AN ACT concerning

Public School Construction – State Share of Eligible Costs – Regional School

FOR the purpose of requiring the State to increase the percentage of eligible costs paid for by the State by a certain number of percentage points for certain public school construction or renovation projects, facility renewal, systemic renovation, or other capital improvements for school facilities that are attended by students from a certain number of school systems; and generally relating to the State share of eligible costs for public school construction.

BY repealing and reenacting, without amendments,

Article – Education
Section 5–303(a)(1), (2)(i), (3), and (4)
Annotated Code of Maryland
(2018 Replacement Volume and 2021 Supplement)

BY repealing and reenacting, with amendments,

Article – Education
Section 5–303(c)
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.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW. [Brackets] indicate matter deleted from existing law.
(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.

(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) 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.

(c) (1) The State shall pay the costs in excess of available federal funds of the State share of public school construction projects and public school capital improvements in each county if:

[(1)] (I) The projects or improvements have been approved by the Interagency Commission; and

[(2)] (II) Contracts have been executed on or after July 1, 1971 for the projects or improvements.

(2) IF A PUBLIC SCHOOL CONSTRUCTION OR RENOVATION PROJECT, FACILITY RENEWAL, SYSTEMIC RENOVATION, OR OTHER CAPITAL IMPROVEMENT IS PROPOSED FOR A SCHOOL FACILITY THAT IS ATTENDED BY STUDENTS FROM TWO OR MORE SCHOOL SYSTEMS, THE STATE SHALL INCREASE THE PERCENTAGE OF ELIGIBLE COSTS PAID BY THE STATE FOR THE PROJECT OR IMPROVEMENT BY 20 PERCENTAGE POINTS.

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