

SENATE BILL 585

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B2

2003 Regular Session  
3r1995  
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By: **Senator Frosh**

Introduced and read first time: January 31, 2003

Assigned to: Budget and Taxation

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A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt - Montgomery County - Imagination Stage**

3 FOR the purpose of authorizing the creation of a State Debt not to exceed \$400,000,  
4 the proceeds to be used as a grant to the Board of Directors for Imagination  
5 Stage, Inc. for certain development or improvement purposes; providing for  
6 disbursement of the loan proceeds, subject to a requirement that the grantee  
7 provide and expend a matching fund; and providing generally for the issuance  
8 and sale of bonds evidencing the loan.

9 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
10 MARYLAND, That:

11 (1) The Board of Public Works may borrow money and incur indebtedness on  
12 behalf of the State of Maryland through a State loan to be known as the Montgomery  
13 County - Imagination Stage Loan of 2003 in a total principal amount equal to the  
14 lesser of (i) \$400,000 or (ii) the amount of the matching fund provided in accordance  
15 with Section 1(5) below. This loan shall be evidenced by the issuance, sale, and  
16 delivery of State general obligation bonds authorized by a resolution of the Board of  
17 Public Works and issued, sold, and delivered in accordance with §§ 8-117 through  
18 8-124 of the State Finance and Procurement Article and Article 31, § 22 of the Code.

19 (2) The bonds to evidence this loan or installments of this loan may be sold as  
20 a single issue or may be consolidated and sold as part of a single issue of bonds under  
21 § 8-122 of the State Finance and Procurement Article.

22 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer  
23 and first shall be applied to the payment of the expenses of issuing, selling, and  
24 delivering the bonds, unless funds for this purpose are otherwise provided, and then  
25 shall be credited on the books of the Comptroller and expended, on approval by the  
26 Board of Public Works, for the following public purposes, including any applicable  
27 architects' and engineers' fees: as a grant to the Board of Directors for Imagination  
28 Stage, Inc. (referred to hereafter in this Act as "the grantee") for the planning, design,  
29 construction, reconstruction, and capital equipping of the Deaf Access Studio and the  
30 Arts Studio at Imagination Stage, located at 4910 Auburn Avenue in Bethesda.

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. The fund may  
10 consist of in kind contributions or funds expended prior to the effective date of this  
11 Act. In case of any dispute as to the amount of the matching fund or what money or  
12 assets may qualify as matching funds, the Board of Public Works shall determine the  
13 matter and the Board's decision is final. The grantee has until June 1, 2005, 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, 2003.