

HOUSE BILL 1172

Unofficial Copy
B2

1998 Regular Session
(8lr2548)

ENROLLED BILL

-- Appropriations/Budget and Taxation --

Introduced by **Delegates Heller, Hixson, Barve, Beck, Dypski, Faulkner,
Flanagan, Franchot, Genn, Goldwater, Healey, Kagan, Kopp, Mandel,
Menes, Kittleman, Shriver, and Hurson**

Read and Examined by Proofreaders:

Proofreader.

Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this
____ day of _____ at _____ o'clock, ____ M.

Speaker.

CHAPTER _____

1 AN ACT concerning

2 **Creation of a State Debt - Montgomery County - Olney Theatre Center for**
3 **the Arts**

4 FOR the purpose of authorizing the creation of a State Debt not to exceed ~~\$2,000,000~~
5 ~~\$200,000~~ \$475,000, the proceeds to be used as a grant to the Olney Theatre
6 Center for the Arts for certain acquisition, development, or improvement
7 purposes; providing for disbursement of the loan proceeds, subject to a
8 requirement that the grantee and the County Executive and County Council of
9 Montgomery County jointly provide and expend a matching fund; ~~requiring the~~
10 ~~grantee to grant and convey to the Maryland Historical Trust a certain kind of~~
11 ~~easement~~; and providing generally for the issuance and sale of bonds evidencing
12 the loan.

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

1 (1) The Board of Public Works may borrow money and incur indebtedness on
2 behalf of the State of Maryland through a State loan to be known as the Montgomery
3 County - Olney Theatre Center for the Arts Loan of 1998 in a total principal amount
4 equal to the lesser of (i) ~~\$2,000,000~~ ~~\$200,000~~ \$475,000 or (ii) the amount of the
5 matching fund provided in accordance with Section 1(5) below. This loan shall be
6 evidenced by the issuance, sale, and delivery of State general obligation bonds
7 authorized by a resolution of the Board of Public Works and issued, sold, and
8 delivered in accordance with §§ 8-117 through 8-124 of the State Finance and
9 Procurement Article and Article 31, § 22 of the Code.

10 (2) The bonds to evidence this loan or installments of this loan may be sold as
11 a single issue or may be consolidated and sold as part of a single issue of bonds under
12 § 8-122 of the State Finance and Procurement Article.

13 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer
14 and first shall be applied to the payment of the expenses of issuing, selling, and
15 delivering the bonds, unless funds for this purpose are otherwise provided, and then
16 shall be credited on the books of the Comptroller and expended, on approval by the
17 Board of Public Works, for the following public purposes, including any applicable
18 architects' and engineers' fees: as a grant to the Olney Theatre Center for the Arts
19 (referred to hereafter in this Act as "the grantee") for the planning, design,
20 construction, and capital equipping of a new main stage for the Theatre, together with
21 landscaping, site improvements, and other associated capital improvements that are
22 necessary for the completion of Phase One of the Olney Theatre Campus Master Plan.

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

27 (5) Prior to the payment of any funds under the provisions of this Act for the
28 purposes set forth in Section 1(3) above, the grantee and the County Executive and
29 County Council of Montgomery County jointly shall provide and expend a matching
30 fund. No part of the matching fund may be provided, either directly or indirectly, from
31 funds of the State, whether appropriated or unappropriated. The fund may consist of
32 real property, in kind contributions, or funds expended prior to the effective date of
33 this Act. In case of any dispute as to the amount of the matching fund or what money
34 or assets may qualify as matching funds, the Board of Public Works shall determine
35 the matter and the Board's decision is final. The grantee and the County Executive
36 and County Council of Montgomery County have until June 1, 2000, to present
37 evidence satisfactory to the Board of Public Works that a matching fund will be
38 provided. If satisfactory evidence is presented, the Board shall certify this fact and
39 the amount of the matching fund to the State Treasurer, and the proceeds of the loan
40 equal to the amount of the matching fund shall be expended for the purposes provided
41 in this Act. Any amount of the loan in excess of the amount of the matching fund
42 certified by the Board of Public Works shall be canceled and be of no further effect.

1 (6) (a) ~~Prior to the issuance of the bonds, the grantee shall grant and convey~~
2 ~~to the Maryland Historical Trust a perpetual preservation easement to the extent of~~
3 ~~its interest:~~

4 (i) ~~On the land or such portion of the land acceptable to the Trust;~~
5 ~~and~~

6 (ii) ~~On the exterior and interior, where appropriate, of the historic~~
7 ~~structures.~~

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

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