

SENATE BILL 669

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B2

2002 Regular Session
2lr2563
CF 2lr1793

By: **Senators Munson and Mooney**
Introduced and read first time: February 1, 2002
Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt - Washington County - Cumberland Valley**
3 **Technology Center**

4 FOR the purpose of authorizing the creation of a State Debt not to exceed \$550,000,
5 the proceeds to be used as a grant to the Board of Trustees of Cumberland Valley
6 Technology Center for certain 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; requiring the grantee to grant and convey
9 an easement to the Maryland Historical Trust; and providing generally for the
10 issuance and sale of bonds 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 Cumberland
15 Valley Technology Center Loan of 2002 in a total principal amount equal to the lesser
16 of (i) \$550,000 or (ii) the amount of the matching fund provided in accordance with
17 Section 1(5) below. This loan shall be evidenced by the issuance, sale, and delivery of
18 State general obligation bonds authorized by a resolution of the Board of Public
19 Works and issued, sold, and delivered in accordance with §§ 8-117 through 8-124 of
20 the State Finance and Procurement Article and 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 Trustees of Cumberland
30 Valley Technology Center (referred to hereafter in this Act as "the grantee") for the
31 acquisition, planning, design, repair, renovation, reconstruction, and capital
32 equipping of the former Maryland National Guard Armory at 328-330 North Potomac

1 Street in Hagerstown, for use as a preapprenticeship and apprenticeship training
2 center for the construction, maintenance, and industrial trades.

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

7 (5) Prior to the payment of any funds under the provisions of this Act for the
8 purposes set forth in Section 1(3) above, the grantee shall provide and expend a
9 matching fund. No part of the grantee's matching fund may be provided, either
10 directly or indirectly, from funds of the State, whether appropriated or
11 unappropriated. The fund may consist of real property, in kind contributions, or funds
12 expended prior to the effective date of this Act. In case of any dispute as to the amount
13 of the matching fund or what money or assets may qualify as matching funds, the
14 Board of Public Works shall determine the matter and the Board's decision is final.
15 The grantee has until June 1, 2004, to present evidence satisfactory to the Board of
16 Public Works that a matching fund will be provided. If satisfactory evidence is
17 presented, the Board shall certify this fact and the amount of the matching fund to
18 the State Treasurer, and the proceeds of the loan equal to the amount of the matching
19 fund shall be expended for the purposes provided in this Act. Any amount of the loan
20 in excess of the amount of the matching fund certified by the Board of Public Works
21 shall be canceled and be of no further effect.

22 (6) (a) Prior to the issuance of the bonds, the grantee shall grant and convey
23 to the Maryland Historical Trust a perpetual preservation easement to the extent of
24 its interest:

25 (i) On the land or such portion of the land acceptable to the Trust;
26 and

27 (ii) On the exterior and interior, where appropriate, of the historic
28 structures.

29 (b) If the grantee or beneficiary of the grant holds a lease on the land
30 and structures, the Trust may accept an easement on the leasehold interest.

31 (c) The easement must be in form and substance acceptable to the Trust
32 and any liens or encumbrances against the land or the structures must be acceptable
33 to the Trust.

34 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
35 June 1, 2002.