HOUSE BILL 727

C8, F5

By: Delegates Dumais, Solomon, Branch, Chang, Glenn, Hill, Jackson, Korman, Krimm, J. Lewis, Patterson, and P. Young

Introduced and read first time: February 8, 2019
Assigned to: Appropriations

A BILL ENTITLED

AN ACT concerning

Public School Construction – Maryland Stadium Authority – Supplemental Funds

FOR the purpose of authorizing the Maryland Stadium Authority to issue bonds to finance the construction of or improvements to certain public school facilities subject to certain limitations; specifying that certain expenses incurred by the Authority are payable only from certain funds; specifying that certain bonds issued under this Act are a limited obligation of the Authority payable solely from certain pledged money and are not a debt, liability, moral obligation, or pledge of the faith and credit or taxing power of the State, the Authority, or any other governmental unit; requiring the Authority to obtain approval from the Board of Public Works before each issuance of bonds to finance improvements to public school facilities; requiring the Comptroller to deposit a certain amount into a certain fund until a certain condition is met; requiring the Authority to transfer certain funds under certain circumstances; authorizing the Authority to transfer certain funds under certain circumstances; requiring county boards of education to take certain actions in connection with improvements to public school facilities; providing for the payment of certain costs; requiring the Authority to submit a certain annual report on or before a certain date; requiring the Interagency Commission on School Construction to provide certain recommendations regarding projects to be funded from a certain fund; requiring the Authority to take certain actions related to public school facility projects; establishing the Supplemental Public School Construction Financing Fund and the Supplemental Public School Construction Fund as continuing, nonlapsing funds; specifying the contents of the funds and providing for the uses of the funds; exempting the funds from a certain provision of law requiring interest on State money in special funds to accrue to the General Fund of the State; limiting the amount of debt that may be issued by the Authority to finance certain public school facilities projects; providing that money deposited in a certain fund may be used as security for a bond issue; altering the distribution of certain State lottery revenues and requiring the State Comptroller to distribute certain State lottery revenues into

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.
[Brackets] indicate matter deleted from existing law.
a certain fund; requiring certain reports and notifications; defining certain terms; altering certain definitions; making a stylistic change; providing for a delayed effective date for a certain provision of this Act; and generally relating to public school construction projects in the State.

BY repealing and reenacting, with amendments,
Article – Economic Development
Section 10–601, 10–620(e) and (f), 10–628(c), 10–634, and 10–658
Annotated Code of Maryland
(2018 Replacement Volume)

BY adding to
Article – Economic Development
Section 10–649, 10–650, 10–658, and 10–658.1
Annotated Code of Maryland
(2018 Replacement Volume)

BY repealing and reenacting, without amendments,
Article – State Finance and Procurement
Section 6–226(a)(2)(i)
Annotated Code of Maryland
(2015 Replacement Volume and 2018 Supplement)

BY repealing and reenacting, with amendments,
Article – State Finance and Procurement
Section 6–226(a)(2)(ii)112. and 113.
Annotated Code of Maryland
(2015 Replacement Volume and 2018 Supplement)

BY adding to
Article – State Finance and Procurement
Section 6–226(a)(2)(ii)114. and 115.
Annotated Code of Maryland
(2015 Replacement Volume and 2018 Supplement)

BY repealing and reenacting, with amendments,
Article – State Government
Section 9–120
Annotated Code of Maryland
(2014 Replacement Volume and 2018 Supplement)

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

Article – Economic Development

10–601.
(a) In this subtitle the following words have the meanings indicated.

(b) “Authority” means the Maryland Stadium Authority.

(c) “Authority affiliate” means a for-profit or nonprofit entity in which the Authority directly or indirectly owns any membership interest or equity interest.

(d) “Baltimore City” means, as the context requires:

(1) the geographic area of the City of Baltimore; or

(2) the Mayor and City Council of Baltimore.

(e) “Baltimore City Board of School Commissioners” means the Baltimore City Board of School Commissioners of the Baltimore City Public School System established under § 3–108.1 of the Education Article.

(f) “Baltimore City Public School Construction Facilities Fund” means the Baltimore City Public School Construction Facilities Fund established under § 10–657 of this subtitle.

(g) “Baltimore City Public School Construction Financing Fund” means the Baltimore City Public School Construction Financing Fund established under § 10–656 of this subtitle.

(h) “Baltimore City public school facility” means a property primarily used for educational instruction that:

(1) is held in trust by Baltimore City or the Baltimore City Board of School Commissioners for the benefit of the Baltimore City Public School System; and

(2) is designated for improvement under the memorandum of understanding between the Authority, Baltimore City, the Baltimore City Board of School Commissioners, and the Interagency [Committee] COMMISSION on School Construction entered into in accordance with § 10–646 of this subtitle.

(i) “Baltimore City public school site” means the site of any Baltimore City public school facility.

(j) (1) “Baltimore Convention facility” means:

(i) a convention center, trade show facility, meeting hall, or other structure in Baltimore City used to hold conventions, trade shows, meetings, displays, or similar events; and

(ii) offices, parking lots or garages, access roads, hotels, restaurants,
railroad sidings, and any other structures, improvements, equipment, furnishings, or other property functionally related to the facilities described in item (i) of this paragraph.

(2) “Baltimore Convention facility” includes the following, if used, useful, or usable in the future as, or in connection with, a Baltimore Convention facility:

(i) land, structures, equipment, property, property rights, property appurtenances, rights-of-way, franchises, easements, and other interests in land;

(ii) land and facilities that are functionally related to a Baltimore Convention facility; and

(iii) patents, licenses, and other rights necessary or useful to construct or operate a Baltimore Convention facility.

(k) “Baltimore Convention Fund” means the Baltimore Convention Financing Fund established under § 10–651 of this subtitle.

(l) “Baltimore Convention site” means the site of the Baltimore Convention Center located in Baltimore City at the address generally known as 1 West Pratt Street, identified in the State Department of Assessments and Taxation Real Property database as tax identification number Ward 22, Section 01, Block 0682, Lots 001 and 001A.

(m) “Bond” includes a note, an interim certificate, refunding bond, and any other evidence of obligation issued under this subtitle.

(n) “Camden Yards” means the area comprising approximately 85 acres in Baltimore City bounded by Camden Street on the north, Russell Street on the west, Ostend Street on the south, and Howard Street and Interstate 395 on the east.

(o) “Camden Yards Fund” means the Camden Yards Financing Fund established under § 10–652 of this subtitle.

(p) “Convention facility” means the Baltimore Convention facility, the Montgomery County Conference facility, and the Ocean City Convention facility.

(q) “COUNTY BOARD OF EDUCATION” means the board of education of a county and includes the BALTIMORE CITY BOARD OF SCHOOL COMMISSIONERS.

(R) “Facility” means:

(1) a structure or other improvement developed at Camden Yards;

(2) a convention facility;
(3) the Hippodrome Performing Arts facility;

(4) a sports facility; [or]

(5) a Baltimore City public school facility; OR

(6) A PUBLIC SCHOOL FACILITY.

[(r) (S)] “Governmental unit” means a county, a municipal corporation, a unit of State or local government, or any other public body created under State or local law.

[(s) (T)] (1) “Hippodrome Performing Arts facility” means the performing arts center facility located at the Hippodrome Performing Arts site.

(2) “Hippodrome Performing Arts facility” includes, at the Hippodrome Performing Arts site:

(i) the Hippodrome theater and offices;

(ii) food service facilities; and

(iii) any other functionally related property, structures, improvements, furnishings, or equipment.

[(t) (U)] “Hippodrome Performing Arts Fund” means the Hippodrome Performing Arts Financing Fund established under § 10–653 of this subtitle.

[(u) (V)] “Hippodrome Performing Arts site” means the site of the France–Merrick Performing Arts Center located in Baltimore City at the address generally known as:

(1) 12 North Eutaw Street Building, identified in the State Department of Assessments and Taxation Real Property database as tax identification number Ward 04, Section 08, Block 0631, Lot 001; and

(2) 401 West Fayette Street, identified in the State Department of Assessments and Taxation Real Property database as tax identification number Ward 04, Section 08, Block 0631, Lot 013.

[(v) (W)] “Improve” means to add, alter, construct, equip, expand, extend, improve, install, reconstruct, rehabilitate, remodel, or repair.

[(w) (X)] “Improvement” means addition, alteration, construction, equipping, expansion, extension, improvement, installation, reconstruction, rehabilitation, remodeling, or repair.
[(x)] (Y) “Montgomery County” includes the Montgomery County Revenue Authority.

[(y)] (Z) (1) “Montgomery County Conference facility” means the Conference Center facility located at the Montgomery County Conference site used for conferences, trade shows, meetings, displays, or similar events.

(2) “Montgomery County Conference facility” includes, at the Montgomery County Conference site, offices, parking lots and garages, access roads, food service facilities, and other functionally related property, structures, improvements, furnishings, or equipment.

(3) “Montgomery County Conference facility” does not include the privately owned hotel adjacent to the Montgomery County Conference Center.

[(z)] (AA) “Montgomery County Conference Fund” means the Montgomery County Conference Financing Fund established under § 10–654 of this subtitle.

[(aa)] (BB) “Montgomery County Conference site” means the site of the Montgomery County Conference Center located in Rockville at the address generally known as 5701 Marinelli Road, identified in the State Department of Assessments and Taxation Real Property database as tax identification number District 04, Account Number 03392987.

[(bb)] (CC) (1) “Ocean City Convention facility” means:

   (i) a convention center, trade show facility, meeting hall, or other structure in Ocean City used to hold conventions, trade shows, meetings, displays, or similar events; and

   (ii) offices, parking lots or garages, access roads, food service facilities, and any other structures, improvements, equipment, furnishings, or other property functionally related to the facilities described in item (i) of this paragraph.

(2) “Ocean City Convention facility” includes the following, if used, useful, or usable in the future as, or in connection with, an Ocean City Convention facility:

   (i) land, structures, equipment, property, property rights, property appurtenances, rights-of-way, franchises, easements, and other interests in land;

   (ii) land and facilities that are functionally related to an Ocean City Convention facility; and

   (iii) patents, licenses, and other rights necessary or useful to construct or operate an Ocean City Convention facility.
“Ocean City Convention Fund” means the Ocean City Convention Financing Fund established under § 10–655 of this subtitle.

“Ocean City Convention site” means the site of the Ocean City Convention Center located in Ocean City at the address generally known as 4001 Coastal Highway, identified in the State Department of Assessments and Taxation Real Property database as tax identification numbers District 10, Account Number 055237; District 10, Account Number 066301; District 10, Account Number 247942; and District 10, Account Number 280346.

“Public school facility” means a building, a parking facility, an athletic facility, a testing facility, or any other facility related to educational instruction that:

1. is held in trust by a county board of education for the benefit of the county public school system; and

2. is designated for improvement under the memorandum of understanding between the authority, the county, the county board of education, and the interagency commission on school construction entered into in accordance with § 10–650 of this subtitle.

“Public school site” means the site of any public school facility in the state.

“Sports facility” means:

1. a stadium primarily for professional football, major league professional baseball, or both, in the Baltimore metropolitan region, as defined in § 13–301 of this article;

2. practice fields or other areas where professional football or major league professional baseball teams practice or perform; and

3. offices for professional football and major league professional baseball teams or franchises.

“Sports facility” includes parking lots, garages, and any other property adjacent and directly related to an item listed in paragraph (1) of this subsection.

“Supplemental public school construction financing fund” means the Supplemental Public School Construction Financing Fund established under § 10–658 of this subtitle.

“Supplemental public school construction financing fund” means the
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SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FUND ESTABLISHED UNDER § 10–658.1 OF THIS SUBTITLE.

[(ff) (KK) “Tax supported debt” has the meaning stated in § 8–104 of the State Finance and Procurement Article.

10–620.

(e) (1) This subsection does not apply to the Camden Yards site, Baltimore Convention site, Ocean City Convention site, Hippodrome Performing Arts site, [or] any Baltimore City public school site, OR ANY PUBLIC SCHOOL SITE.

(2) The Authority and any Authority affiliate is subject to applicable planning, zoning, and development regulations to the same extent as a private commercial or industrial enterprise.

(f) The Authority shall:

(1) in cooperation with Baltimore City, appoint a task force that includes residents and business and institutional representatives from the area adjacent to Camden Yards to review the schematic, preliminary, and final plans for facilities at Camden Yards;

(2) submit schematic plans for development of Camden Yards and the Baltimore Convention site to Baltimore City for review and comment before acquiring any property;

(3) with respect to Camden Yards, the Baltimore Convention facility, and the Hippodrome Performing Arts facility, submit preliminary and final plans to Baltimore City for review and comment;

(4) with respect to Camden Yards, the Baltimore Convention facility, and the Hippodrome Performing Arts facility, participate in the design review processes of Baltimore City; [and]

(5) with respect to a Baltimore City public school facility, perform the actions required under §§ 10–645, 10–646, 10–656, and 10–657 of this subtitle; AND

(6) WITH RESPECT TO A PUBLIC SCHOOL FACILITY, PERFORM THE ACTIONS REQUIRED UNDER §§ 10–649, 10–650, 10–658, AND 10–658.1 OF THIS SUBTITLE.

10–628.

(c) (1) Unless authorized by the General Assembly, the Board of Public Works may not approve an issuance by the Authority of bonds, whether taxable or tax exempt,
that constitute tax supported debt or nontax supported debt if, after issuance, there would
be outstanding and unpaid more than the following face amounts of the bonds for the
purpose of financing acquisition, **IMPROVEMENTS INCLUDING** construction[,] AND
renovation, and related expenses for construction management, professional fees, and
contingencies in connection with:

(i) the Baltimore Convention facility — $55,000,000;
(ii) the Hippodrome Performing Arts facility — $20,250,000;
(iii) the Montgomery County Conference facility — $23,185,000;
(iv) the Ocean City Convention facility — $17,340,000; [and]
(v) Baltimore City public school facilities — $1,100,000,000;

AND

(VI) **PUBLIC SCHOOL FACILITIES IN THE STATE** — $1,800,000,000.

(2) (i) The limitation under paragraph (1)(i) of this subsection applies
to the aggregate principal amount of bonds outstanding as of June 30 of any year.

(ii) Refunded bonds may not be included in the determination of an
outstanding aggregate amount under this paragraph.

10–634.

(a) A pledge by the Authority of revenues or money deposited in the Baltimore
City Public School Construction Financing Fund **OR THE SUPPLEMENTAL PUBLIC**
**SCHOOL CONSTRUCTION FINANCING FUND** as security for an issue of bonds is valid
and binding from when the pledge is made.

(b) (1) The revenues or money deposited in the Baltimore City Public School
Construction Financing Fund **OR THE SUPPLEMENTAL PUBLIC SCHOOL**
**CONSTRUCTION FINANCING FUND** that are pledged are immediately subject to the lien
of the pledge without any physical delivery or further act.

(2) The lien of any pledge is valid and binding against any person having a
claim against the Authority in tort, contract, or otherwise, regardless of whether the person
has notice of the lien.

(c) Notwithstanding any other provision of law, in order to perfect a lien on
pledged revenues or money deposited in the Baltimore City Public School Construction
Financing Fund **OR THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION**
FINANCING FUND against a third person, it is not necessary to file or record any document adopted or entered into by the Authority in any public record other than in the records of the Authority.

10–649.

(A) (1) THE AUTHORITY MAY NOT USE ANY CURRENT SOURCES OF FUNDS, WHETHER APPROPRIATED OR NONBUDGETED, TO PAY FOR ANY COSTS OR EXPENSES RELATED TO FINANCING PUBLIC SCHOOL FACILITIES.

(2) THE SOLE SOURCE OF PAYMENT FOR ANY COSTS OR EXPENSES RELATED TO FINANCING PUBLIC SCHOOL FACILITIES SHALL BE THE MONEY ON DEPOSIT IN THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FUND AND THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND AND BOND PROCEEDS HELD UNDER A TRUST AGREEMENT.

(B) AT LEAST 45 DAYS BEFORE SEEKING APPROVAL OF THE BOARD OF PUBLIC WORKS FOR EACH PUBLIC SCHOOL FACILITIES BOND ISSUE, THE AUTHORITY SHALL PROVIDE TO THE FISCAL COMMITTEES OF THE GENERAL ASSEMBLY WRITTEN NOTICE OF:

(1) THE AGGREGATE AMOUNT OF FUNDS NEEDED FOR THE PUBLIC SCHOOL FACILITIES TO BE FINANCED WITH THE PROPOSED BONDS;

(2) A LIST OF THE PUBLIC SCHOOL FACILITIES TO BE CONSTRUCTED OR RENOVATED;

(3) THE ANTICIPATED TOTAL DEBT SERVICE FOR THE PROPOSED BOND ISSUE; AND

(4) THE ANTICIPATED TOTAL DEBT SERVICE WHEN COMBINED WITH THE DEBT SERVICE FOR ALL PRIOR OUTSTANDING BOND ISSUES FOR PUBLIC SCHOOL FACILITIES.

(C) (1) A BOND ISSUED TO FINANCE IMPROVEMENTS, CONSTRUCTION, OR RENOVATIONS TO A PUBLIC SCHOOL FACILITY:

(I) IS A LIMITED OBLIGATION OF THE AUTHORITY PAYABLE SOLELY FROM MONEY PLEDGED BY THE AUTHORITY TO THE PAYMENT OF THE PRINCIPAL OF AND THE PREMIUM AND INTEREST ON THE BOND OR MONEY MADE AVAILABLE TO THE AUTHORITY FOR THAT PURPOSE;

(II) IS NOT A DEBT, LIABILITY, OR PLEDGE OF THE FAITH AND
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CREDIT OR THE TAXING POWER OF THE STATE, THE AUTHORITY, OR ANY OTHER
GOVERNMENTAL UNIT; AND

(III) MAY NOT GIVE RISE TO ANY PECUNIARY LIABILITY OF THE
STATE, THE AUTHORITY, OR ANY OTHER GOVERNMENTAL UNIT.

(2) THE ISSUANCE OF A BOND TO FINANCE IMPROVEMENTS TO A
PUBLIC SCHOOL FACILITY IS NOT DIRECTLY, INDIRECTLY, OR CONTINGENTLY A
MORAL OR OTHER OBLIGATION OF THE STATE, THE AUTHORITY, OR ANY OTHER
GOVERNMENTAL UNIT TO LEVY OR PLEDGE ANY TAX OR TO MAKE AN
APPROPRIATION TO PAY THE BOND.

(3) EACH BOND SHALL STATE ON ITS FACE THE PROVISIONS OF
PARAGRAPHS (1) AND (2) OF THIS SUBSECTION.

(D) BEFORE EACH ISSUANCE OF BONDS TO FINANCE IMPROVEMENTS TO A
PUBLIC SCHOOL FACILITY, THE AUTHORITY SHALL OBTAIN THE APPROVAL OF THE
BOARD OF PUBLIC WORKS OF THE PROPOSED BOND ISSUE.

(E) THE TOTAL DEBT SERVICE FOR ANY BOND ISSUE, WHEN ADDED TO ALL
PRIOR OUTSTANDING BOND ISSUES RELATED TO IMPROVEMENTS TO PUBLIC
SCHOOL FACILITIES, MAY NOT EXCEED THE TOTAL AMOUNT OF THE FUNDS
PROVIDED UNDER § 9–120(B)(1)(IV) OF THE STATE GOVERNMENT ARTICLE AND
THE FUNDS PROVIDED UNDER SUBSECTION (G) OF THIS SECTION.

(F) BEGINNING JULY 1, 2020, AND CONTINUING UNTIL THE BONDS THAT
HAVE BEEN ISSUED TO FINANCE IMPROVEMENTS TO PUBLIC SCHOOL FACILITIES
ARE NO LONGER OUTSTANDING AND UNPAID, THE COMPTROLLER SHALL DEPOSIT
INTO THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND THE
AMOUNT SET FORTH IN § 9–120(B)(1)(IV) OF THE STATE GOVERNMENT ARTICLE.

(G) (1) IF THE MONEY DEPOSITED INTO THE SUPPLEMENTAL PUBLIC
SCHOOL CONSTRUCTION FINANCING FUND IN ACCORDANCE WITH SUBSECTION (F)
OF THIS SECTION IS NOT NEEDED FOR DEBT SERVICE OR DEBT SERVICE RESERVES,
THE AUTHORITY MAY TRANSFER THOSE FUNDS TO THE SUPPLEMENTAL PUBLIC
SCHOOL CONSTRUCTION FUND.

(2) IF FUNDS ARE NEEDED FOR DEBT SERVICE OR DEBT SERVICE
RESERVES, THE AUTHORITY MAY TRANSFER MONEY IN THE SUPPLEMENTAL
PUBLIC SCHOOL CONSTRUCTION FUND TO THE SUPPLEMENTAL PUBLIC SCHOOL
CONSTRUCTION FINANCING FUND.

(H) IN CONNECTION WITH IMPROVEMENTS TO PUBLIC SCHOOL FACILITIES,
A COUNTY BOARD OF EDUCATION SHALL:

(1) deliver to the Authority buildable sites, ready for improvement and free from any restrictions, easements, impediments, hazards, or conditions that would affect the Authority’s schedule or budget for the improvement to a public school facility;

(2) deliver to the Authority a public school facility with title that has vested in the county board of education or in an entity approved by the county board of education other than the Authority;

(3) except for a transfer or an assignment to the county board of education, obtain the approval of the State Superintendent of Schools and the Board of Public Works before the sale, assignment, mortgage, pledge, or encumbrance of any public school facility or any interest in the facility; and

(4) ensure that no public school facility is sold, assigned, mortgaged, pledged, or encumbered without the consent of the Authority if there are proceeds of bonds still outstanding or unpaid that were used in the construction of or renovations to the public school facility.

(I) (1) Subject to subsection (A) of this section, before any bonds are issued to finance improvements to a public school facility, the Authority may pay for any costs of start-up, administration, overhead, and operations of the Authority or costs of engineering, architectural, and other design professionals.

(2) Prior to availability of funds from the Supplemental Public School Construction Fund, the Authority shall be entitled to reimbursement for any costs incurred under paragraph (1) of this subsection from the Supplemental Public School Construction Financing Fund.

(3) (I) Any cost overruns, unbudgeted expenses, or unforeseen costs incurred in connection with an improvement to a public school facility shall be payable solely from the Supplemental Public School Construction Fund.

(II) If any cost overruns, unbudgeted expenses, or unforeseen costs occur as described in subparagraph (I) of this paragraph, the Authority staff shall provide a detailed report to the
Authority explaining the reasons for the cost overruns, unbudgeted expenses, or unforeseen costs and a description of the actions taken by the Authority to control costs within the budget established for each improvement to a public school facility.

(J) On January 15, 2021, and each January 15 thereafter, the Authority shall report to the Governor, the Board of Public Works, and, in accordance with § 2–1246 of the State Government Article, the fiscal committees of the General Assembly on the progress of construction and renovations of public school facilities, including actions:

1. Taken during the previous fiscal year; and
2. Planned for the current fiscal year.

10–650.

(A) The Interagency Commission on School Construction shall, in accordance with the process established in § 5–304 of the Education Article, provide recommendations for public school facility projects to be funded from the Supplemental Public School Construction Fund.

(B) (1) Except as provided in subsection (c) of this section, the Authority shall contract, manage, and oversee public school facility projects funded from the Supplemental Public School Construction Fund.

(2) Before a public school facility project is approved for funding from the Supplemental Public School Construction Fund, the Authority shall enter into a memorandum of understanding with the Interagency Commission on School Construction and the county board of education or the county, or both, for the management and oversight of a public school facility project.

(3) (i) The memorandum of understanding shall authorize the Authority to design and improve, or contract for the design and improvement of, a public school facility.

(ii) The memorandum of understanding shall include a provision that the State and local cost–share for the county established in regulations shall apply to the public school facility project.
(C) The Interagency Commission on School Construction may grant a waiver from the management requirement set forth in subsection (b)(1) of this section if the Interagency Commission determines that a county board of education employs staff and possesses the resources necessary to manage and oversee public school facility projects.

10–658.

(A) There is a Supplemental Public School Construction Financing Fund.

(B) (1) The Supplemental Public School Construction Financing Fund is a continuing, nonlapsing fund that shall be available to implement this subtitle concerning public school facilities.

(2) The Authority shall:

(I) use the Supplemental Public School Construction Financing Fund as a revolving fund for carrying out this subtitle concerning public school facilities; and

(II) pay any and all expenses from the Supplemental Public School Construction Financing Fund that are incurred by the Authority related to any public school facilities.

(C) (1) To the extent considered appropriate by the Authority, the money on deposit in the Supplemental Public School Construction Financing Fund shall be pledged to and used to pay the following relating to public school facilities:

(I) debt service on Authority bonds;

(II) debt service reserves under a trust agreement;

(III) all reasonable charges and expenses related to Authority borrowing; and

(IV) all reasonable charges and expenses related to the Authority’s administration of the Supplemental Public School Construction Financing Fund and management of the Authority’s obligations.
(2) The pledge shall be effective as provided in § 10–634 of this subtitle and any applicable Authority resolution.

(d) The Supplemental Public School Construction Financing Fund consists of:

(1) money deposited into the Supplemental Public School Construction Financing Fund;

(2) to the extent that the proceeds are not under a trust agreement, proceeds from the sale of bonds concerning public school facilities;

(3) revenues collected or received from any source under this subtitle related to public school building opportunity facilities;

(4) funds to be deposited in accordance with § 10–649 of this subtitle; and

(5) any additional money made available from any public source for the purposes established for the Supplemental Public School Construction Financing Fund.

(e) (1) The State Treasurer shall invest the money of the Supplemental Public School Construction Financing Fund in the same manner as other State funds.

(2) Any investment earnings shall be credited to the Supplemental Public School Construction Financing Fund.

(3) No part of the Supplemental Public School Construction Financing Fund may revert or be credited to the General Fund or any special fund of the State.

(f) The money in the Supplemental Public School Construction Financing Fund shall be used to supplement, but not supplant, money appropriated to the Public School Construction Program established in Title 5, Subtitle 3 of the Education Article.

10–658.1.

(A) There is a Supplemental Public School Construction Fund.
(B) (1) **The Supplemental Public School Construction Fund** is a continuing, nonlapsing fund that shall be available to implement this subtitle concerning public school facilities.

(2) **The Authority shall:**

   (i) use the **Supplemental Public School Construction Fund** as a revolving fund for carrying out this subtitle concerning public school facilities; and

   (ii) to the extent authorized by federal tax law, pay any and all expenses from the **Supplemental Public School Construction Fund** that are incurred by the Authority related to any public school facilities.

(C) (1) To the extent considered appropriate by the Authority, the money on deposit in the **Supplemental Public School Construction Fund** shall be used to pay the following relating to public school facilities:

   (i) debt service on Authority bonds;

   (ii) design and construction costs relating to public school facilities;

   (iii) to the extent authorized by federal tax law, costs of start-up, administration, overhead, and operations related to the management of improvements to public school facilities authorized under this subtitle; and

   (iv) all reasonable charges and expenses related to the Authority’s administration of the **Supplemental Public School Construction Fund** and the **Supplemental Public School Construction Financing Fund** and management of the Authority’s obligations.

(2) In addition to the uses authorized in paragraph (1) of this subsection, the Authority may transfer money on deposit in the **Supplemental Public School Construction Fund** to the Local Share of School Construction Costs Revolving Loan Fund established under § 5–315 of the Education Article to provide loans to local governments in accordance with the requirements specified in that section.
(d) The Supplemental Public School Construction Fund consists of:

(1) Funds transferred from the Supplemental Public School Construction Financing Fund to the Supplemental Public School Construction Fund in accordance with § 10–649 of this subtitle; and

(2) Any additional money made available from any public source for the purposes established for the Supplemental Public School Construction Fund.

(e) (1) The State Treasurer shall invest the money of the Supplemental Public School Construction Fund in the same manner as other State funds.

(2) Any investment earnings shall be credited to the Supplemental Public School Construction Fund.

(3) No part of the Supplemental Public School Construction Fund may revert or be credited to the General Fund or any special fund of the State.

(f) The money in the Supplemental Public School Construction Fund shall be used to supplement, but not supplant, money appropriated to the Public School Construction Program established in Title 5, Subtitle 3 of the Education Article.


This subtitle may be cited as the Maryland Stadium Authority Act.

Article – State Finance and Procurement

(a) (2) (i) Notwithstanding any other provision of law, and unless inconsistent with a federal law, grant agreement, or other federal requirement or with the terms of a gift or settlement agreement, net interest on all State money allocated by the State Treasurer under this section to special funds or accounts, and otherwise entitled to receive interest earnings, as accounted for by the Comptroller, shall accrue to the General Fund of the State.

(ii) The provisions of subparagraph (i) of this paragraph do not apply
to the following funds:

112. the Pretrial Services Program Grant Fund; [and]

113. the Veteran Employment and Transition Success Fund;

114. THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FUND; AND

115. THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND.

SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:

Article – State Government

9–120.

(a) The Comptroller shall distribute, or cause to be distributed, the State Lottery Fund to pay:

(1) on a pro rata basis for the daily and nondaily State lottery games, the expenses of administering and operating the State lottery, as authorized under this subtitle and the State budget; and

(2) then, except as provided in § 10–113.1 of the Family Law Article, § 11–618 of the Criminal Procedure Article, and § 3–307 of the State Finance and Procurement Article, the holder of each winning ticket or share.

(b) (1) By the end of the month following collection, the Comptroller shall deposit or cause to be deposited:

(i) into the Maryland Stadium Facilities Fund established under § 7–312 of the State Finance and Procurement Article from the money that remains in the State Lottery Fund, after the distribution under subsection (a) of this section, an amount not to exceed $20,000,000 in any fiscal year;

(ii) after June 30, 2014, into the Maryland Veterans Trust Fund 10% of the money that remains in the State Lottery Fund from the proceeds of sales of tickets from instant ticket lottery machines by veterans’ organizations under § 9–112(d) of this subtitle, after the distribution under subsection (a) of this section;

(iii) after June 30, 2014, into the Baltimore City Public School Construction Financing Fund established under § 10–656 of the Economic Development Article the money that remains in the State Lottery Fund from the proceeds of all lotteries
after the distributions under subsection (a) of this section and items (i) and (ii) of this paragraph, an amount equal to $20,000,000 in each fiscal year that bonds are outstanding and unpaid, to be paid in two installments with at least $10,000,000 paid no later than December 1 of each fiscal year;

(iv) after June 30, 2016, into the Racing Special Fund established under § 11–401 of the Business Regulation Article from money that remains in the State Lottery Fund after the distributions under subsection (a) of this section and items (i), (ii), and (iii) of this paragraph, an amount equal to $500,000;

(v) after June 30, 2017, into the Racing Special Fund established under § 11–401 of the Business Regulation Article from money that remains in the State Lottery Fund after the distributions under subsection (a) of this section and items (i), (ii), (iii), and (iv) of this paragraph, an amount equal to $1,000,000 in each fiscal year; AND

(VI) after June 30, 2020, into the Supplemental Public School Construction Financing Fund established under § 10–658 of the Economic Development Article the money that remains in the State Lottery Fund from the proceeds of all lotteries after the distributions under subsection (a) of this section and items (i) through (v) of this paragraph, an amount equal to $125,000,000 in each fiscal year that bonds are outstanding and unpaid, to be paid in two installments with at least $62,500,000 paid not later than December 1 each fiscal year; AND

[(vi)](VII) into the General Fund of the State the money that remains in the State Lottery Fund from the proceeds of all lotteries after the distributions under subsection (a) of this section and items (i), (ii), (iii), (iv), [and] (v), AND (VI) of this paragraph.

(2) The money paid into the General Fund under this subsection is available in the fiscal year in which the money accumulates in the State Lottery Fund.

(c) The regulations of the Agency shall apportion the money in the State Lottery Fund in accordance with subsection (b) of this section.

SECTION 3. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall take effect July 1, 2020.

SECTION 4. AND BE IT FURTHER ENACTED, That, except as provided in Section 3 of this Act, this Act shall take effect July 1, 2019.