

SENATE BILL 278

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B2

1998 Regular Session  
8r1309  
CF 8r1365

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By: **Senators Miller, Middleton, and Dyson**  
Introduced and read first time: February 3, 1998  
Assigned to: Budget and Taxation

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

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CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Creation of a State Debt - Calvert County Historical Society - "Linden"**  
3 **Project**

4 FOR the purpose of authorizing the creation of a State Debt not to exceed ~~\$320,000~~  
5 \$300,000, the proceeds to be used as a grant to the Board of Directors of the  
6 Calvert County Historical Society, 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;  
9 requiring the grantee to grant and convey to the Maryland Historical Trust a  
10 certain kind of easement; and providing generally for the issuance and sale of  
11 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 Calvert  
16 County Historical ~~Society, Inc.~~ Society - "Linden" Project Loan of 1998 in a total  
17 principal amount equal to the lesser of (i) ~~\$320,000~~ \$300,000 or (ii) the amount of the  
18 matching fund provided in accordance with Section 1(5) below. This loan shall be  
19 evidenced by the issuance, sale, and delivery of State general obligation bonds  
20 authorized by a resolution of the Board of Public Works and issued, sold, and  
21 delivered in accordance with §§ 8-117 through 8-124 of the State Finance and  
22 Procurement Article and 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 Calvert  
7 County Historical Society, Inc. (referred to hereafter in this Act as "the grantee") for  
8 the rehabilitation, restoration, renovation, expansion, and capital equipping of the  
9 historic building known as "Linden", located in Prince Frederick, the building to be  
10 used as a research and education center, a historical repository, and for offices for the  
11 Calvert County Historical Society.

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

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

