
By: **Delegates Owings and O'Donnell**
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CHAPTER _____

1 AN ACT concerning

2 **Creation of a State Debt - Calvert County - William B. Tennison Boat**
3 **Restoration**

4 FOR the purpose of authorizing the creation of a State Debt not to exceed \$50,000, the
5 proceeds to be used as a grant to the ~~Board of Governors of the Calvert Marine~~
6 ~~Museum~~ Board of Calvert County Commissioners for certain development or
7 improvement purposes; providing for disbursement of the loan proceeds, subject
8 to a requirement that the grantee provide and expend a matching fund;
9 requiring the recipient to provide a historic covenant to the Maryland Historical
10 Trust; and providing generally for the issuance and sale of bonds evidencing the
11 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 Calvert
16 County - William B. Tennison Boat Restoration Loan of 1999 in a total principal
17 amount equal to the lesser of (i) \$50,000 or (ii) the amount of the matching fund
18 provided in accordance with Section 1(5) below. This loan shall be evidenced by the
19 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 ~~Board of Governors of the Calvert~~
7 ~~Marine Museum~~ Board of Calvert County Commissioners (referred to hereafter in
8 this Act as "the grantee") for the planning, design, repair, restoration, improvement,
9 and preservation of the sailing vessel William B. Tennison.

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, 2001, 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 preservation covenant to the extent of its interest
31 on the historic vessel.

32 (b) The covenant must be in form and substance acceptable to the Trust
33 and 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, 1999.

