

specifically identified discretionary amounts in the Governor's budget, other than any increase to the basic current expense formula.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect ~~October~~ July 1, 1997.

Approved April 29, 1997.

CHAPTER 110

(Senate Bill 232)

AN ACT concerning

Higher Education – Maryland Prepaid-Tuition Higher Education Investment Program

FOR the purpose of establishing a method to provide for the prepayment of tuition at the public institutions of higher education in the State; establishing the Maryland ~~Prepaid-Tuition Higher Education Investment~~ Program; clarifying the purpose of the Program and the types of funds of which the Program shall be composed; *defining certain terms; providing that neither the faith and credit nor the taxing power of the State is pledged to the payment of debts, contracts, and obligations of the Program, institutions of higher education, and other participants in the Program;* establishing a Maryland ~~Prepaid-Tuition Higher Education Investment~~ Program Board; specifying the membership, appointment, terms, and removal of members of the Board; *providing that the budget for the Maryland Higher Education Investment Board and its staff must be approved by the General Assembly is subject to review by the General Assembly for information purposes;* establishing the powers and duties of the Board; establishing administrative rules for the Board; authorizing the Board to adopt regulations to carry out its responsibilities; requiring the Board to adopt a certain investment plan for the Program; *establishing the fiduciary responsibilities of the Board; prohibiting certain transactions involving program assets; requiring the Board to purchase certain bonds for fiduciaries;* exempting the Program from certain laws; requiring the Board to establish a program of ~~prepaid-tuition higher education investment~~ contracts for the advance payment of tuition at public institutions of higher education in the State; authorizing the Board to provide for circumstances under which money may be withdrawn from the Program; specifying certain requirements concerning ~~prepaid-tuition higher education investment~~ contracts; requiring the Board to provide for certain changes in circumstances of beneficiaries and purchasers of ~~prepaid-tuition higher education investment~~ contracts; *providing for refunds under certain circumstances;* prohibiting any legal attachment of contract benefits or assets of the Program; authorizing certain public agencies to provide for payroll deductions for employees to purchase ~~prepaid-tuition higher education investment~~ contracts; requiring an annual audit of the Program; requiring the Board to report to the Governor and General Assembly annually concerning the audit and certain matters concerning the Program; establishing provisions for the discontinuance of the Program; prohibiting inspection of certain records except in certain circumstances; requiring a certain appropriation for a certain fiscal year;