

HOUSE BILL 1161

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B2

2003 Regular Session  
3lr2653  
CF 3lr2644

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By: **Delegates Paige and Kirk**

Introduced and read first time: March 3, 2003

Assigned to: Rules and Executive Nominations

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A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt - Baltimore City - Bethel A.M.E. Museum and Cyber**  
3 **Community Center**

4 FOR the purpose of authorizing the creation of a State Debt not to exceed \$1,600,000,  
5 the proceeds to be used as a grant to the Board of Directors of Bethel Outreach  
6 Center, Inc. for certain development or improvement purposes; providing for  
7 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 a certain easement to the Maryland Historical Trust; prohibiting the use of the  
10 proceeds of the loan or the matching fund for sectarian religious purposes; and  
11 providing generally for the issuance and sale of bonds evidencing the loan.

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

14 (1) The Board of Public Works may borrow money and incur indebtedness on  
15 behalf of the State of Maryland through a State loan to be known as the Baltimore  
16 City - Bethel A.M.E. Museum and Cyber Community Center Loan of 2003 in a total  
17 principal amount equal to the lesser of (i) \$1,600,000 or (ii) the amount of the  
18 matching fund provided in accordance with Section 1(5) below. This loan shall be  
19 evidenced by the issuance, sale, and delivery of State general obligation bonds  
20 authorized by a resolution of the Board of Public Works and issued, sold, and  
21 delivered in accordance with §§ 8-117 through 8-124 of the State Finance and  
22 Procurement Article and Article 31, § 22 of the Code.

23 (2) The bonds to evidence this loan or installments of this loan may be sold as  
24 a single issue or may be consolidated and sold as part of a single issue of bonds under  
25 § 8-122 of the State Finance and Procurement Article.

26 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer  
27 and first shall be applied to the payment of the expenses of issuing, selling, and  
28 delivering the bonds, unless funds for this purpose are otherwise provided, and then  
29 shall be credited on the books of the Comptroller and expended, on approval by the  
30 Board of Public Works, for the following public purposes, including any applicable  
31 architects' and engineers' fees: as a grant to the Board of Directors of Bethel Outreach  
32 Center, Inc. (referred to hereafter in this Act as "the grantee") for the planning,

1 design, construction, and capital equipping of the Bethel African Methodist Episcopal  
2 Church Museum and Cyber Community Center to show a history of the African  
3 Methodist Episcopal Church and to offer programs on technology, computers, job  
4 preparation, career advancement, and life skills, located in Baltimore City.

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

9 (5) Prior to the payment of any funds under the provisions of this Act for the  
10 purposes set forth in Section 1(3) above, the grantee shall provide and expend a  
11 matching fund. No part of the grantee's matching fund may be provided, either  
12 directly or indirectly, from funds of the State, whether appropriated or  
13 unappropriated. The fund may consist of real property, in kind contributions, or funds  
14 expended prior to the effective date of this Act. In case of any dispute as to the amount  
15 of the matching fund or what money or assets may qualify as matching funds, the  
16 Board of Public Works shall determine the matter and the Board's decision is final.  
17 The grantee has until June 1, 2005, to present evidence satisfactory to the Board of  
18 Public Works that a matching fund will be provided. If satisfactory evidence is  
19 presented, the Board shall certify this fact and the amount of the matching fund to  
20 the State Treasurer, and the proceeds of the loan equal to the amount of the matching  
21 fund shall be expended for the purposes provided in this Act. Any amount of the loan  
22 in excess of the amount of the matching fund certified by the Board of Public Works  
23 shall be canceled and be of no further effect.

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

27 (i) On the land or such portion of the land acceptable to the Trust;  
28 and

29 (ii) On the exterior and interior, where appropriate, of the historic  
30 structures.

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

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

36 (7) No portion of the proceeds of the loan or any of the matching funds may be  
37 used for the furtherance of sectarian religious instruction, or in connection with the  
38 design, acquisition, or construction of any building used or to be used as a place of  
39 sectarian religious worship or instruction, or in connection with any program or  
40 department of divinity for any religious denomination. Upon the request of the Board  
41 of Public Works, the grantee shall submit evidence satisfactory to the Board that none

1 of the proceeds of the loan or any matching funds have been or are being used for a  
2 purpose prohibited by this Act.

3 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
4 June 1, 2003.