

HOUSE BILL 1384

C5, C8

8lr0965

By: **Delegate Rudolph**

Introduced and read first time: February 8, 2008

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Public Utility Companies - Maryland Energy Generation Authority**

3 FOR the purpose of establishing the Maryland Energy Generation Authority;
4 providing for the membership of the Authority; providing for the designation of
5 a chair of the Authority; prohibiting a member of the Authority from receiving
6 compensation, but authorizing certain reimbursement for certain expenses;
7 providing for the appointment of certain officers of the Authority; designating
8 the Attorney General as the legal advisor to the Authority; authorizing the
9 Authority to employ certain staff and consultants; exempting the Authority
10 from certain finance and procurement provisions; exempting the Authority from
11 certain open meetings laws; providing that Authority projects are subject to
12 certain electric generation facility planning provisions; providing that the
13 Authority and its officers and employees are subject to certain ethics laws;
14 authorizing the Authority to perform certain acts; prohibiting payment of
15 certain expenses from certain money; authorizing officers of the Authority to
16 perform certain acts; providing that records of the Authority are public records;
17 requiring the Authority to have its books audited annually at the Authority's
18 expense; requiring the Authority to submit to the Governor certain reports;
19 prohibiting certain laws from taking effect until certain obligations of the
20 Authority are paid; providing for the disposition of Authority property on
21 termination of the Authority; authorizing the Authority to issue certain bonds
22 for certain purposes under certain circumstances; authorizing the Authority to
23 issue certain bond anticipation notes; authorizing the Authority to take certain
24 actions in connection with bonds issued by the Authority; requiring the
25 Authority to pass a certain resolution in connection with each issue of its bonds;
26 authorizing the Authority to enter into certain trust agreements in connection
27 with bonds issued by the Authority; requiring the Authority to convey title and
28 release certain collateral under certain circumstances; authorizing certain
29 persons to bring certain actions; exempting the Authority from certain taxes
30 and assessments; exempting bonds issued by the Authority from certain taxes;
31 requiring the Authority to procure the electric supply on behalf of certain

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 purchasing pool members; requiring the Authority to give preference to certain
2 sources of electricity when procuring electricity supply; requiring the Authority,
3 in conjunction with the Maryland Energy Administration, to submit a certain
4 plan and updates to the Public Service Commission before certain dates;
5 authorizing the Commission to require gas and electric companies to establish
6 certain programs or services; requiring the Commission to submit certain
7 reports to the General Assembly; requiring the Authority and the Commission
8 to hold certain hearings on or before a certain date each year; requiring the
9 Authority to provide certain notice of the hearings; requiring the Authority to
10 keep minutes of the hearings; defining certain terms; and generally relating to
11 the Maryland Energy Generation Authority.

12 BY adding to

13 Article – Public Utility Companies

14 Section 14–101 through 14–504 to be under the new title “Title 14. Maryland
15 Energy Generation Authority”

16 Annotated Code of Maryland

17 (1998 Volume and 2007 Supplement)

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

20 **Article – Public Utility Companies**

21 **TITLE 14. MARYLAND ENERGY GENERATION AUTHORITY.**

22 **SUBTITLE 1. GENERAL PROVISIONS.**

23 **14–101.**

24 (A) IN THIS TITLE THE FOLLOWING WORDS HAVE THE MEANINGS
25 INDICATED.

26 (B) “AUTHORITY” MEANS THE MARYLAND ENERGY GENERATION
27 AUTHORITY.

28 (C) (1) “BOND” MEANS A BOND ISSUED BY THE AUTHORITY UNDER
29 THIS TITLE.

30 (2) “BOND” INCLUDES A BOND, A REFUNDING BOND, A NOTE, AND
31 ANY OTHER OBLIGATION.

32 (D) “COST” INCLUDES:

33 (1) THE PURCHASE PRICE OF A PROJECT;

1 (2) **THE COST TO ACQUIRE ANY RIGHT, TITLE, OR INTEREST IN A**
2 **PROJECT;**

3 (3) **THE COST OF ANY IMPROVEMENT;**

4 (4) **THE AMOUNT TO BE PAID TO DISCHARGE EACH OBLIGATION**
5 **NECESSARY OR DESIRABLE TO VEST TITLE TO ANY PART OF THE PROJECT IN**
6 **THE AUTHORITY OR OTHER OWNER;**

7 (5) **THE COST OF ANY PROPERTY, RIGHT, EASEMENT, FRANCHISE,**
8 **AND PERMIT;**

9 (6) **THE COST OF LABOR, MACHINERY, AND EQUIPMENT;**

10 (7) **FINANCING CHARGES;**

11 (8) **INTEREST BEFORE AND DURING CONSTRUCTION AND, IF THE**
12 **AUTHORITY DETERMINES, FOR A LIMITED PERIOD AFTER THE COMPLETION OF**
13 **CONSTRUCTION;**

14 (9) **INTEREST AND RESERVES FOR PRINCIPAL AND INTEREST AND**
15 **FOR IMPROVEMENTS;**

16 (10) **THE COST OF REVENUE AND COST ESTIMATES, ENGINEERING**
17 **AND LEGAL SERVICES, PLANS, SPECIFICATIONS, STUDIES, SURVEYS, AND OTHER**
18 **EXPENSES NECESSARY OR INCIDENT TO DETERMINING THE FEASIBILITY OR**
19 **PRACTICABILITY OF AN ACQUISITION OR IMPROVEMENT;**

20 (11) **ADMINISTRATIVE EXPENSES; AND**

21 (12) **OTHER EXPENSES AS NECESSARY OR INCIDENT TO:**

22 (I) **FINANCING A PROJECT;**

23 (II) **ACQUIRING AND IMPROVING A PROJECT;**

24 (III) **PLACING A PROJECT IN OPERATION, INCLUDING**
25 **REASONABLE PROVISION FOR WORKING CAPITAL; AND**

26 (IV) **OPERATING AND MAINTAINING A PROJECT.**

27 (E) **“FINANCE” INCLUDES REFINANCE.**

1 (F) **“IMPROVE” MEANS TO ADD, ALTER, CONSTRUCT, EQUIP, EXPAND,**
2 **EXTEND, IMPROVE, INSTALL, RECONSTRUCT, REHABILITATE, REMODEL, OR**
3 **REPAIR.**

4 (G) **“IMPROVEMENT” MEANS ADDITION, ALTERATION, CONSTRUCTION,**
5 **EQUIPPING, EXPANSION, EXTENSION, IMPROVEMENT, INSTALLATION,**
6 **RECONSTRUCTION, REHABILITATION, REMODELING, OR REPAIR.**

7 (H) (1) **“PROJECT” MEANS AN ELECTRICITY GENERATING FACILITY**
8 **AND ASSOCIATED TRANSMISSION LINES.**

9 (2) **“PROJECT” INCLUDES:**

10 (I) **LAND OR AN INTEREST IN LAND;**

11 (II) **STRUCTURES, EQUIPMENT, FURNISHINGS, RAIL OR**
12 **MOTOR VEHICLES, BARGES, AND BOATS;**

13 (III) **PROPERTY AND RIGHTS RELATED TO PROPERTY,**
14 **APPURTENANCES, RIGHTS-OF-WAY, FRANCHISES, AND EASEMENTS;**

15 (IV) **PROPERTY THAT IS FUNCTIONALLY RELATED AND**
16 **SUBORDINATE TO A PROJECT; AND**

17 (V) **PATENTS, LICENSES, AND OTHER RIGHTS NECESSARY**
18 **OR USEFUL IN THE IMPROVEMENT OR OPERATION OF A PROJECT.**

19 (I) (1) **“REVENUES” MEANS THE INCOME, REVENUE, AND OTHER**
20 **MONEY THE AUTHORITY RECEIVES FROM OR IN CONNECTION WITH A PROJECT**
21 **AND ALL OTHER INCOME OF THE AUTHORITY.**

22 (2) **“REVENUES” INCLUDES GRANTS, RENTALS, RATES, FEES, AND**
23 **CHARGES FOR THE USE OF THE SERVICES FURNISHED OR AVAILABLE.**

24 (J) (1) **“TRUST AGREEMENT” MEANS AN AGREEMENT ENTERED INTO**
25 **BY THE AUTHORITY TO SECURE A BOND.**

26 (2) **“TRUST AGREEMENT” MAY INCLUDE A BOND CONTRACT,**
27 **BOND RESOLUTION, OR OTHER CONTRACT WITH OR FOR THE BENEFIT OF A**
28 **BONDHOLDER.**

29 **14-102.**

1 **THIS TITLE SHALL BE LIBERALLY CONSTRUED TO ACCOMPLISH ITS**
2 **PURPOSES.**

3 **14-103.**

4 **(A) THE GENERAL ASSEMBLY FINDS THAT:**

5 **(1) AN AFFORDABLE AND RELIABLE SUPPLY OF ELECTRICITY IS**
6 **CRITICAL TO THE ECONOMY OF THE STATE AND THE WELFARE OF ITS CITIZENS;**

7 **(2) THE AFFORDABILITY AND RELIABILITY OF THE STATE'S**
8 **ELECTRICITY SUPPLY IS THREATENED BY AN INSUFFICIENT AND AGING FLEET**
9 **OF IN-STATE GENERATION RESOURCES;**

10 **(3) THE LACK OF NEW IN-STATE GENERATION, COUPLED WITH**
11 **INADEQUATE TRANSMISSION CAPABILITY AND A GROWING DEMAND FOR**
12 **ELECTRICITY, IS LEADING TO HIGHER ELECTRICITY PRICES AND A CRITICAL**
13 **SHORTAGE OF ELECTRICITY IN THE STATE;**

14 **(4) DESPITE THE LACK OF IN-STATE GENERATION, MARKET**
15 **FORCES HAVE FAILED TO PROVIDE PRIVATE ENTERPRISES WITH SUFFICIENT**
16 **INCENTIVE TO CONSTRUCT NEW GENERATION RESOURCES IN THE STATE; AND**

17 **(5) UNLESS STEPS ARE TAKEN NOW TO PROVIDE SUFFICIENT**
18 **INCENTIVE FOR THE CONSTRUCTION OF NEW IN-STATE GENERATION**
19 **FACILITIES, THE STATE COULD FACE MANDATORY USAGE RESTRICTIONS,**
20 **INCLUDING BROWNOUTS AND ROLLING BLACKOUTS, AS EARLY AS 2011.**

21 **(B) THE PURPOSES OF THE AUTHORITY ARE TO:**

22 **(1) ENCOURAGE THE CONSTRUCTION AND REHABILITATION OF**
23 **ELECTRICITY GENERATING FACILITIES IN THE STATE;**

24 **(2) REDUCE DEMAND FOR ELECTRICITY IN THE STATE BY**
25 **DEVELOPING, IN CONJUNCTION WITH THE MARYLAND ENERGY**
26 **ADMINISTRATION, ENERGY EFFICIENCY, ENERGY CONSERVATION, AND DEMAND**
27 **RESPONSE PROGRAMS AND SERVICES; AND**

28 **(3) SECURE AN AFFORDABLE SUPPLY OF ELECTRICITY FOR**
29 **STATE AND LOCAL GOVERNMENTAL UNITS BY SERVING AS AN AGGREGATOR TO**
30 **PROCURE THE ELECTRICITY SUPPLY OF THOSE GOVERNMENTAL UNITS.**

31 **SUBTITLE 2. MARYLAND ENERGY GENERATION AUTHORITY.**

1 **14-201.**

2 (A) **THERE IS A MARYLAND ENERGY GENERATION AUTHORITY.**

3 (B) (1) **THE AUTHORITY IS A BODY POLITIC AND CORPORATE AND AN**
4 **INSTRUMENTALITY OF THE STATE.**

5 (2) **THE EXERCISE BY THE AUTHORITY OF ITS POWERS UNDER**
6 **THIS TITLE IS AN ESSENTIAL GOVERNMENTAL FUNCTION.**

7 **14-202.**

8 (A) **THE AUTHORITY CONSISTS OF THE FOLLOWING NINE MEMBERS:**

9 (1) **THE CHAIR OF THE COMMISSION, OR THE CHAIR'S DESIGNEE;**

10 (2) **THE DIRECTOR OF THE MARYLAND ENERGY**
11 **ADMINISTRATION, OR THE DIRECTOR'S DESIGNEE; AND**

12 (3) **SEVEN RESIDENTS OF THE STATE APPOINTED BY THE**
13 **GOVERNOR, WITH THE ADVICE AND CONSENT OF THE SENATE.**

14 (B) (1) **THE TERM OF AN APPOINTED MEMBER IS 4 YEARS AND**
15 **BEGINS ON JULY 1.**

16 (2) **THE TERMS OF MEMBERS ARE STAGGERED AS REQUIRED BY**
17 **THE TERMS PROVIDED FOR MEMBERS ON OCTOBER 1, 2008.**

18 (3) **AT THE END OF A TERM, A MEMBER CONTINUES TO SERVE**
19 **UNTIL A SUCCESSOR IS APPOINTED AND QUALIFIES.**

20 (4) **A MEMBER WHO IS APPOINTED AFTER A TERM HAS BEGUN**
21 **SERVES ONLY FOR THE REST OF THE TERM AND UNTIL A SUCCESSOR IS**
22 **APPOINTED AND QUALIFIES.**

23 (C) **THE GOVERNOR MAY REMOVE A MEMBER FOR INCOMPETENCE,**
24 **MISCONDUCT, OR FAILURE TO PERFORM THE DUTIES OF THE POSITION.**

25 **14-203.**

26 **THE GOVERNOR SHALL DESIGNATE A CHAIR FROM AMONG THE MEMBERS**
27 **OF THE AUTHORITY.**

28 **14-204.**

1 (A) **THE AUTHORITY SHALL DETERMINE THE TIMES AND PLACES OF ITS**
2 **MEETINGS.**

3 (B) (1) **FIVE MEMBERS OF THE AUTHORITY ARE A QUORUM.**

4 (2) **ACTION BY THE AUTHORITY REQUIRES THE AFFIRMATIVE**
5 **VOTE OF AT LEAST FIVE MEMBERS.**

6 (C) **A MEMBER OF THE AUTHORITY:**

7 (1) **MAY NOT RECEIVE COMPENSATION AS A MEMBER OF THE**
8 **AUTHORITY; BUT**

9 (2) **IS ENTITLED TO REIMBURSEMENT FOR EXPENSES UNDER THE**
10 **STANDARD STATE TRAVEL REGULATIONS, AS PROVIDED IN THE STATE**
11 **BUDGET.**

12 **14-205.**

13 (A) (1) **SUBJECT TO THE APPROVAL OF THE GOVERNOR, THE**
14 **AUTHORITY SHALL APPOINT AN EXECUTIVE DIRECTOR.**

15 (2) **THE EXECUTIVE DIRECTOR SERVES AT THE PLEASURE OF**
16 **THE AUTHORITY.**

17 (3) **THE AUTHORITY SHALL DETERMINE THE COMPENSATION OF**
18 **THE EXECUTIVE DIRECTOR.**

19 (4) **THE EXECUTIVE DIRECTOR MAY NOT BE A MEMBER OF THE**
20 **AUTHORITY.**

21 (B) **SUBJECT TO THE SUPERVISION OF THE AUTHORITY, THE**
22 **EXECUTIVE DIRECTOR IS THE CHIEF ADMINISTRATIVE OFFICER OF THE**
23 **AUTHORITY.**

24 (C) **THE EXECUTIVE DIRECTOR, OR THE EXECUTIVE DIRECTOR'S**
25 **DESIGNEE, SHALL:**

26 (1) **ATTEND ALL MEETINGS OF THE AUTHORITY;**

27 (2) **ACT AS SECRETARY OF THE AUTHORITY;**

28 (3) **KEEP A RECORD OF ALL PROCEEDINGS OF THE AUTHORITY;**

1 (4) APPROVE SALARIES, PER DIEM PAYMENTS, ALLOWABLE
2 EXPENSES OF THE AUTHORITY'S EMPLOYEES AND CONSULTANTS, AND ANY
3 EXPENSES INCIDENTAL TO THE OPERATION OF THE AUTHORITY; AND

4 (5) PERFORM THE OTHER DUTIES THAT THE AUTHORITY DIRECTS
5 IN CARRYING OUT THIS TITLE.

6 **14-206.**

7 (A) THE AUTHORITY MAY DETERMINE THE DUTIES OF ALL ITS
8 OFFICERS.

9 (B) THE AUTHORITY MAY APPOINT ADDITIONAL OFFICERS.

10 (C) (1) ADDITIONAL OFFICERS SERVE AT THE PLEASURE OF THE
11 AUTHORITY.

12 (2) THE AUTHORITY SHALL DETERMINE THE COMPENSATION OF
13 THE ADDITIONAL OFFICERS.

14 **14-207.**

15 (A) THE ATTORNEY GENERAL IS THE LEGAL ADVISOR TO THE
16 AUTHORITY.

17 (B) WITH THE APPROVAL OF THE ATTORNEY GENERAL, THE
18 AUTHORITY MAY RETAIN ANY NECESSARY LAWYERS.

19 **14-208.**

20 THE AUTHORITY MAY EMPLOY STAFF AND RETAIN CONSULTANTS AS
21 EMPLOYEES OR AGENTS THAT IT CONSIDERS NECESSARY AND SET THEIR
22 COMPENSATION.

23 **14-209.**

24 (A) EXCEPT AS OTHERWISE PROVIDED IN THIS SECTION, IN EXERCISING
25 ITS POWERS, THE AUTHORITY IS NOT SUBJECT TO THE FOLLOWING PROVISIONS
26 OF THE STATE FINANCE AND PROCUREMENT ARTICLE:

27 (1) TITLE 2, SUBTITLES 2 (GIFTS AND GRANTS), 4 (WATER AND
28 SEWERAGE SYSTEMS), AND 5 (FACILITIES FOR THE HANDICAPPED);

1 (2) **TITLE 3 (BUDGET AND MANAGEMENT);**

2 (3) **TITLE 4 (DEPARTMENT OF GENERAL SERVICES);**

3 (4) **§§ 5A-304 AND 5A-305 (HISTORIC LANDMARKS; CERTAIN**
4 **ARCHITECTURAL EASEMENTS);**

5 (5) **TITLE 6, SUBTITLE 1 (STUDIES AND ESTIMATES);**

6 (6) **TITLE 7, SUBTITLES 1 (STATE OPERATING BUDGET), 2**
7 **(DISBURSEMENTS AND EXPENDITURES), AND 3 (UNSPENT BALANCES);**

8 (7) **PART V OF TITLE 8, SUBTITLE 1 (STATE REVENUE**
9 **ANTICIPATION NOTES);**

10 (8) **TITLE 10 (BOARD OF PUBLIC WORKS - MISCELLANEOUS**
11 **PROVISIONS); AND**

12 (9) **DIVISION II (GENERAL PROCUREMENT LAW).**

13 **(B) THE AUTHORITY IS NOT SUBJECT TO §§ 10-505 AND 10-507 OF THE**
14 **STATE GOVERNMENT ARTICLE.**

15 **(C) FOR PURPOSES OF MAKING AGREEMENTS IN CONNECTION WITH**
16 **LOANS, GRANTS, INSURANCE, OR OTHER FINANCIAL ASSISTANCE, THE**
17 **AUTHORITY IS A PUBLIC BODY UNDER TITLE 5, SUBTITLE 7 OF THE ECONOMIC**
18 **DEVELOPMENT ARTICLE (THE MARYLAND INDUSTRIAL DEVELOPMENT**
19 **FINANCING AUTHORITY ACT).**

20 **(D) A PROJECT OF THE AUTHORITY IS SUBJECT TO THE PROVISIONS OF**
21 **TITLE 7, SUBTITLE 2 OF THIS ARTICLE.**

22 **(E) THE AUTHORITY, ITS OFFICERS, AND EMPLOYEES ARE SUBJECT TO**
23 **THE PUBLIC ETHICS LAW.**

24 **14-210.**

25 **(A) THE AUTHORITY MAY:**

26 (1) **ADOPT BYLAWS FOR THE CONDUCT OF ITS BUSINESS;**

27 (2) **SUE AND BE SUED;**

28 (3) **ADOPT A SEAL;**

1 (4) **MAINTAIN AN OFFICE AT A PLACE IT DESIGNATES;**

2 (5) **ISSUE BONDS AND OTHER OBLIGATIONS FOR ANY CORPORATE**
3 **PURPOSE IN ACCORDANCE WITH THIS TITLE;**

4 (6) **ACCEPT A GRANT, LOAN, OR OTHER ASSISTANCE IN ANY FORM**
5 **FROM ANY PUBLIC OR PRIVATE SOURCE, SUBJECT TO THE PROVISIONS OF THIS**
6 **TITLE;**

7 (7) **ENTER INTO CONTRACTS AND EXECUTE THE INSTRUMENTS**
8 **NECESSARY OR CONVENIENT TO CARRY OUT THIS TITLE TO ACCOMPLISH ITS**
9 **PURPOSES;**

10 (8) **CREATE, OWN, CONTROL, OR BE A MEMBER OF A**
11 **CORPORATION, LIMITED LIABILITY COMPANY, PARTNERSHIP, OR OTHER**
12 **PERSON, WHETHER OPERATED FOR PROFIT OR NOT FOR PROFIT;**

13 (9) **EXERCISE A POWER USUALLY POSSESSED BY A PRIVATE**
14 **CORPORATION IN PERFORMING SIMILAR FUNCTIONS UNLESS TO DO SO WOULD**
15 **CONFLICT WITH STATE LAW; AND**

16 (10) **DO ALL THINGS NECESSARY OR CONVENIENT TO CARRY OUT**
17 **THE POWERS EXPRESSLY GRANTED BY THIS TITLE.**

18 **(B) THE AUTHORITY MAY DELEGATE TO A MEMBER OR OFFICER A**
19 **POWER GRANTED TO THE AUTHORITY BY THIS TITLE, INCLUDING THE POWER**
20 **TO EXECUTE A BOND, OBLIGATION, CERTIFICATE, DEED, LEASE, MORTGAGE,**
21 **AGREEMENT, OR OTHER DOCUMENT OR INSTRUMENT.**

22 **14-211.**

23 **THE AUTHORITY MAY:**

24 (1) **ACQUIRE, IMPROVE, DEVELOP, MANAGE, MARKET, MAINTAIN,**
25 **LEASE AS LESSOR OR AS LESSEE, AND OPERATE A PROJECT IN THE STATE;**

26 (2) **ACQUIRE, DIRECTLY OR THROUGH A PERSON OR**
27 **GOVERNMENTAL AUTHORITY, BY PURCHASE, GIFT, OR DEVISE, PROPERTY,**
28 **RIGHTS, RIGHTS-OF-WAY, FRANCHISES, EASEMENTS, AND OTHER INTERESTS IN**
29 **PROPERTY, INCLUDING LAND LYING UNDER WATER AND RIPARIAN RIGHTS,**
30 **LOCATED IN OR OUTSIDE THE STATE AS NECESSARY OR CONVENIENT TO**
31 **IMPROVE OR OPERATE A PROJECT, ON TERMS AND AT PRICES THAT THE**
32 **AUTHORITY CONSIDERS REASONABLE;**

1 (3) MORTGAGE, PLEDGE, OR OTHERWISE ENCUMBER A PROJECT
2 AND ITS SITE OR HOLD A MORTGAGE OR OTHER ENCUMBRANCE ON A PROJECT
3 AND ITS SITE FOR THE BENEFIT OF THE HOLDERS OF BONDS ISSUED TO
4 FINANCE THE PROJECT;

5 (4) SELL, LEASE AS LESSOR, TRANSFER, AND DISPOSE OF ITS
6 PROPERTY OR INTEREST IN PROPERTY;

7 (5) WITH THE OWNER'S PERMISSION, ENTER LANDS, WATERS, OR
8 PREMISES TO MAKE A SURVEY, SOUNDING, BORING, OR EXAMINATION TO
9 ACCOMPLISH A PURPOSE AUTHORIZED BY THIS TITLE;

10 (6) MAKE A LOAN TO A PERSON TO IMPROVE OR ACQUIRE A
11 PROJECT IN ACCORDANCE WITH AN AGREEMENT BETWEEN THE AUTHORITY
12 AND THE PERSON; AND

13 (7) MAKE A LOAN TO A PERSON TO:

14 (I) REFINANCE ANY PART OF A PROJECT; AND

15 (II) REFUND OR REPAY THE OUTSTANDING BONDS,
16 MORTGAGES, LOANS, OR OTHER OBLIGATIONS OF THE PERSON TO THE
17 AUTHORITY, ANY PERSON, OR ANY FEDERAL, STATE, OR LOCAL GOVERNMENT
18 OR GOVERNMENTAL UNIT INCURRED TO FINANCE ANY PART OF A PROJECT.

19 **14-212.**

20 EXPENSES INCURRED UNDER THIS TITLE ARE PAYABLE ONLY FROM
21 MONEY OBTAINED UNDER THIS TITLE.

22 **14-213.**

23 (A) (1) THE EXECUTIVE DIRECTOR AND EACH OTHER OFFICER
24 AUTHORIZED BY THE AUTHORITY MAY:

25 (I) ALLOW COPIES TO BE MADE OF THE MINUTES AND
26 RECORDS OF THE AUTHORITY; AND

27 (II) CERTIFY RECORDS UNDER SEAL SHOWING THAT THE
28 COPIES ARE TRUE COPIES.

29 (2) A PERSON MAY RELY ON THE CERTIFIED RECORD.

1 **(B) THE RECORDS OF THE AUTHORITY ARE PUBLIC RECORDS SUBJECT**
2 **TO REASONABLE INSPECTION.**

3 **14-214.**

4 **(A) AT LEAST ONCE EACH YEAR THE AUTHORITY SHALL HAVE ITS**
5 **BOOKS AUDITED BY A CERTIFIED PUBLIC ACCOUNTANT.**

6 **(B) THE AUTHORITY SHALL PAY FOR THE COST OF THE AUDIT.**

7 **14-215.**

8 **(A) ON OR BEFORE OCTOBER 1 OF EACH YEAR, THE AUTHORITY SHALL**
9 **REPORT TO THE GOVERNOR ON ITS ACTIVITIES FOR THE PRECEDING FISCAL**
10 **YEAR.**

11 **(B) THE REPORT SHALL INCLUDE A COMPLETE OPERATING AND**
12 **FINANCIAL STATEMENT COVERING THE OPERATIONS OF THE AUTHORITY**
13 **DURING THE PRECEDING FISCAL YEAR.**

14 **14-216.**

15 **(A) A LAW TO TERMINATE THE AUTHORITY MAY NOT TAKE EFFECT**
16 **UNTIL ADEQUATE PROVISION IS MADE TO PAY EACH OUTSTANDING BOND AND**
17 **OTHER OBLIGATION OF THE AUTHORITY.**

18 **(B) ON TERMINATION OF THE AUTHORITY, ITS RIGHTS AND PROPERTY**
19 **PASS TO THE STATE.**

20 **14-217.**

21 **(A) THE STATE TREASURER IS AUTHORIZED TO ADVANCE TO THE**
22 **AUTHORITY A SUM NOT TO EXCEED \$1,000,000 FOR THE INITIAL EXPENSES OF**
23 **THE AUTHORITY.**

24 **(B) THE SUM AUTHORIZED BY SUBSECTION (A) OF THIS SECTION SHALL**
25 **BE REPAID OUT OF THE FIRST MONEYS AVAILABLE TO THE AUTHORITY FROM**
26 **ITS REVENUES.**

27 **SUBTITLE 3. BONDS.**

28 **14-301.**

29 **(A) (1) THE AUTHORITY MAY PERIODICALLY:**

1 (I) **ISSUE BONDS TO PAY ALL OR PART OF THE COST OF**
2 **ACQUIRING OR IMPROVING A PROJECT;**

3 (II) **FUND OR REFUND THOSE BONDS;**

4 (III) **PURCHASE ITS BONDS WITH ANY FUNDS AVAILABLE;**
5 **AND**

6 (IV) **HOLD, PLEDGE, CANCEL, OR RESELL BONDS.**

7 (2) **BY RESOLUTION, THE AUTHORITY MAY AUTHORIZE THE**
8 **CHAIR, ONE OF ITS MEMBERS, OR A COMMITTEE OF ITS MEMBERS TO**
9 **DETERMINE OR PROVIDE FOR ANY MATTERS RELATING TO BONDS THAT THE**
10 **AUTHORITY CONSIDERS APPROPRIATE INCLUDING:**

11 (I) **SPECIFYING, DETERMINING, PRESCRIBING, AND**
12 **APPROVING MATTERS, DOCUMENTS, AND PROCEDURES THAT RELATE TO THE**
13 **AUTHORIZATION, SALE, SECURITY, ISSUANCE, DELIVERY, AND PAYMENT OF AND**
14 **FOR THE BONDS;**

15 (II) **CREATING SECURITY FOR THE BONDS;**

16 (III) **PROVIDING FOR THE ADMINISTRATION OF BOND**
17 **ISSUES; AND**

18 (IV) **TAKING OTHER ACTIONS IT CONSIDERS APPROPRIATE**
19 **CONCERNING THE BONDS.**

20 (3) **THE POWER GRANTED IN PARAGRAPH (2) OF THIS**
21 **SUBSECTION IS IN ADDITION TO POWERS CONFERRED ON THE AUTHORITY BY**
22 **THIS TITLE AND DOES NOT LIMIT ANY POWER OF THE AUTHORITY UNDER THIS**
23 **TITLE.**

24 (4) (I) **SUBJECT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH,**
25 **THE AUTHORITY MAY AUTHORIZE THE EXECUTIVE DIRECTOR TO TAKE ANY OF**
26 **THE ACTIONS DESCRIBED IN PARAGRAPH (2) OF THIS SUBSECTION.**

27 (II) **IF THE AUTHORITY AUTHORIZES THE EXECUTIVE**
28 **DIRECTOR TO TAKE ANY OF THE ACTIONS DESCRIBED IN PARAGRAPH (2) OF**
29 **THIS SUBSECTION, THE AUTHORITY SHALL PRESCRIBE LIMITS WITHIN WHICH**
30 **THE EXECUTIVE DIRECTOR MAY EXERCISE DISCRETION.**

1 **(B) THE AUTHORITY MAY ISSUE THE BONDS AT ONE TIME OR IN ONE OR**
2 **MORE SERIES FROM TIME TO TIME.**

3 **(C) FOR EACH ISSUE OF ITS BONDS, THE AUTHORITY SHALL PASS A**
4 **RESOLUTION THAT:**

5 **(1) SPECIFIES AND DESCRIBES THE PROJECT FOR WHICH THE**
6 **PROCEEDS OF THE BOND ISSUANCE ARE INTENDED;**

7 **(2) GENERALLY DESCRIBES THE PUBLIC PURPOSE AND THE**
8 **FINANCING TRANSACTION TO BE ACCOMPLISHED;**

9 **(3) SPECIFIES THE MAXIMUM PRINCIPAL AMOUNT OF THE BONDS**
10 **THAT MAY BE ISSUED BY THE AUTHORITY; AND**

11 **(4) IMPOSES ANY TERMS OR CONDITIONS ON THE ISSUANCE AND**
12 **SALE OF THE BONDS THAT THE AUTHORITY CONSIDERS APPROPRIATE.**

13 **(D) SUBJECT TO ANY PROVISIONS FOR THEIR REGISTRATION, BONDS**
14 **ARE NEGOTIABLE INSTRUMENTS FOR ALL PURPOSES REGARDLESS OF**
15 **WHETHER THEY ARE PAYABLE FROM A SPECIAL FUND.**

16 **(E) (1) THE BONDS MAY BE:**

17 **(I) SERIAL BONDS;**

18 **(II) TERM BONDS; OR**

19 **(III) BOTH IN THE DISCRETION OF THE AUTHORITY.**

20 **(2) SUBJECT TO ANY DELEGATION UNDER SUBSECTION (A)(2) OF**
21 **THIS SECTION, THE RESOLUTION AUTHORIZING BONDS MAY PROVIDE:**

22 **(I) THE DATES OF THE BONDS;**

23 **(II) THE MATURITY DATES OF THE BONDS;**

24 **(III) THE INTEREST RATES ON THE BONDS;**

25 **(IV) THE TIME AT WHICH THE BONDS WILL BE PAYABLE;**

26 **(V) THE DENOMINATIONS OF THE BONDS;**

1 (VI) WHETHER THE BONDS WILL BE IN COUPON OR
2 REGISTERED FORM;

3 (VII) ANY REGISTRATION PRIVILEGES OF THE BONDS;

4 (VIII) THE MANNER OF EXECUTION OF THE BONDS;

5 (IX) THE PLACE AT WHICH THE BONDS WILL BE PAYABLE;
6 AND

7 (X) ANY TERMS OF REDEMPTION OF THE BONDS.

8 (3) THE BONDS SHALL MATURE WITHIN A PERIOD NOT TO
9 EXCEED 50 YEARS AFTER THE DATE OF ISSUE.

10 (4) THE BONDS SHALL BE PAYABLE IN UNITED STATES
11 CURRENCY.

12 (F) (1) THE AUTHORITY SHALL SELL THE BONDS AT COMPETITIVE
13 OR NEGOTIATED SALE IN A MANNER AND FOR A PRICE THE AUTHORITY
14 DETERMINES TO BE IN ITS BEST INTERESTS.

15 (2) BONDS ARE EXEMPT FROM §§ 8-206 AND 8-208 OF THE
16 STATE FINANCE AND PROCUREMENT ARTICLE.

17 (G) AN OFFICER'S SIGNATURE OR FACSIMILE ON A BOND REMAINS
18 VALID EVEN IF THE OFFICER LEAVES OFFICE BEFORE THE BOND IS DELIVERED.

19 (H) PENDING PREPARATION OF THE DEFINITIVE BONDS, THE
20 AUTHORITY MAY ISSUE INTERIM RECEIPTS OR CERTIFICATES THAT WILL BE
21 EXCHANGED FOR DEFINITIVE BONDS.

22 (I) (1) A TRUST AGREEMENT AUTHORIZING BONDS MAY CONTAIN
23 PROVISIONS THAT ARE PART OF THE CONTRACT WITH THE BONDHOLDERS.

24 (2) THE PROVISIONS MAY INCLUDE:

25 (I) PLEDGING THE FOLLOWING TO SECURE PAYMENT OF
26 BONDS, SUBJECT TO ANY EXISTING AGREEMENTS WITH BONDHOLDERS:

27 1. THE FULL FAITH AND CREDIT OF THE
28 AUTHORITY;

29 2. REVENUES OF A PROJECT;

1 **3. A REVENUE-PRODUCING CONTRACT THE**
2 **AUTHORITY HAS MADE WITH A PERSON OR PUBLIC ENTITY; OR**

3 **4. THE PROCEEDS OF THE SALE OF BONDS;**

4 **(II) THE RATES, RENTALS, FEES, AND OTHER CHARGES, THE**
5 **AMOUNTS TO BE RAISED IN EACH YEAR, AND THE USE AND DISPOSITION OF THE**
6 **REVENUES;**

7 **(III) SETTING ASIDE OF RESERVES AND SINKING FUNDS AND**
8 **THEIR DISPOSITION;**

9 **(IV) LIMITS ON THE RIGHT OF THE AUTHORITY OR ITS**
10 **AGENTS TO RESTRICT AND REGULATE THE USE OF A PROJECT;**

11 **(V) LIMITS ON THE PURPOSE TO WHICH THE PROCEEDS OF**
12 **SALE OF BONDS MAY BE APPLIED;**

13 **(VI) LIMITS ON ISSUING ADDITIONAL BONDS AND**
14 **REFUNDING BONDS AND THE TERMS UNDER WHICH ADDITIONAL BONDS MAY BE**
15 **ISSUED AND SECURED;**

16 **(VII) THE PROCEDURE TO AMEND OR ABROGATE THE TERMS**
17 **OF A CONTRACT WITH BONDHOLDERS AND THE REQUIREMENTS FOR CONSENT;**

18 **(VIII) LIMITS ON THE AMOUNT OF PROJECT REVENUES TO BE**
19 **EXPENDED FOR OPERATING, ADMINISTRATIVE, OR OTHER EXPENSES OF THE**
20 **AUTHORITY;**

21 **(IX) THE ACTS OR OMISSIONS THAT CONSTITUTE DEFAULT**
22 **BY THE AUTHORITY AND THE RIGHTS AND REMEDIES OF THE BONDHOLDERS IN**
23 **THE EVENT OF A DEFAULT;**

24 **(X) THE CONVEYANCE OR MORTGAGING OF A PROJECT AND**
25 **ITS SITE TO SECURE THE BONDHOLDERS; AND**

26 **(XI) CREATION AND DISPOSITION OF A COLLATERAL FUND**
27 **FOR THE PURPOSE OF SECURING THE BONDHOLDERS.**

28 **(J) THE MEMBERS OF THE AUTHORITY AND A PERSON EXECUTING THE**
29 **BONDS MAY NOT BE HELD LIABLE PERSONALLY ON THE BONDS.**

30 **14-302.**

1 **(A) THE CORPORATE TRUSTEE UNDER A TRUST AGREEMENT MAY BE A**
2 **TRUST COMPANY OR A BANK THAT HAS THE POWERS OF A TRUST COMPANY IN**
3 **OR OUTSIDE THE STATE.**

4 **(B) AN EXPENSE INCURRED IN CARRYING OUT THE TRUST AGREEMENT**
5 **OR A RESOLUTION MAY BE TREATED AS PART OF THE COST OF THE OPERATION**
6 **OF A PROJECT.**

7 **14-303.**

8 **NOTWITHSTANDING ANY OTHER PROVISION OF THIS TITLE, IN A**
9 **PROCEEDING INVOLVING THE VALIDITY OR ENFORCEABILITY OF A BOND OR**
10 **THE SECURITY FOR A BOND, THE DETERMINATION OF THE AUTHORITY UNDER**
11 **THIS TITLE IS CONCLUSIVE AND BINDING.**

12 **14-304.**

13 **BONDS ARE SECURITIES:**

14 **(1) IN WHICH ANY OF THE FOLLOWING PERSONS MAY LEGALLY**
15 **AND PROPERLY INVEST MONEY, INCLUDING CAPITAL THAT THE PERSON OWNS**
16 **OR CONTROLS:**

17 **(I) AN OFFICER OR UNIT OF THE STATE OR A POLITICAL**
18 **SUBDIVISION;**

19 **(II) A BANK, TRUST COMPANY, SAVINGS AND LOAN**
20 **ASSOCIATION, INVESTMENT COMPANY, OR OTHER PERSON CONDUCTING A**
21 **BANKING BUSINESS;**

22 **(III) AN INSURANCE COMPANY, INSURANCE ASSOCIATION, OR**
23 **OTHER PERSON CONDUCTING AN INSURANCE BUSINESS;**

24 **(IV) A PERSONAL REPRESENTATIVE, GUARDIAN, TRUSTEE,**
25 **OR OTHER FIDUCIARY; AND**

26 **(V) ANY OTHER PERSON; AND**

27 **(2) THAT MAY BE DEPOSITED WITH AND RECEIVED BY A UNIT OF**
28 **THE STATE OR A POLITICAL SUBDIVISION OF THE STATE FOR ANY PURPOSE FOR**
29 **WHICH THE DEPOSIT OF BONDS OR OBLIGATIONS OF THE STATE IS AUTHORIZED**
30 **BY LAW.**

1 **14-305.**

2 (A) A BOND IS NOT:

3 (1) A DEBT OR LIABILITY OF THE STATE OR A POLITICAL
4 SUBDIVISION OF THE STATE; OR

5 (2) A PLEDGE OF THE FAITH AND CREDIT OF THE STATE OR A
6 POLITICAL SUBDIVISION OF THE STATE.

7 (B) EACH BOND SHALL STATE ON ITS FACE THAT NEITHER THE STATE
8 NOR A POLITICAL SUBDIVISION OF THE STATE IS OBLIGED TO PAY THE
9 PRINCIPAL OF OR INTEREST ON THE BOND EXCEPT FROM REVENUES PLEDGED
10 TO THE PAYMENT OF THE BOND.

11 (C) THE ISSUANCE OF BONDS DOES NOT DIRECTLY, INDIRECTLY, OR
12 CONTINGENTLY OBLIGATE THE STATE OR ITS POLITICAL SUBDIVISIONS:

13 (1) TO LEVY OR PLEDGE A TAX TO PAY THE BONDS; OR

14 (2) TO MAKE AN APPROPRIATION TO PAY THE BONDS.

15 (D) NOTHING IN THIS SUBTITLE PROHIBITS THE AUTHORITY FROM
16 PLEDGING ITS FULL FAITH AND CREDIT IN CONNECTION WITH THE ISSUANCE OF
17 BONDS.

18 **14-306.**

19 (A) THE AUTHORITY MAY:

20 (1) FIX AND COLLECT RATES, RENTS, FEES, AND CHARGES FOR
21 THE USE OF A PROJECT AND FOR THE SERVICES FURNISHED OR TO BE
22 FURNISHED BY A PROJECT; AND

23 (2) CONTRACT WITH ANY PERSON OR GOVERNMENTAL ENTITY TO
24 EXERCISE ITS AUTHORITY UNDER THIS SECTION.

25 (B) THE RATES, RENTS, FEES, AND CHARGES ESTABLISHED BY THE
26 AUTHORITY UNDER THIS SECTION SHALL BE FIXED AND ADJUSTED SO THAT
27 THE AGGREGATE AMOUNT OF THE RATES, RENTS, FEES, AND CHARGES FROM
28 THE PROJECT, WHEN ADDED TO OTHER AVAILABLE MONEY, IS SUFFICIENT TO:

29 (1) PAY FOR MAINTAINING, REPAIRING, AND OPERATING THE
30 PROJECT;

1 **(2) PAY THE PRINCIPAL OF AND THE INTEREST ON THE BONDS**
2 **THAT THE AUTHORITY ISSUED FOR THE PROJECT AS THEY BECOME DUE AND**
3 **PAYABLE; AND**

4 **(3) CREATE AND MAINTAIN RESERVES REQUIRED OR PROVIDED**
5 **FOR IN A TRUST AGREEMENT.**

6 **(C) THE RATES, RENTS, FEES, AND CHARGES ESTABLISHED BY THE**
7 **AUTHORITY UNDER THIS SECTION ARE NOT SUBJECT TO SUPERVISION OR**
8 **REGULATION BY ANY UNIT OF THE STATE OTHER THAN THE AUTHORITY.**

9 **14-307.**

10 **(A) (1) ANY PLEDGE OF REVENUES AND OTHER MONEY UNDER §**
11 **14-301(I) OF THIS SUBTITLE IS VALID AND BINDING FROM THE TIME THE**
12 **PLEDGE IS MADE.**

13 **(2) (I) THE REVENUE OR MONEY THAT THE AUTHORITY**
14 **PLEDGES AND RECEIVES IS SUBJECT IMMEDIATELY TO THE LIEN OF THE**
15 **PLEDGE.**

16 **(II) NEITHER PHYSICAL DELIVERY OF THE REVENUE OR**
17 **MONEY NOR ANY OTHER ACT IS REQUIRED TO VALIDATE THE LIEN.**

18 **(3) THE LIEN OF THE PLEDGE IS VALID AND BINDING AGAINST**
19 **EACH PARTY WITH A CLAIM AGAINST THE AUTHORITY IN TORT, CONTRACT, OR**
20 **OTHERWISE, REGARDLESS OF WHETHER THE PARTY HAS NOTICE OF THE LIEN.**

21 **(B) THE TRUST AGREEMENT AND ANY OTHER AGREEMENT OR LEASE**
22 **CREATING A PLEDGE UNDER THIS SECTION NEED NOT BE FILED OR RECORDED,**
23 **EXCEPT IN THE RECORDS OF THE AUTHORITY.**

24 **14-308.**

25 **(A) PROCEEDS FROM THE SALE OF BONDS AND OTHER REVENUES**
26 **RECEIVED UNDER THIS TITLE ARE TRUST FUNDS TO BE HELD AND APPLIED**
27 **SOLELY AS PROVIDED IN THIS TITLE.**

28 **(B) (1) EACH OFFICER, BANK, OR TRUST COMPANY THAT RECEIVES**
29 **TRUST MONEY FROM THE AUTHORITY UNDER THIS TITLE SHALL ACT AS**
30 **TRUSTEE OF THE MONEY AND SHALL HOLD AND APPLY THE MONEY FOR THE**
31 **PURPOSES SPECIFIED UNDER THIS TITLE.**

1 (2) **THE OFFICER, BANK, OR TRUST COMPANY HOLDING MONEY IS**
2 **SUBJECT TO:**

3 (I) **ANY REGULATION ADOPTED UNDER THIS TITLE; AND**

4 (II) **THE RESOLUTION AUTHORIZING THE ISSUANCE OF**
5 **BONDS OR THE TRUST AGREEMENT.**

6 **14-309.**

7 (A) (1) **THE AUTHORITY MAY ISSUE BONDS TO REFUND**
8 **OUTSTANDING BONDS OF THE AUTHORITY, INCLUDING PAYING:**

9 (I) **ANY REDEMPTION PREMIUM;**

10 (II) **INTEREST ACCRUED OR TO ACCRUE TO THE DATE OF**
11 **REDEMPTION, PURCHASE, OR MATURITY OF THE BONDS; AND**

12 (III) **IF CONSIDERED ADVISABLE BY THE AUTHORITY, ANY**
13 **PART OF THE COST OF ACQUIRING OR IMPROVING A PROJECT.**

14 (2) **REFUNDING BONDS MAY BE ISSUED FOR ANY CORPORATE**
15 **PURPOSE, INCLUDING:**

16 (I) **REALIZING SAVINGS IN THE EFFECTIVE COSTS OF DEBT**
17 **SERVICE, DIRECTLY OR THROUGH A DEBT RESTRUCTURING; OR**

18 (II) **ALLEVIATING A POTENTIAL OR ACTUAL DEFAULT.**

19 (B) **A REFUNDING BOND THAT THE AUTHORITY ISSUES UNDER THIS**
20 **SECTION SHALL BE ISSUED IN THE SAME MANNER AND IS SUBJECT TO THIS**
21 **TITLE TO THE SAME EXTENT AS ANY OTHER BOND.**

22 (C) **THE AUTHORITY MAY ISSUE REFUNDING BONDS IN ONE OR MORE**
23 **SERIES IN AN AMOUNT GREATER THAN THE AMOUNT OF THE BONDS TO BE**
24 **REFUNDED.**

25 **14-310.**

26 (A) **THE AUTHORITY MAY ISSUE NEGOTIABLE BOND ANTICIPATION**
27 **NOTES IN ANTICIPATION OF THE SALE OF BONDS FOR ANY CORPORATE**
28 **PURPOSE.**

1 **(B) BOND ANTICIPATION NOTES ISSUED UNDER THIS SECTION SHALL**
2 **BE ISSUED IN THE SAME MANNER AS BONDS.**

3 **(C) BOND ANTICIPATION NOTES ISSUED UNDER THIS SECTION AND THE**
4 **RESOLUTION AUTHORIZING THEM MAY CONTAIN ANY PROVISIONS, CONDITIONS,**
5 **OR LIMITATIONS THAT MAY BE INCLUDED IN A TRUST AGREEMENT.**

6 **(D) THE AUTHORITY MAY ISSUE BOND ANTICIPATION NOTES TO PAY**
7 **ANY OTHER BOND ANTICIPATION NOTES.**

8 **(E) BOND ANTICIPATION NOTES SHALL BE PAID FROM:**

9 **(1) REVENUES OF THE AUTHORITY;**

10 **(2) MONEY AVAILABLE AND NOT OTHERWISE PLEDGED; OR**

11 **(3) THE PROCEEDS OF THE SALE OF THE BONDS IN ANTICIPATION**
12 **OF WHICH THE NOTES WERE ISSUED.**

13 **14-311.**

14 **(A) THE AUTHORITY SHALL CONVEY TITLE TO A PROJECT AND**
15 **RELEASE COLLATERAL IN ACCORDANCE WITH THIS SECTION WHEN THE**
16 **FOLLOWING CONDITIONS ARE MET:**

17 **(1) (I) THE PRINCIPAL OF AND INTEREST ON BONDS ISSUED TO**
18 **FINANCE THE PROJECT, INCLUDING ANY REFUNDING BONDS, HAVE BEEN FULLY**
19 **PAID AND RETIRED; OR**

20 **(II) ADEQUATE PROVISION HAS BEEN MADE TO FULLY PAY**
21 **AND RETIRE THE BONDS;**

22 **(2) ALL OTHER CONDITIONS OF THE TRUST AGREEMENT HAVE**
23 **BEEN SATISFIED; AND**

24 **(3) THE LIEN OF THE TRUST AGREEMENT HAS BEEN RELEASED.**

25 **(B) ON SATISFACTION OF THE CONDITIONS UNDER SUBSECTION (A) OF**
26 **THIS SECTION, THE AUTHORITY PROMPTLY SHALL EXECUTE ANY DEEDS,**
27 **CONVEYANCES, RELEASES, AND DOCUMENTS AND TAKE ANY OTHER ACTION**
28 **NECESSARY TO CONVEY TITLE TO THE PROJECT AND RELEASE COLLATERAL**
29 **FREE OF ALL LIENS AND ENCUMBRANCES CREATED THROUGH THE AUTHORITY.**

30 **14-312.**

1 (A) **A BONDHOLDER, A HOLDER OF ANY COUPONS ATTACHED TO BONDS,**
2 **OR A TRUSTEE UNDER A TRUST AGREEMENT SECURING THE BONDS MAY SUE TO:**

3 (1) **PROTECT AND ENFORCE RIGHTS UNDER LAWS OF THE STATE**
4 **OR A TRUST AGREEMENT; AND**

5 (2) **ENFORCE AND COMPEL THE PERFORMANCE OF DUTIES BY**
6 **THE AUTHORITY OR ITS OFFICER, EMPLOYEE, OR AGENT THAT THIS TITLE OR A**
7 **TRUST AGREEMENT REQUIRES, INCLUDING FIXING AND COLLECTING RATES,**
8 **RENTS, FEES, AND CHARGES THAT THE TRUST AGREEMENT REQUIRES TO BE**
9 **FIXED AND COLLECTED.**

10 (B) **THE RIGHTS UNDER THIS SECTION ARE SUBJECT TO ANY TRUST**
11 **AGREEMENT.**

12 **14-313.**

13 (A) **EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION, THE**
14 **AUTHORITY IS EXEMPT FROM ANY REQUIREMENT TO PAY TAXES OR**
15 **ASSESSMENTS ON ITS PROPERTIES, ACTIVITIES, OR ANY REVENUE FROM ITS**
16 **PROPERTIES OR ACTIVITIES.**

17 (B) **PROPERTY THAT THE AUTHORITY SELLS OR LEASES TO A PRIVATE**
18 **ENTITY IS SUBJECT TO STATE AND LOCAL PROPERTY TAXES FROM THE TIME OF**
19 **THE SALE OR LEASE.**

20 (C) **THE PRINCIPAL OF AND INTEREST ON BONDS, THE TRANSFER OF**
21 **BONDS, AND ANY INCOME DERIVED FROM THE BONDS, INCLUDING PROFITS**
22 **MADE ON THEIR SALE OR TRANSFER, ARE FOREVER EXEMPT FROM ALL STATE**
23 **AND LOCAL TAXES.**

24 **SUBTITLE 4. ELECTRICITY PROCUREMENT.**

25 **14-401.**

26 (A) **IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS**
27 **INDICATED.**

28 (B) **“POLITICAL SUBDIVISION” MEANS:**

29 (1) **A COUNTY; OR**

30 (2) **A MUNICIPAL CORPORATION.**

1 **(C) “PURCHASING POOL MEMBER” MEANS:**

2 **(1) A UNIT OF THE EXECUTIVE BRANCH OF STATE GOVERNMENT**
3 **THAT IS AUTHORIZED TO PURCHASE ELECTRICITY SUPPLY; AND**

4 **(2) A UNIT OF A POLITICAL SUBDIVISION THAT IS AUTHORIZED TO**
5 **PURCHASE ELECTRICITY SUPPLY AND IS APPROVED BY THE AUTHORITY AS A**
6 **PURCHASING POOL MEMBER UNDER § 14-403 OF THIS SUBTITLE.**

7 **14-402.**

8 **(A) THE AUTHORITY SHALL PURCHASE ELECTRICITY SUPPLY ON**
9 **BEHALF OF PURCHASING POOL MEMBERS.**

10 **(B) WHEN PURCHASING ELECTRICITY SUPPLY UNDER SUBSECTION (A)**
11 **OF THIS SECTION, THE AUTHORITY:**

12 **(1) MAY ENTER INTO CONTRACTS TO PURCHASE ELECTRICITY**
13 **SUPPLY FROM ANY ELECTRICITY SUPPLIER; AND**

14 **(2) SHALL GIVE PREFERENCE TO ELECTRICITY SUPPLY**
15 **GENERATED FROM RENEWABLE ENERGY RESOURCES IN THE STATE.**

16 **14-403.**

17 **(A) A UNIT OF A POLITICAL SUBDIVISION THAT IS AUTHORIZED TO**
18 **PURCHASE ELECTRICITY SUPPLY MAY APPLY TO THE AUTHORITY TO BECOME A**
19 **PURCHASING POOL MEMBER UNDER THIS SUBTITLE.**

20 **(B) WITHIN 60 DAYS AFTER RECEIVING AN APPLICATION UNDER**
21 **SUBSECTION (A) OF THIS SECTION, THE AUTHORITY SHALL APPROVE OR DENY**
22 **THE APPLICATION.**

23 **14-404.**

24 **THE AUTHORITY SHALL ADOPT REGULATIONS TO CARRY OUT THIS**
25 **SUBTITLE.**

26 **SUBTITLE 5. MISCELLANEOUS.**

27 **14-501.**

1 **IN THIS SUBTITLE, “ADMINISTRATION” MEANS THE MARYLAND ENERGY**
2 **ADMINISTRATION.**

3 **14-502.**

4 **(A) ON OR BEFORE OCTOBER 1, 2009, THE AUTHORITY, IN**
5 **CONJUNCTION WITH THE ADMINISTRATION, SHALL DEVELOP AND SUBMIT TO**
6 **THE COMMISSION A PLAN OF PROGRAMS AND SERVICES TO ENCOURAGE AND**
7 **PROMOTE THE EFFICIENT USE AND CONSERVATION OF ENERGY BY**
8 **RESIDENTIAL ELECTRICITY CONSUMERS IN THE STATE.**

9 **(B) THE PLAN AND EACH UPDATE TO THE PLAN SHALL INCLUDE:**

10 **(1) COST-EFFECTIVE RESIDENTIAL:**

11 **(I) ENERGY EFFICIENCY PROGRAMS;**

12 **(II) ENERGY CONSERVATION PROGRAMS; AND**

13 **(III) DEMAND RESPONSE PROGRAMS; AND**

14 **(2) MEASURES TO MAKE ENERGY EFFICIENCY AND**
15 **CONSERVATION PROGRAMS AND SERVICES MORE ACCESSIBLE TO LOW-INCOME**
16 **HOUSEHOLDS.**

17 **(C) IN ACCORDANCE WITH § 7-211(B) OF THIS ARTICLE, THE**
18 **COMMISSION MAY REQUIRE A GAS COMPANY OR AN ELECTRIC COMPANY TO**
19 **ESTABLISH ANY OF THE PROGRAMS OR SERVICES IN THE PLAN OR PLAN**
20 **UPDATE.**

21 **(D) EVERY 2 YEARS, THE AUTHORITY, IN CONJUNCTION WITH THE**
22 **ADMINISTRATION, SHALL:**

23 **(1) UPDATE THE PLAN; AND**

24 **(2) SUBMIT THE UPDATED PLAN TO THE COMMISSION.**

25 **14-503.**

26 **(A) EVERY 2 YEARS BEGINNING IN 2010, ON OR BEFORE FEBRUARY 1,**
27 **IN CONSULTATION WITH THE AUTHORITY AND THE ADMINISTRATION, THE**
28 **COMMISSION SHALL PREPARE AND SUBMIT A REPORT TO THE GOVERNOR AND,**
29 **IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE, THE**
30 **GENERAL ASSEMBLY ON:**

1 **(1) THE STATUS OF PROGRAMS AND SERVICES TO ENCOURAGE**
2 **AND PROMOTE THE EFFICIENT USE AND CONSERVATION OF ENERGY IN THE**
3 **STATE; AND**

4 **(2) A RECOMMENDATION FOR THE APPROPRIATE FUNDING LEVEL**
5 **TO ADEQUATELY FUND THESE PROGRAMS AND SERVICES.**

6 **(B) IN DETERMINING WHETHER A PROGRAM OR SERVICE ENCOURAGES**
7 **AND PROMOTES THE EFFICIENT USE AND CONSERVATION OF ENERGY, THE**
8 **COMMISSION SHALL CONSIDER, AMONG OTHER FACTORS:**

9 **(1) THE IMPACT ON JOBS;**

10 **(2) THE IMPACT ON THE ENVIRONMENT;**

11 **(3) THE IMPACT ON RESIDENTIAL ELECTRICITY BILLS; AND**

12 **(4) COST-EFFECTIVENESS.**

13 **14-504.**

14 **(A) ON OR BEFORE DECEMBER 31 OF EACH YEAR, THE AUTHORITY AND**
15 **THE COMMISSION SHALL HOLD A JOINT PUBLIC HEARING TO RECEIVE PUBLIC**
16 **COMMENT ON HOW THE AUTHORITY HAS CARRIED OUT THE FUNCTIONS**
17 **ASSIGNED TO IT UNDER THIS TITLE.**

18 **(B) (1) THE AUTHORITY SHALL PUBLISH NOTICE OF THE HEARING IN**
19 **A NEWSPAPER OF GENERAL CIRCULATION AT LEAST 30 DAYS BEFORE THE**
20 **HEARING.**

21 **(2) THE AUTHORITY SHALL TAKE OTHER REASONABLE**
22 **MEASURES TO PROVIDE NOTICE OF THE HEARING TO THE GENERAL PUBLIC.**

23 **(C) THE AUTHORITY SHALL KEEP MINUTES OF THE HEARING.**

24 SECTION 2. AND BE IT FURTHER ENACTED, That the terms of the
25 appointed members of the Maryland Energy Generation Authority established under
26 Section 1 of this Act shall expire as follows:

27 (1) three on June 30, 2010; and

28 (2) four on June 30, 2012.

1 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
2 October 1, 2008.