

HB0001/179737/1

BY: Budget and Taxation Committee

AMENDMENTS TO HOUSE BILL 1
(Third Reading File Bill)

AMENDMENT NO. 1

On page 2, in line 1, strike “for certain school systems”; in line 7, after “date;” insert “requiring a certain replacement value of certain systems and a certain prioritization of certain systems to be considered during a certain process; requiring a certain reduction to the local cost–share formula and a certain increase to the State cost–share formula for certain counties under certain circumstances;”; and in line 14, after “procedures;” insert “requiring the Interagency Commission on School Construction or, under certain circumstances, the Authority to conduct a certain evaluation of building life–cycles; authorizing the Interagency Commission on School Construction or the Authority to contract with a third party for a certain purpose; requiring the Interagency Commission to provide certain reimbursements for certain projects begun on or after a certain date;”.

On page 3, in line 4, after “circumstances;” insert “authorizing certain bond proceeds to be used for certain purposes in a certain jurisdiction;”; in line 17, after “projects;” insert “requiring the Authority to produce a certain written assessment before a public school facility project receives certain approval;”; in line 25, after “funds;” insert “requiring the Interagency Commission on School Construction or, under certain circumstances, the Authority to conduct a certain analysis and compare the use of certain energy systems before the Interagency Commission on School Construction may provide funding for a project from the Public School Facilities Priority Fund; exempting from the sales and use tax certain construction material purchased by the Authority for certain projects;”; and in line 44, after “contingency;” insert “making this Act contingent on the taking effect of another Act;”.

On page 4, in line 8, strike “5–310(g)(2)” and substitute “5–310(g)”; in line 13, strike “5–303(d)(5)” and substitute “5–303(d)(5) and (k)”; and in the same line, after “5–325,” insert “5–326.”.

(Over)

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On page 5, after line 34, insert:

“BY repealing

The Public Local Laws of Baltimore County
Section 9–1–104(d)
Article 3 – Public Local Laws of Maryland
(2015 Edition and October 2019 Supplement, as amended)

BY adding to

Article - Tax - General
Section 11–236
Annotated Code of Maryland
(2016 Replacement Volume and 2019 Supplement)”.

On page 19, in line 33, after “TECHNICAL” insert “EDUCATION”.

On page 37, strike in their entirety lines 21 through 24, inclusive.

On page 44, in line 31, after “chair” insert “OF”.

AMENDMENT NO. 2

On page 14, strike beginning with the colon in line 3 down through “HAS” in line 6 and substitute “HAS”.

AMENDMENT NO. 3

On page 15, in line 8, strike “Establishing” and substitute “SUBJECT TO SUBSECTION (K) OF THIS SECTION, ESTABLISHING”.

On page 16, after line 3, insert:

“(K) (1) A COUNTY IS ELIGIBLE FOR AN ADJUSTMENT TO THE LOCAL COST-SHARE FOR SCHOOL CONSTRUCTION PROJECTS UNDER PARAGRAPH (2) OF THIS SUBSECTION IF:

(I) A COUNTY’S MEDIAN FAMILY INCOME IS IN THE BOTTOM QUARTILE IN THE STATE; AND

(II) THE STATE AND LOCAL COST-SHARE FORMULA FOR THE COUNTY IS 50% STATE AND 50% LOCAL.

(2) (I) THE LOCAL COST-SHARE OF A SCHOOL CONSTRUCTION PROJECT IN A COUNTY THAT IS ELIGIBLE UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL BE REDUCED TO EQUAL THE LOCAL COST-SHARE OF THE ADJACENT COUNTY THAT IS LESS THAN 50% BUT CLOSEST TO 50%.

(II) THE STATE COST-SHARE OF A SCHOOL CONSTRUCTION PROJECT IN THE ELIGIBLE COUNTY SHALL BE INCREASED BY A PERCENTAGE THAT IS EQUAL TO THE REDUCTION UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH.”

AMENDMENT NO. 4

On page 16, in line 5, after “(g)” insert:

“(1) After completion of the initial facility assessment, the Interagency Commission shall share the data results with the Workgroup on the Assessment and Funding of School Facilities and, with the Workgroup, shall consider:

(i) How the relative condition of public school facilities within the educational facilities sufficiency standards and the facility condition index should be prioritized, taking into account local priorities and in consultation with local jurisdictions; and

(ii) If determined to be appropriate, use of the assessment results in funding decisions.

(Over)

(2) DURING THE CONSIDERATION PROCESS UNDER PARAGRAPH (1)(I) OF THIS SUBSECTION, THE INTERAGENCY COMMISSION AND THE WORKGROUP SHALL:

(I) EVALUATE EACH SCHOOL'S FACILITIES USING THE REPLACEMENT VALUE OF A MODERN SYSTEM; AND

(II) PRIORITIZE BUILDING SYSTEMS THAT ARE FURTHEST BEYOND THE USEFUL LIFE OF THE SYSTEM.”;

and in the same line, strike “(2)” and substitute “(3)”.

AMENDMENT NO. 5

On page 33, in line 19, strike “A” and substitute “(I) SUBJECT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH, A”; and after line 25, insert:

“(II) THE ALLOCATION REQUIRED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH MAY BE PROVIDED ONLY IF THE MAYOR AND CITY COUNCIL OF BALTIMORE CITY SECURE AT LEAST \$30,000,000 IN ADDITIONAL REVENUES FOR THE PROJECT.”.

On page 34, in line 1, strike “PARAGRAPH (2)” and substitute “PARAGRAPHS (2) AND (3)”; and after line 15, insert:

“(3) IN BALTIMORE CITY, THE BOND PROCEEDS AUTHORIZED UNDER § 10-628 OF THIS SUBTITLE MAY BE USED FOR FURNITURE, FIXTURES, EQUIPMENT, DESIGN, AND THE STAFF NECESSARY TO MANAGE THE SCHOOL CONSTRUCTION PROJECTS.”.

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AMENDMENT NO. 6

On page 17, in line 8, strike “and”; in line 9, strike “Develop” and substitute “**FOR THE FIRST \$40,000,000 OF GRANTS, DEVELOP**”; and in line 12, after “Program” insert “**;****AND**”.

(5) AFTER THE ALLOCATION OF GRANTS UNDER ITEM (4) OF THIS SUBSECTION, FOR THE REMAINING GRANTS, DEVELOP A PROCESS TO ALLOCATE GRANT AWARDS UNDER THE PROGRAM THAT ALLOCATES FUNDS BASED ON EACH ELIGIBLE COUNTY BOARD’S PROPORTIONATE SHARE OF PERCENTAGE OF ENROLLMENT GROWTH ABOVE THE STATEWIDE AVERAGE PERCENTAGE”.

AMENDMENT NO. 7

On page 32, in line 26, strike “**AND (3)**” and substitute “**, (3), AND (4)**”.

On page 33, after line 6, insert:

“(4) (I) THE INTERAGENCY COMMISSION ON SCHOOL CONSTRUCTION SHALL PROVIDE FUNDS TO PUBLIC SCHOOL FACILITY PROJECTS FROM THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND OR THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND TO REIMBURSE ELIGIBLE COSTS FOR A PUBLIC SCHOOL FACILITY THAT BEGINS CONSTRUCTION ON OR AFTER JUNE 1, 2020.

(II) ELIGIBLE COSTS IN SUBPARAGRAPH (I) OF THIS PARAGRAPH INCLUDE ITEMS ELIGIBLE FOR STATE FUNDING AS PROVIDED IN SUBSECTION (C) OF THIS SECTION.”.

AMENDMENT NO. 8

On page 19, after line 28, insert:

(Over)

“5-325.

(A) THE INTERAGENCY COMMISSION OR, IF REQUIRED UNDER SUBSECTION (B) OF THIS SECTION, THE MARYLAND STADIUM AUTHORITY SHALL EVALUATE THE LIFE CYCLE COSTS OF PUBLIC SCHOOL BUILDINGS OVER A 50-YEAR PERIOD, INCLUDING:

(1) AN EVALUATION, BASED ON A 50-YEAR PERIOD, OF THE COST AND EFFICIENCY OF USING ALTERNATIVE ENERGY SYSTEMS, INCLUDING GEOTHERMAL, SOLAR, WIND, AND ENERGY STORAGE COMPARED TO A TRADITIONAL ENERGY SYSTEM;

(2) AN ENERGY CONSUMPTION AND SYSTEMS REPLACEMENT ANALYSIS, BASED ON A 50-YEAR PERIOD, OF EACH MAJOR PIECE OF EQUIPMENT IN ANY OF THE FOLLOWING SYSTEMS SERVING THE PUBLIC SCHOOL BUILDING:

(I) THE COOLING SYSTEM;

(II) THE HEATING SYSTEM;

(III) THE HOT WATER SYSTEM;

(IV) THE LIGHTING SYSTEM;

(V) THE VENTILATION SYSTEM; OR

(VI) ANY OTHER MAJOR SYSTEM THAT USES ENERGY; AND

(3) THE IMPACT OF INNOVATIVE BUILDING DESIGN AND MATERIALS ON ENERGY CONSUMPTION, INCLUDING WHITE ROOFS AND GREEN ROOFS.

(B) THE INTERAGENCY COMMISSION OR THE MARYLAND STADIUM AUTHORITY, AS APPLICABLE, MAY CONTRACT WITH A THIRD PARTY TO CONDUCT THE EVALUATION UNDER SUBSECTION (A) OF THIS SECTION.

(C) (1) THE EVALUATION REQUIRED UNDER SUBSECTION (A) OF THIS SECTION SHALL BE CONDUCTED AND SUBMITTED TO THE GENERAL ASSEMBLY IN ACCORDANCE WITH § 2-1257 OF THE STATE GOVERNMENT ARTICLE ON OR BEFORE OCTOBER 1, 2023.

(2) ON OR BEFORE OCTOBER 1, 2020, AND EACH OCTOBER 1 THROUGH 2022, THE INTERAGENCY COMMISSION OR THE MARYLAND STADIUM AUTHORITY SHALL PROVIDE ANNUAL UPDATES ON THE PROGRESS OF THE EVALUATION TO THE GENERAL ASSEMBLY, IN ACCORDANCE WITH § 2-1257 OF THE STATE GOVERNMENT ARTICLE.”.

On page 45, in line 7, strike “5-325.” and substitute “5-326.”.

AMENDMENT NO. 9

On page 47, after line 17, insert:

“Article – Tax – General

11-236.

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

(Over)

(2) (I) “CONSTRUCTION MATERIAL” MEANS AN ITEM OF TANGIBLE PERSONAL PROPERTY THAT IS USED TO CONSTRUCT OR RENOVATE A BUILDING, A STRUCTURE, OR AN IMPROVEMENT ON LAND AND THAT TYPICALLY LOSES ITS SEPARATE IDENTITY AS PERSONAL PROPERTY ONCE INCORPORATED INTO THE REAL PROPERTY.

(II) “CONSTRUCTION MATERIAL” INCLUDES BUILDING MATERIALS, BUILDING SYSTEMS EQUIPMENT, LANDSCAPING MATERIALS, AND SUPPLIES.

(3) “PUBLIC SCHOOL FACILITY” HAS THE MEANING STATED IN § 10–601 OF THE ECONOMIC DEVELOPMENT ARTICLE.

(B) THE SALES AND USE TAX DOES NOT APPLY TO A SALE OF CONSTRUCTION MATERIAL IF:

(1) THE CONSTRUCTION MATERIAL IS PURCHASED BY A PERSON SOLELY FOR USE IN FURTHERANCE OF THE PROVISIONS OF TITLE 10, SUBTITLE 6 OF THE ECONOMIC DEVELOPMENT ARTICLE FOR THE CONSTRUCTION OR REDEVELOPMENT OF A PUBLIC SCHOOL FACILITY;

(2) THE SALE IS MADE ON OR AFTER JUNE 1, 2020; AND

(3) THE BUYER PROVIDES THE VENDOR WITH EVIDENCE OF ELIGIBILITY FOR THE EXEMPTION ISSUED BY THE COMPTROLLER.

(C) THE COMPTROLLER SHALL ADOPT REGULATIONS TO IMPLEMENT THIS SECTION.”.

AMENDMENT NO. 10

On page 48, after line 3, insert:

“SECTION 10. AND BE IT FURTHER ENACTED, That Section(s) 9–1–104(d) of Article 3 – Baltimore County of the Code of Public Local Laws of Maryland be repealed.”;

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and in lines 4 and 8, strike “10.” and “11.”, respectively, and substitute “11.”, and “12.”, respectively.

AMENDMENT NO. 11

On page 48, strike in their entirety lines 10 and 11 and substitute:

“SECTION 13. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2020, contingent on the taking effect of Chapter _____ (S.B. 1000/H.B. 1300) of the Acts of the General Assembly of 2020, and if Chapter _____ (S.B. 1000/H.B. 1300) does not become effective, this Act, with no further action required by the General Assembly, shall be null and void.”.