

Article - Economic Development

§10–301.

- (a) In this subtitle the following words have the meanings indicated.
- (b) “Authority” means the Maryland Health and Higher Educational Facilities Authority.
- (c)
 - (1) “Bond” means a bond issued by the Authority under this subtitle.
 - (2) “Bond” includes a revenue bond, a revenue refunding bond, a note, and any other obligations.
- (d) “Cost”, with respect to a project financed under this subtitle, includes:
 - (1) the purchase price of a project;
 - (2) the cost to acquire any right, title, or interest in a project;
 - (3) the cost of any improvement;
 - (4) the cost of any property, right, easement, and franchise;
 - (5) the cost of demolition, removal, or relocation of structures;
 - (6) the cost of acquiring land to which the structures may be moved;
 - (7) the cost of equipment;
 - (8) financing charges;
 - (9) interest before and during construction and, if the Authority determines, for a limited period after the completion of construction;
 - (10) reserves for principal and interest and for improvements;
 - (11) the cost of revenue and cost estimates, architectural, engineering, financial, and legal services, plans, specifications, studies, surveys, and other expenses necessary or incident to determining the feasibility of improving a project; and
 - (12) other expenses as necessary or incident to:
 - (i) financing a project;
 - (ii) acquiring and improving a project; and
 - (iii) placing a project in operation.
- (e) “Educational institution” means an institution of higher education or a

noncollegiate educational institution.

(f) “Finance” includes refinance.

(g) (1) “Health care institution” means an institution in the State that is operated by a person, a local government, or, subject to paragraph (3) of this subsection, the State, is available to the public, and is:

(i) a not-for-profit hospital as defined under § 19-301 of the Health – General Article that:

1. is licensed as a hospital by the Secretary of Health and Mental Hygiene under § 19-318 of the Health – General Article; or

2. has obtained a certificate of need issued by the Maryland Health Care Commission under § 19-120 of the Health – General Article, but is not licensed as a hospital by the Secretary of Health and Mental Hygiene under § 19-318 of the Health – General Article;

(ii) a not-for-profit related institution as defined under § 19-301 of the Health – General Article that is licensed as a related institution by the Secretary of Health and Mental Hygiene under § 19-318 of the Health – General Article;

(iii) a combination of institutions listed in items (i) and (ii) of this paragraph;

(iv) except as provided in paragraph (3) of this subsection:

1. a not-for-profit comprehensive health center that provides outpatient primary health services available to the general public; or

2. a not-for-profit life care or continuing care community that provides self-contained residence facilities for the retired or elderly;

(v) any combination of health care entities listed in item (iv) of this paragraph;

(vi) an entity affiliated or associated with an institution listed in items (i) through (v) of this paragraph, if the Authority determines by resolution that the financing of a project for the entity serves the public purpose of that institution; or

(vii) a not-for-profit health service plan that holds a certificate of authority and provides health insurance policies or contracts in the State in accordance with the Insurance Article.

(2) “Health care institution” includes a not-for-profit corporation organized to construct or acquire an institution under paragraph (1) of this subsection.

(3) “Health care institution” does not include a facility described in paragraph (1)(iv) of this subsection that is owned and operated by the State, except for the following facilities if approved by the Board of Public Works and the Joint Audit Committee:

(i) a not-for-profit comprehensive health center that is a medical or health care facility of the University System of Maryland; or

(ii) a not-for-profit life care or continuing care community that provides self-contained residence facilities for the retired or elderly.

(4) For purposes of this subsection the facilities of the University of Maryland Medical System Corporation are not considered to be owned and operated by the State.

(h) “Improve” means to add, alter, construct, equip, expand, extend, improve, install, reconstruct, rehabilitate, remodel, or repair.

(i) “Improvement” means addition, alteration, construction, equipping, expansion, extension, improvement, installation, reconstruction, rehabilitation, remodeling, or repair.

(j) (1) “Institution of higher education” means an educational institution in the State that:

(i) by law or charter:

1. is a public or not-for-profit educational institution; and

2. is authorized to provide:

A. a program of education beyond the high school level and award a bachelor’s or advanced degree; or

B. a program of 2 or more years’ duration that is accepted for full credit toward a bachelor’s degree; and

(ii) meets the standards and regulations that the Maryland Higher Education Commission prescribes, and is authorized to issue a certificate, diploma, or degree under Title 12 of the Education Article.

(2) “Institution of higher education” includes:

(i) a community college for which a board of community college trustees is established under § 16–101 of the Education Article;

(ii) a regional community college established under § 16–202 of the Education Article;

(iii) the Baltimore City Community College established under § 16–501 of the Education Article; and

(iv) the College of Southern Maryland established under § 16–603 of the Education Article.

(3) “Institution of higher education” does not include an institution owned and operated by the State other than an institution listed in paragraph (2) of this subsection.

(k) “Noncollegiate educational institution” means a noncollegiate educational institution as defined in § 2–206 of the Education Article that:

(1) has received a certificate of approval from the State Board of Education; or

(2) is an institution operated by a bona fide church organization.

(l) “Participating institution” means a participating educational institution or a participating health care institution that receives assistance under this subtitle.

(m) (1) With respect to an educational institution:

(i) “project” means a structure or facility that is required or useful for an educational institution;

(ii) “project” includes:

1. a structure suitable for use as a dormitory or other housing facility, dining hall, student union, administration building, academic building, library, laboratory, research facility, classroom, athletic facility, health care facility, maintenance facility, storage facility, utility facility, or parking facility; and

2. equipment and other similar items; and

(iii) “project” does not include books, fuel, supplies, or other items that customarily result in a current operating charge.

(2) With respect to a health care institution:

(i) “project” means a structure or facility that is required or useful for the effective operation of a health care institution;

(ii) “project” includes:

1. a structure suitable for use as a hospital, clinic, or other health care facility, laboratory, training facility for nursing or another health program, laundry, a residence for nurses or interns, or a parking facility; and

2. equipment and other similar items; and

(iii) “project” does not include fuel, supplies, or other items that customarily result in a current operating charge.

(n) “Sinking fund” means a fund established under § 10–328 of this subtitle.

(o) (1) “Trust agreement” means an agreement entered into by the Authority to secure a bond.

(2) “Trust agreement” may include a bond contract, bond resolution, or other contract with or for the benefit of a bondholder.