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**By: Delegates Bissett, Busch, and Clagett**

Introduced and read first time: February 20, 1997

Assigned to: Appropriations

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Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 30, 1997

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Creation of a State Debt - Anne Arundel County - Charles Carroll House of Annapolis,**  
3 **Inc.**

4 FOR the purpose of authorizing the creation of a State Debt not to exceed ~~\$200,000~~  
5 \$100,000, the proceeds to be used as a grant to the Charles Carroll House of  
6 Annapolis, Inc. for certain acquisition, development, or improvement purposes;  
7 providing for disbursement of the loan proceeds, subject to a requirement that the  
8 grantee provide and expend a matching fund; requiring the grantee to convey a  
9 historic easement to the Maryland Historical Trust; prohibiting the grantee from  
10 using the proceeds of the bonds or any of the matching funds for sectarian religious  
11 purposes; and providing generally for the issuance and sale of bonds evidencing the  
12 loan.

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 Anne Arundel  
17 County - Charles Carroll House of Annapolis, Inc. Loan of 1997 in a total principal  
18 amount equal to the lesser of (i) ~~\$200,000~~ \$100,000 or (ii) the amount of the matching  
19 fund 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.

24 (2) The bonds to evidence this loan or installments of this loan may be sold as a  
25 single issue or may be consolidated and sold as part of a single issue of bonds under §  
26 8-122 of the State Finance and Procurement Article.

1 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer and  
2 first shall be applied to the payment of the expenses of issuing, selling, and delivering the  
3 bonds, unless funds for this purpose are otherwise provided, and then shall be credited on  
4 the books of the Comptroller and expended, on approval by the Board of Public Works,  
5 for the following public purposes, including any applicable architects' and engineers' fees:  
6 as a grant to the Charles Carroll House of Annapolis, Inc. (referred to hereafter in this  
7 Act as "the grantee") for the continuing planning, design, repair, restoration, and  
8 renovation of, and the provision and installation of capital equipment for, the Charles  
9 Carroll House, including interior and exterior historic preservation, reconstruction of any  
10 missing parts of the house, archaeological excavation, work on the infrastructure, and  
11 work on the surrounding land and garden areas.

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

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

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

33 (i) On the land or such portion of the land acceptable to the Trust;  
34 and

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

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

39 (7) No portion of the proceeds of the loan or any of the matching funds may be  
40 used for the furtherance of sectarian religious instruction, or in connection with the  
41 design, acquisition, or construction of any building used or to be used as a place of  
42 sectarian religious worship or instruction, or in connection with any program or  
43 department of divinity for any religious denomination. Upon the request of the Board of  
44 Public Works, the grantee shall submit evidence satisfactory to the Board that none of the

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1 proceeds of the loan or any matching funds have been or are being used for a purpose  
2 prohibited by this Act.

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