

SENATE BILL 524

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B2

1999 Regular Session
9lr2081
CF 9lr2116

By: **Senators Ruben and Teitelbaum**
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 - Montgomery County - Baltimore and Ohio Train**
3 **Station in Silver Spring**

4 FOR the purpose of authorizing the creation of a State Debt not to exceed \$200,000,
5 the proceeds to be used as a grant to the Board of Directors of Montgomery
6 Preservation, Inc. for certain development or improvement purposes; providing
7 for disbursement of the loan proceeds, subject to a requirement that the grantee
8 provide and expend a matching fund; requiring the grantee to grant and convey
9 a certain easement to the Maryland Historical Trust; and providing generally for
10 the issuance and sale of bonds evidencing the 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 - Baltimore and Ohio Train Station in Silver Spring Loan of 1999 in a total
16 principal amount equal to the lesser of (i) \$200,000 or (ii) the amount of the matching
17 fund provided in accordance with Section 1(5) below. This loan shall be evidenced by
18 the issuance, sale, and delivery of State general obligation bonds authorized by a
19 resolution of the Board of Public Works and issued, sold, and delivered in accordance
20 with §§ 8-117 through 8-124 of the State Finance and Procurement Article and
21 Article 31, § 22 of the Code.

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

1 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer
2 and first shall be applied to the payment of the expenses of issuing, selling, and
3 delivering the bonds, unless funds for this purpose are otherwise provided, and then
4 shall be credited on the books of the Comptroller and expended, on approval by the
5 Board of Public Works, for the following public purposes, including any applicable
6 architects' and engineers' fees: as a grant to the Board of Directors of Montgomery
7 Preservation, Inc. (referred to hereafter in this Act as "the grantee") for the planning,
8 design, repair, reconstruction, restoration, and capital equipping of the Baltimore and
9 Ohio Train Station in Silver Spring, for use as a historical site, a museum, a visitors
10 center, and temporary working train station for the MARC line.

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

15 (5) Prior to the payment of any funds under the provisions of this Act for the
16 purposes set forth in Section 1(3) above, the grantee shall provide and expend a
17 matching fund. No part of the grantee's matching fund may be provided, either
18 directly or indirectly, from funds of the State, whether appropriated or
19 unappropriated. No part of the fund may consist of real property, in kind
20 contributions, or funds expended prior to the effective date of this Act. The fund may
21 consist of funds provided under the Transportation Equity Act for the 21st Century
22 (P.L. 105-178, enacted June 9, 1998). In case of any dispute as to the amount of the
23 matching fund or what money or assets may qualify as matching funds, the Board of
24 Public Works shall determine the matter and the Board's decision is final. The
25 grantee has until June 1, 2001, to present evidence satisfactory to the Board of Public
26 Works that a matching fund will be provided. If satisfactory evidence is presented, the
27 Board shall certify this fact and the amount of the matching fund to the State
28 Treasurer, and the proceeds of the loan equal to the amount of the matching fund
29 shall be expended for the purposes provided in this Act. Any amount of the loan in
30 excess of the amount of the matching fund certified by the Board of Public Works
31 shall be canceled and be of no further effect.

32 (6) (a) Prior to the issuance of the bonds, the grantee shall grant and convey
33 to the Maryland Historical Trust a perpetual preservation easement to the extent of
34 its interest:

35 (i) On the land or such portion of the land acceptable to the Trust;
36 and

37 (ii) On the exterior and interior, where appropriate, of the historic
38 structures.

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

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

