

# SENATE BILL 1007

B5, F2

2lr0163

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By: **Chair, Budget and Taxation Committee (By Request – Departmental – University System of Maryland)**

Introduced and read first time: February 25, 2022

Assigned to: Rules

Re-referred to: Budget and Taxation, February 28, 2022

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Committee Report: Favorable

Senate action: Adopted

Read second time: March 11, 2022

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **University System of Maryland – Academic Facilities Bonding Authority**

3 FOR the purpose of increasing the bonding authority for the University System of  
4 Maryland; approving certain projects for the acquisition, development, and  
5 improvement of certain academic facilities for the University System of Maryland;  
6 authorizing the issuance of bonds by the University System of Maryland in a certain  
7 total principal amount for financing the projects; providing that the bonds are not a  
8 debt or an obligation of the State or any of its subdivisions; and generally relating to  
9 academic facilities bonding authority of the University System of Maryland and  
10 certain projects.

11 BY repealing and reenacting, with amendments,  
12 Article – Education  
13 Section 19–102(c)(1) and (d)(4)  
14 Annotated Code of Maryland  
15 (2018 Replacement Volume and 2021 Supplement)

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

18 **Article – Education**

19 19–102.

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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.



1 (c) (1) The aggregate principal amount of bonds outstanding and the present  
 2 value of capital lease payments, less the amount of any reserve fund or sinking fund  
 3 requirement established for the bonds or capital leases, may not exceed, as of the date of  
 4 issue of the bonds, the following:

5 (i) ~~[\$1,400,000,000]~~ **\$1,700,000,000** for the University System of  
 6 Maryland;

7 (ii) \$88,000,000 for the Morgan State University;

8 (iii) \$60,000,000 for St. Mary's College of Maryland; and

9 (iv) \$65,000,000 for Baltimore City Community College.

10 (d) (4) (i) Any bonds issued under the requirements of this subsection shall  
 11 mature at such times not exceeding the useful life of the project for which the bonds are  
 12 issued, but not later than ~~[21]~~ **33** years after their respective dates of issue, as may be  
 13 determined by a system.

14 (ii) Any bonds issued in accordance with paragraph (3) of this  
 15 subsection shall mature at such times as may be determined by a system, but not later than  
 16 ~~[21]~~ **33** years after the date of issue of the bonds that were originally issued for the  
 17 academic facility or facilities authorized under the requirements of this subsection.

18 SECTION 2. AND BE IT FURTHER ENACTED, That:

19 (a) In accordance with § 19–102(d) of the Education Article, each of the following  
 20 projects is approved as a project for an academic facility, and the University System of  
 21 Maryland may issue, sell, and deliver bonds in the total principal amount of \$4,692,000 for  
 22 the purposes of financing and refinancing the costs of the following projects:

23 University of Maryland, College Park (Prince George's County):  
 24 Campuswide Building Systems and Infrastructure Improvements

25 University of Maryland, Eastern Shore (Somerset County):  
 26 Flood Mitigation Project

27 (b) In accordance with § 19–102(d) of the Education Article, those systemwide  
 28 capital facilities renewal projects for existing academic facilities of the constituent  
 29 institutions and centers of the University System of Maryland as are authorized by the  
 30 Board of Regents are hereby approved as facility renewal projects for academic facilities,  
 31 and the University System of Maryland may issue, sell, and deliver bonds in the total  
 32 principal amount of \$25,308,000 for the purposes of financing and refinancing the costs of  
 33 those academic facilities renewal projects.

34 (c) The bonds issued under the authority of this Act do not create or constitute

1 any indebtedness or obligation of the State or of any political subdivision thereof except for  
2 the University System of Maryland, and the bonds shall so state on their face. The bonds  
3 do not constitute a debt or obligation contracted by the General Assembly of Maryland or  
4 pledge the faith and credit of the State within the meaning of Article III, § 34 of the  
5 Maryland Constitution.

6 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect June  
7 1, 2022.

Approved:

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Governor.

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President of the Senate.

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Speaker of the House of Delegates.