

SENATE BILL 170

F3

(11r0790)

ENROLLED BILL

— Budget and Taxation/Appropriations —

Introduced by **Senator McFadden**

Read and Examined by Proofreaders:

Proofreader.

Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this

_____ day of _____ at _____ o'clock, _____ M.

President.

CHAPTER _____

1 AN ACT concerning

2 **Baltimore City – Education – *Public School Facilities and Construction Bond***
3 **Authority**

4 FOR the purpose of ~~altering the maximum aggregate principal amount of school~~
5 ~~construction bonds that the Baltimore City Board of School Commissioners may~~
6 ~~issue;~~ altering the maximum maturity date of ~~bonds;~~ *school construction bonds*
7 that the Baltimore City Board of School Commissioners may issue; requiring the
8 Board to submit a certain report on a certain plan for public school facilities on
9 or before a certain date; and generally relating to public school facilities and the
10 issuance of bonds for school construction in Baltimore City.

11 BY repealing and reenacting, with amendments,
12 Article – Education
13 Section ~~4-306.2(b) and (g)(2)~~ 4-306.2(g)(2)
14 Annotated Code of Maryland

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.

Italics indicate opposite chamber/conference committee amendments.



1 (2008 Replacement Volume and 2010 Supplement)

2 BY repealing and reenacting, without amendments,
3 Article – Education
4 Section 4–306.2(a) ~~and (e)~~ through (e)
5 Annotated Code of Maryland
6 (2008 Replacement Volume and 2010 Supplement)

7 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
8 MARYLAND, That the Laws of Maryland read as follows:

9 **Article – Education**

10 4–306.2.

11 (a) The board may issue bonds for the purpose of financing or refinancing all
12 or any part of the costs of any project.

13 (b) (1) Except as provided in paragraph (2) of this subsection, the
14 aggregate principal amount of bonds outstanding, including the amount of any reserve
15 fund requirement established for the bonds, may not exceed, as of the date that the
16 bonds are issued, ~~[\$100,000,000]~~ **\$250,000,000**.

17 (2) The aggregate principal amount of bonds outstanding does not
18 include Qualified School Construction Bonds as defined in § 54F of the Internal
19 Revenue Code.

20 (c) Bonds shall be authorized by a resolution of the board and may be
21 secured by a trust agreement by and between the board and a corporate trustee or
22 trustees which may be any trust company or bank having the powers of a trust
23 company within or outside of the State.

24 (d) Before the board may issue a bond under this section, the Mayor and City
25 Council of Baltimore shall pass a resolution approving the board's issuance of the bond
26 and shall forward that resolution to the board.

27 (e) The resolution of the board authorizing the bonds:

28 (1) Shall describe the projects which are to be financed or refinanced
29 by the bond;

30 (2) Shall state the maximum principal amount of the bond;

31 (3) Shall describe the sources of payment of the bonds;

32 (4) Shall provide that the proceeds of the bonds shall be invested in
33 accordance with any investment policy approved by the board; and

1 (5) May provide that the bonds are redeemable before maturity at a
2 price or prices and under terms and conditions or in accordance with a method
3 determined by the board.

4 (g) The bonds shall:

5 (2) Mature at a time or times not exceeding the useful life of the
6 projects for which the bonds are issued, but in no event shall the maturity of the bonds
7 exceed [15] 30 years from their date or dates of issue, as may be determined by the
8 board;

9 SECTION 2. AND BE IT FURTHER ENACTED, That, on or before December 1,
10 2011, the Baltimore City Board of School Commissioners shall report to the Senate
11 Budget and Taxation Committee and the House Appropriations Committee, in
12 accordance with § 2-1246 of the State Government Article, on a long-term plan for the
13 alignment of public school facilities with projected enrollments and educational
14 programs within the Baltimore City Public School System.

15 SECTION ~~2~~ 3. AND BE IT FURTHER ENACTED, That this Act shall take
16 effect June 1, 2011.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.