

SENATE BILL 117

Unofficial Copy
B2

1999 Regular Session
(9r0685)

ENROLLED BILL
-- Budget and Taxation/Appropriations --

Introduced by **Senators Bromwell, Della, McFadden, Hoffman, Mitchell, and Hollinger**

Read and Examined by Proofreaders:

Proofreader.

Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this
____ day of _____ at _____ o'clock, ____ M.

President.

CHAPTER _____

1 AN ACT concerning

2 **Creation of a State Debt - Baltimore City - U.S.S. Constellation**

3 FOR the purpose of authorizing the creation of a State Debt not to exceed ~~\$1,200,000~~
4 ~~\$800,000~~ \$650,000, the proceeds to be used as a grant to the Board of Directors
5 of the Constellation Foundation, Inc. for certain development or improvement
6 purposes; providing for disbursement of the loan proceeds, subject to a
7 requirement that the grantee provide and expend a matching fund; and
8 providing generally for the issuance and sale of bonds evidencing the loan.

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

11 (1) The Board of Public Works may borrow money and incur indebtedness on
12 behalf of the State of Maryland through a State loan to be known as the Baltimore
13 City - U.S.S. Constellation Loan of 1999 in a total principal amount equal to the
14 lesser of (i) ~~\$1,200,000~~ ~~\$800,000~~ \$650,000 or (ii) the amount of the matching fund
15 provided in accordance with Section 1(5) below. This loan shall be evidenced by the

1 issuance, sale, and delivery of State general obligation bonds authorized by a
2 resolution of the Board of Public Works and issued, sold, and delivered in accordance
3 with §§ 8-117 through 8-124 of the State Finance and Procurement Article and
4 Article 31, § 22 of the Code.

5 (2) The bonds to evidence this loan or installments of this loan may be sold as
6 a single issue or may be consolidated and sold as part of a single issue of bonds under
7 § 8-122 of the State Finance and Procurement Article.

8 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer
9 and first shall be applied to the payment of the expenses of issuing, selling, and
10 delivering the bonds, unless funds for this purpose are otherwise provided, and then
11 shall be credited on the books of the Comptroller and expended, on approval by the
12 Board of Public Works, for the following public purposes, including any applicable
13 architects' and engineers' fees: as a grant the Board of Directors of the Constellation
14 Foundation, Inc. (*referred to hereafter in this Act as "the grantee"*) for the design,
15 repair, restoration, improvement, and preservation of the U.S.S. Constellation.

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

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

21 (b) No part of the grantee's matching fund may be provided, either
22 directly or indirectly, from funds of the State, whether appropriated or
23 unappropriated. No part of the fund may consist of real property. The fund may
24 consist of in kind contributions made after January 1, 1993 or funds expended prior to
25 the effective date of this Act and after January 1, 1993. The matching fund, including
26 in kind contributions, may consist of items that are necessary to the renovation of the
27 ship, including but not limited to tools and tooling, utilities, and the rental and repair
28 of facilities. In case of any dispute as to the amount of the matching fund or what
29 money or assets may qualify as matching funds, the Board of Public Works shall
30 determine the matter and the Board's decision is final.

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

35 (d) As the grantee provides and expends an installment of the matching
36 fund, which shall be equal to at least 25% of the grant amount authorized in Section
37 1(1) above, the Board of Public Works shall disburse an installment of the proceeds of
38 the grant equal to the portion of the matching fund presented at that time by the
39 grantee.

40 (e) ~~Each installment of the matching fund shall be of at least \$100,000.~~

1 ~~(f)~~ (e) This method of presentation of the matching fund in
2 installments and of the disbursement of the proceeds of the loan in installments that
3 are equal to each presentation of the matching fund shall continue until the first to
4 occur of the disbursement of the total amount of the grant or June 1, 2002.

5 ~~(g)~~ (f) The grantee has until June 1, 2002, to present the final
6 evidence satisfactory to the Board of Public Works that the total matching fund will
7 be provided. If satisfactory evidence is presented, the Board shall certify this fact, the
8 amount of the final installment of the matching fund, and the amount of the total
9 matching fund to the State Treasurer, and the final proceeds of the loan equal to the
10 final installment of the matching fund shall be expended for the purposes provided in
11 this Act. After June 1, 2002, any amount of the loan in excess of the amount of the
12 matching fund certified by the Board of Public Works shall be canceled and be of no
13 further effect.

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