

Community College Trustees for Garrett County from a certain provision concerning certain lease purchase agreements; authorizing the Board of Community College Trustees for Garrett County to enter certain lease purchase agreements under certain circumstances; providing for the effective date of this Act; and generally relating to the authority of the Board of Community College Trustees for Charles County and Garrett County to engage in certain financing.

BY repealing and reenacting, with amendments,

Article - Education

Section 16-401.1

Annotated Code of Maryland

(1992 Replacement Volume and 1994 Supplement)

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

Article - Education

16-401.1.

(a) Notwithstanding any other provisions of this subtitle, and subject to funds being appropriated, the Board of Community College Trustees for CHARLES COUNTY, GARRETT COUNTY, Howard County, Montgomery County, or Prince George's County may borrow money to acquire an interest in personal property, including fixtures, for the operation of the community college, on terms and conditions that the Board of Trustees considers proper.

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

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

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

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

(e) (1) THIS SUBSECTION DOES NOT APPLY TO THE BOARD OF COMMUNITY COLLEGE TRUSTEES FOR GARRETT COUNTY.

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

[(2)](II) The term of any lease purchase agreement entered into under this section may not exceed the estimated life of the equipment subject to the financing agreement.