

SENATE BILL 318

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1999 Regular Session
9r1363
CF 9r2496

By: **Senators Dyson and Miller**
Introduced and read first time: February 5, 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 - Calvert County - Old Wallville School**

3 FOR the purpose of authorizing the creation of a State Debt not to exceed \$30,000, the
4 proceeds to be used as a grant to the ~~Calvert County Historical Society~~ Friends
5 of the Old Wallville School, 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; ~~requiring~~
8 ~~the grantee to grant and convey a certain 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 Calvert
15 County - Old Wallville School Loan of 1999 in a total principal amount equal to the
16 lesser of (i) \$30,000 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

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 ~~Calvert County Historical Society~~
 5 Friends of the Old Wallville School, Inc. (referred to hereafter in this Act as "the
 6 grantee") for the relocation, renovation, repair, construction, reconstruction and
 7 capital equipping of the Old Wallville School, the oldest African American school
 8 building in Calvert County.

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

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

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

33 (ii) ~~On the exterior and interior, where appropriate, of the historic~~
 34 ~~structure.~~

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

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

