

SENATE BILL 470

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HB 566/97 - APP

2000 Regular Session
0lr0584

By: **Senator Colburn**

Introduced and read first time: February 4, 2000

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt - Dorchester County - Meredith House**

3 FOR the purpose of authorizing the creation of a State Debt not to exceed \$159,000,
4 the proceeds to be used as a grant to the Board of Trustees of the Dorchester
5 County Historical Society, Inc. for certain development or improvement
6 purposes; providing for disbursement of the loan proceeds, subject to a
7 requirement that the grantee provide and expend a matching fund; requiring
8 the grantee to convey a historic easement to the Maryland Historical Society;
9 and providing 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 Dorchester
14 County - Meredith House Loan of 2000 in a total principal amount equal to the lesser
15 of (i) \$159,000 or (ii) the amount of the matching fund provided in accordance with
16 Section 1(5) below. This loan shall be evidenced by the issuance, sale, and delivery of
17 State general obligation bonds authorized by a resolution of the Board of Public
18 Works and issued, sold, and delivered in accordance with §§ 8-117 through 8-124 of
19 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 Trustees of the Dorchester
29 County Historical Society, Inc. (referred to hereafter in this Act as "the grantee") for
30 the repair, renovation, and restoration of the Meredith House in Cambridge.

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 in kind contributions, real property, 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, 2002, 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 effect
30 June 1, 2000.