

SENATE BILL 500

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B4

1999 Regular Session
9r1289
CF 9r1288

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

Committee Report: Favorable
Senate action: Adopted
Read second time: March 29, 1999

CHAPTER _____

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.

1 (2) The bonds to evidence this loan or installments of this loan may be sold as
2 a single issue or may be consolidated and sold as part of a single issue of bonds under
3 § 8-122 of the State Finance and Procurement Article.

4 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer
5 and first shall be applied to the payment of the expenses of issuing, selling, and
6 delivering the bonds, unless funds for this purpose are otherwise provided, and then
7 shall be credited on the books of the Comptroller and expended, on approval by the
8 Board of Public Works, for the following public purposes, including any applicable
9 architects' and engineers' fees: as a grant to the Maryland College of Art and Design
10 (referred to hereafter in this Act as "the grantee") for the repair and renovation of,
11 and the provision of capital equipment for, the existing facility in Silver Spring,
12 including additional classroom and studio space, library and computer facilities, and
13 the relocation of the Gudelsky Exhibition Gallery.

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

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

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