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By: Delegate Marriott (By Request - Baltimore City Administration) Introduced and read first time: February 10, 2005 Assigned to: Appropriations Committee Report: Favorable with amendments House action: Adopted Read second time: March 26, 2005 CHAPTER___ 1 AN ACT concerning 2 **Education - Baltimore City Public Schools - Facilities** FOR the purpose of repealing a provision certain provisions of law requiring the 3 transfer of certain public school facilities and property in Baltimore City from 4 5 the Mayor and City Council of Baltimore to the Baltimore City Board of School Commissioners; repealing a requirement that Baltimore City and the Baltimore 6 City Public School System prepare a certain plan; repealing a requirement that 7 8 prohibits the State from funding certain capital improvements to public school 9 buildings in Baltimore City under certain circumstances; providing that certain property used for certain purposes may be held by the Mayor and City Council of 10 Baltimore; requiring that certain public school buildings held by a certain entity 11

be transferred to the Mayor and City Council of Baltimore by a certain date; and

generally relating to public school facilities in the Baltimore City Public School

- 15 BY repealing and reenacting, with amendments,
- 16 Chapter 105 of the Acts of the General Assembly of 1997
- 17 Section 3

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- 18 BY repealing
- 19 Chapter 545 of the Acts of the General Assembly of 2002
- 20 Section 8 and 9

System.

- 21 BY repealing and reenacting, with amendments,
- 22 Chapter 545 of the Acts of the General Assembly of 2002
- 23 <u>Section 10</u>

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- 1 BY repealing and reenacting, with amendments,
- 2 Article Education
- 3 Section 4-114(a)
- 4 Annotated Code of Maryland
- 5 (2004 Replacement Volume and 2004 Supplement)

6 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF

7 MARYLAND, That the Laws of Maryland read as follows:

Chapter 105 of the Acts of 1997

9 SECTION 3. AND BE IT FURTHER ENACTED, That on the effective date of

- 10 the Act, all the functions, powers, duties, equipment, assets, liabilities, and all the
- 11 certificated and noncertificated employees of the Baltimore City Public School System
- 12 shall be transferred to the New Baltimore City Board of School Commissioners and to
- 13 the Chief Executive Officer of the Board. If assets are not sufficient to fund liabilities
- 14 transferred, the liabilities shall be retained by the Mayor and City Council.
- 15 Additionally, during any fiscal year after Fiscal Year 1997, liability for payments at
- 16 separation or retirement of employees from the Board for leave accumulated and
- 17 unused prior to June 30, 1997, on terms applicable as of that date, shall be shared as
- 18 follows: (1) liability up to \$3,500,000 shall be borne by the New Baltimore City Board
- 19 of School Commissioners provided that such amount is transferred annually to the
- 20 Board as part of the Education Budget; (2) liability exceeding \$3,500,000 shall be
- 21 shared equally by the New Baltimore City Board of School Commissioners and the
- 22 Mayor and City Council, provided that the total aggregate liability of the Board under
- 23 this subsection (2) for all fiscal years combined may not exceed \$10,500,000; and (3)
- 24 liability in excess of \$10,500,000 shall be borne by the Mayor and City Council. THIS
- 25 THE TRANSFER OF ASSETS REQUIRED UNDER THIS SECTION DOES NOT APPLY TO
- 26 PUBLIC SCHOOL BUILDINGS AND REAL PROPERTY HELD UNDER CLEAR DEED AND
- 27 TITLE BY THE MAYOR AND CITY COUNCIL OF BALTIMORE.

28 Chapter 545 of the Acts of 2002

29 [SECTION 8. AND BE IT FURTHER ENACTED, That on or before June 30,

- 30 2003, Baltimore City shall transfer real property assets associated with the
- 31 operations of the Baltimore City Public School System, part or all of which were
- 32 <u>funded by at least \$1 million in debt issued by Baltimore City after July 1, 1997, to</u>
- 33 the legal possession of the Baltimore City Board of School Commissioners. The
- 34 remaining real property assets associated with the operations of the Baltimore City
- 35 Public School System shall be transferred by Baltimore City to the legal possession of
- 36 the Baltimore City Board of School Commissioners in approximately equal annual
- 37 portions by June 30, 2009. Baltimore City shall bear the costs of the transfers by clear
- 38 and merchantable title. By June 30, 2002, Baltimore City and the Baltimore City
- 39 <u>Public School System shall prepare a written plan to accomplish the property</u>
- 40 transfers. The plan may provide for the transfer of additional real property assets by
- 41 June 30, 2003 if there is no Baltimore City debt outstanding for improvements or
- 42 modifications to the real property assets. The written plan shall be submitted to the
- 43 State Department of Education for its approval. Subject to § 2-1246 of the State

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- 1 Government Article, a copy of the written plan shall be submitted to the Senate
- 2 Budget and Taxation Committee, the Senate Education, Health, and Environmental
- 3 Affairs Committee, the House Appropriations Committee, and the House Ways and
- 4 Means Committee.]
- 5 [SECTION 9. AND BE IT FURTHER ENACTED, That, notwithstanding §§
- 6 4-114 and 4-115 of the Education Article as amended by Chapter 105 of the Acts of
- 7 1997, the Board of Public Works, for the period from July 1, 1997 through June 30,
- 8 2009, may approve State funding for capital improvements to public school buildings
- 9 in Baltimore City on property held under a clear deed and title by either the
- 10 Baltimore City Board of School Commissioners or the Mayor and City Council of
- 11 Baltimore. However, State funds for the construction of new schools in Baltimore City
- 12 may only be approved on sites with clear deed and title held by the Baltimore City
- 13 Board of School Commissioners.]

14 SECTION 10. AND BE IT FURTHER ENACTED, That Baltimore City shall

- 15 continue to work with the Baltimore City Public School System to eliminate
- 16 environmental hazards within the school system and develop a memorandum of
- 17 <u>understanding to provide funding for the elimination of these environmental hazards</u>
- 18 [after the transfer of title of real property assets to the Baltimore City Public School
- 19 <u>System</u>].
- 20 Article Education
- 21 4-114.
- 22 (a) All property granted, conveyed, devised, or bequeathed for the use of a
- 23 particular public school or school system:
- 24 (1) Except as provided in subsection (c) of this section, shall be held in
- 25 trust for the benefit of the school or school system by the appropriate county board OR,
- 26 REAL PROPERTY IN BALTIMORE CITY, BY THE MAYOR AND CITY COUNCIL OF
- 27 BALTIMORE; and
- 28 (2) Is exempt from all State and local taxes.
- 29 SECTION 2. AND BE IT FURTHER ENACTED, That on the effective date of
- 30 this Act, all public school buildings in Baltimore City on property held under a clear
- 31 deed and title by the Baltimore City Board of School Commissioners shall be
- 32 transferred to the Mayor and City Council of Baltimore.
- 33 SECTION 3. 2. AND BE IT FURTHER ENACTED, That this Act shall take
- 34 effect October 1, 2005.