

SENATE BILL 140

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B2

1998 Regular Session
8r0228
CF 8r0229

By: **Anne Arundel County Senators**
Introduced and read first time: January 22, 1998
Assigned to: Budget and Taxation

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

CHAPTER _____

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 Anne Arundel
16 County - Maryland Hall for the Creative Arts, Inc. Arts Loan of 1998 in a total
17 principal amount equal to the lesser of (i) \$250,000, or (ii) the amount of the matching
18 fund provided in accordance with Section 1(5) below. This loan shall be evidenced by
19 the issuance, sale, and delivery of State general obligation bonds authorized by a
20 resolution of the Board of Public Works and issued, sold, and delivered in accordance
21 with §§ 8-117 through 8-124 of the State Finance and Procurement Article and
22 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 grant to the Board of Directors of the Maryland
7 Hall for the Creative Arts, Inc. (referred to hereafter in this Act as "the grantee") for
8 the repair, renovation, rehabilitation, restoration, and reconstruction of Maryland
9 Hall for the Creative Arts located in Annapolis.

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

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

31 (6) (a) Prior to the issuance of the bonds, the grantee and the Board of
32 Education of Anne Arundel County shall grant and convey to the Maryland Historical
33 Trust a perpetual preservation easement to the extent of 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.

