HOUSE BILL 365

By: Delegate Korman
Introduced and read first time: January 19, 2022
Assigned to: Appropriations

A BILL ENTITLED

AN ACT concerning
Public School Construction – Fossil Fuel–Based Energy System Costs – Prohibition
(Green School Construction Act of 2022)

FOR the purpose of prohibiting the Interagency Commission on School Construction from considering a new or replacement fossil fuel–based energy system as a construction or capital improvement cost; and generally relating to public school construction and capital improvement costs.

BY repealing and reenacting, with amendments,
Article – Education
Section 5–303(a) and 5–325
Annotated Code of Maryland
(2018 Replacement Volume and 2021 Supplement)

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

Article – Education

5–303.

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

(ii) Except as provided in paragraph (4) of this subsection, in order for the cost of an item or a system funded with the proceeds of general obligation bonds to be considered an eligible cost, it must have a median useful life of at least 15 years.

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

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.
[Brackets] indicate matter deleted from existing law.
(ii) The Interagency Commission shall adopt regulations that:

1. Define modular construction; and

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

(3) The cost of acquiring land may not be considered a construction or capital improvement cost and may not be paid by the State.

(4) IN THIS PARAGRAPH, "FOSSIL FUEL–BASED ENERGY SYSTEM" MEANS AN ENERGY SYSTEM THAT UTILIZES:

1. NATURAL GAS;

2. PETROLEUM;

3. COAL; OR

4. ANY FORM OF SOLID, LIQUID, OR GASEOUS FUEL DERIVED FROM THESE MATERIALS FOR THE PURPOSE OF CREATING USEFUL HEAT.

(II) THE COST OF A NEW OR REPLACEMENT FOSSIL FUEL–BASED ENERGY SYSTEM MAY NOT BE CONSIDERED A CONSTRUCTION OR CAPITAL IMPROVEMENT COST AND MAY NOT BE PAID BY THE STATE.

[(4)] (5) The Interagency Commission shall adopt regulations for the Public School Construction Program that:

(i) Include architectural, engineering, consulting, and other planning costs as eligible public school construction or capital improvement costs for a project or improvement that has received local planning approval from the Interagency Commission; and

(ii) Define eligibility for all furniture, fixtures, and equipment with a median useful life of at least 15 years.

5–325.

(a) IN THIS SECTION, "FOSSIL FUEL–BASED ENERGY SYSTEM" MEANS AN ENERGY SYSTEM THAT UTILIZES:

(1) NATURAL GAS;
(2) **PETROLEUM**;

(3) **COAL**; or

(4) **ANY FORM OF SOLID, LIQUID, OR GASEOUS FUEL DERIVED FROM THESE MATERIALS FOR THE PURPOSE OF CREATING USEFUL HEAT**.

(B) The Interagency Commission or, if required under subsection [(b)] [(C) of this section, the Maryland Stadium Authority shall evaluate the life cycle costs of public school buildings over a 50–year period, including:

(1) An evaluation, based on a 50–year period, of the cost and efficiency of using alternative energy systems, including geothermal, solar, wind, and energy storage compared to a traditional **FOSSIL FUEL–BASED** energy system;

(2) An energy consumption and systems replacement analysis, based on a 50–year period, of each major piece of equipment in any of the following systems serving the public school building:

   (i) The cooling system;

   (ii) The heating system;

   (iii) The hot water system;

   (iv) The lighting system;

   (v) The ventilation system; or

   (vi) Any other major system that uses energy; and

(3) The impact of innovative building design and materials on energy consumption, including white roofs and green roofs.

[(b)] [(C) The Interagency Commission or the Maryland Stadium Authority, as applicable, may contract with a third party to conduct the evaluation under subsection [(a)] [(B) of this section.

[(c)] [(D) (1) The evaluation required under subsection [(a)] [(B) of this section shall be conducted and submitted to the General Assembly in accordance with § 2–1257 of the State Government Article on or before October 1, 2023.

(2) On or before October 1, 2020, and each October 1 through 2022, the Interagency Commission or the Maryland Stadium Authority shall provide annual updates
on the progress of the evaluation to the General Assembly, in accordance with § 2–1257 of
the State Government Article.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
1, 2022.