

HOUSE BILL 1290

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By: **Delegate McIntosh**

Introduced and read first time: February 11, 2022

Assigned to: Appropriations

A BILL ENTITLED

1 AN ACT concerning

2 **Education – Public School Construction – Funding and Administration**

3 FOR the purpose of requiring the Interagency Commission on School Construction to take
4 certain actions relating to public school construction, including updating certain
5 regulations, increasing the State share of certain school construction project costs
6 under certain circumstances, inspecting certain systems and equipment during
7 inspections of school buildings, establishing certain processes for appeals and for
8 reporting certain information regarding school buildings, and including certain
9 information in the Integrated Master Facility Asset Library; prohibiting the
10 Interagency Commission, unless certain conditions are met, from taking certain
11 actions relating to public school construction, including making a certain deduction
12 when calculating a certain State construction allocation, using facility assessment
13 data, and making funding decisions based on facility assessment results; renaming
14 the Local Share of School Construction Costs Revolving Loan Fund to be the School
15 Construction Revolving Loan Fund; altering the purpose and eligibility criteria of
16 the School Construction Revolving Loan Fund; providing for the repayment of loans
17 to the School Construction Revolving Loan Fund; altering and extending certain
18 mandated appropriations to the School Construction Revolving Loan Fund, the
19 Healthy School Facility Fund, and the Public School Facilities Priority Fund;
20 authorizing a county to use a loan from the School Construction Revolving Loan
21 Fund for a certain purpose; declaring the intent of the General Assembly regarding
22 funding for public school construction; requiring the Interagency Commission and
23 the Maryland Department of Health to make a certain determination about food
24 preparation equipment used in schools; and generally relating to the funding and
25 administration of public school construction.

26 BY repealing and reenacting, with amendments,

27 Article – Education

28 Section 5–303(d)(3) and (5) and (k), 5–310(b), (f), and (g), 5–315, 5–322(j)(1), and
29 5–326(i)

30 Annotated Code of Maryland

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (2018 Replacement Volume and 2021 Supplement)

2 BY repealing and reenacting, without amendments,
 3 Article – Education
 4 Section 5–303(d)(4), 5–310(a), 5–322(a) and (b), and 5–326(a) and (b)
 5 Annotated Code of Maryland
 6 (2018 Replacement Volume and 2021 Supplement)

7 BY adding to
 8 Article – Education
 9 Section 5–303(l) and 5–327
 10 Annotated Code of Maryland
 11 (2018 Replacement Volume and 2021 Supplement)

12 BY repealing and reenacting, with amendments,
 13 Article – Economic Development
 14 Section 10–650(c)
 15 Annotated Code of Maryland
 16 (2018 Replacement Volume and 2021 Supplement)

17 BY repealing and reenacting, without amendments,
 18 Article – State Finance and Procurement
 19 Section 6–226(a)(2)(i)
 20 Annotated Code of Maryland
 21 (2021 Replacement Volume)

22 BY repealing and reenacting, with amendments,
 23 Article – State Finance and Procurement
 24 Section 6–226(a)(2)(ii)101.
 25 Annotated Code of Maryland
 26 (2021 Replacement Volume)

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

29 **Article – Education**

30 5–303.

31 (d) (3) The regulations adopted by the Interagency Commission shall contain
 32 provisions:

33 (i) Subject to subsection (k) of this section, establishing a State and
 34 local cost–share formula for each county that identifies the factors used in establishing the
 35 formulas and the actual State and local cost–share percentages by the formula for each
 36 county;

1 (ii) Requiring local education agencies to adopt educational facilities
2 master plans and annual capital improvement programs;

3 (iii) [Providing] **SUBJECT TO SUBSECTION (L) OF THIS SECTION,**
4 **PROVIDING** a method for establishing a maximum State construction allocation for each
5 project approved for State funding;

6 (iv) Referencing the policies stated in § 5-7B-07 of the State Finance
7 and Procurement Article;

8 (v) Requiring local school systems to adopt procedures consistent
9 with the minority business enterprise policies of the State as required under the Code of
10 Maryland Regulations;

11 (vi) Establishing a process for appeal of Interagency Commission
12 decisions, **INCLUDING AN APPEAL PROCESS SPECIFICALLY FOR APPROVED**
13 **ENROLLMENT PROJECTS FOR INDIVIDUAL PROJECTS TO THE FULL INTERAGENCY**
14 **COMMISSION;**

15 (vii) Requiring local education agencies to adopt, implement, and
16 periodically update comprehensive maintenance plans and preventative maintenance
17 plans;

18 (viii) Authorizing the Interagency Commission to withhold State
19 public school construction funds from a local education agency that fails to comply with the
20 requirements of item (vii) of this paragraph;

21 (ix) Requiring the development and submission of long-range plans,
22 including a requirement for the annual submission of a 10-Year Educational Facilities
23 Master Plan; and

24 (x) Requiring the submission of an annual Capital Improvement
25 Program, which may only be required to include plans for specific projects and requests for
26 planning and construction projects for the upcoming fiscal year.

27 (4) In adopting any of these requirements, the State Board and the
28 Interagency Commission shall provide for the maximum exercise of initiative by school
29 personnel in each county to ensure that the school buildings and improvements meet both
30 the needs of the local communities and the rules and regulations necessary to ensure the
31 proper operation of this section and the prudent expenditure of State funds.

32 (5) The Interagency Commission shall [update]:

33 **(I) UPDATE** the regulations required under paragraph (3)(i) of this
34 subsection every 2 years; **AND**

1 **(II) WHEN UPDATING THE REGULATIONS IN ACCORDANCE WITH**
 2 **ITEM (I) OF THIS PARAGRAPH, LIMIT THE PERCENTAGE DECREASE IN THE STATE**
 3 **SHARE OF SCHOOL CONSTRUCTION COSTS TO NOT MORE THAN 5% FOR EACH**
 4 **COUNTY.**

5 (k) (1) A county is eligible for an adjustment to the local cost–share for school
 6 construction projects under paragraph (2) of this subsection if:

7 (i) A county’s median household income is in the bottom quartile in
 8 the State; and

9 (ii) The State and local cost–share formula for the county is 50%
 10 State and 50% local.

11 (2) (i) The local cost–share of a school construction project in a county
 12 that is eligible under paragraph (1) of this subsection shall be reduced to equal the local
 13 cost–share of the adjacent county that is less than 50% but closest to 50%.

14 (ii) The State cost–share of a school construction project in the
 15 eligible county shall be increased by a percentage that is equal to the reduction under
 16 subparagraph (i) of this paragraph.

17 **(3) A COUNTY SHALL RECEIVE:**

18 **(I) A 10% INCREASE IN THE STATE SHARE OF A SCHOOL**
 19 **CONSTRUCTION PROJECT IF THE PROPOSED SCHOOL CONSTRUCTION PROJECT IS**
 20 **AT A SCHOOL WITH A CONCENTRATION OF POVERTY LEVEL, AS DEFINED IN § 5–223**
 21 **OF THIS TITLE, OF 80%;**

22 **(II) A 5% INCREASE IN THE STATE SHARE OF A SCHOOL**
 23 **CONSTRUCTION PROJECT IF THE PROPOSED SCHOOL CONSTRUCTION PROJECT IS**
 24 **AT A SCHOOL WITH A CONCENTRATION OF POVERTY LEVEL, AS DEFINED IN § 5–223**
 25 **OF THIS TITLE, OF LESS THAN 80% BUT GREATER THAN 55%;**

26 **(III) A 5% INCREASE IN THE STATE SHARE OF A SCHOOL**
 27 **CONSTRUCTION PROJECT IF THE PROPOSED SCHOOL CONSTRUCTION PROJECT IS**
 28 **AT A SCHOOL THAT, IN THE MOST RECENT SCHOOL MAINTENANCE EFFECTIVENESS**
 29 **ASSESSMENT BY THE INTERAGENCY COMMISSION, RECEIVED AN ASSESSMENT**
 30 **RATING OF:**

31 1. **GOOD;**

32 2. **SUPERIOR; OR**

33 3. **ADEQUATE AND THE SCHOOL’S CURRENT SCHOOL**

1 FACILITY ASSESSMENT PERCENT OF EXPECTED USEFUL LIFE IS AT LEAST 100%; AND

2 (IV) A 5% INCREASE IN THE STATE SHARE OF A SCHOOL
3 CONSTRUCTION PROJECT IF THE PROPOSED PROJECT IS TO BUILD A NET-ZERO
4 SCHOOL.

5 (L) THE INTERAGENCY COMMISSION MAY MAKE AN ELIGIBLE
6 ENROLLMENT DEDUCTION FOR AN ADJACENT SCHOOL WHEN CALCULATING THE
7 MAXIMUM STATE CONSTRUCTION ALLOCATION FOR A PROJECT APPROVED FOR
8 STATE FUNDING UNDER SUBSECTION (D)(3)(II) OF THIS SECTION ONLY IF THE
9 AVAILABLE SEAT COUNT IN AN ADJACENT SCHOOL IS 15% OR MORE OF THE
10 ADJACENT SCHOOL'S ENROLLMENT.

11 5-310.

12 (a) (1) In this section the following words have the meanings indicated.

13 (2) "Educational facilities sufficiency standards" means a uniform set of
14 criteria and measures for evaluating the physical attributes and educational suitability of
15 public elementary and secondary school facilities in the State.

16 (3) "Facility condition index" means a calculation to determine the relative
17 physical condition of public school facilities by dividing the total repair cost of a facility by
18 the total replacement cost of a facility.

19 (b) (1) (I) Each fiscal year, the Interagency Commission shall survey the
20 condition of school buildings identified by the Department.

21 (II) THE INTERAGENCY COMMISSION SHALL INCLUDE IN THE
22 INSPECTIONS OF INDIVIDUAL SCHOOL BUILDINGS:

23 1. A PROCESS FOR A LOCAL EDUCATION AGENCY TO
24 REPORT ANY ADDITIONAL INFORMATION RELEVANT TO THE INSPECTION,
25 INCLUDING A PLACE IN THE MASTER FACILITY ASSET LIBRARY SYSTEM FOR THE
26 LOCAL EDUCATION AGENCY TO:

27 A. REPORT EACH YEAR TO THE INTERAGENCY
28 COMMISSION ON ANY DEFICIENCIES IN A SCHOOL BUILDING, EVEN IF THE SCHOOL
29 BUILDING WAS NOT INSPECTED IN ACCORDANCE WITH PARAGRAPH (2) OF THIS
30 SUBSECTION IN THE PRIOR YEAR;

31 B. IDENTIFY SPACES IN A SCHOOL BUILDING LIKELY TO
32 HAVE BEEN PAINTED WITH LEAD PAINT; AND

1 **C. REPORT CERTIFICATION OF THE ASBESTOS HAZARD**
2 **EMERGENCY RESPONSE ACT PLAN FOR THE SPACE; AND**

3 **2. A PROCESS TO INCORPORATE MAINTENANCE DATA**
4 **FOR INDIVIDUAL SCHOOL BUILDINGS.**

5 (2) **(I)** The Interagency Commission shall conduct the inspections of
6 individual school buildings that are necessary to complete the survey required in paragraph
7 (1) of this subsection.

8 **(II) THE INSPECTIONS COMPLETED UNDER PARAGRAPH (1) OF**
9 **THIS SUBSECTION SHALL INCLUDE AN INSPECTION OF THE FOLLOWING ITEMS FOR**
10 **EACH SCHOOL BUILDING:**

11 1. **TEMPERATURE;**

12 2. **HUMIDITY;**

13 3. **CARBON DIOXIDE LEVEL;**

14 4. **ACOUSTIC LEVELS;**

15 5. **LEAD PAINT;**

16 6. **ASBESTOS;**

17 7. **KITCHEN SANITARY EQUIPMENT;**

18 8. **LIGHTING;**

19 9. **EMERGENCY COMMUNICATION SYSTEM, WITH**
20 **RESPECT TO REMAINING USEFUL LIFE;**

21 10. **HEALTH ROOM ATTRIBUTES;**

22 11. **SAFETY EQUIPMENT IN EACH LABORATORY SPACE;**

23 **AND**

24 12. **THE FUNCTIONALITY OF:**

25 A. **HEATING, VENTILATION, AND AIR-CONDITIONING**
26 **BUILDING SYSTEMS;**

27 B. **LIFE SAFETY BUILDING SYSTEMS;**

1 **C. ROOFS; AND**

2 **D. ANY ADDITIONAL CRITICAL BUILDING SYSTEMS**
3 **IDENTIFIED BY THE INTERAGENCY COMMISSION.**

4 (3) The Interagency Commission shall report to the Governor and the
5 General Assembly, on or before October 1 of each year, in accordance with § 2–1257 of the
6 State Government Article, on the results of the survey for the prior fiscal year.

7 (f) (1) Following the completion of the initial statewide facilities assessment,
8 the Interagency Commission shall develop standards and procedures to comprehensively
9 update the facilities assessment such that facility assessment data is not older than 4 years.

10 (2) Local education agencies shall:

11 (i) Cooperate with the Interagency Commission to update the
12 facility assessment; and

13 (ii) Contribute data as requested to update the assessment.

14 (3) (i) The Interagency Commission shall enter the facility assessment
15 data into an integrated data system, which shall be known as the Integrated Master
16 Facility Asset Library.

17 (ii) The Interagency Commission shall manage the Integrated
18 Master Facility Asset Library and shall provide access to the Library for all local education
19 agencies using a cloud-based system.

20 **(4) THE INTEGRATED MASTER FACILITY ASSET LIBRARY SHALL**
21 **INCLUDE PREVENTIVE MAINTENANCE SCHEDULES ACCESSIBLE TO EACH LOCAL**
22 **EDUCATION AGENCY.**

23 (g) (1) **(I)** [After completion of the initial facility assessment] **EXCEPT AS**
24 **PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION**, the Interagency Commission
25 [shall share the data results with the Workgroup on the Assessment and Funding of School
26 Facilities and, with the Workgroup, shall consider:

27 (i) How the relative condition of public school facilities within the
28 educational facilities sufficiency standards and the facility condition index should be
29 prioritized, taking into account local priorities and in consultation with local jurisdictions;
30 and

31 (ii) If determined to be appropriate, use of the assessment results in
32 funding decisions] **MAY NOT USE ANY FACILITY ASSESSMENT DATA UNTIL THE**
33 **INTERAGENCY COMMISSION ESTABLISHES THE INTEGRATED MASTER FACILITY**

1 **ASSET LIBRARY.**

2 (II) **AFTER THE INTERAGENCY COMMISSION HAS ESTABLISHED**
3 **THE INTEGRATED MASTER FACILITY ASSET LIBRARY, AND ON OR AFTER MAY 1,**
4 **2026, THE INTERAGENCY COMMISSION SHALL ADOPT REGULATIONS ESTABLISHING**
5 **THE USE OF THE FACILITY ASSESSMENT RESULTS IN ANNUAL SCHOOL**
6 **CONSTRUCTION FUNDING DECISIONS BEGINNING NOT SOONER THAN FISCAL YEAR**
7 **2027.**

8 (2) [During the consideration process under paragraph (1)(i) of this
9 subsection, the Interagency Commission and the Workgroup shall:

10 (i) Evaluate each school's facilities using the replacement value of a
11 modern system; and

12 (ii) Prioritize building systems that are furthest beyond the useful
13 life of the system] **BEFORE THE INTEGRATED MASTER FACILITY ASSET LIBRARY IS**
14 **ESTABLISHED, THE INTERAGENCY COMMISSION MAY USE FACILITY ASSESSMENT**
15 **DATA TO:**

16 (I) **PROVIDE CONTEXT TO PROGRAMS THE INTERAGENCY**
17 **COMMISSION ADMINISTERS;**

18 (II) **WORK WITH LOCAL EDUCATION AGENCIES;**

19 (III) **FULFILL LEGISLATIVE REQUESTS;**

20 (IV) **COMPLETE ANY INTERAGENCY COMMISSION ANALYSIS OR**
21 **REPORT; AND**

22 (V) **ASSIST WITH ANY EXTERNAL REPORTS.**

23 [(3) Based on the recommendations of the Workgroup on the Assessment
24 and Funding of School Facilities, and not before May 1, 2022, for use in funding decisions
25 beginning no sooner than fiscal year 2023, the Interagency Commission shall adopt
26 regulations establishing the use of the facility assessment results in annual school
27 construction funding decisions.]

28 5-315.

29 (a) In this section, "Fund" means the [Local Share of School Construction Costs
30 Revolving Loan] **SCHOOL CONSTRUCTION REVOLVING LOAN** Fund.

31 (b) There is a [Local Share of School Construction Costs Revolving Loan]

1 **SCHOOL CONSTRUCTION REVOLVING LOAN** Fund.

2 (c) The purpose of the Fund is to provide loans to local governments to forward
3 fund the **STATE OR** local share of school construction costs for local education agencies that
4 rely on the **STATE OR** local share to be fully funded in order to complete a project.

5 (d) The Interagency Commission shall administer the Fund.

6 (e) (1) The Fund is a special, nonlapsing fund that is not subject to § 7–302 of
7 the State Finance and Procurement Article that shall be available in perpetuity for the
8 purpose of providing loans in accordance with the provisions of this section.

9 (2) The State Treasurer shall hold the Fund separately, and the
10 Comptroller shall account for the Fund.

11 (f) The Fund consists of:

12 (1) Money appropriated in the State budget to the Fund;

13 (2) Any interest earnings of the Fund;

14 (3) Repayments of principal and interest from loans made from the Fund;
15 and

16 (4) Any other money from any other source accepted for the benefit of the
17 Fund.

18 (g) The Fund may be used only to provide low– or no–interest loans to local
19 governments.

20 (h) (1) The State Treasurer shall invest the money of the Fund in the same
21 manner as other State money may be invested.

22 (2) Any interest earnings of the Fund shall be credited to the Fund.

23 (i) Money expended from the Fund is supplemental to and is not intended to take
24 the place of funding that otherwise would be appropriated to local governments for school
25 construction.

26 (j) (1) Subject to paragraph (2) of this subsection, the Interagency
27 Commission shall establish application procedures and eligibility criteria for loans from the
28 Fund.

29 (2) The eligibility criteria shall include that a local [government is]
30 **SCHOOL SYSTEM:**

1 (i) [In] IS IN need of a loan to forward fund the local share of school
2 construction costs in order to complete a project; [and]

3 (ii) [Able] IS ABLE to demonstrate the ability to repay the loan if
4 required at a later date; AND

5 (iii) HAS RECEIVED PLANNING APPROVAL FOR THE PROJECT
6 FROM THE INTERAGENCY COMMISSION.

7 (3) THE INTERAGENCY COMMISSION SHALL GIVE PRIORITY IN
8 AWARDING LOANS FROM THE FUND TO COUNTIES THAT HAVE:

9 (i) NOT ADVANCED CONSTRUCTION FUNDING FOR PROJECTS
10 IN THE PUBLIC SCHOOL CONSTRUCTION PROGRAM THAT THE INTERAGENCY
11 COMMISSION HAS APPROVED FOR PLANNING; AND

12 (ii) LIMITED DEBT CAPACITY.

13 (k) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, A
14 COUNTY SHALL REPAY A LOAN FROM THE FUND NOT LESS THAN 5 YEARS AFTER
15 RECEIVING THE LOAN FROM THE FUND.

16 (2) THE INTERAGENCY COMMISSION MAY ESTABLISH A PROCEDURE
17 FOR A WAIVER FROM THE REQUIREMENT UNDER PARAGRAPH (1) OF THIS
18 SUBSECTION.

19 (L) (1) IN FISCAL YEAR 2023, THE GOVERNOR SHALL INCLUDE IN THE
20 ANNUAL BUDGET BILL AN APPROPRIATION OF AT LEAST \$50,000,000 TO THE FUND.

21 (2) IN FISCAL YEAR 2024, THE GOVERNOR SHALL INCLUDE IN THE
22 ANNUAL BUDGET BILL AN APPROPRIATION OF AT LEAST \$20,000,000 TO THE FUND.

23 (3) IN EACH OF FISCAL YEARS 2025 AND 2026, THE GOVERNOR SHALL
24 INCLUDE IN THE ANNUAL BUDGET BILL AN APPROPRIATION OF AT LEAST
25 \$10,000,000 TO THE FUND.

26 5-322.

27 (a) In this section, "Fund" means the Healthy School Facility Fund.

28 (b) There is a Healthy School Facility Fund.

29 (j) (1) (i) In each of fiscal years 2020 through 2022, the Governor shall
30 appropriate at least \$30,000,000 to the Fund.

1 (ii) In each of fiscal years 2023 [and 2024] **THROUGH 2026**, the
2 Governor shall appropriate at least \$40,000,000 to the Fund.

3 (iii) For each of fiscal years 2021 through [2024] **2026**, 50% of the
4 funds appropriated under subparagraphs (i) and (ii) of this paragraph shall be awarded to
5 public schools in Baltimore City.

6 **5-326.**

7 (a) In this section, “Fund” means the Public School Facilities Priority Fund.

8 (b) There is a Public School Facilities Priority Fund.

9 (i) [(1) In fiscal years 2025 and 2026, the Governor shall appropriate in the
10 annual State operating or capital budget bill at least \$40,000,000 to the Fund.

11 (2)] In fiscal year 2027 and each fiscal year thereafter, the Governor shall
12 appropriate in the annual State operating or capital budget bill at least \$80,000,000 to the
13 Fund.

14 **5-327.**

15 (A) (1) **IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS**
16 **INDICATED.**

17 (2) **“BASELINE TOTAL COST OF OWNERSHIP” MEANS THE TYPICAL**
18 **TOTAL COST OF OWNERSHIP OF A NEW SCHOOL BUILDING OR A SCHOOL FACILITY**
19 **RENEWAL, AS CALCULATED BY THE INTERAGENCY COMMISSION.**

20 (3) **“ESTIMATED TOTAL COST OF OWNERSHIP” MEANS THE TOTAL**
21 **COST OF OWNERSHIP OF A NEW SCHOOL BUILDING OR A SCHOOL FACILITY RENEWAL**
22 **AND THE CONCOMITANT ANALYSIS AS ESTIMATED BY A LOCAL EDUCATION AGENCY**
23 **BEFORE THE CONSTRUCTION OF A NEW SCHOOL BUILDING OR A SCHOOL FACILITY**
24 **RENEWAL BEGINS.**

25 (4) (I) **“PROJECTED ACTUAL TOTAL COST OF OWNERSHIP AS**
26 **CONSTRUCTED” MEANS THE TOTAL COST OF OWNERSHIP OF A NEW SCHOOL**
27 **BUILDING OR A SCHOOL FACILITY RENEWAL AND THE CONCOMITANT ANALYSIS AS**
28 **CALCULATED BY A LOCAL EDUCATION AGENCY AFTER THE CONSTRUCTION OF THE**
29 **NEW SCHOOL BUILDING OR THE SCHOOL FACILITY RENEWAL IS COMPLETE.**

30 (II) **“PROJECTED ACTUAL TOTAL COST OF OWNERSHIP AS**
31 **CONSTRUCTED” INCLUDES THE SUM OF:**

1 **1. THE ACTUAL COSTS OF CONSTRUCTION AND**
2 **OPERATION OF THE NEW SCHOOL BUILDING OR THE SCHOOL FACILITY RENEWAL AS**
3 **OF THE DATE OF THE CALCULATION; AND**

4 **2. AN ESTIMATION OF FUTURE COSTS.**

5 **(5) "SCHOOL FACILITY RENEWAL" MEANS A CAPITAL IMPROVEMENT**
6 **PROJECT FOR AN EXISTING SCHOOL THAT, ON COMPLETION:**

7 **(I) WILL REDUCE THE SCHOOL'S FACILITY CONDITION INDEX,**
8 **AS DEFINED IN § 5-310 OF THIS SUBTITLE, TO 0.15 OR LOWER; AND**

9 **(II) RESULTS IN A LIKE-NEW OPERATIONAL CONDITION FOR**
10 **THE SCHOOL.**

11 **(6) "STATE SHARE PERCENTAGE" MEANS THE PERCENTAGE OF**
12 **ELIGIBLE COSTS, AS DEFINED IN REGULATIONS ADOPTED IN ACCORDANCE WITH §**
13 **5-303 OF THIS SUBTITLE, FOR THE CONSTRUCTION OF A NEW SCHOOL BUILDING OR**
14 **A SCHOOL FACILITY RENEWAL PAID FOR BY THE STATE.**

15 **(B) IF A PROJECT FOR THE CONSTRUCTION OF A NEW SCHOOL BUILDING OR**
16 **A SCHOOL FACILITY RENEWAL HAS AN ESTIMATED TOTAL COST OF OWNERSHIP THAT**
17 **IS AT LEAST 15% LESS THAN THE BASELINE TOTAL COST OF OWNERSHIP, THE**
18 **COUNTY SHALL RECEIVE A 5% INCREASE IN THE STATE SHARE PERCENTAGE FOR**
19 **THAT PROJECT.**

20 **(C) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, IF A PROJECT**
21 **HAS A PROJECTED ACTUAL TOTAL COST OF OWNERSHIP AS CONSTRUCTED THAT IS**
22 **NOT AT LEAST 15% LESS THAN THE BASELINE TOTAL COST OF OWNERSHIP, THE**
23 **COUNTY THAT RECEIVED A 5% INCREASE IN THE STATE SHARE PERCENTAGE FOR**
24 **THAT PROJECT SHALL REPAY THAT AMOUNT TO THE INTERAGENCY COMMISSION.**

25 **(2) THE INTERAGENCY COMMISSION SHALL ESTABLISH A PROCESS**
26 **FOR A COUNTY TO REPAY THE INTERAGENCY COMMISSION THE AMOUNT OF THE 5%**
27 **INCREASE IN THE STATE SHARE PERCENTAGE OF A PROJECT THAT MET THE**
28 **REQUIREMENTS UNDER SUBSECTION (B) OF THIS SECTION, IF APPROXIMATELY 12**
29 **TO 17 MONTHS AFTER THE DATE ON WHICH CONSTRUCTION IS COMPLETE AND THE**
30 **LOCAL EDUCATION AGENCY BEGINS USING THE BUILDING OR RENEWAL FOR ITS**
31 **INTENDED PURPOSE, THE PROJECTED ACTUAL TOTAL COST OF OWNERSHIP AS**
32 **CONSTRUCTED IS NOT AT LEAST 15% LESS THAN THE BASELINE TOTAL COST OF**
33 **OWNERSHIP.**

34 **(D) THE INTERAGENCY COMMISSION, IN COORDINATION WITH THE**

1 **DEPARTMENT, SHALL DEVELOP LIFE CYCLE COST ANALYSIS STANDARDS.**

2 **(E) THE INTERAGENCY COMMISSION SHALL ADOPT REGULATIONS TO**
3 **CARRY OUT THIS SECTION.**

4 **Article – Economic Development**

5 10–650.

6 (c) (1) Except as otherwise provided in paragraphs (2) [and (3)] **THROUGH (4)**
7 of this subsection, the allocation of bond proceeds authorized in § 10–628 of this subtitle
8 represents the State share of eligible public school construction or capital improvement
9 costs as established by regulation in accordance with § 5–303 of the Education Article,
10 which shall include architectural, engineering, consulting, and other planning costs as
11 eligible costs.

12 (2) For a county that receives the minimum State share of eligible school
13 construction costs and has advanced construction funding for projects in the Public School
14 Construction Program that the Interagency Commission on School Construction has
15 approved for planning, the State share of eligible costs for the allocation of bond proceeds
16 authorized in § 10–628 of this subtitle shall include 150% of the applicable gross area
17 baseline in gross square foot per student for each project.

18 (3) In Baltimore City, the bond proceeds authorized under § 10–628 of this
19 subtitle may be used for furniture, fixtures, equipment, design, and the staff necessary to
20 manage the school construction projects.

21 **(4) A COUNTY MAY USE A LOAN FROM THE SCHOOL CONSTRUCTION**
22 **REVOLVING LOAN FUND ESTABLISHED UNDER § 5–315 OF THE EDUCATION**
23 **ARTICLE TO REPRESENT THE STATE OR LOCAL SHARE OF ELIGIBLE PUBLIC SCHOOL**
24 **CONSTRUCTION OR CAPITAL IMPROVEMENT COSTS.**

25 **Article – State Finance and Procurement**

26 6–226.

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

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

1 101. the [Local Share of School Construction Costs Revolving
2 Loan] **SCHOOL CONSTRUCTION REVOLVING LOAN** Fund;

3 SECTION 2. AND BE IT FURTHER ENACTED, That it is the intent of the General
4 Assembly that a new Workgroup on the Assessment and Funding of School Facilities be
5 formed not later than July 2024 to determine how the relative condition of public school
6 facilities within the educational facilities sufficiency standards and the facility condition
7 index should be prioritized, taking into account local priorities and in consultation with
8 local jurisdictions prior to the Public School Facilities Priority Fund being funded for fiscal
9 year 2027.

10 SECTION 3. AND BE IT FURTHER ENACTED, That it is the intent of the General
11 Assembly that:

12 (1) beginning in fiscal year 2023, within the current debt affordability
13 guidelines, the State should provide at least \$400,000,000 each year for public school
14 construction; and

15 (2) the annual goal established under item (1) of this section should be
16 recalculated prior to the Public School Facilities Priority Fund being funded.

17 SECTION 4. AND BE IT FURTHER ENACTED, That the Interagency Commission
18 on School Construction shall update the State and local cost–share formula for fiscal years
19 2025 and 2026 to align with the changes Chapter 36 of the Acts of the General Assembly of
20 2021 made to the Foundation Program and the Guaranteed Tax Base Program.

21 SECTION 5. AND BE IT FURTHER ENACTED, That, on or before October 1, 2023,
22 the Interagency Commission on School Construction shall update the baseline gross square
23 footage per student for the Gross Area Baselines calculation to align with the standards
24 and requirements in Chapter 36 of the Acts of the General Assembly of 2021, including:

25 (1) instructional space for English–language learners;

26 (2) community schools and schools eligible for Concentration of Poverty
27 grants;

28 (3) collaborative planning spaces for teachers, taking into consideration
29 that there will be more teachers in schools as additional collaborative time during the
30 school day is phased in;

31 (4) break–out space for more one–on–one and small group instruction; and

32 (5) career and technical education pathways.

33 SECTION 6. AND BE IT FURTHER ENACTED, That the Interagency Commission
34 on School Construction and the Maryland Department of Health shall determine the
35 minimum equipment needed in each school for food preparation, to be used by the

1 Interagency Commission on School Construction for surveys of school buildings under §
2 5–310(b) of the Education Article, as enacted by Section 1 of this Act.

3 SECTION 7. AND BE IT FURTHER ENACTED, That it is the intent of the General
4 Assembly for the Interagency Commission on School Construction to work with the
5 Department of Legislative Services to verify survey data completed under § 5–310 of the
6 Education Article, as enacted by Section 1 of this Act, through at least July 1, 2025.

7 SECTION 8. AND BE IT FURTHER ENACTED, That this Act shall take effect July
8 1, 2022.