

# HOUSE BILL 1458

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CF 8lr3338

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By: **Allegany County Delegation**

Introduced and read first time: February 14, 2008

Assigned to: Rules and Executive Nominations

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## A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt - Allegany County - Allegany County Museum**

3 FOR the purpose of authorizing the creation of a State Debt in the amount of  
4 \$250,000, the proceeds to be used as a grant to the Board of Directors of  
5 Western Maryland Station Center, Inc. for certain development or improvement  
6 purposes; providing for disbursement of the loan proceeds, subject to a  
7 requirement that the grantee provide and expend a matching fund; establishing  
8 a deadline for the encumbrance or expenditure of the loan proceeds; and  
9 providing generally for the issuance and sale of bonds evidencing the loan.

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

12 (1) The Board of Public Works may borrow money and incur indebtedness on  
13 behalf of the State of Maryland through a State loan to be known as the Allegany  
14 County - Allegany County Museum Loan of 2008 in the total principal amount of  
15 \$250,000. This loan shall be evidenced by the issuance, sale, and delivery of State  
16 general obligation bonds authorized by a resolution of the Board of Public Works and  
17 issued, sold, and delivered in accordance with §§ 8-117 through 8-124 of the State  
18 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  
20 as a single issue or may be consolidated and sold as part of a single issue of bonds  
21 under § 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 of Western

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 Maryland Station Center, Inc. (referred to hereafter in this Act as “the grantee”) for  
2 the planning and design of the Allegany County Museum, located in Cumberland.

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

7 (5) Prior to the payment of any funds under the provisions of this Act for the  
8 purposes set forth in Section 1(3) above, the grantee shall provide and expend a  
9 matching fund of \$125,000. No part of the grantee’s matching fund may be provided,  
10 either directly or indirectly, from funds of the State, whether appropriated or  
11 unappropriated. The fund may consist of real property, in kind contributions, or funds  
12 expended prior to the effective date of this Act. In case of any dispute as to the amount  
13 of the matching fund or what money or assets may qualify as matching funds, the  
14 Board of Public Works shall determine the matter and the Board’s decision is final.  
15 The grantee has until June 1, 2010, to present evidence satisfactory to the Board of  
16 Public Works that a matching fund will be provided. If satisfactory evidence is  
17 presented, the Board shall certify this fact to the State Treasurer, and the proceeds of  
18 the loan shall be expended for the purposes provided in this Act.

19 (6) The proceeds of the loan must be expended or encumbered by the Board  
20 of Public Works for the purposes provided in this Act no later than June 1, 2015. If any  
21 funds authorized by this Act remain unexpended or unencumbered after June 1, 2015,  
22 the amount of the unencumbered or unexpended authorization shall be canceled and  
23 be of no further effect. If bonds have been issued for the loan, the amount of  
24 unexpended or unencumbered bond proceeds shall be disposed of as provided in  
25 § 8–129 of the State Finance and Procurement Article.

26 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
27 June 1, 2008.