

Department of Legislative Services
Maryland General Assembly
2017 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 1449
Ways and Means

(Delegate Rosenberg, *et al.*)

Baltimore City - Modifying or Closing Public School Facility - Review by
Community Task Force

This bill requires that, prior to the Baltimore City Board of School Commissioners (1) discontinuing a program and closing the school facility that houses the program; (2) closing a public school facility and declaring it surplus property; or (3) modifying the ongoing use of an academic space, the Baltimore City Department of Planning must appoint a community task force. The task force must examine and make recommendations concerning any future use of the facility, including any real property that is part of the facility. It must include residents of the local community where the school facility is located and representatives of institutional organizations that are located in or that serve residents in the community.

Fiscal Summary

State Effect: None. The bill pertains only to Baltimore City.

Local Effect: Baltimore City and Baltimore City Public Schools (BCPS) experience operational delays and potential fiscal effects to the extent that the community engagement process delays school closures and affects the construction timeline for the 21st Century Schools initiative. No effect on revenues. **This bill may impose a mandate on a unit of local government.**

Small Business Effect: None.

Analysis

Current Law: State law and regulations delineate a process that local school systems must follow before deciding to close a school. First, they specify a number of factors that

must be considered, including enrollment trends, financial considerations, student relocation, and the effect on the community. Second, the school system must hold a public hearing, before any final decision is made, to allow concerned citizens to submit their views orally or in writing. Regulations specify how notification of the meeting must be carried out to ensure broad distribution and sufficient time for members of the community to respond. Third, the final decision to close a school must be announced in a public session and must also be in writing. Regulations also specify some of the content and form of the final decision. If a local school board finds, with the approval of the State Superintendent, that any land, school site, or building is no longer needed for school purposes, it must inform the county commissioners or county council of that determination.

Within 30 days of receiving the notice from the local school board, the county government must notify the local school board either (1) of the need to transfer the land, site, or building to the county if it is an integral part of an existing economic development plan that will significantly benefit the county or (2) that the county government has no existing plans for the land, site, or building. If the county government has no plans for the property or does not provide notification within 30 days, the local school board must make the property available to any charter school in the district, under terms established by the local school board. If no charter schools in the county want the property, the local school board must transfer the property to the county commissioners or county council, which can then use, sell, lease, or otherwise dispose of the property, except by gift.

In general, the State requires counties to reimburse it for any outstanding debt service for schools that:

- were built at least in part using State debt;
- were initially constructed or substantially altered by additions, alterations, or renovations valued at more than \$100,000 and completed after February 1971;
- are no longer used for school purposes;
- have had their titles transferred to the county government;
- are being used for local government purposes other than public education; and
- have outstanding debt that exceeds \$5,000.

Under specified circumstances, counties do not need to reimburse the State for any outstanding debt service for schools initially constructed before February 1971.

Background: Chapter 647 of 2013 authorized the Maryland Stadium Authority (MSA) to sell up to \$1.1 billion in bonds to finance the construction or renovation of 23 to 28 public schools in Baltimore City by 2020. Financing for the resulting 21st Century Schools initiative is shared among the State, Baltimore City, and BCPS, with each contributing \$20.0 million annually to cover the debt service and operating expenses for

the initiative until the bonds are paid off. The State contribution comes from State Lottery proceeds.

Under a memorandum of understanding (MOU) among MSA, the Interagency Committee on School Construction, Baltimore City, and BCPS, 26 school buildings in Baltimore City were required to be closed/surplussed as part of the 21st Century Schools initiative. The closures are designed to meet building occupancy targets for BCPS that are part of the MOU. Since then, the list of closures has undergone several changes, with buildings added and removed from the list, and some closures delayed or accelerated depending on a variety of factors. The list was updated as recently as January 2017, with two buildings removed (Edmondson Westside Skill Center and Joseph Briscoe) and two buildings added (Chinquapin and Guilford). **Exhibit 1** includes the most recent list of schools and their expected or actual surplus date, which occurs after the building is formally closed.

Exhibit 1
BCPS Buildings Surplussed or Planned to Be Surplussed

<u>Building</u>	<u>Surplus Date</u>	<u>Building</u>	<u>Surplus Date</u>
Garrison Middle	2023	Independence Charter	2015
Laurence G. Paquin	2013	Southeast Building	2019
Waverly Middle	2014	Langston Hughes	2015
Samuel B. Morse	2017	Northwestern High	2019
Thurgood Marshall	2023	William Pinderhughes	2015
Patapsco	2018	William C. March	2024
Alexander Hamilton	2020	Dr. Carter G. Woodson	2018
Claremont	2019	Lake Clifton	2019
Rognell Heights	2018	Dr. Rayner Browne	2015
Lois T. Murray	2019	West Baltimore Building	2024
Sarah M. Roach	Undetermined	Chinquapin	2021
Sharp Leadenhall	2020	Guilford	2019
Westside Elementary	2018	Corps Building	2014

Source: Baltimore City Public Schools

Local Fiscal Effect: The community engagement process established by the bill may affect the scheduled closure of schools under the 21st Century Schools initiative, which could have ramifications for the overall program schedule. To the extent that school closings are delayed, construction of new buildings may also be delayed, which may affect project funding schedules. In addition, any delays in transferring a building to Baltimore City means that BCPS continues to pay maintenance and utility costs for the building.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Baltimore City; Baltimore City Public Schools; Department of Legislative Services

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fn/rhh

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