

SENATE BILL 235

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B2

1999 Regular Session
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By: **Senators McFadden, Blount, Kelley, and Hughes**
Introduced and read first time: February 3, 1999
Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt - Baltimore City - Great Blacks in Wax Museum**

3 FOR the purpose of authorizing the creation of a State Debt not to exceed \$750,000,
4 the proceeds to be used as a grant to the Board of Directors of the Great Blacks
5 in Wax Museum, Inc. for certain acquisition, demolition, development, or
6 improvement purposes; providing for disbursement of the loan proceeds, subject
7 to a 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 - Great Blacks in Wax Museum Loan of 1999 in a total principal amount equal to
14 the lesser of (i) \$750,000 or (ii) the amount of the matching fund provided in
15 accordance with Section 1(5) below. This loan shall be evidenced by the issuance, sale,
16 and delivery of State general obligation bonds authorized by a resolution of the Board
17 of Public Works and issued, sold, and delivered in accordance with §§ 8-117 through
18 8-124 of the State Finance and Procurement Article and Article 31, § 22 of the Code.

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

22 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer
23 and first shall be applied to the payment of the expenses of issuing, selling, and
24 delivering the bonds, unless funds for this purpose are otherwise provided, and then
25 shall be credited on the books of the Comptroller and expended, on approval by the
26 Board of Public Works, for the following public purposes, including any applicable
27 architects' and engineers' fees: as a grant to the Board of Directors of the Great Blacks
28 in Wax Museum, Inc. (referred to hereafter in this Act as "the grantee") for the
29 acquisition, demolition, repair, renovation, expansion, reconstruction, and capital
30 equipping of properties from 1600 through 1649 East North Avenue in Baltimore City,
31 for use as part of the Great Blacks in Wax Museum and associated facilities.

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

6 (b) No part of the grantee's matching fund may be provided, either
7 directly or indirectly, from funds of the State, whether appropriated or
8 unappropriated. The fund may consist of real property, in kind contributions, or funds
9 expended prior to the effective date of this Act. In case of any dispute as to the amount
10 of the matching fund or what money or assets may qualify as matching funds, the
11 Board of Public Works shall determine the matter and the Board's decision is final.

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

16 (d) As the grantee provides and expends an installment of the matching
17 fund, the Board of Public Works shall disburse an installment of the proceeds of the
18 grant equal to the portion of the matching fund presented at that time by the grantee.

19 (e) This method of presentation of the matching fund in installments and
20 of the disbursement of the proceeds of the loan in installments that are equal to each
21 presentation of the matching fund shall continue until the first to occur of the
22 disbursement of the total amount of the grant or June 1, 2001.

23 (f) The grantee has until June 1, 2001, to present the final evidence
24 satisfactory to the Board of Public Works that the total matching fund will be
25 provided. If satisfactory evidence is presented, the Board shall certify this fact, the
26 amount of the final installment of the matching fund, and the amount of the total
27 matching fund to the State Treasurer, and the final proceeds of the loan equal to the
28 final installment of the matching fund shall be expended for the purposes provided in
29 this Act. After June 1, 2001, any amount of the loan in excess of the amount of the
30 matching fund certified by the Board of Public Works shall be canceled and be of no
31 further effect.

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