
By: **Senators Munson, Hafer, and Mooney**
Introduced and read first time: February 2, 2004
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 \$100,000,
5 the proceeds to be used as a grant to the Board of Trustees of Cumberland Valley
6 Technology Center, Inc. for certain development or improvement purposes;
7 providing for disbursement of the loan proceeds, subject to a requirement that
8 the grantee provide and expend a matching fund; establishing a deadline for the
9 encumbrance or expenditure of the loan proceeds; requiring the grantee to grant
10 and convey a certain easement to the Maryland Historical Trust; and providing
11 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 Washington
16 County - Cumberland Valley Technology Center Loan of 2004 in a total principal
17 amount equal to the lesser of (i) \$100,000 or (ii) the amount of the matching fund
18 provided in accordance with Section 1(5) below. This loan shall be evidenced by the
19 issuance, sale, and delivery of State general obligation bonds authorized by a
20 resolution of the Board of Public Works and issued, sold, and delivered in accordance
21 with §§ 8-117 through 8-124 of the State Finance and Procurement Article and
22 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 Trustees of Cumberland
32 Valley Technology Center, Inc. (referred to hereafter in this Act as "the grantee") for

1 the acquisition, planning, design, repair, renovation, reconstruction, and capital
2 equipping of the former Maryland National Guard Armory at 328-330 North Potomac
3 Street in Hagerstown, for use as a preapprenticeship and apprenticeship training
4 center for the construction, maintenance, and industrial trades.

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, 2006, 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) The proceeds of the loan must be expended or encumbered by the Board of
25 Public Works for the purposes provided in this Act no later than June 1, 2011. If any
26 funds authorized by this Act remain unexpended or unencumbered after June 1, 2011,
27 the amount of the unencumbered or unexpended authorization shall be canceled and
28 be of no further effect. If bonds have been issued for the loan, the amount of
29 unexpended or unencumbered bond proceeds shall be disposed of as provided in §
30 8-129 of the State Finance and Procurement Article.

31 (7) (a) Prior to the issuance of the bonds, the grantee shall grant and convey
32 to the Maryland Historical Trust a perpetual preservation easement to the extent of
33 its interest:

34 (i) On the land or such portion of the land acceptable to the Trust;
35 and

36 (ii) On the exterior and interior, where appropriate, of the historic
37 structures.

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

40 (c) The easement must be in form and substance acceptable to the Trust
41 and any liens or encumbrances against the land or the structures must be acceptable
42 to the Trust.

1 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take
2 effect June 1, 2004.