

SENATE BILL 248

Unofficial Copy  
B2  
SB 184/00 - B&T

2001 Regular Session  
11r1401  
CF 11r1416

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By: **Senator Ruben**

Introduced and read first time: January 25, 2001

Assigned to: Budget and Taxation

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A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt - Montgomery County - Site for Electronic Media,**  
3 **Art, and Technology**

4 FOR the purpose of authorizing the creation of a State Debt not to exceed \$750,000,  
5 the proceeds to be used as a grant to the Board of Directors of Pyramid Atlantic,  
6 Inc. for certain acquisition, development, or improvement purposes; providing  
7 for disbursement of the loan proceeds, subject to a requirement that the grantee  
8 provide and expend a matching fund; and providing generally for the issuance  
9 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 - Site for Electronic Media, Art, and Technology Loan of 2001 in a total  
15 principal amount equal to the lesser of (i) \$750,000 or (ii) the amount of the matching  
16 fund provided in accordance with Section 1(5) below. This loan shall be evidenced by  
17 the 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.

24 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer  
25 and first shall be applied to the payment of the expenses of issuing, selling, and  
26 delivering the bonds, unless funds for this purpose are otherwise provided, and then  
27 shall be credited on the books of the Comptroller and expended, on approval by the  
28 Board of Public Works, for the following public purposes, including any applicable  
29 architects' and engineers' fees: as a grant to the Board of Directors of Pyramid  
30 Atlantic, Inc. (referred to hereafter in this Act as "the grantee") for the acquisition,  
31 architectural and technical design, and renovation of a building that will house the  
32 Site for Electronic Media, Art, and Technology.

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. No part of the fund may consist of real property or in kind  
10 contributions. The fund may consist of funds expended prior to the effective date of  
11 this Act. In case of any dispute as to the amount of the matching fund or what money  
12 or assets may qualify as matching funds, the Board of Public Works shall determine  
13 the matter and the Board's decision is final. The grantee has until June 1, 2003 to  
14 present evidence satisfactory to the Board of Public Works that a matching fund will  
15 be provided. If satisfactory evidence is presented, the Board shall certify this fact and  
16 the amount of the matching fund to the State Treasurer, and the proceeds of the loan  
17 equal to the amount of the matching fund shall be expended for the purposes provided  
18 in this Act. Any amount of the loan in excess of the amount of the matching fund  
19 certified by the Board of Public Works shall be canceled and be of no further effect.

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