

SENATE BILL 630

Unofficial Copy  
B2

1998 Regular Session  
8r1740  
CF 8r1739

---

By: **Anne Arundel County Senators**  
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 - Anne Arundel County - Benson-Hammond House**  
3 **and William Downs House**

4 FOR the purpose of authorizing the creation of a State Debt not to exceed \$100,000,  
5 the proceeds to be used as a grant to the County Executive and County Council  
6 of Anne Arundel County for certain acquisition, development, or improvement  
7 purposes; providing for disbursement of the loan proceeds, subject to a  
8 requirement that the grantee provide and expend a matching fund; requiring  
9 the grantee to grant and convey to the Maryland Historical Trust a certain kind  
10 of easement; and providing generally for the issuance and sale of bonds  
11 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 Anne Arundel  
16 County - Benson-Hammond House and William Downs House Loan of 1998 in a total  
17 principal amount equal to the lesser of (i) \$100,000 or (ii) the amount of the matching  
18 fund provided in accordance with Section 1(5) below. This loan shall be evidenced by  
19 the issuance, sale, and delivery of State general obligation bonds authorized by a  
20 resolution of the Board of Public Works and issued, sold, and delivered in accordance  
21 with §§ 8-117 through 8-124 of the State Finance and Procurement Article and  
22 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 County Executive and County Council  
7 of Anne Arundel County (referred to hereafter in this Act as "the grantee") for the  
8 relocation of the William Downs House to a site adjacent to the Benson-Hammond  
9 House, for the planning, design, renovation, repair, and capital equipping of the  
10 Downs House, which will serve as a caretaker's house for the Ann Arrundell County  
11 Historical Society and as a ranger station facility for the hiking-biking trail system in  
12 the area.

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 in kind contributions or funds  
22 expended prior to the effective date of this Act. The matching fund may consist of real  
23 property. In case of any dispute as to the amount of the matching fund or what money  
24 or assets may qualify as matching funds, the Board of Public Works shall determine  
25 the matter and the Board's decision is final. The grantee has until June 1, 2000, to  
26 present evidence satisfactory to the Board of Public Works that a matching fund will  
27 be provided. If satisfactory evidence is presented, the Board shall certify this fact and  
28 the amount of the matching fund to the State Treasurer, and the proceeds of the loan  
29 equal to the amount of the matching fund shall be expended for the purposes provided  
30 in this Act. Any amount of the loan in excess of the amount of the matching fund  
31 certified by the Board of Public Works shall be canceled and be of no further effect.

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

35 (i) On the land or such portion of the land acceptable to the Trust;  
36 and

37 (ii) On the exterior and interior, where appropriate, of the historic  
38 structures.

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

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

