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**By: Senators Blount, McFadden, Young, and Hughes**

Constitutional Requirements Complied with for Introduction in the last 35 Days of Session

Introduced and read first time: March 7, 1996

Rule 32(a) suspended

Assigned to: Rules

Re-referred to: Budget and Taxation, March 8, 1996

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Committee Report: Favorable

Senate action: Adopted

Read second time: March 27, 1996

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CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Creation of a State Debt - Baltimore City - Eutaw Place Temple**

3 FOR the purpose of authorizing the creation of a State Debt not to exceed \$292,000, the  
4 proceeds to be used as a grant to the Most Worshipful Prince Hall Grand Lodge  
5 Free and Accepted Masons of Maryland and Its Jurisdiction, Inc. for certain  
6 acquisition, development, or improvement purposes; providing for disbursement of  
7 the loan proceeds, subject to a requirement that the grantee provide and expend a  
8 matching fund; requiring the grantee to grant and convey a certain easement to the  
9 Maryland Historical Trust; providing that no proceeds of a loan or any matching  
10 funds may be used for religious purposes; and providing generally for the issuance  
11 and sale of bonds evidencing the loan.

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

14 (1) The Board of Public Works may borrow money and incur indebtedness on  
15 behalf of the State of Maryland through a State loan to be known as the Baltimore City  
16 - Eutaw Place Temple Loan of 1996 in a total principal amount equal to the lesser of (i)  
17 \$292,000 or (ii) the amount of the matching fund provided in accordance with Section  
18 1(5) below. This loan shall be evidenced by the issuance, sale, and delivery of State  
19 general obligation bonds authorized by a resolution of the Board of Public Works and  
20 issued, sold, and delivered in accordance with §§ 8-117 through 8-124 of the State  
21 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 Most Worshipful Prince Hall Grand Lodge Free and Accepted Masons  
 10 of Maryland and Its Jurisdiction, Inc. (referred to hereafter in this Act as "the grantee")  
 11 for the renovation, restoration, and repair of the exterior of the Eutaw Place Temple,  
 12 located in Baltimore City, including work to be performed on the building structure, the  
 13 roof, the domes, the fencing and gates, lighting and electrical lines and equipment, and  
 14 other associated exterior work.

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

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

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

36                           (i) On the land or such portion of the land acceptable to the Trust;  
 37 and

38                           (ii) On the exterior and interior, where appropriate, of the historic  
 39 structures.

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

42           (7) No portion of the proceeds of the loan or any of the matching funds may be  
 43 used for the furtherance of sectarian religious instruction, or in connection with the

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1 design, acquisition, or construction of any building used or to be used as a place of  
2 sectarian religious worship or instruction, or in connection with any program or  
3 department of divinity for any religious denomination. Upon the request of the Board of  
4 Public Works, the grantee shall submit evidence satisfactory to the Board that none of the  
5 proceeds of the loan or any matching funds have been or are being used for a purpose  
6 prohibited by this Act.

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