

SENATE BILL 244

Unofficial Copy
B2

1998 Regular Session
8lr0911
CF 8lr0873

By: **Senators Hoffman, Munson, Sfikas, Della, Madden, McFadden, Miller,
Hollinger, and Ruben**

Introduced and read first time: January 30, 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 - Baltimore City - The American Visionary Art**
3 **Museum**

4 FOR the purpose of authorizing the creation of a State Debt not to exceed ~~\$2,500,000~~
5 \$2,000,000, the proceeds to be used as a grant to the Board of Directors of The
6 American Visionary Art Museum, Inc. for certain acquisition, development, or
7 improvement purposes; providing for disbursement of the loan proceeds, subject
8 to a requirement that the grantee provide and expend a matching fund; and
9 providing generally for the issuance and sale of bonds evidencing the loan.

10 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
11 MARYLAND, That:

12 (1) The Board of Public Works may borrow money and incur indebtedness on
13 behalf of the State of Maryland through a State loan to be known as the Baltimore
14 City - The American Visionary Art Museum Loan of 1998 in a total principal amount
15 equal to the lesser of (i) ~~\$2,500,000~~ \$2,000,000 or (ii) the amount of the matching fund
16 provided in accordance with Section 1(5) below. This loan shall be evidenced by the
17 issuance, sale, and delivery of State general obligation bonds authorized by a
18 resolution of the Board of Public Works and issued, sold, and delivered in accordance
19 with §§ 8-117 through 8-124 of the State Finance and Procurement Article and
20 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.

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 American
7 Visionary Art Museum, Inc. (referred to hereafter in this Act as "the grantee") for the
8 renovation, repair, reconstruction, construction, and capital equipping of the adjacent
9 property at 840 Key Highway in Baltimore City, that will be used for additional
10 exhibition and educational workshop space and as an urban institute for creative
11 thinking and for the exchange of ideas and information on the revitalization of cities
12 and urban regions.

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

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

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