SENATE BILL 611

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EMERGENCY BILL

8lr2133 CF 8lr3929

By: Senators <u>Conway, McFadden</u>, Ferguson, Madaleno, Manno, McFadden, Nathan–Pulliam, Rosapepe, Young, and Zucker

Introduced and read first time: January 31, 2018 Assigned to: Education, Health, and Environmental Affairs

Committee Report: Favorable with amendments Senate action: Adopted Read second time: March 16, 2018

CHAPTER _____

1 AN ACT concerning

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Education – Healthy School Facility Fund – Established

3 FOR the purpose of establishing the Healthy School Facility Fund as a special, nonlapsing 4 fund; specifying the purpose of the Fund; requiring the Interagency Committee on $\mathbf{5}$ School Construction to administer the Fund; requiring the State Treasurer to hold 6 the Fund and the Comptroller to account for the Fund; specifying the contents of the 7 Fund; specifying the purpose for which the Fund may be used; providing for the 8 investment of money in and expenditures from the Fund; requiring interest earnings 9 of the Fund to be credited to the Fund; specifying that money expended from the 10 Fund is supplemental to certain other funds; requiring the Governor to make a 11 certain appropriation in certain fiscal years to the Fund; requiring a certain priority 12order in which the Interagency Committee on School Construction must allocate 13 funds; requiring the Interagency Committee on School Construction to establish 14 certain application procedures; exempting the Fund from a certain provision of law 15requiring interest earnings on State money to accrue to the General Fund of the 16State; defining a certain term; making this Act an emergency measure; and generally 17relating to the Healthy School Facility Fund.

18 BY adding to

- 19 Article Education
- 20 Section 5–314
- 21 Annotated Code of Maryland
- 22 (2014 Replacement Volume and 2017 Supplement)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

<u>Underlining</u> indicates amendments to bill.

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



- 1 BY repealing and reenacting, without amendments,
- 2 Article State Finance and Procurement
- 3 Section 6–226(a)(2)(i)
- 4 Annotated Code of Maryland
- 5 (2015 Replacement Volume and 2017 Supplement)
- 6 BY repealing and reenacting, with amendments,
- 7 Article State Finance and Procurement
- 8 Section 6–226(a)(2)(ii)101. and 102.
- 9 Annotated Code of Maryland
- 10 (2015 Replacement Volume and 2017 Supplement)
- 11 BY adding to
- 12 Article State Finance and Procurement
- 13 Section 6–226(a)(2)(ii)103.
- 14 Annotated Code of Maryland
- 15 (2015 Replacement Volume and 2017 Supplement)

16 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, 17 That the Large of Maryland are followed

- 17 That the Laws of Maryland read as follows:
- 18 Article Education
- 19 **5–314.**

20 (A) IN THIS SECTION, "FUND" MEANS THE HEALTHY SCHOOL FACILITY 21 FUND.

22 (B) THERE IS A HEALTHY SCHOOL FACILITY FUND.

23 (C) THE PURPOSE OF THE FUND IS TO PROVIDE GRANTS TO PUBLIC 24 PRIMARY AND SECONDARY SCHOOLS IN THE STATE TO IMPROVE THE HEALTH OF 25 SCHOOL FACILITIES.

26 (D) THE INTERAGENCY COMMITTEE ON SCHOOL CONSTRUCTION SHALL 27 ADMINISTER THE FUND.

28 (E) (1) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT 29 SUBJECT TO § 7–302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

30(2) THE STATE TREASURER SHALL HOLD THE FUND SEPARATELY,31AND THE COMPTROLLER SHALL ACCOUNT FOR THE FUND.

- 32 (F) THE FUND CONSISTS OF:
- 33 (1) MONEY APPROPRIATED IN THE STATE BUDGET TO THE FUND;

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(2) ANY INTEREST EARNINGS OF THE FUND; AND 1 2 (3) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED FOR THE BENEFIT OF THE FUND. 3 4 THE STATE TREASURER SHALL INVEST THE MONEY OF THE FUND (G) (1) IN THE SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED. 56 (2) ANY INTEREST EARNINGS OF THE FUND SHALL BE CREDITED TO 7 THE FUND. 8 **(H) EXPENDITURES FROM THE FUND MAY BE MADE ONLY IN ACCORDANCE** 9 WITH THE STATE BUDGET. MONEY EXPENDED FROM THE FUND IS SUPPLEMENTAL TO AND IS NOT 10 **(I)** INTENDED TO TAKE THE PLACE OF FUNDING THAT OTHERWISE WOULD BE 11 12 APPROPRIATED TO PRIMARY AND SECONDARY SCHOOLS UNDER THIS ARTICLE. 13 (1) IN EACH OF FISCAL YEARS 2018 THROUGH 2024 2020 AND 2021, **(**J**)** THE GOVERNOR SHALL APPROPRIATE AT LEAST \$15,000,000 \$30,000,000 TO THE 14 15FUND. 16 (2) **(I)** SUBJECT TO SUBPARAGRAPHS (II) AND (III) OF THIS PARAGRAPH, THE INTERAGENCY COMMITTEE ON SCHOOL CONSTRUCTION SHALL 17GIVE PRIORITY IN AWARDING GRANTS TO SCHOOLS BASED ON THE SEVERITY OF 18 19 **NEED FOR THE FOLLOWING** ISSUES IN THE SCHOOL, INCLUDING: 20 1. AIR CONDITIONING; 2. **HEATING;** 21223. **INDOOR AIR QUALITY;** 234. MOLD REMEDIATION; AND 245. **TEMPERATURE REGULATION:** 25**6**. **PLUMBING; AND** 267. WINDOWS. NO JURISDICTION MAY RECEIVE MORE THAN A TOTAL OF 27(II) \$5,000,000 \$15,000,000 IN A FISCAL YEAR. 28

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1 (III) THE AMOUNT OF THE GRANT IS NOT REQUIRED TO COVER 2 THE FULL COST OF THE PROJECT.

3 (K) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, THE 4 INTERAGENCY COMMITTEE ON SCHOOL CONSTRUCTION SHALL ESTABLISH 5 APPLICATION PROCEDURES FOR SCHOOL SYSTEMS TO REQUEST FUNDS UNDER THIS 6 SECTION.

7 (2) THE INTERAGENCY COMMITTEE ON SCHOOL CONSTRUCTION
 8 SHALL ESTABLISH AWARD PROCEDURES TO MAKE AWARDS DISTRIBUTED FROM THE
 9 FUND NOT MORE THAN 45 DAYS AFTER RECEIVING AN APPLICATION.

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Article – State Finance and Procurement

11 6-226.

12 (a) (2) (i) Notwithstanding any other provision of law, and unless 13 inconsistent with a federal law, grant agreement, or other federal requirement or with the 14 terms of a gift or settlement agreement, net interest on all State money allocated by the 15 State Treasurer under this section to special funds or accounts, and otherwise entitled to 16 receive interest earnings, as accounted for by the Comptroller, shall accrue to the General 17 Fund of the State.

18 (ii) The provisions of subparagraph (i) of this paragraph do not apply
19 to the following funds:

20 101. the Advance Directive Program Fund; [and]
21 102. the Make Office Vacancies Extinct Matching Fund; AND
22 103. THE HEALTHY SCHOOL FACILITY FUND.
23 SECTION 2. AND BE IT FURTHER ENACTED, That this Act is an emergency
24 measure, is necessary for the immediate preservation of the public health or safety, has

been passed by a yea and nay vote supported by three-fifths of all the members elected to
each of the two Houses of the General Assembly, and shall take effect from the date it is
enacted.

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