

SENATE BILL 256

Unofficial Copy
B2

1999 Regular Session
9r1578
CF 9r1929

By: **Senators McCabe and Forehand**
Introduced and read first time: February 4, 1999
Assigned to: Budget and Taxation

Committee Report: Favorable with amendments
Senate action: Adopted
Read second time: April 1, 1999

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~~
4 \$50,000, the proceeds to be used as a grant to the Commissioners of the Town of
5 Brookeville in Montgomery County 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; ~~requiring~~
8 ~~the grantee to grant and convey a historic easement to the Maryland Historical~~
9 ~~Trust~~; and providing generally for the issuance and sale of bonds evidencing the
10 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 Montgomery
15 County - Brookeville Academy Loan of 1999 in a total principal amount equal to the
16 lesser of (i) ~~\$75,000~~ \$50,000 or (ii) the amount of the matching fund provided in
17 accordance with Section 1(5) below. This loan shall be evidenced by the issuance, sale,
18 and delivery of State general obligation bonds authorized by a resolution of the Board
19 of 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

1 delivering the bonds, unless funds for this purpose are otherwise provided, and then
 2 shall be credited on the books of the Comptroller and expended, on approval by the
 3 Board of Public Works, for the following public purposes, including any applicable
 4 architects' and engineers' fees: as a grant to the Commissioners of the Town of
 5 Brookeville in Montgomery County (referred to hereafter in this Act as "the grantee")
 6 for the planning, design, construction, reconstruction, and capital equipping of a
 7 community center at the historic Brookeville Academy in Brookeville, and for other
 8 related capital improvements.

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

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

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

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

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

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

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

