

BY: Appropriations Committee

AMENDMENTS TO HOUSE BILL NO. 1095

(First Reading File Bill)

AMENDMENT NO. 1

On page 1, strike in its entirety line 2 and substitute "Creation of a State Debt - Talbot County - Avalon Theatre"; and strike in their entirety lines 3 through 13, inclusive, and substitute:

"FOR the purpose of authorizing the creation of a State Debt not to exceed \$60,000, the proceeds to be used as a grant to the Board of Trustees of the Avalon Foundation, Inc. for certain development or improvement purposes; providing for disbursement of the loan proceeds, subject to a requirement that the grantee provide and expend a matching fund; requiring the grantee to grant and convey a certain easement to the Maryland Historical Trust; and providing generally for the issuance and sale of bonds evidencing the loan."

AMENDMENT NO. 2

On pages 1 through 3, strike in their entirety the lines beginning with line 14 on page 1 through line 25 on page 3, inclusive, and substitute:

"SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
That:

(1) The Board of Public Works may borrow money and incur indebtedness on behalf of the State of Maryland through a State loan to be known as the Talbot County - Avalon Theatre Loan of 1999 in a total principal amount equal to the lesser of (i) \$60,000 or (ii) the amount of the matching fund provided in accordance with Section 1(5) below. This loan shall be evidenced by the issuance, sale, and delivery of State general obligation bonds authorized by a resolution of the Board of Public Works and issued, sold, and delivered in accordance with §§ 8-117 through 8-124 of the State Finance and Procurement Article and Article 31, § 22 of the Code.

(Over)

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

(3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer and first shall be applied to the payment of the expenses of issuing, selling, and delivering the bonds, unless funds for this purpose are otherwise provided, and then shall be credited on the books of the Comptroller and expended, on approval by the Board of Public Works, for the following public purposes, including any applicable architects' and engineers' fees: as a grant to the Board of Trustees of the Avalon Foundation, Inc. (referred to hereafter in this Act as "the grantee") for the restoration, renovation, repair, rehabilitation, reconstruction, construction, and capital equipping of the historic Avalon Theatre facilities in Easton, located in Talbot County.

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

(5) (a) The grantee shall provide and expend a matching fund.

(b) No part of the grantee's matching fund may be provided, either directly or indirectly, from funds of the State, whether appropriated or unappropriated. No part of the fund may consist of real property or funds expended prior to the effective date of this Act. The fund may consist of in kind contributions. In case of any dispute as to the amount of the matching fund or what money or assets may qualify as matching funds, the Board of Public Works shall determine the matter and the Board's decision is final.

(c) The grantee shall present evidence to the satisfaction of the Board of Public Works of the provision and expenditure of the matching fund, and the Board of Public Works shall disburse the proceeds of the grant under the provisions of this Act for the purposes set forth in Section 1(3) above, both to be done in installments.

(d) As the grantee provides and expends an installment of the matching fund, which shall be equal to at least 25% of the grant amount authorized in Section 1(1) above, the Board of Public Works shall disburse an installment of the proceeds of the grant equal to the portion of the

matching fund presented at that time by the grantee.

(e) This method of presentation of the matching fund in installments and of the disbursement of the proceeds of the loan in installments that are equal to each presentation of the matching fund shall continue until the first to occur of the disbursement of the total amount of the grant or June 1, 2001.

(f) The grantee has until June 1, 2001, to present the final evidence satisfactory to the Board of Public Works that the total matching fund will be provided. If satisfactory evidence is presented, the Board shall certify this fact, the amount of the final installment of the matching fund, and the amount of the total matching fund to the State Treasurer, and the final proceeds of the loan equal to the final installment of the matching fund shall be expended for the purposes provided in this Act. After June 1, 2001, any amount of the loan in excess of the amount of the matching fund certified by the Board of Public Works shall be canceled and be of no further effect.

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

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

and

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

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