

CF 7r0949

By: Delegates Gordon, Barve, and Kagan

Introduced and read first time: January 9, 1997

Assigned to: Appropriations

Committee Report: Favorable

House action: Adopted

Read second time: February 11, 1997

CHAPTER ____

1 AN ACT concerning

2 **Montgomery County - Gaithersburg Center for the Cultural Arts Loan of 1995**

3 FOR the purpose of amending Chapter 242 of the Acts of the General Assembly of 1995,
4 the Montgomery County - Gaithersburg Center for the Cultural Arts Loan of 1995,
5 to extend the time by which the Mayor and City Council of the City of Gaithersburg
6 shall provide and expend a matching fund.

7 BY repealing and reenacting, with amendments,
8 Chapter 242 of the Acts of the General Assembly of 1995
9 Section 1

10 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
11 MARYLAND, That the Laws of Maryland read as follows:

12 **Chapter 242 of the Acts of 1995**

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

15 (1) The Board of Public Works may borrow money and incur indebtedness on
16 behalf of the State of Maryland through a State loan to be known as the Montgomery
17 County - Gaithersburg Center for the Cultural Arts Loan of 1995 in a total principal
18 amount equal to the lesser of (i) \$350,000 or (ii) the amount of the matching fund
19 provided in accordance with Section 1(5) below. This loan shall be evidenced by the
20 issuance, sale, and delivery of State general obligation bonds authorized by a resolution of
21 the Board of Public Works and issued, sold, and delivered in accordance with §§ 8-117
22 through 8-124 of the State Finance and Procurement Article and Article 31, § 22 of the
23 Code.

1 (2) The bonds to evidence this loan or installments of this loan may be 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 Mayor and City Council of the City of Gaithersburg (referred to
10 hereafter in this Act as "the grantee") for the planning, design, construction, and
11 equipping of a cultural and recreational facility in the City of Gaithersburg, Maryland. No
12 part of the grant may be used for athletic facilities.

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

17 (5) Prior to the payment of any funds under the provisions of this Act for the
18 purposes set forth in Section 1(3) above, the grantee shall provide and expend a matching
19 fund. No part of the grantee's matching fund may be provided, either directly or
20 indirectly, from funds of the State, whether appropriated or unappropriated. The fund
21 may consist of real property, in kind contributions, or funds expended prior to the
22 effective date of this Act. In case of any dispute as to the amount of the matching fund or
23 what money or assets may qualify as matching funds, the Board of Public Works shall
24 determine the matter and the Board's decision is final. The grantee has until June 1,
25 [1997] 1999, to present evidence satisfactory to the Board of Public Works that a
26 matching fund will be provided. If satisfactory evidence is presented, the Board shall
27 certify this fact and the amount of the matching fund to the State Treasurer, and the
28 proceeds of the loan equal to the amount of the matching fund shall be expended for the
29 purposes provided in this Act. Any amount of the loan in excess of the amount of the
30 matching fund certified by the Board of Public Works shall be canceled and be of no
31 further effect.

32 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
33 June 1, 1997.