

HOUSE BILL 1465

B2

2lr3442

By: **Delegate Bohanan**

Rules suspended

Introduced and read first time: March 9, 2012

Assigned to: Rules and Executive Nominations

A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt – St. Mary’s County – Sotterley Plantation**
3 **Post–Hurricane Restoration**

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 Trustees of Historic Sotterley, Inc.
6 for certain development or improvement purposes; providing for disbursement
7 of the loan proceeds, subject to a requirement that the grantee provide and
8 expend a matching fund; requiring the grantee to grant and convey a certain
9 easement to the Maryland Historical Trust; establishing a deadline for the
10 encumbrance or expenditure of the loan proceeds; and providing generally for
11 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 St. Mary’s
16 County – Sotterley Plantation Post–Hurricane Restoration Loan of 2012 in a total
17 principal amount equal to the lesser of (i) \$50,000 or (ii) the amount of the matching
18 fund provided in accordance with Section 1(5) below. This loan shall be evidenced by
19 the 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
24 as a single issue or may be consolidated and sold as part of a single issue of bonds
25 under § 8–122 of the State Finance and Procurement Article.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer
2 and first shall be applied to the payment of the expenses of issuing, selling, and
3 delivering the bonds, unless funds for this purpose are otherwise provided, and then
4 shall be credited on the books of the Comptroller and expended, on approval by the
5 Board of Public Works, for the following public purposes, including any applicable
6 architects' and engineers' fees: as a grant to the Board of Trustees of Historic
7 Sotterley, Inc. (referred to hereafter in this Act as "the grantee") for the acquisition,
8 planning, design, construction, repair, renovation, reconstruction, and capital
9 equipping of the Sotterley Plantation, located in Hollywood.

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

14 (5) Prior to the payment of any funds under the provisions of this Act for the
15 purposes set forth in Section 1(3) above, the grantee shall provide and expend a
16 matching fund. No part of the grantee's matching fund may be provided, either
17 directly or indirectly, from funds of the State, whether appropriated or
18 unappropriated. No part of the fund may consist of real property or funds expended
19 prior to the effective date of this Act. The fund may consist of in kind contributions. In
20 case of any dispute as to the amount of the matching fund or what money or assets
21 may qualify as matching funds, the Board of Public Works shall determine the matter
22 and the Board's decision is final. The grantee has until June 1, 2014, to present
23 evidence satisfactory to the Board of Public Works that a matching fund will be
24 provided. If satisfactory evidence is presented, the Board shall certify this fact and the
25 amount of the matching fund to the State Treasurer, and the proceeds of the loan
26 equal to the amount of the matching fund shall be expended for the purposes provided
27 in this Act. Any amount of the loan in excess of the amount of the matching fund
28 certified by the Board of Public Works shall be canceled and be of no further effect.

29 (6) (a) Prior to the issuance of the bonds, unless the Maryland Historical
30 Trust determines that the property to be assisted by the grant is not significant, is
31 significant only as a contributing property to a historic district listed in the Maryland
32 register of historic properties, is a type that is already adequately represented among
33 the Trust's existing easement properties, or is already subject to a perpetual historic
34 preservation easement acceptable to the Trust, the grantee shall grant and convey to
35 the Maryland Historical Trust a perpetual preservation easement to the extent of its
36 interest:

37 (i) On the land or such portion of the land acceptable to the
38 Trust; and

39 (ii) On the exterior and interior, where appropriate, of the
40 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 the extent of the interest to be encumbered must be acceptable to the Trust,
5 and any liens or encumbrances against the land or the structures must be acceptable
6 to the Trust.

7 (7) The proceeds of the loan must be expended or encumbered by the Board
8 of Public Works for the purposes provided in this Act no later than June 1, 2019. If any
9 funds authorized by this Act remain unexpended or unencumbered after June 1, 2019,
10 the amount of the unencumbered or unexpended authorization shall be canceled and
11 be of no further effect. If bonds have been issued for the loan, the amount of
12 unexpended or unencumbered bond proceeds shall be disposed of as provided in
13 § 8–129 of the State Finance and Procurement Article.

14 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
15 June 1, 2012.