

SENATE BILL 948

B2

71r2824

By: **Senators Mooney and Brinkley**

Introduced and read first time: February 26, 2007

Assigned to: Rules

A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt – Frederick County – Maryland Museum of Civil War**
3 **History at Landon House**

4 FOR the purpose of authorizing the creation of a State Debt in the amount of
5 \$250,000, the proceeds to be used as a grant to the Board of Directors of Tycon
6 Group LLC, Inc. for certain development or improvement purposes; providing
7 for 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; establishing a deadline for
10 the encumbrance or expenditure of the loan proceeds; and providing generally
11 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 Frederick
16 County – Maryland Museum of Civil War History at Landon House Loan of 2007 in
17 the total principal amount of \$250,000. This loan shall be evidenced by the issuance,
18 sale, and delivery of State general obligation bonds authorized by a resolution of the
19 Board of Public Works and issued, sold, and delivered in accordance with §§ 8–117
20 through 8–124 of the State Finance and Procurement Article and Article 31, § 22 of
21 the Code.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



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

4 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer
5 and first shall be applied to the payment of the expenses of issuing, selling, and
6 delivering the bonds, unless funds for this purpose are otherwise provided, and then
7 shall be credited on the books of the Comptroller and expended, on approval by the
8 Board of Public Works, for the following public purposes, including any applicable
9 architects' and engineers' fees: as a grant to the Board of Directors of Tycon Group,
10 LLC, Inc. (referred to hereafter in this Act as "the grantee") for the design and
11 construction of the Maryland Museum of Civil War History, located in Urbana.

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

16 (5) Prior to the payment of any funds under the provisions of this Act for the
17 purposes set forth in Section 1(3) above, the grantee shall provide and expend a
18 matching fund of \$100,000. No part of the grantee's matching fund may be provided,
19 either directly or indirectly, from funds of the State, whether appropriated or
20 unappropriated. No part of the fund may consist of in kind contributions or funds
21 expended prior to the effective date of this Act. The fund may consist of real property.
22 In case of any dispute as to the amount of the matching fund or what money or assets
23 may qualify as matching funds, the Board of Public Works shall determine the matter
24 and the Board's decision is final. The grantee has until June 1, 2009, to present
25 evidence satisfactory to the Board of Public Works that a matching fund will be
26 provided. If satisfactory evidence is presented, the Board shall certify this fact to the
27 State Treasurer, and the proceeds of the loan shall be expended for the purposes
28 provided in this Act.

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

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

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

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

3 (c) The easement must be in form and substance acceptable to the
4 Trust and any liens or encumbrances against the land or the structures must be
5 acceptable to the Trust.

6 (7) The proceeds of the loan must be expended or encumbered by the Board
7 of Public Works for the purposes provided in this Act no later than June 1, 2014. If any
8 funds authorized by this Act remain unexpended or unencumbered after June 1, 2014,
9 the amount of the unencumbered or unexpended authorization shall be canceled and
10 be of no further effect. If bonds have been issued for the loan, the amount of
11 unexpended or unencumbered bond proceeds shall be disposed of as provided in §
12 8–129 of the State Finance and Procurement Article.

13 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
14 June 1, 2007.