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HB 1137/96 - APP

1997 Regular Session
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CF 7lr0912

By: Delegates Benson, R. Baker, Howard, and Exum

Introduced and read first time: January 30, 1997

Assigned to: Appropriations

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 30, 1997

CHAPTER ____

1 AN ACT concerning

2 **Creation of a State Debt - Prince George's County - Town of Bladensburg - Bostwick**

3 **House**

4 FOR the purpose of authorizing the creation of a State Debt not to exceed ~~\$650,000~~
5 \$300,000, the proceeds to be used as a grant to the Mayor and Town Council of the
6 Town of Bladensburg for certain acquisition, development, or improvement
7 purposes; providing for disbursement of the loan proceeds, subject to a requirement
8 that the grantee provide and expend a matching fund; requiring the grantee to grant
9 and convey a certain historic easement; and providing generally for the issuance and
10 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 the Prince George's
15 County - Town of Bladensburg - Bostwick House Loan of 1997 in a total principal
16 amount equal to the lesser of (i) ~~\$650,000~~ \$300,000 or (ii) the amount of the matching
17 fund provided in accordance with Section 1(5) below. This loan shall be evidenced by the
18 issuance, sale, and delivery of State general obligation bonds authorized by a resolution of
19 the Board of Public Works and issued, sold, and delivered in accordance with §§ 8-117
20 through 8-124 of the State Finance and Procurement Article and Article 31, § 22 of the
21 Code.

22 (2) The bonds to evidence this loan or installments of this loan may be sold as a
23 single issue or may be consolidated and sold as part of a single issue of bonds under §
24 8-122 of the State Finance and Procurement Article.

25 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer and
26 first shall be applied to the payment of the expenses of issuing, selling, and delivering the

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1 bonds, unless funds for this purpose are otherwise provided, and then shall be credited on
2 the books of the Comptroller and expended, on approval by the Board of Public Works,
3 for the following public purposes, including any applicable architects' and engineers' fees:
4 as a grant to the Mayor and Town Council of the Town of Bladensburg (~~known as the~~
5 ~~Town of Bladensburg~~ and referred to hereafter in this Act as "the grantee") for the
6 acquisition, planning, design, repair, renovation, restoration, reconstruction, construction,
7 and ~~equipping~~ capital equipping of the historic Bostwick House, to be used for historic
8 preservation and cultural programs.

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

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

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

30 (i) On the land or such portion of the land acceptable to the Trust;
31 and

32 (ii) On the exterior and interior, where appropriate, of the historic
33 structures.

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

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

