

HOUSE BILL 541

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1998 Regular Session
(8r1701)

ENROLLED BILL
-- Appropriations/Budget and Taxation --

Introduced by **Delegate Rosenberg**

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.

Speaker.

CHAPTER _____

1 AN ACT concerning

2 **Financing for Elementary and Secondary Schools**

3 FOR the purpose of authorizing the Maryland Health and Higher Educational
4 Facilities Authority to make its financing programs available to, and issue
5 bonds for, certain nonprofit elementary and secondary schools in the State;
6 *stating the intent of the General Assembly; requiring the publisher of the*
7 *Annotated Code to make certain conforming changes to the Code subject to*
8 *certain approval;* and generally relating to the Maryland Health and Higher
9 Educational Facilities Authority.

10 BY repealing and reenacting, with amendments,
11 Article 43C - Maryland Health and Higher Educational Facilities Authority
12 Section 2 and 3(f)
13 Annotated Code of Maryland
14 (1994 Replacement Volume and 1997 Supplement)

15 BY repealing and reenacting, without amendments,

1 Article 43C - Maryland Health and Higher Educational Facilities Authority
2 Section 3(a) and (b)
3 Annotated Code of Maryland
4 (1994 Replacement Volume and 1997 Supplement)

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

7 **Article 43C - Maryland Health and Higher Educational Facilities Authority**

8 2.

9 It is hereby declared that for the benefit of the people of the State of Maryland,
10 the increase of their commerce, welfare and prosperity and the improvement of their
11 health and living conditions, it is essential that this and future generations of youth
12 be given the fullest opportunity to learn and to develop their intellectual and mental
13 capacities; that it is essential that institutions for higher education AND
14 NONCOLLEGIATE EDUCATIONAL INSTITUTIONS within the State be provided with
15 appropriate additional means to assist such youths in achieving the required levels of
16 learning and development of their intellectual and mental capacities; that it is
17 essential that hospitals within the State be provided with appropriate additional
18 means to expand, enlarge and establish hospitals and other related health care
19 facilities; that it is essential that institutions for higher education, NONCOLLEGIATE
20 EDUCATIONAL INSTITUTIONS, and hospitals within the State be able to finance and
21 refinance projects at the least cost to the users thereof; that existing facilities for
22 [higher] education and health care and existing financing vehicles available to the
23 institutions concerned are insufficient to meet these needs and such institutions are
24 not able with present means to construct sufficient such facilities and adequately to
25 finance and refinance such facilities, in order to provide such facilities at the least
26 cost to the users thereof; and that it is the purpose of this article to provide a measure
27 of assistance and an additional method to enable institutions for higher education,
28 NONCOLLEGIATE EDUCATIONAL INSTITUTIONS, and hospitals in the State to
29 provide, and to finance and refinance, at the least cost to the users thereof, the
30 facilities and structures which are needed to accomplish the purposes of this article,
31 all to the public benefit and good to the extent and in the manner provided herein.

32 3.

33 As used in this article, the following words and terms shall have the following
34 meanings unless the context indicates another or different meaning or intent:

35 (a) "Authority" means the Maryland Health and Higher Educational Facilities
36 Authority created by § 4 of this article or any board, body, commission, department, or
37 officer succeeding to the principal functions thereof.

38 (b) "Project", in the case of a participating institution for higher education,
39 means a structure suitable for use as a dormitory or other housing facility, dining
40 hall, student union, administration building, academic building, library, laboratory,
41 research facility, classroom, athletic facility, health care facility, and maintenance,

1 storage, or utility facility and other structures or facilities related thereto or required
 2 or useful for the instruction of students or the conducting of research or the operation
 3 of an institution for higher education, including parking and other facilities or
 4 structures essential or convenient for the orderly conduct of an institution for higher
 5 education and shall also include equipment and machinery and other similar items
 6 essential or convenient for the operation of an institution for higher education in the
 7 manner for which its use is intended but shall not include such items as books, fuel,
 8 supplies or other items which are customarily deemed to result in a current operating
 9 charge; and "project", in the case of a participating hospital, means a structure
 10 suitable for use as a hospital, clinic, or other health care facility, laboratory, training
 11 facilities for nursing and other health programs, laundry, nurses' or interns'
 12 residence, and such other structure or facilities necessary or useful for the effective
 13 operation of a hospital, including parking and other facilities or structures essential
 14 or convenient for the orderly operation of a hospital, and shall also include equipment
 15 and machinery and other similar items essential or convenient for the operation of a
 16 hospital in the manner for which its use is intended but shall not include such items
 17 as fuel, supplies or other items which are customarily deemed to result in a current
 18 operating charge.

19 (f) (1) "Institution for higher education" shall mean an educational
 20 institution situated within the State which by virtue of law or charter is a public or
 21 other nonprofit educational institution empowered to provide a program of education
 22 beyond the high school level and awards a bachelor's or advanced degree or provides
 23 a program of not less than two (2) years' duration which is accepted for full credit
 24 toward a bachelor's degree, and which meets the standards, rules and regulations
 25 prescribed by the Maryland Higher Education Commission and is thereby empowered
 26 to issue a certificate, diploma or degree pursuant to Title 12 of the Education Article
 27 of the Maryland Code. This term shall not mean any institution owned and operated
 28 by the State.

29 (2) ~~"INSTITUTION FOR HIGHER EDUCATION" INCLUDES A~~
 30 ~~NONCOLLEGIATE EDUCATIONAL INSTITUTION~~ NONCOLLEGIATE EDUCATIONAL
 31 INSTITUTION" MEANS AN INSTITUTION AS DEFINED IN § 2-206 OF THE EDUCATION
 32 ARTICLE THAT;

33 (I) HAS RECEIVED A CERTIFICATE OF APPROVAL FROM THE STATE
 34 BOARD OF EDUCATION; OR

35 (II) IS AN INSTITUTION OPERATED BY A BONA FIDE CHURCH
 36 ORGANIZATION.

37 SECTION 2. AND BE IT FURTHER ENACTED, That *it is the intent of the*
 38 *General Assembly that the Maryland Health and Higher Educational Facilities*
 39 *Authority may assist noncollegiate educational institutions in obtaining funding for*
 40 *financing capital projects.*

41 SECTION 3. AND BE IT FURTHER ENACTED, That subject to the approval of
 42 the Executive Director of the Department of Legislative Services, the publisher of the
 43 Annotated Code of Maryland shall alter references in Article 43C of the Annotated

1 Code relating to "institutions of higher education" to include "noncollegiate
2 educational institutions" where applicable.

3 SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall take effect
4 June 1, 1998.