

SENATE BILL 707

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1999 Regular Session
9lr2476
CF HB 448

By: **Senator Hafer**

Introduced and read first time: February 19, 1999

Assigned to: Rules

A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt - Allegany County - Gilchrist Museum**

3 FOR the purpose of authorizing the creation of a State Debt not to exceed \$313,000,
4 the proceeds to be used as a grant to the Board of Directors of the Cumberland
5 Cultural Foundation, Inc. for certain development or improvement purposes;
6 providing for disbursement of the loan proceeds, subject to a requirement that
7 the grantee provide and expend a matching fund; requiring the grantee to grant
8 and convey a certain easement to the Maryland Historical Trust; and providing
9 generally for the issuance and sale of bonds evidencing the loan.

10 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
11 MARYLAND, That:

12 (1) The Board of Public Works may borrow money and incur indebtedness on
13 behalf of the State of Maryland through a State loan to be known as the Allegany
14 County - Gilchrist Museum Loan of 1999 in a total principal amount equal to the
15 lesser of (i) \$313,000 or (ii) the amount of the matching fund provided in accordance
16 with Section 1(5) below. This loan shall be evidenced by the issuance, sale, and
17 delivery of State general obligation bonds authorized by a resolution of the Board of
18 Public Works and issued, sold, and delivered in accordance with §§ 8-117 through
19 8-124 of the State Finance and Procurement Article and Article 31, § 22 of the Code.

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

23 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer
24 and first shall be applied to the payment of the expenses of issuing, selling, and
25 delivering the bonds, unless funds for this purpose are otherwise provided, and then
26 shall be credited on the books of the Comptroller and expended, on approval by the
27 Board of Public Works, for the following public purposes, including any applicable
28 architects' and engineers' fees: as a grant to the Board of Directors of the Cumberland
29 Cultural Foundation, Inc. (referred to hereafter in this Act as "the grantee") for the
30 repair, renovation, restoration, reconstruction, and capital equipping of a building to
31 house the Gilchrist Museum and located at 104 Washington Street in Cumberland.

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

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

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

23 (i) On the land or such portion of the land acceptable to the Trust;
24 and

25 (ii) On the exterior and interior, where appropriate, of the historic
26 structures.

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

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