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By: **Delegate Rosenberg**

Introduced and read first time: February 5, 1998

Assigned to: Appropriations

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A BILL ENTITLED

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; and  
6 generally relating to the Maryland Health and Higher Educational Facilities  
7 Authority.

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

13 BY repealing and reenacting, without amendments,  
14 Article 43C - Maryland Health and Higher Educational Facilities Authority  
15 Section 3(a) and (b)  
16 Annotated Code of Maryland  
17 (1994 Replacement Volume and 1997 Supplement)

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

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

21 2.

22 It is hereby declared that for the benefit of the people of the State of Maryland,  
23 the increase of their commerce, welfare and prosperity and the improvement of their  
24 health and living conditions, it is essential that this and future generations of youth  
25 be given the fullest opportunity to learn and to develop their intellectual and mental  
26 capacities; that it is essential that institutions for higher education AND  
27 NONCOLLEGIATE EDUCATIONAL INSTITUTIONS within the State be provided with  
28 appropriate additional means to assist such youths in achieving the required levels of

1 learning and development of their intellectual and mental capacities; that it is  
2 essential that hospitals within the State be provided with appropriate additional  
3 means to expand, enlarge and establish hospitals and other related health care  
4 facilities; that it is essential that institutions for higher education, NONCOLLEGIATE  
5 EDUCATIONAL INSTITUTIONS, and hospitals within the State be able to finance and  
6 refinance projects at the least cost to the users thereof; that existing facilities for  
7 [higher] education and health care and existing financing vehicles available to the  
8 institutions concerned are insufficient to meet these needs and such institutions are  
9 not able with present means to construct sufficient such facilities and adequately to  
10 finance and refinance such facilities, in order to provide such facilities at the least  
11 cost to the users thereof; and that it is the purpose of this article to provide a measure  
12 of assistance and an additional method to enable institutions for higher education,  
13 NONCOLLEGIATE EDUCATIONAL INSTITUTIONS, and hospitals in the State to  
14 provide, and to finance and refinance, at the least cost to the users thereof, the  
15 facilities and structures which are needed to accomplish the purposes of this article,  
16 all to the public benefit and good to the extent and in the manner provided herein.

17 3.

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

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

23 (b) "Project", in the case of a participating institution for higher education,  
24 means a structure suitable for use as a dormitory or other housing facility, dining  
25 hall, student union, administration building, academic building, library, laboratory,  
26 research facility, classroom, athletic facility, health care facility, and maintenance,  
27 storage, or utility facility and other structures or facilities related thereto or required  
28 or useful for the instruction of students or the conducting of research or the operation  
29 of an institution for higher education, including parking and other facilities or  
30 structures essential or convenient for the orderly conduct of an institution for higher  
31 education and shall also include equipment and machinery and other similar items  
32 essential or convenient for the operation of an institution for higher education in the  
33 manner for which its use is intended but shall not include such items as books, fuel,  
34 supplies or other items which are customarily deemed to result in a current operating  
35 charge; and "project", in the case of a participating hospital, means a structure  
36 suitable for use as a hospital, clinic, or other health care facility, laboratory, training  
37 facilities for nursing and other health programs, laundry, nurses' or interns'  
38 residence, and such other structure or facilities necessary or useful for the effective  
39 operation of a hospital, including parking and other facilities or structures essential  
40 or convenient for the orderly operation of a hospital, and shall also include equipment  
41 and machinery and other similar items essential or convenient for the operation of a  
42 hospital in the manner for which its use is intended but shall not include such items  
43 as fuel, supplies or other items which are customarily deemed to result in a current  
44 operating charge.

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

11 (2) "INSTITUTION FOR HIGHER EDUCATION" INCLUDES A  
12 NONCOLLEGIATE EDUCATIONAL INSTITUTION AS DEFINED IN § 2-206 OF THE  
13 EDUCATION ARTICLE THAT HAS RECEIVED A CERTIFICATE OF APPROVAL FROM THE  
14 STATE BOARD OF EDUCATION.

15 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
16 June 1, 1998.