
By: **Senators Miller and Dyson**
Introduced and read first time: January 22, 1999
Assigned to: Budget and Taxation

A BILL ENTITLED

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 for certain development or improvement purposes; providing for
7 disbursement of the loan proceeds, subject to a requirement that the grantee
8 provide and expend a matching fund; requiring the recipient to provide a
9 historic covenant to the Maryland Historical Trust; and providing generally for
10 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 William B.
15 Tennison Boat Restoration Loan of 1999 in a total principal amount equal to the
16 lesser of (i) \$50,000 or (ii) the amount of the matching fund provided in accordance
17 with Section 1(5) below. This loan shall be evidenced by the issuance, sale, and
18 delivery of State general obligation bonds authorized by a resolution of the Board of
19 Public Works and issued, sold, and delivered in accordance with §§ 8-117 through
20 8-124 of the State Finance and Procurement Article and Article 31, § 22 of the Code.

21 (2) The bonds to evidence this loan or installments of this loan may be sold as
22 a single issue or may be consolidated and sold as part of a single issue of bonds under
23 § 8-122 of the State Finance and Procurement Article.

24 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer
25 and first shall be applied to the payment of the expenses of issuing, selling, and
26 delivering the bonds, unless funds for this purpose are otherwise provided, and then
27 shall be credited on the books of the Comptroller and expended, on approval by the
28 Board of Public Works, for the following public purposes, including any applicable
29 architects' and engineers' fees: as a grant to the Board of Governors of the Calvert
30 Marine Museum (referred to hereafter in this Act as "the grantee") for the planning,
31 design, repair, restoration, improvement, and preservation of the sailing vessel
32 William B. Tennison.

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

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

20 (6) (a) Prior to the issuance of the bonds, the grantee shall grant and convey
21 to the Maryland Historical Trust a preservation covenant to the extent of its interest
22 on the historic vessel.

23 (b) The covenant must be in form and substance acceptable to the Trust
24 and the extent of the interest to be encumbered must be acceptable to the Trust.

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