

SENATE BILL 641

F5, B5

9lr2521
CF 9lr1777

By: **Senators Zucker, Feldman, Kagan, King, Kramer, Lee, Smith, and Waldstreicher**

Introduced and read first time: February 4, 2019

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Public School Construction – Maryland Stadium Authority – Montgomery**
3 **County and Other School Systems With Significant Enrollment Growth**

4 FOR the purpose of requiring the Maryland Stadium Authority to perform certain actions;
5 authorizing the Authority to issue bonds to finance the construction of or
6 improvements to certain Montgomery County public school facilities subject to
7 certain limitations; specifying that the Authority and the Montgomery County Board
8 of Education shall be responsible for certain public school facilities construction and
9 improvement projects subject to a certain memorandum of understanding;
10 prohibiting the interference with or limitation of the powers of the Authority and the
11 Montgomery County Board except under certain circumstances; specifying that
12 certain expenses incurred by the Authority are payable only from certain funds;
13 requiring the Authority to provide certain written notice within a certain time frame;
14 specifying that certain bonds are a limited obligation of the Authority payable solely
15 from certain pledged money and are not a debt, a liability, a moral obligation, or a
16 pledge of the faith and credit or taxing power of the State, the Authority, or any other
17 governmental unit; requiring the Authority to obtain approval from the Board of
18 Public Works before each issuance of bonds to finance improvements to Montgomery
19 County public school facilities; prohibiting the total debt service from exceeding a
20 certain amount; requiring Montgomery County to deposit a certain amount of money
21 into a certain fund; requiring the Authority to transfer certain funds under certain
22 circumstances; authorizing the Authority to transfer certain funds under certain
23 circumstances; requiring the Authority to direct the State Comptroller to withhold
24 certain income tax revenues from Montgomery County and instead deposit that
25 money into a certain fund under a certain circumstance; requiring a certain joint
26 report on or before a certain date each year; providing for certain requirements for
27 the Montgomery County Board regarding certain buildable sites and certain
28 operational responsibilities; providing for the payment of certain costs; requiring the
29 Authority, Montgomery County, the Montgomery County Board, and the
30 Interagency Commission on School Construction to agree to a certain memorandum

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 of understanding on or before a certain date; prohibiting the issuance of bonds to
2 finance improvements to Montgomery County public school facilities unless the
3 memorandum of understanding is signed by certain parties; specifying the
4 requirements of the memorandum of understanding; requiring the State
5 Superintendent of Schools to facilitate resolution in the event of a dispute of certain
6 provisions in the memorandum of understanding; prohibiting the memorandum of
7 understanding from taking effect until it is approved by the Board of Public Works;
8 establishing the Montgomery County Public School Construction Financing Fund
9 and the Montgomery County Public School Construction Facilities Fund as
10 continuing, nonlapsing funds; specifying the contents of the funds and providing for
11 the uses of the funds; exempting the funds from a certain provision of law requiring
12 interest on State money in special funds to accrue to the General Fund of the State;
13 limiting the amount of debt that may be issued by the Authority to finance certain
14 public school construction projects in Montgomery County including nontax
15 supported debt; providing that money deposited in a certain fund may be used as
16 security for a bond issue; altering the Governor's required appropriation in the State
17 budget to the Capital Grant Program for Local School Systems With Significant
18 Enrollment Growth or Relocatable Classrooms beginning in a certain fiscal year;
19 altering the distribution of certain State lottery revenues and requiring the State
20 Comptroller to distribute certain State lottery revenues into a certain fund; requiring
21 certain reports and notifications; defining certain terms; providing for a delayed
22 effective date for certain provisions of this Act; and generally relating to public school
23 construction.

24 BY repealing and reenacting, with amendments,

25 Article – Economic Development

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

27 Annotated Code of Maryland

28 (2018 Replacement Volume)

29 BY adding to

30 Article – Economic Development

31 Section 10–649, 10–650, 10–658, and 10–659

32 Annotated Code of Maryland

33 (2018 Replacement Volume)

34 BY repealing and reenacting, without amendments,

35 Article – Education

36 Section 5–313(a), (b), and (f)

37 Annotated Code of Maryland

38 (2018 Replacement Volume and 2018 Supplement)

39 BY repealing and reenacting, with amendments,

40 Article – Education

41 Section 5–313(e)

42 Annotated Code of Maryland

43 (2018 Replacement Volume and 2018 Supplement)

1 BY repealing and reenacting, without amendments,
2 Article – State Finance and Procurement
3 Section 6–226(a)(2)(i)
4 Annotated Code of Maryland
5 (2015 Replacement Volume and 2018 Supplement)

6 BY repealing and reenacting, with amendments,
7 Article – State Finance and Procurement
8 Section 6–226(a)(2)(ii)112. and 113.
9 Annotated Code of Maryland
10 (2015 Replacement Volume and 2018 Supplement)

11 BY adding to
12 Article – State Finance and Procurement
13 Section 6–226(a)(2)(ii)114. and 115.
14 Annotated Code of Maryland
15 (2015 Replacement Volume and 2018 Supplement)

16 BY repealing and reenacting, with amendments,
17 Article – State Government
18 Section 9–120
19 Annotated Code of Maryland
20 (2014 Replacement Volume and 2018 Supplement)
21 (As enacted by Chapters 184 and 185 of the Acts of the General Assembly of 2018)

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

24 **Article – Economic Development**

25 10–601.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

9 (n) “Camden Yards” means the area comprising approximately 85 acres in
10 Baltimore City bounded by Camden Street on the north, Russell Street on the west, Ostend
11 Street on the south, and Howard Street and Interstate 395 on the east.

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

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

16 (q) “Facility” means:

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

18 (2) a convention facility;

19 (3) the Hippodrome Performing Arts facility;

20 (4) a sports facility; [or]

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

22 **(6) A MONTGOMERY COUNTY PUBLIC SCHOOL FACILITY.**

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

25 (s) (1) “Hippodrome Performing Arts facility” means the performing arts
26 center facility located at the Hippodrome Performing Arts site.

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

29 (i) the Hippodrome theater and offices;

1 (ii) food service facilities; and

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

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

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

8 (1) 12 North Eutaw Street Building, identified in the State Department of
9 Assessments and Taxation Real Property database as tax identification number Ward 04,
10 Section 08, Block 0631, Lot 001; and

11 (2) 401 West Fayette Street, identified in the State Department of
12 Assessments and Taxation Real Property database as tax identification number Ward 04,
13 Section 08, Block 0631, Lot 013.

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

16 (w) “Improvement” means addition, alteration, construction, equipping,
17 expansion, extension, improvement, installation, reconstruction, rehabilitation,
18 remodeling, or repair.

19 (x) **(1) “MONTGOMERY COUNTY” MEANS, AS THE CONTEXT REQUIRES:**

20 **(I) THE GEOGRAPHIC AREA OF MONTGOMERY COUNTY; OR**

21 **(II) THE COUNTY EXECUTIVE AND COUNTY COUNCIL OF**
22 **MONTGOMERY COUNTY.**

23 **(2) “Montgomery County” includes the Montgomery County Revenue**
24 **Authority.**

25 **(Y) “MONTGOMERY COUNTY BOARD” MEANS THE MONTGOMERY COUNTY**
26 **BOARD OF EDUCATION ESTABLISHED UNDER TITLE 3 OF THE EDUCATION ARTICLE.**

27 **[(y)] (Z) (1) “Montgomery County Conference facility” means the Conference**
28 **Center facility located at the Montgomery County Conference site used for conferences,**
29 **trade shows, meetings, displays, or similar events.**

30 **(2) “Montgomery County Conference facility” includes, at the Montgomery**
31 **County Conference site, offices, parking lots and garages, access roads, food service**

1 facilities, and other functionally related property, structures, improvements, furnishings,
2 or equipment.

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

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

7 [(aa)] (BB) “Montgomery County Conference site” means the site of the
8 Montgomery County Conference Center located in Rockville at the address generally
9 known as 5701 Marinelli Road, identified in the State Department of Assessments and
10 Taxation Real Property database as tax identification number District 04, Account Number
11 03392987.

12 (CC) “MONTGOMERY COUNTY PUBLIC SCHOOL CONSTRUCTION FACILITIES
13 FUND” MEANS THE MONTGOMERY COUNTY PUBLIC SCHOOL CONSTRUCTION
14 FACILITIES FUND ESTABLISHED UNDER § 10–659 OF THIS SUBTITLE.

15 (DD) “MONTGOMERY COUNTY PUBLIC SCHOOL CONSTRUCTION FINANCING
16 FUND” MEANS THE MONTGOMERY COUNTY PUBLIC SCHOOL CONSTRUCTION
17 FINANCING FUND ESTABLISHED UNDER § 10–658 OF THIS SUBTITLE.

18 (EE) “MONTGOMERY COUNTY PUBLIC SCHOOL FACILITY” MEANS A
19 PROPERTY PRIMARILY USED FOR EDUCATIONAL INSTRUCTION THAT:

20 (1) IS HELD IN TRUST BY MONTGOMERY COUNTY OR THE
21 MONTGOMERY COUNTY BOARD FOR THE BENEFIT OF THE MONTGOMERY COUNTY
22 PUBLIC SCHOOL SYSTEM; AND

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

27 (FF) “MONTGOMERY COUNTY PUBLIC SCHOOL SITE” MEANS THE SITE OF
28 ANY MONTGOMERY COUNTY PUBLIC SCHOOL FACILITY.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

32 10–620.

1 (e) (1) This subsection does not apply to the Camden Yards site, Baltimore
2 Convention site, Ocean City Convention site, Hippodrome Performing Arts site, or any
3 Baltimore City **OR MONTGOMERY COUNTY** public school site.

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

7 (f) The Authority shall:

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

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

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

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

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

22 **(6) WITH RESPECT TO A MONTGOMERY COUNTY PUBLIC SCHOOL**
23 **FACILITY, PERFORM THE ACTIONS REQUIRED UNDER §§ 10–649, 10–650, 10–658,**
24 **AND 10–659 OF THIS SUBTITLE.**

25 10–628.

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

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

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

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

2 (iv) the Ocean City Convention facility – \$17,340,000; [and]

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

4 **(VI) MONTGOMERY COUNTY PUBLIC SCHOOL FACILITIES –**
 5 **\$1,100,000,000.**

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

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

10 10–634.

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

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

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

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

28 **10–649.**

29 **(A) (1) EXCEPT AS AGREED TO IN THE MEMORANDUM OF**
 30 **UNDERSTANDING UNDER § 10–650 OF THIS SUBTITLE, THE AUTHORITY SHALL**
 31 **COMPLY WITH THIS SECTION AND § 5–303 OF THE EDUCATION ARTICLE TO FINANCE**
 32 **IMPROVEMENTS TO A MONTGOMERY COUNTY PUBLIC SCHOOL FACILITY.**

1 **(2) THE AUTHORITY AND THE MONTGOMERY COUNTY BOARD, AS**
2 **AGREED TO IN THE MEMORANDUM OF UNDERSTANDING UNDER § 10-650 OF THIS**
3 **SUBTITLE AND SUBJECT TO PARAGRAPH (1) OF THIS SUBSECTION, SHALL BE**
4 **RESPONSIBLE FOR SCHOOL FACILITIES CONSTRUCTION AND IMPROVEMENTS**
5 **FINANCED WITH THE PROCEEDS OF BONDS ISSUED UNDER THIS SUBTITLE IN**
6 **ACCORDANCE WITH THE MONTGOMERY COUNTY PUBLIC SCHOOLS' EDUCATIONAL**
7 **FACILITIES MASTER PLAN, WHICH MAY BE AMENDED FROM TIME TO TIME IN**
8 **ACCORDANCE WITH PARAMETERS ESTABLISHED FOR REVIEW AND COMMENT IN THE**
9 **MEMORANDUM OF UNDERSTANDING ESTABLISHED UNDER § 10-650 OF THIS**
10 **SUBTITLE.**

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

17 **(II) THE POWERS OF THE MONTGOMERY COUNTY BOARD MAY**
18 **NOT LIMIT THE ABILITY OF THE AUTHORITY TO CARRY OUT ITS OBLIGATIONS UNDER**
19 **THIS SUBTITLE WITH RESPECT TO IMPROVEMENT OF MONTGOMERY COUNTY**
20 **PUBLIC SCHOOL FACILITIES AND THE FINANCING RELATED TO THE IMPROVEMENTS.**

21 **(B) (1) THE AUTHORITY MAY NOT USE ANY CURRENT SOURCES OF**
22 **FUNDS, WHETHER APPROPRIATED OR NONBUDGETED, TO PAY FOR ANY COSTS OR**
23 **EXPENSES RELATED TO FINANCING IMPROVEMENTS TO MONTGOMERY COUNTY**
24 **PUBLIC SCHOOL FACILITIES.**

25 **(2) THE SOLE SOURCE OF PAYMENT FOR ANY COSTS OR EXPENSES**
26 **RELATED TO FINANCING IMPROVEMENTS TO MONTGOMERY COUNTY PUBLIC**
27 **SCHOOL FACILITIES SHALL BE THE MONEY ON DEPOSIT IN THE MONTGOMERY**
28 **COUNTY PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND AND THE**
29 **MONTGOMERY COUNTY PUBLIC SCHOOL CONSTRUCTION FINANCING FUND AND**
30 **BOND PROCEEDS HELD UNDER A TRUST AGREEMENT.**

31 **(C) AT LEAST 45 DAYS BEFORE SEEKING APPROVAL OF THE BOARD OF**
32 **PUBLIC WORKS FOR EACH MONTGOMERY COUNTY PUBLIC SCHOOL FACILITIES**
33 **BOND ISSUE, THE AUTHORITY SHALL PROVIDE TO THE FISCAL COMMITTEES OF THE**
34 **GENERAL ASSEMBLY WRITTEN NOTICE OF:**

35 **(1) THE AGGREGATE AMOUNT OF FUNDS NEEDED FOR THE RELEVANT**
36 **MONTGOMERY COUNTY PUBLIC SCHOOL FACILITIES TO BE FINANCED WITH THE**
37 **PROPOSED BONDS, INCLUDING A LIST OF THE FACILITIES TO BE IMPROVED;**

1 **(2) THE ANTICIPATED TOTAL DEBT SERVICE FOR THE PROPOSED**
2 **BOND ISSUE; AND**

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

6 **(D) (1) A BOND ISSUED TO FINANCE IMPROVEMENTS TO A MONTGOMERY**
7 **COUNTY PUBLIC SCHOOL FACILITY:**

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

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

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

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

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

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

27 **(F) THE TOTAL DEBT SERVICE FOR ANY BOND ISSUE, WHEN ADDED TO ALL**
28 **PRIOR OUTSTANDING BOND ISSUES RELATED TO IMPROVEMENTS TO MONTGOMERY**
29 **COUNTY PUBLIC SCHOOL FACILITIES, MAY NOT EXCEED THE TOTAL AMOUNT OF THE**
30 **FUNDS PROVIDED UNDER § 9-120(B)(1)(IV) OF THE STATE GOVERNMENT ARTICLE**
31 **AND THE FUNDS PROVIDED UNDER SUBSECTION (G) OF THIS SECTION.**

1 **(G) (1) BEGINNING JULY 1, 2020, AND CONTINUING UNTIL THE BONDS**
2 **THAT HAVE BEEN ISSUED TO FINANCE IMPROVEMENTS TO MONTGOMERY COUNTY**
3 **PUBLIC SCHOOL FACILITIES ARE NO LONGER OUTSTANDING AND UNPAID,**
4 **MONTGOMERY COUNTY SHALL DEPOSIT AT LEAST THE AMOUNT AGREED TO UNDER**
5 **THE MEMORANDUM OF UNDERSTANDING UNDER § 10-650 OF THIS SUBTITLE INTO**
6 **THE MONTGOMERY COUNTY PUBLIC SCHOOL CONSTRUCTION FINANCING FUND.**

7 **(2) IF THE FUNDS DEPOSITED INTO THE MONTGOMERY COUNTY**
8 **PUBLIC SCHOOL CONSTRUCTION FINANCING FUND ARE LESS THAN THE AMOUNT**
9 **REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION:**

10 **(I) THE AUTHORITY SHALL TRANSFER MONEY HELD IN**
11 **RESERVE FOR MONTGOMERY COUNTY IN THE MONTGOMERY COUNTY PUBLIC**
12 **SCHOOL CONSTRUCTION FACILITIES FUND TO THE MONTGOMERY COUNTY**
13 **PUBLIC SCHOOL CONSTRUCTION FINANCING FUND IN AN AMOUNT EQUAL TO THE**
14 **LESSER OF:**

15 **1. THE DIFFERENCE BETWEEN THE AMOUNT REQUIRED**
16 **TO BE PAID UNDER PARAGRAPH (1) OF THIS SUBSECTION AND THE ACTUAL AMOUNT**
17 **PAID BY MONTGOMERY COUNTY; OR**

18 **2. THE AMOUNT HELD IN RESERVE FOR MONTGOMERY**
19 **COUNTY IN THE MONTGOMERY COUNTY PUBLIC SCHOOL CONSTRUCTION**
20 **FACILITIES FUND; AND**

21 **(II) IF THE AMOUNT TRANSFERRED TO THE MONTGOMERY**
22 **COUNTY PUBLIC SCHOOL CONSTRUCTION FINANCING FUND UNDER**
23 **SUBPARAGRAPH (I) OF THIS PARAGRAPH IS LESS THAN THE DIFFERENCE BETWEEN**
24 **THE AMOUNT REQUIRED TO BE PAID UNDER PARAGRAPH (1) OF THIS SUBSECTION**
25 **AND THE ACTUAL AMOUNT PAID BY MONTGOMERY COUNTY:**

26 **1. THE AUTHORITY SHALL DIRECT THE STATE**
27 **COMPTROLLER TO WITHHOLD, UNDER § 2-608 OF THE TAX – GENERAL ARTICLE,**
28 **INCOME TAX REVENUE FROM MONTGOMERY COUNTY IN AN AMOUNT EQUAL TO THE**
29 **DIFFERENCE BETWEEN THE AMOUNT TRANSFERRED UNDER SUBPARAGRAPH (I) OF**
30 **THIS PARAGRAPH AND THE AMOUNT REQUIRED TO BE PAID UNDER PARAGRAPH (1)**
31 **OF THIS SUBSECTION; AND**

32 **2. THE STATE COMPTROLLER SHALL CREDIT THE**
33 **WITHHELD AMOUNT TO THE MONTGOMERY COUNTY PUBLIC SCHOOL**
34 **CONSTRUCTION FINANCING FUND ON BEHALF OF MONTGOMERY COUNTY.**

1 **(3) ANY MONEY DEPOSITED BY MONTGOMERY COUNTY OR ON**
2 **BEHALF OF MONTGOMERY COUNTY IN ACCORDANCE WITH THIS SUBSECTION IN**
3 **EXCESS OF THE AMOUNT REQUIRED SHALL BE TRANSFERRED BY THE AUTHORITY**
4 **TO THE MONTGOMERY COUNTY PUBLIC SCHOOL CONSTRUCTION FACILITIES**
5 **FUND AND HELD IN RESERVE IN ACCORDANCE WITH PARAGRAPH (2) OF THIS**
6 **SUBSECTION AND § 10-659 OF THIS SUBTITLE.**

7 **(H) (1) IF THE MONEY DEPOSITED IN THE MONTGOMERY COUNTY**
8 **PUBLIC SCHOOL CONSTRUCTION FINANCING FUND IN ACCORDANCE WITH**
9 **SUBSECTION (G) OF THIS SECTION IS NOT NEEDED FOR DEBT SERVICE OR DEBT**
10 **SERVICE RESERVES, THE AUTHORITY MAY TRANSFER THOSE FUNDS TO THE**
11 **MONTGOMERY COUNTY PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND.**

12 **(2) IF THE FUNDS ARE NEEDED FOR DEBT SERVICE OR DEBT SERVICE**
13 **RESERVES, THE AUTHORITY MAY TRANSFER MONEY IN THE MONTGOMERY COUNTY**
14 **PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND TO THE MONTGOMERY**
15 **COUNTY PUBLIC SCHOOL CONSTRUCTION FINANCING FUND.**

16 **(I) IN CONNECTION WITH IMPROVEMENTS TO MONTGOMERY COUNTY**
17 **PUBLIC SCHOOL FACILITIES, THE MONTGOMERY COUNTY BOARD SHALL:**

18 **(1) DELIVER TO THE AUTHORITY BUILDABLE SITES, READY FOR**
19 **IMPROVEMENT AND FREE FROM ANY RESTRICTIONS, EASEMENTS, IMPEDIMENTS,**
20 **HAZARDS, OR CONDITIONS THAT WOULD AFFECT THE AUTHORITY'S SCHEDULE OR**
21 **BUDGET FOR THE IMPROVEMENT TO A MONTGOMERY COUNTY PUBLIC SCHOOL**
22 **FACILITY;**

23 **(2) ASSUME RESPONSIBILITY FOR THE OPERATION, MAINTENANCE,**
24 **AND REPAIRS OF EACH MONTGOMERY COUNTY PUBLIC SCHOOL FACILITY**
25 **IMMEDIATELY BEFORE THE OCCUPANCY OF THE MONTGOMERY COUNTY PUBLIC**
26 **SCHOOL FACILITY OR AS AGREED TO IN THE MEMORANDUM OF UNDERSTANDING**
27 **UNDER § 10-650 OF THIS SUBTITLE; AND**

28 **(3) EXCEPT FOR A TRANSFER OR ASSIGNMENT TO THE MONTGOMERY**
29 **COUNTY BOARD, OBTAIN THE APPROVAL OF THE STATE SUPERINTENDENT OF**
30 **SCHOOLS AND THE BOARD OF PUBLIC WORKS BEFORE THE SALE, ASSIGNMENT,**
31 **MORTGAGE, PLEDGE, OR ENCUMBRANCE OF ANY MONTGOMERY COUNTY PUBLIC**
32 **SCHOOL FACILITY OR ANY INTEREST IN THE FACILITY.**

33 **(J) (1) SUBJECT TO SUBSECTION (B) OF THIS SECTION, BEFORE ANY**
34 **BONDS ARE ISSUED TO FINANCE IMPROVEMENTS TO A MONTGOMERY COUNTY**
35 **PUBLIC SCHOOL FACILITY, THE AUTHORITY MAY PAY FOR ANY COSTS OF START-UP,**

1 ADMINISTRATION, OVERHEAD, AND OPERATIONS OF THE AUTHORITY OR COSTS OF
2 ENGINEERING, ARCHITECTURAL, AND OTHER DESIGN PROFESSIONALS.

3 (2) PRIOR TO AVAILABILITY OF FUNDS FROM THE MONTGOMERY
4 COUNTY PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND, THE AUTHORITY
5 SHALL BE ENTITLED TO REIMBURSEMENT FOR ANY COSTS INCURRED UNDER
6 PARAGRAPH (1) OF THIS SUBSECTION FROM THE MONTGOMERY COUNTY PUBLIC
7 SCHOOL CONSTRUCTION FINANCING FUND.

8 (3) (I) ANY COST OVERRUNS, UNBUDGETED EXPENSES, OR
9 UNFORESEEN COSTS INCURRED IN CONNECTION WITH AN IMPROVEMENT TO A
10 MONTGOMERY COUNTY PUBLIC SCHOOL FACILITY SHALL BE PAYABLE SOLELY
11 FROM THE MONTGOMERY COUNTY PUBLIC SCHOOL CONSTRUCTION FACILITIES
12 FUND.

13 (II) IF ANY COST OVERRUNS, UNBUDGETED EXPENSES, OR
14 UNFORESEEN COSTS OCCUR AS DESCRIBED IN SUBPARAGRAPH (I) OF THIS
15 PARAGRAPH, THE AUTHORITY SHALL PROVIDE A DETAILED REPORT TO THE
16 PARTIES OF THE MEMORANDUM OF UNDERSTANDING UNDER § 10-650 OF THIS
17 SUBTITLE EXPLAINING THE REASONS FOR THE COST OVERRUNS, UNBUDGETED
18 EXPENSES, OR UNFORESEEN COSTS AND A DESCRIPTION OF THE ACTIONS TAKEN BY
19 THE AUTHORITY TO CONTROL COSTS WITHIN THE BUDGET ESTABLISHED FOR EACH
20 IMPROVEMENT TO A MONTGOMERY COUNTY PUBLIC SCHOOL FACILITY.

21 (K) ON JANUARY 15, 2021, AND EACH JANUARY 15 THEREAFTER, THE
22 AUTHORITY, MONTGOMERY COUNTY, THE MONTGOMERY COUNTY BOARD, AND
23 THE INTERAGENCY COMMISSION ON SCHOOL CONSTRUCTION JOINTLY SHALL
24 REPORT TO THE GOVERNOR, THE BOARD OF PUBLIC WORKS, AND, IN ACCORDANCE
25 WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE, THE FISCAL COMMITTEES OF
26 THE GENERAL ASSEMBLY, ON THE PROGRESS OF CONSTRUCTION AND
27 RENOVATIONS OF PUBLIC SCHOOL FACILITIES INCLUDING ACTIONS:

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

29 (2) PLANNED FOR THE CURRENT FISCAL YEAR.

30 10-650.

31 (A) BEFORE ANY BONDS ARE ISSUED TO FINANCE IMPROVEMENTS TO A
32 MONTGOMERY COUNTY PUBLIC SCHOOL FACILITY, A FOUR-PARTY MEMORANDUM
33 OF UNDERSTANDING THAT MEETS THE REQUIREMENTS OF THIS SECTION SHALL BE
34 ENTERED INTO AND SIGNED BY THE AUTHORITY, MONTGOMERY COUNTY, THE

1 **MONTGOMERY COUNTY BOARD, AND THE INTERAGENCY COMMISSION ON SCHOOL**
2 **CONSTRUCTION.**

3 **(B) IN THE CASE OF A DISPUTE BETWEEN THE PARTIES RELATING TO THE**
4 **PROVISIONS TO BE INCLUDED IN THE MEMORANDUM OF UNDERSTANDING, THE**
5 **STATE SUPERINTENDENT OF SCHOOLS SHALL FACILITATE RESOLUTION OF THE**
6 **ITEMS IN DISPUTE.**

7 **(C) THE MEMORANDUM OF UNDERSTANDING SHALL BE AGREED TO BY THE**
8 **PARTIES ON OR BEFORE OCTOBER 1, 2019, AND MAY NOT GO INTO EFFECT UNTIL IT**
9 **IS APPROVED BY THE BOARD OF PUBLIC WORKS.**

10 **(D) (1) THE MEMORANDUM OF UNDERSTANDING SHALL AUTHORIZE THE**
11 **AUTHORITY TO DESIGN AND IMPROVE, OR CONTRACT FOR THE DESIGN AND**
12 **IMPROVEMENT OF, A MONTGOMERY COUNTY PUBLIC SCHOOL FACILITY.**

13 **(2) THE AUTHORITY GRANTED TO THE AUTHORITY UNDER**
14 **PARAGRAPH (1) OF THIS SUBSECTION IS SUBJECT TO THE RIGHTS AND**
15 **RESPONSIBILITIES OF THE INTERAGENCY COMMISSION ON SCHOOL**
16 **CONSTRUCTION FOR THE DESIGN AND CONSTRUCTION OF A MONTGOMERY COUNTY**
17 **PUBLIC SCHOOL FACILITY.**

18 **(E) THE MEMORANDUM OF UNDERSTANDING SHALL REQUIRE:**

19 **(1) SPECIFIC PARAMETERS REGARDING THE ROLES, RIGHTS, AND**
20 **RESPONSIBILITIES OF EACH PARTY WITH RESPECT TO THE PROCESS FOR AND**
21 **MANAGEMENT OF PROGRAM DEVELOPMENT, SCHEDULING, BUDGETING,**
22 **PROCUREMENT, DESIGN, CONSTRUCTION ADMINISTRATION, CAPITAL EQUIPPING,**
23 **AND MAINTENANCE OF IMPROVEMENTS TO A MONTGOMERY COUNTY PUBLIC**
24 **SCHOOL FACILITY;**

25 **(2) SPECIFIC PARAMETERS REGARDING THE AUTHORITY OF THE**
26 **MONTGOMERY COUNTY BOARD OVER EDUCATIONAL PROGRAMS AND ISSUES**
27 **RELATING TO THE MONTGOMERY COUNTY PUBLIC SCHOOLS' EDUCATIONAL**
28 **FACILITIES MASTER PLAN, INCLUDING EDUCATIONAL SPECIFICATIONS,**
29 **FEASIBILITY STUDIES, AND DESIGN ELEMENTS OF EDUCATIONAL BUILDINGS,**
30 **WHICH SHALL PROVIDE THAT AT THE COMPLETION OF SCHEMATIC DESIGN, ALL**
31 **PARTIES SHALL AGREE TO PROJECT SCOPE, SCHEDULE, AND BUDGET;**

32 **(3) SPECIFIC PARAMETERS FOR A REVIEW AND COMMENT PERIOD**
33 **FOR ANY PROPOSED AMENDMENTS TO THE MONTGOMERY COUNTY PUBLIC**
34 **SCHOOLS' EDUCATIONAL FACILITIES MASTER PLAN, AS REFERENCED IN §**
35 **10-649(A)(2) OF THIS SUBTITLE;**

1 (4) SPECIFIC PROCEDURES RELATED TO THE ROLE OF THE
2 INTERAGENCY COMMISSION ON SCHOOL CONSTRUCTION RELATED TO
3 IMPROVEMENTS TO A MONTGOMERY COUNTY PUBLIC SCHOOL FACILITY FINANCED
4 UNDER THIS SUBTITLE, WHICH SHALL PROVIDE FOR EFFICIENCIES IN COST,
5 SCHEDULES, AND PROCESSES;

6 (5) A PROCESS FOR DETERMINING WHICH PLANNED PROJECTS FOR
7 IMPROVEMENTS TO MONTGOMERY COUNTY PUBLIC SCHOOL FACILITIES WILL
8 PROCEED AS PLANNED OR WILL BE POSTPONED OR CANCELED;

9 (6) A PLEDGE BY MONTGOMERY COUNTY, SUBJECT TO ANNUAL
10 APPROPRIATION, TO ANNUALLY DEPOSIT AN AMOUNT AGREED TO IN THE
11 MEMORANDUM OF UNDERSTANDING INTO THE MONTGOMERY COUNTY PUBLIC
12 SCHOOL CONSTRUCTION FINANCING FUND;

13 (7) A PLAN DEVELOPED BY THE MONTGOMERY COUNTY BOARD AND
14 APPROVED BY THE INTERAGENCY COMMISSION ON SCHOOL CONSTRUCTION FOR
15 PREVENTATIVE AND ONGOING MAINTENANCE FOR EXISTING, NEW, AND RENOVATED
16 MONTGOMERY COUNTY PUBLIC SCHOOL FACILITIES, INCLUDING FUNDING
17 SUFFICIENT TO IMPLEMENT THE PLAN;

18 (8) A PLAN DEVELOPED BY THE MONTGOMERY COUNTY BOARD AND
19 APPROVED BY THE INTERAGENCY COMMISSION ON SCHOOL CONSTRUCTION
20 PROVIDING FOR MINIMUM SCHOOL UTILIZATION STANDARDS;

21 (9) SPECIFIC PARAMETERS FOR MONTGOMERY COUNTY PUBLIC
22 SCHOOL FACILITIES FINANCED UNDER THIS SUBTITLE REGARDING:

23 (I) PROPERTY MANAGEMENT, MAINTENANCE PLANS AND
24 STANDARDS, ANNUAL INSPECTIONS, AND PROPERTY INSURANCE; AND

25 (II) ANY CLAIMS, LOSSES, OR DAMAGES ARISING FROM THE
26 AUTHORITY'S IMPROVEMENT OF ANY MONTGOMERY COUNTY PUBLIC SCHOOL
27 FACILITY;

28 (10) A PROCESS TO RESOLVE DISPUTES AND REVISE THE
29 MEMORANDUM OF UNDERSTANDING IF NECESSARY; AND

30 (11) AN ALLOCATION OF THE PUBLIC SCHOOL IMPROVEMENTS TO BE
31 UNDERTAKEN BY THE AUTHORITY AND THE MONTGOMERY COUNTY BOARD,
32 RESPECTIVELY.

1 **10-658.**

2 (A) THERE IS A MONTGOMERY COUNTY PUBLIC SCHOOL CONSTRUCTION
3 FINANCING FUND.

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

8 (2) THE AUTHORITY SHALL:

9 (I) USE THE MONTGOMERY COUNTY PUBLIC SCHOOL
10 CONSTRUCTION FINANCING FUND AS A REVOLVING FUND FOR CARRYING OUT THIS
11 SUBTITLE CONCERNING MONTGOMERY COUNTY PUBLIC SCHOOL FACILITIES; AND

12 (II) PAY ANY AND ALL EXPENSES FROM THE MONTGOMERY
13 COUNTY PUBLIC SCHOOL CONSTRUCTION FINANCING FUND THAT ARE INCURRED
14 BY THE AUTHORITY RELATED TO ANY MONTGOMERY COUNTY PUBLIC SCHOOL
15 FACILITIES.

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

20 (I) DEBT SERVICE ON AUTHORITY BONDS;

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

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

24 (IV) ALL REASONABLE CHARGES AND EXPENSES RELATED TO
25 THE AUTHORITY'S ADMINISTRATION OF THE MONTGOMERY COUNTY
26 CONSTRUCTION FINANCING FUND AND MANAGEMENT OF THE AUTHORITY'S
27 OBLIGATIONS.

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

30 (D) THE MONTGOMERY COUNTY PUBLIC SCHOOL CONSTRUCTION
31 FINANCING FUND CONSISTS OF:

1 **(1) MONEY DEPOSITED IN THE MONTGOMERY COUNTY PUBLIC**
2 **SCHOOL CONSTRUCTION FINANCING FUND;**

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

6 **(3) REVENUES COLLECTED OR RECEIVED FROM ANY SOURCE UNDER**
7 **THIS SUBTITLE RELATING TO MONTGOMERY COUNTY PUBLIC SCHOOL FACILITIES;**

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

10 **(5) ANY ADDITIONAL MONEY MADE AVAILABLE FROM ANY PUBLIC**
11 **SOURCE FOR THE PURPOSES ESTABLISHED FOR THE MONTGOMERY COUNTY**
12 **PUBLIC SCHOOL CONSTRUCTION FINANCING FUND.**

13 **(E) (1) THE TREASURER SHALL INVEST THE MONEY OF THE**
14 **MONTGOMERY COUNTY PUBLIC SCHOOL CONSTRUCTION FINANCING FUND IN THE**
15 **SAME MANNER AS OTHER STATE FUNDS.**

16 **(2) ANY INVESTMENT EARNINGS SHALL BE CREDITED TO THE**
17 **MONTGOMERY COUNTY PUBLIC SCHOOL CONSTRUCTION FINANCING FUND.**

18 **(3) NO PART OF THE MONTGOMERY COUNTY PUBLIC SCHOOL**
19 **CONSTRUCTION FINANCING FUND MAY REVERT OR BE CREDITED TO THE GENERAL**
20 **FUND OR ANY OTHER SPECIAL FUND OF THE STATE.**

21 **(F) THE MONEY IN THE MONTGOMERY COUNTY PUBLIC SCHOOL**
22 **CONSTRUCTION FINANCING FUND SHALL BE USED TO SUPPLEMENT, BUT NOT**
23 **SUPPLANT, MONEY APPROPRIATED TO MONTGOMERY COUNTY PUBLIC SCHOOL**
24 **FACILITIES UNDER THE PUBLIC SCHOOL CONSTRUCTION PROGRAM ESTABLISHED**
25 **IN TITLE 5, SUBTITLE 3 OF THE EDUCATION ARTICLE.**

26 **10-659.**

27 **(A) THERE IS A MONTGOMERY COUNTY PUBLIC SCHOOL CONSTRUCTION**
28 **FACILITIES FUND.**

29 **(B) (1) THE MONTGOMERY COUNTY PUBLIC SCHOOL CONSTRUCTION**
30 **FACILITIES FUND IS A CONTINUING, NONLAPSING FUND THAT SHALL BE AVAILABLE**

1 IN PERPETUITY TO IMPLEMENT THIS SUBTITLE CONCERNING MONTGOMERY
2 COUNTY PUBLIC SCHOOL FACILITIES.

3 (2) THE AUTHORITY SHALL:

4 (I) USE THE MONTGOMERY COUNTY PUBLIC SCHOOL
5 CONSTRUCTION FACILITIES FUND AS A REVOLVING FUND FOR CARRYING OUT THIS
6 SUBTITLE CONCERNING MONTGOMERY COUNTY PUBLIC SCHOOL FACILITIES; AND

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

11 (C) TO THE EXTENT CONSIDERED APPROPRIATE BY THE AUTHORITY, OR AS
12 AGREED TO IN THE MEMORANDUM OF UNDERSTANDING UNDER § 10-650 OF THIS
13 SUBTITLE, THE MONEY ON DEPOSIT IN THE MONTGOMERY COUNTY PUBLIC
14 SCHOOL CONSTRUCTION FACILITIES FUND SHALL BE USED TO PAY THE
15 FOLLOWING RELATING TO MONTGOMERY COUNTY PUBLIC SCHOOL FACILITIES:

16 (1) DEBT SERVICE ON AUTHORITY BONDS;

17 (2) DESIGN AND CONSTRUCTION COSTS RELATING TO MONTGOMERY
18 COUNTY PUBLIC SCHOOL FACILITIES;

19 (3) TO THE EXTENT AUTHORIZED BY FEDERAL TAX LAW, COSTS OF
20 START-UP, ADMINISTRATION, OVERHEAD, AND OPERATIONS RELATED TO THE
21 MANAGEMENT OF IMPROVEMENTS TO MONTGOMERY COUNTY PUBLIC SCHOOL
22 FACILITIES AUTHORIZED UNDER THIS SUBTITLE AND UNDERTAKEN BY THE
23 MONTGOMERY COUNTY BOARD; AND

24 (4) ALL REASONABLE CHARGES AND EXPENSES RELATED TO THE
25 AUTHORITY'S ADMINISTRATION OF THE MONTGOMERY COUNTY PUBLIC SCHOOL
26 CONSTRUCTION FACILITIES FUND AND THE MONTGOMERY COUNTY PUBLIC
27 SCHOOL CONSTRUCTION FINANCING FUND AND MANAGEMENT OF THE
28 AUTHORITY'S OBLIGATIONS.

29 (D) THE MONTGOMERY COUNTY PUBLIC SCHOOL CONSTRUCTION
30 FACILITIES FUND CONSISTS OF:

31 (1) FUNDS TRANSFERRED FROM THE MONTGOMERY COUNTY PUBLIC
32 SCHOOL CONSTRUCTION FINANCING FUND TO THE MONTGOMERY COUNTY

1 **PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND IN ACCORDANCE WITH § 10-649**
2 **OF THIS SUBTITLE; AND**

3 **(2) ANY ADDITIONAL MONEY MADE AVAILABLE FROM ANY PUBLIC**
4 **SOURCE FOR THE PURPOSES ESTABLISHED FOR THE MONTGOMERY COUNTY**
5 **PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND.**

6 **(E) (1) THE TREASURER SHALL INVEST THE MONEY OF THE**
7 **MONTGOMERY COUNTY PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND IN THE**
8 **SAME MANNER AS OTHER STATE FUNDS.**

9 **(2) ANY INVESTMENT EARNINGS SHALL BE CREDITED TO THE**
10 **MONTGOMERY COUNTY PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND.**

11 **(3) NO PART OF THE MONTGOMERY COUNTY PUBLIC SCHOOL**
12 **CONSTRUCTION FACILITIES FUND MAY REVERT OR BE CREDITED TO THE GENERAL**
13 **FUND OR ANY OTHER SPECIAL FUND OF THE STATE.**

14 **(F) THE MONEY IN THE MONTGOMERY COUNTY PUBLIC SCHOOL**
15 **CONSTRUCTION FACILITIES FUND SHALL BE USED TO SUPPLEMENT, BUT NOT**
16 **SUPLANT, MONEY APPROPRIATED TO MONTGOMERY COUNTY PUBLIC SCHOOL**
17 **FACILITIES UNDER THE PUBLIC SCHOOL CONSTRUCTION PROGRAM ESTABLISHED**
18 **IN TITLE 5, SUBTITLE 3 OF THE EDUCATION ARTICLE.**

19 **[10-658.] 10-660.**

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

21 **Article – Education**

22 5-313.

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

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

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

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

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

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

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

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

12 (2) In fiscal [year 2017 and each fiscal year thereafter] **YEARS 2017**
13 **THROUGH 2020**, \$40,000,000; **AND**

14 **(3) IN FISCAL YEAR 2021 AND EACH FISCAL YEAR THEREAFTER,**
15 **\$100,000,000.**

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

19 Article – State Finance and Procurement

20 6–226.

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

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

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

30 113. the Veteran Employment and Transition Success Fund;

31 **114. THE MONTGOMERY COUNTY PUBLIC SCHOOL**
32 **CONSTRUCTION FACILITIES FUND; AND**

1 **115. THE MONTGOMERY COUNTY PUBLIC SCHOOL**
2 **CONSTRUCTION FINANCING FUND.**

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

5 **Article – State Government**

6 9–120.

7 (a) The Comptroller shall distribute, or cause to be distributed, the State Lottery
8 Fund to pay:

9 (1) on a pro rata basis for the daily and nondaily State lottery games, the
10 expenses of administering and operating the State lottery, as authorized under this subtitle
11 and the State budget; and

12 (2) then, except as provided in § 10–113.1 of the Family Law Article, §
13 11–618 of the Criminal Procedure Article, and § 3–307 of the State Finance and
14 Procurement Article, the holder of each winning ticket or share.

15 (b) (1) By the end of the month following collection, the Comptroller shall
16 deposit or cause to be deposited:

17 (i) into the Maryland Stadium Facilities Fund established under §
18 7–312 of the State Finance and Procurement Article from the money that remains in the
19 State Lottery Fund, after the distribution under subsection (a) of this section, an amount
20 not to exceed \$20,000,000 in any fiscal year;

21 (ii) after June 30, 2014, into the Maryland Veterans Trust Fund 10%
22 of the money that remains in the State Lottery Fund from the proceeds of sales of tickets
23 from instant ticket lottery machines by veterans’ organizations under § 9–112(d) of this
24 subtitle, after the distribution under subsection (a) of this section;

25 (iii) after June 30, 2014, into the Baltimore City Public School
26 Construction Financing Fund established under § 10–656 of the Economic Development
27 Article the money that remains in the State Lottery Fund from the proceeds of all lotteries
28 after the distributions under subsection (a) of this section and items (i) and (ii) of this
29 paragraph, an amount equal to \$20,000,000 in each fiscal year that bonds are outstanding
30 and unpaid, to be paid in two installments with at least \$10,000,000 paid no later than
31 December 1 of each fiscal year; [and]

32 **(IV) AFTER JUNE 30, 2020, INTO THE MONTGOMERY COUNTY**
33 **PUBLIC SCHOOL CONSTRUCTION FINANCING FUND ESTABLISHED UNDER § 10–658**
34 **OF THE ECONOMIC DEVELOPMENT ARTICLE THE MONEY THAT REMAINS IN THE**
35 **STATE LOTTERY FUND FROM THE PROCEEDS OF ALL LOTTERIES AFTER THE**

1 DISTRIBUTIONS UNDER SUBSECTION (A) OF THIS SECTION AND ITEMS (I) THROUGH
2 (III) OF THIS PARAGRAPH, AN AMOUNT EQUAL TO \$20,000,000 IN EACH FISCAL YEAR
3 THAT BONDS ARE OUTSTANDING AND UNPAID, TO BE PAID IN TWO INSTALLMENTS
4 WITH AT LEAST \$10,000,000 PAID NO LATER THAN DECEMBER 1 OF EACH FISCAL
5 YEAR; AND

6 [(iv)] (v) into the General Fund of the State the money that remains
7 in the State Lottery Fund from the proceeds of all lotteries after the distributions under
8 subsection (a) of this section and items (i), (ii), [and] (iii), AND (IV) of this paragraph.

9 (2) The money paid into the General Fund under this subsection is
10 available in the fiscal year in which the money accumulates in the State Lottery Fund.

11 (c) The regulations of the Agency shall apportion the money in the State Lottery
12 Fund in accordance with subsection (b) of this section.

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

15 SECTION 4. AND BE IT FURTHER ENACTED, That, except as provided in Section
16 3 of this Act, this Act shall take effect July 1, 2019.