

# HOUSE BILL 195

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By: **Prince George's County Delegation**

Introduced and read first time: January 18, 2018

Assigned to: Ways and Means

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## A BILL ENTITLED

1 AN ACT concerning

2 **Prince George's County – School Overcrowding Reduction Act of 2018**

3 **PG 512–18**

4 FOR the purpose of authorizing certain exceptions in Prince George's County to the  
5 requirement that certain public school property must be held in trust by a county  
6 board of education; authorizing the Prince George's County Board of Education to  
7 contract with the Prince George's County government or the Revenue Authority of  
8 Prince George's County in a public–private partnership agreement; establishing a  
9 design–construct–operate–maintain–finance arrangement as an alternative  
10 financing method available for use by the Prince George's County Board of  
11 Education; authorizing the Prince George's County government, the Prince George's  
12 County Board of Education, and the Revenue Authority of Prince George's County to  
13 solicit certain proposals and lease certain property; authorizing certain alternative  
14 financing methods used in Prince George's County to include certain reserves;  
15 specifying that certain requirements relating to regulations for alternative financing  
16 methods do not apply to certain projects in Prince George's County; specifying that  
17 the requirement for the use of certain standards and procedures for qualifying and  
18 approving certain alternative financing methods do not apply to certain projects in  
19 Prince George's County; providing that certain provisions of law and regulations that  
20 govern the Public School Construction Program do not apply to alternative financing  
21 methods used in Prince George's County; prohibiting a certain construction of certain  
22 provisions of this Act; requiring projects that use alternative financing methods in  
23 Prince George's County to comply with certain requirements; establishing the Prince  
24 George's County Public School Facility Construction Innovation Incentive Program;  
25 specifying the purpose of the Incentive Program; declaring the intent of the General  
26 Assembly regarding the Incentive Program; requiring the Interagency Committee on  
27 School Construction to implement, administer, and promote the Incentive Program;  
28 requiring the Interagency Committee to establish an application process for the  
29 Incentive Program; requiring the Interagency Committee to calculate a certain  
30 rolling State average of public school construction costs for certain schools; requiring

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 the Interagency Committee to approve a project for participation in the Incentive  
2 Program if the project meets a certain cost threshold; specifying a certain percentage  
3 increase in the State share of eligible costs for a certain project that is approved to  
4 participate in the Incentive Program on or before a certain date; specifying a certain  
5 smaller percentage increase in the State share of eligible costs for a certain project  
6 that is approved to participate in the Incentive Program on or after a certain date;  
7 specifying that, if actual public school construction costs for a certain project are not  
8 a certain percentage below the rolling State average, the project is not eligible for a  
9 certain higher State share of eligible costs; exempting a certain project from certain  
10 requirements; requiring a certain project to comply with certain requirements;  
11 providing that certain provisions of law do not prohibit the Prince George's County  
12 public school system from utilizing a certain source of financing or system of bidding  
13 to fund a certain project; providing for the application of certain provisions of this  
14 Act; altering certain definitions; defining certain terms; and generally relating to  
15 alterations to the public school construction process to address overcrowding in  
16 public schools in Prince George's County.

17 BY repealing and reenacting, with amendments,  
18 Article – Education  
19 Section 4–114 and 4–126  
20 Annotated Code of Maryland  
21 (2014 Replacement Volume and 2017 Supplement)

22 BY adding to  
23 Article – Education  
24 Section 5–314  
25 Annotated Code of Maryland  
26 (2014 Replacement Volume and 2017 Supplement)

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

29 **Article – Education**

30 4–114.

31 (a) All property granted, conveyed, devised, or bequeathed for the use of a  
32 particular public school or school system:

33 (1) Except as provided in [subsection] SUBSECTIONS (c) THROUGH (E) of  
34 this section, shall be held in trust for the benefit of the school or school system by the  
35 appropriate county board or, for real property in Baltimore City, by the Mayor and City  
36 Council of Baltimore; and

37 (2) Is exempt from all State and local taxes.

38 (b) Money invested in trust for the benefit of the public schools for any county or

1 city is exempt from all State and local taxes.

2 (c) (1) A private entity may hold title to property used for a particular public  
3 school or local school system if the private entity is contractually obligated to transfer title  
4 to the appropriate county board on a specified date.

5 (2) The conveyance of title of school property to a private entity for a  
6 specified term under this subsection may not be construed to prohibit the allocation of  
7 construction funds to an approved school construction project under the Public School  
8 Construction Program.

9 (3) A county or county board may convey or dispose of surplus land under  
10 the jurisdiction of the county or county board in exchange for public school construction or  
11 development services.

12 **(D) (1) THIS SUBSECTION APPLIES ONLY TO A PROJECT IN PRINCE**  
13 **GEORGE'S COUNTY THAT USES AN ALTERNATIVE FINANCING METHOD UNDER §**  
14 **4-126 OF THIS SUBTITLE.**

15 **(2) THE PRINCE GEORGE'S COUNTY BOARD OF EDUCATION MAY**  
16 **TRANSFER TITLE TO PROPERTY USED FOR A PARTICULAR PUBLIC SCHOOL OR THE**  
17 **PRINCE GEORGE'S COUNTY PUBLIC SCHOOL SYSTEM TO THE PRINCE GEORGE'S**  
18 **COUNTY GOVERNMENT, THE REVENUE AUTHORITY OF PRINCE GEORGE'S COUNTY,**  
19 **OR A PRIVATE ENTITY IF THE COUNTY, COUNTY REVENUE AUTHORITY, OR PRIVATE**  
20 **ENTITY IS CONTRACTUALLY OBLIGATED TO OPERATE AND MAINTAIN THE PROPERTY**  
21 **UNTIL:**

22 **(I) THE PROPERTY OUTLIVES ITS USEFUL LIFE;**

23 **(II) THE PROPERTY IS NO LONGER NEEDED FOR SCHOOL**  
24 **PURPOSES; OR**

25 **(III) AS OTHERWISE AGREED TO BY THE PARTIES.**

26 **(E) (1) THIS SUBSECTION APPLIES ONLY IN PRINCE GEORGE'S COUNTY.**

27 **(2) (I) THE PRINCE GEORGE'S COUNTY GOVERNMENT MAY HOLD**  
28 **TITLE TO PROPERTY USED FOR A PARTICULAR PUBLIC SCHOOL OR THE PRINCE**  
29 **GEORGE'S COUNTY PUBLIC SCHOOL SYSTEM IF THE COUNTY GOVERNMENT IS**  
30 **CONTRACTUALLY OBLIGATED TO TRANSFER TITLE TO THE PRINCE GEORGE'S**  
31 **COUNTY BOARD OF EDUCATION ON A SPECIFIED DATE.**

32 **(II) THE CONVEYANCE OF TITLE OF SCHOOL PROPERTY TO THE**  
33 **PRINCE GEORGE'S COUNTY GOVERNMENT FOR A SPECIFIED TERM UNDER THIS**

1 PARAGRAPH MAY NOT BE CONSTRUED TO PROHIBIT THE ALLOCATION OF  
2 CONSTRUCTION FUNDS TO AN APPROVED SCHOOL CONSTRUCTION PROJECT UNDER  
3 THE PUBLIC SCHOOL CONSTRUCTION PROGRAM.

4 (3) THE PRINCE GEORGE'S COUNTY GOVERNMENT, THE REVENUE  
5 AUTHORITY OF PRINCE GEORGE'S COUNTY, OR A PRIVATE ENTITY MAY HOLD TITLE  
6 TO PROPERTY LEASED BY THE PRINCE GEORGE'S COUNTY BOARD OF EDUCATION  
7 TO BE USED FOR A PARTICULAR PUBLIC SCHOOL OR THE PRINCE GEORGE'S  
8 COUNTY PUBLIC SCHOOL SYSTEM UNDER TERMS AGREED TO BY THE PARTIES.

9 4-126.

10 (a) (1) In this section[, "alternative"] THE FOLLOWING WORDS HAVE THE  
11 MEANINGS INDICATED.

12 (2) "ALTERNATIVE financing methods" includes ONE OR MORE OF THE  
13 FOLLOWING METHODS:

14 [(1)] (I) Sale-leaseback arrangements, in which a county board agrees to  
15 transfer title to a property, including improvements, to a private entity that simultaneously  
16 agrees to lease the property back to the county board and, on a specified date, transfer title  
17 back to the county board;

18 [(2)] (II) Lease-leaseback arrangements, in which a county board leases  
19 a property to a private entity that improves the property and leases the property, with the  
20 improvements, back to the county board;

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

26 [(4)] (IV) Performance-based contracting, in which a county board enters  
27 into an energy performance contract to obtain funding for a project with guaranteed energy  
28 savings over a specified time period;

29 [(5)] (V) Preference-based arrangements, by which a local governing body  
30 gives preference first to business entities located in the county and then to business entities  
31 located in other counties in the State for any construction that is not subject to prevailing  
32 wage rates under Title 17, Subtitle 2 of the State Finance and Procurement Article; and

33 [(6)] (VI) Design-build arrangements, that permit a county board to  
34 contract with a design-build business entity for the combined design and construction of  
35 qualified education facilities, including financing mechanisms where the business entity

1 assists the local governing body in obtaining project financing.

2           **(3) IN PRINCE GEORGE’S COUNTY, “ALTERNATIVE FINANCING**  
3 **METHODS” ALSO INCLUDES:**

4           **(I) PUBLIC-PRIVATE PARTNERSHIP AGREEMENTS, IN WHICH**  
5 **THE PRINCE GEORGE’S COUNTY BOARD OF EDUCATION CONTRACTS WITH THE**  
6 **PRINCE GEORGE’S COUNTY GOVERNMENT OR THE REVENUE AUTHORITY OF**  
7 **PRINCE GEORGE’S COUNTY FOR THE ACQUISITION, DESIGN, CONSTRUCTION,**  
8 **IMPROVEMENT, RENOVATION, EXPANSION, EQUIPPING, OR FINANCING OF A PUBLIC**  
9 **SCHOOL, AND MAY INCLUDE PROVISIONS FOR COOPERATIVE USE OF THE SCHOOL**  
10 **OR AN ADJACENT PROPERTY AND GENERATION OF REVENUE TO OFFSET THE COST**  
11 **OF CONSTRUCTION OR USE OF THE SCHOOL; AND**

12           **(II) DESIGN-CONSTRUCT-OPERATE-MAINTAIN-FINANCE**  
13 **ARRANGEMENTS, THAT PERMIT THE PRINCE GEORGE’S COUNTY BOARD OF**  
14 **EDUCATION TO CONTRACT WITH THE PRINCE GEORGE’S COUNTY GOVERNMENT,**  
15 **THE REVENUE AUTHORITY OF PRINCE GEORGE’S COUNTY, OR A PRIVATE ENTITY**  
16 **FOR THE DESIGN, CONSTRUCTION, OPERATION, AND MAINTENANCE OF A PUBLIC**  
17 **SCHOOL UNDER TERMS AGREED TO BY THE PARTIES.**

18           **(4) IN PRINCE GEORGE’S COUNTY, “COUNTY” INCLUDES, UNLESS**  
19 **THE CONTEXT REQUIRES OTHERWISE, THE PRINCE GEORGE’S COUNTY BOARD OF**  
20 **EDUCATION AND THE REVENUE AUTHORITY OF PRINCE GEORGE’S COUNTY.**

21           (b) **(1)** Except when prohibited by local law, in order to finance or to speed  
22 delivery of, transfer risks of, or otherwise enhance the delivery of public school construction,  
23 a county may:

24           **[(1)] (I)** Use alternative financing methods;

25           **[(2)] (II)** Engage in competitive negotiation, rather than competitive  
26 bidding, in limited circumstances, including construction management at-risk  
27 arrangements and other alternative project delivery arrangements, as provided in  
28 regulations adopted by the Board of Public Works;

29           **[(3)] (III)** Accept unsolicited proposals for the development of public  
30 schools in limited circumstances, as provided in regulations adopted by the Board of Public  
31 Works; and

32           **[(4)] (IV)** Use quality-based selection, in which selection is based on a  
33 combination of qualifications and cost factors, to select developers and builders, as provided  
34 in regulations adopted by the Board of Public Works.

35           **(2) IN PRINCE GEORGE’S COUNTY, IN ADDITION TO THE ACTIONS**

1 AUTHORIZED UNDER PARAGRAPH (1) OF THIS SUBSECTION, THE PRINCE GEORGE'S  
2 COUNTY GOVERNMENT, THE PRINCE GEORGE'S COUNTY BOARD OF EDUCATION,  
3 OR THE REVENUE AUTHORITY OF PRINCE GEORGE'S COUNTY MAY:

4 (I) SOLICIT PROPOSALS FOR THE DEVELOPMENT OF PUBLIC  
5 SCHOOLS; AND

6 (II) LEASE PROPERTY FROM THE PRINCE GEORGE'S COUNTY  
7 GOVERNMENT, THE REVENUE AUTHORITY OF PRINCE GEORGE'S COUNTY, OR A  
8 PRIVATE ENTITY FOR USE AS A PUBLIC SCHOOL FACILITY.

9 (3) IN PRINCE GEORGE'S COUNTY, THE ALTERNATIVE FINANCING  
10 METHODS DESCRIBED UNDER PARAGRAPH (1)(I) OF THIS SUBSECTION MAY  
11 INCLUDE RESERVES SUFFICIENT TO COVER OPERATION, FACILITY RENEWAL,  
12 MAINTENANCE, AND ENERGY COSTS AS PART OF A CONTRACT.

13 (c) (1) THIS SUBSECTION DOES NOT APPLY TO A PROJECT IN PRINCE  
14 GEORGE'S COUNTY THAT QUALIFIES FOR ALTERNATIVE FINANCING METHODS  
15 UNDER THIS SECTION.

16 (2) The Board of Public Works shall adopt regulations requiring a project  
17 that qualifies for alternative financing methods under this section to meet requirements  
18 regarding the advantages of the project to the public that include provisions addressing:

19 [(1)] (I) The probable scope, complexity, or urgency of the project;

20 [(2)] (II) Any risk sharing, added value, education enhancements,  
21 increase in funding, or economic benefit from the project that would not otherwise be  
22 available;

23 [(3)] (III) The public need for the project; and

24 [(4)] (IV) The estimated cost or timeliness of executing the project.

25 (d) (1) THIS SUBSECTION DOES NOT APPLY TO A PROJECT IN PRINCE  
26 GEORGE'S COUNTY THAT QUALIFIES FOR ALTERNATIVE FINANCING METHODS  
27 UNDER THIS SECTION.

28 (2) Projects that qualify for alternative financing methods under this  
29 subsection:

30 [(1)] (I) Shall meet the educational standards, design standards, and  
31 procedural requirements under this article and under regulations adopted by the Board of  
32 Public Works; and

1            [(2)] (II) Consistent with the requirements of this article, shall be  
2 approved by:

3                    [(i)] 1.     The county governing body;

4                    [(ii)] 2.     The State Superintendent of Schools; or

5                    [(iii)] 3.     The Interagency Committee on School Construction and  
6 the Board of Public Works.

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

10            (f)     A county board may not use alternative financing methods under this section  
11 without the approval of the county governing body.

12            (g)     **(1) THIS SUBSECTION DOES NOT APPLY TO A PROJECT IN PRINCE  
13 GEORGE'S COUNTY THAT QUALIFIES FOR ALTERNATIVE FINANCING METHODS  
14 UNDER THIS SECTION.**

15            **(2)**     The Board of Public Works shall adopt regulations recommended by the  
16 Interagency Committee on School Construction to implement the provisions of this section,  
17 including:

18                    [(1)] (I)     Guidelines for the content of proposals, for the acceptance and  
19 evaluation of unsolicited proposals, and for accepting competing unsolicited proposals;

20                    [(2)] (II)    Requirements for the content and execution of a comprehensive  
21 agreement governing an arrangement authorized under this section;

22                    [(3)] (III)   Guidelines for content and issuance of solicitations;

23                    [(4)] (IV)    Requirements for the prequalification of bidders or offerors;

24                    [(5)] (V)     Requirements for public notice of solicited and unsolicited  
25 proposals and proposed execution of a comprehensive agreement;

26                    [(6)] (VI)    Regulations that require compliance with requirements  
27 applicable to qualified projects that would otherwise be in effect under the State  
28 procurement law if the procurement were competitively bid; and

29                    [(7)] (VII) [(i)] 1.     Regulations that require that contracts and  
30 subcontracts adhere to the requirements of Title 17, Subtitle 2 and Title 14 of the State  
31 Finance and Procurement Article if the requirements would otherwise be applicable; and

1                    [(ii)] 2. Regulations that specify elements to be included in any  
2 preference-based arrangement adopted by a local governing body that gives preference first  
3 to business entities located in the county and then to business entities located in other  
4 counties in the State for any construction that is not subject to prevailing wage rates under  
5 Title 17, Subtitle 2 of the State Finance and Procurement Article.

6            (H) (1) (I) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS  
7 SUBSECTION, § 5-301 OF THIS ARTICLE AND THE REGULATIONS THAT GOVERN THE  
8 PUBLIC SCHOOL CONSTRUCTION PROGRAM DO NOT APPLY TO PROJECTS IN PRINCE  
9 GEORGE'S COUNTY THAT USE ALTERNATIVE FINANCING METHODS UNDER THIS  
10 SECTION.

11                    (II) NOTHING IN THIS SECTION MAY BE CONSTRUED TO  
12 AUTHORIZE OR REQUIRE STATE APPROVAL BEFORE AN ALTERNATIVE FINANCING  
13 METHOD MAY BE USED BY THE PRINCE GEORGE'S COUNTY PUBLIC SCHOOL SYSTEM.

14            (2) PROJECTS IN PRINCE GEORGE'S COUNTY THAT USE  
15 ALTERNATIVE FINANCING METHODS UNDER THIS SECTION SHALL COMPLY WITH:

16                    (I) THE STATE AND LOCAL COST-SHARE ESTABLISHED FOR  
17 PRINCE GEORGE'S COUNTY IN REGULATIONS;

18                    (II) THE MAXIMUM STATE CONSTRUCTION ALLOCATION FOR  
19 EACH PROJECT APPROVED FOR STATE FUNDING;

20                    (III) THE RECOMMENDATION OF THE INTERAGENCY  
21 COMMITTEE ON SCHOOL CONSTRUCTION TO THE BOARD OF PUBLIC WORKS  
22 REGARDING PROJECT FUNDING;

23                    (IV) THE APPROVAL OF PROJECT FUNDING BY THE BOARD OF  
24 PUBLIC WORKS;

25                    (V) SMART GROWTH REQUIREMENTS;

26                    (VI) MINORITY BUSINESS ENTERPRISE REQUIREMENTS;

27                    (VII) PREVAILING WAGE REQUIREMENTS;

28                    (VIII) ENVIRONMENTAL REQUIREMENTS; AND

29                    (IX) A REQUIREMENT FOR A PROCUREMENT PROCESS THAT  
30 INCLUDES PUBLIC NOTICE AND RESULTS IN THE MOST ADVANTAGEOUS PROPOSAL.

31 5-314.



1           (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS  
2 INDICATED.

3                   (2) (I) “CONSTRUCTION” MEANS NEW CONSTRUCTION OR MAJOR  
4 RENOVATION OR REPLACEMENT OF A PUBLIC SCHOOL FACILITY.

5                           (II) “CONSTRUCTION” DOES NOT INCLUDE SYSTEM  
6 RENOVATION PROJECTS AS DEFINED IN COMAR 23.03.02.15.

7                   (3) “INCENTIVE PROGRAM” MEANS THE PRINCE GEORGE’S COUNTY  
8 PUBLIC SCHOOL FACILITY CONSTRUCTION INNOVATION INCENTIVE PROGRAM.

9                   (4) “PUBLIC SCHOOL FACILITY” MEANS A PROPERTY PRIMARILY  
10 USED FOR EDUCATIONAL INSTRUCTION.

11                   (5) “ROLLING STATE AVERAGE OF PUBLIC SCHOOL CONSTRUCTION  
12 COSTS” MEANS THE AVERAGE STATE COST PER STUDENT FOR PUBLIC SCHOOL  
13 CONSTRUCTION PROJECTS AND CAPITAL IMPROVEMENTS OVER THE PREVIOUS 3  
14 FISCAL YEARS.

15           (B) THIS SECTION APPLIES ONLY IN PRINCE GEORGE’S COUNTY.

16           (C) (1) THERE IS A PRINCE GEORGE’S COUNTY PUBLIC SCHOOL  
17 FACILITY CONSTRUCTION INNOVATION INCENTIVE PROGRAM IN THE STATE.

18                   (2) THE PURPOSE OF THE INCENTIVE PROGRAM IS TO PROVIDE  
19 INCENTIVES TO ENCOURAGE THE PRINCE GEORGE’S COUNTY PUBLIC SCHOOL  
20 SYSTEM TO PURSUE INNOVATIVE PUBLIC SCHOOL FACILITY CONSTRUCTION  
21 PROJECTS BY:

22                           (I) PROVIDING ADDITIONAL STATE FUNDING FOR THE  
23 PROJECTS; AND

24                           (II) EXEMPTING THE PROJECTS FROM THE STATUTORY AND  
25 REGULATORY REQUIREMENTS SPECIFIED IN SUBSECTION (J) OF THIS SECTION.

26                   (3) THROUGH THE ESTABLISHMENT OF THE INCENTIVE PROGRAM, IT  
27 IS THE INTENT OF THE GENERAL ASSEMBLY TO:

28                           (I) ENCOURAGE THE PRINCE GEORGE’S COUNTY PUBLIC  
29 SCHOOL SYSTEM TO USE THE INCENTIVE PROGRAM; AND

1                   **(II) ACCELERATE PUBLIC SCHOOL CONSTRUCTION AND**  
2 **RENOVATION IN PRINCE GEORGE'S COUNTY BY PROVIDING INCENTIVES TO REDUCE**  
3 **THE COSTS OF CONSTRUCTION AND RENOVATION.**

4           **(D) (1) THE INTERAGENCY COMMITTEE SHALL IMPLEMENT AND**  
5 **ADMINISTER THE INCENTIVE PROGRAM AS PROVIDED IN THIS SECTION.**

6                   **(2) THE INTERAGENCY COMMITTEE SHALL PROMOTE THE**  
7 **INCENTIVE PROGRAM IN PRINCE GEORGE'S COUNTY.**

8           **(E) THE INTERAGENCY COMMITTEE SHALL ESTABLISH AN APPLICATION**  
9 **PROCESS FOR THE INCENTIVE PROGRAM.**

10           **(F) FOR EACH FISCAL YEAR, THE INTERAGENCY COMMITTEE SHALL**  
11 **CALCULATE THE ROLLING STATE AVERAGE OF PUBLIC SCHOOL CONSTRUCTION**  
12 **COSTS FOR ELEMENTARY SCHOOLS, PREKINDERGARTEN THROUGH EIGHTH GRADE**  
13 **SCHOOLS, MIDDLE SCHOOLS, AND HIGH SCHOOLS IN THE STATE.**

14           **(G) IF A PUBLIC SCHOOL FACILITY CONSTRUCTION PROJECT HAS AN**  
15 **ESTIMATED PUBLIC SCHOOL CONSTRUCTION COST THAT IS 30% OR MORE BELOW**  
16 **THE ROLLING STATE AVERAGE OF PUBLIC SCHOOL CONSTRUCTION COSTS FOR THE**  
17 **APPROPRIATE TYPE OF SCHOOL, THE INTERAGENCY COMMITTEE SHALL APPROVE**  
18 **THAT PROJECT FOR PARTICIPATION IN THE INCENTIVE PROGRAM.**

19           **(H) (1) FOR A PUBLIC SCHOOL FACILITY CONSTRUCTION PROJECT THAT**  
20 **IS APPROVED TO PARTICIPATE IN THE INCENTIVE PROGRAM ON OR BEFORE**  
21 **DECEMBER 31, 2019, THE STATE SHARE OF ELIGIBLE COSTS FOR THAT PROJECT**  
22 **SHALL INCREASE BY 20% FOR THAT PROJECT.**

23                   **(2) FOR A PUBLIC SCHOOL FACILITY CONSTRUCTION PROJECT THAT**  
24 **IS APPROVED TO PARTICIPATE IN THE INCENTIVE PROGRAM ON OR AFTER**  
25 **JANUARY 1, 2020, THE STATE SHARE OF ELIGIBLE COSTS FOR THAT PROJECT SHALL**  
26 **INCREASE BY 10% FOR THAT PROJECT.**

27           **(I) IF THE ACTUAL PUBLIC SCHOOL CONSTRUCTION COSTS FOR A PROJECT**  
28 **ARE NOT 30% OR MORE BELOW THE ROLLING STATE AVERAGE OF PUBLIC SCHOOL**  
29 **CONSTRUCTION COSTS, THE PROJECT IS NOT ELIGIBLE FOR THE HIGHER STATE**  
30 **SHARE PROVIDED IN SUBSECTION (H) OF THIS SECTION FOR THE STATE SHARE OF**  
31 **ELIGIBLE COSTS THAT EXCEED THE REQUIREMENT IN SUBSECTION (G) OF THIS**  
32 **SECTION.**

33           **(J) EXCEPT AS PROVIDED IN SUBSECTION (K) OF THIS SECTION, § 5-301 OF**  
34 **THIS SUBTITLE AND THE REGULATIONS THAT GOVERN THE PUBLIC SCHOOL**

1 CONSTRUCTION PROGRAM DO NOT APPLY TO A PUBLIC SCHOOL FACILITY  
2 CONSTRUCTION PROJECT THAT IS APPROVED TO PARTICIPATE IN THE INCENTIVE  
3 PROGRAM.

4 (K) A PUBLIC SCHOOL FACILITY CONSTRUCTION PROJECT THAT IS  
5 APPROVED TO PARTICIPATE IN THE INCENTIVE PROGRAM SHALL COMPLY WITH:

6 (1) EXCEPT AS PROVIDED IN SUBSECTION (H) OF THIS SECTION, THE  
7 STATE AND LOCAL COST-SHARE ESTABLISHED FOR PRINCE GEORGE'S COUNTY IN  
8 REGULATIONS;

9 (2) THE MAXIMUM STATE CONSTRUCTION ALLOCATION FOR EACH  
10 PROJECT APPROVED FOR STATE FUNDING;

11 (3) THE RECOMMENDATIONS OF THE INTERAGENCY COMMITTEE TO  
12 THE BOARD OF PUBLIC WORKS REGARDING PROJECT FUNDING;

13 (4) THE APPROVAL OF PROJECT FUNDING BY THE BOARD OF PUBLIC  
14 WORKS;

15 (5) SMART GROWTH REQUIREMENTS;

16 (6) MINORITY BUSINESS ENTERPRISE REQUIREMENTS;

17 (7) PREVAILING WAGE REQUIREMENTS;

18 (8) ENVIRONMENTAL REQUIREMENTS; AND

19 (9) A REQUIREMENT FOR A PROCUREMENT PROCESS THAT INCLUDES  
20 PUBLIC NOTICE AND RESULTS IN THE MOST ADVANTAGEOUS PROPOSAL.

21 (L) IF THE PRINCE GEORGE'S COUNTY PUBLIC SCHOOL SYSTEM  
22 PARTICIPATES IN THE INCENTIVE PROGRAM, NOTHING IN THIS SECTION PROHIBITS  
23 THE PUBLIC SCHOOL SYSTEM FROM UTILIZING ANY OTHER SOURCE OF FINANCING  
24 OR SYSTEM OF BIDDING UNDER CURRENT LAW TO FUND A PUBLIC SCHOOL FACILITY  
25 CONSTRUCTION PROJECT.

26 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
27 1, 2018.