
By: **Delegate Eckardt**
Introduced and read first time: February 13, 1998
Assigned to: Appropriations

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

CHAPTER _____

1 AN ACT concerning

2 **Creation of a State Debt - Dorchester County - Stanley Institute: Rock**
3 **School House Restoration**

4 FOR the purpose of authorizing the creation of a State Debt not to exceed ~~\$53,000~~
5 \$50,000, the proceeds to be used as a grant to the Board of Directors of The
6 Harriet Tubman Organization, Inc. and The Friends of Stanley Institute for
7 certain acquisition, development, or improvement purposes; providing for
8 disbursement of the loan proceeds, subject to a requirement that the ~~grantee~~
9 grantees provide and expend a matching fund; requiring the ~~grantee~~ grantees to
10 grant and convey to the Maryland Historical Trust a certain kind of easement;
11 and providing 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 Dorchester
16 County - Stanley Institute: Rock School House Restoration Loan of 1998 in a total
17 principal amount equal to the lesser of (i) ~~\$53,000~~ \$50,000 or (ii) the amount of the
18 matching fund provided in accordance with Section 1(5) below. This loan shall be
19 evidenced by the issuance, sale, and delivery of State general obligation bonds
20 authorized by a resolution of the Board of Public Works and issued, sold, and
21 delivered in accordance with §§ 8-117 through 8-124 of the State Finance and
22 Procurement Article and Article 31, § 22 of the Code.

23 (2) The bonds to evidence this loan or installments of this loan may be sold as
24 a single issue or may be consolidated and sold as part of a single issue of bonds under
25 § 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 joint grant to the Board of Directors of The Harriet
7 Tubman Organization, Inc. and The Friends of Stanley Institute (referred to hereafter
8 in this Act as "~~the grantee~~ grantees") for the planning, design, repair, renovation,
9 restoration, reconstruction, construction, and capital equipping and furnishing of the
10 historic Stanley Institute: Rock School House, in Dorchester County, an African
11 American one-room schoolhouse built in 1865 and in use until 1966.

12 (4) An annual State tax is imposed on all assessable property in the State in
13 rate and amount sufficient to pay the principal of and interest on the bonds as and
14 when due and until paid in full. The principal shall be discharged within 15 years
15 after the date of 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 grantees jointly shall provide and expend
18 a matching fund. No part of the grantees' matching fund may be provided, either
19 directly or indirectly, from funds of the State, whether appropriated or
20 unappropriated. No part of the fund may consist of real property, in kind
21 contributions, or funds expended prior to the effective date of this Act. In case of any
22 dispute as to the amount of the matching fund or what money or assets may qualify
23 as matching funds, the Board of Public Works shall determine the matter and the
24 Board's decision is final. ~~The grantee has~~ grantees have until June 1, 2000, to present
25 evidence satisfactory to the Board of Public Works that a matching fund will be
26 provided. If satisfactory evidence is presented, the Board shall certify this fact and
27 the amount of the matching fund to the State Treasurer, and the proceeds of the loan
28 equal to the amount of the matching fund shall be expended for the purposes provided
29 in this Act. Any amount of the loan in excess of the amount of the matching fund
30 certified by the Board of Public Works shall be canceled and be of no further effect.

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

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

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

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

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

