

SENATE BILL 182

Unofficial Copy
B2

1998 Regular Session
(8lr0940)

ENROLLED BILL
-- Budget and Taxation/Appropriations --

Introduced by **Senators Hogan, Roesser, Van Hollen, and Ruben**

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.

President.

CHAPTER _____

1 AN ACT concerning

2 **Creation of a State Debt - Montgomery County - Germantown Cultural Arts**
3 **Center**

4 FOR the purpose of authorizing the creation of a State Debt not to exceed ~~\$1,400,000~~
5 ~~\$1,000,000~~ \$700,000, the proceeds to be used as a grant to the Board of Trustees
6 of the Germantown Cultural Arts Center, Inc. for certain acquisition,
7 development, or improvement purposes; providing for disbursement of the loan
8 proceeds, subject to a requirement that the grantee provide and expend a
9 matching fund; 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 Montgomery
15 County - Germantown Cultural Arts Center Loan of 1998 in a total principal amount
16 equal to the lesser of (i) ~~\$1,400,000~~ ~~\$1,000,000~~ \$700,000 or (ii) the amount of the

1 matching fund provided in accordance with Section 1(5) below. This loan shall be
2 evidenced by the issuance, sale, and delivery of State general obligation bonds
3 authorized by a resolution of the Board of Public Works and issued, sold, and
4 delivered in accordance with §§ 8-117 through 8-124 of the State Finance and
5 Procurement Article and Article 31, § 22 of the Code.

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

9 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer
10 and first shall be applied to the payment of the expenses of issuing, selling, and
11 delivering the bonds, unless funds for this purpose are otherwise provided, and then
12 shall be credited on the books of the Comptroller and expended, on approval by the
13 Board of Public Works, for the following public purposes, including any applicable
14 architects' and engineers' fees: as a grant to the Board of Trustees of the Germantown
15 Cultural Arts Center, Inc. (referred to hereafter in this Act as "the grantee") for the
16 planning, design, and construction of, and for the provision of capital equipment for, a
17 multiarts facility, in which there will be community programs in the performing arts,
18 visual arts, and art education, to be located in the 19700 block of Germantown Road
19 in Germantown, Maryland.

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

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

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

