

SENATE BILL 516

Unofficial Copy  
B2

1998 Regular Session  
8lr2134  
CF 8lr2135

---

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

---

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

---

CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Creation of a State Debt - Baltimore City - Maryland Historical Society**

3 FOR the purpose of authorizing the creation of a State Debt not to exceed \$2,000,000,  
4 the proceeds to be used as a grant to the Maryland Historical Society for certain  
5 acquisition, development, or improvement purposes; providing for disbursement  
6 of the loan proceeds, subject to a requirement that the grantee provide and  
7 expend a matching fund; requiring the grantee to grant and convey a certain  
8 easement to the Maryland Historical Trust; and providing generally for the  
9 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 - Maryland Historical Society Loan of 1998 in a total principal amount equal to  
15 the lesser of (i) \$2,000,000 or (ii) the amount of the matching fund provided in  
16 accordance with Section 1(5) below. This loan shall be evidenced by the issuance, sale,  
17 and delivery of State general obligation bonds authorized by a resolution of the Board  
18 of Public Works and issued, sold, and delivered in accordance with §§ 8-117 through  
19 8-124 of the State Finance and Procurement Article and Article 31, § 22 of the Code.

20 (2) The bonds to evidence this loan or installments of this loan may be sold as  
21 a single issue or may be consolidated and sold as part of a single issue of bonds under  
22 § 8-122 of the State Finance and Procurement Article.

23 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer  
24 and first shall be applied to the payment of the expenses of issuing, selling, and  
25 delivering the bonds, unless funds for this purpose are otherwise provided, and then

1 shall be credited on the books of the Comptroller and expended, on approval by the  
2 Board of Public Works, for the following public purposes, including any applicable  
3 architects' and engineers' fees: as a grant to the Maryland Historical Society (referred  
4 to hereafter in this Act as "the grantee") for the repair, renovation, reconstruction,  
5 and capital equipping of the existing facilities, including installation of  
6 climate-controls and expansion of storage facilities, and for the planning, design,  
7 repair, renovation, reconstruction, construction, and capital equipping of new  
8 facilities, including the development of the Maryland History Center, all of which is  
9 located in the Mount Vernon/Howard Street area of Baltimore City.

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

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

29 (6) (a) Prior to the issuance of the bonds, the grantee shall grant and convey  
30 to the Maryland Historical Trust a perpetual preservation easement to the extent of  
31 its interest:

32 (i) On the land or such portion of the land acceptable to the Trust;  
33 and

34 (ii) On the exterior and interior, where appropriate, of the historic  
35 structures.

36 (b) The easement must be in form and substance acceptable to the Trust  
37 and the extent of the interest to be encumbered must be acceptable to the Trust.

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

