

Chapter 583

(House Bill 230)

AN ACT concerning

Baltimore City – Education – Public School Facilities and Construction Bond Authority

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

BY repealing and reenacting, with amendments,
Article – Education
Section ~~4-306.2(b) and (g)(2)~~ 4-306.2(g)(2)
Annotated Code of Maryland
(2008 Replacement Volume and 2010 Supplement)

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

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

Article – Education

4-306.2.

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

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

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

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

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

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

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

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

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

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

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

(g) The bonds shall:

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

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

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

Approved by the Governor, May 19, 2011.