

Bill No.: _____

Requested: _____

Committee: _____

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By: **Howard County Delegation**

A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt – Howard County – Living Farm Heritage Museum**

3 FOR the purpose of authorizing the creation of a State Debt not to exceed \$35,000, the
4 proceeds to be used as a grant to the Board of Directors of the Howard County
5 Antique Farm Machinery Club, 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 Howard
14 County – Living Farm Heritage Museum Loan of 2010 in a total principal amount
15 equal to the lesser of (i) \$35,000 or (ii) the amount of the matching fund provided in
16 accordance with Section 1(5) below. This loan shall be evidenced by the issuance, sale,
17 and delivery of State general obligation bonds authorized by a resolution of the Board
18 of Public Works and issued, sold, and delivered in accordance with §§ 8–117 through
19 8–124 of the State Finance and Procurement Article and Article 31, § 22 of 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 the Howard
10 County Antique Farm Machinery Club, Inc. (referred to hereafter in this Act as "the
11 grantee") for the planning, design, construction, repair, renovation, and reconstruction
12 of the Living Farm Heritage Museum, located in West Friendship.

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

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

32 (6) The proceeds of the loan must be expended or encumbered by the Board
33 of Public Works for the purposes provided in this Act no later than June 1, 2017. If any
34 funds authorized by this Act remain unexpended or unencumbered after June 1, 2017,

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1 the amount of the unencumbered or unexpended authorization shall be canceled and
2 be of no further effect. If bonds have been issued for the loan, the amount of
3 unexpended or unencumbered bond proceeds shall be disposed of as provided in
4 § 8–129 of the State Finance and Procurement Article.

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