

SENATE BILL 519

F1

9lr0894
CF HB 534

By: **Senators Hershey, Carozza, and Eckardt**
Introduced and read first time: February 4, 2019
Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Public Schools – State Aid for School Construction – Eligible Costs**

3 FOR the purpose of requiring the Interagency Commission on School Construction to adopt
4 regulations that include certain land acquisition and architectural, engineering,
5 consulting, and other planning costs as eligible public school construction or capital
6 improvement costs that may be funded or paid by the State under certain
7 circumstances; making a certain stylistic change; and generally relating to State aid
8 for school construction.

9 BY repealing and reenacting, with amendments,
10 Article – Education
11 Section 5–303(a)
12 Annotated Code of Maryland
13 (2018 Replacement Volume and 2018 Supplement)

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

16 **Article – Education**

17 5–303.

18 (a) (1) (i) The Interagency Commission shall define by regulation what
19 constitutes an eligible and ineligible public school construction or capital improvement cost.

20 (ii) **[In] EXCEPT AS PROVIDED IN PARAGRAPH (4) OF THIS**
21 **SUBSECTION, IN** order for the cost of an item or a system funded with the proceeds of
22 general obligation bonds to be considered an eligible cost, it must have a median useful life
23 of at least 15 years.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (2) (i) The Interagency Commission shall include modular construction
2 as an approved public school construction or capital cost.

3 (ii) The Interagency Commission[,] shall adopt regulations that:

4 1. Define modular construction; and

5 2. Establish the minimum specifications required for
6 approval of modular construction as a public school construction or capital improvement
7 cost.

8 (3) [The] **EXCEPT AS PROVIDED IN PARAGRAPH (4) OF THIS**
9 **SUBSECTION, THE** cost of acquiring land may not be considered a construction or capital
10 improvement cost and may not be paid by the State.

11 **(4) THE INTERAGENCY COMMISSION SHALL ADOPT REGULATIONS**
12 **THAT INCLUDE THE COST OF ACQUIRING LAND AND ARCHITECTURAL,**
13 **ENGINEERING, CONSULTING, AND OTHER PLANNING COSTS AS ELIGIBLE PUBLIC**
14 **SCHOOL CONSTRUCTION OR CAPITAL IMPROVEMENT COSTS FOR A PROJECT OR**
15 **IMPROVEMENT THAT:**

16 **(I) IS LOCATED IN A COUNTY THAT HAS SET THE COUNTY**
17 **INCOME TAX RATE AT THE MAXIMUM PERCENTAGE AUTHORIZED UNDER § 10-106 OF**
18 **THE TAX – GENERAL ARTICLE;**

19 **(II) SERVES A SCHOOL IN WHICH AT LEAST 50% OF STUDENTS**
20 **ARE ELIGIBLE FOR THE FEDERAL FREE AND REDUCED PRICE MEAL PROGRAM IN**
21 **THE MOST RECENT FISCAL YEAR; AND**

22 **(III) HAS A TOTAL PROJECT COST, AS INITIALLY APPROVED BY**
23 **THE INTERAGENCY COMMISSION FOR PLANNING, EQUAL TO AT LEAST 90% OF THE**
24 **COUNTY’S TOTAL ANNUAL OPERATING BUDGET FOR THE CURRENT FISCAL YEAR.**

25 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
26 1, 2019.