[(l)] (K)   The Program is not subject to § 7–302 of the State Finance and Procurement Article.

[(m)] (L)   Unless the Board provides otherwise by regulation, the Board shall use the proceeds in the Program in the following order:

(1)   To pay eligible institutions of higher education in accordance with the Board's obligations under [advance payment] PREPAID contracts;

(2)   To refund money on the termination of [advance payment] PREPAID contracts; and

(3)   To pay the operating expenses of the Board.

(M)   (1)   EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, IF THE BOARD DETERMINES AFTER AN ANNUAL REVIEW THAT THE FAIR MARKET VALUE OF THE PROGRAM ASSETS EXCEEDS THE AMOUNT NECESSARY TO SATISFY ALL SCHEDULED PAYMENTS CURRENTLY DUE OR SCHEDULED TO BECOME DUE UNDER ALL PREPAID CONTRACTS BY 30% OR MORE, THE BOARD MAY PROVIDE FOR A REBATE FROM THE EXCESS TO OWNERS PURCHASERS OF EXISTING PREPAID CONTRACTS IN AN AMOUNT TO BE DETERMINED BY THE BOARD.

(2)   THE BOARD MAY NOT REBATE ANY AMOUNT TO OWNERS PURCHASERS IF, WITHIN THE 5 YEARS IMMEDIATELY PRECEDING THE PROPOSED REBATE:

(I)   THE BOARD HAS REQUESTED AN APPROPRIATION UNDER § 18–1906.1 OF THIS SUBTITLE; OR

(II)   THE PROGRAM HAS FAILED TO REPAY TO THE STATE ANY APPROPRIATION UNDER § 18–1906.1 OF THIS SUBTITLE.

18–1906.1.

(A)   IF THE CURRENT PREPAID CONTRACT OBLIGATIONS OF THE PROGRAM EXCEED THE MARKET VALUE OF PROGRAM ASSETS, AT THE REQUEST OF THE BOARD THE GOVERNOR SHALL INCLUDE IN THE ANNUAL BUDGET BILL SUBMITTED TO THE GENERAL ASSEMBLY AN APPROPRIATION IN THE AMOUNT DETERMINED UNDER SUBSECTION (B) OF THIS SECTION.

(B)   THE APPROPRIATION TO BE INCLUDED IN THE BUDGET BILL UNDER SUBSECTION (A) OF THIS SECTION SHALL EQUAL THE DIFFERENCE BETWEEN THE CURRENT PREPAID CONTRACT OBLIGATIONS AND THE FAIR MARKET VALUE OF PROGRAM ASSETS.

(C)   FOR PURPOSES OF THIS SECTION, THE CURRENT PREPAID CONTRACT OBLIGATIONS AND THE FAIR MARKET VALUE OF PROGRAM ASSETS:

(1)   SHALL BE DETERMINED AS OF JUNE 30 OF THE CALENDAR YEAR THAT ENDED BEFORE THE BEGINNING OF THE FISCAL YEAR FOR WHICH THE APPROPRIATION IS REQUESTED; AND