

HOUSE BILL 740

F1, C8, F5

11r0143
CF SB 576

By: **The Speaker (By Request – Administration)**

Introduced and read first time: January 26, 2021

Assigned to: Appropriations

A BILL ENTITLED

1 AN ACT concerning

2 **Building Opportunity Act of 2021**

3 FOR the purpose of requiring certain public school construction projects in Prince George's
4 County to comply with a certain memorandum of understanding under certain
5 circumstances; authorizing, on or before a certain date, the Prince George's County
6 government, the Prince George's County Board of Education, and a private entity to
7 enter into a certain public-private partnership agreement; requiring a certain
8 public-private partnership agreement, if entered into by certain parties, to be
9 reviewed by the Maryland Stadium Authority and approved by the Interagency
10 Commission on School Construction in order for certain provisions of law to apply;
11 requiring the Authority to deposit certain amounts into certain funds under certain
12 circumstances during certain fiscal years; requiring the Prince George's County
13 government and the Prince George's County Board to deposit certain amounts
14 required under a certain public-private partnership agreement into a certain fund
15 under certain circumstances during certain fiscal years; requiring the Interagency
16 Commission on School Construction to pay a certain private entity from a certain
17 fund under certain circumstances during certain fiscal years; requiring the Prince
18 George's County government, the Prince George's County Board, and the
19 Interagency Commission on School Construction to submit a certain report on a
20 certain date each year; requiring the Interagency Commission on School
21 Construction to complete a certain evaluation and to submit a report on a certain
22 evaluation on or before a certain date; specifying the administration of and the
23 purpose for which certain funds in the Prince George's County Public-Private
24 Partnership Fund may be used; providing for the investment of money in and
25 expenditures from the Prince George's County Public-Private Partnership Fund;
26 providing that eligible public school construction or capital improvement costs
27 include planning costs under certain circumstances; providing that regulations
28 adopted by the Interagency Commission on School Construction may include certain
29 provisions; requiring the Interagency Commission on School Construction to adopt
30 certain regulations; requiring the Interagency Commission on School Construction
31 to update certain regulations by a certain date; requiring a certain replacement value

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



of certain systems and a certain prioritization of certain systems to be considered during a certain process; requiring a certain reduction to the local cost-share formula and a certain increase to the State cost-share formula for certain counties under certain circumstances; altering the date by which the Interagency Commission on School Construction is required to adopt regulations establishing the use of the results of a certain facility assessment; altering the eligibility requirements for a certain capital grant program; exempting the Authority from a certain provision of law; authorizing the use of a combination of State funds for certain projects; requiring grants from the Healthy School Facility Fund to be awarded to schools based on the severity of certain issues in the school; providing that certain plumbing projects be prioritized in the Healthy School Facility Fund application procedures; requiring the Interagency Commission on School Construction or, under certain circumstances, the Authority to conduct a certain evaluation of building life-cycles; authorizing the Interagency Commission on School Construction or the Authority to contract with a third party for a certain purpose; requiring the Interagency Commission on School Construction to provide certain reimbursements for certain projects begun on or after a certain date subject to a certain approval; requiring the State Department of Education, the Interagency Commission on School Construction, and the Authority to collaborate with local school systems and community colleges to develop a certain career and technology program or apprenticeship program; providing that contracts to construct a public school facility or for construction on a public school site do not require the prior approval of the Board of Public Works; requiring the Authority to take certain actions related to public school facility projects; prohibiting the power granted to the Authority under this Act from interfering with certain powers of county boards of education; prohibiting certain powers of county boards from limiting the ability of the Authority to carry out certain duties under this Act; authorizing the Authority to issue bonds to finance the construction of or improvements to certain public school facilities subject to certain limitations; specifying that certain expenses incurred by the Authority are payable only from certain funds; specifying that certain bonds issued under this Act are a limited obligation of the Authority payable solely from certain pledged money and are not a debt, liability, moral obligation, or pledge of the faith and credit or taxing power of the State, the Authority, or any other governmental unit; requiring the Authority to obtain approval from the Board of Public Works before each issuance of bonds to finance improvements to public school facilities; authorizing the Authority to issue bonds to finance improvements to a public school facility on or after a certain date; prohibiting the debt service for all outstanding bond issues related to improvements to public school facilities from exceeding a certain amount under certain circumstances; requiring the Comptroller to deposit certain amounts into a certain fund on or before certain dates each year; authorizing the Authority to transfer certain funds under certain circumstances; requiring the Authority and county boards of education to take certain actions in connection with public school facility projects; providing for the payment of certain costs; requiring the Authority to submit a certain report on or before a certain date each year; requiring the Authority to complete a certain evaluation on or before a certain date; requiring the Interagency Commission on School Construction to submit a report on a certain evaluation on or before a certain date; requiring the Interagency

Commission on School Construction to approve certain projects to be funded from a certain fund; providing for the allocation of a certain percentage of bond proceeds under certain circumstances; prohibiting the allocation of a certain percentage of bond proceeds for a certain county if a certain condition is met; providing for the reallocation of bond proceeds under certain circumstances; specifying that the allocation of certain bond proceeds represents the State share of eligible public school construction costs under certain circumstances; authorizing certain bond proceeds to be used for certain purposes in a certain jurisdiction; requiring the Authority to take certain actions relating to certain public school facility projects in a certain jurisdiction under certain circumstances; specifying that certain public school facility projects are subject to certain requirements under certain circumstances; requiring the Authority and the Interagency Commission on School Construction to enter into a certain program memorandum of understanding before a public school facility project is approved for funding; requiring the Authority, a county government, and a county board of education to enter into a certain project memorandum of understanding before a public school facility project is approved for funding; providing that the provisions of a certain project memorandum of understanding prevail in certain circumstances; enabling the Authority to authorize a county board of education to take certain actions related to public school facility projects under certain circumstances after considering the county board's track record of managing public school facility projects; authorizing the Authority to use funds from the Baltimore City Public School Construction Financing Fund and the Baltimore City Public School Construction Facilities Fund for certain purposes; altering the composition of the Workgroup on the Assessment and Funding of School Facilities; requiring the President of the Senate and the Speaker of the House to appoint the chair of the Workgroup; altering the date of the Workgroup report; establishing the Supplemental Public School Construction Financing Fund, the Supplemental Public School Construction Facilities Fund, and the Public School Facilities Priority Fund as continuing, nonlapsing funds; specifying the contents of the funds and providing for the uses of the funds; exempting from the sales and use tax certain construction material purchased by the Authority for certain projects; exempting the funds from a certain provision of law requiring interest on State money in special funds to accrue to the General Fund of the State; providing that money deposited in certain funds may be used as security for a bond issue; repealing certain provisions requiring funds from the Education Trust Fund to be used for certain capital projects; requiring the Governor, beginning in a certain fiscal year, to include in the annual budget submission certain amounts or percentages of certain revenues as supplemental funding for certain purposes; requiring the Governor, beginning in a certain fiscal year, to identify in the annual budget as introduced how certain revenues are being used to supplement certain spending on education in certain grades in public schools; requiring that certain funding be in addition to certain State funding provided in certain grades in public schools; requiring each county board of education to complete and submit a certain capacity study on or before a certain date to the Interagency Commission on School Construction and certain legislative committees; stating the intent of the General Assembly; repealing certain provisions of law; defining certain terms; altering certain definitions; making stylistic changes; providing for a delayed effective date for certain provisions of this Act; making certain provisions of this Act

subject to a certain contingency; and generally relating to public school construction projects in the State.

BY renumbering

Article – Education

Section 4–126.1 and 5–206, respectively

to be Section 4–126.2 and 5–324, respectively

Annotated Code of Maryland

(2018 Replacement Volume and 2020 Supplement)

BY repealing and reenacting, with amendments,

Article – Education

Section 4–126, 5–303(a) and (d)(2) and (3), 5–310(g), 5–313, and 5–322

Annotated Code of Maryland

(2018 Replacement Volume and 2020 Supplement)

BY adding to

Article – Education

Section 4–126.1, 5–303(d)(5) and (k), 5–325, 5–326, and 21–207

Annotated Code of Maryland

(2018 Replacement Volume and 2020 Supplement)

BY repealing and reenacting, with amendments,

Article – Education

Section 4–126.2

Annotated Code of Maryland

(2018 Replacement Volume and 2020 Supplement)

(As enacted by Section 1 of this Act)

BY repealing and reenacting, with amendments,

Article – Economic Development

Section 10–601, 10–608, 10–618, 10–620(e) and (f), 10–628(c)(1), 10–634, 10–656(b), 10–657(b), and 10–658

Annotated Code of Maryland

(2018 Replacement Volume and 2020 Supplement)

BY adding to

Article – Economic Development

Section 10–645(n), 10–649, 10–650, 10–658, and 10–658.1

Annotated Code of Maryland

(2018 Replacement Volume and 2020 Supplement)

BY repealing and reenacting, without amendments,

Article – State Finance and Procurement

Section 6–226(a)(2)(i)

Annotated Code of Maryland

(2015 Replacement Volume and 2020 Supplement)

- 1 BY repealing and reenacting, with amendments,
2 Article – State Finance and Procurement
3 Section 6–226(a)(2)(ii)122. and 123. and 11–203(c)
4 Annotated Code of Maryland
5 (2015 Replacement Volume and 2020 Supplement)
- 6 BY adding to
7 Article – State Finance and Procurement
8 Section 6–226(a)(2)(ii)124., 125., and 126.
9 Annotated Code of Maryland
10 (2015 Replacement Volume and 2020 Supplement)
- 11 BY repealing and reenacting, with amendments,
12 Article – State Government
13 Section 9–1A–30
14 Annotated Code of Maryland
15 (2014 Replacement Volume and 2020 Supplement)
- 16 BY repealing and reenacting, without amendments,
17 Chapter 14 of the Acts of the General Assembly of 2018
18 Section 3(a)
- 19 BY repealing and reenacting, with amendments,
20 Chapter 14 of the Acts of the General Assembly of 2018
21 Section 3(b)(3), (c), and (g)
- 22 BY repealing and reenacting, with amendments,
23 Article – State Finance and Procurement
24 Section 6–226(a)(2)(ii)124. and 125.
25 Annotated Code of Maryland
26 (2015 Replacement Volume and 2020 Supplement)
27 (As enacted by Section 3 of this Act)
- 28 BY repealing and reenacting, with amendments,
29 Article – Tax – General
30 Section 11–236
31 Annotated Code of Maryland
32 (2016 Replacement Volume and 2020 Supplement)
- 33 BY repealing
34 Article – Education
35 Section 5–317
36 Annotated Code of Maryland
37 (2018 Replacement Volume and 2020 Supplement)
- 38 BY repealing

Article – Education
Section 5–324
Annotated Code of Maryland
(2018 Replacement Volume and 2020 Supplement)
(As enacted by Section 1 of this Act)

BY repealing
The Public Local Laws of Baltimore County
Section 9–1–104(d)
Article 3 – Public Local Laws of Maryland
(2015 Edition and October 2019 Supplement, as amended)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
That Section(s) 4–126.1 and 5–206, respectively, of Article – Education of the Annotated
Code of Maryland be renumbered to be Section(s) 4–126.2 and 5–324, respectively.

SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read
as follows:

Article – Education

4–126.

(a) In this section, “alternative financing methods” includes one or more of the
following methods:

(1) Sale–leaseback arrangements, in which a county board agrees to
transfer title to a property, including improvements, to a private entity that simultaneously
agrees to lease the property back to the county board and, on a specified date, transfer title
back to the county board;

(2) Lease–leaseback arrangements, in which a county board leases a
property to a private entity that improves the property and leases the property, with the
improvements, back to the county board;

(3) Public–private partnership agreements, in which a county board
contracts with a county revenue authority or a private entity for the acquisition, design,
construction, improvement, renovation, expansion, equipping, or financing of a public
school, and may include provisions for cooperative use of the school or an adjacent property
and generation of revenue to offset the cost of construction or use of the school;

(4) Performance–based contracting, in which a county board enters into an
energy performance contract to obtain funding for a project with guaranteed energy savings
over a specified time period;

(5) Preference–based arrangements, by which a local governing body gives
preference first to business entities located in the county and then to business entities

located in other counties in the State for any construction that is not subject to prevailing wage rates under Title 17, Subtitle 2 of the State Finance and Procurement Article;

(6) Design–build arrangements, that permit a county board to contract with a design–build business entity for the combined design and construction of qualified education facilities, including financing mechanisms where the business entity assists the local governing body in obtaining project financing; and

(7) Design–construct–operate–maintain–finance arrangements that permit a county board to contract with a county revenue authority or a private entity for the design, construction, operation, and maintenance of a public school under terms agreed to by the parties.

(b) (1) Except when prohibited by local law, in order to finance or to speed delivery of, transfer risks of, or otherwise enhance the delivery of public school construction, a county board, with the approval of the county governing body in accordance with subsection (d) of this section, may:

(i) Use alternative financing methods;

(ii) Engage in competitive negotiation, rather than competitive bidding, in limited circumstances, including construction management at–risk arrangements and other alternative project delivery arrangements, as provided in regulations adopted by the Interagency Commission on School Construction;

(iii) Accept unsolicited proposals for the development of public schools in limited circumstances, as provided in regulations adopted by the Interagency Commission on School Construction;

(iv) Solicit proposals for the development of public schools;

(v) Lease property from a county revenue authority or a private entity for use as a public school facility; and

(vi) Use quality–based selection, in which selection is based on a combination of qualifications and cost factors, to select developers and builders, as provided in regulations adopted by the Interagency Commission on School Construction.

(2) The alternative financing methods described under paragraph (1)(i) of this subsection may include reserves sufficient to cover operation, facility renewal, maintenance, and energy costs as part of a contract.

(c) Use of alternative financing methods under this section may not be construed to prohibit the allocation of State funds for public school construction to a project under the Public School Construction Program.

(d) A county board may not use alternative financing methods under this section

without the approval of the county governing body.

(e) (1) (i) Except as provided in paragraphs (2) and (3) of this subsection, § 2–303(f) and Title 5, Subtitle 3 of this article and the regulations that govern the Public School Construction Program do not apply to projects that use alternative financing methods under this section.

(ii) Nothing in this section may be construed to authorize or require State approval before an alternative financing method may be used by a local school system.

(2) If a project that receives State funding uses alternative financing methods under this section, the project shall be submitted to the Interagency Commission on School Construction for review.

(3) (i) Projects that use alternative financing methods under this section and receive State funding shall comply with the following requirements:

1. Except as provided in subparagraph (ii) of this paragraph, the State and local cost–share established for each county in regulations;

2. Except as provided in subparagraph (ii) of this paragraph, the maximum State construction allocation for each project approved for State funding;

3. Except as provided in subparagraph (ii) of this paragraph, the approval of project funding by the Interagency Commission on School Construction;

4. Smart growth requirements;

5. Minority business enterprise requirements;

6. Prevailing wage requirements;

7. Environmental requirements; and

8. A requirement for a procurement process that includes public notice and results in the most advantageous proposal.

(ii) In Prince George’s County, projects that use alternative financing methods under this section and receive State funding for a yearly availability payment:

1. Do not have to comply with the requirements under subparagraph (i)1 through 3 of this paragraph;

2. Shall comply with the requirements under subparagraph (i)4 through 8 of this paragraph; and

3. [Shall] **EXCEPT AS PROVIDED IN SUBPARAGRAPH (III) OF THIS PARAGRAPH, SHALL** comply with a three-party memorandum of understanding entered into and signed by the Prince George's County Board, Prince George's County, and the Interagency Commission on School Construction that:

A. Specifies the roles, rights, terms, and responsibilities of each party with respect to school projects undertaken with a private or public entity using alternative financing methods, including any amounts the parties are required to deposit into the Prince George's County Public-Private Partnership Fund established under § [4-126.1] **4-126.2** of this subtitle;

B. Specifies that § 2-203(f) and Title 5, Subtitle 3 of this article and regulations governing the Public School Construction Program are not applicable to projects using alternative financing methods;

C. Requires the Prince George's County Board to submit projects to the Interagency Commission on School Construction for review before commencement of the project;

D. Specifies the time frames in which the Interagency Commission on School Construction shall complete its review of projects;

E. Requires the Prince George's County Board to submit annual reports to Prince George's County and the Interagency Commission on School Construction during the term of the alternative financing method contract with the public or private entity; and

F. Identifies a dedicated source of State funding for an availability payment.

(III) IN PRINCE GEORGE'S COUNTY, FOR A PROJECT THAT USES ALTERNATIVE FINANCING METHODS UNDER THIS SECTION AND RECEIVES STATE FUNDING FOR A YEARLY AVAILABILITY PAYMENT FROM THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND UNDER § 10-658 OF THE ECONOMIC DEVELOPMENT ARTICLE, THE PROJECT SHALL COMPLY WITH THE PROJECT MEMORANDUM OF UNDERSTANDING UNDER § 10-650 OF THE ECONOMIC DEVELOPMENT ARTICLE.

4-126.1.

(A) IN THIS SECTION, "PUBLIC-PRIVATE PARTNERSHIP AGREEMENT" MEANS AN AGREEMENT IN WHICH A COUNTY GOVERNMENT AND A COUNTY BOARD OF EDUCATION CONTRACT WITH A PRIVATE ENTITY FOR THE ACQUISITION, DESIGN, CONSTRUCTION, IMPROVEMENT, RENOVATION, EXPANSION, EQUIPPING, OR FINANCING OF A PUBLIC SCHOOL, AND MAY INCLUDE PROVISIONS FOR OPERATION

1 AND MAINTENANCE OF A SCHOOL, COOPERATIVE USE OF THE SCHOOL OR AN
2 ADJACENT PROPERTY, AND GENERATION OF REVENUE TO OFFSET THE COST OF
3 CONSTRUCTION OR USE OF THE SCHOOL.

4 (B) EXCEPT AS OTHERWISE PROVIDED IN THIS SECTION, § 4-126 OF THIS
5 SUBTITLE APPLIES TO A PUBLIC-PRIVATE PARTNERSHIP AGREEMENT ENTERED
6 INTO IN ACCORDANCE WITH THIS SECTION.

7 (C) (1) THIS SECTION APPLIES ONLY IF, ON OR BEFORE JULY 1, 2022,
8 THE PRINCE GEORGE'S COUNTY GOVERNMENT AND THE PRINCE GEORGE'S
9 COUNTY BOARD ENTER INTO A PUBLIC-PRIVATE PARTNERSHIP AGREEMENT WITH
10 A PRIVATE ENTITY TO ENHANCE THE DELIVERY OF PUBLIC SCHOOL CONSTRUCTION
11 IN PRINCE GEORGE'S COUNTY.

12 (2) BEFORE ENTERING INTO A PUBLIC-PRIVATE PARTNERSHIP
13 AGREEMENT UNDER PARAGRAPH (1) OF THIS SUBSECTION, THE PUBLIC-PRIVATE
14 PARTNERSHIP AGREEMENT SHALL BE REVIEWED BY THE MARYLAND STADIUM
15 AUTHORITY AND APPROVED BY THE INTERAGENCY COMMISSION ON SCHOOL
16 CONSTRUCTION.

17 (D) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, IN FISCAL
18 YEAR 2024 AND EACH FISCAL YEAR THEREAFTER THROUGH NOT LATER THAN
19 FISCAL YEAR 2053, IF THE PRINCE GEORGE'S COUNTY GOVERNMENT, THE PRINCE
20 GEORGE'S COUNTY BOARD, AND THE PRIVATE ENTITY REMAIN IN THE
21 PUBLIC-PRIVATE PARTNERSHIP AGREEMENT DESCRIBED UNDER SUBSECTION (C)
22 OF THIS SECTION, THE MARYLAND STADIUM AUTHORITY SHALL DEPOSIT THE
23 AMOUNT UNDER § 10-658 OF THE ECONOMIC DEVELOPMENT ARTICLE FROM THE
24 SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND ESTABLISHED
25 UNDER § 10-658 OF THE ECONOMIC DEVELOPMENT ARTICLE INTO THE PRINCE
26 GEORGE'S COUNTY PUBLIC-PRIVATE PARTNERSHIP FUND ESTABLISHED UNDER §
27 4-126.2 OF THIS SUBTITLE.

28 (2) PARAGRAPH (1) OF THIS SUBSECTION APPLIES ONLY IF THE
29 PUBLIC-PRIVATE PARTNERSHIP AGREEMENT DESCRIBED UNDER SUBSECTION (C)
30 OF THIS SECTION INCLUDES:

31 (I) A MINIMUM OF SIX SCHOOLS THAT WILL BE IMPROVED,
32 CONSTRUCTED, OR RENOVATED AND OPERATED AND MAINTAINED UNDER THE
33 PUBLIC-PRIVATE PARTNERSHIP AGREEMENT; AND

34 (II) A COMMITMENT BY THE PRINCE GEORGE'S COUNTY
35 GOVERNMENT AND THE PRINCE GEORGE'S COUNTY BOARD TO PROVIDE THE LOCAL
36 SHARE OF THE TOTAL AVAILABILITY PAYMENT.

1 **(3) IN FISCAL YEAR 2024 AND EACH FISCAL YEAR THEREAFTER**
2 **THROUGH NOT LATER THAN FISCAL YEAR 2053, IF THE PRINCE GEORGE’S COUNTY**
3 **GOVERNMENT, THE PRINCE GEORGE’S COUNTY BOARD, AND THE PRIVATE ENTITY**
4 **REMAIN IN THE PUBLIC-PRIVATE PARTNERSHIP AGREEMENT DESCRIBED UNDER**
5 **SUBSECTION (C) OF THIS SECTION, THE PRINCE GEORGE’S COUNTY GOVERNMENT**
6 **AND THE PRINCE GEORGE’S COUNTY BOARD EACH SHALL DEPOSIT THE**
7 **AVAILABILITY PAYMENT AMOUNT REQUIRED UNDER THE PUBLIC-PRIVATE**
8 **PARTNERSHIP AGREEMENT INTO THE PRINCE GEORGE’S COUNTY**
9 **PUBLIC-PRIVATE PARTNERSHIP FUND ESTABLISHED UNDER § 4-126.2 OF THIS**
10 **SUBTITLE.**

11 **(E) IN FISCAL YEAR 2024 AND EACH FISCAL YEAR THEREAFTER THROUGH**
12 **NOT LATER THAN FISCAL YEAR 2053, IF THE PRINCE GEORGE’S COUNTY**
13 **GOVERNMENT, THE PRINCE GEORGE’S COUNTY BOARD, AND THE PRIVATE ENTITY**
14 **REMAIN IN THE PUBLIC-PRIVATE PARTNERSHIP AGREEMENT DESCRIBED UNDER**
15 **SUBSECTION (C) OF THIS SECTION AND THE PRINCE GEORGE’S COUNTY**
16 **GOVERNMENT AND THE PRINCE GEORGE’S COUNTY BOARD DEPOSIT THE**
17 **AVAILABILITY PAYMENT IN THE MANNER DESCRIBED UNDER SUBSECTION (D)(3) OF**
18 **THIS SECTION, THE INTERAGENCY COMMISSION ON SCHOOL CONSTRUCTION**
19 **SHALL PAY THE PRIVATE ENTITY FROM THE PRINCE GEORGE’S COUNTY**
20 **PUBLIC-PRIVATE PARTNERSHIP FUND ESTABLISHED UNDER § 4-126.2 OF THIS**
21 **SUBTITLE FOR THE AVAILABILITY PAYMENT REQUIRED UNDER THE**
22 **PUBLIC-PRIVATE PARTNERSHIP AGREEMENT.**

23 **(F) ON JANUARY 15, 2022, AND EACH JANUARY 15 THEREAFTER, THE**
24 **PRINCE GEORGE’S COUNTY GOVERNMENT, THE PRINCE GEORGE’S COUNTY**
25 **BOARD, AND THE INTERAGENCY COMMISSION ON SCHOOL CONSTRUCTION**
26 **JOINTLY SHALL REPORT TO THE GOVERNOR AND, IN ACCORDANCE WITH § 2-1257**
27 **OF THE STATE GOVERNMENT ARTICLE, THE FISCAL COMMITTEES OF THE GENERAL**
28 **ASSEMBLY ON THE PROGRESS OF CONSTRUCTION AND RENOVATIONS OF PUBLIC**
29 **SCHOOL FACILITIES UNDER THE PUBLIC-PRIVATE PARTNERSHIP AGREEMENT**
30 **DESCRIBED UNDER SUBSECTION (C) OF THIS SECTION, INCLUDING ACTIONS:**

31 **(1) TAKEN DURING THE PREVIOUS FISCAL YEAR; AND**

32 **(2) PLANNED FOR THE CURRENT FISCAL YEAR.**

33 **(G) (1) ON OR BEFORE JULY 1, 2027, THE INTERAGENCY COMMISSION**
34 **ON SCHOOL CONSTRUCTION SHALL COMPLETE A 5-YEAR EVALUATION OF THE**
35 **EFFECTIVENESS OF THE PUBLIC-PRIVATE PARTNERSHIP AGREEMENT DESCRIBED**
36 **UNDER SUBSECTION (C) OF THIS SECTION.**

37 **(2) ON OR BEFORE DECEMBER 31, 2027, THE INTERAGENCY**
38 **COMMISSION ON SCHOOL CONSTRUCTION SHALL SUBMIT A REPORT ON THE**

1 **RESULTS OF THE EVALUATION REQUIRED UNDER PARAGRAPH (1) OF THIS**
2 **SUBSECTION TO THE GOVERNOR AND, IN ACCORDANCE WITH § 2-1257 OF THE**
3 **STATE GOVERNMENT ARTICLE, THE FISCAL COMMITTEES OF THE GENERAL**
4 **ASSEMBLY.**

5 4-126.2.

6 (a) In this section, "Fund" means the Prince George's County Public-Private
7 Partnership Fund.

8 (b) There is a Prince George's County Public-Private Partnership Fund.

9 (c) The purpose of the Fund is to provide funds to pay a public or private entity
10 for the availability payment due under the Prince George's County public-private
11 partnership agreement entered into in accordance with [§ 4-126] **§ 4-126.1** of this subtitle.

12 (d) The Interagency Commission on School Construction shall administer the
13 Fund as described in the three-party memorandum of understanding entered into under §
14 4-126(e)(3)(ii) of this subtitle **OR THE PROJECT MEMORANDUM OF UNDERSTANDING**
15 **DESCRIBED IN § 10-650(F) OF THE ECONOMIC DEVELOPMENT ARTICLE.**

16 (e) (1) The Fund is a special, nonlapsing fund that is not subject to § 7-302 of
17 the State Finance and Procurement Article.

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

20 (f) The Fund consists of:

21 (1) Money deposited into the Fund by Prince George's County [and], the
22 Prince George's County Board, **AND THE MARYLAND STADIUM AUTHORITY;**

23 (2) Money deposited into the Fund by the State;

24 (3) Any investment earnings of the Fund; and

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

27 (g) (1) [The] **EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS**
28 **SUBSECTION, THE** Fund may be used only to provide funding for alternative financing
29 methods under § 4-126 of this subtitle in Prince George's County.

30 (2) **IF PRINCE GEORGE'S COUNTY RECEIVES STATE FUNDING FOR AN**
31 **AVAILABILITY PAYMENT UNDER § 4-126.1 OF THIS SUBTITLE, THE FUNDING**
32 **RECEIVED UNDER § 4-126.1 OF THIS SUBTITLE MAY BE USED ONLY TO PAY AN**

1 AVAILABILITY PAYMENT TO A PRIVATE ENTITY UNDER THE PUBLIC-PRIVATE
2 PARTNERSHIP AGREEMENT ENTERED INTO AND APPROVED IN ACCORDANCE WITH §
3 4-126.1 OF THIS SUBTITLE.

4 (h) Any appropriation to the Fund shall be used to supplement, but not supplant,
5 money appropriated to Prince George's County for public school construction under the
6 Public School Construction Program established in Title 5, Subtitle 3 of this article.

7 (I) (1) THE STATE TREASURER SHALL INVEST THE MONEY OF THE FUND
8 IN THE SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.

9 (2) ANY INTEREST EARNINGS OF THE FUND SHALL BE CREDITED TO
10 THE FUND.

11 [(i)] (J) If a memorandum of understanding is entered into under § 4-126 of
12 this subtitle OR § 10-650(F) OF THE ECONOMIC DEVELOPMENT ARTICLE and State
13 funding is provided for an availability payment, the Prince George's County Board and
14 Prince George's County shall deposit into the Fund the amounts required under the
15 memorandum of understanding.

16 [(j)] (K) On January 15, 2021, and each January 15 thereafter, the Prince
17 George's County Board, Prince George's County, and the Interagency Commission on
18 School Construction jointly shall report to the Governor and, in accordance with § 2-1257
19 of the State Government Article, the fiscal committees of the General Assembly, on the
20 progress of construction and renovations of public school facilities using an alternative
21 financing method and that receive State funds, including actions:

22 (1) Taken during the previous fiscal year; and

23 (2) Planned for the current fiscal year.

24 5-303.

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

27 (ii) [In] EXCEPT AS PROVIDED IN PARAGRAPH (4) OF THIS
28 SUBSECTION, IN order for the cost of an item or a system funded with the proceeds of
29 general obligation bonds to be considered an eligible cost, it must have a median useful life
30 of at least 15 years.

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

33 (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) 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.

(d) (2) The regulations adopted by the Interagency Commission may contain requirements for:

(i) The submission of other data or information that is relevant to school construction or capital improvement;

(ii) The approval of sites, plans, and specifications for the construction of new school buildings or the improvement of existing buildings;

(iii) Site improvements;

(iv) Competitive bidding;

(v) The hiring of personnel in connection with school construction or capital improvements;

(vi) The actual construction of school buildings or their improvements;

(vii) The relative roles of different State and local governmental agencies in the planning and construction of school buildings or school capital improvements;

(viii) School construction and capital improvements necessary or appropriate for the proper implementation of this section;

(ix) The establishment of priority public school construction programs;

(x) Development of cooperative arrangements that permit the sharing of facilities among two or more school systems;

(xi) The selection of architects and engineers by school systems;

(xii) The award of contracts by school systems; [and]

(xiii) Method of payments made by the State under the Public School Construction Program; AND

(XIV) THE USE OF A STANDARD STATEWIDE COMPUTERIZED MAINTENANCE MANAGEMENT SYSTEM FOR TRACKING AND REPORTING A SCHOOL FACILITIES MAINTENANCE WORK ORDER.

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

(i) [Establishing] **SUBJECT TO SUBSECTION (K) OF THIS SECTION, ESTABLISHING** a State and local cost-share formula for each county that identifies the factors used in establishing the formulas **AND THE ACTUAL STATE AND LOCAL COST-SHARE PERCENTAGES PRODUCED BY THE FORMULA FOR EACH COUNTY;**

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

(iii) Providing a method for establishing a maximum State construction allocation for each project approved for State funding;

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

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

(vi) Establishing a process for appeal of Interagency Commission decisions;

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

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

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

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

(5) THE INTERAGENCY COMMISSION SHALL UPDATE THE REGULATIONS REQUIRED UNDER PARAGRAPH (3)(I) OF THIS SUBSECTION EVERY 2 YEARS.

(K) (1) A COUNTY IS ELIGIBLE FOR AN ADJUSTMENT TO THE LOCAL COST-SHARE FOR SCHOOL CONSTRUCTION PROJECTS UNDER PARAGRAPH (2) OF THIS SUBSECTION IF:

(I) A COUNTY'S MEDIAN HOUSEHOLD INCOME IS IN THE BOTTOM QUARTILE IN THE STATE; AND

(II) THE STATE AND LOCAL COST-SHARE FORMULA FOR THE COUNTY IS 50% STATE AND 50% LOCAL.

(2) (I) THE LOCAL COST-SHARE OF A SCHOOL CONSTRUCTION PROJECT IN A COUNTY THAT IS ELIGIBLE UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL BE REDUCED TO EQUAL THE LOCAL COST-SHARE OF THE ADJACENT COUNTY THAT IS LESS THAN 50% BUT CLOSEST TO 50%.

(II) THE STATE COST-SHARE OF A SCHOOL CONSTRUCTION PROJECT IN THE ELIGIBLE COUNTY SHALL BE INCREASED BY A PERCENTAGE THAT IS EQUAL TO THE REDUCTION UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH.

5-310.

(g) (1) After completion of the initial facility assessment, the Interagency Commission shall share the data results with the Workgroup on the Assessment and Funding of School Facilities and, with the Workgroup, shall consider:

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

(ii) If determined to be appropriate, use of the assessment results in funding decisions.

(2) DURING THE CONSIDERATION PROCESS UNDER PARAGRAPH (1)(I) OF THIS SUBSECTION, THE INTERAGENCY COMMISSION AND THE WORKGROUP SHALL:

(I) EVALUATE EACH SCHOOL'S FACILITIES USING THE REPLACEMENT VALUE OF A MODERN SYSTEM; AND

(II) PRIORITIZE BUILDING SYSTEMS THAT ARE FURTHEST BEYOND THE USEFUL LIFE OF THE SYSTEM.

[(2)](3) Based on the recommendations of the Workgroup on the Assessment and Funding of School Facilities, and not before May 1, **[2020] 2022**, for use in funding decisions beginning no sooner than fiscal year **[2021] 2023**, the Interagency Commission shall adopt regulations establishing the use of the facility assessment results in annual school construction funding decisions.

5–313.

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

(2) “Program” means the Capital Grant Program for Local School Systems With Significant Enrollment Growth or Relocatable Classrooms.

(3) “Significant enrollment growth” means full-time equivalent enrollment growth in a local school system that has exceeded 150% of the statewide average over the past 5 years.

(4) “Significant number of relocatable classrooms” means an average of more than **[300] 250** relocatable classrooms in a local school system over the past 5 years.

(b) (1) There is a Capital Grant Program for Local School Systems With Significant Enrollment Growth or Relocatable Classrooms.

(2) The purpose of the Program is to provide grants for public school construction in local school systems that are experiencing significant enrollment growth or a significant number of relocatable classrooms.

(c) (1) The Program shall be implemented and administered by the Interagency Commission on School Construction in accordance with this section.

(2) Grants awarded by the Interagency Commission under the Program:

(i) Shall be matched by local funds equal to the required local cost-share established in accordance with § 5-303(d)(3) of this subtitle; and

(ii) Shall be approved by the Board of Public Works.

(d) The Interagency Commission shall:

(1) Provide grants from State funds dedicated for the Program to county boards for public school construction in local school systems that are experiencing significant enrollment growth or a significant number of relocatable classrooms;

(2) Develop a procedure for a county board to apply for a grant under the Program;

(3) Develop eligibility requirements for a county board to receive a grant under the Program, including a requirement for a county board to provide funds to match a grant award; [and]

(4) **[Develop] FOR THE FIRST \$40,000,000 OF GRANTS, DEVELOP** a process to allocate grant awards under the Program that allocate funds based on each eligible county board's proportionate share of the total full-time equivalent enrollment of the county boards that are eligible to participate in the Program; **AND**

(5) AFTER THE ALLOCATION OF GRANTS UNDER ITEM (4) OF THIS SUBSECTION, FOR THE REMAINING GRANTS, DEVELOP A PROCESS TO ALLOCATE GRANT AWARDS UNDER THE PROGRAM THAT ALLOCATES FUNDS BASED ON EACH ELIGIBLE COUNTY BOARD'S PROPORTIONATE SHARE OF THE PERCENTAGE OF ENROLLMENT GROWTH ABOVE THE STATEWIDE AVERAGE PERCENTAGE.

(e) In addition to the annual amount otherwise provided in the capital improvement program of the Public School Construction Program, the Governor annually shall provide an additional amount as follows in the **OPERATING BUDGET OR** capital improvement program of the Public School Construction Program that may be used only to award grants under the Program:

(1) In fiscal year 2016, \$20,000,000; and

(2) In fiscal year 2017 and each fiscal year thereafter, \$40,000,000.

(f) The State funding provided under the Program is supplemental to and is not intended to take the place of funding that would otherwise be appropriated for public school construction purposes to a county board from any other source.

(g) The Interagency Commission shall adopt procedures necessary to implement this section.

1 5–322.

2 (a) In this section, “Fund” means the Healthy School Facility Fund.

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

4 (c) The purpose of the Fund is to provide grants to public primary and secondary
5 schools in the State to improve the health of school facilities.

6 (d) The Interagency Commission on School Construction shall administer the
7 Fund.

8 (e) (1) The Fund is a special, nonlapsing fund that is not subject to § 7–302 of
9 the State Finance and Procurement Article.

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

12 (f) The Fund consists of:

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

14 (2) Any interest earnings of the Fund; and

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

17 (g) (1) The State Treasurer shall invest the money of the Fund in the same
18 manner as other State money may be invested.

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

20 (h) Expenditures from the Fund may be made only in accordance with the State
21 budget.

22 (i) Money expended from the Fund is supplemental to and is not intended to take
23 the place of funding that otherwise would be appropriated to primary and secondary schools
24 under this article.

25 (j) (1) In each of fiscal years 2020 and 2021, the Governor shall appropriate at
26 least \$30,000,000 to the Fund.

27 (2) (i) Subject to subparagraphs (ii) and (iii) of this paragraph, the
28 Interagency Commission on School Construction shall give priority in awarding grants to
29 schools based on the severity of issues in the school, including:

30 1. Air conditioning;

2. Heating;

3. Indoor air quality;

4. Mold remediation;

5. Temperature regulation;

6. Plumbing, including the presence of lead in drinking water outlets in school buildings; [and]

7. Windows; **AND**

8. ANY ADDITIONAL SEVERE ISSUE IN THE SCHOOL THAT REQUIRED THE SCHOOL TO BE CLOSED.

(ii) No jurisdiction may receive more than a total of \$15,000,000 in a fiscal year.

(iii) The amount of the grant is not required to cover the full cost of the project.

(k) (1) Subject to paragraphs (2) and (3) of this subsection, the Interagency Commission on School Construction shall establish application procedures for school systems to request funds under this section.

(2) The Interagency Commission on School Construction shall establish award procedures to make awards distributed from the Fund not more than 45 days after receiving an application.

(3) (i) The Interagency Commission on School Construction, in consultation with the Department of the Environment, shall establish application procedures for school systems to request funds under this section to assist with the costs of implementing remedial measures to address the presence of lead in drinking water outlets in school buildings.

(ii) The application procedures established under subparagraph (i) of this paragraph shall include procedures for prioritizing applications **FOR PLUMBING PROJECTS**, with priority first given to applications requesting funds for water fountains or bubblers, and then to applications requesting funds for:

1. Faucets or taps that are used or potentially used for drinking or food preparation;

2. Ice makers; or

3. Hot drink machines.

5-325.

(A) THE INTERAGENCY COMMISSION OR, IF REQUIRED UNDER SUBSECTION (B) 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 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) THE INTERAGENCY COMMISSION OR THE MARYLAND STADIUM AUTHORITY, AS APPLICABLE, MAY CONTRACT WITH A THIRD PARTY TO CONDUCT THE EVALUATION UNDER SUBSECTION (A) OF THIS SECTION.

(C) (1) THE EVALUATION REQUIRED UNDER SUBSECTION (A) 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, 2021, AND EACH OCTOBER 1 THROUGH 2023, THE INTERAGENCY COMMISSION OR THE MARYLAND STADIUM

1 **AUTHORITY SHALL PROVIDE ANNUAL UPDATES ON THE PROGRESS OF THE**
2 **EVALUATION TO THE GENERAL ASSEMBLY, IN ACCORDANCE WITH § 2-1257 OF THE**
3 **STATE GOVERNMENT ARTICLE.**

4 **21-207.**

5 **THE DEPARTMENT, THE INTERAGENCY COMMISSION ON SCHOOL**
6 **CONSTRUCTION, AND THE MARYLAND STADIUM AUTHORITY SHALL COLLABORATE**
7 **WITH LOCAL SCHOOL SYSTEMS AND COMMUNITY COLLEGES TO DEVELOP A CAREER**
8 **AND TECHNICAL EDUCATION PROGRAM OR AN APPRENTICESHIP PATHWAY IN**
9 **SCHOOL BUILDING MAINTENANCE THAT LEADS TO AN INDUSTRY-RECOGNIZED**
10 **CERTIFICATE OR CREDENTIAL.**

11 SECTION 3. AND BE IT FURTHER ENACTED, That the Laws of Maryland read
12 as follows:

13 **Article – Economic Development**

14 10-601.

15 (a) In this subtitle the following words have the meanings indicated.

16 (b) “Authority” means the Maryland Stadium Authority.

17 (c) “Authority affiliate” means a for-profit or nonprofit entity in which the
18 Authority directly or indirectly owns any membership interest or equity interest.

19 (d) “Baltimore City” means, as the context requires:

20 (1) the geographic area of the City of Baltimore; or

21 (2) the Mayor and City Council of Baltimore.

22 (e) “Baltimore City Board of School Commissioners” means the Baltimore City
23 Board of School Commissioners of the Baltimore City Public School System established
24 under § 3-108.1 of the Education Article.

25 (f) “Baltimore City Public School Construction Facilities Fund” means the
26 Baltimore City Public School Construction Facilities Fund established under § 10-657 of
27 this subtitle.

28 (g) “Baltimore City Public School Construction Financing Fund” means the
29 Baltimore City Public School Construction Financing Fund established under § 10-656 of
30 this subtitle.

31 (h) “Baltimore City public school facility” means a property primarily used for

1 educational instruction that:

2 (1) is held in trust by Baltimore City or the Baltimore City Board of School
3 Commissioners for the benefit of the Baltimore City Public School System; and

4 (2) is designated for improvement under the memorandum of
5 understanding between the Authority, Baltimore City, the Baltimore City Board of School
6 Commissioners, and the Interagency Commission on School Construction entered into in
7 accordance with § 10–646 of this subtitle.

8 (i) “Baltimore City public school site” means the site of any Baltimore City public
9 school facility.

10 (j) (1) “Baltimore Convention facility” means:

11 (i) a convention center, trade show facility, meeting hall, or other
12 structure in Baltimore City used to hold conventions, trade shows, meetings, displays, or
13 similar events; and

14 (ii) offices, parking lots or garages, access roads, hotels, restaurants,
15 railroad sidings, and any other structures, improvements, equipment, furnishings, or other
16 property functionally related to the facilities described in item (i) of this paragraph.

17 (2) “Baltimore Convention facility” includes the following, if used, useful,
18 or usable in the future as, or in connection with, a Baltimore Convention facility:

19 (i) land, structures, equipment, property, property rights, property
20 appurtenances, rights-of-way, franchises, easements, and other interests in land;

21 (ii) land and facilities that are functionally related to a Baltimore
22 Convention facility; and

23 (iii) patents, licenses, and other rights necessary or useful to
24 construct or operate a Baltimore Convention facility.

25 (k) “Baltimore Convention Fund” means the Baltimore Convention Financing
26 Fund established under § 10–651 of this subtitle.

27 (l) “Baltimore Convention site” means all properties within the area bounded by
28 the 200 and 300 blocks of South Charles Street on the east, the 100 and 200 blocks of
29 Conway Street on the south, the 200 and 300 blocks of South Howard Street on the west,
30 and the 100 and 200 blocks of West Pratt Street on the north.

31 (m) “Bond” includes a note, an interim certificate, refunding bond, and any other
32 evidence of obligation issued under this subtitle.

33 (n) “Camden Yards” means the area comprising approximately 85 acres in

Baltimore City bounded by Camden Street on the north, Russell Street on the west, Ostend Street on the south, and Howard Street and Interstate 395 on the east.

(o) “Camden Yards Fund” means the Camden Yards Financing Fund established under § 10–652 of this subtitle.

(p) “Convention facility” means the Baltimore Convention facility, the Montgomery County Conference facility, and the Ocean City Convention facility.

(Q) (1) “COUNTY” MEANS, AS THE CONTEXT REQUIRES:

(I) THE GEOGRAPHIC AREA OF THE COUNTY; OR

(II) THE GOVERNING BODY OF THE COUNTY.

(2) “COUNTY” INCLUDES BALTIMORE CITY.

(R) “COUNTY BOARD OF EDUCATION” MEANS THE BOARD OF EDUCATION OF A COUNTY AND INCLUDES THE BALTIMORE CITY BOARD OF SCHOOL COMMISSIONERS.

[(q)] (S) “Facility” means:

(1) a structure or other improvement developed at Camden Yards;

(2) a convention facility;

(3) the Hippodrome Performing Arts facility;

(4) a sports facility;

(5) a Baltimore City public school facility; [or]

(6) a racing facility; OR

(7) A PUBLIC SCHOOL FACILITY.

[(r)] (T) “Governmental unit” means a county, a municipal corporation, a unit of State or local government, or any other public body created under State or local law.

[(s)] (U) (1) “Hippodrome Performing Arts facility” means the performing arts center facility located at the Hippodrome Performing Arts site.

(2) “Hippodrome Performing Arts facility” includes, at the Hippodrome Performing Arts site:

(i) the Hippodrome theater and offices;

(ii) food service facilities; and

(iii) any other functionally related property, structures, improvements, furnishings, or equipment.

[(t)] (V) “Hippodrome Performing Arts Fund” means the Hippodrome Performing Arts Financing Fund established under § 10–653 of this subtitle.

[(u)] (W) “Hippodrome Performing Arts site” means the site of the France–Merrick Performing Arts Center located in Baltimore City at the address generally known as:

(1) 12 North Eutaw Street Building, identified in the State Department of Assessments and Taxation Real Property database as tax identification number Ward 04, Section 08, Block 0631, Lot 001; and

(2) 401 West Fayette Street, identified in the State Department of Assessments and Taxation Real Property database as tax identification number Ward 04, Section 08, Block 0631, Lot 013.

[(v)] (X) “Improve” means to add, alter, construct, equip, expand, extend, improve, install, reconstruct, rehabilitate, remodel, or repair.

[(w)] (Y) “Improvement” means addition, alteration, construction, equipping, expansion, extension, improvement, installation, reconstruction, rehabilitation, remodeling, or repair.

[(x)] (Z) (1) “Laurel Park racing facility site” means the portion of the Laurel Park site designated to contain the racing facility.

(2) “Laurel Park racing facility site” includes the portion of the site designated to contain:

(i) the barns;

(ii) the clubhouse;

(iii) the dirt, turf, or synthetic racetracks;

(iv) the infield and immediately adjacent surrounding perimeter of the racetracks;

(v) the backstretch, dormitories and housing, equine diagnostic and health center, stables, and training facilities;

(vi) the trackside aprons; and

(vii) the associated roadways, walkways, sidewalks, parking areas, green space, fencing, and related structures and areas as designated in the plans approved by the Authority.

[(y)] (AA) “Laurel Park site” means the site in Anne Arundel County generally bounded by State Route 198, Whiskey Bottom Road, Brock Ridge Road, and the CSX Railway.

[(z)] (BB) (1) “MJC Entities” means the Maryland Jockey Club of Baltimore City, Inc., Laurel Racing Association Limited Partnership, Laurel Racing Association, Inc., and TSG Developments Investments, Inc.

(2) “MJC Entities” includes an affiliate, an assignee, a designee, a successor, or a transferee of an MJC Entity.

[(aa)] (CC) “Montgomery County” includes the Montgomery County Revenue Authority.

[(bb)] (DD) (1) “Montgomery County Conference facility” means the Conference Center facility located at the Montgomery County Conference site used for conferences, trade shows, meetings, displays, or similar events.

(2) “Montgomery County Conference facility” includes, at the Montgomery County Conference site, offices, parking lots and garages, access roads, food service facilities, and other functionally related property, structures, improvements, furnishings, or equipment.

(3) “Montgomery County Conference facility” does not include the privately owned hotel adjacent to the Montgomery County Conference Center.

[(cc)] (EE) “Montgomery County Conference Fund” means the Montgomery County Conference Financing Fund established under § 10–654 of this subtitle.

[(dd)] (FF) “Montgomery County Conference site” means the site of the Montgomery County Conference Center located in Rockville at the address generally known as 5701 Marinelli Road, identified in the State Department of Assessments and Taxation Real Property database as tax identification number District 04, Account Number 03392987.

[(ee)] (GG) (1) “Ocean City Convention facility” means:

(i) a convention center, trade show facility, meeting hall, or other structure in Ocean City used to hold conventions, trade shows, meetings, displays, or similar events; and

(ii) offices, parking lots or garages, access roads, food service facilities, and any other structures, improvements, equipment, furnishings, or other property functionally related to the facilities described in item (i) of this paragraph.

(2) “Ocean City Convention facility” includes the following, if used, useful, or usable in the future as, or in connection with, an Ocean City Convention facility:

(i) land, structures, equipment, property, property rights, property appurtenances, rights-of-way, franchises, easements, and other interests in land;

(ii) land and facilities that are functionally related to an Ocean City Convention facility; and

(iii) patents, licenses, and other rights necessary or useful to construct or operate an Ocean City Convention facility.

[(ff)] (HH) “Ocean City Convention Fund” means the Ocean City Convention Financing Fund established under § 10–655 of this subtitle.

[(gg)] (II) “Ocean City Convention site” means the site of the Ocean City Convention Center located in Ocean City at the address generally known as 4001 Coastal Highway, identified in the State Department of Assessments and Taxation Real Property database as tax identification numbers District 10, Account Number 055237; District 10, Account Number 066301; District 10, Account Number 247942; and District 10, Account Number 280346.

[(hh)] (JJ) (1) “Pimlico racing facility site” means the portion of the Pimlico site containing the racing facilities.

(2) “Pimlico racing facility site” includes the portion of the site designated to contain:

(i) the clubhouse and events center;

(ii) the dirt, turf, or synthetic racetracks;

(iii) the infield and immediately adjacent area surrounding the perimeter of the racetracks that is contained on the site;

(iv) the stables, barns, and training facilities;

(v) the trackside aprons; and

(vi) associated roadways, walkways, parking areas, green space, fencing, and related structures and areas as designated in the plans approved by the Authority.

1 [(ii)] **(KK)** “Pimlico site” means the site in Baltimore City generally bounded by
2 Northern Parkway, Park Heights Avenue, Belvedere Avenue, and Pimlico Road.

3 **(LL) “PROGRAM MEMORANDUM OF UNDERSTANDING” MEANS THE**
4 **MEMORANDUM OF UNDERSTANDING BETWEEN THE AUTHORITY AND THE**
5 **INTERAGENCY COMMISSION ON SCHOOL CONSTRUCTION ENTERED INTO IN**
6 **ACCORDANCE WITH § 10–650 OF THIS SUBTITLE.**

7 [(jj)] **(MM)** “Project entities” means each entity or entities or a joint venture entity
8 or entities, that exists or is formed by any combination of MJC Entities, an entity owned
9 by the City of Baltimore (the Baltimore City Entity), or an entity owned by Anne Arundel
10 County (the Anne Arundel County Entity) for:

11 (1) the MJC Entities’ conveyance of the Pimlico site and the Laurel Park
12 racing facility site;

13 (2) the operation of the Pimlico racing facility site and the Laurel Park
14 racing facility site; and

15 (3) the construction, development, ownership, management, and operation
16 of the racing and community development projects.

17 **(NN) “PROJECT MEMORANDUM OF UNDERSTANDING” MEANS THE**
18 **MEMORANDUM OF UNDERSTANDING BETWEEN THE AUTHORITY, THE COUNTY, AND**
19 **THE COUNTY BOARD OF EDUCATION ENTERED INTO IN ACCORDANCE WITH § 10–650**
20 **OF THIS SUBTITLE.**

21 **(OO) “PUBLIC SCHOOL FACILITY” MEANS A BUILDING, AND MAY INCLUDE A**
22 **PARKING FACILITY, AN ATHLETIC FACILITY, OR ANY OTHER FACILITY RELATED TO**
23 **EDUCATIONAL INSTRUCTION THAT:**

24 (1) IS HELD IN TRUST BY A COUNTY BOARD OF EDUCATION, OR THE
25 **MAYOR AND CITY COUNCIL OF BALTIMORE CITY, FOR THE BENEFIT OF THE**
26 **COUNTY PUBLIC SCHOOL SYSTEM; AND**

27 (2) IS DESIGNATED FOR IMPROVEMENT UNDER A MEMORANDUM OF
28 **UNDERSTANDING ENTERED INTO IN ACCORDANCE WITH § 10–650 OF THIS**
29 **SUBTITLE.**

30 **(PP) “PUBLIC SCHOOL SITE” MEANS THE SITE OF ANY PUBLIC SCHOOL**
31 **FACILITY IN THE STATE.**

32 [(kk)] **(QQ)** “Racing and Community Development Facilities Fund” means the fund
33 established under § 10–657.3 of this subtitle.

1 **[(ll)] (RR)** “Racing and Community Development Financing Fund” means the
2 Fund established under § 10–657.2 of this subtitle.

3 **[(mm)] (SS)** (1) “Racing and community development projects” means
4 improvements to the Pimlico racing facility site, Pimlico site, Laurel Park racing facility
5 site, and Laurel Park site.

6 (2) “Racing and community development projects” includes:

- 7 (i) predesign and design work;
- 8 (ii) architectural and engineering services;
- 9 (iii) project consulting services;
- 10 (iv) demolition, clean-up, site work, and grading and site drainage;
- 11 (v) landscaping;
- 12 (vi) signage;
- 13 (vii) parking, roadways, fencing, walkways, sidewalks, and green
14 space;
- 15 (viii) security systems;
- 16 (ix) lighting, sound, video, and communication systems;
- 17 (x) pari-mutuel and tote systems;
- 18 (xi) plumbing, electric, fiber, cable, utilities, and other
19 infrastructure;
- 20 (xii) water, sewer, and stormwater management systems;
- 21 (xiii) construction and equipping of barns, clubhouses, dormitories or
22 other housing, an equine diagnostic and health facility, a Pimlico thoroughbred racing
23 museum, stables, tracks, training facilities, and other racing and community facilities;
- 24 (xiv) design and project contingencies, project allowances, and cost
25 escalators and other specifications for the projects; and
- 26 (xv) temporary or permanent improvements and facilities, including
27 at on- or off-site locations, used to maintain year-round racing and training.

28 **[(nn)] (TT)** (1) “Racing and community development project costs” means costs

1 and expenses associated with or that relate to the racing and community development
2 projects.

3 (2) “Racing and community development project costs” includes transition
4 costs and reimbursements and the recycling of project cost savings for the benefit of the
5 racing and community development projects.

6 [(oo)] (UU) “Racing facility” means the Pimlico site and the Laurel Park racing
7 facility site and any facilities or other improvements on the Pimlico site or the Laurel Park
8 racing facility site.

9 [(pp)] (VV) (1) “Sports facility” means:

10 (i) a stadium primarily for professional football, major league
11 professional baseball, or both, in the Baltimore metropolitan region, as defined in § 13–301
12 of this article;

13 (ii) practice fields or other areas where professional football or major
14 league professional baseball teams practice or perform; and

15 (iii) offices for professional football and major league professional
16 baseball teams or franchises.

17 (2) “Sports facility” includes parking lots, garages, and any other property
18 adjacent and directly related to an item listed in paragraph (1) of this subsection.

19 [(qq)] (WW) “Supplemental Facilities Fund” means the Supplemental Facilities
20 Fund established under § 10–657.1 of this subtitle.

21 [(rr)] (XX) (1) “Supplemental facility” means a structure or other improvement
22 developed in Baltimore City outside Camden Yards.

23 (2) “Supplemental facility” does not include the Baltimore Convention
24 facility or the Hippodrome Performing Arts facility.

25 [(ss)] (YY) “Supplemental facility site” means the site of any supplemental facility.

26 (ZZ) “SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND”
27 MEANS THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND
28 ESTABLISHED UNDER § 10–658.1 OF THIS SUBTITLE.

29 (AAA) “SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND”
30 MEANS THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND
31 ESTABLISHED UNDER § 10–658 OF THIS SUBTITLE.

32 [(tt)] (BBB) “Tax supported debt” has the meaning stated in § 8–104 of the State

Finance and Procurement Article.

10–608.

The Authority is exempt:

(1) from taxation by the State and local government;

(2) except as provided in Title 12, Subtitle 4 and Title 14, Subtitle 3 of the State Finance and Procurement Article, from Division II of the State Finance and Procurement Article;

(3) FROM § 15–112 OF THE STATE FINANCE AND PROCUREMENT ARTICLE; and

[(3)] (4) from the provisions of Division I of the State Personnel and Pensions Article that govern the State Personnel Management System.

10–618.

(a) **(1) [Contracts] EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, CONTRACTS** to acquire any facility site, to construct the facility, or for construction on the facility site require the prior approval of the Board of Public Works.

(2) CONTRACTS TO CONSTRUCT A PUBLIC SCHOOL FACILITY OR FOR CONSTRUCTION ON A PUBLIC SCHOOL SITE DO NOT REQUIRE THE PRIOR APPROVAL OF THE BOARD OF PUBLIC WORKS.

(b) The Authority may:

(1) acquire by any of the means specified in § 10–620(a) of this subtitle:

(i) a site at Camden Yards for a facility;

(ii) a Baltimore Convention site or an interest in the site;

(iii) an Ocean City Convention site or an interest in the site;

(iv) a Montgomery County Conference site or an interest in the site;

and

(v) a Hippodrome Performing Arts site or an interest in the site; and

(2) construct or enter into a contract to construct a facility on a site it acquires under this subsection.

1 10–620.

2 (e) (1) This subsection does not apply to the Camden Yards site, Baltimore
3 Convention site, Ocean City Convention site, Hippodrome Performing Arts site, any
4 Baltimore City public school site, any racing facility, [or] any supplemental facility site, **OR**
5 **ANY PUBLIC SCHOOL SITE.**

6 (2) The Authority and any Authority affiliate is subject to applicable
7 planning, zoning, and development regulations to the same extent as a private commercial
8 or industrial enterprise.

9 (f) The Authority shall:

10 (1) in cooperation with Baltimore City, appoint a task force that includes
11 residents and business and institutional representatives from the area adjacent to Camden
12 Yards to review the schematic, preliminary, and final plans for facilities at Camden Yards;

13 (2) submit schematic plans for development of Camden Yards and the
14 Baltimore Convention site to Baltimore City for review and comment before acquiring any
15 property;

16 (3) with respect to Camden Yards, the Baltimore Convention facility, and
17 the Hippodrome Performing Arts facility, submit preliminary and final plans to Baltimore
18 City for review and comment;

19 (4) with respect to Camden Yards, the Baltimore Convention facility, and
20 the Hippodrome Performing Arts facility, participate in the design review processes of
21 Baltimore City; [and]

22 (5) with respect to a Baltimore City public school facility, perform the
23 actions required under §§ 10–645, 10–646, 10–656, and 10–657 of this subtitle; **AND**

24 **(6) WITH RESPECT TO A PUBLIC SCHOOL FACILITY, PERFORM THE**
25 **ACTIONS REQUIRED UNDER §§ 10–649, 10–650, 10–658, AND 10–658.1 OF THIS**
26 **SUBTITLE.**

27 10–628.

28 (c) (1) Unless authorized by the General Assembly, the Board of Public Works
29 may not approve an issuance by the Authority of bonds, whether taxable or tax exempt,
30 that constitute tax supported debt or nontax supported debt if, after issuance, there would
31 be outstanding and unpaid more than the following face amounts of the bonds for the
32 purpose of financing acquisition, construction, renovation, and related expenses for
33 construction management, professional fees, and contingencies in connection with:

34 (i) the Baltimore Convention facility – \$55,000,000;

(ii) the Hippodrome Performing Arts facility – \$20,250,000;

(iii) the Montgomery County Conference facility – \$23,185,000;

(iv) the Ocean City Convention facility – \$24,500,000;

(v) Baltimore City public school facilities – \$1,100,000,000;

(vi) supplemental facilities – \$25,000,000; [and]

(vii) racing facilities – \$375,000,000; AND

**(VIII) PUBLIC SCHOOL FACILITIES IN THE STATE –
\$2,200,000,000.**

10–634.

(a) A pledge by the Authority of revenues or money deposited in the Baltimore City Public School Construction Financing Fund **OR THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND** as security for an issue of bonds is valid and binding from when the pledge is made.

(b) (1) The revenues or money deposited in the Baltimore City Public School Construction Financing Fund **OR THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND** that are pledged are immediately subject to the lien of the pledge without any physical delivery or further act.

(2) The lien of any pledge is valid and binding against any person having a claim against the Authority in tort, contract, or otherwise, regardless of whether the person has notice of the lien.

(c) Notwithstanding any other provision of law, in order to perfect a lien on pledged revenues or money deposited in the Baltimore City Public School Construction Financing Fund **OR THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND** against a third person, it is not necessary to file or record any document adopted or entered into by the Authority in any public record other than in the records of the Authority.

10–645.

(N) STATE FUNDS FROM OTHER SOURCES, GRANTS, OR PROGRAMS MAY BE USED IN COMBINATION WITH FUNDS PROVIDED UNDER THIS SECTION FOR A PROJECT.

10–649.

(A) (1) EXCEPT AS PROVIDED IN § 10-650 OF THIS SUBTITLE, THE AUTHORITY SHALL COMPLY WITH THIS SECTION AND § 5-303 OF THE EDUCATION ARTICLE TO FINANCE IMPROVEMENTS TO A PUBLIC SCHOOL FACILITY.

(2) THE AUTHORITY, AS AGREED TO IN THE PROJECT MEMORANDUM OF UNDERSTANDING UNDER § 10-650 OF THIS SUBTITLE AND SUBJECT TO PARAGRAPH (1) OF THIS SUBSECTION, SHALL BE RESPONSIBLE FOR SCHOOL FACILITIES CONSTRUCTION AND IMPROVEMENTS FINANCED WITH THE PROCEEDS OF BONDS ISSUED UNDER THIS SUBTITLE.

(3) (I) EXCEPT AS AGREED TO IN THE PROJECT MEMORANDUM OF UNDERSTANDING UNDER § 10-650 OF THIS SUBTITLE AND SUBJECT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH, A POWER GRANTED TO THE AUTHORITY UNDER THIS SUBTITLE MAY NOT IN ANY WAY INTERFERE WITH THE ENUMERATED POWERS OF A COUNTY BOARD OF EDUCATION UNDER TITLE 3 OF THE EDUCATION ARTICLE.

(II) THE POWERS OF THE COUNTY BOARD OF EDUCATION MAY NOT LIMIT THE ABILITY OF THE AUTHORITY TO CARRY OUT ITS OBLIGATIONS UNDER THIS SUBTITLE WITH RESPECT TO IMPROVEMENTS OF THE PUBLIC SCHOOL FACILITY AND THE FINANCING RELATED TO THE IMPROVEMENTS.

(B) (1) EXCEPT AS PROVIDED IN SUBSECTION (J)(1) OF THIS SECTION, THE AUTHORITY MAY NOT USE ANY CURRENT SOURCES OF FUNDS, WHETHER APPROPRIATED OR NONBUDGETED, TO PAY FOR ANY COSTS OR EXPENSES RELATED TO FINANCING PUBLIC SCHOOL FACILITIES.

(2) THE SOLE SOURCE OF PAYMENT FOR ANY COSTS OR EXPENSES RELATED TO FINANCING PUBLIC SCHOOL FACILITIES SHALL BE THE MONEY ON DEPOSIT IN THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND AND THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND AND BOND PROCEEDS HELD UNDER A TRUST AGREEMENT.

(C) AT LEAST 45 DAYS BEFORE SEEKING APPROVAL OF THE BOARD OF PUBLIC WORKS FOR EACH PUBLIC SCHOOL FACILITIES BOND ISSUE, THE AUTHORITY SHALL PROVIDE TO THE FISCAL COMMITTEES OF THE GENERAL ASSEMBLY, IN ACCORDANCE WITH § 2-1257 OF THE STATE GOVERNMENT ARTICLE, WRITTEN NOTICE OF:

(1) THE AGGREGATE AMOUNT OF FUNDS NEEDED FOR THE PUBLIC SCHOOL FACILITIES TO BE FINANCED WITH THE PROPOSED BONDS;

(2) THE ANTICIPATED TOTAL DEBT SERVICE FOR THE PROPOSED

1 BOND ISSUE; AND

2 (3) THE ANTICIPATED TOTAL DEBT SERVICE WHEN COMBINED WITH
3 THE DEBT SERVICE FOR ALL PRIOR OUTSTANDING BOND ISSUES FOR PUBLIC
4 SCHOOL FACILITIES.

5 (D) (1) A BOND ISSUED TO FINANCE IMPROVEMENTS, CONSTRUCTION, OR
6 RENOVATIONS TO A PUBLIC SCHOOL FACILITY:

7 (I) IS A LIMITED OBLIGATION OF THE AUTHORITY PAYABLE
8 SOLELY FROM MONEY PLEDGED BY THE AUTHORITY TO THE PAYMENT OF THE
9 PRINCIPAL OF AND THE PREMIUM AND INTEREST ON THE BOND OR MONEY MADE
10 AVAILABLE TO THE AUTHORITY FOR THAT PURPOSE;

11 (II) IS NOT A DEBT, LIABILITY, OR PLEDGE OF THE FAITH AND
12 CREDIT OR THE TAXING POWER OF THE STATE, THE AUTHORITY, OR ANY OTHER
13 GOVERNMENTAL UNIT; AND

14 (III) MAY NOT GIVE RISE TO ANY PECUNIARY LIABILITY OF THE
15 STATE, THE AUTHORITY, OR ANY OTHER GOVERNMENTAL UNIT.

16 (2) THE ISSUANCE OF A BOND TO FINANCE IMPROVEMENTS TO A
17 PUBLIC SCHOOL FACILITY IS NOT DIRECTLY, INDIRECTLY, OR CONTINGENTLY A
18 MORAL OR OTHER OBLIGATION OF THE STATE, THE AUTHORITY, OR ANY OTHER
19 GOVERNMENTAL UNIT TO LEVY OR PLEDGE ANY TAX OR TO MAKE AN
20 APPROPRIATION TO PAY THE BOND.

21 (3) EACH BOND SHALL STATE ON ITS FACE THE PROVISIONS OF
22 PARAGRAPHS (1) AND (2) OF THIS SUBSECTION.

23 (E) (1) BEFORE EACH ISSUANCE OF BONDS TO FINANCE IMPROVEMENTS
24 TO A PUBLIC SCHOOL FACILITY, THE AUTHORITY SHALL OBTAIN THE APPROVAL OF
25 THE BOARD OF PUBLIC WORKS OF THE AGGREGATE AMOUNT OF THE PROPOSED
26 BOND ISSUE.

27 (2) THE AUTHORITY MAY ISSUE BONDS TO FINANCE IMPROVEMENTS
28 TO A PUBLIC SCHOOL FACILITY ON OR AFTER JUNE 1, 2021.

29 (F) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION,
30 THE TOTAL DEBT SERVICE FOR ANY BOND ISSUE, WHEN ADDED TO ALL PRIOR
31 OUTSTANDING BOND ISSUES RELATED TO IMPROVEMENTS TO PUBLIC SCHOOL
32 FACILITIES, MAY NOT EXCEED THE TOTAL AMOUNT OF THE FUNDS PROVIDED UNDER
33 SUBSECTION (G) OF THIS SECTION.

(2) IF PRINCE GEORGE’S COUNTY ENTERS INTO A PUBLIC–PRIVATE PARTNERSHIP AGREEMENT UNDER § 4–126.1 OF THE EDUCATION ARTICLE, THE TOTAL DEBT SERVICE FOR ALL BOND ISSUES MAY NOT EXCEED \$100,000,000.

(G) (1) IN ACCORDANCE WITH § 9–1A–30 OF THE STATE GOVERNMENT ARTICLE, THE COMPTROLLER SHALL DEPOSIT A PORTION OF THE MONEY IN THE EDUCATION TRUST FUND INTO THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND.

(2) THE FUNDS UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL BE DEPOSITED IN THE FOLLOWING AMOUNTS:

(I) IN FISCAL YEAR 2022 – \$30,000,000;

(II) IN FISCAL YEAR 2023 – \$60,000,000; AND

(III) IN FISCAL YEAR 2024 AND EACH FISCAL YEAR THEREAFTER – \$125,000,000.

(3) THE COMPTROLLER SHALL DEPOSIT 50% OF THE FUNDS UNDER PARAGRAPH (2) OF THIS SUBSECTION ON OR BEFORE NOVEMBER 1 EACH YEAR AND THE OTHER 50% ON OR BEFORE MAY 1 EACH YEAR.

(H) (1) IF THE MONEY DEPOSITED INTO THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND IN ACCORDANCE WITH SUBSECTION (G) OF THIS SECTION IS NOT NEEDED FOR DEBT SERVICE OR DEBT SERVICE RESERVES, THE AUTHORITY MAY TRANSFER THOSE FUNDS TO THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND.

(2) IF FUNDS ARE NEEDED FOR DEBT SERVICE OR DEBT SERVICE RESERVES, THE AUTHORITY MAY TRANSFER MONEY IN THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND TO THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND.

(I) EXCEPT AS AGREED TO IN THE PROJECT MEMORANDUM OF UNDERSTANDING UNDER § 10–650 OF THIS SUBTITLE:

(1) THE AUTHORITY SHALL CONTRACT FOR, MANAGE, AND OVERSEE PUBLIC SCHOOL FACILITY PROJECTS FUNDED FROM THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND AND THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND; AND

(2) THE COUNTY BOARD OF EDUCATION SHALL:

1 **(I) DELIVER TO THE AUTHORITY BUILDABLE SITES, READY FOR**
2 **IMPROVEMENT AND FREE FROM ANY RESTRICTIONS, EASEMENTS, IMPEDIMENTS,**
3 **HAZARDS, OR CONDITIONS THAT WOULD AFFECT THE AUTHORITY'S SCHEDULE OR**
4 **BUDGET FOR THE IMPROVEMENT TO A PUBLIC SCHOOL FACILITY;**

5 **(II) DELIVER TO THE AUTHORITY A PUBLIC SCHOOL FACILITY**
6 **WITH TITLE THAT HAS VESTED IN THE COUNTY BOARD OF EDUCATION OR IN AN**
7 **ENTITY APPROVED BY THE COUNTY BOARD OF EDUCATION OTHER THAN THE**
8 **AUTHORITY; AND**

9 **(III) ENSURE THAT NO PUBLIC SCHOOL FACILITY IS SOLD,**
10 **ASSIGNED, MORTGAGED, PLEDGED, OR ENCUMBERED WITHOUT THE CONSENT OF**
11 **THE AUTHORITY IF THERE ARE PROCEEDS OF BONDS STILL OUTSTANDING OR**
12 **UNPAID THAT WERE USED IN THE CONSTRUCTION OF OR RENOVATIONS TO THE**
13 **PUBLIC SCHOOL FACILITY.**

14 **(J) (1) BEFORE ANY BONDS ARE ISSUED TO FINANCE IMPROVEMENTS TO**
15 **A PUBLIC SCHOOL FACILITY, THE AUTHORITY MAY PAY FOR ANY COSTS OF**
16 **START-UP, ADMINISTRATION, OVERHEAD, AND OPERATIONS OF THE AUTHORITY OR**
17 **COSTS OF ENGINEERING, ARCHITECTURAL, AND OTHER DESIGN PROFESSIONALS.**

18 **(2) BEFORE THE AVAILABILITY OF FUNDS FROM THE SUPPLEMENTAL**
19 **PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND, THE AUTHORITY SHALL BE**
20 **ENTITLED TO REIMBURSEMENT FROM THE SUPPLEMENTAL PUBLIC SCHOOL**
21 **CONSTRUCTION FINANCING FUND FOR ANY COSTS DESCRIBED UNDER PARAGRAPH**
22 **(1) OF THIS SUBSECTION.**

23 **(K) ON JANUARY 15, 2022, AND EACH JANUARY 15 THEREAFTER, THE**
24 **AUTHORITY SHALL REPORT TO THE GOVERNOR, THE BOARD OF PUBLIC WORKS,**
25 **AND, IN ACCORDANCE WITH § 2-1257 OF THE STATE GOVERNMENT ARTICLE, THE**
26 **FISCAL COMMITTEES OF THE GENERAL ASSEMBLY ON THE PROGRESS OF**
27 **CONSTRUCTION AND RENOVATIONS OF PUBLIC SCHOOL FACILITIES, INCLUDING**
28 **ACTIONS:**

29 **(1) TAKEN DURING THE PREVIOUS FISCAL YEAR; AND**

30 **(2) PLANNED FOR THE CURRENT FISCAL YEAR.**

31 **(L) (1) ON OR BEFORE JULY 1, 2031, THE AUTHORITY SHALL COMPLETE**
32 **A 10-YEAR EVALUATION OF THE EFFECTIVENESS OF THE ISSUANCE OF BONDS TO**
33 **FINANCE CONSTRUCTION AND RENOVATIONS OF PUBLIC SCHOOL FACILITIES.**

34 **(2) ON OR BEFORE DECEMBER 31, 2031, THE INTERAGENCY**
35 **COMMISSION ON SCHOOL CONSTRUCTION SHALL SUBMIT A REPORT ON THE**

1 RESULTS OF THE EVALUATION REQUIRED UNDER PARAGRAPH (1) OF THIS
2 SUBSECTION TO THE GOVERNOR AND, IN ACCORDANCE WITH § 2-1257 OF THE
3 STATE GOVERNMENT ARTICLE, THE FISCAL COMMITTEES OF THE GENERAL
4 ASSEMBLY.

5 10-650.

6 (A) (1) EXCEPT AS PROVIDED IN PARAGRAPHS (2), (3), AND (4) OF THIS
7 SUBSECTION, THE INTERAGENCY COMMISSION ON SCHOOL CONSTRUCTION SHALL,
8 ON A ROLLING BASIS, APPROVE PUBLIC SCHOOL FACILITY PROJECTS TO BE FUNDED
9 FROM THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND
10 AND THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND.

11 (2) THE FIRST PROJECTS FUNDED FROM THE SUPPLEMENTAL
12 PUBLIC SCHOOL CONSTRUCTION FINANCING FUND AND THE SUPPLEMENTAL
13 PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND SHALL BE PROJECTS THAT THE
14 INTERAGENCY COMMISSION ON SCHOOL CONSTRUCTION HAS DEEMED ELIGIBLE
15 FOR FUNDING BUT STATE FUNDING FOR THE PROJECTS HAS BEEN DEFERRED DUE
16 TO FISCAL CONSTRAINTS.

17 (3) THE INTERAGENCY COMMISSION ON SCHOOL CONSTRUCTION
18 MAY NOT APPROVE A PUBLIC SCHOOL FACILITY PROJECT THAT WOULD REIMBURSE
19 A COUNTY FOR A PUBLIC SCHOOL FACILITY THAT HAS BEEN COMPLETED.

20 (4) (I) SUBJECT TO THE APPROVAL OF THE AUTHORITY, THE
21 INTERAGENCY COMMISSION ON SCHOOL CONSTRUCTION SHALL APPROVE
22 EXPENDITURES FOR ELIGIBLE COSTS TO BE REIMBURSED FOR A PUBLIC SCHOOL
23 FACILITY THAT BEGINS CONSTRUCTION ON OR AFTER JUNE 1, 2020.

24 (II) ELIGIBLE COSTS IN SUBPARAGRAPH (I) OF THIS
25 PARAGRAPH INCLUDE ITEMS ELIGIBLE FOR STATE FUNDING AS PROVIDED IN
26 SUBSECTION (C) OF THIS SECTION.

27 (B) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, AND EXCEPT
28 AS PROVIDED IN PARAGRAPH (3) OF THIS SUBSECTION, A PERCENTAGE OF THE
29 PROCEEDS OF THE BONDS AUTHORIZED UNDER § 10-628 OF THIS SUBTITLE SHALL
30 BE ALLOCATED TO PROJECTS APPROVED BY THE INTERAGENCY COMMISSION ON
31 SCHOOL CONSTRUCTION IN THE FOLLOWING AMOUNTS:

32 (I) ANNE ARUNDEL COUNTY – 12.5%;

33 (II) BALTIMORE CITY – 21.0%;

34 (III) BALTIMORE COUNTY – 21.0%;

1 (IV) FREDERICK COUNTY – 5.1%;

2 (V) HOWARD COUNTY – 6.6%;

3 (VI) MONTGOMERY COUNTY – 21.0%; AND

4 (VII) ALL OTHER COUNTIES – 11.5%.

5 (2) (I) SUBJECT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH, A
6 PERCENTAGE OF THE BOND PROCEEDS SPECIFIED FOR BALTIMORE CITY UNDER
7 PARAGRAPH (1) OF THIS SUBSECTION SHALL BE USED TO PROVIDE AN AMOUNT
8 EQUAL TO NOT MORE THAN 6% OF THE TOTAL ALLOCATION FOR BALTIMORE CITY
9 FOR A PROJECT AT A SCHOOL WITHIN AN AREA DESIGNATED FOR GRANT FUNDING
10 THROUGH THE CHOICE NEIGHBORHOOD PROGRAM ADMINISTERED BY THE
11 DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT AND COORDINATED
12 LOCALLY BY THE HOUSING AUTHORITY OF BALTIMORE CITY.

13 (II) THE ALLOCATION REQUIRED UNDER SUBPARAGRAPH (I) OF
14 THIS PARAGRAPH MAY BE PROVIDED ONLY IF THE MAYOR AND CITY COUNCIL OF
15 BALTIMORE CITY SECURE AT LEAST \$30,000,000 IN ADDITIONAL REVENUES FOR
16 THE PROJECT.

17 (3) FOR PRINCE GEORGE’S COUNTY, THE COUNTY’S SHARE OF THE
18 ADDITIONAL SCHOOL CONSTRUCTION ALLOCATION WILL BE PROVIDED THROUGH
19 THE PUBLIC-PRIVATE PARTNERSHIP AGREEMENT ENTERED INTO AND APPROVED
20 IN ACCORDANCE WITH § 4-126.1 OF THE EDUCATION ARTICLE.

21 (4) ANY ALLOCATIONS NOT UTILIZED BY A COUNTY OR COUNTY
22 BOARD OF EDUCATION WITHIN 10 YEARS AFTER THE ALLOCATION SHALL BE
23 SUBJECT TO REALLOCATION.

24 (5) STATE FUNDS FROM OTHER SOURCES, GRANTS, OR PROGRAMS
25 MAY BE USED IN COMBINATION WITH FUNDS PROVIDED UNDER THIS SECTION FOR A
26 PROJECT.

27 (C) (1) EXCEPT AS OTHERWISE PROVIDED IN PARAGRAPHS (2) AND (3) OF
28 THIS SUBSECTION, THE ALLOCATION OF BOND PROCEEDS AUTHORIZED IN § 10-628
29 OF THIS SUBTITLE REPRESENTS THE STATE SHARE OF ELIGIBLE PUBLIC SCHOOL
30 CONSTRUCTION OR CAPITAL IMPROVEMENT COSTS AS ESTABLISHED BY
31 REGULATION IN ACCORDANCE WITH § 5-303 OF THE EDUCATION ARTICLE, WHICH
32 SHALL INCLUDE ARCHITECTURAL, ENGINEERING, CONSULTING, AND OTHER
33 PLANNING COSTS AS ELIGIBLE COSTS.

(2) FOR A COUNTY THAT RECEIVES THE MINIMUM STATE SHARE OF ELIGIBLE SCHOOL CONSTRUCTION COSTS AND HAS ADVANCED CONSTRUCTION FUNDING FOR PROJECTS IN THE PUBLIC SCHOOL CONSTRUCTION PROGRAM THAT THE INTERAGENCY COMMISSION ON SCHOOL CONSTRUCTION HAS APPROVED FOR PLANNING, THE STATE SHARE OF ELIGIBLE COSTS FOR THE ALLOCATION OF BOND PROCEEDS AUTHORIZED IN § 10-628 OF THIS SUBTITLE SHALL INCLUDE 150% OF THE APPLICABLE GROSS AREA BASELINE IN GROSS SQUARE FOOT PER STUDENT FOR EACH PROJECT.

(3) IN BALTIMORE CITY, THE BOND PROCEEDS AUTHORIZED UNDER § 10-628 OF THIS SUBTITLE MAY BE USED FOR FURNITURE, FIXTURES, EQUIPMENT, DESIGN, AND THE STAFF NECESSARY TO MANAGE THE SCHOOL CONSTRUCTION PROJECTS.

(D) (1) EXCEPT AS AGREED TO IN THE PROJECT MEMORANDUM OF UNDERSTANDING UNDER THIS SECTION, THE AUTHORITY SHALL CONTRACT FOR, MANAGE, AND OVERSEE PUBLIC SCHOOL FACILITY PROJECTS FUNDED FROM THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND AND THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND.

(2) IN BALTIMORE CITY, THE AUTHORITY SHALL CONTRACT FOR, MANAGE, AND OVERSEE PUBLIC SCHOOL FACILITY PROJECTS FUNDED FROM THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND AND THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND.

(3) IF A COUNTY BOARD OF EDUCATION CONTRACTS FOR, MANAGES, AND OVERSEES A PUBLIC SCHOOL FACILITY PROJECT FUNDED FROM THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND AND THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND, THE PUBLIC SCHOOL FACILITY PROJECT SHALL BE SUBJECT TO THE SAME REQUIREMENTS AND PROCEDURES THAT GOVERN THE PUBLIC SCHOOL CONSTRUCTION PROGRAM.

(E) (1) BEFORE A PUBLIC SCHOOL FACILITY PROJECT IS APPROVED FOR FUNDING FROM THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND OR THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND, THE AUTHORITY AND THE INTERAGENCY COMMISSION ON SCHOOL CONSTRUCTION SHALL ENTER INTO A PROGRAM MEMORANDUM OF UNDERSTANDING.

(2) EXCEPT AS PROVIDED UNDER PARAGRAPH (3) OF THIS SUBSECTION, THE PROGRAM MEMORANDUM OF UNDERSTANDING UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL:

(I) PROVIDE FOR THE AUTHORITY'S RIGHT TO ASSUME A PROJECT UNDERTAKEN UNDER CERTAIN CIRCUMSTANCES;

1 (II) PROVIDE, GENERALLY, FOR THE ORDER AND CONTROL OF
2 ALL FUNDING FOR PUBLIC SCHOOL FACILITY CONSTRUCTION PROJECTS UNDER
3 THIS SUBTITLE;

4 (III) AUTHORIZE THE AUTHORITY TO MAKE FINAL DECISIONS
5 INVOLVING DISPUTES THAT MAY IMPACT ANY AUTHORITY OBLIGATIONS UNDER
6 THIS SUBTITLE; AND

7 (IV) 1. AUTHORIZE THE AUTHORITY TO REVIEW AND
8 APPROVE PROJECT BUDGETS; OR

9 2. AUTHORIZE THE AUTHORITY TO REVIEW AND
10 COMMENT ON PROJECT BUDGETS, IF A PUBLIC SCHOOL FACILITY PROJECT FUNDED
11 FROM THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND OR
12 THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND IS BEING
13 CONTRACTED FOR, MANAGED, OR OVERSEEN BY A COUNTY AND A COUNTY BOARD
14 OF EDUCATION.

15 (3) IF THE COUNTY BOARD OF EDUCATION CONTRACTS FOR,
16 MANAGES, AND OVERSEES PUBLIC SCHOOL FACILITY PROJECTS FUNDED FROM THE
17 SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND AND THE
18 SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND, THE
19 PROGRAM MEMORANDUM OF UNDERSTANDING MAY NOT INCLUDE THE PROVISIONS
20 UNDER PARAGRAPH (2)(I) AND (IV)1 OF THIS SUBSECTION.

21 (F) (1) (I) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, BEFORE
22 A PUBLIC SCHOOL FACILITY PROJECT IS APPROVED FOR FUNDING FROM THE
23 SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND OR THE
24 SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND, THE
25 AUTHORITY, THE COUNTY GOVERNMENT, AND THE COUNTY BOARD OF EDUCATION
26 SHALL ENTER INTO A PROJECT MEMORANDUM OF UNDERSTANDING FOR A PUBLIC
27 SCHOOL FACILITY.

28 (II) THE PROJECT MEMORANDUM OF UNDERSTANDING
29 REQUIRED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH SHALL:

30 1. BE SUBJECT TO THE APPLICABLE TERMS AND
31 CONDITIONS SET FORTH IN THE PROGRAM MEMORANDUM OF UNDERSTANDING
32 UNDER SUBSECTION (E)(2) OF THIS SECTION;

33 2. IDENTIFY SPECIFIC PARAMETERS REGARDING THE
34 ROLES AND RESPONSIBILITIES OF EACH PARTY WITH RESPECT TO BUDGET REVIEW
35 AND APPROVAL, PROCUREMENT, DESIGN, SCHEDULE, CONSTRUCTION

ADMINISTRATION, AND CONTRACT COMPLIANCE AND REPORTING;

3. RESERVE THE RIGHT OF THE AUTHORITY TO ASSUME
A PROJECT UNDER CERTAIN CIRCUMSTANCES;

4. INCLUDE A PROVISION THAT THE STATE AND LOCAL
COST-SHARE FOR THE COUNTY ESTABLISHED IN REGULATIONS SHALL APPLY TO A
COUNTY PUBLIC SCHOOL FACILITY APPROVED FOR FUNDING FROM THE
SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND OR THE
SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND;

5. REQUIRE THE COUNTY AND COUNTY BOARD OF
EDUCATION TO GIVE PRIORITY IN FUNDING PROJECTS TO SCHOOLS:

A. THAT ARE THE OLDEST BUILDINGS IN THE SCHOOL
SYSTEM WITH SIGNIFICANT FACILITY DEFICIENCIES;

B. WITH HIGH CONCENTRATIONS OF STUDENTS
ELIGIBLE FOR FREE OR REDUCED PRICE MEALS;

C. WITH A HIGH NUMBER OF RELOCATABLE
CLASSROOMS;

D. WITH A HIGH UTILIZATION BASED ON THE SCHOOL'S
STATE-RATED CAPACITY; OR

E. WITH SPACE NEEDS FOR FULL-DAY
PREKINDERGARTEN OR CAREER AND TECHNICAL EDUCATION PROGRAMS; AND

6. INCLUDE A COMPREHENSIVE PLAN FOR LOCAL
HIRING AND A PLAN TO MAXIMIZE THE UTILIZATION OF STATE-CERTIFIED LOCALLY
BASED MINORITY- AND WOMEN-OWNED BUSINESSES FOR PROJECTS APPROVED
FOR FUNDING.

(2) FOR BALTIMORE CITY, IF A PROVISION OF THE MEMORANDUM OF
UNDERSTANDING ENTERED INTO IN ACCORDANCE WITH § 10-646 OF THIS SUBTITLE
CONFLICTS WITH A PROVISION OF THE PROJECT MEMORANDUM OF
UNDERSTANDING UNDER THIS SUBSECTION, THE PROVISION OF THE MEMORANDUM
OF UNDERSTANDING IN § 10-646 OF THIS SUBTITLE SHALL PREVAIL.

(3) (i) 1. EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS
PARAGRAPH, THE AUTHORITY MAY AUTHORIZE A COUNTY BOARD OF EDUCATION TO
CONTRACT FOR, MANAGE, AND OVERSEE PUBLIC SCHOOL FACILITY PROJECTS
FUNDED FROM THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING

**FUND AND THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FACILITIES
FUND IN THE PROJECT MEMORANDUM OF UNDERSTANDING.**

**2. IN DECIDING WHETHER TO AUTHORIZE A COUNTY
BOARD TO TAKE CERTAIN ACTIONS UNDER SUBSUBPARAGRAPH 1 OF THIS
SUBPARAGRAPH, THE AUTHORITY SHALL CONSIDER THE COUNTY BOARD'S:**

**A. TRACK RECORD IN MANAGING PUBLIC SCHOOL
FACILITY PROJECTS, INCLUDING COMPLETING PROJECTS ON SCHEDULE AND
WITHIN BUDGET; AND**

**B. EXPERTISE AND CAPACITY TO MANAGE THE
PROPOSED PUBLIC SCHOOL PROJECTS.**

**(II) IN BALTIMORE CITY, THE AUTHORITY SHALL CONTRACT
FOR, MANAGE, AND OVERSEE PUBLIC SCHOOL FACILITY PROJECTS FUNDED FROM
THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND AND THE
SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND.**

10-656.

(b) (1) The Baltimore City Public School Construction Financing Fund is a continuing, nonlapsing fund that shall be available in perpetuity to implement this subtitle concerning Baltimore City public school facilities.

(2) The Authority shall:

(i) use the Baltimore City Public School Construction Financing Fund as a revolving fund for carrying out this subtitle concerning Baltimore City public school facilities; and

(ii) pay any and all expenses from the Baltimore City Public School Construction Financing Fund that are incurred by the Authority related to any Baltimore City public school facilities.

**(3) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, THE
AUTHORITY MAY USE \$10,000,000 OF AVAILABLE FUNDS HELD IN RESERVE FOR
BALTIMORE CITY, IN ACCORDANCE WITH § 10-645(I) OF THIS SUBTITLE, TO
SUPPLEMENT FUNDING FOR ADDITIONAL BALTIMORE CITY PROJECTS IN
ACCORDANCE WITH THE MEMORANDUM OF UNDERSTANDING UNDER § 10-646 OF
THIS SUBTITLE.**

10-657.

(b) (1) The Baltimore City Public School Construction Facilities Fund is a

continuing, nonlapsing fund that shall be available in perpetuity to implement this subtitle concerning Baltimore City public school facilities.

(2) The Authority shall:

(i) use the Baltimore City Public School Construction Facilities Fund as a revolving fund for carrying out this subtitle concerning Baltimore City public school facilities; and

(ii) to the extent authorized by federal tax law, pay any and all expenses from the Baltimore City Public School Construction Facilities Fund that are incurred by the Authority related to any Baltimore City public school facilities.

(3) THE AUTHORITY MAY:

(I) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, USE \$10,000,000 OF AVAILABLE FUNDS TO SUPPLEMENT FUNDING FOR ADDITIONAL BALTIMORE CITY PROJECTS IN ACCORDANCE WITH THE MEMORANDUM OF UNDERSTANDING UNDER § 10-646 OF THIS SUBTITLE; AND

(II) ADVANCE UP TO \$1,000,000 OF AVAILABLE FUNDS IN FISCAL YEAR 2022 FOR THE START-UP AND ADMINISTRATION OF CHAPTER ___(SB___/HB___) (___LR___/___LR___) OF THE ACTS OF THE GENERAL ASSEMBLY OF 2021, WHICH SHALL BE REIMBURSED FROM THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND ESTABLISHED UNDER § 10-658.1 OF THIS SUBTITLE.

10-658.

(A) THERE IS A SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND.

(B) (1) THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND IS A CONTINUING, NONLAPSING FUND THAT SHALL BE AVAILABLE TO IMPLEMENT THIS SUBTITLE CONCERNING PUBLIC SCHOOL FACILITIES.

(2) THE AUTHORITY SHALL:

(I) USE THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND AS A REVOLVING FUND FOR CARRYING OUT THIS SUBTITLE CONCERNING PUBLIC SCHOOL FACILITIES;

(II) PAY ANY AND ALL EXPENSES FROM THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND THAT ARE INCURRED BY THE AUTHORITY RELATED TO ANY PUBLIC SCHOOL FACILITIES; AND

(III) AFTER ALL BONDS HAVE BEEN ISSUED, CALCULATE THE TOTAL AMOUNT ALLOCATED FROM THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND TO EACH COUNTY THAT RECEIVED A PERCENTAGE OF BOND PROCEEDS UNDER § 10-650(B)(1) OF THIS SUBTITLE.

(3) (I) SUBJECT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH, IN EACH FISCAL YEAR FOR WHICH THE PROVISIONS OF § 4-126.1(D) OF THE EDUCATION ARTICLE REMAIN APPLICABLE, THE AUTHORITY SHALL DEPOSIT AN AMOUNT EQUAL TO \$25,000,000 FROM THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND INTO THE PRINCE GEORGE'S COUNTY PUBLIC-PRIVATE PARTNERSHIP FUND ESTABLISHED UNDER § 4-126.2 OF THE EDUCATION ARTICLE.

(II) THE TOTAL AMOUNT DISTRIBUTED FROM THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND TO THE PRINCE GEORGE'S COUNTY PUBLIC-PRIVATE PARTNERSHIP FUND IN ACCORDANCE WITH SUBPARAGRAPH (I) OF THIS PARAGRAPH MAY NOT EXCEED THE MAXIMUM TOTAL AMOUNT ALLOCATED TO A COUNTY CALCULATED IN ACCORDANCE WITH PARAGRAPH (2)(III) OF THIS SUBSECTION.

(C) (1) TO THE EXTENT CONSIDERED APPROPRIATE BY THE AUTHORITY, THE MONEY ON DEPOSIT IN THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND SHALL BE PLEDGED TO AND USED TO PAY THE FOLLOWING RELATED TO PUBLIC SCHOOL FACILITIES:

(I) DEBT SERVICE ON AUTHORITY BONDS;

(II) DEBT SERVICE RESERVES UNDER A TRUST AGREEMENT;

(III) ALL REASONABLE CHARGES AND EXPENSES RELATED TO AUTHORITY BORROWING; AND

(IV) ALL REASONABLE CHARGES AND EXPENSES RELATED TO THE AUTHORITY'S ADMINISTRATION OF THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND AND MANAGEMENT OF THE AUTHORITY'S OBLIGATIONS.

(2) (I) THIS PARAGRAPH APPLIES ONLY IF A PUBLIC-PRIVATE PARTNERSHIP AGREEMENT TO ENHANCE THE DELIVERY OF PUBLIC SCHOOL CONSTRUCTION IN PRINCE GEORGE'S COUNTY HAS BEEN ENTERED INTO BY THE PRINCE GEORGE'S COUNTY GOVERNMENT, THE PRINCE GEORGE'S COUNTY BOARD OF EDUCATION, AND A PRIVATE ENTITY AND THE AGREEMENT HAS BEEN APPROVED BY THE INTERAGENCY COMMISSION ON SCHOOL CONSTRUCTION IN

1 ACCORDANCE WITH § 4-126.1 OF THE EDUCATION ARTICLE.

2 (II) IN ADDITION TO THE MONEY ON DEPOSIT IN THE
3 SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND, THE MONEY
4 DEPOSITED BY THE AUTHORITY IN ACCORDANCE WITH § 4-126.1(D) OF THE
5 EDUCATION ARTICLE INTO THE PRINCE GEORGE'S COUNTY PUBLIC-PRIVATE
6 PARTNERSHIP FUND ESTABLISHED UNDER § 4-126.2 OF THE EDUCATION ARTICLE
7 SHALL BE PLEDGED TO AND USED TO PAY FOR THE ITEMS LISTED IN PARAGRAPH (1)
8 OF THIS SUBSECTION RELATED TO PUBLIC SCHOOL FACILITIES.

9 (3) THE PLEDGE SHALL BE EFFECTIVE AS PROVIDED IN § 10-634 OF
10 THIS SUBTITLE AND ANY APPLICABLE AUTHORITY RESOLUTION.

11 (D) THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING
12 FUND CONSISTS OF:

13 (1) MONEY DEPOSITED INTO THE SUPPLEMENTAL PUBLIC SCHOOL
14 CONSTRUCTION FINANCING FUND;

15 (2) TO THE EXTENT THAT THE PROCEEDS ARE NOT UNDER A TRUST
16 AGREEMENT, PROCEEDS FROM THE SALE OF BONDS CONCERNING PUBLIC SCHOOL
17 FACILITIES;

18 (3) REVENUES COLLECTED OR RECEIVED FROM ANY SOURCE UNDER
19 THIS SUBTITLE RELATED TO PUBLIC SCHOOL FACILITY PROJECTS;

20 (4) ANY INTEREST EARNINGS OF THE SUPPLEMENTAL PUBLIC
21 SCHOOL CONSTRUCTION FINANCING FUND; AND

22 (5) ANY ADDITIONAL MONEY MADE AVAILABLE FROM ANY PUBLIC
23 SOURCE FOR THE PURPOSES ESTABLISHED FOR THE SUPPLEMENTAL PUBLIC
24 SCHOOL CONSTRUCTION FINANCING FUND.

25 (E) (1) THE STATE TREASURER SHALL INVEST THE MONEY OF THE
26 SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND IN THE SAME
27 MANNER AS OTHER STATE FUNDS.

28 (2) ANY INVESTMENT EARNINGS SHALL BE CREDITED TO THE
29 SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND.

30 (3) NO PART OF THE SUPPLEMENTAL PUBLIC SCHOOL
31 CONSTRUCTION FINANCING FUND MAY REVERT OR BE CREDITED TO THE GENERAL
32 FUND OR ANY SPECIAL FUND OF THE STATE.

(F) THE MONEY IN THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND SHALL BE USED TO SUPPLEMENT, AND MAY NOT SUPPLANT, MONEY APPROPRIATED TO THE PUBLIC SCHOOL CONSTRUCTION PROGRAM ESTABLISHED UNDER TITLE 5, SUBTITLE 3 OF THE EDUCATION ARTICLE.

10-658.1.

(A) THERE IS A SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND.

(B) (1) THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND IS A CONTINUING, NONLAPSING FUND THAT SHALL BE AVAILABLE TO IMPLEMENT THIS SUBTITLE CONCERNING PUBLIC SCHOOL FACILITIES.

(2) THE AUTHORITY SHALL:

(I) USE THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND AS A REVOLVING FUND FOR CARRYING OUT THIS SUBTITLE CONCERNING PUBLIC SCHOOL FACILITIES; AND

(II) TO THE EXTENT AUTHORIZED BY FEDERAL TAX LAW, PAY ANY AND ALL EXPENSES FROM THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND THAT ARE INCURRED BY THE AUTHORITY RELATED TO ANY PUBLIC SCHOOL FACILITIES.

(C) TO THE EXTENT CONSIDERED APPROPRIATE BY THE AUTHORITY, THE MONEY ON DEPOSIT IN THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND SHALL BE USED TO PAY THE FOLLOWING RELATED TO PUBLIC SCHOOL FACILITIES:

(1) DEBT SERVICE ON AUTHORITY BONDS;

(2) DESIGN AND CONSTRUCTION COSTS RELATED TO PUBLIC SCHOOL FACILITIES;

(3) TO THE EXTENT AUTHORIZED BY FEDERAL TAX LAW, COSTS OF START-UP, ADMINISTRATION, OVERHEAD, AND OPERATIONS RELATED TO THE MANAGEMENT OF IMPROVEMENTS TO PUBLIC SCHOOL FACILITIES AUTHORIZED UNDER THIS SUBTITLE;

(4) ALL REASONABLE CHARGES AND EXPENSES RELATED TO THE AUTHORITY'S ADMINISTRATION OF THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND AND THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND AND MANAGEMENT OF THE AUTHORITY'S

1 OBLIGATIONS; AND

2 (5) IF PRINCE GEORGE'S COUNTY SUBMITS A PUBLIC-PRIVATE
3 PARTNERSHIP AGREEMENT TO THE AUTHORITY FOR REVIEW UNDER § 4-126.1 OF
4 THE EDUCATION ARTICLE, ALL REASONABLE EXPENSES RELATED TO THE
5 AUTHORITY'S REVIEW OF THE PUBLIC-PRIVATE PARTNERSHIP AGREEMENT.

6 (D) THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FACILITIES
7 FUND CONSISTS OF:

8 (1) FUNDS TRANSFERRED FROM THE SUPPLEMENTAL PUBLIC
9 SCHOOL CONSTRUCTION FINANCING FUND TO THE SUPPLEMENTAL PUBLIC
10 SCHOOL CONSTRUCTION FACILITIES FUND IN ACCORDANCE WITH § 10-649 OF THIS
11 SUBTITLE;

12 (2) ANY INTEREST EARNINGS OF THE SUPPLEMENTAL PUBLIC
13 SCHOOL CONSTRUCTION FACILITIES FUND; AND

14 (3) ANY ADDITIONAL MONEY MADE AVAILABLE FROM ANY PUBLIC
15 SOURCE FOR THE PURPOSES ESTABLISHED FOR THE SUPPLEMENTAL PUBLIC
16 SCHOOL CONSTRUCTION FACILITIES FUND.

17 (E) (1) THE STATE TREASURER SHALL INVEST THE MONEY OF THE
18 SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND IN THE SAME
19 MANNER AS OTHER STATE FUNDS.

20 (2) ANY INVESTMENT EARNINGS SHALL BE CREDITED TO THE
21 SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND.

22 (3) NO PART OF THE SUPPLEMENTAL PUBLIC SCHOOL
23 CONSTRUCTION FACILITIES FUND MAY REVERT OR BE CREDITED TO THE GENERAL
24 FUND OR ANY SPECIAL FUND OF THE STATE.

25 (F) THE MONEY IN THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION
26 FACILITIES FUND SHALL BE USED TO SUPPLEMENT, AND MAY NOT SUPPLANT,
27 MONEY APPROPRIATED TO THE PUBLIC SCHOOL CONSTRUCTION PROGRAM
28 ESTABLISHED IN TITLE 5, SUBTITLE 3 OF THE EDUCATION ARTICLE.

29 [10-658.] 10-659.

30 This subtitle may be cited as the Maryland Stadium Authority Act.

31 Article – State Finance and Procurement

32 6-226.

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

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

122. the Racing and Community Development Financing Fund;
[and]

123. the Racing and Community Development Facilities Fund;

**124. THE SUPPLEMENTAL PUBLIC SCHOOL
CONSTRUCTION FACILITIES FUND; AND**

**125. THE SUPPLEMENTAL PUBLIC SCHOOL
CONSTRUCTION FINANCING FUND.**

Article – State Government

9–1A–30.

(A) IN THIS SECTION, “SUPPLEMENTAL FUNDING” MEANS FUNDING TO:

**(1) ENSURE ACCESS TO PUBLIC EDUCATION THAT ALLOWS CHILDREN
IN THE STATE TO COMPETE IN THE GLOBAL ECONOMY OF THE FUTURE;**

**(2) PROVIDE FUNDING FOR HIGH-QUALITY EARLY EDUCATION
PROGRAMS;**

**(3) PROVIDE OPPORTUNITIES FOR PUBLIC SCHOOL STUDENTS TO
PARTICIPATE IN CAREER AND TECHNICAL EDUCATION PROGRAMS THAT LEAD TO AN
IDENTIFIED JOB SKILL OR CERTIFICATE;**

**(4) ALLOW STUDENTS TO OBTAIN COLLEGE CREDIT AND DEGREES
WHILE IN HIGH SCHOOL AT NO COST TO THE STUDENTS;**

**(5) SUPPORT THE ADVANCEMENT AND PROFESSIONALIZATION OF
EDUCATORS IN PUBLIC EDUCATION; AND**

(6) MAINTAIN, RENOVATE, OR CONSTRUCT PUBLIC SCHOOLS.

1 **[(a)] (B)** There is an Education Trust Fund which is a special, nonlapsing fund
2 that is not subject to § 7–302 of the State Finance and Procurement Article.

3 **[(b)] (C)** (1) There shall be credited to the Education Trust Fund all proceeds
4 allocated to the Fund under § 9–1A–27 of this subtitle and all judgments paid to the Fund
5 under § 11–210 of the Education Article.

6 (2) Money in the Education Trust Fund shall be invested and reinvested
7 by the Treasurer, and interest and earnings shall accrue to the Fund.

8 **[(c)] (D)** Money in the Education Trust Fund shall be used to:

9 (1) provide funding for public elementary and secondary education,
10 through continuation of the funding and formulas established under the programs
11 commonly known as the Bridge to Excellence in Public Schools Act, first enacted by Chapter
12 288 of the Acts of the General Assembly of 2002, including the funding for regional
13 differences in the cost of education under § 5–202(f) of the Education Article; **AND**

14 (2) **[provide funds to construct public school buildings and provide public**
15 **school capital improvements in accordance with Title 5, Subtitle 3 of the Education Article;**

16 (3) provide funds for capital projects at community colleges and public
17 senior higher education institutions; and

18 (4) provide funds to expand public early childhood education programs in
19 the State] **PROVIDE SUPPLEMENTAL FUNDING FOR EDUCATION AND PUBLIC**
20 **SCHOOLS.**

21 **[(d)** Expenditures from the Education Trust Fund shall be made each fiscal year
22 in accordance with the State budget.]

23 **(E) (1) AS REQUIRED BY ARTICLE XIX, § 1 OF THE MARYLAND**
24 **CONSTITUTION, THE GOVERNOR’S ANNUAL BUDGET SUBMISSION SHALL INCLUDE**
25 **NOT LESS THAN THE FOLLOWING AMOUNTS AS SUPPLEMENTAL FUNDING FOR**
26 **PUBLIC EDUCATION FROM THE EDUCATION TRUST FUND:**

27 **(I) FOR FISCAL YEAR 2020, \$125,000,000;**

28 **(II) FOR FISCAL YEAR 2021, \$250,000,000;**

29 **(III) FOR FISCAL YEAR 2022, \$375,000,000; AND**

30 **(IV) FOR FISCAL YEAR 2023 AND EACH FISCAL YEAR**
31 **THEREAFTER, 100% OF THE FUNDS.**

(2) (I) THE SUPPLEMENTAL FUNDING REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL BE IN ADDITION TO THE STATE FUNDING AND FORMULAS PROVIDED THROUGH THE FUNDING FORMULAS ESTABLISHED IN THE BRIDGE TO EXCELLENCE IN PUBLIC SCHOOLS ACT OF 2002 FOR PREKINDERGARTEN THROUGH GRADE 12 IN PUBLIC SCHOOLS.

(II) BEGINNING IN FISCAL YEAR 2023 AND IN EACH FISCAL YEAR THEREAFTER, THE GOVERNOR SHALL IDENTIFY IN THE ANNUAL BUDGET AS INTRODUCED HOW THE REVENUE REQUIRED UNDER THIS SUBSECTION IS BEING USED TO SUPPLEMENT AND NOT SUPPLANT THE SPENDING ON PUBLIC EDUCATION FOR PREKINDERGARTEN THROUGH GRADE 12.

(F) EXPENDITURES FROM THE EDUCATION TRUST FUND SHALL BE MADE EACH FISCAL YEAR IN ACCORDANCE WITH THE STATE BUDGET.

SECTION 4. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:

Chapter 14 of the Acts of 2018

SECTION 3. AND BE IT FURTHER ENACTED, That:

(a) There is a Workgroup on the Assessment and Funding of School Facilities.

(b) The Workgroup consists of the following members:

(3) the [State Superintendent of Schools] **CHAIR OF THE INTERAGENCY COMMISSION ON SCHOOL CONSTRUCTION;**

(c) The [State Superintendent of Schools shall] **PRESIDENT OF THE SENATE AND THE SPEAKER OF THE HOUSE JOINTLY SHALL APPOINT THE** chair OF the Workgroup.

(g) On or before December 1, [2019] **2021**, the Workgroup shall report its findings and recommendations to the Governor and, in accordance with § [2–1246] **2–1257** of the State Government Article, the General Assembly.

SECTION 5. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:

Article – Education

5–326.

1 (A) IN THIS SECTION, "FUND" MEANS THE PUBLIC SCHOOL FACILITIES
2 PRIORITY FUND.

3 (B) THERE IS A PUBLIC SCHOOL FACILITIES PRIORITY FUND.

4 (C) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION,
5 THE PURPOSE OF THE FUND IS TO PROVIDE STATE FUNDS TO ADDRESS THE
6 FACILITY NEEDS OF THE HIGHEST PRIORITY SCHOOLS IN THE STATE AS IDENTIFIED
7 BY THE STATEWIDE FACILITIES ASSESSMENT COMPLETED BY THE INTERAGENCY
8 COMMISSION ON SCHOOL CONSTRUCTION UNDER § 5-310(E) OF THIS SUBTITLE,
9 WITH HIGHEST PRIORITY GIVEN TO SCHOOLS WITH A SEVERE FACILITY ISSUE THAT
10 REQUIRED THE SCHOOL TO BE CLOSED IN THE CURRENT SCHOOL YEAR OR THE
11 PREVIOUS SCHOOL YEAR.

12 (2) IF THE STATEWIDE FACILITIES ASSESSMENT IS NOT COMPLETED,
13 THE PURPOSE OF THE FUND IS TO PROVIDE STATE FUNDS TO ADDRESS THE
14 SEVERITY OF ISSUES IN A SCHOOL, INCLUDING:

15 (I) AIR CONDITIONING;

16 (II) HEATING;

17 (III) INDOOR AIR QUALITY;

18 (IV) MOLD REMEDIATION;

19 (V) TEMPERATURE REGULATION;

20 (VI) PLUMBING, INCLUDING THE PRESENCE OF LEAD IN
21 DRINKING WATER OUTLETS IN SCHOOL BUILDINGS;

22 (VII) WINDOWS; AND

23 (VIII) ANY ADDITIONAL SEVERE ISSUES IN THE SCHOOL THAT
24 REQUIRE THE SCHOOL TO BE CLOSED.

25 (D) THE INTERAGENCY COMMISSION ON SCHOOL CONSTRUCTION SHALL
26 ADMINISTER THE FUND.

27 (E) (1) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT
28 SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

29 (2) THE STATE TREASURER SHALL HOLD THE FUND SEPARATELY,
30 AND THE COMPTROLLER SHALL ACCOUNT FOR THE FUND.

(F) THE FUND CONSISTS OF:

(1) MONEY APPROPRIATED IN THE STATE BUDGET TO THE FUND;

(2) ANY INTEREST EARNINGS OF THE FUND; AND

(3) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED FOR THE BENEFIT OF THE FUND.

(G) THE FUND MAY BE USED ONLY FOR THE PURPOSE ESTABLISHED UNDER SUBSECTION (C) OF THIS SECTION.

(H) (1) THE STATE TREASURER SHALL INVEST THE MONEY OF THE FUND IN THE SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.

(2) ANY INTEREST EARNINGS OF THE FUND SHALL BE CREDITED TO THE FUND.

(I) EXPENDITURES FROM THE FUND MAY BE MADE ONLY IN ACCORDANCE WITH THE STATE BUDGET.

(J) MONEY EXPENDED FROM THE FUND IS SUPPLEMENTAL TO AND IS NOT INTENDED TO TAKE THE PLACE OF FUNDING THAT OTHERWISE WOULD BE APPROPRIATED IN THE ANNUAL STATE OPERATING OR CAPITAL BUDGET BILL TO PRIMARY AND SECONDARY SCHOOLS UNDER THIS ARTICLE.

Article – State Finance and Procurement

6–226.

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

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

124. the Supplemental Public School Construction Facilities Fund; [and]

125. the Supplemental Public School Construction Financing

Fund; AND

126. THE PUBLIC SCHOOL FACILITIES PRIORITY FUND.

11–203.

(c) Except as provided in Title 12, Subtitle 4 and Title 14, Subtitle 3 of this article [and except for § 15–112 of this article], this Division II does not apply to the Maryland Stadium Authority.

Article – Tax – General

11–236.

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

(2) (i) “Construction material” means an item of tangible personal property that is used to construct or renovate a building, a structure, or an improvement on land and that typically loses its separate identity as personal property once incorporated into the real property.

(ii) “Construction material” includes building materials, building systems equipment, landscaping materials, and supplies.

(3) “Laurel Park racing facility site” has the meaning stated in § 10–601 of the Economic Development Article.

(4) “Pimlico site” has the meaning stated in § 10–601 of the Economic Development Article.

(5) “PUBLIC SCHOOL FACILITY” HAS THE MEANING STATED IN § 10–601 OF THE ECONOMIC DEVELOPMENT ARTICLE.

(b) The sales and use tax does not apply to a sale of construction material, if:

(1) the construction material is purchased by a person solely for use in furtherance of the provisions of Title 10, Subtitle 6 of the Economic Development Article for the construction or redevelopment:

(I) at the Laurel Park racing facility site or Pimlico site[;

(2)] AND the sale is made before January 1, 2026; [and] OR

(II) OF A PUBLIC SCHOOL FACILITY THAT IS MANAGED BY THE MARYLAND STADIUM AUTHORITY AND THE SALE IS MADE ON OR AFTER JUNE 1, 2021; AND

1 ~~[(3)] (2)~~ the buyer provides the vendor with eligibility of the exemption
2 issued by the Comptroller.

3 (c) The Comptroller shall adopt regulations to implement this section.

4 SECTION 6. AND BE IT FURTHER ENACTED, That:

5 (a) (1) On or before July 1, 2022, each county board shall conduct a capacity
6 study identifying the current capacity of each school in the school system and the
7 demographics of the students in each school compared to the demographics of the overall
8 student population in the school system.

9 (2) A county board that has completed a capacity study not more than 3
10 years prior to the requirement in subsection (a) of this section may submit that study to
11 comply with the requirement.

12 (b) The capacity study shall be submitted, on or before December 1, 2022, to the
13 Interagency Commission on School Construction and, in accordance with § 2–1257 of the
14 State Government Article, the General Assembly.

15 SECTION 7. AND BE IT FURTHER ENACTED, That it is the intent of the General
16 Assembly that funding for the Aging Schools Program and the School Safety Grant Program
17 shall be consolidated into the Public School Facilities Priority Fund established in Section
18 5 of this Act beginning in fiscal year 2027.

19 SECTION 8. AND BE IT FURTHER ENACTED, That Section(s) 5–317 and 5–324
20 of Article – Education of the Annotated Code of Maryland be repealed.

21 SECTION 9. AND BE IT FURTHER ENACTED, That in fiscal year 2022, \$500,000
22 from the Education Trust Fund shall be appropriated to the Maryland Stadium Authority
23 for start-up and administrative costs associated with Section 3 of this Act.

24 SECTION 10. AND BE IT FURTHER ENACTED, That Section(s) 9–1–104(d) of
25 Article 3 – Baltimore County of the Code of Public Local Laws of Maryland be repealed.

26 SECTION 11. AND BE IT FURTHER ENACTED, That, contingent on the
27 consolidation of funding, on or before June 30, 2026, for the Aging Schools Program and the
28 School Safety Grant Program into the Public School Facilities Priority Fund established in
29 Section 5 of this Act, Section 8 of this Act shall take effect July 1, 2026.

30 SECTION 12. AND BE IT FURTHER ENACTED, That Section 5 of this Act shall
31 take effect July 1, 2022.

32 SECTION 13. AND BE IT FURTHER ENACTED, That, except as provided in
33 Section(s) 11 and 12 of this Act, this Act shall take effect June 1, 2021.

