

HOUSE BILL 153

C8, F5

9lr0153
CF SB 159

By: **The Speaker (By Request – Administration) and Delegates Adams, Anderton, Arentz, Chisholm, Ciliberti, Clark, Corderman, Cox, M. Fisher, Hartman, Hornberger, Jacobs, Kipke, Kittleman, Krebs, Malone, Mautz, McComas, McKay, Metzgar, Morgan, Otto, Reilly, Rose, Saab, Shoemaker, and Szeliga**
Introduced and read first time: January 23, 2019
Assigned to: Appropriations

A BILL ENTITLED

1 AN ACT concerning

2 **Building Opportunity Act of 2019**

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 annual report on or
18 before a certain date; requiring the Interagency Commission on School Construction
19 to provide certain recommendations regarding projects to be funded from a certain
20 fund; requiring the Authority to take certain actions related to public school facility
21 projects; establishing the Building Opportunity Financing Fund and the Building
22 Opportunity Facilities Fund as continuing, nonlapsing funds; specifying the contents
23 of the funds and providing for the uses of the funds; exempting the funds from a
24 certain provision of law requiring interest on State money in special funds to accrue
25 to the General Fund of the State; limiting the amount of debt that may be issued by
26 the Authority to finance certain public school facilities projects; providing that money
27 deposited in a certain fund may be used as security for a bond issue; requiring money
28 in the Education Trust Fund to be used to make a deposit equal to a certain amount

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 to a certain fund under certain circumstances; defining certain terms; altering
2 certain definitions; making a stylistic change; providing for a delayed effective date
3 for a certain provision of this Act; and generally relating to public school facilities
4 projects in the State.

5 BY repealing and reenacting, with amendments,
6 Article – Economic Development
7 Section 10–601, 10–620(e) and (f), 10–628(c), 10–634, and 10–658
8 Annotated Code of Maryland
9 (2018 Replacement Volume)

10 BY adding to
11 Article – Economic Development
12 Section 10–649, 10–650, 10–658, and 10–658.1
13 Annotated Code of Maryland
14 (2018 Replacement Volume)

15 BY repealing and reenacting, without amendments,
16 Article – State Finance and Procurement
17 Section 6–226(a)(2)(i)
18 Annotated Code of Maryland
19 (2015 Replacement Volume and 2018 Supplement)

20 BY repealing and reenacting, with amendments,
21 Article – State Finance and Procurement
22 Section 6–226(a)(2)(ii)112. and 113.
23 Annotated Code of Maryland
24 (2015 Replacement Volume and 2018 Supplement)

25 BY adding to
26 Article – State Finance and Procurement
27 Section 6–226(a)(2)(ii)114. and 115.
28 Annotated Code of Maryland
29 (2015 Replacement Volume and 2018 Supplement)

30 BY repealing and reenacting, with amendments,
31 Article – State Government
32 Section 9–1A–30
33 Annotated Code of Maryland
34 (2014 Replacement Volume and 2018 Supplement)

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

37 **Article – Economic Development**

38 10–601.

- 1 (a) In this subtitle the following words have the meanings indicated.
- 2 (b) “Authority” means the Maryland Stadium Authority.
- 3 (c) “Authority affiliate” means a for–profit or nonprofit entity in which the
4 Authority directly or indirectly owns any membership interest or equity interest.
- 5 (d) “Baltimore City” means, as the context requires:
- 6 (1) the geographic area of the City of Baltimore; or
- 7 (2) the Mayor and City Council of Baltimore.
- 8 (e) “Baltimore City Board of School Commissioners” means the Baltimore City
9 Board of School Commissioners of the Baltimore City Public School System established
10 under § 3–108.1 of the Education Article.
- 11 (f) “Baltimore City Public School Construction Facilities Fund” means the
12 Baltimore City Public School Construction Facilities Fund established under §
13 10–657 of this subtitle.
- 14 (g) “Baltimore City Public School Construction Financing Fund” means the
15 Baltimore City Public School Construction Financing Fund established under §
16 10–656 of this subtitle.
- 17 (h) “Baltimore City public school facility” means a property primarily used for
18 educational instruction that:
- 19 (1) is held in trust by Baltimore City or the Baltimore City Board of School
20 Commissioners for the benefit of the Baltimore City Public School System; and
- 21 (2) is designated for improvement under the memorandum of
22 understanding between the Authority, Baltimore City, the Baltimore City Board of School
23 Commissioners, and the Interagency [Committee] **COMMISSION** on School Construction
24 entered into in accordance with § 10–646 of this subtitle.
- 25 (i) “Baltimore City public school site” means the site of any Baltimore City public
26 school facility.
- 27 (j) (1) “Baltimore Convention facility” means:
- 28 (i) a convention center, trade show facility, meeting hall, or other
29 structure in Baltimore City used to hold conventions, trade shows, meetings, displays, or
30 similar events; and
- 31 (ii) offices, parking lots or garages, access roads, hotels, restaurants,

1 railroad sidings, and any other structures, improvements, equipment, furnishings, or other
2 property functionally related to the facilities described in item (i) of this paragraph.

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

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

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

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

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

13 (l) “Baltimore Convention site” means the site of the Baltimore Convention
14 Center located in Baltimore City at the address generally known as 1 West Pratt Street,
15 identified in the State Department of Assessments and Taxation Real Property database
16 as tax identification number Ward 22, Section 01, Block 0682, Lots 001 and 001A.

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

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

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

24 **[(n)] (P)** “Camden Yards” means the area comprising approximately 85 acres in
25 Baltimore City bounded by Camden Street on the north, Russell Street on the west, Ostend
26 Street on the south, and Howard Street and Interstate 395 on the east.

27 **[(o)] (Q)** “Camden Yards Fund” means the Camden Yards Financing Fund
28 established under § 10–652 of this subtitle.

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

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

1 (T) “Facility” means:

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

3 (2) a convention facility;

4 (3) the Hippodrome Performing Arts facility;

5 (4) a sports facility; [or]

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

7 (6) A PUBLIC SCHOOL FACILITY.

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

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

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

14 (i) the Hippodrome theater and offices;

15 (ii) food service facilities; and

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

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

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

23 (1) 12 North Eutaw Street Building, identified in the State Department of
24 Assessments and Taxation Real Property database as tax identification number Ward 04,
25 Section 08, Block 0631, Lot 001; and

26 (2) 401 West Fayette Street, identified in the State Department of
27 Assessments and Taxation Real Property database as tax identification number Ward 04,
28 Section 08, Block 0631, Lot 013.

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

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

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

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

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

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

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

19 [(aa)] (DD) “Montgomery County Conference site” means the site of the
20 Montgomery County Conference Center located in Rockville at the address generally
21 known as 5701 Marinelli Road, identified in the State Department of Assessments and
22 Taxation Real Property database as tax identification number District 04, Account Number
23 03392987.

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

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

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

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

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

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

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

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

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

13 (HH) “PUBLIC SCHOOL FACILITY” MEANS A BUILDING, A PARKING FACILITY,
14 AN ATHLETIC FACILITY, A TESTING FACILITY, OR ANY OTHER FACILITY RELATED TO
15 EDUCATIONAL INSTRUCTION THAT:

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

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

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

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

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

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

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

32 (2) “Sports facility” includes parking lots, garages, and any other property

1 adjacent and directly related to an item listed in paragraph (1) of this subsection.

2 ~~[(ff)]~~ **(KK)** “Tax supported debt” has the meaning stated in § 8–104 of the State
3 Finance and Procurement Article.

4 10–620.

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

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

11 (f) The Authority shall:

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

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

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

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

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

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

29 10–628.

30 (c) (1) Unless authorized by the General Assembly, the Board of Public Works
31 may not approve an issuance by the Authority of bonds, whether taxable or tax exempt,
32 that constitute tax supported debt or nontax supported debt if, after issuance, there would
33 be outstanding and unpaid more than the following face amounts of the bonds for the

1 purpose of financing acquisition, **IMPROVEMENTS INCLUDING** construction[,] **AND**
 2 renovation, and related expenses for construction management, professional fees, and
 3 contingencies in connection with:

- 4 (i) the Baltimore Convention facility — \$55,000,000;
- 5 (ii) the Hippodrome Performing Arts facility — \$20,250,000;
- 6 (iii) the Montgomery County Conference facility — \$23,185,000;
- 7 (iv) the Ocean City Convention facility — \$17,340,000; [and]
- 8 (v) Baltimore City public school facilities — \$1,100,000,000;

9 **AND**

10 (VI) **PUBLIC SCHOOL FACILITIES IN THE STATE**
 11 **— \$1,800,000,000.**

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

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

16 10–634.

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

21 (b) (1) The revenues or money deposited in the Baltimore City Public School
 22 Construction Financing Fund **OR THE BUILDING OPPORTUNITY FINANCING FUND**
 23 that are pledged are immediately subject to the lien of the pledge without any physical
 24 delivery or further act.

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

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

1 **10-649.**

2 (A) (1) THE AUTHORITY MAY NOT USE ANY CURRENT SOURCES OF
3 FUNDS, WHETHER APPROPRIATED OR NONBUDGETED, TO PAY FOR ANY COSTS OR
4 EXPENSES RELATED TO FINANCING PUBLIC SCHOOL FACILITIES.

5 (2) THE SOLE SOURCE OF PAYMENT FOR ANY COSTS OR EXPENSES
6 RELATED TO FINANCING PUBLIC SCHOOL FACILITIES SHALL BE THE MONEY ON
7 DEPOSIT IN THE BUILDING OPPORTUNITY FACILITIES FUND AND THE BUILDING
8 OPPORTUNITY FINANCING FUND AND BOND PROCEEDS HELD UNDER A TRUST
9 AGREEMENT.

10 (B) AT LEAST 45 DAYS BEFORE SEEKING APPROVAL OF THE BOARD OF
11 PUBLIC WORKS FOR EACH PUBLIC SCHOOL FACILITIES BOND ISSUE, THE
12 AUTHORITY SHALL PROVIDE TO THE FISCAL COMMITTEES OF THE GENERAL
13 ASSEMBLY WRITTEN NOTICE OF:

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

16 (2) A LIST OF THE PUBLIC SCHOOL FACILITIES TO BE CONSTRUCTED
17 OR RENOVATED;

18 (3) THE ANTICIPATED TOTAL DEBT SERVICE FOR THE PROPOSED
19 BOND ISSUE; AND

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

23 (C) (1) A BOND ISSUED TO FINANCE IMPROVEMENTS, CONSTRUCTION, OR
24 RENOVATIONS TO A PUBLIC SCHOOL FACILITY:

25 (I) IS A LIMITED OBLIGATION OF THE AUTHORITY PAYABLE
26 SOLELY FROM MONEY PLEDGED BY THE AUTHORITY TO THE PAYMENT OF THE
27 PRINCIPAL OF AND THE PREMIUM AND INTEREST ON THE BOND OR MONEY MADE
28 AVAILABLE TO THE AUTHORITY FOR THAT PURPOSE;

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

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

3 (2) THE ISSUANCE OF A BOND TO FINANCE IMPROVEMENTS TO A
4 PUBLIC SCHOOL FACILITY IS NOT DIRECTLY, INDIRECTLY, OR CONTINGENTLY A
5 MORAL OR OTHER OBLIGATION OF THE STATE, THE AUTHORITY, OR ANY OTHER
6 GOVERNMENTAL UNIT TO LEVY OR PLEDGE ANY TAX OR TO MAKE AN
7 APPROPRIATION TO PAY THE BOND.

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

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

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

18 (F) BEGINNING JULY 1, 2020, AND CONTINUING UNTIL THE BONDS THAT
19 HAVE BEEN ISSUED TO FINANCE IMPROVEMENTS TO PUBLIC SCHOOL FACILITIES
20 ARE NO LONGER OUTSTANDING AND UNPAID, THE COMPTROLLER SHALL DEPOSIT
21 INTO THE BUILDING OPPORTUNITY FINANCING FUND THE AMOUNT SET FORTH IN
22 § 9-1A-30(C)(1) OF THE STATE GOVERNMENT ARTICLE.

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

27 (2) IF FUNDS ARE NEEDED FOR DEBT SERVICE OR DEBT SERVICE
28 RESERVES, THE AUTHORITY MAY TRANSFER MONEY IN THE BUILDING
29 OPPORTUNITY FACILITIES FUND TO THE BUILDING OPPORTUNITY FINANCING
30 FUND.

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

33 (1) DELIVER TO THE AUTHORITY BUILDABLE SITES, READY FOR
34 IMPROVEMENT AND FREE FROM ANY RESTRICTIONS, EASEMENTS, IMPEDIMENTS,

1 HAZARDS, OR CONDITIONS THAT WOULD AFFECT THE AUTHORITY'S SCHEDULE OR
2 BUDGET FOR THE IMPROVEMENT TO A PUBLIC SCHOOL FACILITY;

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

6 (3) EXCEPT FOR A TRANSFER OR AN ASSIGNMENT TO THE COUNTY
7 BOARD OF EDUCATION, OBTAIN THE APPROVAL OF THE STATE SUPERINTENDENT
8 OF SCHOOLS AND THE BOARD OF PUBLIC WORKS BEFORE THE SALE, ASSIGNMENT,
9 MORTGAGE, PLEDGE, OR ENCUMBRANCE OF ANY PUBLIC SCHOOL FACILITY OR ANY
10 INTEREST IN THE FACILITY; AND

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

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

21 (2) PRIOR TO AVAILABILITY OF FUNDS FROM THE BUILDING
22 OPPORTUNITY FACILITIES FUND, THE AUTHORITY SHALL BE ENTITLED TO
23 REIMBURSEMENT FOR ANY COSTS INCURRED UNDER PARAGRAPH (1) OF THIS
24 SUBSECTION FROM THE BUILDING OPPORTUNITY FINANCING FUND.

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

29 (II) IF ANY COST OVERRUNS, UNBUDGETED EXPENSES, OR
30 UNFORESEEN COSTS OCCUR AS DESCRIBED IN SUBPARAGRAPH (I) OF THIS
31 PARAGRAPH, THE AUTHORITY STAFF SHALL PROVIDE A DETAILED REPORT TO THE
32 AUTHORITY EXPLAINING THE REASONS FOR THE COST OVERRUNS, UNBUDGETED
33 EXPENSES, OR UNFORESEEN COSTS AND A DESCRIPTION OF THE ACTIONS TAKEN BY
34 THE AUTHORITY TO CONTROL COSTS WITHIN THE BUDGET ESTABLISHED FOR EACH
35 IMPROVEMENT TO A PUBLIC SCHOOL FACILITY.

1 **(J) ON JANUARY 15, 2021, AND EACH JANUARY 15 THEREAFTER, THE**
2 **AUTHORITY SHALL REPORT TO THE GOVERNOR, THE BOARD OF PUBLIC WORKS,**
3 **AND, IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE, THE**
4 **FISCAL COMMITTEES OF THE GENERAL ASSEMBLY, ON THE PROGRESS OF**
5 **CONSTRUCTION AND RENOVATIONS OF PUBLIC SCHOOL FACILITIES, INCLUDING**
6 **ACTIONS:**

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

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

9 **10-650.**

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

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

17 **(2) BEFORE A PUBLIC SCHOOL FACILITY PROJECT IS APPROVED FOR**
18 **FUNDING FROM THE BUILDING OPPORTUNITY FACILITIES FUND, THE AUTHORITY**
19 **SHALL ENTER INTO A MEMORANDUM OF UNDERSTANDING WITH THE INTERAGENCY**
20 **COMMISSION ON SCHOOL CONSTRUCTION, AND THE COUNTY BOARD OF EDUCATION**
21 **OR THE COUNTY, OR BOTH, FOR THE MANAGEMENT AND OVERSIGHT OF A PUBLIC**
22 **SCHOOL FACILITY PROJECT.**

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

26 **(II) THE MEMORANDUM OF UNDERSTANDING SHALL INCLUDE A**
27 **PROVISION THAT THE STATE AND LOCAL COST-SHARE FOR THE COUNTY**
28 **ESTABLISHED IN REGULATIONS SHALL APPLY TO THE PUBLIC SCHOOL FACILITY**
29 **PROJECT.**

30 **(C) THE INTERAGENCY COMMISSION ON SCHOOL CONSTRUCTION MAY**
31 **GRANT A WAIVER FROM THE MANAGEMENT REQUIREMENT SET FORTH IN**
32 **SUBSECTION (B)(1) OF THIS SECTION IF THE INTERAGENCY COMMISSION**
33 **DETERMINES THAT A COUNTY BOARD OF EDUCATION EMPLOYS STAFF AND**
34 **POSSESSES THE RESOURCES NECESSARY TO MANAGE AND OVERSEE PUBLIC**

1 SCHOOL FACILITY PROJECTS.

2 10-658.

3 (A) THERE IS A BUILDING OPPORTUNITY FINANCING FUND.

4 (B) (1) THE BUILDING OPPORTUNITY FINANCING FUND IS A
5 CONTINUING, NONLAPSING FUND THAT SHALL BE AVAILABLE TO IMPLEMENT THIS
6 SUBTITLE CONCERNING PUBLIC SCHOOL FACILITIES.

7 (2) THE AUTHORITY SHALL:

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

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

14 (C) (1) TO THE EXTENT CONSIDERED APPROPRIATE BY THE AUTHORITY,
15 THE MONEY ON DEPOSIT IN THE BUILDING OPPORTUNITY FINANCING FUND SHALL
16 BE PLEDGED TO AND USED TO PAY THE FOLLOWING RELATING TO PUBLIC SCHOOL
17 FACILITIES:

18 (I) DEBT SERVICE ON AUTHORITY BONDS;

19 (II) DEBT SERVICE RESERVES UNDER A TRUST AGREEMENT;

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

22 (IV) ALL REASONABLE CHARGES AND EXPENSES RELATED TO
23 THE AUTHORITY'S ADMINISTRATION OF THE BUILDING OPPORTUNITY FINANCING
24 FUND AND MANAGEMENT OF THE AUTHORITY'S OBLIGATIONS.

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

27 (D) THE BUILDING OPPORTUNITY FINANCING FUND CONSISTS OF:

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

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

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

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

8 **(5) ANY ADDITIONAL MONEY MADE AVAILABLE FROM ANY PUBLIC**
9 **SOURCE FOR THE PURPOSES ESTABLISHED FOR THE BUILDING OPPORTUNITY**
10 **FINANCING FUND.**

11 **(E) (1) THE STATE TREASURER SHALL INVEST THE MONEY OF THE**
12 **BUILDING OPPORTUNITY FINANCING FUND IN THE SAME MANNER AS OTHER STATE**
13 **FUNDS.**

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

16 **(3) NO PART OF THE BUILDING OPPORTUNITY FINANCING FUND**
17 **MAY REVERT OR BE CREDITED TO THE GENERAL FUND OR ANY SPECIAL FUND OF**
18 **THE STATE.**

19 **(F) THE MONEY IN THE BUILDING OPPORTUNITY FINANCING FUND SHALL**
20 **BE USED TO SUPPLEMENT, BUT NOT SUPPLANT, MONEY APPROPRIATED TO THE**
21 **PUBLIC SCHOOL CONSTRUCTION PROGRAM ESTABLISHED IN TITLE 5, SUBTITLE 3**
22 **OF THE EDUCATION ARTICLE.**

23 **10-658.1.**

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

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

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

29 **(I) USE THE BUILDING OPPORTUNITY FACILITIES FUND AS A**
30 **REVOLVING FUND FOR CARRYING OUT THIS SUBTITLE CONCERNING PUBLIC**

1 SCHOOL FACILITIES; AND

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

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

9 (I) DEBT SERVICE ON AUTHORITY BONDS;

10 (II) DESIGN AND CONSTRUCTION COSTS RELATING TO PUBLIC
11 SCHOOL FACILITIES;

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

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

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

26 (D) THE BUILDING OPPORTUNITY FACILITIES FUND CONSISTS OF:

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

30 (2) ANY ADDITIONAL MONEY MADE AVAILABLE FROM ANY PUBLIC
31 SOURCE FOR THE PURPOSES ESTABLISHED FOR THE BUILDING OPPORTUNITY
32 FACILITIES FUND.

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

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

6 **(3) NO PART OF THE BUILDING OPPORTUNITY FACILITIES FUND**
 7 **MAY REVERT OR BE CREDITED TO THE GENERAL FUND OR ANY SPECIAL FUND OF**
 8 **THE STATE.**

9 **(F) THE MONEY IN THE BUILDING OPPORTUNITY FACILITIES FUND SHALL**
 10 **BE USED TO SUPPLEMENT, BUT NOT SUPPLANT, MONEY APPROPRIATED TO THE**
 11 **PUBLIC SCHOOL CONSTRUCTION PROGRAM ESTABLISHED IN TITLE 5, SUBTITLE 3**
 12 **OF THE EDUCATION ARTICLE.**

13 **[10-658.] 10-659.**

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

15 **Article – State Finance and Procurement**

16 **6-226.**

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

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

25 112. the Pretrial Services Program Grant Fund; [and]

26 113. the Veteran Employment and Transition Success Fund;

27 114. **THE BUILDING OPPORTUNITY FACILITIES FUND;**

28 **AND**

29 115. **THE BUILDING OPPORTUNITY FINANCING FUND.**

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

1 **Article – State Government**

2 9–1A–30.

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

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

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

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

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

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

19 [(2)] (3) provide funds to construct public school buildings and provide
20 public school capital improvements in accordance with Title 5, Subtitle 3 of the Education
21 Article;

22 [(3)] (4) provide funds for capital projects at community colleges and
23 public senior higher education institutions; and

24 [(4)] (5) provide funds to expand public early childhood education
25 programs in the State.

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

28 SECTION 3. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall take
29 effect July 1, 2020.

30 SECTION 4. AND BE IT FURTHER ENACTED, That, except as provided in Section
31 3 of this Act, this Act shall take effect July 1, 2019.