Chapter 561

(Senate Bill 611)

AN ACT concerning

Education - Healthy School Facility Fund - Established

FOR the purpose of establishing the Healthy School Facility Fund as a special, nonlapsing fund; specifying the purpose of the Fund; requiring the Interagency Committee on School Construction to administer the Fund; requiring the State Treasurer to hold the Fund and the Comptroller to account for the Fund; specifying the contents of the Fund; specifying the purpose for which the Fund may be used; providing for the investment of money in and expenditures from the Fund; requiring interest earnings of the Fund to be credited to the Fund; specifying that money expended from the Fund is supplemental to certain other funds; requiring the Governor to make a certain appropriation in certain fiscal years to the Fund; requiring a certain priority order in which the Interagency Committee on School Construction must allocate funds; requiring the Interagency Committee on School Construction to establish certain application procedures; exempting the Fund from a certain provision of law requiring interest earnings on State money to accrue to the General Fund of the State; defining a certain term; making this Act an emergency measure; and generally relating to the Healthy School Facility Fund.

BY adding to

Article – Education Section 5–314 Annotated Code of Maryland (2014 Replacement Volume and 2017 Supplement)

BY repealing and reenacting, without amendments,

Article – State Finance and Procurement Section 6–226(a)(2)(i) Annotated Code of Maryland (2015 Replacement Volume and 2017 Supplement)

BY repealing and reenacting, with amendments,

Article – State Finance and Procurement Section 6–226(a)(2)(ii)101. and 102. Annotated Code of Maryland (2015 Replacement Volume and 2017 Supplement)

BY adding to

Article – State Finance and Procurement Section 6–226(a)(2)(ii)103. Annotated Code of Maryland (2015 Replacement Volume and 2017 Supplement) SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

Article - Education

5-314.

- (A) IN THIS SECTION, "FUND" MEANS THE HEALTHY SCHOOL FACILITY FUND.
 - (B) THERE IS A HEALTHY SCHOOL FACILITY FUND.
- (C) THE PURPOSE OF THE FUND IS TO PROVIDE GRANTS TO PUBLIC PRIMARY AND SECONDARY SCHOOLS IN THE STATE TO IMPROVE THE HEALTH OF SCHOOL FACILITIES.
- (D) THE INTERAGENCY COMMITTEE ON SCHOOL CONSTRUCTION SHALL ADMINISTER THE FUND.
- (E) (1) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT SUBJECT TO § 7–302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.
- (2) THE STATE TREASURER SHALL HOLD THE FUND SEPARATELY, AND THE COMPTROLLER SHALL ACCOUNT FOR THE FUND.
 - (F) THE FUND CONSISTS OF:
 - (1) MONEY APPROPRIATED IN THE STATE BUDGET TO THE FUND;
 - (2) ANY INTEREST EARNINGS OF THE FUND; AND
- (3) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED FOR THE BENEFIT OF THE FUND.
- (G) (1) THE STATE TREASURER SHALL INVEST THE MONEY OF THE FUND IN THE SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.
- (2) ANY INTEREST EARNINGS OF THE FUND SHALL BE CREDITED TO THE FUND.
- (H) EXPENDITURES FROM THE FUND MAY BE MADE ONLY IN ACCORDANCE WITH THE STATE BUDGET.

- (I) MONEY EXPENDED FROM THE FUND IS SUPPLEMENTAL TO AND IS NOT INTENDED TO TAKE THE PLACE OF FUNDING THAT OTHERWISE WOULD BE APPROPRIATED TO PRIMARY AND SECONDARY SCHOOLS UNDER THIS ARTICLE.
- (J) (1) In each of fiscal years $\frac{2018 \text{ Through } 2024}{2020 \text{ And } 2021}$, the Governor shall appropriate at least $\frac{$15,000,000}{$30,000,000}$ to the Fund.
- (2) (I) SUBJECT TO SUBPARAGRAPHS (II) AND (III) OF THIS PARAGRAPH, THE INTERAGENCY COMMITTEE ON SCHOOL CONSTRUCTION SHALL GIVE PRIORITY IN AWARDING GRANTS TO SCHOOLS BASED ON THE SEVERITY OF NEED FOR THE FOLLOWING ISSUES IN THE SCHOOL, INCLUDING:
 - 1. AIR CONDITIONING;
 - 2. HEATING;
 - 3. INDOOR AIR QUALITY;
 - 4. MOLD REMEDIATION; AND
 - 5. TEMPERATURE REGULATION;
 - 6. PLUMBING; AND
 - 7. WINDOWS.
- (II) NO JURISDICTION MAY RECEIVE MORE THAN A TOTAL OF \$5,000,000 \$15,000,000 in a fiscal year.
- (III) THE AMOUNT OF THE GRANT IS NOT REQUIRED TO COVER THE FULL COST OF THE PROJECT.
- (K) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, THE INTERAGENCY COMMITTEE ON SCHOOL CONSTRUCTION SHALL ESTABLISH APPLICATION PROCEDURES FOR SCHOOL SYSTEMS TO REQUEST FUNDS UNDER THIS SECTION.
- (2) THE INTERAGENCY COMMITTEE ON SCHOOL CONSTRUCTION SHALL ESTABLISH AWARD PROCEDURES TO MAKE AWARDS DISTRIBUTED FROM THE FUND NOT MORE THAN 45 DAYS AFTER RECEIVING AN APPLICATION.

Article - State Finance and Procurement

6-226.

- (a) (2) (i) Notwithstanding any other provision of law, and unless inconsistent with a federal law, grant agreement, or other federal requirement or with the terms of a gift or settlement agreement, net interest on all State money allocated by the State Treasurer under this section to special funds or accounts, and otherwise entitled to receive interest earnings, as accounted for by the Comptroller, shall accrue to the General Fund of the State.
- (ii) The provisions of subparagraph (i) of this paragraph do not apply to the following funds:
 - 101. the Advance Directive Program Fund; [and]
 - 102. the Make Office Vacancies Extinct Matching Fund; AND
 - 103. THE HEALTHY SCHOOL FACILITY FUND.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act is an emergency measure, is necessary for the immediate preservation of the public health or safety, has been passed by a yea and nay vote supported by three—fifths of all the members elected to each of the two Houses of the General Assembly, and shall take effect from the date it is enacted.

Approved by the Governor, May 8, 2018.