

CHAPTER 332

(House Bill 1329)

AN ACT concerning

Creation of a State Debt – Delaplaine Visual Arts Center

FOR the purpose of authorizing the creation of a State Debt not to exceed ~~\$1,000,000~~ ~~\$350,000~~ \$800,000, the proceeds to be used as a grant to the Mayor and City Council of Frederick for the repair, renovation, rehabilitation, and expansion of, for site improvement of the land surrounding, and for the provision of capital equipment for, the Delaplaine Visual Arts Center in the City of Frederick, Maryland, subject to the requirement that the Mayor and City Council of Frederick provide and expend a matching fund and present by a certain date evidence that a matching fund will be provided; and providing generally for the issuance and sale of bonds evidencing the loan.

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

(1) The Board of Public Works may borrow money and incur indebtedness on behalf of the State of Maryland through a State loan to be known as the Delaplaine Visual Arts Center Loan of 1994 in a total principal amount equal to the lesser of (i) ~~\$1,000,000~~ ~~\$350,000~~ \$800,000 or (ii) the amount of the matching fund provided in accordance with Section 1(5) below. This loan shall be evidenced by the issuance, sale, and delivery of State general obligation bonds authorized by a resolution of the Board of Public Works and issued, sold, and delivered in accordance with §§ 8-117 through 8-124 of the State Finance and Procurement Article and Article 31, § 22 of the Code.

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

(3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer and first shall be applied to the payment of the expenses of issuing, selling, and delivering the bonds, unless funds for this purpose are otherwise provided, and then shall be credited on the books of the Comptroller and expended, on approval by the Board of Public Works, for the following public purposes, including any applicable architects' and engineers' fees: as a grant to the Mayor and City Council of Frederick for the repair, renovation, rehabilitation, and expansion of, for site improvement of the land surrounding, and for the provision of capital equipment for, the Delaplaine Visual Arts Center in the City of Frederick, Maryland.

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