

(a) Grantees shall, prior to the issuance of the bonds, grant and convey to the Maryland Historical Trust a perpetual preservation easement to the extent of its interest:

- (1) On the land or such portion of the land acceptable to the Trust; and
- (2) On the exterior and interior, where appropriate, of the historic structures;

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

(c) The easement must be in form and substance acceptable to the Trust and any liens or encumbrances against the land or the structures must be acceptable to the Trust.

SECTION 13. AND BE IT FURTHER ENACTED, 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 Legislative Community Initiatives Loan of 2004 in the total principal amount of \$17,700,000. 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 legislative community initiatives, including applicable architects' and engineers' fees, determined as follows:

(a) The first \$12,700,000 shall be for projects initially approved by the Senate; and

(b) \$5,000,000 shall be for projects as agreed upon by both houses.

(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.

(5) Prior to the payment of any matching grant funds under the provisions of Section 13(3) of this Act, the grantees shall provide and expend matching funds as specified in Section 13(3). No part of the grantee's matching fund may be provided, either directly or indirectly, from funds of the State, whether appropriated or unappropriated. No part of the fund may consist of real property, in kind