
By: Senators McFadden, Blount, and Kelley

Introduced and read first time: January 22, 1997

Assigned to: Budget and Taxation

Committee Report: Favorable with amendments

Senate action: Adopted

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CHAPTER _____

1 AN ACT concerning

2 Creation of a State Debt - Baltimore City - Great Blacks in Wax Museum

3 FOR the purpose of authorizing the creation of a State Debt not to exceed ~~\$750,000~~
4 \$200,000, the proceeds to be used as a grant to the Board of Directors of the Great
5 Blacks in Wax Museum, Inc. for certain acquisition, development, or improvement
6 purposes; providing for disbursement of the loan proceeds, subject to a requirement
7 that the grantee provide and expend a matching fund; and providing generally for
8 the issuance and sale of bonds evidencing the loan.

9 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
10 MARYLAND, That:

11 (1) The Board of Public Works may borrow money and incur indebtedness on
12 behalf of the State of Maryland through a State loan to be known as the Baltimore City
13 - Great Blacks in Wax Museum Loan of 1997 in a total principal amount equal to the
14 lesser of (i) ~~\$750,000~~ \$200,000 or (ii) the amount of the matching fund provided in
15 accordance with Section 1(5) below. This loan shall be evidenced by the issuance, sale,
16 and delivery of State general obligation bonds authorized by a resolution of the Board of
17 Public Works and issued, sold, and delivered in accordance with §§ 8-117 through 8-124
18 of the State Finance and Procurement Article and Article 31, § 22 of the Code.

19 (2) The bonds to evidence this loan or installments of this loan may be sold as a
20 single issue or may be consolidated and sold as part of a single issue of bonds under §
21 8-122 of the State Finance and Procurement Article.

22 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer and
23 first shall be applied to the payment of the expenses of issuing, selling, and delivering the
24 bonds, unless funds for this purpose are otherwise provided, and then shall be credited on
25 the books of the Comptroller and expended, on approval by the Board of Public Works,
26 for the following public purposes, including any applicable architects' and engineers' fees:

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1 as a grant to the Board of Directors of the Great Blacks in Wax Museum, Inc. (referred
 2 to hereafter in this Act as "the grantee") for the acquisition, repair, renovation,
 3 expansion, reconstruction, and ~~equipping~~ capital equipping of properties in the 1600
 4 block of East North Avenue in Baltimore City, for use as part of the Great Blacks in Wax
 5 Museum and associated facilities.

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

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

25 (5) (a) The grantee shall provide and expend a matching fund.

26 (b) No part of the grantee's matching fund may be provided, either directly
 27 or indirectly, from funds of the State, whether appropriated or unappropriated. No part
 28 of the fund may consist of in kind contributions or funds expended prior to the effective
 29 date of this Act. The fund may consist of real property. In case of any dispute as to the
 30 amount of the matching fund or what money or assets may qualify as matching funds, the
 31 Board of Public Works shall determine the matter and the Board's decision is final.

32 (c) The grantee first shall present evidence to the satisfaction of the Board
 33 of Public Works of the provision and expenditure of the matching fund, and the Board of
 34 Public Works then shall certify this fact and disburse the proceeds of the grant under the
 35 provisions of this Act for the purposes set forth in Section 1(3) above in the manner
 36 described in this Act.

37 (d) The Board of Public Works shall distribute the proceeds of the loan in
 38 two installments, beginning after June 1, 1997 and ending before June 1, 1999. The first
 39 installment of the proceeds of the loan shall be equal to the lesser of 50 percent of the
 40 total amount of the proceeds of the loan or the amount of the installment of the matching
 41 fund provided by the grantee at that time. The second installment of the proceeds of the
 42 loan shall be equal to the amount of the second installment of the matching fund, except
 43 that the total amount of the proceeds of the loan may not exceed \$200,000.

1 (e) Prior to the payment of each installment of the proceeds of the loan by
2 the Board of Public Works, the grantee shall present evidence satisfactory to the Board of
3 Public Works that the installment of the matching fund will be provided. If satisfactory
4 evidence is presented, the Board shall certify this fact and the amount of the installment
5 of the matching fund to the State Treasurer, and the proceeds of the loan equal to the
6 installment of the matching fund shall be expended for the purposes provided in this Act.
7 After June 1, 2000, any amount of the loan in excess of the amount of the total matching
8 fund certified by the Board of Public Works shall be canceled and be of no further effect.

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