

SENATE BILL 1088

B2

2lr3432
CF 2lr3425

By: **Senator McFadden**

Introduced and read first time: March 5, 2012

Assigned to: Rules

A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt – Baltimore City – East Baltimore Historical Library**

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 East
5 Baltimore Development, Inc. for certain development or improvement purposes;
6 providing for disbursement of the loan proceeds; requiring the grantee to grant
7 and convey a certain easement to the Maryland Historical Trust; establishing a
8 deadline for the encumbrance or expenditure of the loan proceeds; and providing
9 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 Baltimore
14 City – East Baltimore Historical Library Loan of 2012 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 East Baltimore

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 Development, Inc. for the renovation of the East Baltimore Historical Library, located
2 in Baltimore City.

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) (a) Prior to the issuance of the bonds, unless the Maryland Historical
8 Trust determines that the property to be assisted by the grant is not significant, is
9 significant only as a contributing property to a historic district listed in the Maryland
10 register of historic properties, is a type that is already adequately represented among
11 the Trust's existing easement properties, or is already subject to a perpetual historic
12 preservation easement acceptable to the Trust, the grantee shall grant and convey to
13 the Maryland Historical Trust a perpetual preservation easement to the extent of its
14 interest:

15 (i) On the land or such portion of the land acceptable to the
16 Trust; and

17 (ii) On the exterior and interior, where appropriate, of the
18 historic structures.

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

21 (c) The easement must be in form and substance acceptable to the
22 Trust, and the extent of the interest to be encumbered must be acceptable to the Trust,
23 and any liens or encumbrances against the land or the structures must be acceptable
24 to the Trust.

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, 2019. If any
27 funds authorized by this Act remain unexpended or unencumbered after June 1, 2019,
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, 2012.