

Department of Legislative Services
Maryland General Assembly
2022 Session

FISCAL AND POLICY NOTE
Third Reader

House Bill 566
Appropriations

(Delegate Boyce)

Budget and Taxation

School Construction – Design Documents – Waste Disposal Infrastructure

This bill requires the Interagency Commission on School Construction (IAC) to adopt regulations that require a local school system to include waste disposal infrastructure in the design documents that it submits to IAC for State funding approval for construction of a new school building. “Waste disposal infrastructure” is defined as (1) a place for the disposal of trash, recyclables, and food scraps and (2) a sink for liquid waste. **The bill takes effect July 1, 2022.**

Fiscal Summary

State Effect: No effect on total State funding for public school construction or for individual public school construction projects. IAC can develop regulations and receive and assess design documents that include waste disposal infrastructure with existing resources. No effect on revenues.

Local Effect: Local school systems can include waste disposal infrastructure in their design documents with existing resources. Inclusion of such infrastructure in new public school buildings may minimally increase local school system operating expenditures in the out-years to supply and maintain the waste disposal systems. No effect on local revenues.

Small Business Effect: None.

Analysis

Current Law: IAC manages State review and approval of local school construction projects. Each year, local systems develop and submit to IAC a facilities master plan that includes an analysis of future school facility needs based on the current condition of school

buildings and projected enrollment. The master plan must be approved by the local school board. Subsequently, each local school system submits a capital improvement plan to IAC that includes projects for which it seeks planning and/or funding approval for the upcoming fiscal year, which may include projects that the local system has forward funded. In addition to approval from the local school board, the request for the upcoming fiscal year must be approved by the county's governing body. Typically, the submission letter to IAC contains signatures of both the school board president and either the county executive and county council president or chair of the board of county commissioners.

Regulations specify public school construction-related costs that are eligible and ineligible for State funding. Chapter 20 of 2020 expands the costs eligible for State funding. In general, the following costs are now included among *eligible* expenses:

- planning and design costs (including architectural and engineering fees);
- construction of a new facility, a renovation of a new facility, an addition to an existing facility, or a replacement of an existing building or building portion (*i.e.*, “bricks and mortar”);
- building and site development;
- replacement of building systems, including roofs; windows; and heating, ventilation, and air conditioning (*i.e.*, “systemic renovations”);
- modular construction that meets specified standards;
- State-owned relocatable facilities and temporary facilities that are required to be on site during construction; and
- furniture, fixtures, and equipment with a median useful life of at least 15 years.

Among the major items explicitly *not eligible* for State funding under current law (besides site acquisition) are (1) master plans and feasibility studies; (2) projects or systemic renovations for buildings and systems that have been replaced, upgraded, or renovated within the last 15 years; and (3) items that do not have a useful life of at least 15 years.

In general, for each major construction and renovation project, the Code of Maryland Regulations requires local school systems to submit to IAC for review and approval:

- educational specifications;
- schematic designs, before the school system proceeds to design development documents;
- design development documents, before the school system proceeds to construction documents; and
- construction documents, before the school system issues a solicitation.

Additional Comments: Current regulations require design documents for new and substantially renovated buildings; the bill requires inclusion of the waste disposal infrastructure in design documents only for new buildings. Certain components of the waste disposal infrastructure likely are not eligible for State funding due to their life cycle.

Additional Information

Prior Introductions: None.

Designated Cross File: None.

Information Source(s): Public School Construction Program; Department of Legislative Services

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