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By: **Senator Astle**

Introduced and read first time: January 13, 2005

Assigned to: Budget and Taxation

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A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt - Anne Arundel County - Annapolis and Anne**  
3 **Arundel County Conference and Visitors Bureau**

4 FOR the purpose of authorizing the creation of a State Debt not to exceed \$500,000,  
5 the proceeds to be used as a grant to the Board of Directors of the Annapolis and  
6 Anne Arundel County Conference and Visitors Bureau for certain development  
7 or improvement purposes; providing for disbursement of the loan proceeds,  
8 subject to a requirement that the grantee provide and expend a matching fund;  
9 establishing a deadline for the encumbrance or expenditure of the loan proceeds;  
10 requiring the grantee to grant and convey a certain easement to the Maryland  
11 Historical Trust; and providing generally for the issuance and sale of bonds  
12 evidencing the loan.

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

15 (1) The Board of Public Works may borrow money and incur indebtedness on  
16 behalf of the State of Maryland through a State loan to be known as the Anne Arundel  
17 County - Annapolis and Anne Arundel County Conference and Visitors Bureau Loan  
18 of 2005 in a total principal amount equal to the lesser of (i) \$500,000 or (ii) the  
19 amount of the matching fund provided in accordance with Section 1(5) below. This  
20 loan shall be evidenced by the issuance, sale, and delivery of State general obligation  
21 bonds authorized by a resolution of the Board of Public Works and issued, sold, and  
22 delivered in accordance with §§ 8-117 through 8-124 of the State Finance and  
23 Procurement Article and Article 31, § 22 of the Code.

24 (2) The bonds to evidence this loan or installments of this loan may be sold as  
25 a single issue or may be consolidated and sold as part of a single issue of bonds under  
26 § 8-122 of the State Finance and Procurement Article.

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

1 and Anne Arundel County Conference and Visitors Bureau (referred to hereafter in  
2 this Act as "the grantee") for the planning, design, construction, renovation, and  
3 reconstruction of the Annapolis and Anne Arundel County Conference and Visitors  
4 Bureau Center, located in Annapolis.

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. No part of the fund may  
14 consist of in kind contributions or funds expended prior to the effective date of this  
15 Act. In case of any dispute as to the amount of the matching fund or what money or  
16 assets may qualify as matching funds, the Board of Public Works shall determine the  
17 matter and the Board's decision is final. The grantee has until June 1, 2007, to  
18 present evidence satisfactory to the Board of Public Works that a matching fund will  
19 be provided. If satisfactory evidence is presented, the Board shall certify this fact and  
20 the amount of the matching fund to the State Treasurer, and the proceeds of the loan  
21 equal to the amount of the matching fund shall be expended for the purposes provided  
22 in this Act. Any amount of the loan in excess of the amount of the matching fund  
23 certified by the Board of Public Works 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, 2012. If any  
26 funds authorized by this Act remain unexpended or unencumbered after June 1,  
27 2012, the amount of the unencumbered or unexpended authorization shall be  
28 canceled and be of no further effect. If bonds have been issued for the loan, the  
29 amount of unexpended or unencumbered bond proceeds shall be disposed of as  
30 provided in § 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 effect  
2 June 1, 2005.