

SENATE BILL 110

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B2

1998 Regular Session  
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By: **Senators Della and Hoffman**  
Introduced and read first time: January 19, 1998  
Assigned to: Budget and Taxation

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Committee Report: Favorable  
Senate action: Adopted  
Read second time: March 27, 1998

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CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Creation of a State Debt - Baltimore Museum of Industry**

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

21 (2) The bonds to evidence this loan or installments of this loan may be sold as  
22 a single issue or may be consolidated and sold as part of a single issue of bonds under  
23 § 8-122 of the State Finance and Procurement Article.

24 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer  
25 and first shall be applied to the payment of the expenses of issuing, selling, and

1 delivering the bonds, unless funds for this purpose are otherwise provided, and then  
2 shall be credited on the books of the Comptroller and expended, on approval by the  
3 Board of Public Works, for the following public purposes, including any applicable  
4 architects' and engineers' fees: as a grant to the Board of Directors of the Baltimore  
5 Museum of Industry, Inc. (referred to hereafter in this Act as "the grantee") for the  
6 repair, renovation, reconstruction, and capital equipping of the property at 1425 Key  
7 Highway in Baltimore, for use as the Center for Career and Technology Education,  
8 the construction and capital equipping of the Glass Industry Exhibit Building, the  
9 brick paving of the Waterfront Promenade, and the construction of new permanent  
10 exhibits.

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 and 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 (6) (a) Prior to the issuance of the bonds, the grantee shall grant and convey  
32 to the Maryland Historical Trust a perpetual preservation easement to the extent of  
33 its 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  
39 and 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.

