

SENATE BILL 748

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B2

1998 Regular Session
8lr2433
CF 8lr2132

By: **Senator Colburn**

Introduced and read first time: February 23, 1998

Rule 32 suspended

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt - Dorchester County - Stanley Institute: Rock**
3 **School House Restoration**

4 FOR the purpose of authorizing the creation of a State Debt not to exceed \$53,000, the
5 proceeds to be used as a grant to the Board of Directors of The Harriet Tubman
6 Organization, Inc. and The Friends of Stanley Institute 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; requiring the grantee to grant and convey to the Maryland
10 Historical Trust a certain kind of easement; and providing generally for the
11 issuance and sale of 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 Dorchester
16 County - Stanley Institute: Rock School House Restoration Loan of 1998 in a total
17 principal amount equal to the lesser of (i) \$53,000 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.

26 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer
27 and first shall be applied to the payment of the expenses of issuing, selling, and
28 delivering the bonds, unless funds for this purpose are otherwise provided, and then
29 shall be credited on the books of the Comptroller and expended, on approval by the
30 Board of Public Works, for the following public purposes, including any applicable
31 architects' and engineers' fees: as a joint grant to the Board of Directors of The Harriet

1 Tubman Organization, Inc. and The Friends of Stanley Institute (referred to hereafter
2 in this Act as "the grantee") for the planning, design, repair, renovation, restoration,
3 reconstruction, construction, and capital equipping and furnishing of the historic
4 Stanley Institute: Rock School House, in Dorchester County, an African American
5 one-room schoolhouse built in 1865 and in use until 1966.

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

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

25 (6) (a) Prior to the issuance of the bonds, the grantees shall grant and
26 convey to the Maryland Historical Trust a perpetual preservation easement to the
27 extent of their interest:

28 (i) On the land or such portion of the land acceptable to the Trust;
29 and

30 (ii) On the exterior and interior, where appropriate, of the historic
31 structures.

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

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