

HOUSE BILL 93

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B2

1998 Regular Session
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CF 8lr0228

(PRE-FILED)

By: **Delegates Busch, Bissett, and Clagett**
Requested: August 12, 1997
Introduced and read first time: January 14, 1998
Assigned to: Appropriations

A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt - Anne Arundel County - Maryland Hall for the**
3 **Creative Arts**

4 FOR the purpose of authorizing the creation of a State Debt not to exceed \$250,000,
5 the proceeds to be used as a grant to the Board of Directors of the Maryland Hall
6 for the Creative Arts, Inc. for certain acquisition, development, or improvement
7 purposes; providing for disbursement of the loan proceeds, subject to a
8 requirement that the grantee provide and expend a matching fund; requiring
9 the grantee and the Board of Education of Anne Arundel County to grant and
10 convey a certain easement to the Maryland Historical Trust; and providing
11 generally for the issuance and sale of bonds evidencing the loan.

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

14 (1) The Board of Public Works may borrow money and incur indebtedness on
15 behalf of the State of Maryland through a State loan to be known as the Maryland
16 Hall for the Creative Arts, Inc. Loan of 1998 in a total principal amount equal to the
17 lesser of (i) \$250,000, or (ii) the amount of the matching fund provided in accordance
18 with Section 1(5) below. This loan shall be evidenced by the issuance, sale, and
19 delivery of State general obligation bonds authorized by a resolution of the Board of
20 Public Works and issued, sold, and delivered in accordance with §§ 8-117 through
21 8-124 of the State Finance and Procurement Article and Article 31, § 22 of the Code.

22 (2) The bonds to evidence this loan or installments of this loan may be sold as
23 a 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
26 and first shall be applied to the payment of the expenses of issuing, selling, and
27 delivering the bonds, unless funds for this purpose are otherwise provided, and then
28 shall be credited on the books of the Comptroller and expended, on approval by the
29 Board of Public Works, for the following public purposes, including any applicable
30 architects' and engineers' fees: as a grant to the Board of Directors of the Maryland
31 Hall for the Creative Arts, Inc. (referred to hereafter in this Act as "the grantee") for

1 the repair, renovation, rehabilitation, restoration, and reconstruction of Maryland
2 Hall for the Creative Arts located in Annapolis.

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

7 (5) Prior to the payment of any funds under the provisions of this Act for the
8 purposes set forth in Section 1(3) above, the grantee shall provide and expend a
9 matching fund. No part of the grantee's matching fund may be provided, either
10 directly or indirectly, from funds of the State, whether appropriated or
11 unappropriated. No part of the fund may consist of real property, in kind
12 contributions, or funds expended prior to the effective date of this Act. The grantee
13 may use funds received from the County Executive and County Council of Anne
14 Arundel County as matching funds. In case of any dispute as to the amount of the
15 matching fund or what money or assets may qualify as matching funds, the Board of
16 Public Works shall determine the matter and the Board's decision is final. The
17 grantee has until June 1, 2000, to present evidence satisfactory to the Board of Public
18 Works that a matching fund will be provided. If satisfactory evidence is presented, the
19 Board shall certify this fact and the amount of the matching fund to the State
20 Treasurer, and the proceeds of the loan equal to the amount of the matching fund
21 shall be expended for the purposes provided in this Act. Any amount of the loan in
22 excess of the amount of the matching fund certified by the Board of Public Works
23 shall be canceled and be of no further effect.

24 (6) (a) Prior to the issuance of the bonds, the grantee and the Board of
25 Education of Anne Arundel County shall grant and convey to the Maryland Historical
26 Trust a perpetual preservation easement to the extent of its interest:

27 (i) On the land or such portion of the land acceptable to the Trust;
28 and

29 (ii) On the exterior and interior, where appropriate, of the historic
30 structures.

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

33 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
34 June 1, 1998.