Unofficial Copy Q7

## By: **Delegates Goldwater, Taylor, and Pitkin** Introduced and read first time: January 26, 2000

Assigned to: Economic Matters

Committee Report: Favorable with amendments House action: Adopted Read second time: March 23, 2000

CHAPTER\_\_\_\_\_

1 AN ACT concerning

2

# Maryland Cultural Arts Districts Authority Commission

3 FOR the purpose of establishing the Maryland Cultural Arts Districts Authority

- 4 <u>Commission</u> as an independent unit of State government to assist and enhance
- 5 the development of the cultural arts in Maryland; defining certain terms;
- 6 providing for the appointment, terms of office, and compensation of the
- 7 members of the Authority Commission; providing for the powers of the
- 8 Authority Commission; establishing the powers of the Authority Commission;
- 9 requiring the Authority Commission to perform certain functions; authorizing
- 10 the Authority to award certain grants and loans; establishing a Maryland
- 11 Cultural Arts Districts Authority Financing Fund; authorizing the Authority to
- 12 issue bonds to support a certified cultural arts district; establishing an appeals
- 13 process for aggrieved persons under this Act requiring the Commission to
- 14 submit a certain report by a certain date; and generally relating to the Maryland
- 15 Cultural Arts Districts Authority Commission and cultural arts districts.

16 BY adding to

- 17 Article Financial Institutions
- 18 Section 13-1201 through <u>13-1224</u> <u>13-1211</u>, inclusive, to be under the new
- 19 subtitle "Subtitle 12. Cultural Arts Districts"
- 20 Annotated Code of Maryland
- 21 (1998 Replacement Volume and 1999 Supplement)
- 22 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
- 23 MARYLAND, That the Laws of Maryland read as follows:

2	HOUSE BILL 252
1	<b>Article - Financial Institutions</b>
2	SUBTITLE 12. CULTURAL ARTS DISTRICTS.
3	PART I. DEFINITIONS; GENERAL PROVISIONS.
4	13-1201.
5 6	(A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.
7 8	(B) "AUTHORITY" MEANS THE MARYLAND CULTURAL ARTS DISTRICTS AUTHORITY ESTABLISHED UNDER § 13-1203 OF THIS SUBTITLE.
9 10	(C) "BONDS" MEANS REVENUE BONDS, INCLUDING REFUNDING BONDS OR REVENUE ANTICIPATION NOTES, ISSUED BY THE AUTHORITY.
11 12	( <del>D)</del> ( <u>B)</u> "CERTIFIED CULTURAL ARTS DISTRICT" MEANS A CULTURAL ARTS DISTRICT DESIGNATED IN ACCORDANCE WITH § 13-1211 OF THIS SUBTITLE.
13 14	(E) "FUND" MEANS THE MARYLAND CULTURAL ARTS DISTRICTS AUTHORITY FINANCING FUND ESTABLISHED UNDER § 13-1214 OF THIS SUBTITLE.
15 16	(C) <u>"COMMISSION" MEANS THE MARYLAND CULTURAL ARTS DISTRICTS</u> COMMISSION ESTABLISHED UNDER § 13-1203 OF THIS SUBTITLE.
17 18	(F) (D) "CULTURAL ARTS DISTRICT" MEANS A DEVELOPED DISTRICT OF PUBLIC AND PRIVATE USES THAT:
19 20	(1) RANGES IN SIZE FROM A PORTION OF A COUNTY OR MUNICIPAL CORPORATION TO A REGIONAL DISTRICT WITH A SPECIAL COHERENCE;
23	(2) IS DISTINGUISHED BY PHYSICAL AND CULTURAL RESOURCES WHICH HAVE PLAYED PLAY A VITAL ROLE IN THE LIFE AND DEVELOPMENT OF THE COMMUNITY AND CONTRIBUTE TO THE PUBLIC THROUGH INTERPRETIVE, EDUCATIONAL, AND RECREATIONAL USE; AND
25 26	(3) IS COMPOSED OF CONTIGUOUS OR NONCONTIGUOUS GEOGRAPHIC AREAS.
29	(G) (E) (I) "LOCAL PLAN" MEANS THE POLICIES, STATEMENTS, GOALS, AND INTERRELATED PLANS FOR PRIVATE AND PUBLIC LAND USE, TRANSPORTATION, AND COMMUNITY FACILITIES DOCUMENTED IN TEXTS AND MAPS WHICH CONSTITUTE THE GUIDE FOR THE DISTRICT'S FUTURE DEVELOPMENT.
	(2) "LOCAL PLAN" INCLUDES A GENERAL PLAN, MASTER PLAN, COMPREHENSIVE PLAN, COMMUNITY PLAN, AND THE LIKE AS ADOPTED IN ACCORDANCE WITH ARTICLE 66B, §§ 3.01 THROUGH 3.09.

(H) (F) "MANAGEMENT PLAN" MEANS A DOCUMENT PREPARED IN
 ACCORDANCE WITH § 13-1211 OF THIS SUBTITLE THAT INCLUDES A COMPREHENSIVE
 STATEMENT IN WORDS, MAPS, ILLUSTRATIONS, OR OTHER MEDIA OF
 COMMUNICATION OF THE OBJECTIVES, POLICIES, AND STANDARDS TO GUIDE
 PUBLIC AND PRIVATE ACTION FOR THE DEVELOPMENT AND USE OF THE CULTURAL
 RESOURCES OF A CERTIFIED CULTURAL ARTS DISTRICT.

7 (1) (G) "RECOGNIZED CULTURAL ARTS DISTRICT" MEANS A CULTURAL ARTS 8 DISTRICT THAT:

9 (1) THE LOCAL JURISDICTIONS WITHIN THE CULTURAL ARTS DISTRICT
 10 HAVE NOMINATED FOR DESIGNATION AS A RECOGNIZED CULTURAL ARTS DISTRICT
 11 UNDER § 13 1210 OF THIS SUBTITLE; AND

12 (2) THE AUTHORITY <u>COMMISSION</u> HAS DESIGNATED AS ELIGIBLE TO 13 APPLY FOR DESIGNATION AS A CERTIFIED CULTURAL ARTS DISTRICT <del>UNDER §</del> 14 <del>13 1211 OF THIS SUBTITLE</del>.

15 13-1202.

16 THIS SUBTITLE:

17 (1) SHALL BE LIBERALLY CONSTRUED TO EFFECT ITS PURPOSES; AND

18 (2) SHALL BE CONSTRUED CONSISTENTLY WITH ANY APPLICABLE
19 FEDERAL LAW OR WITH THE AUTHORITY OF ANY FEDERAL AGENCY UNDER THAT
20 LAW.

21 PART II. MARYLAND CULTURAL ARTS DISTRICTS AUTHORITY COMMISSION.

22 13-1203.

23 (A) THERE IS A MARYLAND CULTURAL ARTS DISTRICTS <u>COMMISSION</u>
 24 AUTHORITY, ESTABLISHED AS:

25 (1) A BODY CORPORATE AND POLITIC; AND

26 (2) AN INSTRUMENTALITY OF THE STATE.

27 (B) THE AUTHORITY COMMISSION IS AN INDEPENDENT UNIT OF
28 GOVERNMENT IN THE EXECUTIVE BRANCH OF GOVERNMENT THAT OPERATES IN
29 THE DEPARTMENT OF BUSINESS AND ECONOMIC DEVELOPMENT.

30 (C) THE EXERCISE BY THE AUTHORITY COMMISSION OF THE POWERS
31 CONFERRED BY THIS SUBTITLE IS THE PERFORMANCE OF AN ESSENTIAL PUBLIC
32 FUNCTION.

33 13-1204.

34 (A) THE AUTHORITY <u>COMMISSION</u> CONSISTS OF:

4	HOUSE BILL 252
1	(1) THE SECRETARY OF BUSINESS AND ECONOMIC DEVELOPMENT <del>, WHO</del>
2 <del>SHALL S</del>	SERVE AS CHAIRMAN OF THE AUTHORITY;
3	(2) THE SECRETARY OF HOUSING AND COMMUNITY DEVELOPMENT;
4	(3) THE SECRETARY OF HIGHER EDUCATION;
5	(4) THE DIRECTOR OF THE OFFICE OF PLANNING;
6	(5) THE EXECUTIVE DIRECTOR OF THE STATE ARTS COUNCIL <u>THE</u>
7 <u>COMPT</u>	ROLLER; AND
8	(6) TEN MEMBERS APPOINTED BY THE GOVERNOR WITH THE ADVICE
9 AND CC	DNSENT OF THE SENATE:
10	(I) TWO OF WHOM SHALL BE ELECTED OFFICIALS OR
11 REPRES	SENTATIVES OF LOCAL JURISDICTIONS;
12	(II) TWO OF WHOM SHALL BE APPOINTED FROM NAMES
13 RECOM	IMENDED BY THE PRESIDENT OF THE SENATE OF MARYLAND;
14	(III) TWO OF WHOM SHALL BE APPOINTED FROM NAMES
15 RECOM	IMENDED BY THE SPEAKER OF THE HOUSE OF DELEGATES;
16 17 COUNC	(IV) ONE OF WHOM IS A PUBLIC MEMBER OF THE STATE ARTS
18 19 TOURIS	(V) ONE OF WHOM IS A PUBLIC MEMBER OF THE MARYLAND SM DEVELOPMENT BOARD;
20	(VI) ONE OF WHOM IS A MEMBER OF THE PUBLIC WHO HAS
21 SIGNIFI	ICANT EDUCATION OR EXPERIENCE IN THE CULTURAL ARTS; AND
22	(VII) ONE OF WHOM IS A MEMBER OF THE PUBLIC WHO HAS
23 SIGNIFI	ICANT EDUCATION OR EXPERIENCE IN CULTURAL ARTS TOURISM.
24 (B)	OF THE ELECTED OFFICIALS OR REPRESENTATIVES FROM LOCAL
25 JURISD	ICTIONS, THE GOVERNOR SHALL APPOINT:
26	(1) ONE ELECTED OFFICIAL OR REPRESENTATIVE FROM A LIST
27 SUBMIT	ITED BY THE MARYLAND ASSOCIATION OF COUNTIES; AND
28	(2) ONE ELECTED OFFICIAL OR REPRESENTATIVE FROM A LIST
29 SUBMIT	ITED BY THE MARYLAND MUNICIPAL LEAGUE.
30 (C)	THE MEMBERS APPOINTED TO THE <del>AUTHORITY</del> <u>COMMISSION</u> SHALL
31 REPRES	SENT THE GENDER, RACIAL, AND GEOGRAPHIC MAKEUP OF THE STATE.
32 (D)	A CABINET MEMBER OF THE <del>AUTHORITY</del> <u>COMMISSION</u> MAY DESIGNATE A
33 REPRES	SENTATIVE TO ACT IN THE ABSENCE OF THE CABINET MEMBER.

1 (E) (1) EXCEPT FOR STATE OFFICIALS, THE TERM OF A MEMBER OF THE 2 AUTHORITY COMMISSION IS 4 YEARS.

3 (2) THE TERMS OF MEMBERS APPOINTED BY THE GOVERNOR ARE
4 STAGGERED AS REQUIRED BY THE TERMS PROVIDED FOR MEMBERS ON OCTOBER 1,
5 2000.

6 (3) AT THE END OF A TERM, A MEMBER CONTINUES TO SERVE UNTIL A 7 SUCCESSOR IS APPOINTED AND QUALIFIES.

8 (4) A MEMBER WHO IS APPOINTED AFTER A TERM HAS BEGUN SERVES
9 ONLY FOR THE REST OF THE TERM AND UNTIL A SUCCESSOR IS APPOINTED AND
10 QUALIFIES.

(5) AT THE END OF A TERM OF A MEMBER OR ON THE RESIGNATION OR
 REMOVAL OF A MEMBER, THE GOVERNOR SHALL APPOINT A MEMBER TO THE
 AUTHORITY COMMISSION WITH THE ADVICE AND CONSENT OF THE SENATE.

14 (F) THE GOVERNOR MAY REMOVE A MEMBER THAT THE GOVERNOR
15 APPOINTED FOR INCOMPETENCE, MISCONDUCT, OR FAILURE TO PERFORM THE
16 DUTIES OF THE POSITION.

17(G)THE GOVERNOR SHALL DESIGNATE THE CHAIRMAN OF THE COMMISSION.1813-1205.

19 (A) EIGHT VOTING MEMBERS OF THE <del>AUTHORITY</del> <u>COMMISSION</u> ARE A 20 QUORUM.

(B) AN ACTION OF THE AUTHORITY COMMISSION MUST RECEIVE THE
 22 AFFIRMATIVE VOTE OF AT LEAST EIGHT OF THE VOTING MEMBERS OF THE
 23 AUTHORITY COMMISSION.

24 (C) THE AUTHORITY <u>COMMISSION</u> SHALL DETERMINE THE TIMES AND 25 PLACES OF ITS MEETINGS.

26 (D) A MEMBER OF THE AUTHORITY COMMISSION:

27 (1) MAY NOT RECEIVE COMPENSATION; BUT

28 (2) IS ENTITLED TO REIMBURSEMENT FOR EXPENSES UNDER THE 29 STANDARD STATE TRAVEL REGULATIONS, AS PROVIDED IN THE STATE BUDGET.

30 13-1206.

(A) IN ACCORDANCE WITH THE STATE BUDGET, THE DIVISION OF TOURISM
DEVELOPMENT WITHIN THE DEPARTMENT OF BUSINESS AND ECONOMIC
DEVELOPMENT SHALL DEDICATE ADMINISTRATIVE STAFF FOR THE AUTHORITY
COMMISSION.

(B) (1) AS THE AUTHORITY COMMISSION CONSIDERS APPROPRIATE, THE
 AUTHORITY COMMISSION MAY REQUEST OTHER UNITS OF STATE GOVERNMENT TO
 DETAIL STAFF OR PROVIDE TECHNICAL ASSISTANCE TO RECOGNIZED AND
 4 CERTIFIED CULTURAL ARTS DISTRICTS.

5 (2) ON REQUEST OF THE AUTHORITY COMMISSION, OTHER UNITS OF
6 STATE GOVERNMENT MAY DETAIL STAFF OR TECHNICAL ASSISTANCE TO SPECIFIC
7 RECOGNIZED OR CERTIFIED CULTURAL ARTS DISTRICTS.

8 13-1207.

9 IN ADDITION TO THE POWERS SET FORTH ELSEWHERE IN THIS SUBTITLE, THE 10 AUTHORITY COMMISSION MAY:

(1) RECOGNIZE CULTURAL ARTS DISTRICTS IN ACCORDANCE WITH §
 13-1210 OF THIS SUBTITLE AND CERTIFY RECOGNIZED CULTURAL ARTS DISTRICTS IN
 ACCORDANCE WITH § 13-1211 OF THIS SUBTITLE;

14(2)APPROVE OR REJECT MANAGEMENT PLANS FOR CERTIFIED15CULTURAL ARTS DISTRICTS IN ACCORDANCE WITH § 13-1211 OF THIS SUBTITLE;

16 (3) ADOPT AND ALTER AN OFFICIAL SEAL;

17 (4) SUE AND BE SUED AND PLEAD AND BE IMPLEADED;

18(5)(3)ADOPT BYLAWS TO REGULATE ITS AFFAIRS AND THE CONDUCT19OF ITS BUSINESS; ANDAND

20 (6) (4) IN ACCORDANCE WITH TITLE 10, SUBTITLE 1 OF THE STATE 21 GOVERNMENT ARTICLE, ADOPT REGULATIONS TO CARRY OUT THE PROVISIONS OF 22 THIS SUBTITLE;.

(7) EMPLOY, EITHER AS REGULAR EMPLOYEES OR AS INDEPENDENT
 CONTRACTORS, AND FIX THE COMPENSATION OF, ACCOUNTANTS, ARCHITECTS,
 ATTORNEYS, CONSTRUCTION EXPERTS, PERSONNEL CONSULTANTS, ENGINEERS,
 FINANCIAL EXPERTS, MANAGERS, SUPERINTENDENTS, AND OTHER PROFESSIONAL
 PERSONNEL AND AGENTS;

28(8)APPOINT ADVISORY COMMITTEES COMPOSED OF LOCAL OFFICIALS,29REPRESENTATIVES OF THE BUSINESS AND PRESERVATION COMMUNITIES, AND30REPRESENTATIVES OF OTHER INTERESTS AS THE AUTHORITY DEEMS APPROPRIATE;

(9) SUBJECT TO ANNUAL APPROPRIATIONS, ACQUIRE IN ITS OWN NAME,
 BY GIFT OR PURCHASE, ANY PERSONAL PROPERTY OR INTERESTS IN PERSONAL
 PROPERTY NECESSARY OR CONVENIENT TO SUPPORT A CERTIFIED CULTURAL ARTS
 DISTRICT AND CARRY OUT THE RESPONSIBILITIES OF THE AUTHORITY UNDER THIS
 SUBTITLE;

36(10)SUBJECT TO ANNUAL APPROPRIATION AND TO THE PRIOR APPROVAL37OF THE BOARD OF PUBLIC WORKS, ACQUIRE IN ITS OWN NAME, BY GIFT OR

1 PURCHASE, ANY REAL PROPERTY OR INTERESTS IN REAL PROPERTY NECESSARY OR 2 CONVENIENT TO SUPPORT A CERTIFIED CULTURAL ARTS DISTRICT AND CARRY OUT 3 THE RESPONSIBILITIES OF THE AUTHORITY UNDER THIS SUBTITLE; ENTER INTO CONTRACTS OF ANY KIND AND EXECUTE ALL 4 (11)5 INSTRUMENTS NECESSARY OR CONVENIENT TO CARRY OUT ITS POWERS UNDER 6 THIS SUBTITLE: MAKE AND PARTICIPATE IN MAKING LOANS OR GRANTS, OR (12)7 8 OTHERWISE PROVIDE FINANCIAL ASSISTANCE FOR ANY PROJECT THAT SERVES TO 9 PRESERVE, DEVELOP, MAINTAIN, OR PROTECT A STATE DESIGNATED CULTURAL 10 ARTS DISTRICT; 11 (13)(H)BORROW MONEY FROM ANY SOURCE FOR ANY PURPOSE OF 12 THIS SUBTITLE, INCLUDING CAPITAL FOR ITS OPERATIONS, RESERVE FUNDS, OR 13 INTEREST: <del>(II)</del> MORTGAGE, PLEDGE, OR OTHERWISE ENCUMBER THE 14 15 PROPERTY AND FUNDS OF THE AUTHORITY: AND (III)**CONTRACT WITH OR ENGAGE THE SERVICES OF ANY PERSON** 16 17 FOR ANY FINANCING. INCLUDING UNDERWRITERS. PLACEMENT AGENTS. FINANCIAL 18 INSTITUTIONS, ISSUERS OF LETTERS OF CREDIT, OR INSURERS; 19 (14)SUBJECT TO PART IV OF THIS SUBTITLE. ISSUE BONDS: 20 (15)RECEIVE AND ACCEPT FROM ANY PUBLIC OR PRIVATE SOURCE 21 CONTRIBUTIONS, GIFTS, OR GRANTS OF MONEY OR PROPERTY: 22 (16)EXERCISE ALL THE CORPORATE POWERS GRANTED MARYLAND 23 CORPORATIONS UNDER THE MARYLAND GENERAL CORPORATION LAW; AND (17)SUBJECT TO THE LIMITATIONS UNDER THIS SUBTITLE. DO ALL 24 25 THINGS NECESSARY OR CONVENIENT TO CARRY OUT THE POWERS GRANTED BY THIS 26 SUBTITLE. 27 13-1208. 28 THE AUTHORITY COMMISSION SHALL: 29 (1)MEET AT LEAST TWICE EACH YEAR; DEVELOP AND ADOPT STANDARDS, CRITERIA, AND GUIDANCE FOR 30 (2)31 ITS REVIEW AND APPROVAL OF RECOGNIZED AND CERTIFIED CULTURAL ARTS

32 DISTRICTS DESIGNATIONS, MANAGEMENT PLANS, <del>GRANTS AND LOANS,</del> OR OTHER 33 APPROVALS REQUIRED UNDER THIS SUBTITLE;

34 (3) ASSIST IN COORDINATING STATE ACTIONS WITH THE OBJECTIVES
 35 OF THE SYSTEM OF CULTURAL ARTS DISTRICTS AND ASSIST AND MAKE

1 RECOMMENDATIONS NECESSARY TO CARRY OUT THE PURPOSES OF THIS SUBTITLE; 2 <u>AND</u>

3(4)(I)REVIEW COMPLAINTS MADE BY LOCAL GOVERNMENTS OR4OTHER ENTITIES ESTABLISHED TO ADMINISTER CULTURAL ARTS DISTRICTS THAT5RELATE ACTIVITIES UNDERTAKEN BY STATE AGENCIES WHICH MAY ADVERSELY6AFFECT CULTURAL ARTS DISTRICT RESOURCES; AND

7(II)RESOLVE ANY DISPUTES THAT MAY ARISE IN CONNECTION8WITH THE EXERCISE OF ITS AUTHORITY UNDER THIS SUBTITLE; AND

9(5)(4)NOT LESS THAN ONCE A YEAR, SUBMIT REPORTS TO THE10GOVERNOR AND THE GENERAL ASSEMBLY CONCERNING PROGRESS TOWARD11IMPLEMENTING THE CULTURAL ARTS DISTRICTS SYSTEM, INCLUDING12RECOMMENDATIONS FOR THE FUTURE.

13 PART III. MARYLAND SYSTEM OF RECOGNIZED CULTURAL ARTS DISTRICTS.

14 13-1209.

15 THERE IS A MARYLAND SYSTEM OF RECOGNIZED CULTURAL ARTS DISTRICTS16 AND CERTIFIED CULTURAL ARTS DISTRICTS THAT:

17 (1) REFLECTS THE THEMES OF THE STATE'S DIVERSE CULTURE;

18 (2) RECOGNIZES THE VALUABLE CONTRIBUTIONS THE CULTURAL ARTS 19 MAKE TO THE STATE; AND

20(3)PROVIDES EDUCATIONAL, INSPIRATIONAL, ECONOMIC, AND21RECREATIONAL BENEFITS FOR PRESENT AND FUTURE GENERATIONS.

22 13-1210.

23 (A) (1) THE AUTHORITY COMMISSION MAY CONSIDER PROPOSALS
24 SUBMITTED BY LOCAL JURISDICTIONS TO DESIGNATE A CULTURAL ARTS DISTRICT
25 AS A RECOGNIZED CULTURAL ARTS DISTRICT.

26 (2) THE AUTHORITY <u>COMMISSION</u> SHALL ADOPT REGULATIONS THAT
 27 SPECIFY CRITERIA AND PROCEDURES FOR DESIGNATING RECOGNIZED CULTURAL
 28 ARTS DISTRICTS.

29 (B) A PROPOSAL FOR THE DESIGNATION OF A CULTURAL ARTS DISTRICT AS A30 RECOGNIZED CULTURAL ARTS DISTRICT SHALL:

(1) BE PREVIOUSLY APPROVED AND SUBMITTED BY THE GOVERNING
 BODIES OF ALL OF THE LOCAL JURISDICTIONS LOCATED WITHIN THE SPECIFIC
 BOUNDARIES PROPOSED FOR THE RECOGNIZED CULTURAL ARTS DISTRICT;

34 (2) TO THE MAXIMUM EXTENT PRACTICABLE, BE DEVELOPED IN
 35 CONSULTATION WITH AFFECTED STATE AGENCIES;

1 (3) SPECIFY THE BOUNDARIES FOR THE RECOGNIZED CULTURAL ARTS 2 DISTRICT;

3 (4) IDENTIFY THE LOCAL ENTITY RESPONSIBLE FOR COORDINATING
4 DEVELOPMENT OF THE MANAGEMENT PLAN REQUIRED UNDER § 13-1211 OF THIS
5 SUBTITLE;

6 (5) DESCRIBE THE RESOURCES WHICH CONTRIBUTE TO THE SPECIAL 7 CHARACTER OF THE CULTURAL ARTS DISTRICT;

8 (6) SPECIFY THE GENERAL GOALS AND OBJECTIVES FOR THE 9 DEVELOPMENT AND MANAGEMENT OF THE CULTURAL ARTS DISTRICT; <u>AND</u>

10 (7) IDENTIFY THE TYPES OF PUBLIC AND PRIVATE USES TO BE 11 ACCOMMODATED IN THE CULTURAL ARTS DISTRICT;.

12(8)DESCRIBE STRATEGIES FOR ENCOURAGING AND ACCOMMODATING13VISITATION TO AND COMPATIBLE ECONOMIC DEVELOPMENT OF THE CULTURAL14ARTS DISTRICT;

(9) PROVIDE AN ECONOMIC OVERVIEW OF THE LONG TERM AND
 SHORT-TERM COSTS AND BENEFITS RELATED TO THE DEVELOPMENT OF THE
 CULTURAL ARTS DISTRICT; AND

 18
 (10)
 DESCRIBE THE TECHNIQUES AND MEANS TO BE INSTITUTED BY THE

 19
 LOCAL JURISDICTIONS TO ASSURE THE LONG-TERM DEVELOPMENT OF THE

 20
 RESOURCES WITHIN THE CULTURAL ARTS DISTRICT, INCLUDING ZONING,

 21
 SUPPLY/SION CONTROLS AND OTHER CROWTH MANAGEMENT TECHNIQUES

21 SUBDIVISION CONTROLS, AND OTHER GROWTH MANAGEMENT TECHNIQUES.

(C) THE AUTHORITY MAY NOT DESIGNATE A CULTURAL ARTS DISTRICT AS A
 RECOGNIZED CULTURAL ARTS DISTRICT UNLESS THE AUTHORITY FINDS THAT
 PUBLIC ASSISTANCE FOR THE CULTURAL ARTS DISTRICT IS REASONABLY EXPECTED
 TO PRODUCE ADDITIONAL PRIVATE INVESTMENTS, JOB CREATION, AND TOURISM
 REVENUES.

27 (D) (1) THE BOUNDARIES FOR EACH RECOGNIZED CULTURAL ARTS
 28 DISTRICT ARE THE BOUNDARIES DEPICTED ON THE MAP ACCOMPANYING EACH
 29 PROPOSAL AS APPROVED BY THE AUTHORITY.

30 (2) AFTER INITIAL APPROVAL BY THE AUTHORITY OF THE BOUNDARIES
 31 OF A RECOGNIZED CULTURAL ARTS DISTRICT, THE AUTHORITY MAY AMEND OR
 32 REVISE THE BOUNDARIES:

33 (I) WITH THE APPROVAL OF ALL OF THE LOCAL JURISDICTIONS
 34 WHERE THE PROPERTY TO BE ADDED OR REMOVED IS LOCATED; AND

35 (II) ON PUBLICATION OF A REVISED DRAWING OR BOUNDARY
 36 DESCRIPTION IN THE MARYLAND REGISTER.

(3) BOUNDARY MAPS FOR EACH RECOGNIZED CULTURAL ARTS DISTRICT
 SHALL BE KEPT ON FILE AT THE DEPARTMENT OF BUSINESS AND ECONOMIC
 DEVELOPMENT AND AT THE OFFICE OF THE COUNTY CLERK WHERE THE
 RECOGNIZED CULTURAL ARTS DISTRICT IS LOCATED.

5 (E) DESIGNATION OF A CULTURAL ARTS DISTRICT BY THE AUTHORITY AS A
 6 RECOGNIZED CULTURAL ARTS DISTRICT ESTABLISHES ELIGIBILITY FOR MATCHING
 7 GRANT ASSISTANCE FOR THE DEVELOPMENT OF MANAGEMENT PLANS.

8 13-1211.

9 (A) (1) THE AUTHORITY COMMISSION MAY CONSIDER PROPOSALS
10 SUBMITTED BY THE LOCAL JURISDICTIONS WITHIN A RECOGNIZED CULTURAL ARTS
11 DISTRICT TO DESIGNATE RECOGNIZED CULTURAL ARTS DISTRICTS AS CERTIFIED
12 CULTURAL ARTS DISTRICTS.

(2) THE SPONSORING LOCAL JURISDICTIONS SHALL PREPARE A
 PROPOSAL THAT INCLUDES A MANAGEMENT PLAN FOR THE RECOGNIZED CULTURAL
 ARTS DISTRICT.

(3) THE LOCAL JURISDICTIONS SHALL DEVELOP THE MANAGEMENT
 PLAN IN COOPERATION AND CONSULTATION WITH THE AUTHORITY COMMISSION
 AND RELEVANT PRIVATE INTERESTS.

19(4)ON APPROVAL OF THE MANAGEMENT PLAN BY THE AUTHORITY AND20ALL LOCAL JURISDICTIONS WITHIN THE RECOGNIZED CULTURAL ARTS DISTRICT:

 21
 (I)
 THE AUTHORITY SHALL DESIGNATE THE RECOGNIZED

 22
 CULTURAL ARTS DISTRICT AS A CERTIFIED CULTURAL ARTS DISTRICT; AND

23 (II) THE MANAGEMENT PLAN SHALL BE THE PLAN FOR PURPOSES
 24 OF IMPLEMENTING THE CERTIFIED CULTURAL ARTS DISTRICT FOR BOTH THE STATE
 25 AND LOCAL JURISDICTIONS.

26 (B) THE AUTHORITY COMMISSION SHALL ADOPT REGULATIONS THAT
27 SPECIFY THE CRITERIA AND PROCEDURES FOR THE CONSIDERATION AND ADOPTION
28 OF A PROPOSED MANAGEMENT PLAN.

29 (C) THE AUTHORITY <u>COMMISSION</u> MAY NOT DESIGNATE MORE THAN FOUR
 30 RECOGNIZED CULTURAL ARTS DISTRICTS AS CERTIFIED CULTURAL ARTS DISTRICTS
 31 FOR EACH FISCAL YEAR.

32 (D) THE AUTHORITY COMMISSION SHALL HOLD AT LEAST ONE PUBLIC
33 HEARING CONCERNING THE PROPOSED MANAGEMENT PLAN FOR A RECOGNIZED
34 CULTURAL ARTS DISTRICT IN EACH RECOGNIZED CULTURAL ARTS DISTRICT
35 PROPOSED FOR DESIGNATION AS A CERTIFIED CULTURAL ARTS DISTRICT.

36 (E) BEFORE SUBMISSION OF A MANAGEMENT PLAN TO THE AUTHORITY FOR
 37 APPROVAL, THE MANAGEMENT PLAN MUST BE SUBMITTED FOR APPROVAL TO THE

LOCAL GOVERNING BODY OF EACH JURISDICTION WITHIN THE RECOGNIZED
 CULTURAL ARTS DISTRICT IN THE FORM OF AN AMENDMENT TO THE LOCAL PLAN.

3 (F) THE MANAGEMENT PLAN SHALL BE SUBMITTED TO THE AUTHORITY
4 WITHIN 45 DAYS AFTER PRELIMINARY APPROVAL BY ALL LOCAL JURISDICTIONS
5 WITHIN THE RECOGNIZED CULTURAL ARTS DISTRICT.

6 (G) A MANAGEMENT PLAN FOR A CERTIFIED CULTURAL ARTS DISTRICT 7 SHALL INCLUDE:

8 (1) AN IDENTIFICATION OF:

9 (I) THE BOUNDARIES OF THE RECOGNIZED CULTURAL ARTS
10 DISTRICT AS SET FORTH IN THE ORIGINAL DESIGNATION OR AS PROPOSED FOR
11 REVISION BY THE MANAGEMENT PLAN;

12 (II) THE LAND USE RECOMMENDATIONS OF THE LOCAL PLANS OF
 13 ALL OF THE LOCAL JURISDICTIONS WITHIN THE RECOGNIZED CULTURAL ARTS
 14 DISTRICT; AND

15 (III) THE ZONES WITHIN THE RECOGNIZED CULTURAL ARTS
 16 DISTRICT FOR A PARTICULAR NATURE AND INTENSITY OF USE, INCLUDING ZONES
 17 MOST APPROPRIATELY DEVOTED TO PUBLIC USE AND DEVELOPMENT BY STATE OR
 18 LOCAL GOVERNMENT, AND FOR PRIVATE USE;

19(2)AN INVENTORY AND EVALUATION OF THE SIGNIFICANT CULTURAL20RESOURCES WITHIN THE RECOGNIZED CULTURAL ARTS DISTRICT;

21 (3) AN IDENTIFICATION OF THE TYPES OF PUBLIC AND PRIVATE USES
22 TO BE ENCOURAGED WITHIN THE RECOGNIZED CULTURAL ARTS DISTRICT;

23 (4) AN IDENTIFICATION OF PROPERTIES, IF ANY, TO BE ACQUIRED, IN 24 WHOLE OR IN PART;

25 (5) A DESCRIPTION OF THE EDUCATIONAL, INTERPRETIVE, AND
 26 RECREATIONAL PROGRAMS AND PROJECTS TO BE UNDERTAKEN IN THE
 27 RECOGNIZED CULTURAL ARTS DISTRICT; AND

28 (6) A DESCRIPTION OF PLANS FOR ENCOURAGING AND
 29 ACCOMMODATING VISITATION TO AND COMPATIBLE ECONOMIC DEVELOPMENT OF
 30 THE RECOGNIZED CULTURAL ARTS DISTRICT;

(7) AN ECONOMIC ASSESSMENT OF THE LONG-TERM AND SHORT-TERM
 COSTS AND BENEFITS RELATED TO THE IMPLEMENTATION OF THE MANAGEMENT
 PLAN, INCLUDING AN IDENTIFICATION OF EXPECTED SOURCES OF FUNDING;

- 34 (8) A DESCRIPTION OF THE TECHNIQUES OR MEANS FOR THE
- 35 DEVELOPMENT AND ENHANCEMENT OF THE CULTURAL RESOURCES WITHIN THE
- 36 RECOGNIZED CULTURAL ARTS DISTRICT, INCLUDING APPROPRIATE EXISTING OR
- 37 PROPOSED LOCAL LEGISLATION FOR THE DESIGNATION AND PROTECTION OF

1 CULTURAL RESOURCES TO ASSURE THAT FUTURE LOCAL ACTIONS AND

2 DEVELOPMENT WILL BE CONSISTENT WITH THE GOALS AND OBJECTIVES FOR THE 3 RECOGNIZED CULTURAL ARTS DISTRICT;

4 (9) A DESCRIPTION OF THE ORGANIZATIONAL STRUCTURE TO BE
 5 UTILIZED FOR PLANNING, DEVELOPMENT, AND MANAGEMENT OF THE CULTURAL
 6 ARTS DISTRICT, INCLUDING THE RESPONSIBILITIES AND INTERRELATIONSHIPS OF
 7 LOCAL AND STATE AGENCIES; AND

8 (10) (5) A SCHEDULE FOR THE PLANNING, DEVELOPMENT, AND 9 MANAGEMENT OF THE RECOGNIZED CULTURAL ARTS DISTRICT.

10 (H) EACH MANAGEMENT PLAN MUST DEMONSTRATE THAT THE CAPABILITY
 11 EXISTS TO IMPLEMENT AND MANAGE THE RECOGNIZED CULTURAL ARTS DISTRICT,
 12 INCLUDING THE CAPABILITY:

13 (1) TO ACCEPT AND DISBURSE FUNDS;

14 (2) TO ACQUIRE, IMPROVE, AND DISPOSE OF PROPERTY;

15 (3) TO MANAGE, OPERATE, AND MAINTAIN APPROPRIATE PUBLIC 16 FACILITIES; AND

17(4)TO ADOPT AND ENFORCE LAND USE STANDARDS AS REQUIRED TO18PROTECT THE RESOURCES WITHIN THE CULTURAL ARTS DISTRICT.

(I) IF THE AUTHORITY DETERMINES THAT INFORMATION IN A PREVIOUSLY
 SUBMITTED MANAGEMENT PLAN CONTAINS SUFFICIENT INFORMATION TO FULFILL
 THE PURPOSE OF THE MANAGEMENT PLAN, THE AUTHORITY MAY WAIVE IN WHOLE
 OR IN PART SELECTED INDIVIDUAL REQUIREMENTS REGARDING THE SUBMISSION
 OF THE MANAGEMENT PLAN.

24 (J) THE AUTHORITY SHALL APPROVE OR DISAPPROVE THE MANAGEMENT
 25 PLAN WITHIN 90 DAYS AFTER THE AUTHORITY RECEIVES A MANAGEMENT PLAN
 26 FROM THE LOCAL JURISDICTIONS.

27 (K) THE AUTHORITY MAY NOT APPROVE A MANAGEMENT PLAN UNLESS THE
 28 AUTHORITY DETERMINES THAT A MANAGEMENT PLAN WOULD ADEQUATELY CARRY
 29 OUT THE PURPOSES OF THIS SUBTITLE.

30 (L) IF THE AUTHORITY DISAPPROVES A MANAGEMENT PLAN, THE AUTHORITY
 31 SHALL ADVISE THE LOCAL JURISDICTIONS IN WRITING OF THE REASON FOR THE
 32 DISAPPROVAL AND PROVIDE RECOMMENDATIONS FOR A REVISION OF THE PLAN.

33 (M) THE AUTHORITY SHALL APPROVE OR DISAPPROVE ANY REVISIONS TO AN

34 EXISTING MANAGEMENT PLAN IN THE SAME MANNER AS SPECIFIED IN

35 SUBSECTIONS (J) THROUGH (L) OF THIS SECTION.

1(N)APPROVAL OF A MANAGEMENT PLAN BY THE AUTHORITY AND FINAL2APPROVAL OF THE PLAN BY ALL LOCAL JURISDICTIONS WITHIN A RECOGNIZED3CULTURAL ARTS DISTRICT SHALL:

4 (1) ESTABLISH THE DESIGNATION OF A RECOGNIZED CULTURAL ARTS 5 DISTRICT AS A CERTIFIED CULTURAL ARTS DISTRICT;

6 (2) ESTABLISH ELIGIBILITY FOR THE RECEIPT OF ACQUISITION,
7 DEVELOPMENT, AND PROGRAMMING ASSISTANCE FROM THE STATE WITHIN THE
8 CERTIFIED CULTURAL ARTS DISTRICT BOUNDARIES;

9 (3) ESTABLISH ELIGIBILITY FOR QUALIFYING PROPERTIES AND
 10 PERSONS FOR CERTAIN TAX INCENTIVES FOR ACTIVITIES WITHIN THE DEFINED
 11 CULTURAL ARTS DISTRICT BOUNDARIES; AND

12 (4) FOR CONTINUANCE OF THE CERTIFIED CULTURAL ARTS DISTRICT,
 13 REQUIRE APPROPRIATE LOCAL ACTION TO PROTECT AND ENHANCE THE
 14 SIGNIFICANT RESOURCES IN THE CERTIFIED CULTURAL ARTS DISTRICT.

15 (O) AFTER HOLDING A PUBLIC HEARING IN THE CERTIFIED CULTURAL ARTS
16 DISTRICT THAT IS THE SUBJECT OF THE AUTHORITY'S REVIEW, THE AUTHORITY MAY
17 WITHDRAW ITS APPROVAL OF A MANAGEMENT PLAN IF THE AUTHORITY FINDS THAT
18 A LOCAL JURISDICTION RESPONSIBLE FOR THE CERTIFIED CULTURAL ARTS
19 DISTRICT:

20(1)HAS TAKEN ACTIONS WHICH HAVE HAD SIGNIFICANT ADVERSE21IMPACT UPON SIGNIFICANT CERTIFIED CULTURAL ARTS DISTRICT RESOURCES; OR

22 (2) HAS FAILED TO IMPLEMENT IT ROLE UNDER A MANAGEMENT PLAN.

23 (P) IF THE AUTHORITY WITHDRAWS ITS APPROVAL OF A MANAGEMENT PLAN:

24 (1) THE CULTURAL ARTS DISTRICT MAY NO LONGER BE DESIGNATED AS 25 A CERTIFIED CULTURAL ARTS DISTRICT; AND

26 (2) THE AUTHORITY SHALL REPORT ITS WITHDRAWAL OF APPROVAL TO
 27 THE GOVERNOR AND THE GENERAL ASSEMBLY STATING THE REASONS FOR THE
 28 ACTION OF THE AUTHORITY.

29 <del>13-1212.</del>

30 (A) (1) THE STATE OFFICIALS UNDER ITEMS (I) THROUGH (V) OF THIS
 31 SUBSECTION WHO HAVE PROGRAM RESPONSIBILITIES THAT AFFECT ASPECTS OF
 32 THE DEVELOPMENT AND USE OF CULTURAL ARTS DISTRICTS RESOURCES SHALL
 33 PREPARE A PROGRAM STATEMENT DETAILING ACTIONS IN THE DISTRICTS OF
 34 PLANNING, DEVELOPMENT, USE, ASSISTANCE, AND REGULATION THAT SUPPORT
 35 AND ASSIST THE ESTABLISHMENT AND MANAGEMENT OF CERTIFIED CULTURAL
 36 ARTS DISTRICTS, AS FOLLOWS:

THE SECRETARY OF BUSINESS AND ECONOMIC DEVELOPMENT. 1  $\oplus$ 2 REGARDING THE STATE'S ARTS PROGRAM. TOURISM DEVELOPMENT PROGRAMS. AND 3 ECONOMIC DEVELOPMENT AND JOB CREATION ACTIVITIES; THE SECRETARY OF HOUSING AND COMMUNITY 4 (III)5 DEVELOPMENT, REGARDING HOUSING, NEIGHBORHOOD REVITALIZATION, HISTORIC 6 PRESERVATION. AND MUSEUM PROGRAMS: THE SECRETARY OF HIGHER EDUCATION, REGARDING (III) 7 8 EDUCATIONAL RESOURCES AND THEIR INTERPRETATION AND USE: THE SECRETARY OF TRANSPORTATION, REGARDING ACCESS TO 9 (IV)10 AND TRANSPORTATION WITHIN CERTIFIED CULTURAL ARTS DISTRICTS. INCLUDING 11 PROGRAMS FOR SPECIAL SIGNAGE; AND 12  $(\mathbf{V})$ THE SECRETARY OF GENERAL SERVICES. REGARDING THE 13 MANAGEMENT AND DISPOSITION OF STATE PROPERTY. THE STATE OFFICIALS UNDER PARAGRAPH (1) OF THIS SUBSECTION 14 (2)15 SHALL SUBMIT THE REQUIRED PROGRAM STATEMENTS, AND ANY REVISIONS OF THE 16 STATEMENTS, TO THE AUTHORITY. <del>(B)</del> UNITS OF STATE GOVERNMENT THAT CONDUCT OR SUPPORT ACTIVITIES 17 18 AFFECTING A CERTIFIED CULTURAL ARTS DISTRICT SHALL: CONSULT, COOPERATE, AND TO THE MAXIMUM EXTENT FEASIBLE, 19 (1)20 COORDINATE THEIR ACTIVITIES WITH THE UNIT OR ENTITY RESPONSIBLE FOR THE 21 MANAGEMENT OF EACH CERTIFIED CULTURAL ARTS DISTRICT: AND 22 (2)TO THE MAXIMUM EXTENT PRACTICABLE, CARRY OUT THE 23 ACTIVITIES OF THE UNIT IN A MANNER THAT IS CONSISTENT WITH THE APPROVED 24 MANAGEMENT PLAN FOR THE CERTIFIED CULTURAL ARTS DISTRICT. 25 13-1213. AS PROVIDED IN THE STATE BUDGET. THE AUTHORITY MAY AWARD: 26 (A)**GRANTS AND LOANS TO LOCAL JURISDICTIONS OR OTHER** 27 (1)28 APPROPRIATE ENTITIES FOR PLANNING, DESIGN, ACOUISITION, DEVELOPMENT, 29 PRESERVATION, RESTORATION, INTERPRETATION, MARKETING, AND PROGRAMMING 30 OF CERTIFIED CULTURAL ARTS DISTRICTS; AND GRANTS TO LOCAL JURISDICTIONS OR OTHER APPROPRIATE 31 (2)32 ENTITIES TO DEVELOP MANAGEMENT PLANS IN RECOGNIZED CULTURAL ARTS 33 DISTRICTS.

34 (B) A GRANT TO DEVELOP A MANAGEMENT PLAN MAY NOT EXCEED 50% OF 35 THE COST OF THE MANAGEMENT PLAN.

 $(\mathbf{C})$ EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION. THE 1 (1)2 AUTHORITY MAY MAKE ACOUISITION AND DEVELOPMENT GRANTS TO A LOCAL 3 JURISDICTION OR OTHER APPROPRIATE ENTITY UNDER SUBSECTION (A) OF THIS 4 SECTION FOR A PERIOD OF UP TO 5 YEARS AFTER THE DAY ON WHICH THE 5 AUTHORITY APPROVES THE MANAGEMENT PLAN FOR THE CERTIFIED CULTURAL 6 ARTS DISTRICT WITHIN THE LOCAL JURISDICTION. THE AUTHORITY MAY TAKE ACOUISITION OR DEVELOPMENT 7 (2)8 GRANTS FOR A PROJECT AFTER THE 5 YEAR PERIOD IF THE AUTHORITY 9 DETERMINES THAT THE PROJECT IS ESSENTIAL FOR THE SUCCESS OF THE 10 MANAGEMENT PLAN FOR THE CERTIFIED CULTURAL ARTS DISTRICT. 11 (3)AN ACOUISITION OR DEVELOPMENT GRANT: 12 (H)MAY NOT BE USED FOR ANY PURPOSE OTHER THAN 13 IMPLEMENTATION OF THE CERTIFIED CULTURAL ARTS DISTRICT IN CONFORMITY 14 WITH THE APPROVED MANAGEMENT PLAN: AND MAY NOT EXCEED 50% OF THE TOTAL PROJECT COST FOR 15 (H)16 WHICH THE GRANT IS AWARDED. <del>(D)</del> SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION. THE AUTHORITY 17 (1)18 MAY MAKE PROGRAM GRANTS TO LOCAL JURISDICTIONS AND OTHER APPROPRIATE 19 ENTITIES: TO DEVELOP AND PRESENT INTERPRETIVE EXHIBITS, 20  $(\mathbf{H})$ 21 MATERIALS, OR OTHER APPROPRIATE PRODUCTS TO FURTHER THE OBJECTIVES OF 22 THE CERTIFIED CULTURAL ARTS DISTRICTS PROGRAM: AND 23 (II)TO ENCOURAGE REVITALIZATION OF, AND INVESTMENT IN, 24 CERTIFIED CULTURAL ARTS DISTRICT RESOURCES. A PROGRAM GRANT MADE BY THE AUTHORITY UNDER PARAGRAPH 25 (2)26 (1) OF THIS SUBSECTION MAY NOT EXCEED 50% OF THE ESTIMATED PROJECT COST. THROUGH THE RESOURCES OF THE MEMBERS OF THE AUTHORITY AND IN 27 (E)28 COOPERATION WITH OTHER STATE AGENCIES, THE AUTHORITY SHALL PROVIDE 29 TECHNICAL ASSISTANCE TO MANAGEMENT ENTITIES IMPLEMENTING A 30 MANAGEMENT PLAN. 31 13 1214.

32 (A) THERE IS A MARYLAND CULTURAL ARTS DISTRICTS AUTHORITY
 33 FINANCING FUND.

34 (B) (1) THE AUTHORITY SHALL USE THE FUND AS A CONTINUING,
 35 NONLAPSING, REVOLVING FUND FOR CARRYING OUT THE PURPOSES OF THIS
 36 SUBTITLE.

16		HOUSE BILL 252
1 2	( <del>2)</del> GENERAL FUND C	NO PART OF THE FUND MAY REVERT OR BE CREDITED TO THE R TO ANY OTHER SPECIAL FUND OF THE STATE.
3 4	( <del>C)</del> THE A FUND:	UTHORITY SHALL PLACE ALL OF THE FOLLOWING RECEIPTS IN THE
5	(1)	PROCEEDS FROM THE SALE OF BONDS;
6 7	(2) ANY SOURCE UNI	REVENUES THAT THE AUTHORITY COLLECTS OR RECEIVES FROM DER THIS SUBTITLE; AND
8 9	( <del>3)</del> RECEIVED OR PAI	ANY ADDITIONAL REVENUES, GIFTS, DONATIONS, OR MONEYS D TO IT FROM ANY OTHER SOURCE AUTHORIZED BY LAW.
10 11	( <del>D)</del> THE A EXPENDITURES F	UTHORITY SHALL PAY ALL EXPENSES AND MAKE ALL ROM THE FUND.
12 13		THE AUTHORITY MAY PLEDGE AND CHARGE ALL OR A PORTION OF THE FUND FOR THE PAYMENT OF:
14		(I) DEBT SERVICE ON BONDS OF THE AUTHORITY; AND
		( <del>II) ALL REASONABLE CHARGES AND EXPENSES RELATED TO THE AUTHORITY AND MANAGEMENT OF THE OBLIGATIONS OF THE</del>
		A PLEDGE MADE UNDER PARAGRAPH (1) OF THIS SUBSECTION IS OVIDED IN § 13-1219 OF THIS SUBTITLE AND ANY APPLICABLE THE AUTHORITY.
21	(F) THE ST	FATE TREASURER SHALL:
22 23	( <del>1)</del> FUNDS; AND	INVEST AND REINVEST THE FUND IN THE SAME MANNER AS STATE
24 25	( <del>2)</del> FUND.	TRANSFER ANY INVESTMENT EARNINGS TO THE CREDIT OF THE
26	i	PART IV. BONDS.
27	<del>13-1215.</del>	
30	FROM TIME TO THE FUNDS TO PROVE	SUBJECT TO THIS PART, THE AUTHORITY MAY AT ANY TIME AND ME ISSUE BONDS FOR THE PURPOSES OF THIS SUBTITLE TO OBTAIN DE FINANCIAL ASSISTANCE FOR OR OTHERWISE SUPPORT A URAL ARTS DISTRICT.
32	(2)	THE AUTHORITY MAY ISSUE THE BONDS ONLY IF IT DETERMINES

32(2)THE AUTHORITY MAY ISSUE THE BONDS ONLY IF IT DETERMINES33THAT THE ISSUANCE IS NECESSARY TO ACHIEVE THE PURPOSES OF THIS SUBTITLE.

1(3)THE AUTHORITY MAY NOT ISSUE TAX EXEMPT PRIVATE ACTIVITY2BONDS THAT ARE SUBJECT TO THE VOLUME CAP UNDER § 146 OF THE FEDERAL3INTERNAL REVENUE CODE.

4 (4) THE BOARD OF PUBLIC WORKS MAY NOT APPROVE THE ISSUANCE OF
5 BONDS BY THE AUTHORITY THAT WILL RESULT IN MORE THAT \$15,000,000 IN AN
6 AGGREGATE OUTSTANDING AND UNPAID PRINCIPAL BALANCE OF BONDS FOR THE
7 AUTHORITY AT ANY TIME.

8 (B) (1) THE AUTHORITY SHALL SUBMIT EACH PROPOSED ISSUE OF BONDS
9 TO THE BOARD OF PUBLIC WORKS AND SHALL OBTAIN THE APPROVAL OF THE BOARD
10 OF PUBLIC WORKS FOR THE PROPOSED ISSUE PRIOR TO SALE OF THE BONDS.

(2) IN SUBMITTING A PROPOSAL TO ISSUE BONDS TO THE BOARD OF
 PUBLIC WORKS, THE AUTHORITY SHALL IDENTIFY THE SOURCE OF REVENUE THAT
 SUPPORTS THE DEBT SERVICE ON THE BONDS.

14 (C) THE AUTHORITY:

15 (1) SHALL, BY RESOLUTION, AUTHORIZE ANY BONDS THAT IT ISSUES; 16 AND

17 (2) MAY SECURE THE BONDS BY A TRUST AGREEMENT BETWEEN THE
 18 AUTHORITY AND A CORPORATE TRUSTEE OR TRUSTEES, WHICH MAY BE ANY TRUST
 19 COMPANY OR BANK THAT HAS THE POWERS OF A TRUST COMPANY WITHIN OR
 20 WITHOUT THE STATE.

21 (<del>D)</del> EXCEPT AS OTHERWISE EXPRESSLY REQUIRED BY THIS SUBTITLE, THE 22 AUTHORITY MAY ISSUE THE BONDS OR NOTES WITHOUT:

23 (1) OBTAINING THE CONSENT OF ANY OTHER UNIT OF STATE 24 GOVERNMENT;

25 (2) ANY PROCEEDINGS; OR

26 (3) THE OCCURRENCE OF ANY CONDITIONS.

27 <del>13-1216.</del>

28 (A) THE BONDS OF ANY ISSUE SHALL BE PAYABLE SOLELY FROM THE
 29 PROPERTY OR RECEIPTS OF THE AUTHORITY, INCLUDING WITHOUT LIMITATION:

30 (1) FEES, CHARGES, OR OTHER REVENUES PAYABLE TO THE 31 AUTHORITY;

32 (2) PAYMENTS BY FINANCIAL INSTITUTIONS, INSURANCE COMPANIES,
 33 OR OTHERS PURSUANT TO LETTERS OR LINES OF CREDIT, POLICIES OF INSURANCE,
 34 OR PURCHASE AGREEMENTS;

35 (3) INVESTMENT EARNINGS FROM FUNDS OR ACCOUNTS MAINTAINED
 36 UNDER A BOND RESOLUTION OR TRUST AGREEMENT;

1 (4) PROCEEDS OF REFUNDING BONDS; AND

2 (5) ANY OTHER SOURCE AUTHORIZED BY LAW.

3 (B) THE BONDS DO NOT CONSTITUTE A DEBT, LIABILITY, OR PLEDGE OF FULL 4 FAITH AND CREDIT OF THE STATE AND MAY NOT BE DEEMED TO CONSTITUTE A

5 DEBT. LIABILITY. OR PLEDGE OF THE FULL FAITH AND CREDIT OF THE STATE.

6 <del>13 1217.</del>

7 THE BONDS THAT THE AUTHORITY ISSUES SHALL:

8 (1) BE ISSUED AT, ABOVE, OR BELOW PAR VALUE, FOR CASH OR OTHER
9 VALUABLE CONSIDERATION, AND MATURE AT A TIME OR TIMES, WHETHER AS
10 SERIAL BONDS OR AS TERM BONDS OR BOTH, NOT EXCEEDING THE MATURITY DATE
11 ESTABLISHED BY THE AUTHORITY;

(2) BEAR INTEREST AT THE FIXED OR VARIABLE RATE OR RATES
 DETERMINED BY THE METHOD PROVIDED IN THE RESOLUTION OR TRUST
 AGREEMENT;

15(3)BE PAYABLE AT A TIME OR TIMES, IN THE DENOMINATIONS AND16FORM, EITHER COUPON OR REGISTERED OR BOTH, REGISTRABLE AS TO PRINCIPAL17AND INTEREST ALONE OR AS TO BOTH AND CARRY THE REGISTRATION AND18PRIVILEGES AS TO CONVERSION AND FOR THE REPLACEMENT OF MUTILATED, LOST,19OR DESTROYED BONDS AS THE RESOLUTION OR TRUST AGREEMENT MAY PROVIDE;

(4) NOTWITHSTANDING ANY OTHER LAW, BE DEEMED SECURITIES
 WITHIN THE MEANING OF § 8 102 OF THE COMMERCIAL LAW ARTICLE, WHETHER OR
 NOT THEY ARE EITHER ONE OF A CLASS OR A SERIES OR BY THEIR TERMS ARE
 DIVISIBLE INTO A CLASS OR SERIES OF INSTRUMENTS AND NEGOTIABLE FOR ALL
 PURPOSES ALTHOUGH PAYABLE FROM A LIMITED SOURCE;

25 (5) BE PAYABLE IN LAWFUL MONEY OF THE UNITED STATES AT A
 26 DESIGNATED PLACE, INCLUDING ONE OR MORE BANKS OR TRUST COMPANIES;

27 (6) BE SUBJECT TO THE TERMS OF PURCHASE, PAYMENT, REDEMPTION,
 28 REFUNDING, OR REFINANCING THAT THE RESOLUTION OR TRUST AGREEMENT
 29 PROVIDES;

(7) BE EXECUTED BY THE MANUAL OR FACSIMILE SIGNATURES OF THE
 OFFICERS OF THE AUTHORITY DESIGNATED BY THE AUTHORITY, WHICH
 SIGNATURES SHALL BE VALID FOR ALL PURPOSES AT DELIVERY EVEN FOR AN
 OFFICER WHO HAS CEASED TO HOLD OFFICE;

34(8)BE SOLD IN THE MANNER AND ON THE TERMS DETERMINED BY THE35AUTHORITY, INCLUDING BY PRIVATE NEGOTIATED SALE; AND

36 (9) BE EXEMPT FROM §§ 8-206, 8-208, AND 8-209 OF THE STATE FINANCE 37 AND PROCUREMENT ARTICLE.

1 <del>13 1218.</del>

2 (A) ANY RESOLUTION OR TRUST AGREEMENT THE AUTHORITY ADOPTS OR 3 ENTERS INTO UNDER § 13-1215 OF THIS SUBTITLE MAY CONTAIN PROVISIONS THAT:

4 (1) PLEDGE, ASSIGN, OR DIRECT THE USE, INVESTMENT, OR
5 DISPOSITION OF ALL OR A PORTION OF THE RECEIPTS OF THE AUTHORITY OR ALL OR
6 A PORTION OF THE PROCEEDS OR BENEFITS OF ANY CONTRACT AND CONVEY OR
7 OTHERWISE SECURE ANY PROPERTY OR PROPERTY RIGHTS;

8 (2) SET ASIDE LOAN FUNDING DEPOSITS, DEBT SERVICE RESERVES,
 9 CAPITALIZED INTEREST ACCOUNTS, COST OF ISSUANCE ACCOUNTS, AND SINKING
 10 FUNDS, AND REGULATE, INVEST, AND DISPOSE OF THESE DEPOSITS, RESERVES,
 11 ACCOUNTS, AND FUNDS;

(3) LIMIT THE PURPOSE TO WHICH OR THE INVESTMENTS IN WHICH
 THE PROCEEDS OF SALE OF ANY ISSUE OF BONDS MAY BE APPLIED AND RESTRICT
 THE INVESTMENT OF REVENUES OR BOND PROCEEDS AS CONSIDERED NECESSARY,
 WHICH MAY INCLUDE LIMITING INVESTMENTS TO GOVERNMENT OBLIGATIONS FOR
 WHICH PRINCIPAL AND INTEREST ARE UNCONDITIONALLY GUARANTEED BY THE
 UNITED STATES:

18 (4) LIMIT THE ISSUANCE OF ADDITIONAL BONDS AND SPECIFY THE
 19 TERMS ON WHICH ADDITIONAL BONDS MAY BE ISSUED, SECURED, AND RANK ON
 20 PARITY WITH, OR BE SUBORDINATE OR SUPERIOR TO OTHER BONDS;

21 (5) REFUND OR REFINANCE OUTSTANDING BONDS;

22 (6) ESTABLISH ANY PROCEDURE CONCERNING THE MANNER IN WHICH
23 THE TERMS OF ANY CONTRACT WITH BONDHOLDERS MAY BE ALTERED OR
24 AMENDED, THE AMOUNT OF BONDS TO WHICH THE HOLDERS MUST CONSENT, AND
25 THE MANNER IN WHICH THE HOLDERS MUST CONSENT;

(7) DEFINE THE ACTS OR OMISSIONS THAT CONSTITUTE A DEFAULT IN
THE DUTIES OF THE AUTHORITY TO HOLDERS OF BONDS AND PROVIDE THE RIGHTS
AND REMEDIES OF THE HOLDERS IN THE EVENT OF A DEFAULT, WHICH MAY
INCLUDE PROVISIONS THAT RESTRICT INDIVIDUAL RIGHT OF ACTION BY
BONDHOLDERS;

(8) PROVIDE FOR GUARANTEES, PLEDGES OF PROPERTY, LETTERS OF
 32 CREDIT, OR OTHER SECURITY, OR INSURANCE FOR THE BENEFIT OF BONDHOLDERS;
 33 AND

34(9)**PROVIDE FOR ANY OTHER MATTER RELATING TO THE BONDS THAT**35THE AUTHORITY DEEMS APPROPRIATE.

36 (B) ANY PROVISIONS UNDER SUBSECTION (A) OF THIS SECTION THAT THE
 37 AUTHORITY INCLUDES IN A RESOLUTION OR TRUST AGREEMENT MAY BE MADE PART
 38 OF THE CONTRACT WITH THE HOLDERS OF THE BONDS.

1 <del>13 1219.</del>

2 (A) A PLEDGE BY THE AUTHORITY OF REVENUES AS SECURITY FOR AN ISSUE
3 OF BONDS SHALL BE VALID AND BINDING ON AND AFTER THE DATE WHEN THE
4 DOCUMENTS EVIDENCING THE PLEDGE ARE EXECUTED BY THE AUTHORITY.

5 (<del>B)</del> (<del>1) THE REVENUES THAT THE AUTHORITY PLEDGES MAY BE MADE</del> 6 IMMEDIATELY SUBJECT TO THE LIEN OF THE PLEDGE WITHOUT ANY PHYSICAL 7 DELIVERY OR FURTHER ACT.

8 (2) THE LIEN OF ANY PLEDGE OF REVENUE IS VALID AND BINDING
9 AGAINST ANY PERSON WHO HAS ANY CLAIM IN TORT, CONTRACT, OR OTHERWISE
10 AGAINST THE AUTHORITY, WHETHER OR NOT THE PERSON HAS NOTICE.

(C) IN ORDER TO PERFECT THE LIEN ON THE REVENUE PLEDGED BY THE
 AUTHORITY AGAINST THIRD PERSONS, A RESOLUTION, TRUST AGREEMENT,
 FINANCING STATEMENT, CONTINUATION STATEMENT, OR OTHER INSTRUMENT
 THAT THE AUTHORITY ADOPTS OR ENTERS INTO NEED NOT BE FILED OR RECORDED
 IN ANY PUBLIC RECORD OTHER THAN THE RECORDS OF THE AUTHORITY.

16 <del>13 1220.</del>

A MEMBER OF THE AUTHORITY OR ANY PERSON EXECUTING THE BONDS OF
 THE AUTHORITY MAY NOT BE HELD LIABLE PERSONALLY ON THE BONDS OR BE
 SUBJECT TO ANY PERSONAL LIABILITY BECAUSE OF THE ISSUANCE OF THE BONDS.

20 <del>13-1221.</del>

(A) THE AUTHORITY MAY ISSUE BONDS TO REFUND ANY OF ITS BONDS THEN
 OUTSTANDING, INCLUDING THE PAYMENT OF ANY REDEMPTION PREMIUM AND ANY
 INTEREST ACCRUED OR TO ACCRUE TO THE EARLIEST OR ANY SUBSEQUENT DATE
 OF REDEMPTION, PURCHASE, OR MATURITY OF THE BONDS.

25 (B) REFUNDING BONDS MAY BE ISSUED IN THE DISCRETION OF THE
 26 AUTHORITY AND FOR ANY PURPOSE AUTHORIZED BY THIS SUBTITLE, INCLUDING:

27 (1) (1) THE PUBLIC PURPOSES OF REALIZING SAVINGS IN THE
 28 EFFECTIVE COSTS OF DEBT SERVICE, DIRECTLY OR THROUGH A DEBT
 29 RESTRUCTURING:

30 (II) ALLEVIATING IMPENDING OR ACTUAL DEFAULT; OR

31 (III) ANY OTHER PUBLIC PURPOSE THAT THE AUTHORITY
 32 DETERMINES IS IN THE BEST INTERESTS OF AND CONSISTENT WITH THE
 33 AUTHORITY'S LONG TERM FINANCING PLAN:

34 (2) IN ONE OR MORE SERIES; AND

35 (3) IN AN AMOUNT IN EXCESS OF THAT OF THE BONDS TO BE 36 REFUNDED.

1 13 1222. THE AUTHORITY MAY ENTER INTO AGREEMENTS WITH AGENTS, BANKS, 2 (A)3 INSURERS, OR OTHERS FOR THE PURPOSE OF ENHANCING THE MARKETABILITY OF. 4 OR AS A SECURITY FOR. ITS BONDS. ANY FINANCIAL INSTITUTION. INVESTMENT COMPANY. INSURANCE <del>(B)</del> 5 6 COMPANY OR ASSOCIATION, ANY PERSONAL REPRESENTATIVE, GUARDIAN, 7 TRUSTEE, OR OTHER FIDUCIARY, AND ANY OTHER PUBLIC OFFICER OR UNIT OF THE 8 STATE OR A SUBDIVISION OF THE STATE MAY LEGALLY INVEST ANY MONEYS 9 BELONGING TO THEM OR WITHIN THEIR CONTROL IN ANY BONDS ISSUED BY THE 10 AUTHORITY. 11 13-1223. 12 THE BONDS OF THE AUTHORITY. THEIR TRANSFER. THE INTEREST PAYABLE ON 13 THEM. AND ANY INCOME DERIVED FROM THEM. INCLUDING ANY PROFIT REALIZED 14 IN THEIR SALE OR EXCHANGE, ARE EXEMPT AT ALL TIMES FROM EVERY KIND OF 15 TAXATION BY THIS STATE OR BY ANY OF ITS POLITICAL SUBDIVISIONS. MUNICIPAL 16 CORPORATIONS, OR PUBLIC AGENCIES. 17 PART V. MISCELLANEOUS. 18 13 1224. IN THIS SECTION, "AGGRIEVED PERSON" MEANS: 19 (A)20 (1)A PERSON THAT: 21  $(\mathbf{H})$ IS A PARTY TO A DISPUTE THAT THE AUTHORITY RESOLVES 22 UNDER § 13-1208(4)(II) OF THIS SUBTITLE; AND IS AGGRIEVED BY THE AUTHORITY'S FINAL ACTION IN 23 (H)24 RESOLVING THE DISPUTE UNDER § 13-1208(4)(II) OF THIS SUBTITLE; OR THE LOCAL JURISDICTIONS WITHIN A CERTIFIED CULTURAL ARTS 25 (2)26 DISTRICT FROM WHICH THE AUTHORITY HAS WITHDRAWN APPROVAL OF A 27 MANAGEMENT PLAN UNDER § 13-1211(P) OF THIS SUBTITLE. THIS SECTION DOES NOT APPLY TO: 28 <del>(B)</del> THE FAILURE OF THE AUTHORITY TO DESIGNATE: 29 (1)30  $\oplus$ A CULTURAL ARTS DISTRICT AS A RECOGNIZED CULTURAL 31 ARTS DISTRICT: OR 32 (HH)A RECOGNIZED CULTURAL ARTS DISTRICT AS A CERTIFIED

33 CULTURAL ARTS DISTRICT THROUGH THE APPROVAL OF A MANAGEMENT PLAN;

1(2)ACTIONS TAKEN BY THE AUTHORITY UNDER ITS POWERS TO ISSUE2BONDS UNDER PART IV OF THIS SUBTITLE; OR

3 (3) THE FAILURE OF THE AUTHORITY TO AWARD OR ENFORCE THE 4 TERMS OF GRANTS, LOANS, OR OTHER FINANCING.

5 (C) AN AGGRIEVED PERSON MAY APPEAL TO THE OFFICE OF
6 ADMINISTRATIVE HEARINGS FOR A HEARING IN ACCORDANCE WITH TITLE 10,
7 SUBTITLE 2 OF THE STATE GOVERNMENT ARTICLE.

8 (D) THE DECISION OF THE OFFICE OF ADMINISTRATIVE HEARINGS IS THE 9 FINAL ADMINISTRATIVE DECISION.

10 (E) THE OFFICE OF ADMINISTRATIVE HEARINGS MAY NOT MODIFY THE
 11 AUTHORITY'S RESOLUTION OF A DISPUTE UNLESS THE AGGRIEVED PERSON SHOWS
 12 BY A PREPONDERANCE OF THE EVIDENCE THAT:

13 (1) THE FINAL ACTION OF THE AUTHORITY WAS ARBITRARY OR 14 CAPRICIOUS; OR

15(2)THE AUTHORITY FAILED TO FOLLOW ITS OWN PROCEDURES OR16REGULATIONS FOR RESOLVING A DISPUTE UNDER § 13-1208(4)(II) OF THIS SUBTITLE.

17 SECTION 2. AND BE IT FURTHER ENACTED, That the Commission shall

18 submit a report to the Senate Budget and Taxation Committee and the House Ways

19 and Means Committee on or before December 1, 2001, in accordance with § 2-1246 of

20 the State Government Article, on its recommendations for developing benefits for

21 resident artists and art-related professional activities in Cultural Arts Districts. In

22 completing this report, the Commission shall study various private and public sector

23 initiatives for qualifying resident artists or art-related professionals to encourage the

24 development of Cultural Arts Districts including income tax exemptions, sales tax

25 exemptions, income tax credits, property tax credits, government-financed economic

26 incentives, zoning variances and alterations, and any other appropriate benefit for

27 qualifying resident artists or art-related professional activities. The Commission

28 shall also study the impact of any of the options developed for Cultural Arts Districts

29 on cultural education and State and local revenues.

30 SECTION <del>2.</del> <u>3.</u> AND BE IT FURTHER ENACTED, That this Act shall take 31 effect October 1, 2000.