

SENATE NO. 739

AN ACT FOR A PROGRAM OF CAPITAL IMPROVEMENTS TO THE PUBLIC HIGHER EDUCATION SYSTEM IN THE COMMONWEALTH.

Whereas, the majority of our skilled Massachusetts workforce is being educated in our public institutions of higher learning and our economic future depends on public higher education; and

Whereas, The most glaring resource deficiency confronting our public higher education campuses today relates to their aging and inadequate physical facilities, many of which were constructed more than 50 years ago; and

Whereas, Funding for capital needs has been short and many campuses have been forced to divert more and more of the funds they need to teach students into building repair and replacement, resulting in higher and higher student fees which is an unsustainable strategy for funding basic facilities needs; and

Whereas, The University of Massachusetts and the state and community colleges through the Board of Higher Education have developed comprehensive capital programs based on a broad-based assessment of all its capital needs and these programs provide sufficient capital to bring our campuses up to a competitive standard and to provide 100% of the capital needs of the campuses, bringing relief to operating budgets and stabilizing student charges.

Therefore, be it enacted, as follows:

*Be it enacted by the Senate and House of Representatives in General Court assembled,
And by the authority of the same, as follows:*

- 1 SECTION 1. To provide for a program of capital improvements to public higher education institutions
- 2 of the commonwealth, to correct deferred maintenance, building code, handicapped access, life safety
- 3 code conditions and for the repair and construction of other projects at these facilities, and general

4 rehabilitation of these facilities; to provide support for these institutions, educational missions; and, to
5 enhance regional economic development through educational initiatives, including the planning and
6 studies, the preparation of plans and specifications, construction, renovation, reconstruction, alteration,
7 improvement, demolition, expansion and repair, including furnishings and equipment, of these various
8 institutions and properties, the sums set forth in section two of this act, for the several purposes and
9 subject to the conditions in this act, are hereby made available, subject to the provisions of law
10 regulating the disbursement of public funds and the approval thereof.

11 SECTION 2A. The University of Massachusetts is authorized to expend \$2.14 billion on capital
12 improvements as enumerated in the FY2007 to 2011 University of Massachusetts Capital Plan Update,
13 dated August, 2006, and on file in the State House Library.

14 SECTION 2B. The various state and community colleges, through the Board of Higher Education, are
15 authorized to expend \$1.167 billion for capital expenditures as enumerated in the Massachusetts State
16 and Community Colleges Matching Facilities to Missions: Strategic Capital Program, dated July,
17 2003, and on file in the State House Library.

18 SECTION 3. To meet the expenditures necessary in carrying out the provisions of section two, the
19 state treasurer shall, upon the request of the governor, issue and sell bonds of the commonwealth, in an
20 amount specified by the governor from time to time, not to exceed in the aggregate \$2.643 billion. All
21 bonds issued by the commonwealth, as aforesaid, shall be designated on their face, Higher Education
22 Capital Outlay Loan Act of 2007, and shall be issued for a maximum term not exceeding thirty years,
23 as the governor may recommend to the general court pursuant to Section 3 of Article LXII of the
24 Amendments to the Constitution of the Commonwealth; provided, however, that all such bonds shall
25 be payable no later than 2037. All interest and payments on account of principal of such obligations
26 shall be payable from the General Fund, unless otherwise specified. Bonds and interest thereon issued

27 under the authority of this section, notwithstanding any other provision of this act, shall be general
28 obligations of the commonwealth.

29 SECTION 4. The commonwealth shall reimburse state and community colleges and the University of
30 Massachusetts for capital expenditures for projects specified in section 2B made before the effective
31 date of this act that do not qualify for funding under the bonds issued under section 3. This
32 reimbursement shall be at a level that results in the same percentage of state funding for these projects
33 that is granted to other projects specified in section 2B which are begun after the effective date of this
34 act.