

HOUSE BILL 508

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B2

1998 Regular Session  
8lr0997  
CF 8lr2125

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By: **Delegates Petzold, Heller, Mandel, Franchot, Dembrow, Kopp, Hurson,  
and Barve**

Introduced and read first time: February 5, 1998  
Assigned to: Appropriations

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Committee Report: Favorable with amendments  
House action: Adopted  
Read second time: March 31, 1998

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CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Creation of a State Debt - Montgomery County - National Capital Trolley**  
3 **Museum**

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 Board of Directors of the  
6 National Capital Historical Museum of Transportation, Inc. for certain  
7 acquisition, development, or improvement purposes; providing for disbursement  
8 of the loan proceeds, subject to a requirement that the grantee provide and  
9 expend a matching fund; and providing generally for the issuance and sale of  
10 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 Montgomery  
15 County - National Capital Trolley Museum Loan of 1998 in a total principal amount  
16 equal to the lesser of (i) ~~\$200,000~~ \$100,000 or (ii) the amount of the matching fund  
17 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  
19 resolution of the Board of Public Works and issued, sold, and delivered in accordance  
20 with §§ 8-117 through 8-124 of the State Finance and Procurement Article and  
21 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.

1 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer  
2 and first shall be applied to the payment of the expenses of issuing, selling, and  
3 delivering the bonds, unless funds for this purpose are otherwise provided, and then  
4 shall be credited on the books of the Comptroller and expended, on approval by the  
5 Board of Public Works, for the following public purposes, including any applicable  
6 architects' and engineers' fees: as a grant to the Board of Directors of the National  
7 Capital Historical Museum of Transportation, Inc. (referred to hereafter in this Act as  
8 "the grantee") for the purchase and relocation of a building to the site of the National  
9 Capital Trolley Museum, and for the repair, renovation, rehabilitation, expansion,  
10 and capital equipping of the building, and for the laying of track to serve the building.

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

15 (5) Prior to the payment of any funds under the provisions of this Act for the  
16 purposes set forth in Section 1(3) above, the grantee shall provide and expend a  
17 matching fund. No part of the grantee's matching fund may be provided, either  
18 directly or indirectly, from funds of the State, whether appropriated or  
19 unappropriated. No part of the fund may consist of funds expended prior to the  
20 effective date of this Act. The fund may consist of real property or in kind  
21 contributions. In case of any dispute as to the amount of the matching fund or what  
22 money or assets may qualify as matching funds, the Board of Public Works shall  
23 determine the matter and the Board's decision is final. The grantee has until June 1,  
24 2000, to present evidence satisfactory to the Board of Public Works that a matching  
25 fund will be provided. If satisfactory evidence is presented, the Board shall certify this  
26 fact and the amount of the matching fund to the State Treasurer, and the proceeds of  
27 the loan equal to the amount of the matching fund shall be expended for the purposes  
28 provided in this Act. Any amount of the loan in excess of the amount of the matching  
29 fund certified by the Board of Public Works shall be canceled and be of no further  
30 effect.

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