

State of Arizona
House of Representatives
Fifty-second Legislature
Second Regular Session
2016

CHAPTER 238
HOUSE BILL 2271

AN ACT

AMENDING SECTIONS 15-1626, 15-1682 AND 15-1683, ARIZONA REVISED STATUTES;
AMENDING TITLE 15, CHAPTER 13, ARTICLE 5, ARIZONA REVISED STATUTES, BY ADDING
SECTION 15-1696; RELATING TO THE ARIZONA BOARD OF REGENTS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 15-1626, Arizona Revised Statutes, is amended to
3 read:

4 15-1626. General administrative powers and duties of board:
5 definition

6 A. The board shall:

7 1. Have and exercise the powers necessary for the effective governance
8 and administration of the institutions under its control. To that end, the
9 board may adopt, and authorize each university to adopt, such regulations,
10 policies, rules or measures as are deemed necessary and may delegate in
11 writing to its committees, to its university presidents, or their designees,
12 or to other entities under its control, any part of its authority for the
13 administration and governance of such institutions, including those powers
14 enumerated in section 15-1625, subsection B, paragraphs 2 and 4, paragraphs
15 3, 4, 8, 9, 11 and 12 of this subsection and subsection B of this section.
16 Any delegation of authority may be rescinded by the board at any time in
17 whole or in part.

18 2. Appoint and employ and determine the compensation of presidents
19 with such power and authority and for such purposes in connection with the
20 operation of the institutions as the board deems necessary.

21 3. Appoint and employ and determine the compensation of
22 vice-presidents, deans, professors, instructors, lecturers, fellows and such
23 other officers and employees with such power and authority and for such
24 purposes in connection with the operation of the institutions as the board
25 deems necessary, or delegate its authority pursuant to paragraph 1 of this
26 subsection.

27 4. Remove any officer or employee when the interests of education in
28 this state so require in accordance with its personnel rules and policies.

29 5. Fix tuitions and fees to be charged and differentiate the tuitions
30 and fees between institutions and between residents, nonresidents,
31 undergraduate students, graduate students, students from foreign countries
32 and students who have earned credit hours in excess of the credit hour
33 threshold. For the purposes of this paragraph, the undergraduate credit hour
34 threshold is one hundred forty-five hours for students who attend a
35 university under the jurisdiction of the board. The undergraduate credit
36 hour threshold shall be based on the actual full-time equivalent student
37 enrollment counted on the forty-fifth day of every fall and spring semester,
38 divided by two, and any budget adjustment based on student enrollment shall
39 occur in the fiscal year following the actual full-time equivalent student
40 enrollment count. The undergraduate credit hour threshold shall not apply to
41 degree programs that require credit hours above the credit hour threshold,
42 credits earned in the pursuit of up to two baccalaureate degrees, credits
43 earned in the pursuit of up to two state regulated licensures or
44 certificates, credits earned in the pursuit of teaching certification,
45 credits transferred from a private institution of higher education, credits
46 transferred from an institution of higher education in another state, credits

1 earned at another institution of higher education but that are not accepted
2 as transfer credits at the university where the student is currently enrolled
3 and credits earned by students who enroll at a university under the
4 jurisdiction of the board more than twenty-four months after the end of that
5 student's previous enrollment at a public institution of higher education in
6 this state. On or before October 15 of each year, the board shall report to
7 the joint legislative budget committee the number of in-state students and
8 out-of-state students who were enrolled at universities under the
9 jurisdiction of the board during the previous fiscal year who met or exceeded
10 the undergraduate credit hour threshold prescribed in this paragraph. The
11 amount of tuition, registration fees and other revenues included in the
12 operating budget for the university adopted by the board as prescribed in
13 paragraph 13 of this subsection shall be deposited, pursuant to sections
14 35-146 and 35-147. All other tuition and fee revenue shall be retained by
15 each university for expenditure as approved by the board, except that the
16 universities shall not use any tuition or fee revenue to fund or support an
17 alumni association.

18 6. Except as provided in subsection I of this section, adopt rules to
19 govern its tuition and fee setting process that provide for the following:

20 (a) At least one public hearing at each university as an opportunity
21 for students and members of the public to comment on any proposed increase in
22 tuition or fees.

23 (b) Publication of the notice of public hearing at least ten days
24 prior to the hearing in a newspaper of general circulation in Maricopa
25 county, Coconino county and Pima county. The notice shall include the date,
26 time and location of the public hearing.

27 (c) Public disclosure by each university of any proposed increases in
28 tuition or fees at least ten days prior to the public hearing.

29 (d) Final board action on changes in tuition or fees shall be taken by
30 roll call vote.

31 The procedural requirements of subdivisions (a), (b), (c) and (d) of this
32 paragraph apply only to those changes in tuition or fees that require board
33 approval.

34 7. Pursuant to section 35-115, submit a budget request for each
35 institution under its jurisdiction that includes the estimated tuition and
36 fee revenue available to support the programs of the institution as described
37 in the budget request. The estimated available tuition and fee revenue shall
38 be based on the tuition and registration fee rates in effect at the time the
39 budget request is submitted with adjustments for projected changes in
40 enrollment as provided by the board.

41 8. Establish curriculums and designate courses at the several
42 institutions that in its judgment will best serve the interests of this
43 state.

44 9. Award such degrees and diplomas on the completion of such courses
45 and curriculum requirements as it deems appropriate.

1 10. Prescribe qualifications for admission of all students to the
2 universities. The board shall establish policies for guaranteed admission
3 that assure fair and equitable access to students in this state from public,
4 private and charter schools and homeschools. For the purpose of determining
5 the qualifications of honorably discharged veterans, veterans are those
6 persons who served in the armed forces for a minimum of two years and who
7 were previously enrolled at a university or community college in this state.
8 No prior failing grades received by the veteran at the university or
9 community college in this state may be considered.

10 11. Adopt any energy conservation standards promulgated by the
11 department of administration for the construction of new buildings.

12 12. Employ for such time and purposes as the board requires attorneys
13 whose compensation shall be fixed and paid by the board. Litigation to which
14 the board is a party and for which self-insurance is not provided may be
15 compromised or settled at the direction of the board.

16 13. Adopt annually an operating budget for each university equal to
17 the sum of appropriated general fund monies and the amount of tuition,
18 registration fees and other revenues approved by the board and allocated to
19 each university operating budget.

20 14. In consultation with the state board of education and other
21 education groups, develop and implement a program to award honors
22 endorsements to be affixed to the high school diplomas of qualifying high
23 school pupils and to be included in the transcripts of pupils who are awarded
24 endorsements. The board shall develop application procedures and testing
25 criteria and adopt testing instruments and procedures to administer the
26 program. In order to receive an honors endorsement, a pupil must demonstrate
27 an extraordinary level of knowledge, skill and competency as measured by the
28 testing instruments adopted by the board in mathematics, English, science and
29 social studies. Additional subjects may be added at the determination of the
30 board. The program is voluntary for pupils.

31 15. Require the publisher of each literary and nonliterary textbook
32 used in the universities of this state to furnish computer software in a
33 standardized format when software becomes available for nonliterary textbooks
34 to the Arizona board of regents from which braille versions of the textbooks
35 may be produced.

36 16. Require universities that provide a degree in education to require
37 courses that are necessary to obtain a provisional structured English
38 immersion endorsement as prescribed by the state board of education.

39 17. Acquire United States flags for each classroom that are
40 manufactured in the United States and that are at least two feet by three
41 feet and hardware to appropriately display the United States flags, acquire a
42 legible copy of the Constitution of the United States and the Bill of Rights,
43 display the flags in each classroom in accordance with title 4 of the United
44 States Code and display a legible copy of the Constitution of the United
45 States and the Bill of Rights adjacent to the flag.

1 18. To facilitate the transfer of military personnel and their
2 dependents to and from the public schools of this state, pursue, in
3 cooperation with the state board of education, reciprocity agreements with
4 other states concerning the transfer credits for military personnel and their
5 dependents. A reciprocity agreement entered into pursuant to this paragraph
6 shall:

7 (a) Address procedures for each of the following:

8 (i) The transfer of student records.

9 (ii) Awarding credit for completed course work.

10 (iii) Permitting a student to satisfy the graduation requirements
11 prescribed in section 15-701.01 through the successful performance on
12 comparable exit-level assessment instruments administered in another state.

13 (b) Include appropriate criteria developed by the state board of
14 education and the Arizona board of regents.

15 19. Require a university to publicly post notices of all of its
16 employment openings, including the title and description, instructions for
17 applying and relevant contact information.

18 20. In consultation with the community college districts in this
19 state, develop and implement common equivalencies for specific levels of
20 achievement on advanced placement examinations and international
21 baccalaureate examinations in order to award commensurate postsecondary
22 academic credits at community colleges and public universities in this state.

23 21. On or before August 1 of each year, report to the joint
24 legislative budget committee the graduation rate by university campus during
25 the previous fiscal year. The board shall also report the retention rate by
26 university campus and by class, as determined by date of entry during the
27 previous fiscal year.

28 B. The board shall adopt personnel policies for all employees of the
29 board and the universities.

30 C. In conjunction with the auditor general, the board shall develop a
31 uniform accounting and reporting system, which shall be reviewed by the joint
32 legislative budget committee before final adoption by the board. The board
33 shall require each university to comply with the uniform accounting and
34 reporting system.

35 D. The board may employ legal assistance in procuring loans for the
36 institutions from the United States government. Fees or compensation paid
37 for such legal assistance shall not be a claim on the general fund of this
38 state but shall be paid from funds of the institutions.

39 E. The board shall approve or disapprove any contract or agreement
40 entered into by the university of Arizona hospital with the Arizona health
41 facilities authority.

1 F. The board may adopt policies that authorize the institutions under
2 its jurisdiction to enter into employment contracts with nontenured employees
3 for periods of more than one year but not more than five years. The policies
4 shall prescribe limitations on the authority of the institutions to enter
5 into employment contracts for periods of more than one year but not more than
6 five years, including the requirement that the board approve the contracts.

7 G. The board may adopt a plan or plans for employee benefits that
8 allow for participation in a cafeteria plan that meets the requirements of
9 the United States internal revenue code of 1986.

10 H. The board may establish a program for the exchange of students
11 between the universities under the jurisdiction of the board and colleges and
12 universities located in the state of Sonora, Mexico. Notwithstanding
13 subsection A, paragraph 5 of this section, the program may provide for
14 in-state tuition at the universities under the jurisdiction of the board for
15 fifty Sonoran students in exchange for similar tuition provisions for up to
16 fifty Arizona students enrolled or seeking enrollment in Sonoran colleges or
17 universities. The board may direct the universities to work in conjunction
18 with the Arizona-Mexico commission to coordinate recruitment and admissions
19 activities.

20 I. Subsection A, paragraph 6, subdivisions (a), (b), (c) and (d) of
21 this section do not apply to fee increases that are set by individual
22 universities and that do not require approval by the Arizona board of regents
23 before the fee increase becomes effective.

24 J. The Arizona board of regents, in collaboration with the
25 universities under its jurisdiction, shall adopt a performance funding
26 model. The performance funding model shall use performance metrics that
27 include the increase in degrees awarded, the increase in completed student
28 credit hours and the increase in externally generated research and public
29 service funding. The funding formula may give added weight to degrees
30 related to science, technology, engineering and mathematics and other
31 high-value degrees that are in short supply or that are essential to this
32 state's long-term economic development strategy.

33 K. The Arizona board of regents shall use the performance funding
34 model adopted pursuant to subsection J of this section in developing and
35 submitting budget requests for the universities under its jurisdiction.

36 L. On or before November 1 of each year, the Arizona board of regents
37 shall submit to the joint legislative budget committee and the governor's
38 office of strategic planning and budgeting a report on university debt and
39 obligations, including:

- 40 1. Long-term notes and obligations.
- 41 2. Certificates of participation and other obligations pursuant to any
42 lease-purchase agreements.
- 43 3. Revenue bonds.
- 44 4. Bonds issued pursuant to section 15-1682.03.
- 45 5. **COMMERCIAL PAPER ISSUED PURSUANT TO SECTION 15-1696.**

1 M. The report issued pursuant to subsection L of this section shall
2 contain, for the most recent fiscal year:

3 1. The aggregate level of outstanding principal and the principal and
4 interest payments, by type of debt or obligation.

5 2. An itemization, by campus and project, of the amount of yearly
6 principal and interest to be paid in the most recent and the next five fiscal
7 years.

8 N. The board may enter into an intergovernmental agreement pursuant to
9 section 15-1747 to manage universities under its jurisdiction subject to the
10 terms of the reciprocity agreement.

11 O. For the purposes of this section, "university debt and obligations"
12 means debt and obligations, the principal and interest of which are paid in
13 whole or in part with university monies.

14 Sec. 2. Section 15-1682, Arizona Revised Statutes, is amended to read:
15 15-1682. Powers

16 The board shall have power for each institution, as defined in this
17 article, to:

18 1. Acquire, if authorized by the legislature, any project or projects,
19 or any combination thereof, and to secure indirect or ~~third party~~ THIRD-PARTY
20 financing for or own, operate and maintain the same and establish, own,
21 operate and maintain a system of building facilities.

22 2. Acquire by purchase, contract, lease-purchase, lease or gift, and
23 hold or dispose of, real or personal property or rights or interest therein.

24 3. Accept grants, subsidies or loans of monies from a federal agency,
25 or others, ~~upon~~ ON such terms and conditions as may be imposed, and to pledge
26 the proceeds of grants, subsidies or loans of monies received or to be
27 received from the United States of America or any agency or instrumentality
28 thereof, or others, pursuant to agreements entered into between ~~such~~ THE
29 board and the United States of America, or any agency or instrumentality
30 thereof, or others.

31 4. Borrow monies and issue bonds to acquire any one project, or more
32 than one, or any combination thereof, if authorized by the legislature, and
33 to refund bonds heretofore or hereafter issued to acquire any project or
34 projects, or to refund any such refunding bonds, or for any one, or more than
35 one, or all of such purposes, or any combination thereof, and to provide for
36 the security and payment of such bonds and for the rights of the holders
37 thereof.

38 5. Make contracts and leases and execute all instruments and perform
39 all acts and do all things necessary or convenient to carry out the powers
40 granted in this article.

41 6. Retain in its treasury:

42 (a) All monies received from the sale of all bonds issued under this
43 article.

44 (b) All fees, tuitions, rentals and other charges from students,
45 faculty, staff members and others using or being served by, or having the
46 right to use or the right to be served by, or to operate, any project.

1 (c) All fees for student activities and student services and all other
2 fees, tuitions and charges collected from students matriculated, registered
3 or otherwise enrolled at and attending each institution pledged under the
4 terms of any resolution authorizing bonds pursuant to this article.

5 (d) All rentals from any facility or building leased to the United
6 States of America.

7 **7. OBTAIN LINES OF CREDIT FOR CASH MANAGEMENT OR LIQUIDITY PURPOSES**
8 **AND TO ISSUE COMMERCIAL PAPER AS PROVIDED IN SECTION 15-1696.**

9 Sec. 3. Section 15-1683, Arizona Revised Statutes, is amended to read:
10 **15-1683. Issuance of bonds**

11 A. The board shall have power, and is hereby authorized from time to
12 time, to issue bonds:

13 1. To acquire any one project, or more than one, or any combination
14 thereof, for such institution, if both of the following conditions are met:

15 (a) As of the date of issuance of bonds or certificates of
16 participation for any institution, projected debt service on bonds and
17 certificates of participation then outstanding and proposed to be issued for
18 such institution, as shown in the most recent capital improvement plan
19 reported to the board, may not exceed, in any fiscal year shown in such
20 capital improvement plan, more than eight per cent of such institution's
21 total projected expenditures and mandatory transfers. The calculation of
22 compliance with this condition shall be as set forth in and approved by the
23 board in its adopted capital improvement plan for such institution.
24 **PROJECTED DEBT SERVICE IN THE CAPITAL IMPROVEMENT PLAN FOR ANY PROJECT**
25 **FINANCED WITH COMMERCIAL PAPER SHALL BE CALCULATED BASED ON THE PROJECTED**
26 **DEBT SERVICE ON THE PERMANENT FINANCING FOR THE PROJECT OR, FOR PROJECTS THAT**
27 **ARE NOT EXPECTED TO BE REPLACED WITH PERMANENT FINANCING, THE PROJECTED DEBT**
28 **SERVICE SHALL BE CALCULATED BASED ON AN ASSUMED FINANCING TERM OF THIRTY**
29 **YEARS.**

30 (b) The project to be acquired with the proceeds of the bonds is
31 reviewed by the joint committee on capital review.

32 2. To refund bonds heretofore and hereafter issued to acquire any
33 project or projects for such institution as hereinafter provided for.

34 3. To refund any such refunding bonds.

35 4. For any one, or more than one, or all of such purposes, or any
36 combination thereof.

37 B. All bonds shall be authorized by resolution of the board and may be
38 issued in one or more series, may bear such date or dates, may be in such
39 denomination or denominations, may mature at such time or times not exceeding
40 the earlier of forty years from the respective dates thereof or the useful
41 life of the capital improvements, may mature in such amount or amounts, may
42 bear interest at such rate or rates as shall be determined by the board,
43 payable at such time or times, may be in such form, either coupon or
44 registered as to principal only or as to both principal and interest, may
45 carry such registration privileges, including the conversion of a fully
46 registered bond to a coupon bond or bonds and the conversion of a coupon bond

1 to a fully registered bond, may be executed in such manner, may be made
2 payable in such medium of payment, at such place or places within or without
3 the state, and may be subject to such terms of redemption prior to their
4 expressed maturity, with or without premium, as such resolution or other
5 resolutions may provide. All bonds issued under this article shall be sold
6 as the board shall determine. Such resolution may provide that one of the
7 officers of the board shall sign such bonds manually and that the other
8 signatures may be printed, lithographed, engraved or otherwise reproduced
9 thereon. The coupon bonds shall be fully negotiable within the meaning of
10 the uniform commercial code, title 47.

11 Sec. 4. Title 15, chapter 13, article 5, Arizona Revised Statutes, is
12 amended by adding section 15-1696, to read:

13 15-1696. Commercial paper; requirements

14 A. THE BOARD HAS THE POWER AND IS HEREBY AUTHORIZED TO ISSUE
15 COMMERCIAL PAPER FROM TIME TO TIME TO PROVIDE SHORT-TERM FINANCING FOR ANY
16 CAPITAL PROJECT OR COSTS AND EXPENSES RELATED TO A CAPITAL PROJECT OF ONE OR
17 MORE INSTITUTIONS OR TO PROVIDE FOR PAYMENT OF COMMERCIAL PAPER OR OTHER
18 OBLIGATIONS PREVIOUSLY ISSUED. THE COMMERCIAL PAPER MAY BE ISSUED AS NOTES
19 OR OTHER OBLIGATIONS, TO BE ISSUED AS A SINGLE INSTRUMENT OR AS A SUCCESSION
20 OF INSTRUMENTS, EACH OF WHICH MATURES IN NOT MORE THAN TWO HUNDRED SEVENTY
21 DAYS, TO PROVIDE FOR PAYMENT OF INSTRUMENTS PREVIOUSLY ISSUED.

22 B. THE FOLLOWING APPLY TO COMMERCIAL PAPER ISSUED UNDER THIS SECTION:

23 1. COMMERCIAL PAPER MAY BE ISSUED PURSUANT TO A RESOLUTION OF THE
24 BOARD OR PURSUANT TO BOARD-AUTHORIZED AGREEMENTS.

25 2. THE BOARD'S REPAYMENT OBLIGATIONS ON COMMERCIAL PAPER MAY BE
26 PAYABLE FROM AND SECURED BY A PLEDGE OF THE SAME SOURCES AND COVENANTS
27 ALLOWED BY SECTION 15-1685, OR OTHER SOURCES THAT MAY BE PLEDGED WITHOUT
28 VIOLATING ARTICLE IX, SECTION 5, CONSTITUTION OF ARIZONA, OR MAY BE PAYABLE
29 FROM AMOUNTS BUDGETED AND ALLOCATED BY THE BOARD FOR THAT PURPOSE FOR THE
30 CURRENT FISCAL PERIOD.

31 3. ANY COMMERCIAL PAPER PAYABLE FROM AMOUNTS BUDGETED AND ALLOCATED BY
32 THE BOARD FOR THAT PURPOSE FOR THE CURRENT FISCAL PERIOD SHALL PROVIDE THAT
33 BOTH:

34 (a) THE OBLIGATION OF THE BOARD TO MAKE ANY PAYMENTS FOR OR RELATED TO
35 THE COMMERCIAL PAPER IS A CURRENT EXPENSE OF THE BOARD AND IS NOT A GENERAL
36 OBLIGATION INDEBTEDNESS OF THE BOARD OR THIS STATE.

37 (b) IF THE BOARD FAILS TO BUDGET AND ALLOCATE MONIES FOR ANY PERIODIC
38 PAYMENT OR RENEWAL TERM FOR ANY FUTURE FISCAL PERIOD, THE BOARD'S OBLIGATION
39 TO MAKE PAYMENTS FOR OR RELATED TO THE COMMERCIAL PAPER CEASES AT THE END OF
40 THE CURRENT FISCAL PERIOD, AND THE BOARD AND THIS STATE ARE RELIEVED OF ANY
41 SUBSEQUENT PAYMENT OBLIGATIONS.

42 4. THE BOARD SHALL ESTABLISH BY RESOLUTION OR IN THE AUTHORIZING
43 AGREEMENT A FINAL MATURITY DATE OR FINAL RENEWAL PERIOD FOR COMMERCIAL PAPER
44 AND A MAXIMUM RATE OF INTEREST FOR COMMERCIAL PAPER ISSUED PURSUANT TO THIS
45 SECTION. THE INDIVIDUAL INSTRUMENTS REPRESENTING THE COMMERCIAL PAPER MAY
46 BEAR INTEREST AT RATES NOT EXCEEDING THE MAXIMUM RATE ESTABLISHED BY THE

1 BOARD, MAY MATURE AND BE RETIRED, INCLUDING WITH THE PROCEEDS OF SUBSEQUENT
2 INSTRUMENTS, OVER PERIODS ENDING NOT LATER THAN THE FINAL MATURITY DATE OR
3 RENEWAL PERIOD ESTABLISHED BY THE BOARD AND MAY BE RETIRED WITH THE PROCEEDS
4 OF BONDS OR OTHER OBLIGATIONS OF THE BOARD.

5 5. COMMERCIAL PAPER MAY BE SOLD THROUGH AN AGENT OR DEALER THAT IS
6 RECOGNIZED IN MUNICIPAL FINANCE. COMMERCIAL PAPER SHALL MATURE AT INTERVALS,
7 BEAR INTEREST, BE IN THE FORM, BE EXECUTED AND HAVE SUCH OTHER TERMS AND
8 CONDITIONS AS PROVIDED BY THE BOARD.

9 6. IN CONNECTION WITH THE COMMERCIAL PAPER REQUIREMENTS OF THIS
10 SECTION, THE BOARD MAY:

11 (a) CONTRACT WITH A BANK OR OTHER FINANCIAL INSTITUTION, INSURANCE
12 COMPANY OR INDEMNITY COMPANY TO PROVIDE ADDITIONAL SECURITY FOR THE
13 COMMERCIAL PAPER IN THE FORM OF A LETTER OF CREDIT, A LINE OF CREDIT, AN
14 INSURANCE POLICY OR OTHER SECURITY.

15 (b) PAY THE COSTS OF THE ADDITIONAL SECURITY FROM AMOUNTS PROVIDED BY
16 THE COMMERCIAL PAPER OR FROM OTHER LAWFULLY AVAILABLE SOURCES AND MAY ENTER
17 INTO REIMBURSEMENT OBLIGATIONS IN CONNECTION WITH THE COST OF THAT ADDITIONAL
18 SECURITY.

19 7. ANY REIMBURSEMENT OBLIGATION ENTERED INTO WITH A BANK OR OTHER
20 FINANCIAL INSTITUTION, INSURANCE COMPANY OR INDEMNITY COMPANY MAY NOT PROVIDE
21 FOR THE PAYMENT OF INTEREST IN EXCESS OF THE MAXIMUM INTEREST RATE
22 ESTABLISHED BY THE BOARD FOR THE COMMERCIAL PAPER OR A DIFFERENT MAXIMUM
23 INTEREST RATE ESTABLISHED BY THE BOARD FOR THE REIMBURSEMENT OBLIGATION. THE
24 REIMBURSEMENT OBLIGATION MAY BE PAYABLE FROM THE SAME SOURCE AS THE
25 COMMERCIAL PAPER OR FROM OTHER LAWFULLY AVAILABLE MONIES OF THE BOARD BUT MAY
26 NOT CONSTITUTE A GENERAL OBLIGATION OF THE BOARD OR THIS STATE.

27 8. ANY COMMERCIAL PAPER ISSUED BY THE BOARD PURSUANT TO THIS SECTION
28 SHALL BE REPAID WITHIN TWO HUNDRED SEVENTY DAYS, AND AT NO TIME SHALL THE
29 OUTSTANDING PRINCIPAL AMOUNT OF COMMERCIAL PAPER BE MORE THAN TWENTY-FIVE
30 PERCENT OF A UNIVERSITY'S TOTAL DEBT CAPACITY AS REPORTED TO THE BOARD
31 PURSUANT TO SECTION 15-1683, SUBSECTION A, PARAGRAPH 1.

APPROVED BY THE GOVERNOR MAY 12, 2016.

FILED IN THE OFFICE OF THE SECRETARY OF STATE MAY 12, 2016.