# **SENATE BILL 843**

5 lr 2955
CF HB 736

F5 SB 110/24 – B&T

### By: Senator Hershey

Introduced and read first time: January 28, 2025 Assigned to: Budget and Taxation

Committee Report: Favorable with amendments Senate action: Adopted with floor amendments Read second time: March 1, 2025

CHAPTER \_\_\_\_\_

1 AN ACT concerning

## $\mathbf{2}$

## School Construction – Local Cost–Share – Alterations

- 3 FOR the purpose of adding an adjustment to the local cost-share for school construction
- 4 projects for certain counties under certain circumstances; and generally relating to
- 5 the local cost–share for school construction projects.
- 6 BY repealing and reenacting, with amendments,
- 7 Article Education
- 8 Section 5–303(k)
- 9 Annotated Code of Maryland
- 10 (2022 Replacement Volume and 2024 Supplement)

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

13

## Article – Education

14 **5**–303.

15 (k) (1) **(I)** A county is eligible for an adjustment to the local cost-share for 16 school construction projects under [paragraph (2)] SUBPARAGRAPH **(II)** of this 17 [subsection] PARAGRAPH if:

18 [(i)] 1. A county's median household income is in the bottom 19 quartile in the State; and

[Brackets] indicate matter deleted from existing law.

<u>Underlining</u> indicates amendments to bill.

Strike out indicates matter stricken from the bill by amendment or deleted from the law by amendment.



EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

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1 (ii) **2**. The State and local cost–share formula for the county is  $\mathbf{2}$ 50% State and 50% local. 3 1. (2)(i)**] (II)** The local cost-share of a school construction project 4 in a county that is eligible under [paragraph (1)] SUBPARAGRAPH (I) of this [subsection] PARAGRAPH shall be reduced to equal the local cost-share of the adjacent county that is  $\mathbf{5}$ 6 less than 50% but closest to 50%. 7 [(ii)] **2**. The State cost-share of a school construction project in the 8 eligible county shall be increased by a percentage that is equal to the reduction under [subparagraph (i) of this paragraph] SUBSUBPARAGRAPH 1 OF THIS SUBPARAGRAPH. 9 10 (2) A COUNTY IS ELIGIBLE FOR AN ADJUSTMENT TO THE LOCAL **(I)** 11 COST-SHARE FOR AN ELIGIBLE SCHOOL CONSTRUCTION PROJECT IN THE COUNTY 12**UNDER SUBPARAGRAPH (II) OF THIS PARAGRAPH IF:** 131. THE PERCENTAGE OF STUDENTS IN THE COUNTY 14ELIGIBLE FOR FREE OR REDUCED PRICE MEALS IS GREATER THAN THE STATEWIDE 15AVERAGE OF STUDENTS ELIGIBLE FOR FREE OR REDUCED PRICE MEALS; 162. ALL SCHOOLS IN THE COUNTY PARTICIPATE IN THE U.S. DEPARTMENT OF AGRICULTURE COMMUNITY ELIGIBILITY PROVISION; 173. THE STATE AND LOCAL COST-SHARE FORMULA FOR 18 THE COUNTY IS 50% STATE AND 50% LOCAL; AND 1920**4**. THE ELIGIBLE PROJECT IS A SCHOOL THAT IS THE 21ONLY AN ELEMENTARY, MIDDLE, OR HIGH SCHOOL IN THE COUNTY; AND 225. THE TOTAL COST OF THE PROJECT IS EQUAL TO OR 23LESS THAN \$129,000 PER STATE-ELIGIBLE STUDENT. 24**(II)** 1. THE LOCAL **COST-SHARE** OF Α **SCHOOL** 25CONSTRUCTION PROJECT IN A COUNTY THAT IS ELIGIBLE UNDER SUBPARAGRAPH 26(I) OF THIS PARAGRAPH SHALL BE REDUCED TO EQUAL THE AVERAGE OF COUNTIES IN WHICH ALL SCHOOLS IN THE COUNTY PARTICIPATE IN THE U.S. DEPARTMENT OF 27AGRICULTURE COMMUNITY ELIGIBILITY PROVISION. 28292. ТНЕ STATE **COST-SHARE** OF Α **SCHOOL** 30 CONSTRUCTION PROJECT IN THE ELIGIBLE COUNTY SHALL BE INCREASED BY A PERCENTAGE THAT IS EQUAL TO THE REDUCTION UNDER SUBSUBPARAGRAPH 1 OF 31

- 32 THIS SUBPARAGRAPH.
- 33
- (3) A county shall receive:

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1 (i) A 10 percentage point increase in the State share of a school 2 construction project if the proposed school construction project, when a local school system 3 submits a project for approval to the Interagency Commission, is at a school with a 4 concentration of poverty level, as defined in § 5–223 of this title, of 80% or greater;

5 (ii) A 5 percentage point increase in the State share of a school 6 construction project if the proposed school construction project, when a local school system 7 submits a project for approval to the Interagency Commission, is at a school with a 8 concentration of poverty level, as defined in § 5–223 of this title, of less than 80% but greater 9 than 55%;

10 (iii) A 5 percentage point increase in the State share of a school 11 construction project if the proposed school construction project is at a school that, in the 12 most recent school maintenance effectiveness assessment by the Interagency Commission, 13 received an assessment rating of:

- 14 1. Good;
- 15 2. Superior; or

163.Adequate and the school's current school facility17assessment percent of expected useful life is at least 120%; and

18 (iv) A 5 percentage point increase in the State share of a school 19 construction project if the proposed project is to build a net-zero school.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
1, 2025. It shall remain effective for a period of 3 years and, at the end of June 30, 2028,
this Act, with no further action required by the General Assembly, shall be abrogated and
of no further force and effect.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.