

SENATE BILL 377

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B2

1998 Regular Session
8lr2125
CF 8lr0997

By: **Senators Teitelbaum and Ruben**
Introduced and read first time: February 6, 1998
Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt - Montgomery County - National Capital Trolley**
3 **Museum**

4 FOR the purpose of authorizing the creation of a State Debt not to exceed \$200,000,
5 the proceeds to be used as a grant to the Board of Directors of the National
6 Capital Historical Museum of Transportation, 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 - National Capital Trolley Museum Loan of 1998 in a total principal amount
16 equal to the lesser of (i) \$200,000 or (ii) the amount of the matching fund provided in
17 accordance with Section 1(5) below. This loan shall be evidenced by the issuance, sale,
18 and delivery of State general obligation bonds authorized by a resolution of the Board
19 of Public Works and issued, sold, and delivered in accordance with §§ 8-117 through
20 8-124 of 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
26 delivering the bonds, unless funds for this purpose are otherwise provided, and then
27 shall be credited on the books of the Comptroller and expended, on approval by the
28 Board of Public Works, for the following public purposes, including any applicable
29 architects' and engineers' fees: as a grant to the Board of Directors of the National
30 Capital Historical Museum of Transportation, Inc. (referred to hereafter in this Act as
31 "the grantee") for the purchase and relocation of a building to the site of the National

1 Capital Trolley Museum, and for the repair, renovation, rehabilitation, expansion,
2 and capital equipping of the building, and for the laying of track to serve the building.

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

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

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