### F1, C8, F5

(PRE-FILED)

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### By: The Speaker and Delegates McIntosh, Dumais, and M. Jackson

Requested: October 2, 2019 Introduced and read first time: January 8, 2020 Assigned to: Appropriations

Committee Report: Favorable with amendments House action: Adopted Read second time: February 11, 2020

CHAPTER \_\_\_\_\_

### 1 AN ACT concerning

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### Built to Learn Act of 2020

3 FOR the purpose of requiring certain public school construction projects in Prince George's 4 County to comply with a certain memorandum of understanding under certain  $\mathbf{5}$ circumstances; authorizing, on or before a certain date, the Prince George's County 6 government, the Prince George's County Board of Education, and a private entity to 7 enter into a certain public-private partnership agreement; requiring a certain 8 public-private partnership agreement, if entered into by certain parties, to be 9 reviewed by the Maryland Stadium Authority and approved by the Interagency 10 Commission on School Construction in order for certain provisions of law to apply; 11 requiring the Authority to deposit certain amounts into certain funds under certain 12circumstances during certain fiscal years; requiring the Prince George's County 13 government and the Prince George's County Board to deposit certain amounts 14 required under a certain public-private partnership agreement into a certain fund 15under certain circumstances during certain fiscal years; requiring the Interagency 16 Commission on School Construction to pay a certain private entity from a certain 17fund under certain circumstances during certain fiscal years; requiring the Prince 18 George's County government, the Prince George's County Board, and the 19 Interagency Commission on School Construction to submit a certain report on a 20certain date each year; requiring the Interagency Commission on School 21Construction to complete a certain evaluation and to submit a report on a certain 22evaluation on or before a certain date; specifying the administration of and the 23purpose for which certain funds in the Prince George's County Public-Private 24Partnership Fund may be used; providing for the investment of money in and

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

Strike out indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 expenditures from the Fund; providing that for certain school systems eligible public  $\mathbf{2}$ school construction or capital improvement costs include planning costs under 3 certain circumstances; providing that regulations adopted by the Interagency 4 Commission on School Construction may include certain provisions; requiring the  $\mathbf{5}$ Interagency Commission on School Construction to adopt certain regulations; 6 requiring the Interagency Commission on School Construction to update certain  $\overline{7}$ regulations by a certain date; altering the date by which the Interagency Commission 8 on School Construction is required to adopt regulations establishing the use of the 9 results of a certain facility assessment; altering the eligibility requirements and the 10 mandated appropriation for a certain capital grant program; extending the 11 mandated appropriation to the Healthy School Facility Fund for certain fiscal years; requiring grants from the Healthy School Facility Fund to be awarded to schools 1213 based on the severity of certain issues in the school; providing that certain plumbing projects be prioritized in the Healthy School Facility Fund application procedures; 1415requiring the State Department of Education, the Interagency Commission on School 16 Construction, and the Authority to collaborate with local school systems and 17community colleges to develop a certain career and technology program or 18 apprenticeship program; providing that contracts to construct a public school facility 19 or for construction on a public school site do not require the prior approval of the 20Board of Public Works; requiring the Authority to take certain actions related to 21public school facility projects; prohibiting the power granted to the Authority under 22this Act from interfering with certain powers of county boards of education; 23prohibiting certain powers of county boards from limiting the ability of the Authority 24to carry out certain duties under this Act; authorizing the Authority to issue bonds 25to finance the construction of or improvements to certain public school facilities 26subject to certain limitations; specifying that certain expenses incurred by the 27Authority are payable only from certain funds; specifying that certain bonds issued 28under this Act are a limited obligation of the Authority payable solely from certain 29pledged money and are not a debt, liability, moral obligation, or pledge of the faith 30 and credit or taxing power of the State, the Authority, or any other governmental 31 unit; requiring the Authority to obtain approval from the Board of Public Works 32before each issuance of bonds to finance improvements to public school facilities; 33 authorizing the Authority to issue bonds to finance improvements to a public school facility on or after a certain date; prohibiting the debt service for all outstanding 34 bond issues related to improvements to public school facilities from exceeding a 35 36 certain amount under certain circumstances; requiring the Comptroller to deposit 37 certain amounts into a certain fund on or before certain dates each year; authorizing 38 the Authority to transfer certain funds under certain circumstances; requiring the 39 Authority and county boards of education to take certain actions in connection with 40 public school facility projects; providing for the payment of certain costs; requiring 41 the Authority to submit a certain report on or before a certain date each year; 42requiring the Authority to complete a certain evaluation on or before a certain date; requiring the Interagency Commission on School Construction to submit a report on 4344 a certain evaluation on or before a certain date; requiring the Interagency 45Commission on School Construction to approve certain projects to be funded from a 46 certain fund; providing for the allocation of a certain percentage of bond proceeds 47under certain circumstances; prohibiting the allocation of a certain percentage of

1 bond proceeds for a certain county if a certain condition is met; providing for the  $\mathbf{2}$ reallocation of bond proceeds under certain circumstances; specifying that the 3 allocation of certain bond proceeds represents the State share of eligible public school 4 construction costs under certain circumstances; requiring the Authority to take  $\mathbf{5}$ certain actions relating to certain public school facility projects in a certain 6 jurisdiction under certain circumstances; specifying that certain public school facility  $\overline{7}$ projects are subject to certain requirements under certain circumstances; requiring 8 the Authority and the Interagency Commission on School Construction to enter into 9 a certain program memorandum of understanding before a public school facility 10 project is approved for funding; requiring the Authority, a county government, and 11 a county board of education to enter into a certain project memorandum of 12understanding before a public school facility project is approved for funding; 13providing that the provisions of a certain project memorandum of understanding 14prevail in certain circumstances; enabling the Authority to authorize a county board 15of education to take certain actions related to public school facility projects under 16 certain circumstances after considering the county board's track record of managing 17public school facility projects; authorizing a county board to appeal a certain decision 18by the Authority to the Legislative Policy Committee of the Maryland General 19Assembly; altering the composition of the Workgroup on the Assessment and 20Funding of School Facilities; requiring the Senate President and the Speaker of the 21House of Delegates to appoint the chair of the Workgroup; altering the date of the 22Workgroup report; establishing the Supplemental Public School Construction 23Financing Fund, the Supplemental Public School Construction Facilities Fund, and 24the Public School Facilities Priority Fund as continuing, nonlapsing funds; specifying 25the contents of the funds and providing for the uses of the funds; exempting the funds 26from a certain provision of law requiring interest on State money in special funds to 27accrue to the General Fund of the State; providing that money deposited in certain 28funds may be used as security for a bond issue; repealing certain provisions requiring 29funds from the Education Trust Fund to be used for certain capital projects; 30 requiring the Governor, beginning in a certain fiscal year, to include in the annual 31 budget submission certain amounts or percentages of certain revenues as 32supplemental funding for certain purposes; requiring that certain funding be in 33 addition to certain State funding provided in certain grades in public schools; 34 requiring the Governor, beginning in a certain fiscal year, to identify in the annual 35 budget as introduced how certain revenues are being used to supplement certain 36 spending on education in certain grades in public schools; requiring each county 37 board to complete and submit a certain capacity study on or before a certain date to 38 the Interagency Commission on School Construction and certain legislative 39 committees; stating the intent of the General Assembly; requiring an appropriation 40 of a certain amount to the Authority in a certain fiscal year for certain costs; 41 repealing certain provisions of law; defining certain terms; altering certain 42definitions; making stylistic changes; providing for a delayed effective date for 43certain provisions of this Act; making certain provisions of this Act subject to a 44certain contingency; and generally relating to public school construction projects in 45the State.

4

- 1Article Education2Section 4–126.1 and 5–206, respectively
- 3 to be Section 4–126.2 and 5–324, respectively
- 4 Annotated Code of Maryland
- 5 (2018 Replacement Volume and 2019 Supplement)
- 6 BY repealing and reenacting, with amendments,
- 7 Article Education
- 8 Section 4–126, 5–303(a) and <del>(d)(3)</del> <u>(d)(2) and (3)</u>, 5–310(g)(2), 5–313, and 5–322
- 9 Annotated Code of Maryland
- 10 (2018 Replacement Volume and 2019 Supplement)
- 11 BY adding to
- 12 Article Education
- 13 Section 4–126.1, 5–303(d)(5), and 5–325, and 21–207
- 14 Annotated Code of Maryland
- 15 (2018 Replacement Volume and 2019 Supplement)
- 16 BY repealing and reenacting, with amendments,
- 17 Article Education
- 18 Section 4–126.2
- 19 Annotated Code of Maryland
- 20 (2018 Replacement Volume and 2019 Supplement)
- 21 (As enacted by Section 1 of this Act)
- 22 BY repealing and reenacting, with amendments,
- 23 Article Economic Development
- 24 Section 10–601, 10–618, 10–620(e) and (f), 10–628(c)(1), 10–634, and 10–658
- 25 Annotated Code of Maryland
- 26 (2018 Replacement Volume and 2019 Supplement)
- 27 BY adding to
- 28 Article Economic Development
- 29 Section 10–649, 10–650, 10–658, and 10–658.1
- 30 Annotated Code of Maryland
- 31 (2018 Replacement Volume and 2019 Supplement)
- 32 BY repealing and reenacting, without amendments,
- 33 Article State Finance and Procurement
- 34 Section 6–226(a)(2)(i)
- 35 Annotated Code of Maryland
- 36 (2015 Replacement Volume and 2019 Supplement)
- 37 BY repealing and reenacting, with amendments,
- 38 Article State Finance and Procurement
- 39 Section 6–226(a)(2)(ii)121. and 122.
- 40 Annotated Code of Maryland

1	(2015 Replacement Volume and 2019 Supplement)
$2 \\ 3 \\ 4 \\ 5 \\ 6$	BY adding to Article – State Finance and Procurement Section 6–226(a)(2)(ii)123., 124., and 125. Annotated Code of Maryland (2015 Replacement Volume and 2019 Supplement)
$7\\ 8\\ 9\\ 10\\ 11$	BY repealing and reenacting, with amendments, Article – State Government Section 9–1A–30 Annotated Code of Maryland (2014 Replacement Volume and 2019 Supplement)
$12 \\ 13 \\ 14$	<u>BY repealing and reenacting, without amendments,</u> <u>Chapter 14 of the Acts of the General Assembly of 2018</u> <u>Section 3(a)</u>
$\begin{array}{c} 15\\ 16\\ 17\end{array}$	<u>BY repealing and reenacting, with amendments,</u> <u>Chapter 14 of the Acts of the General Assembly of 2018</u> <u>Section 3(b)(3), (c), and (g)</u>
18 19 20 21 22 23	BY repealing and reenacting, with amendments, Article – State Finance and Procurement Section 6–226(a)(2)(ii)123. and 124. Annotated Code of Maryland (2015 Replacement Volume and 2019 Supplement) (As enacted by Section 3 of this Act)
24 25 26 27 28	BY repealing Article – Education Section 5–317 Annotated Code of Maryland (2018 Replacement Volume and 2019 Supplement)
29 30 31 32 33 34	BY repealing Article – Education Section 5–324 Annotated Code of Maryland (2018 Replacement Volume and 2019 Supplement) (As enacted by Section 1 of this Act)
35	SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,

36 That Section(s) 4-126.1 and 5-206, respectively, of Article – Education of the Annotated

37 Code of Maryland be renumbered to be Section(s) 4–126.2 and 5–324, respectively.

	6 HOUSE BILL 1					
$\frac{1}{2}$	SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:					
3	Article – Education					
4	4–126.					
5	(a) (1) In this section the following words have the meanings indicated.					
6 7	(2) "Alternative financing methods" includes one or more of the following methods:					
8 9 10 11	(i) Sale-leaseback arrangements, in which a county board agrees to transfer title to a property, including improvements, to a private entity that simultaneously agrees to lease the property back to the county board and, on a specified date, transfer title back to the county board;					
12 13 14	a property to a private entity that improves the property and leases the property, with the					
$15\\16\\17\\18\\19$	contracts with a county revenue authority or a private entity for the acquisition, design, construction, improvement, renovation, expansion, equipping, or financing of a public school, and may include provisions for cooperative use of the school or an adjacent property					
20 21 22	(iv) Performance-based contracting, in which a county board enters into an energy performance contract to obtain funding for a project with guaranteed energy savings over a specified time period;					
$23 \\ 24 \\ 25 \\ 26$	(v) Preference-based arrangements, by which a local governing body gives preference first to business entities located in the county and then to business entities located in other counties in the State for any construction that is not subject to prevailing wage rates under Title 17, Subtitle 2 of the State Finance and Procurement Article;					
27 28 29 30	(vi) Design-build arrangements, that permit a county board to contract with a design-build business entity for the combined design and construction of qualified education facilities, including financing mechanisms where the business entity assists the local governing body in obtaining project financing; and					
31 32 33 34	(vii) Design-construct-operate-maintain-finance arrangements that permit a county board to contract with a county revenue authority or a private entity for the design, construction, operation, and maintenance of a public school under terms agreed to by the parties.					

1 (b) (1) Except when prohibited by local law, in order to finance or to speed 2 delivery of, transfer risks of, or otherwise enhance the delivery of public school construction, 3 a county board, with the approval of the county governing body in accordance with 4 subsection (d) of this section, may:

 $\mathbf{5}$ 

(i) Use alternative financing methods;

6 (ii) Engage in competitive negotiation, rather than competitive 7 bidding, in limited circumstances, including construction management at-risk 8 arrangements and other alternative project delivery arrangements, as provided in 9 regulations adopted by the Interagency Commission on School Construction;

10 (iii) Accept unsolicited proposals for the development of public 11 schools in limited circumstances, as provided in regulations adopted by the Interagency 12 Commission on School Construction;

13

(iv) Solicit proposals for the development of public schools;

14 (v) Lease property from a county revenue authority or a private 15 entity for use as a public school facility; and

16 (vi) Use quality-based selection, in which selection is based on a 17 combination of qualifications and cost factors, to select developers and builders, as provided 18 in regulations adopted by the Interagency Commission on School Construction.

19 (2) The alternative financing methods described under paragraph (1)(i) of 20 this subsection may include reserves sufficient to cover operation, facility renewal, 21 maintenance, and energy costs as part of a contract.

(c) Use of alternative financing methods under this section may not be construed
 to prohibit the allocation of State funds for public school construction to a project under the
 Public School Construction Program.

(d) A county board may not use alternative financing methods under this section
 without the approval of the county governing body.

(e) (1) (i) Except as provided in paragraphs (2) and (3) of this subsection, §
2-303(f) and Title 5, Subtitle 3 of this article and the regulations that govern the Public
School Construction Program do not apply to projects that use alternative financing
methods under this section.

(ii) Nothing in this section may be construed to authorize or require
 State approval before an alternative financing method may be used by a local school system.

(2) If a project that receives State funding uses alternative financing
 methods under this section, the project shall be submitted to the Interagency Commission
 on School Construction for review.

$\frac{1}{2}$	(3) (i) Projects that use alternative financing methods under this section and receive State funding shall comply with the following requirements:
$\frac{3}{4}$	1. Except as provided in subparagraph (ii) of this paragraph, the State and local cost–share established for each county in regulations;
$5\\6$	2. Except as provided in subparagraph (ii) of this paragraph, the maximum State construction allocation for each project approved for State funding;
7 8	3. Except as provided in subparagraph (ii) of this paragraph, the approval of project funding by the Interagency Commission on School Construction;
9	4. Smart growth requirements;
10	5. Minority business enterprise requirements;
11	6. Prevailing wage requirements;
12	7. Environmental requirements; and
13 14	8. A requirement for a procurement process that includes public notice and results in the most advantageous proposal.
$\begin{array}{c} 15\\ 16\\ 17\end{array}$	(ii) In Prince George's County, projects that use alternative financing methods under this section and receive State funding for a yearly availability payment:
18 19	1. Do not have to comply with the requirements under subparagraph (i)1 through 3 of this paragraph;
$\begin{array}{c} 20\\ 21 \end{array}$	2. Shall comply with the requirements under subparagraph (i)4 through 8 of this paragraph; and
$22 \\ 23 \\ 24 \\ 25$	3. [Shall] <b>EXCEPT AS PROVIDED IN SUBPARAGRAPH (III)</b> <b>OF THIS PARAGRAPH, SHALL</b> comply with a three–party memorandum of understanding entered into and signed by the Prince George's County Board, Prince George's County, and the Interagency Commission on School Construction that:
26 27 28 29	A. Specifies the roles, rights, terms, and responsibilities of each party with respect to school projects undertaken with a private or public entity using alternative financing methods, including any amounts the parties are required to deposit into the Prince George's County Public–Private Partnership Fund established under §

30 [4–126.1] **4–126.2** of this subtitle;

B. Specifies that § 2–203(f) and Title 5, Subtitle 3 of this article and regulations governing the Public School Construction Program are not applicable to projects using alternative financing methods;

C. Requires the Prince George's County Board to submit projects to the Interagency Commission on School Construction for review before commencement of the project;

D. Specifies the time frames in which the Interagency
8 Commission on School Construction shall complete its review of projects;

9 E. Requires the Prince George's County Board to submit 10 annual reports to Prince George's County and the Interagency Commission on School 11 Construction during the term of the alternative financing method contract with the public 12 or private entity; and

F. Identifies a dedicated source of State funding for anavailability payment.

15 (III) IN PRINCE GEORGE'S COUNTY, FOR A PROJECT THAT USES 16 ALTERNATIVE FINANCING METHODS UNDER THIS SECTION AND RECEIVES STATE 17 FUNDING FOR A YEARLY AVAILABILITY PAYMENT FROM THE SUPPLEMENTAL 18 PUBLIC SCHOOL CONSTRUCTION FINANCING FUND UNDER § 10–658 OF THE 19 ECONOMIC DEVELOPMENT ARTICLE, THE PROJECT SHALL COMPLY WITH THE 20 PROJECT MEMORANDUM OF UNDERSTANDING UNDER § 10–650 OF THE ECONOMIC 21 DEVELOPMENT ARTICLE.

22 **4–126.1.** 

23IN THIS SECTION, "PUBLIC-PRIVATE PARTNERSHIP AGREEMENT" (A) 24MEANS AN AGREEMENT IN WHICH A COUNTY GOVERNMENT AND A COUNTY BOARD 25OF EDUCATION CONTRACT WITH A PRIVATE ENTITY FOR THE ACQUISITION, DESIGN, CONSTRUCTION, IMPROVEMENT, RENOVATION, EXPANSION, EQUIPPING, OR 2627FINANCING OF A PUBLIC SCHOOL, AND MAY INCLUDE PROVISIONS FOR OPERATION 28AND MAINTENANCE OF A SCHOOL, COOPERATIVE USE OF THE SCHOOL OR AN 29ADJACENT PROPERTY, AND GENERATION OF REVENUE TO OFFSET THE COST OF CONSTRUCTION OR USE OF THE SCHOOL. 30

(B) EXCEPT AS OTHERWISE PROVIDED IN THIS SECTION, § 4–126 OF THIS
 SUBTITLE APPLIES TO A PUBLIC–PRIVATE PARTNERSHIP AGREEMENT ENTERED
 INTO IN ACCORDANCE WITH THIS SECTION.

(c) (1) THIS SECTION APPLIES ONLY IF, ON OR BEFORE JULY 1, 2021
 2022, THE PRINCE GEORGE'S COUNTY GOVERNMENT AND THE PRINCE GEORGE'S
 COUNTY BOARD ENTER INTO A PUBLIC-PRIVATE PARTNERSHIP AGREEMENT WITH

1 A PRIVATE ENTITY TO ENHANCE THE DELIVERY OF PUBLIC SCHOOL CONSTRUCTION 2 IN PRINCE GEORGE'S COUNTY.

3 (2) BEFORE ENTERING INTO A PUBLIC-PRIVATE PARTNERSHIP 4 AGREEMENT UNDER PARAGRAPH (1) OF THIS SUBSECTION, THE PUBLIC-PRIVATE 5 PARTNERSHIP AGREEMENT SHALL BE REVIEWED BY THE MARYLAND STADIUM 6 AUTHORITY AND APPROVED BY THE INTERAGENCY COMMISSION ON SCHOOL 7 CONSTRUCTION.

**(**D**)** SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, IN FISCAL 8 (1) YEAR 2024 AND EACH FISCAL YEAR THEREAFTER THROUGH NOT LATER THAN 9 10 FISCAL YEAR 2053, IF THE PRINCE GEORGE'S COUNTY GOVERNMENT, THE PRINCE GEORGE'S COUNTY BOARD, AND THE PRIVATE ENTITY REMAIN IN THE 11 PUBLIC-PRIVATE PARTNERSHIP AGREEMENT DESCRIBED UNDER SUBSECTION (C) 12OF THIS SECTION, THE MARYLAND STADIUM AUTHORITY SHALL DEPOSIT THE 13AMOUNT UNDER § 10–658 OF THE ECONOMIC DEVELOPMENT ARTICLE FROM THE 14SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND ESTABLISHED 15UNDER § 10-658 OF THE ECONOMIC DEVELOPMENT ARTICLE INTO THE PRINCE 16 **GEORGE'S COUNTY PUBLIC-PRIVATE PARTNERSHIP FUND ESTABLISHED UNDER §** 174–126.2 OF THIS SUBTITLE. 18

- 19 (2) PARAGRAPH (1) OF THIS SUBSECTION APPLIES ONLY IF THE 20 PUBLIC–PRIVATE PARTNERSHIP AGREEMENT DESCRIBED UNDER SUBSECTION (C) 21 OF THIS SECTION INCLUDES:
- (I) A MINIMUM OF 10 6 SCHOOLS THAT WILL BE IMPROVED,
   CONSTRUCTED, OR RENOVATED AND OPERATED AND MAINTAINED UNDER THE
   PUBLIC-PRIVATE PARTNERSHIP AGREEMENT; AND
- (II) A COMMITMENT BY THE PRINCE GEORGE'S COUNTY
   GOVERNMENT AND THE PRINCE GEORGE'S COUNTY BOARD TO PROVIDE THE LOCAL
   SHARE OF THE TOTAL AVAILABILITY PAYMENT.
- IN FISCAL YEAR 2024 AND EACH FISCAL YEAR THEREAFTER 28(3) THROUGH NOT LATER THAN FISCAL YEAR 2053, IF THE PRINCE GEORGE'S COUNTY 29GOVERNMENT, THE PRINCE GEORGE'S COUNTY BOARD, AND THE PRIVATE ENTITY 30 REMAIN IN THE PUBLIC-PRIVATE PARTNERSHIP AGREEMENT DESCRIBED UNDER 31 SUBSECTION (C) OF THIS SECTION, THE PRINCE GEORGE'S COUNTY GOVERNMENT 32AND THE PRINCE GEORGE'S COUNTY BOARD EACH SHALL DEPOSIT THE 33 AVAILABILITY PAYMENT AMOUNT REQUIRED UNDER THE PUBLIC-PRIVATE 34 PRINCE GEORGE'S 35PARTNERSHIP AGREEMENT INTO THE COUNTY PUBLIC-PRIVATE PARTNERSHIP FUND ESTABLISHED UNDER § 4-126.2 OF THIS 36 37SUBTITLE.

IN FISCAL YEAR 2024 AND EACH FISCAL YEAR THEREAFTER THROUGH 1 **(E)**  $\mathbf{2}$ NOT LATER THAN FISCAL YEAR 2053, IF THE PRINCE GEORGE'S COUNTY 3 GOVERNMENT, THE PRINCE GEORGE'S COUNTY BOARD, AND THE PRIVATE ENTITY REMAIN IN THE PUBLIC-PRIVATE PARTNERSHIP AGREEMENT DESCRIBED UNDER 4 SUBSECTION (C) OF THIS SECTION AND THE PRINCE GEORGE'S COUNTY  $\mathbf{5}$ GOVERNMENT AND THE PRINCE GEORGE'S COUNTY BOARD DEPOSIT THE 6 7 AVAILABILITY PAYMENT IN THE MANNER DESCRIBED UNDER SUBSECTION (D)(3) OF THIS SECTION, THE INTERAGENCY COMMISSION ON SCHOOL CONSTRUCTION 8 9 SHALL PAY THE PRIVATE ENTITY FROM THE PRINCE GEORGE'S COUNTY PUBLIC-PRIVATE PARTNERSHIP FUND ESTABLISHED UNDER § 4-126.2 OF THIS 10 THE AVAILABILITY PAYMENT REQUIRED UNDER 11 SUBTITLE FOR THE 12PUBLIC-PRIVATE PARTNERSHIP AGREEMENT.

13ON JANUARY 15, 2022, AND EACH JANUARY 15 THEREAFTER, THE **(F)** PRINCE GEORGE'S COUNTY GOVERNMENT, THE PRINCE GEORGE'S COUNTY 14BOARD, AND THE INTERAGENCY COMMISSION ON SCHOOL CONSTRUCTION 15JOINTLY SHALL REPORT TO THE GOVERNOR AND, IN ACCORDANCE WITH § 2–1257 16 OF THE STATE GOVERNMENT ARTICLE, THE FISCAL COMMITTEES OF THE GENERAL 17ASSEMBLY ON THE PROGRESS OF CONSTRUCTION AND RENOVATIONS OF PUBLIC 18 19SCHOOL FACILITIES UNDER THE PUBLIC-PRIVATE PARTNERSHIP AGREEMENT DESCRIBED UNDER SUBSECTION (C) OF THIS SECTION, INCLUDING ACTIONS: 20

- 21
- (1) TAKEN DURING THE PREVIOUS FISCAL YEAR; AND
- 22
- (2) PLANNED FOR THE CURRENT FISCAL YEAR.

23 (G) (1) ON OR BEFORE JULY 1, <del>2026</del> <u>2027</u>, THE INTERAGENCY 24 COMMISSION ON SCHOOL CONSTRUCTION SHALL COMPLETE A 5-YEAR 25 EVALUATION OF THE EFFECTIVENESS OF THE PUBLIC-PRIVATE PARTNERSHIP 26 AGREEMENT DESCRIBED UNDER SUBSECTION (C) OF THIS SECTION.

27 (2) ON OR BEFORE DECEMBER 31, <del>2026</del> <u>2027</u>, THE INTERAGENCY 28 COMMISSION ON SCHOOL CONSTRUCTION SHALL SUBMIT A REPORT ON THE 29 RESULTS OF THE EVALUATION REQUIRED UNDER PARAGRAPH (1) OF THIS 30 SUBSECTION TO THE GOVERNOR AND, IN ACCORDANCE WITH § 2–1257 OF THE 31 STATE GOVERNMENT ARTICLE, THE FISCAL COMMITTEES OF THE GENERAL 32 ASSEMBLY.

33 4-126.2.

34 (a) In this section, "Fund" means the Prince George's County Public–Private 35 Partnership Fund.

36 (b) There is a Prince George's County Public–Private Partnership Fund.

1 (c) The purpose of the Fund is to provide funds to pay a public or private entity 2 for the availability payment due under the Prince George's County public-private 3 partnership agreement entered into in accordance with [§ 4–126] § 4–126.1 of this subtitle.

4 (d) The Interagency Commission on School Construction shall administer the
5 Fund as described in the three-party memorandum of understanding entered into under §
6 4-126(e)(3)(ii) of this subtitle OR THE PROJECT MEMORANDUM OF UNDERSTANDING
7 DESCRIBED IN § 10-650(F) OF THE ECONOMIC DEVELOPMENT ARTICLE.

8 (e) (1) The Fund is a special, nonlapsing fund that is not subject to § 7–302 of 9 the State Finance and Procurement Article.

10 (2) The State Treasurer shall hold the Fund separately, and the 11 Comptroller shall account for the Fund.

12 (f) The Fund consists of:

13 (1) Money deposited into the Fund by Prince George's County [and], the 14 Prince George's County Board, AND THE MARYLAND STADIUM AUTHORITY;

- 15 (2) Money deposited into the Fund by the State;
- 16 (3) Any investment earnings of the Fund; and
- 17(4)Any other money from any other source accepted for the benefit of the18Fund.

(g) (1) [The] EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS
 SUBSECTION, THE Fund may be used only to provide funding for alternative financing
 methods under § 4–126 of this subtitle in Prince George's County.

22 (2) IF PRINCE GEORGE'S COUNTY RECEIVES STATE FUNDING FOR AN 23 AVAILABILITY PAYMENT UNDER § 4–126.1 OF THIS SUBTITLE, THE FUNDING 24 RECEIVED UNDER § 4–126.1 OF THIS SUBTITLE MAY BE USED ONLY TO PAY AN 25 AVAILABILITY PAYMENT TO A PRIVATE ENTITY UNDER THE PUBLIC–PRIVATE 26 PARTNERSHIP AGREEMENT ENTERED INTO AND APPROVED IN ACCORDANCE WITH § 27 4–126.1 OF THIS SUBTITLE.

(h) Any appropriation to the Fund shall be used to supplement, but not supplant,
money appropriated to Prince George's County for public school construction under the
Public School Construction Program established in Title 5, Subtitle 3 of this article.

31(I)(1)THE STATE TREASURER SHALL INVEST THE MONEY OF THE FUND32IN THE SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.

### 1 (2) ANY INTEREST EARNINGS OF THE FUND SHALL BE CREDITED TO 2 THE FUND.

3 [(i)] (J) If a memorandum of understanding is entered into under § 4–126 of 4 this subtitle OR § 10–650(F) OF THE ECONOMIC DEVELOPMENT ARTICLE and State 5 funding is provided for an availability payment, the Prince George's County Board and 6 Prince George's County shall deposit into the Fund the amounts required under the 7 memorandum of understanding.

8 [(j)] (K) On January 15, 2021, and each January 15 thereafter, the Prince 9 George's County Board, Prince George's County, and the Interagency Commission on 10 School Construction jointly shall report to the Governor and, in accordance with § 2–1257 11 of the State Government Article, the fiscal committees of the General Assembly, on the 12 progress of construction and renovations of public school facilities using an alternative 13 financing method and that receive State funds, including actions:

14

- Taken during the previous fiscal year; and
- 15 (2) Planned for the current fiscal year.

(1)

16 5-303.

17 (a) (1) (i) The Interagency Commission shall define by regulation what 18 constitutes an eligible and ineligible public school construction or capital improvement cost.

19 (ii) [In] EXCEPT AS PROVIDED IN PARAGRAPH (4) OF THIS 20 SUBSECTION, IN order for the cost of an item or a system funded with the proceeds of 21 general obligation bonds to be considered an eligible cost, it must have a median useful life 22 of at least 15 years.

(2) (i) The Interagency Commission shall include modular construction
 as an approved public school construction or capital cost.

25

(ii) The Interagency Commission[,] shall adopt regulations that:

26

1. Define modular construction; and

27 2. Establish the minimum specifications required for 28 approval of modular construction as a public school construction or capital improvement 29 cost.

30 (3) The cost of acquiring land may not be considered a construction or 31 capital improvement cost and may not be paid by the State.

### 32 (4) THE INTERAGENCY COMMISSION SHALL ADOPT REGULATIONS 33 FOR THE PUBLIC SCHOOL CONSTRUCTION PROGRAM THAT INCLUDE

ARCHITECTURAL, ENGINEERING, CONSULTING, AND OTHER PLANNING COSTS AS 1  $\mathbf{2}$ ELIGIBLE PUBLIC SCHOOL CONSTRUCTION OR CAPITAL IMPROVEMENT COSTS FOR 3 A PROJECT OR IMPROVEMENT THAT: 4 IS LOCATED IN A COUNTY THAT HAS LESS THAN 20,000 **(I)** FULL-TIME EQUIVALENT ENROLLMENT AS DEFINED IN § 5–202 OF THIS TITLE; AND  $\mathbf{5}$ 6 HAS RECEIVED LOCAL PLANNING APPROVAL FROM THE **(II)** 7 **INTERAGENCY COMMISSION.** 8 (d) (2)The regulations adopted by the Interagency Commission may contain 9 requirements for: 10The submission of other data or information that is relevant to (i) 11 school construction or capital improvement: 12The approval of sites, plans, and specifications for the (ii) 13construction of new school buildings or the improvement of existing buildings; 14(iii) Site improvements; 15Competitive bidding; (iv) 16The hiring of personnel in connection with school construction or (v) 17capital improvements; The actual construction of school buildings or their 18(vi) 19 improvements; 20The relative roles of different State and local governmental (vii) 21agencies in the planning and construction of school buildings or school capital 22improvements; 23(viii) School construction and capital improvements necessary or appropriate for the proper implementation of this section; 2425The establishment of priority public school construction (ix) 26programs; 27Development of cooperative arrangements that permit the (x) sharing of facilities among two or more school systems; 2829(xi) The selection of architects and engineers by school systems; 30 The award of contracts by school systems; [and] (xii)

1 (xiii) Methods of payments made by the State under the Public School  $\mathbf{2}$ Construction Program; AND 3 (XIV) THE USE OF A STANDARD STATEWIDE COMPUTERIZED MAINTENANCE MANAGEMENT SYSTEM FOR A SCHOOL FACILITIES MAINTENANCE 4 WORK ORDER TRACKING AND REPORTING.  $\mathbf{5}$ 6 The regulations adopted by the Interagency Commission shall contain (3)7 provisions: 8 (i) Establishing a State and local cost–share formula for each county 9 that identifies the factors used in establishing the formulas AND THE ACTUAL STATE AND LOCAL COST-SHARE PERCENTAGES PRODUCED BY THE FORMULA FOR EACH 10 COUNTY; 11 12(ii) Requiring local education agencies to adopt educational facilities 13master plans and annual capital improvement programs; 14(iii) Providing a method for establishing a maximum State construction allocation for each project approved for State funding; 1516 Referencing the policies stated in § 5–7B–07 of the State Finance (iv) 17and Procurement Article: 18 Requiring local school systems to adopt procedures consistent  $(\mathbf{v})$ 19 with the minority business enterprise policies of the State as required under the Code of 20Maryland Regulations; 21Establishing a process for appeal of Interagency Commission (vi) 22decisions: 23Requiring local education agencies to adopt, implement, and (vii) 24periodically update comprehensive maintenance plans and preventative maintenance 25plans: 26(viii) Authorizing the Interagency Commission to withhold State 27public school construction funds from a local education agency that fails to comply with the 28requirements of item (vii) of this paragraph; 29(ix) Requiring the development and submission of long-range plans, including a requirement for the annual submission of a 10-Year Educational Facilities 30 31Master Plan; and 32 Requiring the submission of an annual Capital Improvement (x) Program, which may only be required to include plans for specific projects and requests for 33 34planning and construction projects for the upcoming fiscal year.

1 (5) THE INTERAGENCY COMMISSION SHALL UPDATE THE 2 REGULATIONS REQUIRED UNDER PARAGRAPH (3)(I) OF THIS SUBSECTION EVERY 2 3 YEARS.

4 5-310.

5 (g) (2) Based on the recommendations of the Workgroup on the Assessment 6 and Funding of School Facilities, and not before May 1, [2020] **2023 2022**, for use in 7 funding decisions beginning no sooner than fiscal year [2021] **2024 2023**, the Interagency 8 Commission shall adopt regulations establishing the use of the facility assessment results 9 in annual school construction funding decisions.

10 5-313.

11 (a) (1) In this section the following words have the meanings indicated.

(2) "Program" means the Capital Grant Program for Local School Systems
 With Significant Enrollment Growth or Relocatable Classrooms.

14 (3) "Significant enrollment growth" means full-time equivalent enrollment 15 growth in a local school system that has exceeded 150% of the statewide average over the 16 past 5 years.

17 (4) "Significant number of relocatable classrooms" means an average of 18 more than [300] **250** relocatable classrooms in a local school system over the past 5 years.

19 (b) (1) There is a Capital Grant Program for Local School Systems With 20 Significant Enrollment Growth or Relocatable Classrooms.

21 (2) The purpose of the Program is to provide grants for public school 22 construction in local school systems that are experiencing significant enrollment growth or 23 a significant number of relocatable classrooms.

24 (c) (1) The Program shall be implemented and administered by the 25 Interagency Commission on School Construction in accordance with this section.

26

(2) Grants awarded by the Interagency Commission under the Program:

(i) Shall be matched by local funds equal to the required local
cost-share established in accordance with § 5-303(d)(3) of this subtitle; and

29

(ii) Shall be approved by the Board of Public Works.

30 (d) The Interagency Commission shall:

1 (1) Provide grants from State funds dedicated for the Program to county 2 boards for public school construction in local school systems that are experiencing 3 significant enrollment growth or a significant number of relocatable classrooms;

4 (2) Develop a procedure for a county board to apply for a grant under the 5 Program;

6 (3) Develop eligibility requirements for a county board to receive a grant 7 under the Program, including a requirement for a county board to provide funds to match 8 a grant award; and

9 (4) Develop a process to allocate grant awards under the Program that 10 allocate funds based on each eligible county board's proportionate share of the total 11 full-time equivalent enrollment of the county boards that are eligible to participate in the 12 Program.

13 (e) In addition to the annual amount otherwise provided in the capital 14 improvement program of the Public School Construction Program, the Governor annually 15 shall provide an additional amount as follows in the **OPERATING BUDGET OR** capital 16 improvement program of the Public School Construction Program that may be used only to 17 award grants under the Program:

- 18
- (1) In fiscal year 2016, \$20,000,000; [and]

19 (2) In EACH OF fiscal [year] YEARS 2017 [and each fiscal year thereafter,]
 20 THROUGH 2026, \$40,000,000; AND

21 (3) IN FISCAL YEAR 2027 AND EACH FISCAL YEAR THEREAFTER, 22 \$80,000,000.

(f) The State funding provided under the Program is supplemental to and is not
 intended to take the place of funding that would otherwise be appropriated for public school
 construction purposes to a county board from any other source.

26 (g) The Interagency Commission shall adopt procedures necessary to implement 27 this section.

 $28 \quad 5-322.$ 

29 (a) In this section, "Fund" means the Healthy School Facility Fund.

30 (b) There is a Healthy School Facility Fund.

31 (c) The purpose of the Fund is to provide grants to public primary and secondary 32 schools in the State to improve the health of school facilities.

1 The Interagency Commission on School Construction shall administer the (d)  $\mathbf{2}$ Fund. 3 (e) (1)The Fund is a special, nonlapsing fund that is not subject to 7–302 of the State Finance and Procurement Article. 4 The State Treasurer shall hold the Fund separately, and the  $\mathbf{5}$ (2)6 Comptroller shall account for the Fund. 7 (f) The Fund consists of: 8 (1)Money appropriated in the State budget to the Fund; 9 Any interest earnings of the Fund; and (2)10 (3)Any other money from any other source accepted for the benefit of the 11 Fund. 12The State Treasurer shall invest the money of the Fund in the same (g) (1)manner as other State money may be invested. 13(2)Any interest earnings of the Fund shall be credited to the Fund. 1415(h) Expenditures from the Fund may be made only in accordance with the State 16budget. 17Money expended from the Fund is supplemental to and is not intended to take (i) the place of funding that otherwise would be appropriated to primary and secondary schools 18 under this article. 19 20In each of fiscal years 2020 [and 2021] THROUGH 2022, the Governor (j) (1)21shall appropriate at least \$30,000,000 to the Fund. 22(2)(i) Subject to subparagraphs (ii) and (iii) of this paragraph, the Interagency Commission on School Construction shall give priority in awarding grants to 23schools based on the severity of issues in the school, including: 24251. Air conditioning; 262.Heating; 273. Indoor air quality; 284. Mold remediation; 295. Temperature regulation;

**HOUSE BILL 1** 

18

6. Plumbing, including the presence of lead in drinking water
 outlets in school buildings; and

3 7. Windows<u>; AND</u>

### 48.ANY ADDITIONAL SEVERE ISSUE IN THE SCHOOL THAT5REQUIRED THE SCHOOL TO BE CLOSED.

6 (ii) No jurisdiction may receive more than a total of \$15,000,000 in a 7 fiscal year.

8 (iii) The amount of the grant is not required to cover the full cost of 9 the project.

10 (k) (1) Subject to paragraphs (2) and (3) of this subsection, the Interagency 11 Commission on School Construction shall establish application procedures for school 12 systems to request funds under this section.

13 (2) The Interagency Commission on School Construction shall establish 14 award procedures to make awards distributed from the Fund not more than 45 days after 15 receiving an application.

16 (3) (i) The Interagency Commission on School Construction, in 17 consultation with the Department of the Environment, shall establish application 18 procedures for school systems to request funds under this section to assist with the costs of 19 implementing remedial measures to address the presence of lead in drinking water outlets 20 in school buildings.

(ii) The application procedures established under subparagraph (i)
 of this paragraph shall include procedures for prioritizing applications FOR PLUMBING
 PROJECTS, with priority first given to applications requesting funds for water fountains
 or bubblers, and then to applications requesting funds for:

25 1. Faucets or taps that are used or potentially used for
26 drinking or food preparation;

- 27 2. Ice makers; or
- 283.Hot drink machines.
- 29 <u>21–207.</u>

# 30THE DEPARTMENT, THE INTERAGENCY COMMISSION ON SCHOOL31CONSTRUCTION, AND THE MARYLAND STADIUM AUTHORITY SHALL COLLABORATE32WITH LOCAL SCHOOL SYSTEMS AND COMMUNITY COLLEGES TO DEVELOP A CAREER33AND TECHNICAL PROGRAM OR AN APPRENTICESHIP PATHWAY IN SCHOOL BUILDING

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### 1 <u>MAINTENANCE THAT LEADS TO AN INDUSTRY RECOGNIZED CERTIFICATE OR</u> 2 <u>CREDENTIAL.</u>

3 SECTION 3. AND BE IT FURTHER ENACTED, That the Laws of Maryland read 4 as follows:

 $\mathbf{5}$ 

### Article – Economic Development

6 10-601.

7 (a) In this subtitle the following words have the meanings indicated.

8 (b) "Authority" means the Maryland Stadium Authority.

9 (c) "Authority affiliate" means a for-profit or nonprofit entity in which the 10 Authority directly or indirectly owns any membership interest or equity interest.

- 11 (d) "Baltimore City" means, as the context requires:
- 12 (1) the geographic area of the City of Baltimore; or
- 13 (2) the Mayor and City Council of Baltimore.

14 (e) "Baltimore City Board of School Commissioners" means the Baltimore City 15 Board of School Commissioners of the Baltimore City Public School System established 16 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.

20 (g) "Baltimore City Public School Construction Financing Fund" means the 21 Baltimore City Public School Construction Financing Fund established under § 10–656 of 22 this subtitle.

23 (h) "Baltimore City public school facility" means a property primarily used for 24 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 on School Construction entered into in
accordance with § 10–646 of this subtitle.

1 "Baltimore City public school site" means the site of any Baltimore City public (i)  $\mathbf{2}$ school facility. 3 (j) (1)"Baltimore Convention facility" means: 4 a convention center, trade show facility, meeting hall, or other (i) structure in Baltimore City used to hold conventions, trade shows, meetings, displays, or  $\mathbf{5}$ 6 similar events: and 7 (ii) offices, parking lots or garages, access roads, hotels, restaurants, 8 railroad sidings, and any other structures, improvements, equipment, furnishings, or other 9 property functionally related to the facilities described in item (i) of this paragraph. 10 "Baltimore Convention facility" includes the following, if used, useful, (2)11 or usable in the future as, or in connection with, a Baltimore Convention facility: 12(i) land, structures, equipment, property, property rights, property 13appurtenances, rights-of-way, franchises, easements, and other interests in land; 14land and facilities that are functionally related to a Baltimore (ii) 15Convention facility; and 16(iii) patents, licenses, and other rights necessary or useful to 17construct or operate a Baltimore Convention facility. "Baltimore Convention Fund" means the Baltimore Convention Financing 18 (k) Fund established under § 10–651 of this subtitle. 19 20"Baltimore Convention site" means all properties within the area bounded by (1)21the 200 and 300 blocks of South Charles Street on the east, the 100 and 200 blocks of 22Conway Street on the south, the 200 and 300 blocks of South Howard Street on the west, 23and the 100 and 200 blocks of West Pratt Street on the north. 24"Bond" includes a note, an interim certificate, refunding bond, and any other (m)25evidence of obligation issued under this subtitle. 26"Camden Yards" means the area comprising approximately 85 acres in (n) 27Baltimore City bounded by Camden Street on the north, Russell Street on the west, Ostend 28Street on the south, and Howard Street and Interstate 395 on the east. 29"Camden Yards Fund" means the Camden Yards Financing Fund established (0)30 under § 10–652 of this subtitle. "Convention facility" means the Baltimore Convention facility, 31(p) the 32Montgomery County Conference facility, and the Ocean City Convention facility. "COUNTY" MEANS, AS THE CONTEXT REQUIRES: 33 (Q) (1)

	22 HOUSE BILL 1					
1		(I) THE GEOGRAPHIC AREA OF THE COUNTY; OR				
2		(II) THE GOVERNING BODY OF THE COUNTY.				
3	(2)	"County" includes Baltimore City.				
4 5 6	(R) "COU A COUNTY AN COMMISSIONERS					
7	[(q)] <b>(</b> S <b>)</b>	'Facility" means:				
8	(1)	a structure or other improvement developed at Camden Yards;				
9	(2)	a convention facility;				
10	(3)	the Hippodrome Performing Arts facility;				
11	(4)	a sports facility; [or]				
12	(5)	a Baltimore City public school facility; OR				
13	(6)	A PUBLIC SCHOOL FACILITY.				
$\begin{array}{c} 14 \\ 15 \end{array}$	[(r)] (T) of State or local go	"Governmental unit" means a county, a municipal corporation, a unit government, or any other public body created under State or local law.				
$\begin{array}{c} 16 \\ 17 \end{array}$	[(s)] <b>(U)</b> arts center facility	(1) "Hippodrome Performing Arts facility" means the performing v located at the Hippodrome Performing Arts site.				
18 19						
20		(i) the Hippodrome theater and offices;				
21		(ii) food service facilities; and				
$\begin{array}{c} 22\\ 23 \end{array}$	improvements, fui	(iii) any other functionally related property, structures, rnishings, or equipment.				
$\begin{array}{c} 24 \\ 25 \end{array}$	[(t)] (V) Performing Arts F	"Hippodrome Performing Arts Fund" means the Hippodrome "inancing Fund established under § 10–653 of this subtitle.				

1 **[**(u)**] (W)** "Hippodrome Performing Arts site" means the site of the 2 France–Merrick Performing Arts Center located in Baltimore City at the address generally 3 known as:

4 (1) 12 North Eutaw Street Building, identified in the State Department of 5 Assessments and Taxation Real Property database as tax identification number Ward 04, 6 Section 08, Block 0631, Lot 001; and

7 (2) 401 West Fayette Street, identified in the State Department of
8 Assessments and Taxation Real Property database as tax identification number Ward 04,
9 Section 08, Block 0631, Lot 013.

10 **[(v)] (X)** "Improve" means to add, alter, construct, equip, expand, extend, 11 improve, install, reconstruct, rehabilitate, remodel, or repair.

12 **[(w)] (Y)** "Improvement" means addition, alteration, construction, equipping, 13 expansion, extension, improvement, installation, reconstruction, rehabilitation, 14 remodeling, or repair.

15 [(x)] (Z) "Montgomery County" includes the Montgomery County Revenue
16 Authority.

[(y)] (AA) (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.

20 (2) "Montgomery County Conference facility" includes, at the Montgomery 21 County Conference site, offices, parking lots and garages, access roads, food service 22 facilities, and other functionally related property, structures, improvements, furnishings, 23 or equipment.

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

26 [(z)] (BB) "Montgomery County Conference Fund" means the Montgomery 27 County Conference Financing Fund established under § 10–654 of this subtitle.

[(aa)] (CC) "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.

33 [(bb)] (DD) (1) "Ocean City Convention facility" means:

1 (i) a convention center, trade show facility, meeting hall, or other 2 structure in Ocean City used to hold conventions, trade shows, meetings, displays, or 3 similar events; and

4 (ii) offices, parking lots or garages, access roads, food service 5 facilities, and any other structures, improvements, equipment, furnishings, or other 6 property functionally related to the facilities described in item (i) of this paragraph.

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

9 (i) land, structures, equipment, property, property rights, property 10 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

13 (iii) patents, licenses, and other rights necessary or useful to 14 construct or operate an Ocean City Convention facility.

[(cc)] (EE) "Ocean City Convention Fund" means the Ocean City Convention
 Financing Fund established under § 10–655 of this subtitle.

[(dd)] (FF) "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.

23 (GG) "PROGRAM MEMORANDUM OF UNDERSTANDING" MEANS THE 24 MEMORANDUM OF UNDERSTANDING BETWEEN THE AUTHORITY AND THE 25 INTERAGENCY COMMISSION ON SCHOOL CONSTRUCTION ENTERED INTO IN 26 ACCORDANCE WITH § 10–650 OF THIS SUBTITLE.

(HH) "PROJECT MEMORANDUM OF UNDERSTANDING" MEANS THE
MEMORANDUM OF UNDERSTANDING BETWEEN THE AUTHORITY, THE COUNTY, <u>AND</u>
THE COUNTY BOARD OF EDUCATION<del>, AND THE INTERAGENCY COMMISSION ON</del>
SCHOOL CONSTRUCTION ENTERED INTO IN ACCORDANCE WITH § 10–650 OF THIS
SUBTITLE.

(II) "PUBLIC SCHOOL FACILITY" MEANS A BUILDING, AND MAY INCLUDE A
 PARKING FACILITY, AN ATHLETIC FACILITY, OR ANY OTHER FACILITY RELATED TO
 EDUCATIONAL INSTRUCTION THAT:

1 (1) IS HELD IN TRUST BY A COUNTY BOARD OF EDUCATION, OR THE 2 MAYOR AND CITY COUNCIL OF BALTIMORE CITY, FOR THE BENEFIT OF THE 3 COUNTY PUBLIC SCHOOL SYSTEM; AND

4 (2) IS DESIGNATED FOR IMPROVEMENT UNDER A MEMORANDUM OF 5 UNDERSTANDING ENTERED INTO IN ACCORDANCE WITH § 10–650 OF THIS 6 SUBTITLE.

7 (JJ) "PUBLIC SCHOOL SITE" MEANS THE SITE OF ANY PUBLIC SCHOOL 8 FACILITY IN THE STATE.

9 [(ee)] (KK) (1) "Sports facility" means:

10 (i) a stadium primarily for professional football, major league 11 professional baseball, or both, in the Baltimore metropolitan region, as defined in § 13–301 12 of this article;

(ii) practice fields or other areas where professional football or major
 league professional baseball teams practice or perform; and

15 (iii) offices for professional football and major league professional 16 baseball teams or franchises.

17 (2) "Sports facility" includes parking lots, garages, and any other property 18 adjacent and directly related to an item listed in paragraph (1) of this subsection.

19 [(ff)] (LL) "Supplemental Facilities Fund" means the Supplemental Facilities 20 Fund established under § 10–657.1 of this subtitle.

21 [(gg)] (MM) (1) "Supplemental facility" means a structure or other improvement 22 developed in Baltimore City outside Camden Yards.

(2) "Supplemental facility" does not include the Baltimore Convention
 facility or the Hippodrome Performing Arts facility.

25 [(hh)] (NN) "Supplemental facility site" means the site of any supplemental facility.

(00) "SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND"
 MEANS THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND
 ESTABLISHED UNDER § 10–658.1 OF THIS SUBTITLE.

(PP) "SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND"
 MEANS THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND
 ESTABLISHED UNDER § 10–658 OF THIS SUBTITLE.

1 [(ii)] (QQ) "Tax supported debt" has the meaning stated in § 8–104 of the State 2 Finance and Procurement Article.

3 10-618.

4 (a) (1) [Contracts] EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS 5 SUBSECTION, CONTRACTS to acquire any facility site, to construct the facility, or for 6 construction on the facility site require the prior approval of the Board of Public Works.

## 7 (2) CONTRACTS TO CONSTRUCT A PUBLIC SCHOOL FACILITY OR FOR 8 CONSTRUCTION ON A PUBLIC SCHOOL SITE DO NOT REQUIRE THE PRIOR APPROVAL 9 OF THE BOARD OF PUBLIC WORKS.

10 (b) The Authority may:

- 11 (1) acquire by any of the means specified in § 10–620(a) of this subtitle:
  - (i) a site at Camden Yards for a facility;
- 13 (ii) a Baltimore Convention site or an interest in the site;
- 14 (iii) an Ocean City Convention site or an interest in the site;
- 15 (iv) a Montgomery County Conference site or an interest in the site;16 and
- 17 (v) a Hippodrome Performing Arts site or an interest in the site; and

18 (2) construct or enter into a contract to construct a facility on a site it 19 acquires under this subsection.

20 10-620.

12

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

25 (2) The Authority and any Authority affiliate is subject to applicable 26 planning, zoning, and development regulations to the same extent as a private commercial 27 or industrial enterprise.

28 (f) The Authority shall:

26

1 (1) in cooperation with Baltimore City, appoint a task force that includes 2 residents and business and institutional representatives from the area adjacent to Camden 3 Yards to review the schematic, preliminary, and final plans for facilities at Camden Yards;

4 (2) submit schematic plans for development of Camden Yards and the 5 Baltimore Convention site to Baltimore City for review and comment before acquiring any 6 property;

7 (3) with respect to Camden Yards, the Baltimore Convention facility, and 8 the Hippodrome Performing Arts facility, submit preliminary and final plans to Baltimore 9 City for review and comment;

10 (4) with respect to Camden Yards, the Baltimore Convention facility, and 11 the Hippodrome Performing Arts facility, participate in the design review processes of 12 Baltimore City; [and]

13 (5) with respect to a Baltimore City public school facility, perform the 14 actions required under §§ 10–645, 10–646, 10–656, and 10–657 of this subtitle; **AND** 

### 15 (6) WITH RESPECT TO A PUBLIC SCHOOL FACILITY, PERFORM THE 16 ACTIONS REQUIRED UNDER §§ 10–649, 10–650, 10–658, AND 10–658.1 OF THIS 17 SUBTITLE.

18 10-628.

19 (c) (1) Unless authorized by the General Assembly, the Board of Public Works 20 may not approve an issuance by the Authority of bonds, whether taxable or tax exempt, 21 that constitute tax supported debt or nontax supported debt if, after issuance, there would 22 be outstanding and unpaid more than the following face amounts of the bonds for the 23 purpose of financing acquisition, construction, renovation, and related expenses for 24 construction management, professional fees, and contingencies in connection with:

$\frac{31}{32}$	<b>\$2,200,000,000</b> .	(VII)	PUBLIC	SCHOOL	FACILITIES	IN	THE	STATE
30		(vi)	supplemen	tal facilities	- \$25,000,000;	AND		
29		(v)	Baltimore	City public s	school facilities	- \$1,1	.00,000,	000; <b>[</b> and <b>]</b>
28		(iv)	the Ocean	City Conver	tion facility – \$	24,50	0,000;	
27		(iii)	the Montgo	omery Coun	ty Conference fa	acility	- \$23,1	.85,000;
26		(ii)	the Hippodrome Performing Arts facility – \$20,250,000;					,000;
25		(i)	the Baltim	ore Convent	ion facility – \$5	5,000	,000;	

1 10-634.

2 (a) A pledge by the Authority of revenues or money deposited in the Baltimore 3 City Public School Construction Financing Fund OR THE SUPPLEMENTAL PUBLIC 4 SCHOOL CONSTRUCTION FINANCING FUND as security for an issue of bonds is valid 5 and binding from when the pledge is made.

6 (b) (1) The revenues or money deposited in the Baltimore City Public School 7 Construction Financing Fund OR THE SUPPLEMENTAL PUBLIC SCHOOL 8 CONSTRUCTION FINANCING FUND that are pledged are immediately subject to the lien 9 of the pledge without any physical delivery or further act.

10 (2) The lien of any pledge is valid and binding against any person having a 11 claim against the Authority in tort, contract, or otherwise, regardless of whether the person 12 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.

19 **10–649.** 

20 (A) (1) EXCEPT AS AGREED TO IN THE PROGRAM MEMORANDUM OF 21 UNDERSTANDING UNDER PROVIDED IN § 10–650 OF THIS SUBTITLE, THE 22 AUTHORITY SHALL COMPLY WITH THIS SECTION AND § 5–303 OF THE EDUCATION 23 ARTICLE TO FINANCE IMPROVEMENTS TO A PUBLIC SCHOOL FACILITY.

(2) THE AUTHORITY, AS AGREED TO IN THE PROJECT MEMORANDUM
 OF UNDERSTANDING UNDER § 10–650 OF THIS SUBTITLE AND SUBJECT TO
 PARAGRAPH (1) OF THIS SUBSECTION, SHALL BE RESPONSIBLE FOR SCHOOL
 FACILITIES CONSTRUCTION AND IMPROVEMENTS FINANCED WITH THE PROCEEDS
 OF BONDS ISSUED UNDER THIS SUBTITLE.

(3) (I) EXCEPT AS AGREED TO IN THE PROJECT MEMORANDUM OF
UNDERSTANDING UNDER § 10–650 OF THIS SUBTITLE AND SUBJECT TO
SUBPARAGRAPH (II) OF THIS PARAGRAPH, A POWER GRANTED TO THE AUTHORITY
UNDER THIS SUBTITLE MAY NOT IN ANY WAY INTERFERE WITH THE ENUMERATED
POWERS OF A COUNTY BOARD OF EDUCATION UNDER TITLE 3 OF THE EDUCATION
ARTICLE.

1 (II) THE POWERS OF THE COUNTY BOARD OF EDUCATION MAY 2 NOT LIMIT THE ABILITY OF THE AUTHORITY TO CARRY OUT ITS OBLIGATIONS UNDER 3 THIS SUBTITLE WITH RESPECT TO IMPROVEMENTS OF THE PUBLIC SCHOOL 4 FACILITY AND THE FINANCING RELATED TO THE IMPROVEMENTS.

5 (B) (1) EXCEPT AS PROVIDED IN SUBSECTION (J)(1) OF THIS SECTION, 6 THE AUTHORITY MAY NOT USE ANY CURRENT SOURCES OF FUNDS, WHETHER 7 APPROPRIATED OR NONBUDGETED, TO PAY FOR ANY COSTS OR EXPENSES RELATED 8 TO FINANCING PUBLIC SCHOOL FACILITIES.

9 (2) THE SOLE SOURCE OF PAYMENT FOR ANY COSTS OR EXPENSES 10 RELATED TO FINANCING PUBLIC SCHOOL FACILITIES SHALL BE THE MONEY ON 11 DEPOSIT IN THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FACILITIES 12 FUND AND THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING 13 FUND AND BOND PROCEEDS HELD UNDER A TRUST AGREEMENT.

14 (C) AT LEAST 45 DAYS BEFORE SEEKING APPROVAL OF THE BOARD OF 15 PUBLIC WORKS FOR EACH PUBLIC SCHOOL FACILITIES BOND ISSUE, THE 16 AUTHORITY SHALL PROVIDE TO THE FISCAL COMMITTEES OF THE GENERAL 17 ASSEMBLY, IN ACCORDANCE WITH § 2–1257 OF THE STATE GOVERNMENT ARTICLE, 18 WRITTEN NOTICE OF:

19(1) THE AGGREGATE AMOUNT OF FUNDS NEEDED FOR THE PUBLIC20SCHOOL FACILITIES TO BE FINANCED WITH THE PROPOSED BONDS;

21 (2) THE ANTICIPATED TOTAL DEBT SERVICE FOR THE PROPOSED 22 BOND ISSUE; AND

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

26 (D) (1) A BOND ISSUED TO FINANCE IMPROVEMENTS, CONSTRUCTION, OR 27 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
 CREDIT OR THE TAXING POWER OF THE STATE, THE AUTHORITY, OR ANY OTHER
 GOVERNMENTAL UNIT; AND

1 (III) MAY NOT GIVE RISE TO ANY PECUNIARY LIABILITY OF THE 2 STATE, THE AUTHORITY, OR ANY OTHER GOVERNMENTAL UNIT.

3 (2) THE ISSUANCE OF A BOND TO FINANCE IMPROVEMENTS TO A 4 PUBLIC SCHOOL FACILITY IS NOT DIRECTLY, INDIRECTLY, OR CONTINGENTLY A 5 MORAL OR OTHER OBLIGATION OF THE STATE, THE AUTHORITY, OR ANY OTHER 6 GOVERNMENTAL UNIT TO LEVY OR PLEDGE ANY TAX OR TO MAKE AN 7 APPROPRIATION TO PAY THE BOND.

8 (3) EACH BOND SHALL STATE ON ITS FACE THE PROVISIONS OF 9 PARAGRAPHS (1) AND (2) OF THIS SUBSECTION.

10 (E) (1) BEFORE EACH ISSUANCE OF BONDS TO FINANCE IMPROVEMENTS 11 TO A PUBLIC SCHOOL FACILITY, THE AUTHORITY SHALL OBTAIN THE APPROVAL OF 12 THE BOARD OF PUBLIC WORKS OF THE AGGREGATE AMOUNT OF THE PROPOSED 13 BOND ISSUE.

### 14(2)THE AUTHORITY MAY ISSUE BONDS TO FINANCE IMPROVEMENTS15TO A PUBLIC SCHOOL FACILITY ON OR AFTER JANUARY 1, 2021.

16 (F) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, 17 THE TOTAL DEBT SERVICE FOR ANY BOND ISSUE, WHEN ADDED TO ALL PRIOR 18 OUTSTANDING BOND ISSUES RELATED TO IMPROVEMENTS TO PUBLIC SCHOOL 19 FACILITIES, MAY NOT EXCEED THE TOTAL AMOUNT OF THE FUNDS PROVIDED UNDER 20 SUBSECTION (G) OF THIS SECTION.

(2) IF PRINCE GEORGE'S COUNTY ENTERS INTO A PUBLIC-PRIVATE
 PARTNERSHIP AGREEMENT UNDER § 4–126.1 OF THE EDUCATION ARTICLE, THE
 TOTAL DEBT SERVICE FOR ALL BOND ISSUES MAY NOT EXCEED \$100,000,000.

24 (G) (1) IN ACCORDANCE WITH § 9–1A–30 OF THE STATE GOVERNMENT 25 ARTICLE, THE COMPTROLLER SHALL DEPOSIT A PORTION OF THE MONEY IN THE 26 EDUCATION TRUST FUND INTO THE SUPPLEMENTAL PUBLIC SCHOOL 27 CONSTRUCTION FINANCING FUND.

28(2)THE FUNDS UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL29BE DEPOSITED IN THE FOLLOWING AMOUNTS:

30

- (I) IN FISCAL YEAR 2022 \$30,000,000;
- 31 (II) IN FISCAL YEAR 2023 \$60,000,000; AND

32 (III) IN FISCAL YEAR 2024 AND EACH FISCAL YEAR THEREAFTER 33 - \$125,000,000. 1(3)THE COMPTROLLER SHALL DEPOSIT 50% OF THE FUNDS UNDER2PARAGRAPH (2) OF THIS SUBSECTION ON OR BEFORE NOVEMBER 1 EACH YEAR AND3THE OTHER 50% ON OR BEFORE MAY 1 EACH YEAR.

(H) (1) IF THE MONEY DEPOSITED INTO THE SUPPLEMENTAL PUBLIC
SCHOOL CONSTRUCTION FINANCING FUND IN ACCORDANCE WITH SUBSECTION (G)
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 FACILITIES FUND.

9 (2) IF FUNDS ARE NEEDED FOR DEBT SERVICE OR DEBT SERVICE 10 RESERVES, THE AUTHORITY MAY TRANSFER MONEY IN THE SUPPLEMENTAL 11 PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND TO THE SUPPLEMENTAL 12 PUBLIC SCHOOL CONSTRUCTION FINANCING FUND.

13 (I) EXCEPT AS AGREED TO IN THE PROJECT MEMORANDUM OF 14 UNDERSTANDING UNDER § 10–650 OF THIS SUBTITLE:

15 (1) THE AUTHORITY SHALL CONTRACT FOR, MANAGE, AND OVERSEE
 16 PUBLIC SCHOOL FACILITY PROJECTS FUNDED FROM THE SUPPLEMENTAL PUBLIC
 17 SCHOOL CONSTRUCTION FINANCING FUND AND THE SUPPLEMENTAL PUBLIC
 18 SCHOOL CONSTRUCTION FACILITIES FUND; AND

- 19
- (2) THE COUNTY BOARD OF EDUCATION SHALL:

(I) 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;

(II) 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; AND

(III) 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.

33(J)(1)BEFORE ANY BONDS ARE ISSUED TO FINANCE IMPROVEMENTS TO34A 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.

3 (2) BEFORE THE AVAILABILITY OF FUNDS FROM THE SUPPLEMENTAL
4 PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND, THE AUTHORITY SHALL BE
5 ENTITLED TO REIMBURSEMENT FROM THE SUPPLEMENTAL PUBLIC SCHOOL
6 CONSTRUCTION FINANCING FUND FOR ANY COSTS DESCRIBED UNDER PARAGRAPH
7 (1) OF THIS SUBSECTION.

8 (K) ON JANUARY 15, 2021, AND EACH JANUARY 15 THEREAFTER, THE 9 AUTHORITY SHALL REPORT TO THE GOVERNOR, THE BOARD OF PUBLIC WORKS, 10 AND, IN ACCORDANCE WITH § 2–1257 OF THE STATE GOVERNMENT ARTICLE, THE 11 FISCAL COMMITTEES OF THE GENERAL ASSEMBLY ON THE PROGRESS OF 12 CONSTRUCTION AND RENOVATIONS OF PUBLIC SCHOOL FACILITIES, INCLUDING 13 ACTIONS:

- 14
- (1) TAKEN DURING THE PREVIOUS FISCAL YEAR; AND
- 15 (2) PLANNED FOR THE CURRENT FISCAL YEAR.

16 (L) (1) ON OR BEFORE JULY 1, 2030, THE AUTHORITY SHALL COMPLETE 17 A 10-YEAR EVALUATION OF THE EFFECTIVENESS OF THE ISSUANCE OF BONDS TO 18 FINANCE CONSTRUCTION AND RENOVATIONS OF PUBLIC SCHOOL FACILITIES.

19 (2) ON OR BEFORE DECEMBER 31, 2030, THE INTERAGENCY 20 COMMISSION ON SCHOOL CONSTRUCTION SHALL SUBMIT A REPORT ON THE 21 RESULTS OF THE EVALUATION REQUIRED UNDER PARAGRAPH (1) OF THIS 22 SUBSECTION TO THE GOVERNOR AND, IN ACCORDANCE WITH § 2–1257 OF THE 23 STATE GOVERNMENT ARTICLE, THE FISCAL COMMITTEES OF THE GENERAL 24 ASSEMBLY.

25 **10–650.** 

26(A) <del>THE</del> (1) **EXCEPT AS PROVIDED IN PARAGRAPHS (2) AND (3) OF THIS** SUBSECTION, THE INTERAGENCY COMMISSION ON SCHOOL CONSTRUCTION SHALL, 27IN ACCORDANCE WITH THE PROCESS ESTABLISHED IN § 5–304 OF THE EDUCATION 28ARTICLE, ON A ROLLING BASIS, APPROVE PUBLIC SCHOOL FACILITY PROJECTS TO 29BE FUNDED FROM THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION 30 FINANCING FUND AND THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION 31 FACILITIES FUND. 32

33(2)THE FIRST PROJECTS FUNDED FROM THE SUPPLEMENTAL34PUBLIC SCHOOL CONSTRUCTION FINANCING FUND AND THE SUPPLEMENTAL35PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND SHALL BE PROJECTS THAT THE

11	SCHOOL CONSTRUCT	ION IN THE FOLLOWING AMOUNTS:
12	(I)	ANNE ARUNDEL COUNTY – 12.5%;
13	(II)	BALTIMORE CITY – 21.0%;
14	(III)	BALTIMORE COUNTY – 21.0%;
15	(IV)	FREDERICK COUNTY – 5.1%;
16	(V)	HOWARD COUNTY – 6.6%;
17	(VI)	Montgomery County – 21.0%; and
18	(VII	) ALL OTHER COUNTIES – $11.5\%$ .
19		PERCENTAGE OF THE BOND PROCEEDS SPECIFIED FOR
20		DER PARAGRAPH (1) OF THIS SUBSECTION SHALL BE USED TO
21		EQUAL TO NOT MORE THAN 6% OF THE TOTAL ALLOCATION
22		Y FOR A PROJECT AT A SCHOOL WITHIN AN AREA DESIGNATED
23	FOR GRANT FUNDIN	IG THROUGH THE CHOICE NEIGHBORHOOD PROGRAM
24	ADMINISTERED BY T	HE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
25	AND COORDINATED LO	OCALLY BY THE HOUSING AUTHORITY OF BALTIMORE CITY.
26	(3) FOI	R PRINCE GEORGE'S COUNTY, THE COUNTY'S SHARE OF THE
27	ADDITIONAL SCHOOL	CONSTRUCTION ALLOCATION WILL BE PROVIDED THROUGH
28	THE PUBLIC-PRIVATE	E PARTNERSHIP AGREEMENT ENTERED INTO AND APPROVED
29	IN ACCORDANCE WITH	I § 4–126.1 OF THE EDUCATION ARTICLE.
30	(4) ANY	ALLOCATIONS NOT UTILIZED BY A COUNTY OR COUNTY
31		ON WITHIN 10 YEARS AFTER THE ALLOCATION SHALL BE
32	SUBJECT TO REALLOO	CATION.

**INTERAGENCY COMMISSION ON SCHOOL CONSTRUCTION HAS DEEMED ELIGIBLE** FOR FUNDING BUT STATE FUNDING FOR THE PROJECTS HAS BEEN DEFERRED DUE TO FISCAL CONSTRAINTS.

#### 4 (3) THE INTERAGENCY COMMISSION ON SCHOOL CONSTRUCTION $\mathbf{5}$ MAY NOT APPROVE A PUBLIC SCHOOL FACILITY PROJECT THAT WOULD REIMBURSE 6 A COUNTY FOR A PUBLIC SCHOOL FACILITY THAT HAS BEEN COMPLETED.

 $\overline{7}$ **(**B**)** SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, AND EXCEPT (1) AS PROVIDED IN PARAGRAPH (3) OF THIS SUBSECTION, A PERCENTAGE OF THE 8 PROCEEDS OF THE BONDS AUTHORIZED UNDER § 10-628 OF THIS SUBTITLE SHALL 9 BE ALLOCATED TO PROJECTS APPROVED BY THE INTERAGENCY COMMISSION ON 10

1  $\mathbf{2}$ 

3

1 **(C)**  $\frac{THE}{THE}$  (1) EXCEPT AS OTHERWISE PROVIDED IN PARAGRAPH (2) OF  $\mathbf{2}$ THIS SUBSECTION, THE ALLOCATION OF BOND PROCEEDS AUTHORIZED IN § 10-628 OF THIS SUBTITLE REPRESENTS THE STATE SHARE OF ELIGIBLE PUBLIC SCHOOL 3 4 CONSTRUCTION OR CAPITAL IMPROVEMENT COSTS AS ESTABLISHED BY  $\mathbf{5}$ **REGULATION IN ACCORDANCE WITH § 5–303 OF THE EDUCATION ARTICLE, WHICH** 6 SHALL INCLUDE ARCHITECTURAL, ENGINEERING, CONSULTING, AND OTHER PLANNING COSTS AS ELIGIBLE COSTS. 7

8 (2) FOR A COUNTY THAT RECEIVES THE MINIMUM STATE SHARE OF ELIGIBLE SCHOOL CONSTRUCTION COSTS AND HAS ADVANCED CONSTRUCTION 9 FUNDING FOR PROJECTS IN THE PUBLIC SCHOOL CONSTRUCTION PROGRAM THAT 10 THE INTERAGENCY COMMISSION ON SCHOOL CONSTRUCTION HAS APPROVED FOR 11 PLANNING, THE STATE SHARE OF ELIGIBLE COSTS FOR THE ALLOCATION OF BOND 12PROCEEDS AUTHORIZED IN § 10-628 OF THIS SUBTITLE SHALL INCLUDE 150% OF 1314THE APPLICABLE GROSS AREA BASELINE IN GROSS SQUARE FOOT PER STUDENT FOR 15EACH PROJECT.

16 (D) (1) EXCEPT AS AGREED TO IN THE PROJECT MEMORANDUM OF 17 UNDERSTANDING UNDER THIS SECTION, THE AUTHORITY SHALL CONTRACT FOR, 18 MANAGE, AND OVERSEE PUBLIC SCHOOL FACILITY PROJECTS FUNDED FROM THE 19 SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND AND THE 20 SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND.

(2) IN BALTIMORE CITY, THE AUTHORITY SHALL CONTRACT FOR,
 MANAGE, AND OVERSEE PUBLIC SCHOOL FACILITY PROJECTS FUNDED FROM THE
 SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND AND THE
 SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND.

(3) IF A COUNTY BOARD OF EDUCATION CONTRACTS FOR, MANAGES,
 AND OVERSEES A PUBLIC SCHOOL FACILITY PROJECT FUNDED FROM THE
 SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND AND THE
 SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND, THE PUBLIC
 SCHOOL FACILITY PROJECT SHALL BE SUBJECT TO THE SAME REQUIREMENTS AND
 PROCEDURES THAT GOVERN THE PUBLIC SCHOOL CONSTRUCTION PROGRAM.

(E) (1) BEFORE A PUBLIC SCHOOL FACILITY PROJECT IS APPROVED FOR
 FUNDING FROM THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING
 FUND OR THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND,
 THE AUTHORITY AND THE INTERAGENCY COMMISSION ON SCHOOL CONSTRUCTION
 SHALL ENTER INTO A PROGRAM MEMORANDUM OF UNDERSTANDING.

1 (2) EXCEPT AS PROVIDED UNDER PARAGRAPH (3) OF THIS 2 SUBSECTION, THE PROGRAM MEMORANDUM OF UNDERSTANDING UNDER 3 PARAGRAPH (1) OF THIS SUBSECTION SHALL:

4 (I) PROVIDE FOR THE AUTHORITY'S RIGHT TO ASSUME A 5 PROJECT UNDERTAKEN UNDER CERTAIN CIRCUMSTANCES;

6 (II) PROVIDE, GENERALLY, FOR THE ORDER AND CONTROL OF 7 ALL FUNDING FOR PUBLIC SCHOOL FACILITY CONSTRUCTION PROJECTS UNDER 8 THIS SUBTITLE;

9 (III) AUTHORIZE THE AUTHORITY TO MAKE FINAL DECISIONS 10 INVOLVING DISPUTES THAT MAY IMPACT ANY AUTHORITY OBLIGATIONS UNDER 11 THIS SUBTITLE; AND

12 (IV) 1. AUTHORIZE THE AUTHORITY TO REVIEW AND 13 APPROVE PROJECT BUDGETS; OR

142. AUTHORIZE THE AUTHORITY TO REVIEW AND15COMMENT ON PROJECT BUDGETS, IF A PUBLIC SCHOOL FACILITY PROJECT FUNDED16FROM THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND OR17THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND IS BEING18CONTRACTED FOR, MANAGED, OR OVERSEEN BY A COUNTY AND A COUNTY BOARD19OF EDUCATION.

(3) IF THE COUNTY BOARD OF EDUCATION CONTRACTS FOR,
 MANAGES, AND OVERSEES PUBLIC SCHOOL FACILITY PROJECTS FUNDED FROM THE
 SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND AND THE
 SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND, THE
 PROGRAM MEMORANDUM OF UNDERSTANDING MAY NOT INCLUDE THE PROVISIONS
 UNDER PARAGRAPH (2)(I) AND (IV)1 OF THIS SUBSECTION.

26SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, BEFORE **(F)** (1) **(I)** A PUBLIC SCHOOL FACILITY PROJECT IS APPROVED FOR FUNDING FROM THE 2728SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND OR THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND, THE 2930 AUTHORITY, THE COUNTY GOVERNMENT, AND THE COUNTY BOARD OF EDUCATION SHALL ENTER INTO A PROJECT MEMORANDUM OF UNDERSTANDING FOR A PUBLIC 31SCHOOL FACILITY THAT SHALL BE SUBJECT TO APPROVAL BY THE INTERAGENCY 32**COMMISSION ON SCHOOL CONSTRUCTION.** 33

34(II) THE PROJECT MEMORANDUM OF UNDERSTANDING35REQUIRED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH SHALL:

BE SUBJECT TO THE APPLICABLE TERMS AND 1 1.  $\mathbf{2}$ CONDITIONS SET FORTH IN THE PROGRAM MEMORANDUM OF UNDERSTANDING 3 UNDER SUBSECTION (E)(2) OF THIS SECTION; 4 2. **IDENTIFY SPECIFIC PARAMETERS REGARDING THE**  $\mathbf{5}$ **ROLES AND RESPONSIBILITIES OF EACH PARTY WITH RESPECT TO BUDGET REVIEW** 6 PROCUREMENT, AND APPROVAL, DESIGN, SCHEDULE, CONSTRUCTION ADMINISTRATION, AND CONTRACT COMPLIANCE AND REPORTING; 7 **RESERVE THE RIGHT OF THE AUTHORITY TO ASSUME** 8 3. 9 A PROJECT UNDER CERTAIN CIRCUMSTANCES; 10 INCLUDE A PROVISION THAT THE STATE AND LOCAL 4. COST-SHARE FOR THE COUNTY ESTABLISHED IN REGULATIONS SHALL APPLY TO A 11 COUNTY PUBLIC SCHOOL FACILITY APPROVED FOR FUNDING FROM THE 12 13SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND OR THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND; AND 14155. REQUIRE THE COUNTY AND COUNTY BOARD OF EDUCATION TO GIVE PRIORITY IN FUNDING PROJECTS TO SCHOOLS: 16 17THAT ARE THE OLDEST BUILDINGS IN THE SCHOOL Α. 18 SYSTEM WITH SIGNIFICANT FACILITY DEFICIENCIES; В. 19 WITH HIGH CONCENTRATIONS OF **STUDENTS** 20ELIGIBLE FOR FREE OR REDUCED PRICE MEALS; С. 21WITH Α HIGH NUMBER OF RELOCATABLE 22CLASSROOMS; OR 23D. WITH A HIGH UTILIZATION BASED ON THE SCHOOL'S 24**STATE RATED CAPACITY;** 25Е. WITH SPACE NEEDS FOR FULL-DAY PREKINDERGARTEN OR CAREER AND TECHNICAL EDUCATION PROGRAMS; AND 2627INCLUDE A COMPREHENSIVE PLAN FOR LOCAL **6**. HIRING AND A PLAN TO MAXIMIZE THE UTILIZATION OF STATE-CERTIFIED LOCALLY 2829BASED MINORITY AND WOMEN-OWNED BUSINESSES FOR PROJECTS APPROVED FOR 30 FUNDING. 31(2) FOR BALTIMORE CITY, IF A PROVISION OF THE MEMORANDUM OF 32UNDERSTANDING ENTERED INTO IN ACCORDANCE WITH § 10-646 OF THIS SUBTITLE 33 CONFLICTS WITH A PROVISION OF THE PROJECT MEMORANDUM OF

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UNDERSTANDING UNDER THIS SUBSECTION, THE PROVISION OF THE PROJECT 1  $\mathbf{2}$ MEMORANDUM OF UNDERSTANDING IN § 10-646 OF THIS SUBTITLE SHALL PREVAIL. 3 (3) **(I)** 1. **EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS** 4 PARAGRAPH, THE AUTHORITY MAY AUTHORIZE A COUNTY BOARD OF EDUCATION TO CONTRACT FOR, MANAGE, AND OVERSEE PUBLIC SCHOOL FACILITY PROJECTS  $\mathbf{5}$ FUNDED FROM THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING 6 FUND AND THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FACILITIES 7 FUND IN THE PROJECT MEMORANDUM OF UNDERSTANDING. 8 9 2. THE AUTHORITY SHALL CONSIDER A COUNTY BOARD 10 OF EDUCATION'S TRACK RECORD OF MANAGING PUBLIC SCHOOL FACILITY 11 PROJECTS WHEN AUTHORIZING A COUNTY UNDER SUBSUBPARAGRAPH 1 OF THIS 12 SUBPARAGRAPH. 13 IN DECIDING WHETHER TO AUTHORIZE A COUNTY 2. BOARD TO TAKE CERTAIN ACTIONS UNDER SUBSUBPARAGRAPH 1 OF THIS 14 SUBPARAGRAPH, THE AUTHORITY SHALL CONSIDER THE COUNTY BOARD'S: 1516 TRACK RECORD IN MANAGING PUBLIC SCHOOL A. 17FACILITY PROJECTS, INCLUDING COMPLETING PROJECTS ON SCHEDULE AND WITHIN BUDGET; AND 18 19 В. EXPERTISE AND CAPACITY TO MANAGE THE 20**PROPOSED PUBLIC SCHOOL PROJECTS.** 213. IF A COUNTY BOARD DISAGREES WITH THE 22AUTHORITY'S DECISION UNDER SUBSUBPARAGRAPH 1 OF THIS SUBPARAGRAPH, THE COUNTY BOARD MAY APPEAL TO THE LEGISLATIVE POLICY COMMITTEE OF THE 23MARYLAND GENERAL ASSEMBLY. 2425**(II)** IN BALTIMORE CITY, THE AUTHORITY SHALL CONTRACT FOR, MANAGE, AND OVERSEE PUBLIC SCHOOL FACILITY PROJECTS FUNDED FROM 26THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND AND THE 27SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND. 28

29 **10–658.** 

30 (A) THERE IS A SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION 31 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.

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1

(2) THE AUTHORITY SHALL:

2 (I) USE THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION 3 FINANCING FUND AS A REVOLVING FUND FOR CARRYING OUT THIS SUBTITLE 4 CONCERNING PUBLIC SCHOOL FACILITIES;

5 (II) PAY ANY AND ALL EXPENSES FROM THE SUPPLEMENTAL
6 PUBLIC SCHOOL CONSTRUCTION FINANCING FUND THAT ARE INCURRED BY THE
7 AUTHORITY RELATED TO ANY PUBLIC SCHOOL FACILITIES; AND

8 (III) AFTER ALL BONDS HAVE BEEN ISSUED, CALCULATE THE 9 TOTAL AMOUNT ALLOCATED FROM THE SUPPLEMENTAL PUBLIC SCHOOL 10 CONSTRUCTION FINANCING FUND TO EACH COUNTY THAT RECEIVED A 11 PERCENTAGE OF BOND PROCEEDS UNDER § 10–650(B)(1) OF THIS SUBTITLE.

12(3) SUBJECT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH, IN **(I)** EACH FISCAL YEAR FOR WHICH THE PROVISIONS OF § 4-126.1(D) OF THE 13 EDUCATION ARTICLE REMAIN APPLICABLE, THE AUTHORITY SHALL DEPOSIT AN 14 AMOUNT EQUAL TO \$25,000,000 FROM THE SUPPLEMENTAL PUBLIC SCHOOL 15CONSTRUCTION FINANCING FUND INTO THE PRINCE GEORGE'S COUNTY 16 PUBLIC-PRIVATE PARTNERSHIP FUND ESTABLISHED UNDER § 4-126.2 OF THE 17**EDUCATION ARTICLE.** 18

19 THE TOTAL **(II)** AMOUNT DISTRIBUTED FROM THE 20 SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND TO THE 21PRINCE GEORGE'S COUNTY PUBLIC-PRIVATE PARTNERSHIP Fund IN 22ACCORDANCE WITH SUBPARAGRAPH (I) OF THIS PARAGRAPH MAY NOT EXCEED THE MAXIMUM TOTAL AMOUNT ALLOCATED TO A COUNTY CALCULATED IN ACCORDANCE 23WITH PARAGRAPH (2)(III) OF THIS SUBSECTION. 24

(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
RELATED TO PUBLIC SCHOOL FACILITIES:

29

(I) DEBT SERVICE ON AUTHORITY BONDS;

- 30
- (II) DEBT SERVICE RESERVES UNDER A TRUST AGREEMENT;

31(III) ALL REASONABLE CHARGES AND EXPENSES RELATED TO32AUTHORITY BORROWING; AND

1 (IV) ALL REASONABLE CHARGES AND EXPENSES RELATED TO 2 THE AUTHORITY'S ADMINISTRATION OF THE SUPPLEMENTAL PUBLIC SCHOOL 3 CONSTRUCTION FINANCING FUND AND MANAGEMENT OF THE AUTHORITY'S 4 OBLIGATIONS.

 $\mathbf{5}$ (2) **(I)** THIS PARAGRAPH APPLIES ONLY IF A PUBLIC-PRIVATE 6 PARTNERSHIP AGREEMENT TO ENHANCE THE DELIVERY OF PUBLIC SCHOOL CONSTRUCTION IN PRINCE GEORGE'S COUNTY HAS BEEN ENTERED INTO BY THE 7 PRINCE GEORGE'S COUNTY GOVERNMENT, THE PRINCE GEORGE'S COUNTY 8 BOARD OF EDUCATION, AND A PRIVATE ENTITY AND THE AGREEMENT HAS BEEN 9 APPROVED BY THE INTERAGENCY COMMISSION ON SCHOOL CONSTRUCTION IN 10 ACCORDANCE WITH § 4–126.1 OF THE EDUCATION ARTICLE. 11

12 (II) IN ADDITION TO THE MONEY ON DEPOSIT IN THE 13 SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND, THE MONEY 14 DEPOSITED BY THE AUTHORITY IN ACCORDANCE WITH § 4–126.1(D) OF THE 15 EDUCATION ARTICLE INTO THE PRINCE GEORGE'S COUNTY PUBLIC–PRIVATE 16 PARTNERSHIP FUND ESTABLISHED UNDER § 4–126.2 OF THE EDUCATION ARTICLE 17 SHALL BE PLEDGED TO AND USED TO PAY FOR THE ITEMS LISTED IN PARAGRAPH (1) 18 OF THIS SUBSECTION RELATED TO PUBLIC SCHOOL FACILITIES.

- 19(3) THE PLEDGE SHALL BE EFFECTIVE AS PROVIDED IN § 10–634 OF20THIS SUBTITLE AND ANY APPLICABLE AUTHORITY RESOLUTION.
- 21 (D) THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING 22 FUND CONSISTS OF:
- 23(1) MONEY DEPOSITED INTO THE SUPPLEMENTAL PUBLIC SCHOOL24CONSTRUCTION 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;
- 28(3)REVENUES COLLECTED OR RECEIVED FROM ANY SOURCE UNDER29THIS SUBTITLE RELATED TO PUBLIC SCHOOL FACILITY PROJECTS;
- 30(4) ANY INTEREST EARNINGS OF THE SUPPLEMENTAL PUBLIC31SCHOOL CONSTRUCTION FINANCING FUND; AND
- 32 (5) ANY ADDITIONAL MONEY MADE AVAILABLE FROM ANY PUBLIC 33 SOURCE FOR THE PURPOSES ESTABLISHED FOR THE SUPPLEMENTAL PUBLIC 34 SCHOOL CONSTRUCTION FINANCING FUND.

1 (E) (1) THE STATE TREASURER SHALL INVEST THE MONEY OF THE 2 SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND IN THE SAME 3 MANNER AS OTHER STATE FUNDS.

4 (2) ANY INVESTMENT EARNINGS SHALL BE CREDITED TO THE 5 SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND.

6 (3) NO PART OF THE SUPPLEMENTAL PUBLIC SCHOOL 7 CONSTRUCTION FINANCING FUND MAY REVERT OR BE CREDITED TO THE GENERAL 8 FUND OR ANY SPECIAL FUND OF THE STATE.

9 (F) THE MONEY IN THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION 10 FINANCING FUND SHALL BE USED TO SUPPLEMENT, AND MAY NOT SUPPLANT, 11 MONEY APPROPRIATED TO THE PUBLIC SCHOOL CONSTRUCTION PROGRAM 12 ESTABLISHED UNDER TITLE 5, SUBTITLE 3 OF THE EDUCATION ARTICLE.

13 **10–658.1.** 

14 (A) THERE IS A SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION 15 FACILITIES FUND.

16 **(B) (1)** THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION 17 FACILITIES FUND IS A CONTINUING, NONLAPSING FUND THAT SHALL BE AVAILABLE 18 TO IMPLEMENT THIS SUBTITLE CONCERNING PUBLIC SCHOOL FACILITIES.

19 (2) THE AUTHORITY SHALL:

20 (I) USE THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION 21 FACILITIES FUND AS A REVOLVING FUND FOR CARRYING OUT THIS SUBTITLE 22 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 FACILITIES FUND THAT ARE INCURRED BY THE AUTHORITY
 RELATED TO ANY PUBLIC SCHOOL FACILITIES.

(C) TO THE EXTENT CONSIDERED APPROPRIATE BY THE AUTHORITY, THE
MONEY ON DEPOSIT IN THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION
FACILITIES FUND SHALL BE USED TO PAY THE FOLLOWING RELATED TO PUBLIC
SCHOOL FACILITIES:

31 (1) DEBT SERVICE ON AUTHORITY BONDS;

1 (2) DESIGN AND CONSTRUCTION COSTS RELATED TO PUBLIC SCHOOL 2 FACILITIES;

3 (3) TO THE EXTENT AUTHORIZED BY FEDERAL TAX LAW, COSTS OF 4 START-UP, ADMINISTRATION, OVERHEAD, AND OPERATIONS RELATED TO THE 5 MANAGEMENT OF IMPROVEMENTS TO PUBLIC SCHOOL FACILITIES AUTHORIZED 6 UNDER THIS SUBTITLE;

7 (4) ALL REASONABLE CHARGES AND EXPENSES RELATED TO THE 8 AUTHORITY'S ADMINISTRATION OF THE SUPPLEMENTAL PUBLIC SCHOOL 9 CONSTRUCTION FACILITIES FUND AND THE SUPPLEMENTAL PUBLIC SCHOOL 10 CONSTRUCTION FINANCING FUND AND MANAGEMENT OF THE AUTHORITY'S 11 OBLIGATIONS; AND

12 (5) IF PRINCE GEORGE'S COUNTY SUBMITS A PUBLIC-PRIVATE 13 PARTNERSHIP AGREEMENT TO THE AUTHORITY FOR REVIEW UNDER § 4–126.1 OF 14 THE EDUCATION ARTICLE, ALL REASONABLE EXPENSES RELATED TO THE 15 AUTHORITY'S REVIEW OF THE PUBLIC-PRIVATE PARTNERSHIP AGREEMENT.

16 (D) THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FACILITIES 17 FUND CONSISTS OF:

18 (1) FUNDS TRANSFERRED FROM THE SUPPLEMENTAL PUBLIC 19 SCHOOL CONSTRUCTION FINANCING FUND TO THE SUPPLEMENTAL PUBLIC 20 SCHOOL CONSTRUCTION FACILITIES FUND IN ACCORDANCE WITH § 10–649 OF THIS 21 SUBTITLE;

22 (2) ANY INTEREST EARNINGS OF THE SUPPLEMENTAL PUBLIC 23 SCHOOL CONSTRUCTION FACILITIES FUND; AND

(3) ANY ADDITIONAL MONEY MADE AVAILABLE FROM ANY PUBLIC
 SOURCE FOR THE PURPOSES ESTABLISHED FOR THE SUPPLEMENTAL PUBLIC
 SCHOOL CONSTRUCTION FACILITIES FUND.

27 (E) (1) THE STATE TREASURER SHALL INVEST THE MONEY OF THE 28 SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND IN THE SAME 29 MANNER AS OTHER STATE FUNDS.

30(2) ANY INVESTMENT EARNINGS SHALL BE CREDITED TO THE31SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND.

32 (3) NO PART OF THE SUPPLEMENTAL PUBLIC SCHOOL
 33 CONSTRUCTION FACILITIES FUND MAY REVERT OR BE CREDITED TO THE GENERAL
 34 FUND OR ANY SPECIAL FUND OF THE STATE.

1 (F) THE MONEY IN THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION 2 FACILITIES FUND SHALL BE USED TO SUPPLEMENT, AND MAY NOT SUPPLANT, 3 MONEY APPROPRIATED TO THE PUBLIC SCHOOL CONSTRUCTION PROGRAM 4 ESTABLISHED IN TITLE 5, SUBTITLE 3 OF THE EDUCATION ARTICLE.

5 [10–658.] **10–659.** 

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

 $\overline{7}$ 

# **Article – State Finance and Procurement**

8 6–226.

9 (a) (2) (i) Notwithstanding any other provision of law, and unless 10 inconsistent with a federal law, grant agreement, or other federal requirement or with the 11 terms of a gift or settlement agreement, net interest on all State money allocated by the 12 State Treasurer under this section to special funds or accounts, and otherwise entitled to 13 receive interest earnings, as accounted for by the Comptroller, shall accrue to the General 14 Fund of the State.

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

17 121. the Markell Hendricks Youth Crime Prevention and 18 Diversion Parole Fund; [and]

19 122. the Federal Government Shutdown Employee Assistance

20 Loan Fund;

21123. THESUPPLEMENTALPUBLICSCHOOL22CONSTRUCTION FACILITIES FUND; AND

23124. THESUPPLEMENTALPUBLICSCHOOL24CONSTRUCTION FINANCING FUND.

25

Article – State Government

26 9–1A–30.

27 (A) IN THIS SECTION, "SUPPLEMENTAL FUNDING" MEANS FUNDING TO:

# (1) ENSURE ACCESS TO PUBLIC EDUCATION THAT ALLOWS CHILDREN IN THE STATE TO COMPETE IN THE GLOBAL ECONOMY OF THE FUTURE;

1 (2) PROVIDE FUNDING FOR HIGH-QUALITY EARLY EDUCATION 2 PROGRAMS;

# 3 (3) PROVIDE OPPORTUNITIES FOR PUBLIC SCHOOL STUDENTS TO 4 PARTICIPATE IN CAREER AND TECHNICAL EDUCATION PROGRAMS THAT LEAD TO AN 5 IDENTIFIED JOB SKILL OR CERTIFICATE;

6 (4) ALLOW STUDENTS TO OBTAIN COLLEGE CREDIT AND DEGREES 7 WHILE IN HIGH SCHOOL AT NO COST TO THE STUDENTS;

# 8 **(5)** SUPPORT THE ADVANCEMENT AND PROFESSIONALIZATION OF 9 EDUCATORS IN PUBLIC EDUCATION; AND

10

(6) MAINTAIN, RENOVATE, OR CONSTRUCT PUBLIC SCHOOLS.

11 [(a)] (B) There is an Education Trust Fund which is a special, nonlapsing fund 12 that is not subject to § 7–302 of the State Finance and Procurement Article.

13 [(b)] (C) (1) There shall be credited to the Education Trust Fund all proceeds 14 allocated to the Fund under § 9–1A–27 of this subtitle.

15 (2) Money in the Education Trust Fund shall be invested and reinvested 16 by the Treasurer, and interest and earnings shall accrue to the Fund.

17 [(c)] (D) Money in the Education Trust Fund shall be used to:

18 (1) provide funding for public elementary and secondary education, 19 through continuation of the funding and formulas established under the programs 20 commonly known as the Bridge to Excellence in Public Schools Act, first enacted by Chapter 21 288 of the Acts of the General Assembly of 2002, including the funding for regional 22 differences in the cost of education under § 5–202(f) of the Education Article; AND

23 (2) [provide funds to construct public school buildings and provide public 24 school capital improvements in accordance with Title 5, Subtitle 3 of the Education Article;

25 (3) provide funds for capital projects at community colleges and public 26 senior higher education institutions; and

27 (4) provide funds to expand public early childhood education programs in
28 the State] PROVIDE SUPPLEMENTAL FUNDING FOR EDUCATION AND PUBLIC
29 SCHOOLS.

30 [(d) Expenditures from the Education Trust Fund shall be made each fiscal year 31 in accordance with the State budget.]

1 (E) (1) THE GOVERNOR'S ANNUAL BUDGET SUBMISSION SHALL INCLUDE 2 NOT LESS THAN THE FOLLOWING AMOUNTS AS SUPPLEMENTAL FUNDING FOR 3 PUBLIC EDUCATION FROM THE EDUCATION TRUST FUND:

4	(I) FOR FISCAL YEAR 2020, \$125,000,000;
5	(II) FOR FISCAL YEAR 2021, \$250,000,000;
6	(III) FOR FISCAL YEAR 2022, \$375,000,000; AND
7	(IV) FOR FISCAL YEAR 2023 AND EACH FISCAL YEAR
8	THEREAFTER, 100% OF THE FUNDS.
9	(2) (I) THE SUPPLEMENTAL FUNDING REQUIRED UNDER
10	PARAGRAPH (1) OF THIS SUBSECTION SHALL BE IN ADDITION TO THE STATE
11	FUNDING AND FORMULAS PROVIDED THROUGH THE FUNDING FORMULAS
12	ESTABLISHED IN THE BRIDGE TO EXCELLENCE IN PUBLIC SCHOOLS ACT OF 2002
13	FOR PREKINDERGARTEN THROUGH GRADE 12 IN PUBLIC SCHOOLS.
14	
14	(II) BEGINNING IN FISCAL YEAR 2020 AND IN EACH FISCAL
15 10	YEAR THEREAFTER, THE GOVERNOR SHALL IDENTIFY IN THE ANNUAL BUDGET AS
16 17	INTRODUCED HOW THE REVENUE REQUIRED UNDER THIS SUBSECTION IS BEING
17	USED TO SUPPLEMENT AND NOT SUPPLANT THE SPENDING ON PUBLIC EDUCATION
18	FOR PREKINDERGARTEN THROUGH GRADE 12.
19	(F) EXPENDITURES FROM THE EDUCATION TRUST FUND SHALL BE MADE
$\frac{10}{20}$	EACH FISCAL YEAR IN ACCORDANCE WITH THE STATE BUDGET.
20	
21	SECTION 4. AND BE IT FURTHER ENACTED, That the Laws of Maryland read
22	as follows:
23	<u>Chapter 14 of the Acts of 2018</u>
24	SECTION 3. AND BE IT FURTHER ENACTED, That:
25	(a) <u>There is a Workgroup on the Assessment and Funding of School Facilities.</u>
26	(b) <u>The Workgroup consists of the following members:</u>
27	(3) the [State Superintendent of Schools] CHAIR OF THE INTERAGENCY
$\frac{21}{28}$	<u>COMMISSION ON SCHOOL CONSTRUCTION;</u>
<b>_</b> 0	
29	(c) The [State Superintendent of Schools shall] <b>PRESIDENT OF THE SENATE</b>

29(c)The [State Superintendent of Schools shall]PRESIDENT OF THE SENATE30AND THE SPEAKER OF THE HOUSE OF DELEGATES JOINTLY SHALL APPOINT THE31chair the Workgroup.

1 (g) On or before December 1, [2019] **2021**, the Workgroup shall report its findings 2 and recommendations to the Governor and, in accordance with § [2–1246] **2–1257** of the 3 State Government Article, the General Assembly.

4 <u>SECTION 5. AND BE IT FURTHER ENACTED, That the Laws of Maryland read</u> 5 <u>as follows:</u>

**Article – Education** 

7 5-325.

6

8 (A) IN THIS SECTION, "FUND" MEANS THE PUBLIC SCHOOL FACILITIES 9 PRIORITY FUND.

10 (B) THERE IS A PUBLIC SCHOOL FACILITIES PRIORITY FUND.

11 **(C)** (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, 12THE PURPOSE OF THE FUND IS TO PROVIDE STATE FUNDS TO ADDRESS THE FACILITY NEEDS OF THE HIGHEST PRIORITY SCHOOLS IN THE STATE AS IDENTIFIED 13 BY THE STATEWIDE FACILITIES ASSESSMENT COMPLETED BY THE INTERAGENCY 14COMMISSION ON SCHOOL CONSTRUCTION UNDER § 5–310(E) OF THIS SUBTITLE, 15WITH HIGHEST PRIORITY GIVEN TO SCHOOLS WITH A SEVERE FACILITY ISSUE THAT 16 17REQUIRED THE SCHOOL TO BE CLOSED IN THE CURRENT SCHOOL YEAR OR THE 18 PREVIOUS SCHOOL YEAR.

19 (2) IF THE STATEWIDE FACILITIES ASSESSMENT IS NOT COMPLETED, 20 THE PURPOSE OF THE FUND IS TO PROVIDE STATE FUNDS TO ADDRESS THE 21 SEVERITY OF ISSUES IN A SCHOOL, INCLUDING:

- 22 (I) AIR CONDITIONING;
- 23 (II) HEATING;
- 24 (III) INDOOR AIR QUALITY;
- 25 (IV) MOLD REMEDIATION;
- 26 (V) TEMPERATURE REGULATION;

27 (VI) PLUMBING, INCLUDING THE PRESENCE OF LEAD IN 28 DRINKING WATER OUTLETS IN SCHOOL BUILDINGS;

29 (VII) WINDOWS; AND

# HOUSE BILL 1

1 (VIII) ANY ADDITIONAL SEVERE ISSUES IN THE SCHOOL THAT 2 REQUIRE THE SCHOOL TO BE CLOSED.

3 (D) THE INTERAGENCY COMMISSION ON SCHOOL CONSTRUCTION SHALL 4 ADMINISTER THE FUND.

5 (E) (1) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT 6 SUBJECT TO § 7–302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

7 (2) THE STATE TREASURER SHALL HOLD THE FUND SEPARATELY, 8 AND THE COMPTROLLER SHALL ACCOUNT FOR THE FUND.

9 (F) THE FUND CONSISTS OF:

- 10 (1) MONEY APPROPRIATED IN THE STATE BUDGET TO THE FUND;
- 11 (2) ANY INTEREST EARNINGS OF THE FUND; AND

12 (3) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED FOR 13 THE BENEFIT OF THE FUND.

14(G) THE FUND MAY BE USED ONLY FOR THE PURPOSE ESTABLISHED UNDER15SUBSECTION (C) OF THIS SECTION.

16 (H) (1) THE STATE TREASURER SHALL INVEST THE MONEY OF THE FUND 17 IN THE SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.

18(2)ANY INTEREST EARNINGS OF THE FUND SHALL BE CREDITED TO19THE FUND.

20 (I) (1) IN FISCAL YEARS 2023 THROUGH 2026, THE GOVERNOR SHALL 21 APPROPRIATE IN THE ANNUAL STATE OPERATING OR CAPITAL BUDGET BILL AT 22 LEAST \$40,000,000 TO THE FUND.

(2) IN FISCAL YEAR 2027 AND EACH FISCAL YEAR THEREAFTER, THE
 GOVERNOR SHALL APPROPRIATE IN THE ANNUAL STATE OPERATING OR CAPITAL
 BUDGET BILL AT LEAST \$80,000,000 TO THE FUND.

26 (J) EXPENDITURES FROM THE FUND MAY BE MADE ONLY IN ACCORDANCE 27 WITH THE STATE BUDGET.

28 (K) MONEY EXPENDED FROM THE FUND IS SUPPLEMENTAL TO AND IS NOT 29 INTENDED TO TAKE THE PLACE OF FUNDING THAT OTHERWISE WOULD BE

-	
3	<b>Article – State Finance and Procurement</b>
4	6-226.
$5 \\ 6 \\ 7 \\ 8 \\ 9 \\ 10$	(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.
$\begin{array}{c} 11 \\ 12 \end{array}$	(ii) The provisions of subparagraph (i) of this paragraph do not apply to the following funds:
$\begin{array}{c} 13\\14 \end{array}$	123. the Supplemental Public School Construction Facilities Fund; [and]
$\begin{array}{c} 15\\ 16 \end{array}$	124. the Supplemental Public School Construction Financing Fund; AND
17	125. THE PUBLIC SCHOOL FACILITIES PRIORITY FUND.
18	SECTION 6. AND BE IT FURTHER ENACTED, That:
19 20 21 22	(a) (1) On or before July 1, 2022, each county board shall conduct a capacity study identifying the current capacity of each school in the school system and the demographics of the students in each school compared to the demographics of the overall student population in the school system.
$23 \\ 24 \\ 25$	(2) A county board that has completed a capacity study not more than 3 years prior to the requirement in subsection (a) of this section may submit that study to comply with the requirement.
26 27 28	(b) <u>The capacity study shall be submitted, on or before December 1, 2022, to the</u> <u>Interagency Commission on School Construction and, in accordance with § 2–1257 of the</u> <u>State Government Article, the General Assembly.</u>
29 30 31 32	SECTION 5. 7. AND BE IT FURTHER ENACTED, That it is the intent of the General Assembly that funding for the Aging Schools Program and the School Safety Grant Program shall be consolidated into the Public School Facilities Priority Fund established in Section $4 6$ of this Act beginning in fiscal year 2027.
33	SECTION <del>6.</del> <u>8.</u> AND BE IT FURTHER ENACTED, That Section(s) 5–317 and 5–324

of Article – Education of the Annotated Code of Maryland be repealed.

- 1 APPROPRIATED IN THE ANNUAL STATE OPERATING OR CAPITAL BUDGET BILL TO 2 PRIMARY AND SECONDARY SCHOOLS UNDER THIS ARTICLE.

SECTION 7. 9. AND BE IT FURTHER ENACTED, That in fiscal year 2021,
 \$500,000 from the Education Trust Fund shall be appropriated to the Maryland Stadium
 Authority for start-up and administrative costs associated with Section 3 of this Act.

4 SECTION 8. 10. AND BE IT FURTHER ENACTED, That, contingent on the 5 consolidation of funding, on or before June 30, 2026, for the Aging Schools Program and the 6 School Safety Grant Program into the Public School Facilities Priority Fund established in 7 Section 4 <u>6</u> of this Act, Section <del>6</del> <u>8</u> of this Act shall take effect July 1, 2026.

8 SECTION <del>9.</del> <u>11.</u> AND BE IT FURTHER ENACTED, That Section <u>4</u> <u>6</u> of this Act 9 shall take effect July 1, 2022.

10 SECTION <del>10.</del> <u>12.</u> AND BE IT FURTHER ENACTED, That, except as provided in 11 Sections <del>8</del> <u>10</u> and <del>9</del> <u>11</u> of this Act, this Act shall take effect July 1, 2020.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.