

SENATE BILL 500

Unofficial Copy  
B4

1999 Regular Session  
9r1289  
CF 9r1288

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By: **Senators Van Hollen, Forehand, and Ruben**  
Introduced and read first time: February 5, 1999  
Assigned to: Budget and Taxation

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A BILL ENTITLED

1 AN ACT concerning

2 **Montgomery County - Maryland College of Art and Design Loan of 1997**

3 FOR the purpose of amending Chapter 284 of the Acts of the General Assembly of  
4 1997, the Montgomery County - Maryland College of Art and Design Loan of  
5 1997, to extend the time by which the Maryland College of Art and Design shall  
6 present certain evidence of a matching fund to the Board of Public Works.

7 BY repealing and reenacting, with amendments,  
8 Chapter 284 of the Acts of the General Assembly of 1997  
9 Section 1

10 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
11 MARYLAND, That the Laws of Maryland read as follows:

12 **Chapter 284 of the Acts of 1997**

13 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
14 MARYLAND, That:

15 (1) The Board of Public Works may borrow money and incur indebtedness on  
16 behalf of the State of Maryland through a State loan to be known as the Montgomery  
17 County - Maryland College of Art and Design Loan of 1997 in a total principal  
18 amount equal to the lesser of (i) \$250,000 or (ii) the amount of the matching fund  
19 provided in accordance with Section 1(5) below. This loan shall be evidenced by the  
20 issuance, sale, and delivery of State general obligation bonds authorized by a  
21 resolution of the Board of Public Works and issued, sold, and delivered in accordance  
22 with §§ 8-117 through 8-124 of the State Finance and Procurement Article and  
23 Article 31, § 22 of the Code.

24 (2) The bonds to evidence this loan or installments of this loan may be sold as  
25 a single issue or may be consolidated and sold as part of a single issue of bonds under  
26 § 8-122 of the State Finance and Procurement Article.

27 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer  
28 and first shall be applied to the payment of the expenses of issuing, selling, and  
29 delivering the bonds, unless funds for this purpose are otherwise provided, and then

1 shall be credited on the books of the Comptroller and expended, on approval by the  
2 Board of Public Works, for the following public purposes, including any applicable  
3 architects' and engineers' fees: as a grant to the Maryland College of Art and Design  
4 (referred to hereafter in this Act as "the grantee") for the repair and renovation of,  
5 and the provision of capital equipment for, the existing facility in Silver Spring,  
6 including additional classroom and studio space, library and computer facilities, and  
7 the relocation of the Gudelsky Exhibition Gallery.

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

12 (5) Prior to the payment of any funds under the provisions of this Act for the  
13 purposes set forth in Section 1(3) above, the grantee shall provide and expend a  
14 matching fund. No part of the grantee's matching fund may be provided, either  
15 directly or indirectly, from funds of the State, whether appropriated or  
16 unappropriated. No part of the fund may consist of real property. The fund may  
17 consist of in kind contributions or funds expended prior to the effective date of this  
18 Act. In case of any dispute as to the amount of the matching fund or what money or  
19 assets may qualify as matching funds, the Board of Public Works shall determine the  
20 matter and the Board's decision is final. The grantee has until June 1, [1999] 2001 to  
21 present evidence satisfactory to the Board of Public Works that a matching fund will  
22 be provided. If satisfactory evidence is presented, the Board shall certify this fact and  
23 the amount of the matching fund to the State Treasurer, and the proceeds of the loan  
24 equal to the amount of the matching fund shall be expended for the purposes provided  
25 in this Act. Any amount of the loan in excess of the amount of the matching fund  
26 certified by the Board of Public Works shall be canceled and be of no further effect.

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