

SENATE BILL 583

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6lr2559

By: **Senators King, Currie, DeGrange, Ferguson, Guzzone, Manno, McFadden, and Peters**

Introduced and read first time: February 4, 2016

Assigned to: Budget and Taxation

Committee Report: Favorable

Senate action: Adopted

Read second time: March 17, 2016

CHAPTER _____

1 AN ACT concerning

2 **Higher Education – University System of Maryland – Quasi-Endowment Funds**

3 FOR the purpose of authorizing the Board of Regents of the University System of Maryland
4 to transfer up to a certain amount of funds from the State-supported fund balance
5 to a quasi-endowment fund; limiting the use of certain proceeds to certain purposes;
6 and generally relating to quasi-endowment funds of the University System of
7 Maryland.

8 BY repealing and reenacting, with amendments,
9 Article – Education
10 Section 12-104(e)(2)
11 Annotated Code of Maryland
12 (2014 Replacement Volume and 2015 Supplement)

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

15 **Article – Education**

16 12-104.

17 (e) (2) (i) Subject to [subparagraph (ii)] **SUBPARAGRAPHS (II) AND (III)**
18 of this paragraph, the Board may maintain and manage quasi-endowment funds.

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 (ii) The Board may only make a one-time transfer of no more than
2 \$50,000,000 from the non-State supported fund balance held and invested by the State
3 Treasurer to the quasi-endowment fund.

4 (III) 1. SUBJECT TO THE LIMITATION UNDER
5 SUBSUBPARAGRAPH 2 OF THIS SUBPARAGRAPH, THE BOARD MAY MAKE ONLY A
6 ONE-TIME TRANSFER OF NO MORE THAN \$50,000,000 FROM THE
7 STATE-SUPPORTED FUND BALANCE HELD AND INVESTED BY THE STATE
8 TREASURER TO THE QUASI-ENDOWMENT FUND.

9 2. THE BOARD MAY USE THE INVESTMENT PROCEEDS
10 FOR FACILITY RENEWAL PROJECTS RELATING ONLY TO CAPITAL FACILITIES USED
11 FOR STATE-SUPPORTED ACTIVITIES.

12 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
13 1, 2016.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.