

SENATE BILL 749

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CF HB 741

By: **Senator Colburn**

Introduced and read first time: February 10, 2010

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt – Dorchester County – Richardson Maritime**
3 **Heritage Center**

4 FOR the purpose of authorizing the creation of a State Debt not to exceed \$250,000,
5 the proceeds to be used as a grant to the Board of Trustees of the James B.
6 Richardson Foundation, 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; and providing generally for
10 the issuance and sale of bonds evidencing the loan.

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

13 (1) The Board of Public Works may borrow money and incur indebtedness on
14 behalf of the State of Maryland through a State loan to be known as the Dorchester
15 County – Richardson Maritime Heritage Center Loan of 2010 in a total principal
16 amount equal to the lesser of (i) \$250,000 or (ii) the amount of the matching fund
17 provided in accordance with Section 1(5) below. This loan shall be evidenced by the
18 issuance, sale, and delivery of State general obligation bonds authorized by a
19 resolution of the Board of Public Works and issued, sold, and delivered in accordance
20 with §§ 8–117 through 8–124 of the State Finance and Procurement Article and
21 Article 31, § 22 of the Code.

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

25 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer
26 and first shall be applied to the payment of the expenses of issuing, selling, and
27 delivering the bonds, unless funds for this purpose are otherwise provided, and then

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 shall be credited on the books of the Comptroller and expended, on approval by the
2 Board of Public Works, for the following public purposes, including any applicable
3 architects' and engineers' fees: as a grant to the Board of Trustees of the James B.
4 Richardson Foundation, Inc. (referred to hereafter in this Act as "the grantee") for the
5 acquisition of the Richardson Maritime Heritage Center, located in Cambridge.

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

10 (5) Prior to the payment of any funds under the provisions of this Act for the
11 purposes set forth in Section 1(3) above, the grantee shall provide and expend a
12 matching fund. No part of the grantee's matching fund may be provided, either
13 directly or indirectly, from funds of the State, whether appropriated or
14 unappropriated. No part of the fund may consist of in kind contributions or funds
15 expended prior to the effective date of this Act. The fund may consist of real property.
16 In case of any dispute as to the amount of the matching fund or what money or assets
17 may qualify as matching funds, the Board of Public Works shall determine the matter
18 and the Board's decision is final. The grantee has until June 1, 2012, to present
19 evidence satisfactory to the Board of Public Works that a matching fund will be
20 provided. If satisfactory evidence is presented, the Board shall certify this fact and the
21 amount of the matching fund to the State Treasurer, and the proceeds of the loan
22 equal to the amount of the matching fund shall be expended for the purposes provided
23 in this Act. Any amount of the loan in excess of the amount of the matching fund
24 certified by the Board of Public Works shall be canceled and be of no further effect.

25 (6) The proceeds of the loan must be expended or encumbered by the Board
26 of Public Works for the purposes provided in this Act no later than June 1, 2017. If any
27 funds authorized by this Act remain unexpended or unencumbered after June 1, 2017,
28 the amount of the unencumbered or unexpended authorization shall be canceled and
29 be of no further effect. If bonds have been issued for the loan, the amount of
30 unexpended or unencumbered bond proceeds shall be disposed of as provided in
31 § 8-129 of the State Finance and Procurement Article.

32 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
33 June 1, 2010.