

SENATE BILL 430

Unofficial Copy
B2

1998 Regular Session
(8lr1126)

ENROLLED BILL
-- Budget and Taxation/Appropriations --

Introduced by **Senators Blount, Boozer, Hoffman, Neall, and ~~Sfikas~~ Sfikas, and Kasemeyer**

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 - Baltimore City - Project Liberty Ship**

3 FOR the purpose of authorizing the creation of a State Debt not to exceed ~~\$500,000~~
4 \$350,000, the proceeds to be used as a grant to the Board of Directors of Project
5 Liberty Ship of Baltimore, Inc. for certain acquisition, development, or
6 improvement purposes; providing for disbursement of the loan proceeds, subject
7 to a requirement that the grantee provide and expend a matching fund;
8 providing generally for the issuance and sale of bonds evidencing the loan; and
9 requiring the grantee to grant and convey a historic easement to the Maryland
10 Historical Trust.

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 Baltimore
15 City - Project Liberty Ship Loan of 1998 in a total principal amount equal to the

1 lesser of (i) ~~\$500,000~~ \$350,000 or (ii) the amount of the matching fund provided in
2 accordance with Section 1(5) below. This loan shall be evidenced by the issuance, sale,
3 and delivery of State general obligation bonds authorized by a resolution of the Board
4 of Public Works and issued, sold, and delivered in accordance with §§ 8-117 through
5 8-124 of the State Finance and 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 Directors of Project Liberty
15 Ship of Baltimore, Inc. (referred to hereafter in this Act as "the grantee") for the
16 repair, renovation, and preservation, including rivet replacement and improvements
17 to the museum and exhibit spaces, of the historic Maryland-built Liberty Ship, the
18 John W. Brown, which is used as a living educational facility for those who visit, sail,
19 and work on the ship today and as a tribute to merchant marines, the United States
20 Naval Armed Guards, and shipyard workers who sailed and built the Liberty Fleet.

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

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

40 (6) (a) Prior to the issuance of the bonds, the grantee shall grant and convey
41 to the Maryland Historical Trust a perpetual preservation ~~easement~~ covenant to the
42 extent of its interest on the exterior and interior, where appropriate, of the historic
43 vessel.

1 (b) The ~~easement~~ covenant must be in form and substance acceptable to
2 the Trust and the extent of the interest to be encumbered must be acceptable to the
3 Trust.

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