

CHAPTER 478

(Senate Bill 168)

AN ACT concerning

Creation of a State Debt – Academy of the Arts, Inc.

FOR the purpose of authorizing the creation of a State Debt not to exceed ~~\$300,000~~ ~~\$50,000~~ \$25,000 the proceeds to be used as a grant to the Academy of the Arts, Inc. for the expansion ~~and~~, renovation, and equipping of the Academy of the Arts facilities in Easton ~~and other capital projects of the Academy of the Arts, Inc.~~, subject to the requirement that the Academy of the Arts, Inc. provide a matching fund of a certain kind and amount for the same purpose by a certain date; and providing generally for the issue 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 Academy of the Arts, Inc. Loan of 1991 in the total principal amount equal to the lesser of (i) ~~\$300,000~~ ~~\$50,000~~ \$25,000 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 Academy of the Arts, Inc. for the expansion ~~and~~, renovation, and equipping of the Academy of the Arts facilities in Easton ~~and other capital projects of the Academy of the Arts, Inc.~~

(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 issue of the bonds.

(5) Prior to the payment of any funds under the provisions of this Act for the purposes set forth in Section 1(3) above, the Academy of the Arts, Inc. shall provide a matching fund. No part of an applicant's matching fund may be provided, either directly or indirectly, from funds of the State, whether appropriated or unappropriated. No part