

HOUSE BILL 1163

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B2

1999 Regular Session
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CF 9lr2522

By: **Delegate Edwards**
Introduced and read first time: March 1, 1999
Assigned to: Rules and Executive Nominations
Re-referred to: Appropriations, March 4, 1999

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

CHAPTER _____

1 AN ACT concerning

2 **Creation of a State Debt - Garrett County - Town of Oakland - B&O Railroad**
3 **Station**

4 FOR the purpose of authorizing the creation of a State Debt not to exceed \$75,000, the
5 proceeds to be used as a grant to the Mayor and Town Council of the Town of
6 Oakland to pay for certain acquisition, development, or improvement purposes;
7 providing for disbursement of the loan proceeds, subject to a requirement that
8 the grantee provide and expend a matching fund; requiring the grantee to grant
9 and convey a certain easement to the Maryland Historical Trust; and providing
10 generally for the issuance and sale of bonds evidencing the loan.

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

13 (1) The Board of Public Works may borrow money and incur indebtedness on
14 behalf of the State of Maryland through a State loan to be known as the Garrett
15 County - Town of Oakland - B&O Railroad Station Loan of 1999 in a total principal
16 amount equal to the lesser of (i) \$75,000 or (ii) the amount of the matching fund
17 provided in accordance with Section 1(5) below. This loan shall be evidenced by the
18 issuance, sale, and delivery of State general obligation bonds authorized by a
19 resolution of the Board of Public Works and issued, sold, and delivered in accordance
20 with §§ 8-117 through 8-124 of the State Finance and Procurement Article and
21 Article 31, § 22 of the Code.

22 (2) The bonds to evidence this loan or installments of this loan may be sold as
23 a single issue or may be consolidated and sold as part of a single issue of bonds under
24 § 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 Mayor and Town Council of the Town
7 of Oakland (referred to hereafter in this Act as "the grantee") for the payment of
8 principal on a loan through American Trust Bank which financed the acquisition of
9 the Old B&O Railroad Station in Oakland.

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 or in kind contributions.~~ The fund may consist of funds expended
20 prior to the effective date of this Act. In case of any dispute as to the amount of the
21 matching fund or what money or assets may qualify as matching funds, the Board of
22 Public Works shall determine the matter and the Board's decision is final. The
23 grantee has until June 1, 2001, to present evidence satisfactory to the Board of Public
24 Works that a matching fund will be provided. If satisfactory evidence is presented, the
25 Board shall certify this fact and the amount of the matching fund to the State
26 Treasurer, and the proceeds of the loan equal to the amount of the matching fund
27 shall be expended for the purposes provided in this Act. Any amount of the loan in
28 excess of the amount of the matching fund certified by the Board of Public Works
29 shall be canceled and be of no further effect.

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

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

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

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

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

