

SENATE BILL 897

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CF HB 843

By: **Chair, Budget and Taxation Committee (By Request – Departmental – University System of Maryland)**

Introduced and read first time: February 15, 2010

Assigned to: Rules

Re-referred to: Budget and Taxation, February 19, 2010

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 28, 2010

CHAPTER _____

1 AN ACT concerning

2 **Academic Facilities Bonding Authority**

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

10 BY repealing and reenacting, with amendments,
11 Article – Education
12 Section 19–102(c)(1)
13 Annotated Code of Maryland
14 (2008 Replacement Volume and 2009 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.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike-out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 (c) (1) The aggregate principal amount of bonds outstanding and the
2 present value of capital lease payments, less the amount of any reserve fund or
3 sinking fund requirement established for the bonds or capital leases, may not exceed,
4 as of the date of issue of the bonds, the following:

5 (i) ~~[\$1,050,000,000]~~ **\$1,200,000,000** for the University System
6 of Maryland;

7 (ii) \$88,000,000 for Morgan State University;

8 (iii) \$60,000,000 for St. Mary's College of Maryland; and

9 (iv) \$65,000,000 for Baltimore City Community College.

10 SECTION 2. AND BE IT FURTHER ENACTED, That:

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

15 (A) Towson University (Baltimore County)

16 (i) College of Liberal Arts Complex

17 (2) In accordance with Section 19–102(d) of the Education Article, such
18 system-wide capital facilities renewal projects for the constituent institutions and
19 centers of the University System of Maryland as are authorized by the Board are
20 hereby approved as projects for academic facilities, and the University System of
21 Maryland may issue, sell, and deliver bonds in the total principal amount of
22 \$17,000,000 for the purposes of financing and refinancing the costs of those facilities
23 renewal projects.

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

30 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
31 ~~October~~ June 1, 2010.