced and read first time: February 9, 1996

Assigned to: Rules

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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 Baltimore Children's Museum, Inc. for  
6 certain planning, acquisition, development, or improvement purposes; providing for  
7 disbursement of the loan proceeds, subject to a requirement that the grantee  
8 provide and expend a matching fund; requiring the grantee to grant and convey to  
9 the Maryland Historical Trust a historic preservation easement; clarifying the use of  
10 the proceeds of the grant; providing generally for the issuance and sale of bonds  
11 evidencing the loan; amending Chapter 115 of the Acts of the General Assembly of  
12 1994, as amended by Chapter 131 of the Acts of the General Assembly of 1995, to  
13 alter the purposes of the grant to the Baltimore Children's Museum and to clarify  
14 the use of the proceeds of the grant; and amending Chapter 183 of the Acts of the  
15 General Assembly of 1995 to alter the purposes of the grant to the Baltimore  
16 Children's Museum and to clarify the use of the proceeds of the grant.

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

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

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 1996 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.

1 (2) The bonds to evidence this loan or installments of this loan maybe sold as a  
2 single issue or may be consolidated and sold as part of a single issue of bonds under §  
3 8-122 of the State Finance and Procurement Article.

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

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

17 (b) the securing of third party construction, development and management  
18 of services in connection with the planning, design, construction, alteration, renovation,  
19 equipping, and furnishing of the Children's Museum; and

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

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

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

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

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

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

7 (i) On the land or such portion of the land acceptable to the Trust;  
8 and

9 (ii) On the exterior and interior, where appropriate, of the historic  
10 structures.

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

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

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

16 Section 1(3)

17 50.01.00

18 MISCELLANEOUS GRANT PROGRAMS

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

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

34 [TAG cap](B) THE SECURING OF THIRD PARTY CONSTRUCTION,  
35 DEVELOPMENT AND MANAGEMENT SERVICES IN CONNECTION  
36 WITH THE PLANNING, DESIGN, CONSTRUCTION, ALTERATION,  
37 RENOVATION, EQUIPPING, AND FURNISHING OF THE  
38 CHILDREN'S MUSEUM; AND

39 [TAG cap](C) THE PLANNING, DESIGN, CONSTRUCTION, AND PURCHASE OF  
40 EXHIBITS FOR THE CHILDREN'S MUSEUM.

41 [TAG cap](2) (A) AS PROVIDED IN § 8-127(B) (1)(II) OF THE STATE FINANCE

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

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20 **Chapter 183 of the Acts of 1995**

21 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
22 MARYLAND, That:

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

31 (2) The bonds to evidence this loan or installments of this loan maybe sold as a  
32 single issue or may be consolidated and sold as part of a single issue of bonds under §  
33 8-122 of the State Finance and Procurement Article.

34 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer and  
35 first shall be applied to the payment of the expenses of issuing, selling, and delivering the  
36 bonds, unless funds for this purpose are otherwise provided, and then shall be credited on  
37 the books of the Comptroller and expended, on approval by the Board of Public Works,  
38 for the following public purposes, including any applicable architects'and engineers' fees:  
39 as a grant to the Baltimore Children's Museum, Inc. (referred to hereafter in this Act as  
40 "the grantee") for the acquisition of real property and for the planning, design,  
41 construction, alteration, AND renovation OF, [and equipping of] FOR THEPROVISION  
42 OF EQUIPMENT AND FURNISHINGS FOR, AND FOR THE INSTALLATION OF EXHIBITS  
43 AT the Baltimore Children's Museum, TO BE LOCATED AT MARKET PLACE IN

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1 BALTIMORE CITY, ADJACENT TO AND INCLUDING AN EXISTING OPEN-AIR PLAZA,  
2 THE GRANT TO INCLUDE EXPENSES INCURRED BY THE GRANTEE FOR:

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

5 (B) THE SECURING OF THIRD PARTY CONSTRUCTION, DEVELOPMENT  
6 AND MANAGEMENT OF SERVICES IN CONNECTION WITH THE PLANNING, DESIGN,  
7 CONSTRUCTION, ALTERATION, RENOVATION, EQUIPPING, AND FURNISHING OF THE  
8 CHILDREN'S MUSEUM; AND

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

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

15 (5) Prior to the payment of any funds under the provisions of this Act for the  
16 purposes set forth in Section 1(3) above, the grantee shall provide and expend a matching  
17 fund. No part of the grantee's matching fund may be provided, either directly or  
18 indirectly, from funds of the State, whether appropriated or unappropriated. No part of  
19 the fund may consist of real property, in kind contributions, or funds expended prior to  
20 the effective date of this Act. In case of any dispute as to the amount of the matching  
21 fund or what money or assets may qualify as matching funds, the Board of Public Works  
22 shall determine the matter and the Board's decision is final. The grantee has until June 1,  
23 1997, to present evidence satisfactory to the Board of Public Works that a matching fund  
24 will be provided. If satisfactory evidence is presented, the Board shall certify this fact and  
25 the amount of the matching fund to the State Treasurer, and the proceeds of the loan  
26 equal to the amount of the matching fund shall be expended for the purposes provided in  
27 this Act. Any amount of the loan in excess of the amount of the matching fund certified  
28 by the Board of Public Works shall be canceled and be of no further effect.

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30 the Maryland Historical Trust a perpetual preservation easement to the extent of its  
31 interest:

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34 (ii) On the exterior and interior, where appropriate, of the historic  
35 structures.

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

38 (7) (A) AS PROVIDED IN § 8-127(B)(1)(II) OF THE STATE FINANCE AND  
39 PROCUREMENT ARTICLE, THE GRANTEE MAY EXPEND THE PROCEEDS OF THE  
40 GRANT FOR EXPENSES INCURRED BY THE GRANTEE IN CONNECTION WITH THE  
41 PLANNING, DESIGN, CONSTRUCTION, AND PURCHASE OF EQUIPMENT, EXHIBITS,  
42 AND FURNISHINGS.

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1                   (B) THE IMPROVEMENTS FOR WHICH THE FUNDS ARE EXPENDED ARE  
2 NOT REQUIRED TO BE CAPITAL IMPROVEMENTS WITHIN THE MEANING OF §  
3 8-127(B)(2) OF THE STATE FINANCE AND PROCUREMENT ARTICLE OR THE  
4 REGULATIONS OR GUIDELINES OF THE BOARD OF PUBLIC WORKS.

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