

SENATE BILL 495

Unofficial Copy  
B2  
HB 739/99 - APP

2001 Regular Session  
1r2526  
CF HB 166

---

By: **Senators Teitelbaum, Forehand, Frosh, Hogan, Roesser, and Ruben**  
Introduced and read first time: February 2, 2001  
Assigned to: Budget and Taxation

---

Committee Report: Favorable with amendments  
Senate action: Adopted  
Read second time: March 29, 2001

---

CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Creation of a State Debt - Montgomery County - National Capital Trolley**  
3 **Museum**

4 FOR the purpose of authorizing the creation of a State Debt not to exceed ~~\$500,000~~  
5 \$50,000, the proceeds to be used as a grant to the Board of Directors of the  
6 National Capital Historical Museum of Transportation, Inc. for certain  
7 development or improvement purposes; providing for disbursement of the loan  
8 proceeds, subject to a requirement that the grantee provide and expend a  
9 matching fund; and providing generally for the issuance and sale of bonds  
10 evidencing the loan.

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

13 (1) The Board of Public Works may borrow money and incur indebtedness on  
14 behalf of the State of Maryland through a State loan to be known as the Montgomery  
15 County - National Capital Trolley Museum Loan of 2001 in a total principal amount  
16 equal to the lesser of (i) ~~\$500,000~~ \$50,000 or (ii) the amount of the matching fund  
17 provided in accordance with Section 1(5) below. This loan shall be evidenced by the  
18 issuance, sale, and delivery of State general obligation bonds authorized by a  
19 resolution of the Board of Public Works and issued, sold, and delivered in accordance  
20 with §§ 8-117 through 8-124 of the State Finance and Procurement Article and  
21 Article 31, § 22 of the Code.

22 (2) The bonds to evidence this loan or installments of this loan may be sold as  
23 a single issue or may be consolidated and sold as part of a single issue of bonds under  
24 § 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 National  
7 Capital Historical Museum of Transportation, Inc. (referred to hereafter in this Act as  
8 "the grantee") for the repair, renovation, rehabilitation, expansion, and capital  
9 equipping of a building at the site of the National Capital Trolley Museum at 1313  
10 Bonifant Road in Montgomery County, and for the laying of track to serve the  
11 building.

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

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

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