
By: **Delegate Rosenberg**

Introduced and read first time: February 5, 1998

Assigned to: Appropriations

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 27, 1998

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; 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:

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

2 2.

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

26 3.

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

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

32 (b) "Project", in the case of a participating institution for higher education,
33 means a structure suitable for use as a dormitory or other housing facility, dining
34 hall, student union, administration building, academic building, library, laboratory,
35 research facility, classroom, athletic facility, health care facility, and maintenance,
36 storage, or utility facility and other structures or facilities related thereto or required
37 or useful for the instruction of students or the conducting of research or the operation
38 of an institution for higher education, including parking and other facilities or
39 structures essential or convenient for the orderly conduct of an institution for higher
40 education and shall also include equipment and machinery and other similar items
41 essential or convenient for the operation of an institution for higher education in the
42 manner for which its use is intended but shall not include such items as books, fuel,
43 supplies or other items which are customarily deemed to result in a current operating

1 charge; and "project", in the case of a participating hospital, means a structure
2 suitable for use as a hospital, clinic, or other health care facility, laboratory, training
3 facilities for nursing and other health programs, laundry, nurses' or interns'
4 residence, and such other structure or facilities necessary or useful for the effective
5 operation of a hospital, including parking and other facilities or structures essential
6 or convenient for the orderly operation of a hospital, and shall also include equipment
7 and machinery and other similar items essential or convenient for the operation of a
8 hospital in the manner for which its use is intended but shall not include such items
9 as fuel, supplies or other items which are customarily deemed to result in a current
10 operating charge.

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

21 (2) "INSTITUTION FOR HIGHER EDUCATION" INCLUDES A
22 NONCOLLEGIATE EDUCATIONAL INSTITUTION AS DEFINED IN § 2-206 OF THE
23 EDUCATION ARTICLE THAT:

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

26 (II) IS AN INSTITUTION OPERATED BY A BONA FIDE CHURCH
27 ORGANIZATION.

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