HOUSE BILL 437

F2

7lr2791
CF SB 202

By: **Delegate Jones**
Introduced and read first time: January 26, 2017
Assigned to: Appropriations

A BILL ENTITLED

1   AN ACT concerning

2   **Higher Education – University System of Maryland – Quasi–Endowment Funds**

3   FOR the purpose of authorizing the Board of Regents of the University System of Maryland
4   to transfer up to a certain amount of funds from the State–supported fund balance
5   to a quasi–endowment fund; limiting the use of certain proceeds to certain purposes;
6   and generally relating to quasi–endowment funds of the University System of
7   Maryland.

8   BY repealing and reenacting, with amendments,
9   Article – Education
10   Section 12–104(e)(2)
11   Annotated Code of Maryland
12   (2014 Replacement Volume and 2016 Supplement)

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

Article – Education

16   12–104.

17   (e)   (2)   (i)   Subject to **[**subparagraph (ii)**]** SUBPARAGRAPHS (II) AND (III)
18   of this paragraph, the Board may maintain and manage quasi–endowment funds.

19   (ii)   The Board may only make a one–time transfer of no more than
20   $50,000,000 from the non–State supported fund balance held and invested by the State
21   Treasurer to the quasi–endowment fund.

22   **(III)   1.   SUBJECT   TO   THE   LIMITATION   UNDER**
23   **SUBSUBPARAGRAPH 2 OF THIS SUBPARAGRAPH, THE BOARD MAY MAKE ONLY A**

1 **ONE–TIME TRANSFER OF NO MORE THAN $50,000,000 FROM THE**
2 **STATE–SUPPORTED FUND BALANCE HELD AND INVESTED BY THE STATE**
3 **TREASURER TO THE QUASI–ENDOWMENT FUND.**

4   **2.**   **THE BOARD MAY USE THE INVESTMENT PROCEEDS**
5 **FOR FACILITY RENEWAL PROJECTS RELATING ONLY TO CAPITAL FACILITIES USED**
6 **FOR STATE–SUPPORTED ACTIVITIES.**

7   SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
8 1, 2017.