

SENATE BILL 259

F4, F2

2lr1700
CF HB 214

By: **Harford County Senators**

Introduced and read first time: January 25, 2012

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Harford County – Harford Community College – Authority to Incur Debt**

3 FOR the purpose of authorizing the Harford Community College Board of Trustees to
4 borrow money for certain purposes and secure certain debt in a certain manner;
5 and generally relating to the authority of the Harford Community College Board
6 of Trustees to incur debt.

7 BY repealing and reenacting, with amendments,
8 Article – Education
9 Section 16–302
10 Annotated Code of Maryland
11 (2008 Replacement Volume and 2011 Supplement)

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

14 **Article – Education**

15 16–302.

16 (a) Notwithstanding any other provisions of this subtitle, and subject to
17 funds being appropriated, the Board of Community College Trustees for Allegany
18 County, Anne Arundel County, Baltimore County, Carroll County, Cecil County, the
19 College of Southern Maryland, Chesapeake College, Frederick County, Garrett
20 County, Hagerstown Community College, **HARFORD COUNTY**, Howard County,
21 Montgomery County, Prince George’s County, or Wor–Wic Community College may
22 borrow money to acquire an interest in personal property, including fixtures, for the
23 operation of the community college, on terms and conditions that the Board of
24 Trustees considers proper.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (b) A borrowing under this section may be secured by the personal property
2 acquired or revenues derived from the property.

3 (c) All multiyear financing agreements reflecting borrowing under this
4 section shall be subject to cancellation by the Board of Trustees at the end of a fiscal
5 year if sufficient funds are not appropriated to fund the agreement in subsequent
6 years.

7 (d) (1) Borrowing under this section does not create or constitute a debt or
8 obligation of the State or any political subdivision of the State other than a community
9 college.

10 (2) Borrowing under this section does not constitute a debt or
11 obligation of the General Assembly or pledge the faith and credit of the State within
12 the meaning of Article III, § 34 of the Maryland Constitution.

13 (e) (1) This subsection does not apply to the Board of Community College
14 Trustees for Garrett County.

15 (2) (i) Borrowing under this section shall be for the use of
16 financing intermediate term lease purchasing agreements.

17 (ii) The term of any lease purchase agreement entered into
18 under this section may not exceed the estimated life of the equipment subject to the
19 financing agreement.

20 (f) (1) The Board of Community College Trustees for Garrett County may
21 enter into a lease purchase agreement if the lease purchase agreement is consistent
22 with the provisions of this section.

23 (2) The term of any lease purchase agreement entered into by the
24 Board of Community College Trustees for Garrett County may not exceed the
25 estimated life of the equipment subject to the financing agreement.

26 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
27 July 1, 2012.