
By: **Senator McFadden (By Request - Baltimore City Administration)**

Introduced and read first time: February 4, 2005

Assigned to: Budget and Taxation

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 28, 2005

CHAPTER _____

1 AN ACT concerning

2 **Education - Baltimore City Public Schools - Facilities**

3 FOR the purpose of repealing ~~a provision~~ certain provisions of law requiring the
4 transfer of certain public school facilities and property in Baltimore City from
5 the Mayor and City Council of Baltimore to the Baltimore City Board of School
6 Commissioners; repealing a requirement that Baltimore City and the Baltimore
7 City Public School System prepare a certain plan; repealing a requirement that
8 prohibits the State from funding certain capital improvements to public school
9 buildings in Baltimore City under certain circumstances; providing that certain
10 property used for certain purposes may be held by the Mayor and City Council of
11 Baltimore; ~~requiring that certain public school buildings held by a certain entity~~
12 ~~be transferred to the Mayor and City Council of Baltimore by a certain date~~; and
13 generally relating to public school facilities in the Baltimore City Public School
14 System.

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

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

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

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:

8 **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 funded by at least \$1 million in debt issued by Baltimore City after July 1, 1997, to
 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 Public School System shall prepare a written plan to accomplish the property
 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

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 understanding to provide funding for the elimination of these environmental hazards
 18 [after the transfer of title of real property assets to the Baltimore City Public School
 19 System].

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.

