

BOARD OF HIGHER EDUCATION

REQUEST FOR BOARD ACTION

NO.: BHE 23-67

BOARD DATE: June 20, 2023

**APPROVAL OF MASSACHUSETTS STATE COLLEGE BUILDING AUTHORITY
REFUNDING REVENUE BONDS STATE UNIVERSITY PROGRAM**

MOVED: The Board of Higher Education (Board) hereby amends BHE 20-08 to authorize the Massachusetts State College Building Authority (the "Authority") to issue one or more series of refunding bonds for the purpose of refunding all or a portion of the Authority's outstanding bonds issued to finance or refinance projects at state universities in order to achieve debt service savings and provide for the costs of issuance of the refunding bonds.

The Board further authorizes and directs the Commissioner, in the name and on behalf of the Board, to approve in writing the issuance by said Authority of bonds for such refunding purpose, and to do all acts and things and to execute and deliver any and all documents, certificates and other instruments necessary or desirable in connection with the issuance of such refunding bonds, including, without limitation, an amended and restated contract with the Authority and a continuing disclosure agreement with the Authority.

VOTED: Motion adopted by the BHE on 6/20/2023.

Authority: Massachusetts General Laws Chapter 15A, Sections 4, 6, and 9; Chapter 703 of the Acts of 1963, sections 1-3, et seq., as amended; BHE 20-08

Contact: Joe Wallerstein, Interim Deputy Commissioner for Administration and Finance

BACKGROUND

This vote amends and therefore supersedes the vote of the Board of Higher Education (Board) passed on April 8, 2020 authorizing the issuance of refunding bonds by the Authority to enable the Authority to also refund outstanding bonds of the Authority issued since that date. [BHE 20-08](#).

In June 2020, MSCBA issued \$395,735,000 2020A taxable refunding bonds. Currently the relationship between taxable and tax-exempt rates is such that the State Universities could realize significant interest payments savings by converting taxable series (2020A, 2019B and 2019C) to tax exempt debt.