

HOUSE BILL 182

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2001 Regular Session
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CF 11r0757

By: **Delegates Heller, Sher, Franchot, Kagan, Kopp, Barve, Petzold, Barkley, Bronrott, Carlson, Cryor, Dembrow, Flanagan, Frush, Goldwater, Gordon, Grosfeld, Hixson, Hurson, Kittleman, La Vay, Mandel, Menes, Moe, Shriver, and Stern**

Introduced and read first time: January 19, 2001
Assigned to: Appropriations

Committee Report: Favorable with amendments
House action: Adopted
Read second time: March 24, 2001

CHAPTER _____

1 AN ACT concerning

2 **Creation of a State Debt - ~~Montgomery County~~ - Olney Theatre Center**
3 **Campus**

4 FOR the purpose of authorizing the creation of a State Debt not to exceed ~~\$1,500,000~~
5 \$500,000, the proceeds to be used as a grant to the Board of Directors of The
6 Olney Theatre Center for the Arts for certain development or improvement
7 purposes; providing for disbursement of the loan proceeds, subject to a
8 requirement that the grantee provide and expend a matching fund; and
9 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 ~~Montgomery~~
14 ~~County~~ Olney Theatre Center Campus Loan of 2001 in a total principal amount
15 equal to the lesser of (i) ~~\$1,500,000~~ \$500,000 or (ii) the amount of the matching fund
16 provided in accordance with Section 1(5) below. This loan shall be evidenced by the
17 issuance, sale, and delivery of State general obligation bonds authorized by a
18 resolution of the Board of Public Works and issued, sold, and delivered in accordance
19 with §§ 8-117 through 8-124 of the State Finance and Procurement Article and
20 Article 31, § 22 of the Code.

21 (2) The bonds to evidence this loan or installments of this loan may be sold as
22 a single issue or may be consolidated and sold as part of a single issue of bonds under
23 § 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 The Olney
7 Theatre Center for the Arts (referred to hereafter in this Act as "the grantee") for the
8 planning, design, construction, and capital equipping of The Olney Theatre Center for
9 the Arts, located in Olney, Maryland.

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

14 (5) Prior to the payment of any funds under the provisions of this Act for the
15 purposes set forth in Section 1(3) above, the grantee shall provide and expend a
16 matching fund. No part of the grantee's matching fund may be provided, either
17 directly or indirectly, from funds of the State, whether appropriated or
18 unappropriated. No part of the fund may consist of ~~real property, in kind~~
19 ~~contributions, or in kind contributions.~~ The fund may consist of real property or funds
20 expended prior to the effective date of this Act. In case of any dispute as to the amount
21 of the matching fund or what money or assets may qualify as matching funds, the
22 Board of Public Works shall determine the matter and the Board's decision is final.
23 The grantee has until June 1, 2003, to present evidence satisfactory to the Board of
24 Public Works that a matching fund will be provided. If satisfactory evidence is
25 presented, the Board shall certify this fact and the amount of the matching fund to
26 the State Treasurer, and the proceeds of the loan equal to the amount of the matching
27 fund shall be expended for the purposes provided in this Act. Any amount of the loan
28 in excess of the amount of the matching fund certified by the Board of Public Works
29 shall be canceled and be of no further effect.

30 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
31 June 1, 2001.