

CF 7r1518

By: Senators Hogan, Roesser, Forehand, Frosh, McCabe, Ruben, Teitelbaum, and Van Hollen

Introduced and read first time: January 31, 1997

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt - Montgomery County - Waters Property Historical Site**

3 FOR the purpose of authorizing the creation of a State Debt not to exceed \$1,200,000,
4 the proceeds to be used as a grant to the Maryland-National Capital Park and
5 Planning Commission 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; requiring the grantee to
8 convey a certain easement to the Maryland Historical Trust; and providing generally
9 for the issuance and sale of bonds evidencing the loan.

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

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

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

23 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer and
24 first shall be applied to the payment of the expenses of issuing, selling, and delivering the
25 bonds, unless funds for this purpose are otherwise provided, and then shall be credited on
26 the books of the Comptroller and expended, on approval by the Board of Public Works,
27 for the following public purposes, including any applicable architects' and engineers' fees:
28 as a grant to the Maryland-National Capital Park and Planning Commission (referred to
29 hereafter in this Act as "the grantee") for the repair, restoration, and rehabilitation of,
30 and for the provision of capital equipment for, the barn at the Waters Complex at
31 Milestone in Germantown, and for the design, fabrication, and mounting of a permanent
32 exhibit on the history of Montgomery County for the barn.

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

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

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

22 (i) On the land or such portion of the land acceptable to the Trust;
23 and

24 (ii) On the exterior and interior, where appropriate, of the historic
25 structures.

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

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