

# **SB0360 - Public School Construction – Grant Progra**

Uploaded by: Joseph Jakuta

Position: FAV

**Committee: Appropriations**

**Testimony on: SB 360 - “Public School Construction – Grant Programs, Approvals, and Administration – Alterations”**

**Organization: Climate Parents of Prince George’s**

**Person Submitting: Joseph Jakuta, Lead Volunteer**

**Position: Favorable**

**Hearing Date: February 15, 2023**



Dear Mr. Chairman and Committee Members:

Thank you for considering our testimony to SB 360. Climate Parents is a campaign to reduce climate change causing pollution in our schools, and our group is active in Prince George’s County. In particular, we recently worked directly with Prince George’s County Public Schools (PGCPS) technical staff and other advocates to develop a first in the national School Climate Change Action Plan.

We are focusing our testimony on one aspect of the legislation that affects Md. Code Ann., Education §5-327, most specifically that Interagency Commission on School Construction (IAC) shall develop its life cycle cost analysis (LCCA) in conjunction with the Department of General Services (DGS). This is a necessary step to ensure that LCCA is consistent across state government. In parsing the regulations and guidance produced by DGS and IAC there are clear discrepancies, the documents are not updated on the same timeframe<sup>1</sup>, and much of the IAC’s approach to LCCA is not spelled out in regulations<sup>2</sup>, but in guidance. The portion of the SB 360 we are commenting on will help to alleviate these issues and make sure DGS and IAC are more in sync on the important question of LCCA.

We have seen in our county that proper long-term planning in school construction leads to environmentally friendly and cost effective construction. Since the Prince George’s Alternative Construction Financing program has placed long-term considerations on the private companies constructing the buildings, namely through handback mechanisms, the buildings are built with a more appropriate look at the full life cycle of the project. Having well thought out LCCA allows all construction that comes through the IAC to have to consider long-term costs to the taxpayers and the environment.

If possible we would like to see a trigger to initiate a revision of the LCCA that IAC relies on. There have been many important pieces of legislation that affect long-term planning and the LCCA approach should be updated. However, while this legislation could imply that IAC must update their LCCA since it was not developed in conjunction with DGS prior to the current moment, there should be a more explicit trigger that an updated LCCA process be developed in light of this change in the legislative directive. This process should be developed with a feedback process as is done for regulations in the state of Maryland.

We encourage a **FAVORABLE** report for this important legislation.

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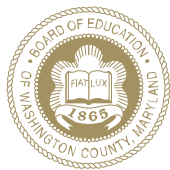
<sup>1</sup> For instance the Department of General Services Procedure Manual for Professional Services appears to have last been revised in January 2022 and the The Public School Construction Program Administrative Procedures Guide for the State of Maryland in August 2020

<sup>2</sup> The clearest indication we can discern related to a requirement that the IAC process a LCCA is “LEA shall submit to the IAC or its designee for review and approval information regarding the consistency of the project with the Department of General Services procedure manual for professional services standards for energy conservation, life cycle cost analysis, and roofing.” (COMAR 14.39.02.14 (D)(2))

**SB 360 HB 458 testimony 2-15-23.pdf**

Uploaded by: Jamie Brown

Position: FWA



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**BILL:** Senate Bill 360 / House Bill 458  
**TITLE:** Public School Construction – Grant Programs, Approvals, and Administration - Alterations  
**HEARING DATE:** February 15, 2023 / February 14, 2023  
**POSITION:** SUPPORT WITH AMENDMENTS  
**COMMITTEE:** Senate Budget and Taxation / House Appropriations Committee  
**CONTACT:** Ms. Patricia Ursprung, Deputy Legal Counsel (301-766-2946)

The Washington County Board of Education (WCBOE) supports with amendment Senate Bill 360, which would increase the threshold amount of school renovation projects that require the approval of the State Superintendent of Schools from \$350,000 to \$500,000. The bill also proposes to amend the threshold for change orders that require approval from \$25,000 to \$50,000. WCBOE agrees with the proposed increase for change orders, and suggests amending the threshold applicable to renovation projects to \$1,000,000.

WCBOE understands and appreciates the need for approval by the State Superintendent for certain expenditures concerning school facilities; however, the current limit of \$350,000, which was set more than 25 years ago, now captures a large number of projects that previously would not have required approval. To help provide context, in 2000, the average cost per square foot for school construction projects in the state of Maryland was \$116.76. Last school year, the cost per square foot increased to \$458.15. That is an approximately 400% increase. However, the bill in its current form only seeks to increase the threshold level by 43%. Given the rate of inflation, particularly in the area of construction, WCBOE believes that increasing the approval threshold to \$1,000,000 (rather than the proposed \$500,000) will comply with the spirit of the original legislation, while acknowledging the current cost of completing school construction projects.

Because of the immense number of projects now captured by the current \$350,000 cap, approval times can be slow and result in delays to local projects that are otherwise ready to proceed. In the last 2 years, 60% of WCBOE-funded projects exceeded both the current \$350,000 threshold and the \$500,000 threshold proposed by House Bill 458, while remaining under the \$1,000,000 threshold proposed by this testimony. For each of these projects, the school system had to expend time and resources to prepare the submission to the state and, when necessary, respond to questions and comments from the state before being given approval for the project. The reviews did not result in any substantial changes to the proposed projects. Should this bill pass, state resources currently devoted to reviewing these locally-funded projects will decrease because fewer projects will require approval, and local resources currently devoted to preparing submissions to the state and responding to questions and comments will also decrease.

In light of the foregoing, it is the hope of WCBOE that this committee will see the need to increase the threshold amount that triggers state review of school renovation projects, and further, that the increase should exceed what is currently proposed in favor of a \$1,000,000 limit on renovation projects.

WCBOE respectfully requests a favorable report on Senate Bill 360, with the amendment herein proposed.

cc: Washington County Board of Education Members  
Washington County Delegation to the Maryland General Assembly  
Dr. David T. Sovine, Superintendent  
Dr. Jennifer Webster, Associate Superintendent for Administration and Leadership  
Dr. Gary Willow, Associate Superintendent for Curriculum and Instruction  
Mr. Jeffrey Proulx, Chief Operating Officer  
Ms. Ilissa Ramm, Chief Legal Counsel  
Mr. John Woolums, Director of Governmental Relations, Maryland Association of Boards of Education  
Ms. Mary Pat Fannon, Executive Director, Public School Superintendents' Association of Maryland

# **SB 360\_ Public School Construction – Grant Program**

Uploaded by: Mary Pat Fannon

Position: FWA



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**BILL:** SB 360

**TITLE:** Public School Construction – Grant Programs, Approvals, and Administration – Alterations

**DATE:** February 15, 2023

**POSITION:** Support with Amendments

**COMMITTEE:** Budget and Taxation

**CONTACT:** Mary Pat Fannon, Executive Director, PSSAM

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The Public School Superintendents’ Association of Maryland (PSSAM), on behalf of all twenty-four local school superintendents, supports Senate Bill 360 **with amendments**.

This bill makes the Interagency Commission on School Construction (IAC) an independent unit of State government and allows appointed members of IAC to be removed by their appointing authority. The legislation also repeals the School Safety Grant Program (SSGP) and the Aging Schools Program (ASP) beginning in fiscal 2027. The bill raises the cost thresholds for specified actions related to school construction that must be approved by the State Superintendent. Finally, it makes other technical and procedural changes related to the approval and funding of school construction projects in the State, including clarification that approval from the Board of Public Works is not needed for grants disbursed through the Significant Enrollment Growth or Relocatable Classrooms programs..

PSSAM supports the IAC’s reorganization as an independent unit of the State, rather than a Commission under the Maryland State Department of Education. The proponents of this bill cite the current Superintendent’s support of this initiative as it will result in the IAC operating more quickly and efficiently, especially with their human resources personnel.

However, PSSAM seeks an amendment that either retains the two terminated programs - ASP and SSGP, or, includes binding language that the current appropriations for these programs are shifted in total to the new Nancy K. Kopp Public School Facilities Priority Fund and used primarily for the targeted projects in these two programs. The fiscal note assumes these funds would continue, but also acknowledge that there is no guarantee, and the State expenditures

could decrease by \$10.0 million in general funds (for SSGP) and \$6.1 million in general obligation bond funds (for ASP) beginning in fiscal 2027.

PSSAM's preference would be to retain these as separate programs and not consolidate them into the larger Fund where it may be more difficult for smaller systems to access the funding due to larger systems with more "high-priority school construction projects."

For these reasons, PSSAM **supports** Senate Bill 360 with the amendments proposed above, and urges a favorable with amendments report.