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By: **Chairman, Appropriations Committee (By Request - Departmental - University System of Maryland)**

Introduced and read first time: March 2, 2006

Assigned to: Rules and Executive Nominations

Re-referred to: Appropriations, March 6, 2006

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Committee Report: Favorable

House action: Adopted

Read second time: March 22, 2006

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CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Academic Facilities Bonding Authority**

3 FOR the purpose of increasing the maximum bonding authority for the University  
 4 System of Maryland and for St. Mary's College of Maryland; approving certain  
 5 projects for the acquisition, development, and improvement of certain academic  
 6 facilities for the University System of Maryland; authorizing the University  
 7 System of Maryland to issue bonds to finance certain projects; providing that  
 8 certain bonds are not a debt or obligation of the State or any of its subdivisions;  
 9 and generally relating to academic facilities bonding authority.

10 BY repealing and reenacting, with amendments,  
 11 Article - Education  
 12 Section 19-102(c)(1)  
 13 Annotated Code of Maryland  
 14 (2004 Replacement Volume and 2005 Supplement)

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

17 **Article - Education**

18 19-102.

19 (c) (1) Except as provided in paragraph (3) of this subsection, the aggregate  
 20 principal amount of bonds outstanding and the present value of capital lease  
 21 payments, less the amount of any reserve fund or sinking fund requirement

1 established for the bonds or capital leases, may not exceed, as of the date of issue of  
2 the bonds, the following:

- 3 (i) [\$1,025,000,000] \$1,050,000,000 for the University System of  
4 Maryland;
- 5 (ii) \$77,000,000 for Morgan State University;
- 6 (iii) [\$45,000,000] \$60,000,000 for St. Mary's College of Maryland;  
7 and
- 8 (iv) \$15,000,000 for Baltimore City Community College.

9 SECTION 2. AND BE IT FURTHER ENACTED, That

10 (1) In accordance with Section 19-102(d) of the Education Article, each of  
11 the following projects is approved as a project for an academic facility, and the  
12 University System of Maryland may issue, sell, and deliver bonds in the total  
13 principal amount of \$10,000,000 for the purposes of financing and refinancing the  
14 costs of these projects:

- 15 (A) University of Maryland, Baltimore (Baltimore City)
- 16 (i) Dental School Building - Equipment
- 17 (B) Towson University (Baltimore County)
- 18 (i) College of Liberal Arts - Planning

19 (2) In accordance with Section 19-102(d) of the Education Article,  
20 System-wide capital facilities renewal projects for the constituent institutions and  
21 centers of the University System of Maryland are hereby approved as projects for  
22 academic facilities, and the University System of Maryland may issue, sell, and  
23 deliver bonds in the total principal amount of \$15,000,000 for the purposes of  
24 financing and refinancing the costs of those facilities renewal projects.

25 (3) The bonds issued under the authority of this Act do not create or  
26 constitute any indebtedness or obligation of the State or of any political subdivision  
27 thereof except the University System of Maryland, and the bonds shall so state on  
28 their face. The bonds do not constitute a debt or obligation contracted by the General  
29 Assembly of Maryland or pledge the faith and credit of the State within the meaning  
30 of Article III, Section 34 of the Constitution of Maryland.

31 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect  
32 June 1, 2006.

