

SENATE BILL 276

C8, F5

0lr0156
CF HB 338

By: **The President (By Request – Administration) and Senators Bailey, Carozza, Cassilly, Eckardt, Edwards, Gallion, Hershey, Jennings, Ready, Salling, Serafini, and West**

Introduced and read first time: January 20, 2020

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Building Opportunity Act of 2020**

3 FOR the purpose of authorizing the Maryland Stadium Authority to issue bonds to finance
4 the construction of or improvements to certain public school facilities subject to
5 certain limitations; specifying that certain expenses incurred by the Authority are
6 payable only from certain funds; specifying that certain bonds issued under this Act
7 are a limited obligation of the Authority payable solely from certain pledged money
8 and are not a debt, liability, moral obligation, or pledge of the faith and credit or
9 taxing power of the State, the Authority, or any other governmental unit; requiring
10 the Authority to obtain approval from the Board of Public Works before each issuance
11 of bonds to finance improvements to public school facilities; requiring the
12 Comptroller to deposit a certain amount into a certain fund until a certain condition
13 is met; requiring the Authority to transfer certain funds under certain
14 circumstances; authorizing the Authority to transfer certain funds under certain
15 circumstances; requiring county boards of education to take certain actions in
16 connection with improvements to public school facilities; providing for the payment
17 of certain costs; requiring the Authority to submit a certain report on or before a
18 certain date each year; requiring the Interagency Commission on School
19 Construction to provide certain recommendations regarding projects to be funded
20 from a certain fund; requiring the Authority to take certain actions related to public
21 school facility projects; establishing the Building Opportunity Financing Fund and
22 the Building Opportunity Facilities Fund as continuing, nonlapsing funds; specifying
23 the contents of the funds and providing for the uses of the funds; exempting the funds
24 from a certain provision of law requiring interest on State money in special funds to
25 accrue to the General Fund of the State; limiting the amount of debt that may be
26 issued by the Authority to finance certain public school facilities projects; providing
27 that money deposited in a certain fund may be used as security for a bond issue;
28 requiring money in the Education Trust Fund to be used to make a deposit equal to
29 a certain amount to a certain fund under certain circumstances; exempting certain

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



public school construction projects that use alternative financing methods and that receive State funding from certain requirements; expanding certain provisions relating to financing and funding public school construction projects to apply statewide; requiring public school construction projects that use alternative financing methods and that receive State funding to comply with certain requirements and a certain memorandum of understanding; requiring certain local boards of education and certain counties to provide certain information with the annual budget submission; expanding the Prince George's County Public-Private Partnership Fund to be a statewide fund and renaming the fund to be the Public-Private Partnership Fund; altering the purposes of and uses for the Fund; altering the date of a certain report; authorizing the Governor to use the money in certain funds as the source of funding for a certain grant program and a certain school facility fund; stating the intent of the General Assembly that the Governor provide certain financial assistance regarding counties and certain school construction financing; defining certain terms; altering certain definitions; making stylistic and conforming changes; and generally relating to public school facilities projects in the State.

BY repealing and reenacting, with amendments,

Article – Economic Development

Section 10–601, 10–620(e) and (f), 10–628(c), 10–634, and 10–658

Annotated Code of Maryland

(2018 Replacement Volume and 2019 Supplement)

BY adding to

Article – Economic Development

Section 10–649, 10–650, 10–658, and 10–658.1

Annotated Code of Maryland

(2018 Replacement Volume and 2019 Supplement)

BY repealing and reenacting, with amendments,

Article – Education

Section 4–126, 4–126.1, 5–317(e), and 5–322(j)(1)

Annotated Code of Maryland

(2018 Replacement Volume and 2019 Supplement)

BY repealing and reenacting, without amendments,

Article – Education

Section 5–317(a) and (b)(1) and 5–322(a) and (b)

Annotated Code of Maryland

(2018 Replacement Volume and 2019 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 2019 Supplement)

BY repealing and reenacting, with amendments,
Article – State Finance and Procurement
Section 6–226(a)(2)(ii)115., 121., and 122.
Annotated Code of Maryland
(2015 Replacement Volume and 2019 Supplement)

BY adding to
Article – State Finance and Procurement
Section 6–226(a)(2)(ii)123. and 124.
Annotated Code of Maryland
(2015 Replacement Volume and 2019 Supplement)

BY repealing and reenacting, with amendments,
Article – State Government
Section 9–1A–30
Annotated Code of Maryland
(2014 Replacement Volume and 2019 Supplement)

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

Article – Economic Development

10–601.

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

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

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

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

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

(2) the Mayor and City Council of Baltimore.

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

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

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

(h) “Baltimore City public school facility” means a property primarily used for educational instruction that:

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

(2) is designated for improvement under the memorandum of understanding between the Authority, Baltimore City, the Baltimore City Board of School Commissioners, and the Interagency [Committee] **COMMISSION** on School Construction entered into in accordance with § 10–646 of this subtitle.

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

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

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

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

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

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

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

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

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

(N) “BUILDING OPPORTUNITY FACILITIES FUND” MEANS THE BUILDING OPPORTUNITY FACILITIES FUND ESTABLISHED UNDER § 10–658.1 OF THIS SUBTITLE.

(O) “BUILDING OPPORTUNITY FINANCING FUND” MEANS THE BUILDING OPPORTUNITY FINANCING FUND ESTABLISHED UNDER § 10–658 OF THIS SUBTITLE.

[(n)] (P) “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)] (Q) “Camden Yards Fund” means the Camden Yards Financing Fund established under § 10–652 of this subtitle.

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

[(q)] (S) “COUNTY BOARD OF EDUCATION” MEANS THE BOARD OF EDUCATION OF A COUNTY AND INCLUDES THE BALTIMORE CITY BOARD OF SCHOOL COMMISSIONERS.

(T) “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; **[or]**

(5) a Baltimore City public school facility; **OR**

(6) A PUBLIC SCHOOL FACILITY.

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

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

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

[(x)] (AA) “Montgomery County” includes the Montgomery County Revenue Authority.

[(y)] (BB) (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.

1 **[(z)] (CC)** “Montgomery County Conference Fund” means the Montgomery
2 County Conference Financing Fund established under § 10–654 of this subtitle.

3 **[(aa)] (DD)** “Montgomery County Conference site” means the site of the
4 Montgomery County Conference Center located in Rockville at the address generally
5 known as 5701 Marinelli Road, identified in the State Department of Assessments and
6 Taxation Real Property database as tax identification number District 04, Account Number
7 03392987.

8 **[(bb)] (EE)** (1) “Ocean City Convention facility” means:

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

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

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

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

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

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

23 **[(cc)] (FF)** “Ocean City Convention Fund” means the Ocean City Convention
24 Financing Fund established under § 10–655 of this subtitle.

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

31 **(HH) “PUBLIC SCHOOL FACILITY” MEANS A BUILDING, A PARKING FACILITY,**
32 **AN ATHLETIC FACILITY, A TESTING FACILITY, OR ANY OTHER FACILITY RELATED TO**
33 **EDUCATIONAL INSTRUCTION THAT:**

(1) IS HELD IN TRUST BY A COUNTY BOARD OF EDUCATION FOR THE BENEFIT OF THE COUNTY PUBLIC SCHOOL SYSTEM; AND

(2) IS DESIGNATED FOR IMPROVEMENT UNDER THE MEMORANDUM OF UNDERSTANDING BETWEEN THE AUTHORITY, THE COUNTY, THE COUNTY BOARD OF EDUCATION, AND THE INTERAGENCY COMMISSION ON SCHOOL CONSTRUCTION ENTERED INTO IN ACCORDANCE WITH § 10-650 OF THIS SUBTITLE.

(II) “PUBLIC SCHOOL SITE” MEANS THE SITE OF ANY PUBLIC SCHOOL FACILITY IN THE STATE.

[(ee)] (JJ) (1) “Sports facility” means:

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

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

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

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

[(ff)] (KK) “Supplemental Facilities Fund” means the Supplemental Facilities Fund established under § 10-657.1 of this subtitle.

[(gg)] (LL) (1) “Supplemental facility” means a structure or other improvement developed in Baltimore City outside Camden Yards.

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

[(hh)] (MM) “Supplemental facility site” means the site of any supplemental facility.

[(ii)] (NN) “Tax supported debt” has the meaning stated in § 8-104 of the State Finance and Procurement Article.

10-620.

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

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

(f) The Authority shall:

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

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

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

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

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

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

10–628.

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

(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; [and]

(vi) supplemental facilities — \$25,000,000; AND

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

(2) (i) The limitation under paragraph (1)(i) of this subsection applies to the aggregate principal amount of bonds outstanding as of June 30 of any year.

(ii) Refunded bonds may not be included in the determination of an outstanding aggregate amount under this paragraph.

10–634.

(a) A pledge by the Authority of revenues or money deposited in the Baltimore City Public School Construction Financing Fund **OR THE BUILDING OPPORTUNITY 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 BUILDING OPPORTUNITY 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 BUILDING OPPORTUNITY 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.

10–649.

(A) (1) 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 BUILDING OPPORTUNITY FACILITIES FUND AND THE BUILDING

1 **OPPORTUNITY FINANCING FUND AND BOND PROCEEDS HELD UNDER A TRUST**
2 **AGREEMENT.**

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

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

10 **(2) A LIST OF THE PUBLIC SCHOOL FACILITIES TO BE CONSTRUCTED**
11 **OR RENOVATED;**

12 **(3) THE ANTICIPATED TOTAL DEBT SERVICE FOR THE PROPOSED**
13 **BOND ISSUE; AND**

14 **(4) THE ANTICIPATED TOTAL DEBT SERVICE WHEN COMBINED WITH**
15 **THE DEBT SERVICE FOR ALL PRIOR OUTSTANDING BOND ISSUES FOR PUBLIC**
16 **SCHOOL FACILITIES.**

17 **(C) (1) A BOND ISSUED TO FINANCE IMPROVEMENTS, CONSTRUCTION, OR**
18 **RENOVATIONS TO A PUBLIC SCHOOL FACILITY:**

19 **(I) IS A LIMITED OBLIGATION OF THE AUTHORITY PAYABLE**
20 **SOLELY FROM MONEY PLEDGED BY THE AUTHORITY TO THE PAYMENT OF THE**
21 **PRINCIPAL OF AND THE PREMIUM AND INTEREST ON THE BOND OR MONEY MADE**
22 **AVAILABLE TO THE AUTHORITY FOR THAT PURPOSE;**

23 **(II) IS NOT A DEBT, LIABILITY, OR PLEDGE OF THE FAITH AND**
24 **CREDIT OR THE TAXING POWER OF THE STATE, THE AUTHORITY, OR ANY OTHER**
25 **GOVERNMENTAL UNIT; AND**

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

28 **(2) THE ISSUANCE OF A BOND TO FINANCE IMPROVEMENTS TO A**
29 **PUBLIC SCHOOL FACILITY IS NOT DIRECTLY, INDIRECTLY, OR CONTINGENTLY A**
30 **MORAL OR ANY OTHER OBLIGATION OF THE STATE, THE AUTHORITY, OR ANY OTHER**
31 **GOVERNMENTAL UNIT TO LEVY OR PLEDGE ANY TAX OR TO MAKE AN**
32 **APPROPRIATION TO PAY THE BOND.**

33 **(3) EACH BOND SHALL STATE ON ITS FACE THE PROVISIONS OF**

1 PARAGRAPHS (1) AND (2) OF THIS SUBSECTION.

2 (D) BEFORE EACH ISSUANCE OF BONDS TO FINANCE IMPROVEMENTS TO A
3 PUBLIC SCHOOL FACILITY, THE AUTHORITY SHALL OBTAIN THE APPROVAL OF THE
4 BOARD OF PUBLIC WORKS OF THE PROPOSED BOND ISSUE.

5 (E) THE TOTAL DEBT SERVICE FOR ANY BOND ISSUE, WHEN ADDED TO ALL
6 PRIOR OUTSTANDING BOND ISSUES RELATED TO IMPROVEMENTS TO PUBLIC
7 SCHOOL FACILITIES, MAY NOT EXCEED THE TOTAL AMOUNT OF THE FUNDS
8 PROVIDED UNDER § 9-1A-30(C)(1) OF THE STATE GOVERNMENT ARTICLE AND THE
9 FUNDS PROVIDED UNDER SUBSECTION (G) OF THIS SECTION.

10 (F) BEGINNING JULY 1, 2021, AND CONTINUING UNTIL THE BONDS THAT
11 HAVE BEEN ISSUED TO FINANCE IMPROVEMENTS TO PUBLIC SCHOOL FACILITIES
12 ARE NO LONGER OUTSTANDING AND UNPAID, THE COMPTROLLER SHALL DEPOSIT
13 INTO THE BUILDING OPPORTUNITY FINANCING FUND THE AMOUNT SET FORTH IN
14 § 9-1A-30(C)(1) OF THE STATE GOVERNMENT ARTICLE.

15 (G) (1) IF THE MONEY DEPOSITED INTO THE BUILDING OPPORTUNITY
16 FINANCING FUND IN ACCORDANCE WITH SUBSECTION (F) OF THIS SECTION IS NOT
17 NEEDED FOR DEBT SERVICE OR DEBT SERVICE RESERVES, THE AUTHORITY MAY
18 TRANSFER THOSE FUNDS TO THE BUILDING OPPORTUNITY FACILITIES FUND.

19 (2) IF FUNDS ARE NEEDED FOR DEBT SERVICE OR DEBT SERVICE
20 RESERVES, THE AUTHORITY MAY TRANSFER MONEY IN THE BUILDING
21 OPPORTUNITY FACILITIES FUND TO THE BUILDING OPPORTUNITY FINANCING
22 FUND.

23 (H) IN CONNECTION WITH IMPROVEMENTS TO PUBLIC SCHOOL FACILITIES,
24 A COUNTY BOARD OF EDUCATION SHALL:

25 (1) DELIVER TO THE AUTHORITY BUILDABLE SITES, READY FOR
26 IMPROVEMENT AND FREE FROM ANY RESTRICTIONS, EASEMENTS, IMPEDIMENTS,
27 HAZARDS, OR CONDITIONS THAT WOULD AFFECT THE AUTHORITY'S SCHEDULE OR
28 BUDGET FOR THE IMPROVEMENT OF A PUBLIC SCHOOL FACILITY;

29 (2) DELIVER TO THE AUTHORITY A PUBLIC SCHOOL FACILITY WITH
30 TITLE THAT HAS VESTED IN THE COUNTY BOARD OF EDUCATION OR IN AN ENTITY
31 APPROVED BY THE COUNTY BOARD OF EDUCATION OTHER THAN THE AUTHORITY;

32 (3) EXCEPT FOR A TRANSFER OR AN ASSIGNMENT TO THE COUNTY
33 BOARD OF EDUCATION, OBTAIN THE APPROVAL OF THE STATE SUPERINTENDENT
34 OF SCHOOLS AND THE BOARD OF PUBLIC WORKS BEFORE THE SALE, ASSIGNMENT,

1 MORTGAGE, PLEDGE, OR ENCUMBRANCE OF ANY PUBLIC SCHOOL FACILITY OR ANY
2 INTEREST IN THE FACILITY; AND

3 (4) ENSURE THAT NO PUBLIC SCHOOL FACILITY IS SOLD, ASSIGNED,
4 MORTGAGED, PLEDGED, OR ENCUMBERED WITHOUT THE CONSENT OF THE
5 AUTHORITY IF THERE ARE PROCEEDS OF BONDS STILL OUTSTANDING OR UNPAID
6 THAT WERE USED IN THE CONSTRUCTION OF OR RENOVATIONS TO THE PUBLIC
7 SCHOOL FACILITY.

8 (I) (1) SUBJECT TO SUBSECTION (A) OF THIS SECTION, BEFORE ANY
9 BONDS ARE ISSUED TO FINANCE IMPROVEMENTS TO A PUBLIC SCHOOL FACILITY,
10 THE AUTHORITY MAY PAY FOR ANY COSTS OF START-UP, ADMINISTRATION,
11 OVERHEAD, AND OPERATIONS OF THE AUTHORITY OR COSTS OF ENGINEERING,
12 ARCHITECTURAL, AND OTHER DESIGN PROFESSIONALS.

13 (2) PRIOR TO AVAILABILITY OF FUNDS FROM THE BUILDING
14 OPPORTUNITY FACILITIES FUND, THE AUTHORITY SHALL BE ENTITLED TO
15 REIMBURSEMENT FOR ANY COSTS INCURRED UNDER PARAGRAPH (1) OF THIS
16 SUBSECTION FROM THE BUILDING OPPORTUNITY FINANCING FUND.

17 (3) (I) ANY COST OVERRUNS, UNBUDGETED EXPENSES, OR
18 UNFORESEEN COSTS INCURRED IN CONNECTION WITH AN IMPROVEMENT TO A
19 PUBLIC SCHOOL FACILITY SHALL BE PAYABLE SOLELY FROM THE BUILDING
20 OPPORTUNITY FACILITIES FUND.

21 (II) IF ANY COST OVERRUNS, UNBUDGETED EXPENSES, OR
22 UNFORESEEN COSTS OCCUR AS DESCRIBED IN SUBPARAGRAPH (I) OF THIS
23 PARAGRAPH, THE AUTHORITY STAFF SHALL PROVIDE A DETAILED REPORT TO THE
24 AUTHORITY EXPLAINING THE REASONS FOR THE COST OVERRUNS, UNBUDGETED
25 EXPENSES, OR UNFORESEEN COSTS AND A DESCRIPTION OF THE ACTIONS TAKEN BY
26 THE AUTHORITY TO CONTROL COSTS WITHIN THE BUDGET ESTABLISHED FOR EACH
27 IMPROVEMENT TO A PUBLIC SCHOOL FACILITY.

28 (J) ON JANUARY 15, 2022, AND EACH JANUARY 15 THEREAFTER, THE
29 AUTHORITY SHALL REPORT TO THE GOVERNOR, THE BOARD OF PUBLIC WORKS,
30 AND, IN ACCORDANCE WITH § 2-1257 OF THE STATE GOVERNMENT ARTICLE, THE
31 FISCAL COMMITTEES OF THE GENERAL ASSEMBLY, ON THE PROGRESS OF
32 CONSTRUCTION AND RENOVATIONS OF PUBLIC SCHOOL FACILITIES, INCLUDING
33 ACTIONS:

34 (1) TAKEN DURING THE PREVIOUS FISCAL YEAR; AND

35 (2) PLANNED FOR THE CURRENT FISCAL YEAR.

1 **10-650.**

2 **(A) THE INTERAGENCY COMMISSION ON SCHOOL CONSTRUCTION SHALL,**
3 **IN ACCORDANCE WITH THE PROCESS ESTABLISHED IN § 5-304 OF THE EDUCATION**
4 **ARTICLE, PROVIDE RECOMMENDATIONS FOR PUBLIC SCHOOL FACILITY PROJECTS**
5 **TO BE FUNDED FROM THE BUILDING OPPORTUNITY FACILITIES FUND.**

6 **(B) (1) EXCEPT AS PROVIDED IN SUBSECTION (C) OF THIS SECTION, THE**
7 **AUTHORITY SHALL CONTRACT, MANAGE, AND OVERSEE PUBLIC SCHOOL FACILITY**
8 **PROJECTS FUNDED FROM THE BUILDING OPPORTUNITY FACILITIES FUND.**

9 **(2) BEFORE A PUBLIC SCHOOL FACILITY PROJECT IS APPROVED FOR**
10 **FUNDING FROM THE BUILDING OPPORTUNITY FACILITIES FUND, THE AUTHORITY**
11 **SHALL ENTER INTO A MEMORANDUM OF UNDERSTANDING WITH THE INTERAGENCY**
12 **COMMISSION ON SCHOOL CONSTRUCTION AND THE COUNTY BOARD OF EDUCATION**
13 **OR THE COUNTY, OR BOTH, FOR THE MANAGEMENT AND OVERSIGHT OF A PUBLIC**
14 **SCHOOL FACILITY PROJECT.**

15 **(3) (I) THE MEMORANDUM OF UNDERSTANDING SHALL**
16 **AUTHORIZE THE AUTHORITY TO DESIGN AND IMPROVE, OR CONTRACT FOR THE**
17 **DESIGN AND IMPROVEMENT OF, A PUBLIC SCHOOL FACILITY.**

18 **(II) THE MEMORANDUM OF UNDERSTANDING SHALL INCLUDE A**
19 **PROVISION THAT THE STATE AND LOCAL COST-SHARE FOR THE COUNTY**
20 **ESTABLISHED IN REGULATIONS SHALL APPLY TO THE PUBLIC SCHOOL FACILITY**
21 **PROJECT.**

22 **(C) THE INTERAGENCY COMMISSION ON SCHOOL CONSTRUCTION MAY**
23 **GRANT A WAIVER FROM THE MANAGEMENT REQUIREMENT SET FORTH IN**
24 **SUBSECTION (B)(1) OF THIS SECTION IF THE INTERAGENCY COMMISSION**
25 **DETERMINES THAT A COUNTY BOARD OF EDUCATION EMPLOYS STAFF AND**
26 **POSSESSES THE RESOURCES NECESSARY TO MANAGE AND OVERSEE PUBLIC**
27 **SCHOOL FACILITY PROJECTS.**

28 **10-658.**

29 **(A) THERE IS A BUILDING OPPORTUNITY FINANCING FUND.**

30 **(B) (1) THE BUILDING OPPORTUNITY FINANCING FUND IS A**
31 **CONTINUING, NONLAPSING FUND THAT SHALL BE AVAILABLE TO IMPLEMENT THIS**
32 **SUBTITLE CONCERNING PUBLIC SCHOOL FACILITIES.**

(2) THE AUTHORITY SHALL:

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

(II) PAY ANY AND ALL EXPENSES FROM THE BUILDING OPPORTUNITY FINANCING FUND THAT ARE INCURRED BY THE AUTHORITY RELATED TO ANY PUBLIC SCHOOL FACILITIES.

(C) (1) TO THE EXTENT CONSIDERED APPROPRIATE BY THE AUTHORITY, THE MONEY ON DEPOSIT IN THE BUILDING OPPORTUNITY 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 BUILDING OPPORTUNITY FINANCING FUND AND MANAGEMENT OF THE AUTHORITY'S OBLIGATIONS.

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

(D) THE BUILDING OPPORTUNITY FINANCING FUND CONSISTS OF:

(1) MONEY DEPOSITED INTO THE BUILDING OPPORTUNITY FINANCING FUND;

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

(3) REVENUES COLLECTED OR RECEIVED FROM ANY SOURCE UNDER THIS SUBTITLE RELATED TO PUBLIC SCHOOL BUILDING OPPORTUNITY FACILITIES;

(4) FUNDS TO BE DEPOSITED IN ACCORDANCE WITH § 10-649 OF THIS SUBTITLE;

1 **(5) ANY INTEREST EARNINGS OF THE BUILDING OPPORTUNITY**
2 **FINANCING FUND; AND**

3 **(6) ANY ADDITIONAL MONEY MADE AVAILABLE FROM ANY PUBLIC**
4 **SOURCE FOR THE PURPOSES ESTABLISHED FOR THE BUILDING OPPORTUNITY**
5 **FINANCING FUND.**

6 **(E) (1) THE STATE TREASURER SHALL INVEST THE MONEY OF THE**
7 **BUILDING OPPORTUNITY FINANCING FUND IN THE SAME MANNER AS OTHER STATE**
8 **FUNDS.**

9 **(2) ANY INVESTMENT EARNINGS SHALL BE CREDITED TO THE**
10 **BUILDING OPPORTUNITY FINANCING FUND.**

11 **(3) NO PART OF THE BUILDING OPPORTUNITY FINANCING FUND**
12 **MAY REVERT OR BE CREDITED TO THE GENERAL FUND OF THE STATE OR ANY**
13 **SPECIAL FUND OF THE STATE.**

14 **(F) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION,**
15 **THE MONEY IN THE BUILDING OPPORTUNITY FINANCING FUND SHALL BE USED TO**
16 **SUPPLEMENT, BUT NOT SUPPLANT, MONEY APPROPRIATED TO THE PUBLIC SCHOOL**
17 **CONSTRUCTION PROGRAM ESTABLISHED IN TITLE 5, SUBTITLE 3 OF THE**
18 **EDUCATION ARTICLE.**

19 **(2) THE MONEY IN THE BUILDING OPPORTUNITY FINANCING FUND**
20 **MAY BE USED TO SUPPLANT MONEY APPROPRIATED TO:**

21 **(I) THE SCHOOL SAFETY GRANT PROGRAM UNDER § 5-317 OF**
22 **THE EDUCATION ARTICLE; OR**

23 **(II) THE HEALTHY SCHOOL FACILITY FUND UNDER § 5-322 OF**
24 **THE EDUCATION ARTICLE.**

25 **10-658.1.**

26 **(A) THERE IS A BUILDING OPPORTUNITY FACILITIES FUND.**

27 **(B) (1) THE BUILDING OPPORTUNITY FACILITIES FUND IS A**
28 **CONTINUING, NONLAPSING FUND THAT SHALL BE AVAILABLE TO IMPLEMENT THIS**
29 **SUBTITLE CONCERNING PUBLIC SCHOOL FACILITIES.**

30 **(2) THE AUTHORITY SHALL:**

1 **(I) USE THE BUILDING OPPORTUNITY FACILITIES FUND AS A**
2 **REVOLVING FUND FOR CARRYING OUT THIS SUBTITLE CONCERNING PUBLIC**
3 **SCHOOL FACILITIES; AND**

4 **(II) TO THE EXTENT AUTHORIZED BY FEDERAL TAX LAW, PAY**
5 **ANY AND ALL EXPENSES FROM THE BUILDING OPPORTUNITY FACILITIES FUND**
6 **THAT ARE INCURRED BY THE AUTHORITY RELATED TO ANY PUBLIC SCHOOL**
7 **FACILITIES.**

8 **(C) (1) TO THE EXTENT CONSIDERED APPROPRIATE BY THE AUTHORITY,**
9 **THE MONEY ON DEPOSIT IN THE BUILDING OPPORTUNITY FACILITIES FUND SHALL**
10 **BE USED TO PAY THE FOLLOWING RELATED TO PUBLIC SCHOOL FACILITIES:**

11 **(I) DEBT SERVICE ON AUTHORITY BONDS;**

12 **(II) DESIGN AND CONSTRUCTION COSTS RELATED TO PUBLIC**
13 **SCHOOL FACILITIES;**

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

18 **(IV) ALL REASONABLE CHARGES AND EXPENSES RELATED TO**
19 **THE AUTHORITY'S ADMINISTRATION OF THE BUILDING OPPORTUNITY FACILITIES**
20 **FUND AND THE BUILDING OPPORTUNITY FINANCING FUND AND MANAGEMENT OF**
21 **THE AUTHORITY'S OBLIGATIONS.**

22 **(2) IN ADDITION TO THE USES AUTHORIZED IN PARAGRAPH (1) OF**
23 **THIS SUBSECTION, THE AUTHORITY MAY TRANSFER MONEY ON DEPOSIT IN THE**
24 **BUILDING OPPORTUNITY FACILITIES FUND TO THE LOCAL SHARE OF SCHOOL**
25 **CONSTRUCTION COSTS REVOLVING LOAN FUND ESTABLISHED UNDER § 5-315 OF**
26 **THE EDUCATION ARTICLE TO PROVIDE LOANS TO LOCAL GOVERNMENTS IN**
27 **ACCORDANCE WITH THE REQUIREMENTS SPECIFIED IN THAT SECTION.**

28 **(D) THE BUILDING OPPORTUNITY FACILITIES FUND CONSISTS OF:**

29 **(1) FUNDS TRANSFERRED FROM THE BUILDING OPPORTUNITY**
30 **FINANCING FUND TO THE BUILDING OPPORTUNITY FACILITIES FUND IN**
31 **ACCORDANCE WITH § 10-649 OF THIS SUBTITLE;**

32 **(2) ANY INTEREST EARNINGS OF THE BUILDING OPPORTUNITY**

1 **FACILITIES FUND; AND**

2 **(3) ANY ADDITIONAL MONEY MADE AVAILABLE FROM ANY PUBLIC**
3 **SOURCE FOR THE PURPOSES ESTABLISHED FOR THE BUILDING OPPORTUNITY**
4 **FACILITIES FUND.**

5 **(E) (1) THE STATE TREASURER SHALL INVEST THE MONEY OF THE**
6 **BUILDING OPPORTUNITY FACILITIES FUND IN THE SAME MANNER AS OTHER STATE**
7 **FUNDS.**

8 **(2) ANY INVESTMENT EARNINGS SHALL BE CREDITED TO THE**
9 **BUILDING OPPORTUNITY FACILITIES FUND.**

10 **(3) NO PART OF THE BUILDING OPPORTUNITY FACILITIES FUND**
11 **MAY REVERT OR BE CREDITED TO THE GENERAL FUND OF THE STATE OR ANY**
12 **SPECIAL FUND OF THE STATE.**

13 **(F) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION,**
14 **THE MONEY IN THE BUILDING OPPORTUNITY FACILITIES FUND SHALL BE USED TO**
15 **SUPPLEMENT, BUT NOT SUPPLANT, MONEY APPROPRIATED TO THE PUBLIC SCHOOL**
16 **CONSTRUCTION PROGRAM ESTABLISHED IN TITLE 5, SUBTITLE 3 OF THE**
17 **EDUCATION ARTICLE.**

18 **(2) THE MONEY IN THE BUILDING OPPORTUNITY FACILITIES FUND**
19 **MAY BE USED TO SUPPLANT MONEY APPROPRIATED TO:**

20 **(I) THE SCHOOL SAFETY GRANT PROGRAM UNDER § 5-317 OF**
21 **THE EDUCATION ARTICLE; OR**

22 **(II) THE HEALTHY SCHOOL FACILITY FUND UNDER § 5-322 OF**
23 **THE EDUCATION ARTICLE.**

24 **[10-658.] 10-659.**

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

26 **Article – Education**

27 4-126.

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

29 (2) “Alternative financing methods” includes one or more of the following
30 methods:

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

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

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

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

16 (v) Preference–based arrangements, by which a local governing body
17 gives preference first to business entities located in the county and then to business entities
18 located in other counties in the State for any construction that is not subject to prevailing
19 wage rates under Title 17, Subtitle 2 of the State Finance and Procurement Article;

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

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

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

32 (i) Use alternative financing methods;

33 (ii) Engage in competitive negotiation, rather than competitive
34 bidding, in limited circumstances, including construction management at-risk
35 arrangements and other alternative project delivery arrangements, as provided in
36 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;

1 4.] Smart growth requirements;

2 [5.] 2. Minority business enterprise requirements;

3 [6.] 3. Prevailing wage requirements;

4 [7.] 4. Environmental requirements; and

5 [8.] 5. A requirement for a procurement process that includes
6 public notice and results in the most advantageous proposal.

7 (ii) [In Prince George's County, projects] **PROJECTS** that use
8 alternative financing methods under this section and receive State funding for a yearly
9 availability payment:

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

12 2.] Shall comply with the requirements under subparagraph
13 [(i)4 through 8] **(I)** of this paragraph; and

14 [3.] 2. Shall comply with a three-party memorandum of
15 understanding entered into and signed by [the Prince George's County Board, Prince
16 George's County] **A COUNTY BOARD, A COUNTY**, and the Interagency Commission on
17 School Construction that:

18 A. Specifies the roles, rights, terms, and responsibilities of
19 each party with respect to school projects undertaken with a private or public entity using
20 alternative financing methods, including any amounts the parties are required to deposit
21 into the [Prince George's County] Public-Private Partnership Fund established under §
22 4-126.1 of this subtitle;

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

26 C. Requires the [Prince George's County Board] **COUNTY**
27 **BOARD** to submit projects to the Interagency Commission on School Construction for
28 review before commencement of the project;

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

31 E. Requires the [Prince George's County Board] **COUNTY**
32 **BOARD** to submit annual reports to [Prince George's County] **THE 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.

(F) IN ADDITION TO ALL OTHER INFORMATION REQUIRED BY THIS SECTION, A COUNTY BOARD SHALL PROVIDE TO THE COUNTY ALONG WITH THE ANNUAL BUDGET INFORMATION CONCERNING AVAILABILITY PAYMENTS RELATED TO ANY PUBLIC-PRIVATE PARTNERSHIP AGREEMENT ENTERED INTO UNDER THIS SECTION AND § 4-126.1 OF THIS SUBTITLE.

4-126.1.

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

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

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

(d) The Interagency Commission on School Construction shall administer the Fund as described in [the three-party] A memorandum of understanding entered into under § 4-126(e)(3)(ii) of this subtitle.

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

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

(f) The Fund consists of:

(1) Money deposited into the Fund by [Prince George's County and the Prince George's County Board] **COUNTIES AND COUNTY BOARDS;**

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

(3) Any investment earnings of the Fund; and

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

(g) The Fund may be used only to provide funding for alternative financing

1 methods under § 4–126 of this subtitle [in Prince George’s County].

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

6 (i) **(1)** If a memorandum of understanding is entered into under § 4–126 of
7 this subtitle and State funding is provided for an availability payment, [the Prince George’s
8 County Board and Prince George’s County] **THE COUNTY BOARD AND THE COUNTY** shall
9 deposit into the Fund the amounts required under the memorandum of understanding.

10 **(2) ANY FUNDS DEPOSITED INTO THE FUND BY A COUNTY BOARD AND**
11 **A COUNTY:**

12 **(I) SHALL BE SEGREGATED FROM OTHER FUNDS DEPOSITED**
13 **BY OTHER COUNTY BOARDS AND COUNTIES; AND**

14 **(II) MAY BE USED ONLY TO PROVIDE FUNDING FOR THE COUNTY**
15 **BOARD AND THE COUNTY DEPOSITING THE FUNDS.**

16 (j) On January 15, [2021] **2022**, and each January 15 thereafter, [the Prince
17 George’s County Board, Prince George’s County] **A COUNTY BOARD, A COUNTY**, and the
18 Interagency Commission on School Construction jointly shall report to the Governor and,
19 in accordance with § 2–1257 of the State Government Article, the fiscal committees of the
20 General Assembly, on the progress of construction and renovations of public school facilities
21 using an alternative 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 5–317.

25 (a) In this section, “Program” means the School Safety Grant Program.

26 (b) (1) There is a School Safety Grant Program.

27 (e) **(1) [In] EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS**
28 **SUBSECTION**, IN addition to the annual amount otherwise provided in the capital
29 improvement program of the Public School Construction Program, the Governor shall
30 provide an additional \$10,000,000 in the annual operating or capital budget bill that may
31 be used only to award grants under the Program.

(2) MONEY FROM THE BUILDING OPPORTUNITY FINANCING FUND ESTABLISHED UNDER § 10–658 OF THE ECONOMIC DEVELOPMENT ARTICLE OR THE BUILDING OPPORTUNITY FACILITIES FUND ESTABLISHED UNDER § 10–658.1 OF THE ECONOMIC DEVELOPMENT ARTICLE MAY BE USED TO PROVIDE THE FUNDING REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION.

5–322.

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

(b) There is a Healthy School Facility Fund.

(j) (1) **(I)** [In] **EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH,** IN each of fiscal years 2020 and 2021, the Governor shall appropriate at least \$30,000,000 to the Fund.

(II) MONEY FROM THE BUILDING OPPORTUNITY FINANCING FUND ESTABLISHED UNDER § 10–658 OF THE ECONOMIC DEVELOPMENT ARTICLE OR THE BUILDING OPPORTUNITY FACILITIES FUND ESTABLISHED UNDER § 10–658.1 OF THE ECONOMIC DEVELOPMENT ARTICLE MAY BE USED TO PROVIDE THE FUNDING REQUIRED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH.

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:

115. the [Prince George’s County] Public–Private Partnership Fund;

121. the Markell Hendricks Youth Crime Prevention and Diversion Parole Fund; [and]

122. the Federal Government Shutdown Employee Assistance Loan Fund;

123. THE BUILDING OPPORTUNITY FACILITIES FUND;

1 AND

2 **124. THE BUILDING OPPORTUNITY FINANCING FUND.**

3 **Article – State Government**

4 9–1A–30.

5 (a) There is an Education Trust Fund which is a special, nonlapsing fund that is
6 not subject to § 7–302 of the State Finance and Procurement Article.

7 (b) (1) There shall be credited to the Education Trust Fund all proceeds
8 allocated to the Fund under § 9–1A–27 of this subtitle.

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

11 (c) Money in the Education Trust Fund shall be used to:

12 (1) **MAKE A DEPOSIT INTO THE BUILDING OPPORTUNITY FINANCING**
13 **FUND ESTABLISHED UNDER § 10–658 OF THE ECONOMIC DEVELOPMENT ARTICLE**
14 **IN AN AMOUNT EQUAL TO \$125,000,000 IN EACH FISCAL YEAR THAT BONDS ARE**
15 **OUTSTANDING AND UNPAID;**

16 (2) provide funding for public elementary and secondary education,
17 through continuation of the funding and formulas established under the programs
18 commonly known as the Bridge to Excellence in Public Schools Act, first enacted by Chapter
19 288 of the Acts of the General Assembly of 2002, including the funding for regional
20 differences in the cost of education under § 5–202(f) of the Education Article;

21 [(2)] (3) provide funds to construct public school buildings and provide
22 public school capital improvements in accordance with Title 5, Subtitle 3 of the Education
23 Article;

24 [(3)] (4) provide funds for capital projects at community colleges and
25 public senior higher education institutions; and

26 [(4)] (5) provide funds to expand public early childhood education
27 programs in the State.

28 (d) Expenditures from the Education Trust Fund shall be made each fiscal year
29 in accordance with the State budget.

30 SECTION 2. AND BE IT FURTHER ENACTED, That it is the intent of the General
31 Assembly that the Governor provide funding for the Interagency Commission on School
32 Construction to have the expert staff, consultants, and legal services to help local school

1 systems and counties negotiate and successfully execute public-private partnership
2 agreements for school construction.

3 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July
4 1, 2020.