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By: **Delegate Rudolph**

Introduced and read first time: February 16, 2001

Assigned to: Rules and Executive Nominations

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A BILL ENTITLED

1 AN ACT concerning

2 **Public School Construction - Small Schools - State Allocation**

3 FOR the purpose of requiring the State to pay a certain amount of costs in addition to  
4 the maximum State construction allocation for the construction of certain school  
5 buildings that are within certain size ranges; requiring the State to pay a  
6 certain amount of costs in addition to the maximum State construction  
7 allocation for the renovation, modernization, alteration, or remodeling of certain  
8 existing school buildings to within certain size ranges; defining certain terms;  
9 and generally relating to State payments for public school construction or  
10 capital improvement costs.

11 BY repealing and reenacting, with amendments,  
12 Article - Education  
13 Section 5-301  
14 Annotated Code of Maryland  
15 (1999 Replacement Volume and 2000 Supplement)

16 Preamble

17 WHEREAS, Research indicates that smaller school size is the second most  
18 important factor in creating positive educational outcomes, after socioeconomic  
19 status; and

20 WHEREAS, Research related to school size indicates that elementary and  
21 middle schools with between 300 and 400 students and secondary schools with  
22 between 400 and 800 students are more effective than schools with larger student  
23 populations; and

24 WHEREAS, Smaller school size promotes learning and improves grades and  
25 test scores of students, especially minorities and low income students; and

26 WHEREAS, Research shows that school dropout rates decrease in small schools;  
27 and

1 WHEREAS, Student behavioral problems, including truancy, classroom  
2 disruption, vandalism, aggression, theft, alcohol and substance abuse, and gang  
3 participation, occur more often in larger schools; and

4 WHEREAS, Creating smaller schools and smaller learning communities within  
5 larger schools promotes school safety; and

6 WHEREAS, Small schools reduce the feeling of isolation, allow students to form  
7 closer relationships with teachers, and create a sense of student loyalty to and pride  
8 in the school; and

9 WHEREAS, Researchers have concluded that the first step in ending secondary  
10 school violence is to break through the impersonal atmosphere of large secondary  
11 schools by creating smaller learning communities within large schools; and

12 WHEREAS, Research demonstrates that students who attend smaller schools  
13 are more likely to participate in extracurricular activities and to participate in a  
14 greater variety of extracurricular activities; and

15 WHEREAS, Large schools contribute to negative teacher attitudes and low staff  
16 morale; and

17 WHEREAS, Small schools can be established in a cost effective manner, as the  
18 sheer size of larger schools requires more administrative support; now, therefore,

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

21 **Article - Education**

22 5-301.

23 (a) (1) For the purposes of this section other than subsection (c), the Board  
24 of Public Works shall define by regulation what constitutes an approved public school  
25 construction or capital improvement cost.

26 (2) The cost of acquiring land may not be considered a construction or  
27 capital improvement cost and may not be paid by the State.

28 (b) The State shall pay the costs in excess of available federal funds of all  
29 public school construction projects and public school capital improvements in each  
30 county if:

31 (1) The projects or improvements have been approved by the Board of  
32 Public Works; and

33 (2) Contracts have been executed on or after July 1, 1971 for the projects  
34 or improvements.

1 (c) (1) In this subsection, "local debt for school construction" includes any  
2 debt incurred as the result of money made available to a county under a bond issue  
3 that obligates the credit of the State.

4 (2) Except for general public school construction loan debt outstanding  
5 or obligated as of June 30, 1967 for which repayment by a county is no longer  
6 required, the State shall reimburse each county for the full costs of principal and  
7 interest payments on any local debt for school construction outstanding or obligated  
8 as of June 30, 1967.

9 (d) The State shall pay all of the annual cost of debt service on school  
10 construction debt incurred by each county that was outstanding or obligated on or  
11 after June 30, 1967 for contracts let before June 30, 1967.

12 (e) (1) The Board of Public Works may adopt rules, regulations, and  
13 procedures for the administration of the programs provided for by subsections (b) and  
14 (d) of this section.

15 (2) The rules, regulations, and procedures adopted by the Board of Public  
16 Works may contain requirements for:

17 (i) The development and submission of long range plans;

18 (ii) The submission of annual plans and plans for specific projects;

19 (iii) The submission of other data or information that is relevant to  
20 school construction or capital improvement;

21 (iv) The approval of sites, plans, and specifications for the  
22 construction of new school buildings or the improvement of existing buildings;

23 (v) Site improvements;

24 (vi) Competitive bidding;

25 (vii) The hiring of personnel in connection with school construction  
26 or capital improvements;

27 (viii) The actual construction of school buildings or their  
28 improvements;

29 (ix) The relative roles of different State and local governmental  
30 agencies in the planning and construction of school buildings or school capital  
31 improvements; and

32 (x) School construction and capital improvements necessary or  
33 appropriate for the proper implementation of this section.

34 (3) In adopting any of these requirements, the State Board and the  
35 Board of Public Works shall provide for the maximum exercise of initiative by school  
36 personnel in each county to insure that the school buildings and improvements meet

1 both the needs of the local communities and the rules and regulations necessary to  
2 insure the proper operation of this section and the prudent expenditure of State  
3 funds.

4 (f) (1) The Board of Public Works shall develop the rules, regulations, and  
5 procedures authorized by this section in consultation with representatives of the  
6 county boards and the county governing bodies.

7 (2) Before the adoption, amendment, or repeal of any rule, regulation, or  
8 procedure under this section, the Board of Public Works shall give notice of its  
9 intended action to the county boards and to the county governing bodies.

10 (3) The Board of Public Works shall permit each county board and  
11 county governing body to submit its views with respect to the intended action.

12 (g) The rules, regulations, and procedures of the Board of Public Works  
13 adopted under this section and their promulgation are exempt from §§ 10-101  
14 through 10-305 of the State Government Article and § 8-127(b) of the State Finance  
15 and Procurement Article of the Code.

16 (h) (1) With respect to public school construction or public school capital  
17 improvements, including sites for school buildings, the authority, responsibilities,  
18 powers, and duties of the following are subject to the rules, regulations, and  
19 procedures adopted by the Board of Public Works under this section:

20 (i) The State Board;

21 (ii) The State Superintendent;

22 (iii) The county governments;

23 (iv) The county boards; and

24 (v) All other State or local governmental agencies under this  
25 article.

26 (2) If, as to public school construction or public school capital  
27 improvements, there is any conflict between the rules, regulations, and procedures of  
28 the Board of Public Works and the authority, responsibilities, powers, and duties of  
29 the individuals and agencies specified in paragraph (1) of this subsection, the rules,  
30 regulations, and procedures of the Board of Public Works shall prevail.

31 (i) The obligation of the State to pay the costs of public school construction  
32 and public school capital improvements extends only to those projects or parts of  
33 projects that comply with the rules, regulations, and procedures of the Board of Public  
34 Works.

35 (j) (1) This subsection does not apply to the proceeds from the sale, lease, or  
36 disposition of public school buildings constructed under contracts executed before  
37 February 1, 1971.

1 (2) By rule or regulation, the Board of Public Works may require that the  
2 proceeds received by a county from the sale, lease, or disposal of any public school  
3 building shall be used solely as part of the State funding of the construction of future  
4 public school buildings in the county in which the sale, lease, or disposal occurred, if  
5 the public school building was:

6 (i) Constructed under a contract executed on or after February 1,  
7 1971; and

8 (ii) Paid for primarily with State funds under this section.

9 (3) The part of the proceeds from the sale, lease, or disposal of a public  
10 school building that fairly represents the appraised value of land and that part of the  
11 cost of the public school building that was funded by the county shall remain as the  
12 funds of the county.

13 (J-1) (1) (I) IN THIS SUBSECTION THE FOLLOWING WORDS HAVE THE  
14 MEANINGS INDICATED.

15 (II) "PRIORITY FUNDING AREA" MEANS AN AREA ELIGIBLE FOR  
16 STATE FUNDING FOR A GROWTH-RELATED PROJECT UNDER TITLE 5, SUBTITLE 7B OF  
17 THE STATE FINANCE AND PROCUREMENT ARTICLE.

18 (III) "SCHOOL CONSTRUCTION COSTS" MEANS THE PRODUCT OF  
19 THE LATEST ADJUSTED AVERAGE STATEWIDE PER SQUARE FOOT CONSTRUCTION  
20 COST AND THE APPROVED AREA ALLOWANCES FOR A PROJECT, ADJUSTED FOR  
21 INFLATION UNTIL TIME TO BID, FOR REGIONAL COST DIFFERENCES, AND BY A  
22 PERCENTAGE FOR CONTINGENCY AS DETERMINED BY THE INTERAGENCY  
23 COMMITTEE ON SCHOOL CONSTRUCTION.

24 (IV) "SMALLER LEARNING COMMUNITY" MEANS A SMALL SCHOOL  
25 THAT:

26 1. EXISTS WITHIN A LARGER COHESIVE ENTITY OR CAMPUS;  
27 AND

28 2. IS DEVELOPED AND OPERATED AS A SEPARATE ENTITY.

29 (V) "SMALL SCHOOL" MEANS:

30 1. AN ELEMENTARY OR MIDDLE SCHOOL THAT  
31 ACCOMMODATES BETWEEN 300 AND 400 STUDENTS; OR

32 2. A SECONDARY SCHOOL THAT ACCOMMODATES BETWEEN  
33 400 AND 800 STUDENTS.

34 (2) (I) A COUNTY BOARD THAT BUILDS A SMALL SCHOOL OR A SMALL  
35 LEARNING COMMUNITY IN A PRIORITY FUNDING AREA SHALL RECEIVE FROM THE  
36 STATE 10% OF THE SCHOOL CONSTRUCTION COSTS FOR THE PROJECT IN ADDITION  
37 TO THE MAXIMUM STATE CONSTRUCTION ALLOCATION FOR THE PROJECT.

1                   (II)     A COUNTY BOARD THAT RENOVATES, MODERNIZES, ALTERS, OR  
2 REMODELS, IN WHOLE OR IN PART, AN EXISTING SCHOOL BUILDING IN A PRIORITY  
3 FUNDING AREA THAT IS UNDER THE AGE OF 40 YEARS SUCH THAT THE SCHOOL  
4 BECOMES A SMALL SCHOOL OR A SMALLER LEARNING COMMUNITY SHALL RECEIVE  
5 AN ADDITIONAL 10% OF THE PRODUCT OF THE PER SQUARE FOOT BUILDING COST  
6 AND THE NUMBER OF SQUARE FEET APPROVED FOR THE PROJECT IN ADDITION TO  
7 THE MAXIMUM STATE CONSTRUCTION ALLOCATION FOR THE PROJECT.

8     (k)     Whether by budget bill or supplementary appropriation bill, all money  
9 appropriated to carry out the purposes of this section is a separate fund that shall be  
10 administered by the State Comptroller in accordance with the rules and regulations  
11 adopted by the Board of Public Works.

12     SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
13 July 1, 2001.