

WILLIAM DONALD SCHAEFER, Governor

AN ACT concerning

Capital Lease Financing

FOR the purpose of requiring all capital lease projects to be submitted to the Board of Public Works and certain other State departments; defining certain terms; exempting the procurement of certain auxiliary facilities of institutions of higher education; requiring the proposals for capital lease financing to contain certain information; providing the Board with certain criteria for review of capital lease proposals; requiring that initial and final approval of the proposals be obtained from the budget committees of the General Assembly; requiring that the construction costs of the capital projects be within the State debt limitation; requiring the Department of General Services to initiate the procurement process for capital lease financing for agencies and facilities within--its--jurisdiction; authorizing the Board to require the Department to negotiate sale and lease provisions for certain other agencies or facilities; requiring final review by the Board and certain State staff agencies; providing for final approval or disapproval by the Board; requiring approval by the responsible State staff agency under certain circumstances; requiring that Capital leases be considered along with State debt by the Capital Debt Affordability Committee; and generally relating to capital lease financing.

BY adding to

Article - State Finance and Procurement
Section 5-706.1 through 5-706.5 5-706.6
Annotated Code of Maryland
(1985 Volume and 1987 Supplement)

BY repealing and reenacting, with amendments,

Article - State Finance and Procurement
Section 8-112
Annotated Code of Maryland
(1985 Volume and 1987 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

5-706.1.

(A) IN THIS SECTION AND IN §§ 5-706.2 THROUGH 5-706.5 5-706.6 THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.