

HOUSE BILL 894

Unofficial Copy  
B2

1999 Regular Session  
9r1929  
CF 9r1578

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By: **Delegates Flanagan and Kittleman**  
Introduced and read first time: February 12, 1999  
Assigned to: Appropriations

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Committee Report: Favorable with amendments  
House action: Adopted  
Read second time: March 29, 1999

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CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Creation of a State Debt - Montgomery County - Brookeville Academy**

3 FOR the purpose of authorizing the creation of a State Debt not to exceed \$75,000, the  
4 proceeds to be used as a grant to the Commissioners of the Town of Brookeville  
5 in Montgomery County for certain development or improvement purposes;  
6 providing for disbursement of the loan proceeds, subject to a requirement that  
7 the grantee provide and expend a matching fund; ~~requiring the grantee to grant~~  
8 ~~and convey a historic easement to the Maryland Historical Trust;~~ and providing  
9 generally for the 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 Montgomery  
14 County - Brookeville Academy Loan of 1999 in a total principal amount equal to the  
15 lesser of (i) \$75,000 or (ii) the amount of the matching fund provided in accordance  
16 with Section 1(5) below. This loan shall be evidenced by the issuance, sale, and  
17 delivery of State general obligation bonds authorized by a resolution of the Board of  
18 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 Commissioners of the Town of  
 4 Brookeville in Montgomery County (referred to hereafter in this Act as "the grantee")  
 5 for the planning, design, construction, reconstruction, and capital equipping of a  
 6 community center at the historic Brookeville Academy in Brookeville, and for other  
 7 related capital improvements.

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

12 (5) Prior to the payment of any funds under the provisions of this Act for the  
 13 purposes set forth in Section 1(3) above, the grantee shall provide and expend a  
 14 matching fund. No part of the grantee's matching fund may be provided, either  
 15 directly or indirectly, from funds of the State, whether appropriated or  
 16 unappropriated. No part of the fund may consist of real property or in kind  
 17 contributions. The ~~funds fund~~ fund may consist of funds expended prior to the effective  
 18 date of this Act. In case of any dispute as to the amount of the matching fund or what  
 19 money or assets may qualify as matching funds, the Board of Public Works shall  
 20 determine the matter and the Board's decision is final. The grantee has until June 1,  
 21 2001, to present evidence satisfactory to the Board of Public Works that a matching  
 22 fund will be provided. If satisfactory evidence is presented, the Board shall certify this  
 23 fact and the amount of the matching fund to the State Treasurer, and the proceeds of  
 24 the loan equal to the amount of the matching fund shall be expended for the purposes  
 25 provided in this Act. Any amount of the loan in excess of the amount of the matching  
 26 fund certified by the Board of Public Works shall be canceled and be of no further  
 27 effect.

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

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

33 (ii) ~~On the exterior and interior, where appropriate, of the historic~~  
 34 ~~structures:~~

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

37 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
 38 June 1, 1999.

