

SENATE BILL 642

Unofficial Copy  
B4

1999 Regular Session  
9r2232  
CF 9r1096

---

By: **Senators Ferguson and Mooney (Frederick County Senators)**  
Introduced and read first time: February 5, 1999  
Assigned to: Budget and Taxation

---

A BILL ENTITLED

1 AN ACT concerning

2 **Frederick County - Lamar Sanitarium - Historic Museum Loan of 1996**

3 FOR the purpose of amending Chapter 280 of the Acts of the General Assembly of  
4 1996, the Frederick County - Lamar Sanitarium - Historic Museum Loan of  
5 1996, to extend the time by which the Board of Directors of the Central  
6 Maryland Heritage League, Inc. shall present certain evidence of a matching  
7 fund to the Board of Public Works.

8 BY repealing and reenacting, with amendments,  
9 Chapter 280 of the Acts of the General Assembly of 1996  
10 Section 1

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

13 **Chapter 280 of the Acts of 1996**

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

16 (1) The Board of Public Works may borrow money and incur indebtedness on  
17 behalf of the State of Maryland through a State loan to be known as the Frederick  
18 County - Lamar Sanitarium - Historic Museum Loan of 1996 in a total principal  
19 amount equal to the lesser of (i) \$100,000 or (ii) the amount of the matching fund  
20 provided in accordance with Section 1(5) below. This loan shall be evidenced by the  
21 issuance, sale, and delivery of State general obligation bonds authorized by a  
22 resolution of the Board of Public Works and issued, sold, and delivered in accordance  
23 with §§ 8-117 through 8-124 of the State Finance and Procurement Article and  
24 Article 31, § 22 of the Code.

25 (2) The bonds to evidence this loan or installments of this loan may be sold as  
26 a single issue or may be consolidated and sold as part of a single issue of bonds under  
27 § 8-122 of the State Finance and Procurement Article.

28 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer  
29 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 Board of Directors of the Central  
5 Maryland Heritage League, Inc. (referred to hereafter in this Act as "the grantee") for  
6 the acquisition, repair, and renovation of a historic building known as Dr. Lamar's  
7 Sanitarium, a facility formerly used for the medical and surgical treatment of  
8 patients, which facility is located in Frederick County and has been designated as a  
9 historic landmark, the facility to be used as a historical museum with associated  
10 offices.

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. In case of any  
21 dispute as to the amount of the matching fund or what money or assets may qualify  
22 as matching funds, the Board of Public Works shall determine the matter and the  
23 Board's decision is final. The grantee has until June 1, [1998,] 2000, to present  
24 evidence satisfactory to the Board of Public Works that a matching fund will be  
25 provided. If satisfactory evidence is presented, the Board shall certify this fact and  
26 the amount of the matching fund to the State Treasurer, and the proceeds of the loan  
27 equal to the amount of the matching fund shall be expended for the purposes provided  
28 in this Act. Any amount of the loan in excess of the amount of the matching fund  
29 certified by the Board of Public Works shall be canceled and be of no further effect.

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

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

35 (ii) On the exterior and interior, where appropriate, of the historic  
36 structures.

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

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