
By: **Senator DeGrange**

Introduced and read first time: January 26, 2006

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt - Anne Arundel County - Women's Club of**
3 **Linthicum Heights**

4 FOR the purpose of authorizing the creation of a State Debt not to exceed \$50,000, the
5 proceeds to be used as a grant to the Board of Directors of the Women's Club of
6 Linthicum Heights, 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 Anne Arundel
16 County - Women's Club of Linthicum Heights Loan of 2006 in a total principal
17 amount equal to the lesser of (i) \$50,000 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 Directors of the Women's
32 Club of Linthicum Heights, Inc. (referred to hereafter in this Act as "the grantee") for

1 the construction, repair, renovation, reconstruction, and capital equipping of the
2 bathrooms and kitchen for the Women's Club meeting facility, located in Linthicum
3 Heights.

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

8 (5) Prior to the payment of any funds under the provisions of this Act for the
9 purposes set forth in Section 1(3) above, the grantee shall provide and expend a
10 matching fund. No part of the grantee's matching fund may be provided, either
11 directly or indirectly, from funds of the State, whether appropriated or
12 unappropriated. The fund may consist of real property, in kind contributions, or funds
13 expended prior to the effective date of this Act. In case of any dispute as to the amount
14 of the matching fund or what money or assets may qualify as matching funds, the
15 Board of Public Works shall determine the matter and the Board's decision is final.
16 The grantee has until June 1, 2008, to present evidence satisfactory to the Board of
17 Public Works that a matching fund will be provided. If satisfactory evidence is
18 presented, the Board shall certify this fact and the amount of the matching fund to
19 the State Treasurer, and the proceeds of the loan equal to the amount of the matching
20 fund shall be expended for the purposes provided in this Act. Any amount of the loan
21 in excess of the amount of the matching fund certified by the Board of Public Works
22 shall be canceled and be of no further effect.

23 (6) The proceeds of the loan must be expended or encumbered by the Board of
24 Public Works for the purposes provided in this Act no later than June 1, 2013. If any
25 funds authorized by this Act remain unexpended or unencumbered after June 1,
26 2013, the amount of the unencumbered or unexpended authorization shall be
27 canceled and be of no further effect. If bonds have been issued for the loan, the
28 amount of unexpended or unencumbered bond proceeds shall be disposed of as
29 provided in § 8-129 of the State Finance and Procurement Article.

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

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

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

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

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

1 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
2 June 1, 2006.