

SENATE BILL 977

M3, C5, C8

8lr3463
CF HB 1337

By: **Senator Mooney**

Introduced and read first time: March 3, 2008

Assigned to: Rules

A BILL ENTITLED

1 AN ACT concerning

2 **Maryland Clean Energy Center**

3 FOR the purpose of establishing a Maryland Clean Energy Center in the State;
4 providing for the powers, purposes, and duties of the Center; establishing a
5 Board of Directors of the Center, with certain membership, powers, duties, and
6 officers; providing for the staffing of the Center, including appointment of an
7 Executive Director with certain duties; providing that the Attorney General is
8 the legal advisor of the Center; providing for the application of certain laws to
9 the Center; providing for the effect of a certain determination of the Board;
10 requiring the establishment of certain financial controls for the Center;
11 authorizing the Center to exercise certain powers, including those relating to
12 grants, projects, and borrowing; requiring the Center to act as a clearinghouse
13 of information regarding clean energy for certain purposes; exempting the
14 Center from certain taxes; providing that the books and records of the Center
15 are subject to audit in a certain manner; requiring the Center to report each
16 year to certain persons; establishing a Maryland Clean Energy Technology
17 Incubator Program in the Center for certain purposes; requiring the Center to
18 adopt certain standards for the Program in a certain manner; authorizing the
19 Center to award certain financial assistance to certain entities; requiring
20 matching contributions for certain assistance; authorizing the Center to issue
21 bonds and other evidences of indebtedness in certain manners; authorizing the
22 Center to authorize certain persons to take certain actions regarding bond
23 issuance for certain purposes, subject to certain limitations; providing for the
24 contents of a certain trust agreement for certain purposes; authorizing the
25 pledging of certain revenues for certain purposes in a certain manner;
26 authorizing certain persons to invest in certain bonds; providing that certain
27 bonds are not a debt or liability or a pledge of the faith and credit of the State or
28 of a political subdivision; authorizing the Center to fix and collect certain rates,
29 rents, fees, and charges for certain purposes; providing for the application of
30 certain proceeds; authorizing the issuance of certain refunding bonds in a
31 certain manner; authorizing the issuance of certain negotiable bond anticipation

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 notes for certain purposes in a certain manner; providing for the enforcement of
2 certain rights by certain persons; providing that certain projects, property, and
3 bonds are exempt from certain taxes under certain circumstances; stating
4 findings and intent of the General Assembly; defining certain terms; providing
5 for the construction of this Act; and generally relating to the Maryland Clean
6 Energy Center.

7 BY adding to

8 Article – Economic Development

9 Section 10–801 through 10–854 to be under the new subtitle “Subtitle 8.
10 Maryland Clean Energy Center”

11 Annotated Code of Maryland

12 (As enacted by Chapter ____ (H.B. 1050) of the Acts of the General Assembly of
13 2008)

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

16 **Article – Economic Development**

17 **SUBTITLE 8. MARYLAND CLEAN ENERGY CENTER.**

18 **PART I. GENERAL PROVISIONS.**

19 **10–801.**

20 (A) IN THIS SUBTITLE THE FOLLOWING WORDS AND TERMS HAVE THE
21 MEANINGS INDICATED.

22 (B) “ADMINISTRATION” MEANS THE MARYLAND ENERGY
23 ADMINISTRATION.

24 (C) “BOARD” MEANS THE BOARD OF DIRECTORS OF THE CENTER.

25 (D) (1) “BOND” MEANS A BOND ISSUED BY THE CENTER UNDER THIS
26 SUBTITLE.

27 (2) “BOND” INCLUDES A REVENUE BOND, A REVENUE REFUNDING
28 BOND, A NOTE, AND ANY OTHER OBLIGATION, WHETHER A GENERAL OR LIMITED
29 OBLIGATION OF THE CENTER.

30 (E) “CENTER” MEANS THE MARYLAND CLEAN ENERGY CENTER.

31 (F) “CLEAN ENERGY” INCLUDES:

32 (1) SOLAR PHOTOVOLTAIC TECHNOLOGY;

1 (2) **SOLAR HEATING;**

2 (3) **GEOHERMAL;**

3 (4) **WIND;**

4 (5) **BIOFUELS;**

5 (6) **ETHANOL;**

6 (7) **OTHER QUALIFYING BIOMASS AS DEFINED IN § 7-701 OF THE**
7 **PUBLIC UTILITY COMPANIES ARTICLE;**

8 (8) **OCEAN, INCLUDING ENERGY FROM WAVES, TIDES, CURRENTS,**
9 **AND THERMAL DIFFERENCES;**

10 (9) **A FUEL CELL THAT PRODUCES ENERGY FROM BIOFUELS,**
11 **ETHANOL, OR OTHER QUALIFYING BIOMASS;**

12 (10) **ENERGY EFFICIENCY AND CONSERVATION;**

13 (11) **ANY OTHER TECHNOLOGY OR SERVICE THAT THE CENTER**
14 **DETERMINES WILL CONTRIBUTE DIRECTLY OR INDIRECTLY TO THE**
15 **PRODUCTION OF ENERGY FROM RENEWABLE OR SUSTAINABLE SOURCES, OR TO**
16 **THE IMPROVEMENT OF EFFICIENCY IN THE USE OF ENERGY; AND**

17 (12) **DEPLOYMENT OF ANY OF THE TECHNOLOGIES OR SERVICES**
18 **LISTED IN ITEMS (1) THROUGH (11) OF THIS SUBSECTION.**

19 (G) **“COST”, WITH RESPECT TO A PROJECT FINANCED UNDER THIS**
20 **SUBTITLE, INCLUDES:**

21 (1) **THE PURCHASE PRICE OF A PROJECT;**

22 (2) **THE COST TO ACQUIRE ANY RIGHT, TITLE, OR INTEREST IN A**
23 **PROJECT;**

24 (3) **THE COST OF ANY IMPROVEMENT;**

25 (4) **THE COST OF ANY PROPERTY, RIGHT, EASEMENT, AND**
26 **FRANCHISE;**

1 (5) **THE COST OF DEMOLITION, REMOVAL, OR RELOCATION OF**
2 **STRUCTURES;**

3 (6) **THE COST OF ACQUIRING LAND TO WHICH THE STRUCTURES**
4 **MAY BE MOVED;**

5 (7) **THE COST OF EQUIPMENT;**

6 (8) **FINANCING CHARGES;**

7 (9) **INTEREST BEFORE AND DURING CONSTRUCTION AND, IF THE**
8 **CENTER DETERMINES, FOR A LIMITED PERIOD AFTER THE COMPLETION OF**
9 **CONSTRUCTION;**

10 (10) **RESERVES FOR PRINCIPAL AND INTEREST AND FOR**
11 **IMPROVEMENTS;**

12 (11) **THE COST OF REVENUE AND COST ESTIMATES,**
13 **ARCHITECTURAL, ENGINEERING, FINANCIAL, AND LEGAL SERVICES, PLANS,**
14 **SPECIFICATIONS, STUDIES, SURVEYS, AND OTHER EXPENSES NECESSARY OR**
15 **INCIDENT TO DETERMINING THE FEASIBILITY OF IMPROVING A PROJECT; AND**

16 (12) **OTHER EXPENSES AS NECESSARY OR INCIDENT TO:**

17 (I) **FINANCING A PROJECT;**

18 (II) **ACQUIRING AND IMPROVING A PROJECT; AND**

19 (III) **PLACING A PROJECT IN OPERATION.**

20 (H) **“DIRECTOR” MEANS THE DIRECTOR OF THE ADMINISTRATION.**

21 (I) **“EXECUTIVE DIRECTOR” MEANS THE EXECUTIVE DIRECTOR OF**
22 **THE MARYLAND CLEAN ENERGY CENTER.**

23 (J) **“FINANCE” INCLUDES REFINANCE.**

24 (K) **“GOVERNMENTAL UNIT” MEANS:**

25 (1) **A COUNTY;**

26 (2) **A MUNICIPAL CORPORATION;**

27 (3) **A STATE UNIT;**

1 **(4) A LOCAL UNIT; OR**

2 **(5) ANY OTHER PUBLIC BODY OR UNIT ESTABLISHED IN**
3 **ACCORDANCE WITH A STATE OR LOCAL LAW, ORDINANCE, OR RESOLUTION.**

4 **(L) “IMPROVE” MEANS TO ADD, ALTER, CONSTRUCT, EQUIP, EXPAND,**
5 **EXTEND, IMPROVE, INSTALL, RECONSTRUCT, REHABILITATE, REMODEL, OR**
6 **REPAIR.**

7 **(M) “IMPROVEMENT” MEANS ADDITION, ALTERATION, CONSTRUCTION,**
8 **EQUIPPING, EXPANSION, EXTENSION, IMPROVEMENT, INSTALLATION,**
9 **RECONSTRUCTION, REHABILITATION, REMODELING, OR REPAIR.**

10 **(N) (1) “PROJECT” MEANS ANY PROPERTY, THE ACQUISITION OR**
11 **IMPROVEMENT OF WHICH THE BOARD, IN ITS SOLE DISCRETION, DETERMINES**
12 **BY RESOLUTION WILL ACCOMPLISH AT LEAST ONE OF THE PURPOSES LISTED IN**
13 **§ 10-802(B) OF THIS SUBTITLE, WHETHER OR NOT THE PROPERTY:**

14 **(I) IS OR WILL BE USED OR OPERATED FOR PROFIT OR NOT**
15 **FOR PROFIT;**

16 **(II) IS OR WILL BE LOCATED ON A SINGLE SITE OR**
17 **MULTIPLE SITES; OR**

18 **(III) MAY BE FINANCED BY BONDS, THE INTEREST ON WHICH**
19 **IS EXEMPT FROM INCOME TAXATION UNDER FEDERAL LAW.**

20 **(2) “PROJECT” INCLUDES:**

21 **(I) LAND OR AN INTEREST IN LAND;**

22 **(II) STRUCTURES, EQUIPMENT, FURNISHINGS, RAIL OR**
23 **MOTOR VEHICLES, BARGES, AND BOATS;**

24 **(III) PROPERTY AND RIGHTS RELATED TO PROPERTY,**
25 **APPURTENANCES, RIGHTS-OF-WAY, FRANCHISES, AND EASEMENTS;**

26 **(IV) PROPERTY THAT IS FUNCTIONALLY RELATED AND**
27 **SUBORDINATE TO A PROJECT; AND**

28 **(V) PATENTS, LICENSES, AND OTHER RIGHTS NECESSARY**
29 **OR USEFUL IN THE IMPROVEMENT OR OPERATION OF A PROJECT.**

1 (O) (1) **“REVENUES” MEANS THE INCOME, REVENUE, AND OTHER**
2 **MONEY THE CENTER RECEIVES FROM OR IN CONNECTION WITH A PROJECT,**
3 **AND ALL OTHER INCOME OF THE CENTER.**

4 (2) **“REVENUES” INCLUDES GRANTS, RENTALS, RATES, FEES, AND**
5 **CHARGES FOR THE USE OF THE SERVICES FURNISHED OR AVAILABLE.**

6 (P) (1) **“TRUST AGREEMENT” MEANS AN AGREEMENT ENTERED INTO**
7 **BY THE CENTER TO SECURE A BOND.**

8 (2) **“TRUST AGREEMENT” MAY INCLUDE A BOND CONTRACT,**
9 **BOND RESOLUTION, OR OTHER CONTRACT WITH OR FOR THE BENEFIT OF A**
10 **BONDHOLDER.**

11 **10-802.**

12 (A) **THE GENERAL ASSEMBLY FINDS THAT:**

13 (1) **THE UNITED STATES AS A WHOLE, AND THE STATE IN**
14 **PARTICULAR, ARE FACING INCREASED ENERGY COSTS BASED ON MANY**
15 **FACTORS, INCLUDING RISING FUEL COSTS, LIMITED INVESTMENT IN**
16 **GENERATION AND TRANSMISSION FACILITIES, AND A COMPLEX COMBINATION**
17 **OF MARKET-BASED AND OTHER REGULATORY MECHANISMS THAT BALANCE**
18 **ENVIRONMENTAL, ECONOMIC, HEALTH, AND WELFARE INTERESTS;**

19 (2) **CONTINUED EXCLUSIVE RELIANCE ON TRADITIONAL FORMS**
20 **OF ELECTRICITY SUPPLY ENTRENCHES THE STATE’S DEPENDENCE ON FOSSIL**
21 **FUELS, WORKING AGAINST THE STATE’S POLICY OF DECREASING GREENHOUSE**
22 **GAS PRODUCTION, AS EVIDENCED BY THE STATE’S ACCESSION TO THE**
23 **REGIONAL GREENHOUSE GAS INITIATIVE;**

24 (3) **“CLEAN ENERGY”, A BROAD TERM THAT INCLUDES A WIDE**
25 **AND VARIED MIXTURE OF STRATEGIES AND TECHNIQUES TO PRODUCE USEFUL**
26 **ENERGY FROM RENEWABLE AND SUSTAINABLE SOURCES IN A MANNER THAT**
27 **MINIMIZES FOSSIL FUEL USE AND HARMFUL EMISSIONS, AND TO INCREASE THE**
28 **EFFICIENT USE OF ENERGY DERIVED FROM ALL SOURCES, OFFERS MANY**
29 **DIFFERENT OPPORTUNITIES FOR RESIDENTS OF THE STATE TO SUCCEED IN**
30 **ENTREPRENEURIAL AND OTHER COMMERCIAL ACTIVITY, TO THE OVERALL**
31 **ECONOMIC AND ENVIRONMENTAL BENEFIT OF THE ENTIRE STATE, AS**
32 **MEASURED IN IMPROVED AIR AND WATER QUALITY, MODERATED ENERGY**
33 **EXPENDITURES, AND INCREASED STATE AND LOCAL TAX RECEIPTS;**

34 (4) **MANY INDIVIDUALS AND BUSINESSES IN THE STATE POSSESS**
35 **TALENTS AND INTEREST IN THE CLEAN ENERGY TECHNOLOGY SECTOR, WHICH**

1 MAY FORM THE BASIS FOR ENCOURAGING DEVELOPMENT AND DEPLOYMENT OF
2 SUSTAINABLE AND RENEWABLE ENERGY TECHNOLOGIES IN THE STATE, THE
3 NATION, AND THE WORLD;

4 (5) THE STATE WILL BENEFIT FROM A TARGETED EFFORT TO
5 ESTABLISH AND INCUBATE CLEAN ENERGY INDUSTRIES IN THE STATE,
6 INCLUDING FINANCIAL ASSISTANCE, INFORMATION SHARING, AND TECHNICAL
7 SUPPORT FOR ENTREPRENEURS IN THE MANUFACTURE AND INSTALLATION OF
8 CLEAN ENERGY TECHNOLOGY; AND

9 (6) IT IS IN THE PUBLIC INTEREST TO ESTABLISH A PUBLIC
10 CORPORATION TO UNDERTAKE THE TASKS OF PROMOTING CLEAN ENERGY
11 INDUSTRIES IN THE STATE, DEVELOPING INCUBATORS FOR THOSE INDUSTRIES,
12 PROVIDING FINANCIAL ASSISTANCE, AND ALSO PROVIDING INFORMATION
13 SHARING AND TECHNICAL ASSISTANCE.

14 (B) THE PURPOSES OF THIS SUBTITLE ARE TO:

15 (1) ENCOURAGE THE DEVELOPMENT OF CLEAN ENERGY
16 INDUSTRIES IN THE STATE;

17 (2) ENCOURAGE THE DEPLOYMENT OF CLEAN ENERGY
18 TECHNOLOGIES IN THE STATE;

19 (3) HELP RETAIN AND ATTRACT BUSINESS ACTIVITY AND
20 COMMERCE IN THE CLEAN ENERGY TECHNOLOGY INDUSTRY SECTOR IN THE
21 STATE;

22 (4) PROMOTE ECONOMIC DEVELOPMENT; AND

23 (5) PROMOTE THE HEALTH, SAFETY, AND WELFARE OF
24 RESIDENTS OF THE STATE.

25 (C) THE GENERAL ASSEMBLY INTENDS THAT:

26 (1) THE CENTER OPERATE AND EXERCISE ITS CORPORATE
27 POWERS IN ALL AREAS OF THE STATE;

28 (2) WITHOUT LIMITING ITS AUTHORITY TO OTHERWISE EXERCISE
29 ITS CORPORATE POWERS, THE CENTER EXERCISE ITS CORPORATE POWERS TO
30 ASSIST GOVERNMENTAL UNITS AND STATE AND LOCAL ECONOMIC
31 DEVELOPMENT AGENCIES TO CONTRIBUTE TO THE EXPANSION,
32 MODERNIZATION, AND RETENTION OF EXISTING ENTERPRISES IN THE STATE AS
33 WELL AS THE ATTRACTION OF NEW BUSINESS TO THE STATE;

1 **(3) THE CENTER COOPERATE WITH PRIVATE INDUSTRIES AND**
2 **LOCAL GOVERNMENTS IN MAXIMIZING NEW ECONOMIC OPPORTUNITIES FOR**
3 **RESIDENTS OF THE STATE; AND**

4 **(4) THE CENTER ACCOMPLISH AT LEAST ONE OF THE PURPOSES**
5 **LISTED IN SUBSECTION (B) OF THIS SECTION AND COMPLEMENT EXISTING**
6 **STATE MARKETING AND FINANCIAL ASSISTANCE PROGRAMS BY:**

7 **(I) OWNING PROJECTS;**

8 **(II) LEASING PROJECTS TO OTHER PERSONS; OR**

9 **(III) LENDING THE PROCEEDS OF BONDS TO OTHER PERSONS**
10 **TO FINANCE THE COSTS OF ACQUIRING OR IMPROVING PROJECTS THAT THE**
11 **PERSONS OWN OR WILL OWN.**

12 **10-803.**

13 **THIS SUBTITLE SHALL BE LIBERALLY CONSTRUED TO CARRY OUT ITS**
14 **PURPOSES.**

15 **10-804. RESERVED.**

16 **10-805. RESERVED.**

17 **PART II. MARYLAND CLEAN ENERGY CENTER.**

18 **10-806.**

19 **(A) THERE IS A MARYLAND CLEAN ENERGY CENTER.**

20 **(B) THE CENTER IS A BODY POLITIC AND CORPORATE AND IS AN**
21 **INSTRUMENTALITY OF THE STATE.**

22 **(C) THE EXERCISE BY THE CENTER OF THE POWERS CONFERRED BY**
23 **THIS SUBTITLE IS THE PERFORMANCE OF AN ESSENTIAL GOVERNMENTAL**
24 **FUNCTION.**

25 **(D) THE PURPOSES OF THE CENTER ARE TO:**

26 **(1) PROMOTE ECONOMIC DEVELOPMENT AND JOBS IN THE CLEAN**
27 **ENERGY INDUSTRY SECTOR IN THE STATE;**

1 **(2) PROMOTE THE DEPLOYMENT OF CLEAN ENERGY**
2 **TECHNOLOGY IN THE STATE;**

3 **(3) SERVE AS AN INCUBATOR FOR THE DEVELOPMENT OF CLEAN**
4 **ENERGY INDUSTRY IN THE STATE;**

5 **(4) COLLECT, ANALYZE, AND DISSEMINATE INDUSTRY DATA; AND**

6 **(5) PROVIDE OUTREACH AND TECHNICAL SUPPORT TO FURTHER**
7 **THE CLEAN ENERGY INDUSTRY IN THE STATE.**

8 **10-807.**

9 **(A) A BOARD OF DIRECTORS SHALL MANAGE THE CENTER AND**
10 **EXERCISE ITS CORPORATE POWERS.**

11 **(B) THE BOARD CONSISTS OF THE FOLLOWING NINE MEMBERS:**

12 **(1) THE DIRECTOR, OR THE DIRECTOR'S DESIGNEE; AND**

13 **(2) EIGHT MEMBERS APPOINTED BY THE GOVERNOR WITH THE**
14 **ADVICE AND CONSENT OF THE SENATE:**

15 **(I) TWO REPRESENTING THE NOT-FOR-PROFIT CLEAN**
16 **ENERGY RESEARCH SECTOR OF THE STATE;**

17 **(II) TWO WITH EXPERTISE IN VENTURE CAPITAL FINANCING;**

18 **(III) TWO REPRESENTING CLEAN ENERGY INDUSTRIES IN**
19 **THE STATE; AND**

20 **(IV) TWO MEMBERS OF THE GENERAL PUBLIC.**

21 **(C) A MEMBER OF THE BOARD SHALL RESIDE IN THE STATE.**

22 **(D) IN MAKING APPOINTMENTS TO THE BOARD, THE GOVERNOR SHALL**
23 **CONSIDER:**

24 **(1) DIVERSITY; AND**

25 **(2) ALL GEOGRAPHIC REGIONS OF THE STATE.**

26 **(E) A MEMBER OF THE BOARD:**

1 (1) MAY NOT RECEIVE COMPENSATION AS A MEMBER OF THE
2 **BOARD; BUT**

3 (2) IS ENTITLED TO REIMBURSEMENT FOR EXPENSES UNDER THE
4 **STANDARD STATE TRAVEL REGULATIONS, AS PROVIDED IN THE STATE**
5 **BUDGET.**

6 (F) (1) **THE TERM OF AN APPOINTED MEMBER IS 4 YEARS AND**
7 **BEGINS ON JULY 1.**

8 (2) **THE TERMS OF THE APPOINTED MEMBERS ARE STAGGERED**
9 **AS REQUIRED BY THE TERMS PROVIDED FOR MEMBERS ON OCTOBER 1, 2008.**

10 (3) **AT THE END OF A TERM, AN APPOINTED MEMBER CONTINUES**
11 **TO SERVE UNTIL A SUCCESSOR IS APPOINTED AND QUALIFIES.**

12 (4) **A MEMBER WHO IS APPOINTED AFTER A TERM HAS BEGUN**
13 **SERVES ONLY FOR THE REST OF THE TERM AND UNTIL A SUCCESSOR IS**
14 **APPOINTED AND QUALIFIES.**

15 (G) **THE GOVERNOR MAY REMOVE AN APPOINTED MEMBER FOR**
16 **INCOMPETENCE, MISCONDUCT, OR FAILURE TO PERFORM THE DUTIES OF THE**
17 **POSITION.**

18 **10-808.**

19 (A) **FROM AMONG ITS MEMBERS, THE BOARD SHALL ELECT A CHAIR, A**
20 **VICE CHAIR, AND A TREASURER.**

21 (B) **THE CHAIR, VICE CHAIR, AND TREASURER SERVE AT THE PLEASURE**
22 **OF THE GOVERNOR.**

23 **10-809.**

24 (A) **THE BOARD SHALL DETERMINE THE TIMES AND PLACES OF ITS**
25 **MEETINGS.**

26 (B) (1) **SIX MEMBERS OF THE BOARD ARE A QUORUM.**

27 (2) **THE BOARD MAY ACT WITH AN AFFIRMATIVE VOTE OF FIVE**
28 **BOARD MEMBERS.**

29 **10-810.**

1 (A) (1) **THE BOARD SHALL ESTABLISH AN ADVISORY COMMITTEE.**

2 (2) **THE ADVISORY COMMITTEE CONSISTS OF INDIVIDUALS THAT**
3 **THE BOARD CONSIDERS WILL ASSIST THE CENTER IN STUDYING AND**
4 **DEVELOPING POLICIES TO FURTHER THE PURPOSES OF THIS SUBTITLE.**

5 (B) **THE BOARD MAY ESTABLISH OTHER COMMITTEES AS**
6 **APPROPRIATE.**

7 (C) (1) **THE MEMBERSHIP OF A COMMITTEE MAY INCLUDE**
8 **INDIVIDUALS WHO ARE NOT BOARD MEMBERS.**

9 (2) **THE BOARD MAY ESTABLISH THE TERM AND MANNER OF**
10 **SELECTION OF THE MEMBERSHIP OF A COMMITTEE.**

11 **10-811.**

12 (A) (1) **SUBJECT TO THE APPROVAL OF THE GOVERNOR, THE BOARD**
13 **SHALL APPOINT AN EXECUTIVE DIRECTOR.**

14 (2) **THE EXECUTIVE DIRECTOR SERVES AT THE PLEASURE OF**
15 **THE BOARD.**

16 (3) **THE BOARD SHALL DETERMINE THE SALARY OF THE**
17 **EXECUTIVE DIRECTOR.**

18 (B) (1) **THE EXECUTIVE DIRECTOR IS THE CHIEF ADMINISTRATIVE**
19 **OFFICER OF THE CENTER.**

20 (2) **THE EXECUTIVE DIRECTOR SHALL MANAGE THE**
21 **ADMINISTRATIVE AFFAIRS AND TECHNICAL ACTIVITIES OF THE CENTER IN**
22 **ACCORDANCE WITH POLICIES AND PROCEDURES THAT THE BOARD**
23 **ESTABLISHES.**

24 (C) **THE EXECUTIVE DIRECTOR, OR THE EXECUTIVE DIRECTOR'S**
25 **DESIGNEE, SHALL:**

26 (1) **ATTEND ALL MEETINGS OF THE BOARD;**

27 (2) **ACT AS SECRETARY TO THE BOARD;**

28 (3) **KEEP MINUTES OF ALL PROCEEDINGS OF THE BOARD;**

1 (4) APPROVE ALL SALARIES, PER DIEM PAYMENTS, AND
2 ALLOWABLE EXPENSES OF THE CENTER, ITS EMPLOYEES, AND ITS
3 CONSULTANTS;

4 (5) APPROVE ANY EXPENSES INCIDENTAL TO THE OPERATION OF
5 THE CENTER; AND

6 (6) PERFORM THE OTHER DUTIES THAT THE BOARD DIRECTS IN
7 CARRYING OUT THIS SUBTITLE.

8 **10-812.**

9 (A) THE ATTORNEY GENERAL IS THE LEGAL ADVISOR TO THE CENTER.

10 (B) WITH THE APPROVAL OF THE ATTORNEY GENERAL, THE CENTER
11 MAY RETAIN ANY NECESSARY LAWYERS.

12 **10-813.**

13 THE CENTER MAY RETAIN ANY NECESSARY ACCOUNTANTS, ENGINEERS,
14 FINANCIAL ADVISORS, OR OTHER CONSULTANTS.

15 **10-814.**

16 (A) EXCEPT AS PROVIDED IN SUBSECTIONS (B), (C), AND (E) OF THIS
17 SECTION, THE CENTER IS EXEMPT FROM:

18 (1) TITLE 10 AND DIVISION II OF THE STATE FINANCE AND
19 PROCUREMENT ARTICLE; AND

20 (2) §§ 10-505 AND 10-507 OF THE STATE GOVERNMENT
21 ARTICLE.

22 (B) THE CENTER IS SUBJECT TO THE PUBLIC INFORMATION ACT.

23 (C) THE BOARD AND THE OFFICERS AND EMPLOYEES OF THE CENTER
24 ARE SUBJECT TO THE PUBLIC ETHICS LAW.

25 (D) THE OFFICERS AND EMPLOYEES OF THE CENTER ARE NOT SUBJECT
26 TO THE PROVISIONS OF DIVISION I OF THE STATE PERSONNEL AND PENSIONS
27 ARTICLE THAT GOVERN THE STATE PERSONNEL MANAGEMENT SYSTEM.

28 (E) THE CENTER, ITS BOARD, AND EMPLOYEES ARE SUBJECT TO TITLE
29 12, SUBTITLE 4 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

1 **(F) THE CENTER IS A PUBLIC BODY UNDER TITLE 5, SUBTITLE 4 OF**
2 **THIS ARTICLE, THE MARYLAND INDUSTRIAL DEVELOPMENT FINANCING**
3 **AUTHORITY ACT, FOR PURPOSES OF APPLYING FOR, RECEIVING, AND MAKING**
4 **AGREEMENTS IN CONNECTION WITH:**

5 **(1) A LOAN;**

6 **(2) A GRANT;**

7 **(3) INSURANCE; OR**

8 **(4) ANY OTHER FORM OF FINANCIAL ASSISTANCE.**

9 **10-815.**

10 **A FINDING BY THE BOARD CONCERNING THE PUBLIC PURPOSE OF AN**
11 **ACTION, THE LEGISLATIVE INTENT EXPRESSED UNDER THIS SUBTITLE, OR THE**
12 **APPROPRIATENESS OF THE ACTION IN SERVING THE PUBLIC PURPOSE AND**
13 **SATISFYING THE LEGISLATIVE INTENT IS CONCLUSIVE IN A PROCEEDING THAT**
14 **INVOLVES THE VALIDITY OR ENFORCEABILITY OF:**

15 **(1) AN AGREEMENT ENTERED INTO BY THE CENTER UNDER THIS**
16 **SUBTITLE;**

17 **(2) A BOND; OR**

18 **(3) ANY SECURITY RELATING TO A BOND.**

19 **10-816.**

20 **(A) THE CENTER SHALL ESTABLISH A SYSTEM OF FINANCIAL**
21 **ACCOUNTING, CONTROLS, AUDITS, AND REPORTS.**

22 **(B) THE FISCAL YEAR OF THE CENTER BEGINS ON JULY 1 AND ENDS ON**
23 **THE FOLLOWING JUNE 30.**

24 **10-817.**

25 **(A) THE CENTER MAY CREATE AND ADMINISTER THE ACCOUNTS THAT**
26 **IT REQUIRES.**

1 **(B) THE CENTER SHALL DEPOSIT ITS MONEY INTO A STATE OR**
2 **NATIONAL BANK OR A FEDERALLY INSURED SAVINGS AND LOAN ASSOCIATION**
3 **THAT HAS A TOTAL PAID-IN CAPITAL OF AT LEAST \$1,000,000.**

4 **(C) THE CENTER MAY DESIGNATE THE TRUST DEPARTMENT OF A**
5 **STATE BANK, NATIONAL BANK, OR SAVINGS AND LOAN ASSOCIATION AS A**
6 **DEPOSITORY TO RECEIVE SECURITIES THAT THE CENTER OWNS OR ACQUIRES.**

7 **(D) UNLESS AN AGREEMENT OR COVENANT BETWEEN THE CENTER AND**
8 **THE HOLDERS OF ITS OBLIGATIONS LIMITS CLASSES OF INVESTMENTS, THE**
9 **CENTER MAY INVEST ITS MONEY IN BONDS OR OTHER OBLIGATIONS OF, OR**
10 **GUARANTEED AS TO PRINCIPAL AND INTEREST BY, THE UNITED STATES, THE**
11 **STATE, OR A GOVERNMENTAL UNIT.**

12 **10-818.**

13 **(A) (1) THE EXECUTIVE DIRECTOR AND EACH OTHER OFFICER**
14 **AUTHORIZED BY THE CENTER MAY:**

15 **(I) ALLOW COPIES TO BE MADE OF THE MINUTES AND**
16 **RECORDS OF THE CENTER; AND**

17 **(II) CERTIFY RECORDS UNDER SEAL SHOWING THAT THE**
18 **COPIES ARE TRUE COPIES.**

19 **(2) A PERSON MAY RELY ON THE CERTIFIED RECORD.**

20 **(B) THE RECORDS OF THE CENTER ARE PUBLIC RECORDS SUBJECT TO**
21 **REASONABLE INSPECTION.**

22 **10-819.**

23 **THE CENTER MAY:**

24 **(1) ADOPT BYLAWS FOR THE CONDUCT OF ITS BUSINESS;**

25 **(2) ADOPT A SEAL;**

26 **(3) MAINTAIN OFFICES AT A PLACE IT DESIGNATES IN THE STATE;**

27 **(4) ACCEPT LOANS, GRANTS, OR ASSISTANCE OF ANY KIND FROM**
28 **THE FEDERAL OR STATE GOVERNMENT, A LOCAL GOVERNMENT, A COLLEGE OR**
29 **UNIVERSITY, OR A PRIVATE SOURCE;**

- 1 **(5) ENTER INTO CONTRACTS AND OTHER LEGAL INSTRUMENTS;**
- 2 **(6) SUE OR BE SUED;**
- 3 **(7) ACQUIRE, PURCHASE, HOLD, LEASE AS LESSEE, AND USE:**
- 4 **(I) A FRANCHISE, PATENT, OR LICENSE;**
- 5 **(II) ANY REAL, PERSONAL, MIXED, TANGIBLE, OR**
6 **INTANGIBLE PROPERTY; OR**
- 7 **(III) AN INTEREST IN THE PROPERTY LISTED IN THIS ITEM;**
- 8 **(8) SELL, LEASE AS LESSOR, TRANSFER, LICENSE, ASSIGN, OR**
9 **DISPOSE OF PROPERTY OR A PROPERTY INTEREST THAT IT ACQUIRES;**
- 10 **(9) FIX AND COLLECT RATES, RENTALS, FEES, ROYALTIES, AND**
11 **CHARGES FOR SERVICES AND RESOURCES IT PROVIDES OR MAKES AVAILABLE;**
- 12 **(10) CREATE, OWN, CONTROL, OR BE A MEMBER OF A**
13 **CORPORATION, LIMITED LIABILITY COMPANY, PARTNERSHIP, OR OTHER**
14 **ENTITY, WHETHER OPERATED FOR PROFIT OR NOT FOR PROFIT;**
- 15 **(11) EXERCISE POWER USUALLY POSSESSED BY A PRIVATE**
16 **CORPORATION IN PERFORMING SIMILAR FUNCTIONS UNLESS TO DO SO WOULD**
17 **CONFLICT WITH STATE LAW; AND**
- 18 **(12) DO ALL THINGS NECESSARY OR CONVENIENT TO CARRY OUT**
19 **THE POWERS GRANTED BY THIS SUBTITLE.**

20 **10-820.**

21 **THE CENTER MAY MAKE GRANTS TO OR PROVIDE EQUITY INVESTMENT**
22 **FINANCING FOR CLEAN ENERGY TECHNOLOGY-BASED BUSINESSES.**

23 **10-821.**

24 **THE CENTER MAY:**

- 25 **(1) ACQUIRE, DEVELOP, IMPROVE, MANAGE, MARKET, LICENSE,**
26 **SUBLICENSE, MAINTAIN, LEASE AS LESSOR OR LESSEE, OR OPERATE A PROJECT**
27 **IN THE STATE TO CARRY OUT ITS PURPOSES;**

1 **(2) ACQUIRE, DIRECTLY OR INDIRECTLY, FROM A PERSON OR**
2 **GOVERNMENTAL UNIT, BY PURCHASE, GIFT, OR DEVISE ANY PROPERTY,**
3 **RIGHTS-OF-WAY, FRANCHISES, EASEMENTS, OR OTHER INTERESTS IN LAND,**
4 **INCLUDING SUBMERGED LAND AND RIPARIAN RIGHTS:**

5 **(I) AS NECESSARY OR CONVENIENT TO IMPROVE OR**
6 **OPERATE A PROJECT TO CARRY OUT ITS PURPOSES; AND**

7 **(II) ON THE TERMS AND AT THE PRICES THAT IT CONSIDERS**
8 **REASONABLE; AND**

9 **(3) ENTER INTO A PROJECT WITH A MANUFACTURER TO CARRY**
10 **OUT ITS PURPOSES.**

11 **10-822.**

12 **THE CENTER MAY:**

13 **(1) BORROW MONEY AND ISSUE BONDS TO FINANCE ANY PART OF**
14 **THE COST OF A PROJECT OR FOR ANY OTHER CORPORATE PURPOSE OF THE**
15 **CENTER;**

16 **(2) SECURE THE PAYMENT OF ANY PORTION OF THE BORROWING**
17 **BY PLEDGE OF OR MORTGAGE OR DEED OF TRUST ON PROPERTY OR REVENUES**
18 **OF THE CENTER;**

19 **(3) COMBINE PROJECTS FOR FINANCING, MAKE AGREEMENTS**
20 **WITH OR FOR THE BENEFIT OF THE BONDHOLDERS OR WITH OTHERS IN**
21 **CONNECTION WITH THE ISSUANCE OR FUTURE ISSUANCE OF BONDS, AS THE**
22 **CENTER CONSIDERS ADVISABLE; AND**

23 **(4) OTHERWISE PROVIDE FOR THE SECURITY OF BONDS AND THE**
24 **RIGHTS OF BONDHOLDERS.**

25 **10-823.**

26 **(A) THE CENTER SHALL SERVE AS A CLEARINGHOUSE FOR**
27 **INFORMATION AND MATERIALS THAT MAY BE PERTINENT TO CLEAN ENERGY**
28 **TECHNOLOGY, EDUCATION, AND DEPLOYMENT IN THE STATE, FOR PERSONS**
29 **ENGAGED IN THE CLEAN ENERGY INDUSTRY AS DEVELOPERS,**
30 **MANUFACTURERS, AND INSTALLERS, AS WELL AS FOR CONSUMERS AND**
31 **FINANCIAL INSTITUTIONS, INCLUDING INFORMATION ON AVAILABLE FEDERAL,**
32 **STATE, AND PRIVATE FINANCIAL ASSISTANCE AND TECHNICAL ASSISTANCE.**

1 **(B) THE CENTER MAY:**

2 **(1) COOPERATE WITH AND PROVIDE ASSISTANCE TO LOCAL**
3 **GOVERNMENTS, INSTRUMENTALITIES, AND RESEARCH ENTITIES IN THE STATE;**
4 **AND**

5 **(2) COORDINATE CLEAN ENERGY TECHNOLOGY DEVELOPMENT,**
6 **EDUCATION, AND DEPLOYMENT ACTIVITIES WITH PROGRAMS OF THE FEDERAL**
7 **GOVERNMENT AND OF GOVERNMENTAL UNITS AND PUBLIC AND PRIVATE**
8 **ENTITIES IN AND OUTSIDE THE STATE.**

9 **10-824.**

10 **THE CENTER IS EXEMPT FROM STATE AND LOCAL TAXES.**

11 **10-825.**

12 **THE BOOKS AND RECORDS OF THE CENTER ARE SUBJECT TO AUDIT:**

13 **(1) AT ANY TIME BY THE STATE; AND**

14 **(2) EACH YEAR BY AN INDEPENDENT AUDITOR THAT THE OFFICE**
15 **OF LEGISLATIVE AUDITS APPROVES.**

16 **10-826.**

17 **(A) ON OR BEFORE OCTOBER 1 OF EACH YEAR, THE CENTER SHALL**
18 **REPORT TO THE GOVERNOR, THE ADMINISTRATION, AND, IN ACCORDANCE**
19 **WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE, THE GENERAL**
20 **ASSEMBLY.**

21 **(B) THE REPORT SHALL INCLUDE A COMPLETE OPERATING AND**
22 **FINANCIAL STATEMENT COVERING THE CENTER'S OPERATIONS AND A**
23 **SUMMARY OF THE CENTER'S ACTIVITIES DURING THE PRECEDING FISCAL YEAR.**

24 **10-827. RESERVED.**

25 **10-828. RESERVED.**

26 **PART III. MARYLAND CLEAN ENERGY TECHNOLOGY INCUBATOR PROGRAM.**

27 **10-829.**

1 (A) IN THIS PART THE FOLLOWING WORDS HAVE THE MEANINGS
2 INDICATED.

3 (B) "FINANCIAL ASSISTANCE" MEANS A GRANT, LOAN, CREDIT
4 ENHANCEMENT, OR SIMILAR ASSISTANCE.

5 (C) "PROGRAM" MEANS THE MARYLAND CLEAN ENERGY TECHNOLOGY
6 INCUBATOR PROGRAM.

7 **10-830.**

8 (A) THERE IS A MARYLAND CLEAN ENERGY TECHNOLOGY INCUBATOR
9 PROGRAM.

10 (B) THE CENTER SHALL ADMINISTER THE PROGRAM.

11 **10-831.**

12 THE PURPOSE OF THE PROGRAM IS TO PROMOTE ENTREPRENEURSHIP
13 AND THE CREATION OF JOBS IN CLEAN ENERGY TECHNOLOGY-RELATED
14 INDUSTRY BY ESTABLISHING AND OPERATING EFFECTIVE INCUBATORS
15 THROUGHOUT THE STATE THAT PROVIDE ADEQUATE PHYSICAL SPACE
16 DESIGNED, AND PROGRAMS INTENDED, TO INCREASE OR ACCELERATE
17 BUSINESS SUCCESS IN THE FIELD OF CLEAN ENERGY TECHNOLOGY.

18 **10-832.**

19 (A) TO CARRY OUT THE PURPOSES OF THE PROGRAM, THE CENTER
20 SHALL AWARD FINANCIAL ASSISTANCE UNDER THIS PART.

21 (B) THE CENTER SHALL CONSULT WITH THE ADMINISTRATION, THE
22 DEPARTMENT, AND OTHER APPROPRIATE GOVERNMENTAL UNITS IN THE
23 DEVELOPMENT OF THE PROGRAM.

24 **10-833.**

25 THE CENTER MAY AWARD FINANCIAL ASSISTANCE USING MONEY
26 PROVIDED BY THE FEDERAL GOVERNMENT, THE STATE, A GOVERNMENTAL
27 UNIT, OR ANY PERSON.

28 **10-834.**

29 (A) AFTER CONSULTING WITH THE DIRECTOR, THE CENTER SHALL
30 ADOPT STANDARDS TO AWARD FINANCIAL ASSISTANCE.

1 **(B) THE STANDARDS SHALL AUTHORIZE THE AWARD OF FINANCIAL**
2 **ASSISTANCE TO:**

3 **(1) SUPPORT THE DEVELOPMENT AND USE OF BEST PRACTICES**
4 **IN THE INCUBATION PROCESS;**

5 **(2) PROVIDE STRATEGIC PLANNING, NEEDS ASSESSMENTS, AND**
6 **FEASIBILITY STUDIES; OR**

7 **(3) HELP ACQUIRE OR IMPROVE NEW OR EXPANDED SPACE OR**
8 **IMPROVE EXISTING SPACE FOR AN INCUBATOR, INCLUDING PROVIDING OR**
9 **HELPING ANOTHER WITH:**

10 **(I) ACQUISITION OF LAND;**

11 **(II) ACQUISITION OF ARCHITECTURAL OR ENGINEERING**
12 **SERVICES;**

13 **(III) PAYMENT OF ADMINISTRATIVE COSTS;**

14 **(IV) DEVELOPMENT OR UPGRADING OF COMMUNICATIONS**
15 **INFRASTRUCTURE;**

16 **(V) ACQUISITION OF FURNISHINGS OR EQUIPMENT; OR**

17 **(VI) ACQUISITION OF OTHER ITEMS ASSOCIATED WITH**
18 **TENANT BUILD-OUT.**

19 **10-835.**

20 **THE CENTER MAY AWARD FINANCIAL ASSISTANCE TO:**

21 **(1) A LOCAL GOVERNMENT;**

22 **(2) AN AGENCY, INSTRUMENTALITY, OR NOT-FOR-PROFIT**
23 **CORPORATION THAT THE LOCAL GOVERNMENT DESIGNATES;**

24 **(3) A PUBLIC OR PRIVATE COLLEGE OR UNIVERSITY;**

25 **(4) THE MARYLAND ECONOMIC DEVELOPMENT CORPORATION;**
26 **OR**

1 (I) SPECIFYING, DETERMINING, PRESCRIBING, AND
2 APPROVING MATTERS, DOCUMENTS, AND PROCEDURES THAT RELATE TO THE
3 AUTHORIZATION, SALE, SECURITY, ISSUANCE, DELIVERY, AND PAYMENT OF AND
4 FOR THE BONDS;

5 (II) CREATING SECURITY FOR THE BONDS;

6 (III) PROVIDING FOR THE ADMINISTRATION OF BOND
7 ISSUES; AND

8 (IV) TAKING OTHER ACTIONS IT CONSIDERS APPROPRIATE
9 CONCERNING THE BONDS.

10 (3) THE POWER GRANTED IN PARAGRAPH (2) OF THIS
11 SUBSECTION IS IN ADDITION TO POWERS CONFERRED ON THE BOARD BY THIS
12 SUBTITLE AND DOES NOT LIMIT ANY POWER OF THE BOARD UNDER THIS
13 SUBTITLE.

14 (4) (I) SUBJECT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH,
15 THE BOARD MAY AUTHORIZE THE EXECUTIVE DIRECTOR TO TAKE ANY OF THE
16 ACTIONS DESCRIBED IN PARAGRAPH (2) OF THIS SUBSECTION.

17 (II) IF THE BOARD AUTHORIZES THE EXECUTIVE DIRECTOR
18 TO TAKE ANY OF THE ACTIONS DESCRIBED IN PARAGRAPH (2) OF THIS
19 SUBSECTION, THE BOARD SHALL PRESCRIBE LIMITS WITHIN WHICH THE
20 EXECUTIVE DIRECTOR MAY EXERCISE DISCRETION.

21 (B) (1) EXCEPT AS OTHERWISE PROVIDED BY THE CENTER, EACH
22 ISSUE OF ITS BONDS IS A GENERAL OBLIGATION OF THE CENTER PAYABLE
23 FROM ANY REVENUES OR MONEYS OF THE CENTER THAT ARE AVAILABLE AND
24 NOT OTHERWISE PLEDGED.

25 (2) THE PROVISIONS OF PARAGRAPH (1) OF THIS SUBSECTION
26 ARE SUBJECT TO ANY AGREEMENTS WITH:

27 (I) HOLDERS OF PARTICULAR BONDS PLEDGING ANY
28 PARTICULAR REVENUES OR MONEYS; AND

29 (II) ANY PARTICIPATING INSTITUTION.

30 (C) FOR EACH ISSUE OF ITS BONDS, THE CENTER SHALL PASS A
31 RESOLUTION THAT:

1 **(1) SPECIFIES AND DESCRIBES THE PROJECT FOR WHICH THE**
2 **PROCEEDS OF THE BOND ISSUANCE ARE INTENDED;**

3 **(2) GENERALLY DESCRIBES THE PUBLIC PURPOSE AND THE**
4 **FINANCING TRANSACTION TO BE ACCOMPLISHED;**

5 **(3) SPECIFIES THE MAXIMUM PRINCIPAL AMOUNT OF THE BONDS**
6 **THAT MAY BE ISSUED BY THE CENTER; AND**

7 **(4) IMPOSES ANY TERMS OR CONDITIONS ON THE ISSUANCE AND**
8 **SALE OF THE BONDS THAT THE CENTER CONSIDERS APPROPRIATE.**

9 **(D) SUBJECT TO ANY PROVISION FOR THEIR REGISTRATION, BONDS**
10 **ARE NEGOTIABLE INSTRUMENTS FOR ALL PURPOSES REGARDLESS OF**
11 **WHETHER THEY ARE PAYABLE FROM A SPECIAL FUND.**

12 **(E) (1) THE BONDS MAY BE:**

13 **(I) SERIAL BONDS;**

14 **(II) TERM BONDS; OR**

15 **(III) BOTH IN THE DISCRETION OF THE CENTER.**

16 **(2) SUBJECT TO ANY DELEGATION UNDER SUBSECTION (A)(2) OF**
17 **THIS SECTION, THE RESOLUTION AUTHORIZING BONDS MAY PROVIDE:**

18 **(I) THE DATES OF THE BONDS;**

19 **(II) THE MATURITY DATES OF THE BONDS;**

20 **(III) THE INTEREST RATES ON THE BONDS;**

21 **(IV) THE TIME AT WHICH THE BONDS WILL BE PAYABLE;**

22 **(V) THE DENOMINATIONS OF THE BONDS;**

23 **(VI) WHETHER THE BONDS WILL BE IN A COUPON OR**
24 **REGISTERED FORM;**

25 **(VII) ANY REGISTRATION PRIVILEGES OF THE BONDS;**

26 **(VIII) THE MANNER OF EXECUTION OF THE BONDS;**

1 (IX) THE PLACE AT WHICH THE BONDS WILL BE PAYABLE;
2 AND

3 (X) ANY TERMS OF REDEMPTION OF THE BONDS.

4 (3) THE BONDS SHALL MATURE WITHIN A PERIOD NOT TO
5 EXCEED 50 YEARS AFTER THEIR DATE.

6 (4) THE BONDS SHALL BE PAYABLE IN UNITED STATES
7 CURRENCY.

8 (F) THE BONDS MAY BE SOLD BY COMPETITIVE OR NEGOTIATED SALE
9 AT A PRICE DETERMINED BY THE CENTER.

10 (G) PENDING PREPARATION OF THE DEFINITIVE BONDS, THE CENTER
11 MAY ISSUE INTERIM RECEIPTS OR CERTIFICATES THAT WILL BE EXCHANGED
12 FOR DEFINITIVE BONDS.

13 (H) (1) A TRUST AGREEMENT AUTHORIZING BONDS MAY CONTAIN
14 PROVISIONS THAT ARE PART OF THE CONTRACT WITH THE BONDHOLDERS.

15 (2) THE PROVISIONS MAY INCLUDE:

16 (I) PLEDGING THE FOLLOWING TO SECURE PAYMENT OF
17 BONDS, SUBJECT TO ANY EXISTING AGREEMENTS WITH BONDHOLDERS:

18 1. THE FULL FAITH AND CREDIT OF THE CENTER;

19 2. THE FULL FAITH AND CREDIT OF A
20 PARTICIPATING INSTITUTION;

21 3. REVENUES OF A PROJECT;

22 4. A REVENUE-PRODUCING CONTRACT THE CENTER
23 HAS MADE WITH A PERSON OR PUBLIC ENTITY; OR

24 5. THE PROCEEDS OF THE SALE OF BONDS;

25 (II) THE RENTALS, FEES, AND OTHER CHARGES, THE
26 AMOUNTS TO BE RAISED IN EACH YEAR, AND THE USE AND DISPOSITION OF THE
27 REVENUES;

28 (III) THE SETTING ASIDE OF RESERVES AND SINKING FUNDS
29 AND THEIR DISPOSITION;

1 (IV) LIMITS ON THE RIGHT OF THE CENTER OR ITS AGENTS
2 TO RESTRICT AND REGULATE THE USE OF A PROJECT;

3 (V) LIMITS ON THE PURPOSE TO WHICH THE PROCEEDS OF
4 SALE OF BONDS MAY BE APPLIED;

5 (VI) LIMITS ON ISSUING ADDITIONAL BONDS, THE TERMS
6 UNDER WHICH ADDITIONAL BONDS MAY BE ISSUED AND SECURED, AND
7 REFUNDING OUTSTANDING BONDS;

8 (VII) THE PROCEDURE TO AMEND OR ABROGATE THE TERMS
9 OF A CONTRACT WITH BONDHOLDERS AND THE REQUIREMENTS FOR CONSENT;

10 (VIII) LIMITS ON THE AMOUNT OF PROJECT REVENUES TO BE
11 EXPENDED FOR OPERATING, ADMINISTRATIVE, OR OTHER EXPENSES OF THE
12 CENTER;

13 (IX) THE ACTS OR OMISSIONS THAT CONSTITUTE DEFAULT
14 BY THE CENTER AND THE RIGHTS AND REMEDIES OF THE BONDHOLDERS IN
15 THE EVENT OF A DEFAULT;

16 (X) THE CONVEYANCE OR MORTGAGING OF A PROJECT AND
17 ITS SITE TO SECURE THE BONDHOLDERS; AND

18 (XI) CREATION AND DISPOSITION OF A COLLATERAL FUND,
19 INSTEAD OF CONVEYANCE OR MORTGAGE, FOR THE PURPOSE OF SECURING THE
20 BONDHOLDERS.

21 (I) THE MEMBERS OF THE BOARD AND A PERSON EXECUTING THE
22 BONDS MAY NOT BE HELD LIABLE PERSONALLY ON THE BONDS.

23 10-841.

24 (A) THE CENTER MAY SECURE BONDS BY A TRUST AGREEMENT.

25 (B) THE CORPORATE TRUSTEE UNDER A TRUST AGREEMENT MAY BE A
26 TRUST COMPANY OR A BANK THAT HAS THE POWERS OF A TRUST COMPANY IN
27 OR OUTSIDE THE STATE.

28 (C) IN ADDITION TO THE PROVISIONS DESCRIBED IN § 10-840(H) OF
29 THIS SUBTITLE, THE TRUST AGREEMENT MAY CONTAIN:

30 (1) EITHER:

1 (I) A PROVISION CONVEYING OR MORTGAGING ALL OR A
2 PORTION OF THE PROJECT; OR

3 (II) A PROVISION CREATING A COLLATERAL ACCOUNT;

4 (2) OTHER PROVISIONS THAT THE CENTER CONSIDERS
5 REASONABLE AND PROPER FOR THE SECURITY OF BONDHOLDERS; AND

6 (3) A PROVISION THAT RESTRICTS THE INDIVIDUAL RIGHT OF
7 ACTION BY BONDHOLDERS.

8 (D) AN EXPENSE INCURRED IN CARRYING OUT THE TRUST AGREEMENT
9 OR A RESOLUTION MAY BE TREATED AS PART OF THE COST OF THE OPERATION
10 OF A PROJECT.

11 **10-842.**

12 **BONDS ARE SECURITIES:**

13 (1) IN WHICH ANY OF THE FOLLOWING PERSONS MAY LEGALLY
14 AND PROPERLY INVEST MONEY, INCLUDING CAPITAL THAT THE PERSON OWNS
15 OR CONTROLS:

16 (I) AN OFFICER OR UNIT OF THE STATE OR A POLITICAL
17 SUBDIVISION;

18 (II) A BANK, TRUST COMPANY, SAVINGS AND LOAN
19 ASSOCIATION, INVESTMENT COMPANY, OR OTHER PERSON CONDUCTING A
20 BANKING BUSINESS;

21 (III) AN INSURANCE COMPANY, INSURANCE ASSOCIATION, OR
22 OTHER PERSON CONDUCTING AN INSURANCE BUSINESS;

23 (IV) A PERSONAL REPRESENTATIVE, GUARDIAN, TRUSTEE,
24 OR OTHER FIDUCIARY; AND

25 (V) ANY OTHER PERSON; AND

26 (2) THAT MAY BE DEPOSITED WITH AND RECEIVED BY A UNIT OF
27 THE STATE OR A POLITICAL SUBDIVISION FOR ANY PURPOSE FOR WHICH THE
28 DEPOSIT OF BONDS OR OBLIGATIONS OF THE STATE IS AUTHORIZED BY LAW.

29 **10-843.**

1 **(A) A BOND:**

2 **(1) IS NOT:**

3 **(I) A DEBT OR LIABILITY OF THE STATE OR A POLITICAL**
4 **SUBDIVISION OF THE STATE; OR**

5 **(II) A PLEDGE OF THE FAITH AND CREDIT OF THE STATE OR**
6 **A POLITICAL SUBDIVISION OF THE STATE; AND**

7 **(2) IS PAYABLE SOLELY FROM MONEY AVAILABLE IN**
8 **ACCORDANCE WITH THIS SUBTITLE.**

9 **(B) EACH BOND SHALL STATE ON ITS FACE THAT:**

10 **(1) THE STATE AND ITS POLITICAL SUBDIVISIONS ARE NOT**
11 **OBLIGED TO PAY THE BOND OR THE INTEREST ON THE BOND EXCEPT FROM**
12 **REVENUES OF THE PROJECT OR THE PORTION OF THE PROJECT FOR WHICH**
13 **THE BOND IS ISSUED; AND**

14 **(2) THE FAITH, CREDIT, AND TAXING POWER OF THE STATE AND**
15 **ITS POLITICAL SUBDIVISIONS ARE NOT PLEDGED TO PAY THE PRINCIPAL OF OR**
16 **THE INTEREST ON THE BOND.**

17 **(C) THE ISSUANCE OF BONDS DOES NOT DIRECTLY, INDIRECTLY, OR**
18 **CONTINGENTLY OBLIGATE THE STATE OR ITS POLITICAL SUBDIVISIONS:**

19 **(1) TO LEVY OR PLEDGE A TAX TO PAY THE BONDS; OR**

20 **(2) TO MAKE AN APPROPRIATION TO PAY THE BONDS.**

21 **(D) THIS SECTION DOES NOT PREVENT THE CENTER FROM PLEDGING**
22 **ITS FULL FAITH AND CREDIT TO PAY BONDS.**

23 **10-844.**

24 **(A) THE CENTER MAY:**

25 **(1) FIX AND COLLECT RATES, RENTS, FEES, AND CHARGES FOR**
26 **THE USE OF A PROJECT AND FOR THE SERVICES FURNISHED OR TO BE**
27 **FURNISHED BY A PROJECT; AND**

1 **(2) CONTRACT WITH A PERSON OR GOVERNMENTAL ENTITY TO**
2 **EXERCISE ITS AUTHORITY UNDER THIS SECTION.**

3 **(B) THE RATES, RENTS, FEES, AND CHARGES ESTABLISHED BY THE**
4 **CENTER UNDER THIS SECTION SHALL BE FIXED AND ADJUSTED SO THAT THE**
5 **AGGREGATE AMOUNT OF THE RATES, RENTS, FEES, AND CHARGES FROM THE**
6 **PROJECT, WHEN ADDED TO OTHER AVAILABLE MONEY, IS SUFFICIENT TO:**

7 **(1) PAY FOR MAINTAINING, REPAIRING, AND OPERATING THE**
8 **PROJECT;**

9 **(2) PAY THE PRINCIPAL OF AND THE INTEREST ON THE BONDS**
10 **THAT THE CENTER ISSUED FOR THE PROJECT AS THEY BECOME DUE AND**
11 **PAYABLE; AND**

12 **(3) CREATE AND MAINTAIN RESERVES REQUIRED OR PROVIDED**
13 **FOR IN A TRUST AGREEMENT.**

14 **(C) THE RATES, RENTS, FEES, AND CHARGES ESTABLISHED BY THE**
15 **CENTER UNDER THIS SECTION ARE NOT SUBJECT TO SUPERVISION OR**
16 **REGULATION BY ANY UNIT OF THE STATE OTHER THAN THE CENTER.**

17 **10-845.**

18 **(A) (1) ANY PLEDGE OF REVENUES AND OTHER MONEY UNDER §**
19 **10-840(H) OF THIS SUBTITLE IS VALID AND BINDING FROM THE TIME THE**
20 **PLEDGE IS MADE.**

21 **(2) (I) THE REVENUE OR MONEY THAT THE CENTER PLEDGES**
22 **AND RECEIVES IS SUBJECT IMMEDIATELY TO THE LIEN OF THE PLEDGE.**

23 **(II) NEITHER PHYSICAL DELIVERY OF THE REVENUE OR**
24 **MONEY NOR ANY OTHER ACT IS REQUIRED TO VALIDATE THE LIEN.**

25 **(3) THE LIEN OF THE PLEDGE IS VALID AND BINDING AGAINST**
26 **EACH PARTY WITH A CLAIM AGAINST THE CENTER IN TORT, CONTRACT, OR**
27 **OTHERWISE, REGARDLESS OF WHETHER THE PARTY HAS NOTICE OF THE LIEN.**

28 **(B) THE TRUST AGREEMENT AND ANY OTHER AGREEMENT OR LEASE**
29 **CREATING A PLEDGE UNDER THIS SECTION NEED NOT BE FILED OR RECORDED,**
30 **EXCEPT IN THE RECORDS OF THE CENTER.**

31 **10-846.**

1 **(A) PROCEEDS FROM THE SALE OF BONDS AND OTHER REVENUES**
2 **RECEIVED UNDER THIS SUBTITLE ARE TRUST FUNDS TO BE HELD AND APPLIED**
3 **SOLELY AS PROVIDED IN THIS SUBTITLE.**

4 **(B) (1) EACH OFFICER, BANK, OR TRUST COMPANY THAT RECEIVES**
5 **MONEY FROM THE CENTER UNDER THIS SUBTITLE SHALL ACT AS TRUSTEE OF**
6 **THE MONEY AND SHALL HOLD AND APPLY THE MONEY FOR THE PURPOSES**
7 **SPECIFIED UNDER THIS SUBTITLE.**

8 **(2) THE OFFICER, BANK, OR TRUST COMPANY HOLDING MONEY IS**
9 **SUBJECT TO:**

10 **(I) ANY REGULATION ADOPTED UNDER THIS SUBTITLE;**
11 **AND**

12 **(II) THE TRUST AGREEMENT SECURING THE BONDS.**

13 **10-847.**

14 **(A) (1) THE CENTER MAY ISSUE BONDS TO REFUND OUTSTANDING**
15 **BONDS OF THE CENTER, INCLUDING PAYING:**

16 **(I) ANY REDEMPTION PREMIUM;**

17 **(II) INTEREST ACCRUED OR TO ACCRUE TO THE DATE OF**
18 **REDEMPTION, PURCHASE, OR MATURITY OF THE BONDS; AND**

19 **(III) IF CONSIDERED ADVISABLE BY THE CENTER, ANY PART**
20 **OF THE COST OF ACQUIRING OR IMPROVING A PROJECT.**

21 **(2) REFUNDING BONDS MAY BE ISSUED FOR ANY CORPORATE**
22 **PURPOSE, INCLUDING:**

23 **(I) REALIZING SAVINGS IN THE EFFECTIVE COSTS OF DEBT**
24 **SERVICE, DIRECTLY OR THROUGH A DEBT RESTRUCTURING; OR**

25 **(II) ALLEVIATING A POTENTIAL OR ACTUAL DEFAULT.**

26 **(B) A REFUNDING BOND THAT THE CENTER ISSUES UNDER THIS**
27 **SECTION SHALL BE ISSUED IN THE SAME MANNER AND IS SUBJECT TO THIS**
28 **SUBTITLE TO THE SAME EXTENT AS ANY OTHER BOND.**

1 (c) (1) **THE CENTER MAY ISSUE REFUNDING BONDS IN ONE OR MORE**
2 **SERIES IN AN AMOUNT GREATER THAN THE AMOUNT OF THE BONDS TO BE**
3 **REFUNDED.**

4 (2) (i) **IN ADDITION TO OTHER SOURCES OF PAYMENT THAT**
5 **THE CENTER DETERMINES, REFUNDING BONDS MAY BE PAYABLE FROM**
6 **ESCROWED BOND PROCEEDS AND EARNINGS AND PROFITS ON INVESTMENTS.**

7 (ii) **ESCROWED BOND PROCEEDS AND EARNINGS AND**
8 **PROFITS ON INVESTMENTS USED UNDER SUBPARAGRAPH (I) OF THIS**
9 **PARAGRAPH CONSTITUTE REVENUES OF A PROJECT UNDER THIS SUBTITLE.**

10 **10-848.**

11 (A) **THE CENTER MAY ISSUE NEGOTIABLE BOND ANTICIPATION NOTES**
12 **IN ANTICIPATION OF THE SALE OF BONDS FOR ANY CORPORATE PURPOSE.**

13 (B) **BOND ANTICIPATION NOTES ISSUED UNDER THIS SECTION SHALL**
14 **BE ISSUED IN THE SAME MANNER AS BONDS.**

15 (C) **BOND ANTICIPATION NOTES ISSUED UNDER THIS SECTION AND THE**
16 **RESOLUTION AUTHORIZING THEM MAY CONTAIN ANY PROVISIONS, CONDITIONS,**
17 **OR LIMITATIONS THAT MAY BE INCLUDED IN A TRUST AGREEMENT.**

18 (D) **THE CENTER MAY ISSUE BOND ANTICIPATION NOTES TO PAY ANY**
19 **OTHER BOND ANTICIPATION NOTES.**

20 (E) **BOND ANTICIPATION NOTES SHALL BE PAID FROM:**

21 (1) **REVENUES OF THE CENTER;**

22 (2) **MONEY AVAILABLE AND NOT OTHERWISE PLEDGED; OR**

23 (3) **THE PROCEEDS OF THE SALE OF THE BONDS IN ANTICIPATION**
24 **OF WHICH THE NOTES WERE ISSUED.**

25 **10-849.**

26 (A) **THE CENTER SHALL CONVEY TITLE TO A PROJECT AND RELEASE**
27 **COLLATERAL IN ACCORDANCE WITH THIS SECTION WHEN THE FOLLOWING**
28 **CONDITIONS ARE MET:**

1 (1) (I) THE PRINCIPAL OF AND INTEREST ON BONDS ISSUED TO
2 FINANCE THE PROJECT, INCLUDING ANY REFUNDING BONDS, HAVE BEEN FULLY
3 PAID AND RETIRED; OR

4 (II) ADEQUATE PROVISION HAS BEEN MADE TO FULLY PAY
5 AND RETIRE THE BONDS;

6 (2) ALL OTHER CONDITIONS OF THE TRUST AGREEMENT HAVE
7 BEEN SATISFIED; AND

8 (3) THE LIEN OF THE TRUST AGREEMENT HAS BEEN RELEASED.

9 (B) ON SATISFACTION OF THE CONDITIONS UNDER SUBSECTION (A) OF
10 THIS SECTION, THE CENTER PROMPTLY SHALL EXECUTE ANY DEEDS,
11 CONVEYANCES, RELEASES, AND DOCUMENTS AND TAKE ANY OTHER ACTION
12 NECESSARY TO CONVEY TITLE TO THE PROJECT TO THE PARTICIPATING
13 INSTITUTION AND RELEASE COLLATERAL FREE OF ALL LIENS AND
14 ENCUMBRANCES CREATED THROUGH THE CENTER.

15 **10-850.**

16 (A) A BONDHOLDER, A HOLDER OF ANY COUPONS ATTACHED TO BONDS,
17 OR A TRUSTEE UNDER A TRUST AGREEMENT SECURING THE BONDS MAY SUE TO:

18 (1) PROTECT AND ENFORCE RIGHTS UNDER THE LAWS OF THE
19 STATE OR A TRUST AGREEMENT; AND

20 (2) ENFORCE AND COMPEL THE PERFORMANCE OF DUTIES BY
21 THE CENTER OR ITS OFFICER, EMPLOYEE, OR AGENT THAT THIS SUBTITLE OR A
22 TRUST AGREEMENT REQUIRES, INCLUDING FIXING AND COLLECTING RATES,
23 RENTS, FEES, AND CHARGES THAT THE TRUST AGREEMENT REQUIRES.

24 (B) THE RIGHTS UNDER THIS SECTION ARE SUBJECT TO ANY TRUST
25 AGREEMENT.

26 **10-851.**

27 (A) THE CENTER, ITS AGENT, OR ITS LESSEE IS NOT REQUIRED TO PAY
28 A TAX OR ASSESSMENT ON:

29 (1) A PROJECT OR PROPERTY THAT IT ACQUIRES OR USES UNDER
30 THIS SUBTITLE; OR

31 (2) THE INCOME FROM THAT PROJECT OR PROPERTY.

