

Chapter 298

(Senate Bill 85)

AN ACT concerning

Capital Debt Affordability Committee – Annual Estimate

FOR the purpose of altering the day by which the Capital Debt Affordability Committee must submit a certain estimate to the Governor and the General Assembly; and generally relating to a certain estimate of the Capital Debt Affordability Committee.

BY repealing and reenacting, with amendments,
 Article – State Finance and Procurement
 Section 8–112
 Annotated Code of Maryland
 (2015 Replacement Volume and 2018 Supplement)

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

Article – State Finance and Procurement

8–112.

(a) The Committee shall review on a continuing basis the size and condition of the State tax supported debt as well as other debt of State units, including the University System of Maryland, Morgan State University, St. Mary's College of Maryland, and the Baltimore City Community College.

(b) On or before October [1] **20** of each year, the Committee shall submit to the Governor and the General Assembly the Committee's estimate of the total amount of new State debt that prudently may be authorized for the next fiscal year.

(c) In making the estimate, the Committee shall consider:

(1) the amount of State bonds that, during the next fiscal year:

(i) will be outstanding; and

(ii) will be authorized but unissued;

(2) the capital program prepared by the Department of Budget and Management;

(3) capital improvement and school construction needs during the next 5 fiscal years, as projected by the Interagency Commission on School Construction;

- (4) projections of debt service requirements during the next 10 fiscal years;
 - (5) the criteria that recognized bond rating agencies use to judge the quality of issues of State bonds;
 - (6) any other factor that is relevant to:
 - (i) the ability of the State to meet its projected debt service requirements for the next 5 fiscal years; or
 - (ii) the marketability of State bonds;
 - (7) the effect of authorizations of new State debt on each of the factors set out in this subsection; and
 - (8) the amount of issuances, debt outstanding, and debt service requirement of other classes of State tax supported debt as well as other debt of State units, including the University System of Maryland, Morgan State University, St. Mary's College of Maryland, and the Baltimore City Community College.
- (d) The estimate of the Committee:
- (1) is advisory; and
 - (2) does not bind the General Assembly, the Board, or the Governor.
- (e) (1) In addition to its other duties under this section, the Committee shall review on a continuing basis the size and condition of any debt of the University System of Maryland, Morgan State University, St. Mary's College of Maryland, and the Baltimore City Community College.
- (2) In preparing an estimate with respect to the authorization of any new State debt, the Committee shall take into account as part of the affordability analysis any debt for academic facilities to be issued by a System.
- (3) At the same time that the Committee makes its report as required under subsection (b) of this section, the Committee shall submit to the Governor and the General Assembly the Committee's estimate of the amount of new bonds for academic facilities that prudently may be authorized in the aggregate for the next fiscal year by the University System of Maryland, Morgan State University, St. Mary's College of Maryland, and the Baltimore City Community College.
- (4) For purposes of this subtitle, the terms "System" and "academic facilities" have the meanings stated in § 19-101 of the Education Article.

(5) The Committee may request any needed information from a System and shall consider the information in making its estimates, including any information submitted by a System at its own initiative.

(6) This estimate:

(i) is advisory; and

(ii) does not bind the General Assembly, the Board, or the Governor.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2019.

Approved by the Governor, April 30, 2019.