

**Department of Legislative Services**  
Maryland General Assembly  
2004 Session

**FISCAL AND POLICY NOTE**

House Bill 9 (Delegate Boschert)  
Appropriations

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**Public Schools - State Aid for School Construction - Relocatable Classrooms and Walkways**

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This bill classifies relocatable classrooms with connecting walkways to the main school building as permanent classrooms for the purpose of making them eligible for public school construction funding from the State. The cost of purchasing a relocatable classroom and the cost of constructing a walkway from a relocatable classroom to the main school building constitute approved public school construction or capital improvement costs.

The bill takes effect July 1, 2004 and sunsets June 30, 2014.

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**Fiscal Summary**

**State Effect:** The Public School Construction Program could review any additional funding requests with existing resources. State funding for public school construction would not change.

**Local Effect:** Although the bill could result in a different distribution of State school construction funding, total State funding for public school construction would not change. Local governments provide a match for State school construction funding, so a change in the distribution of State funding would also impact local matching funds.

**Small Business Effect:** Potential minimal.

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## Analysis

**Current Law:** The Board of Public Works defines by regulation what constitutes an approved public school construction or capital improvement cost. Although it is not written into regulations or any other published policy manuals or guidelines, the purchase of relocatable classrooms and construction of walkways to relocatable classrooms have never been eligible for State funding.

**Background:** There are currently 212 classrooms in State-owned relocatable buildings, 1,833 classrooms in locally-owned relocatable buildings, and 647 classrooms in relocatable buildings that are leased by local school systems. The number of relocatable classrooms by jurisdiction is shown in **Exhibit 1**. According to the Public School Construction Program, the policy that the State has followed since the inception of the program has been to fund projects that provide student capacity solutions that are more permanent than relocatable classrooms.

A Task Force to Study Public School Facilities was created by the Bridge to Excellence in Public Schools Act of 2002 and has been meeting for the past two years. The task force is currently considering recommendations to either have the State purchase more relocatable classrooms for use by local school systems or have the cost of relocatable classrooms be eligible for State funding. The task force is considering these changes only as a means to address the Bridge to Excellence requirements that local school systems provide full-day kindergarten to all students and make publicly-funded pre-kindergarten available to economically disadvantaged students by the 2007-2008 school year. The task force's final report, which may or may not include these recommendations, is expected in February 2004.

**State Fiscal Effect:** Although additional projects would be eligible for State funding, the bill would not result in additional funding for public school construction. School construction funding is appropriated by the State in a lump sum, and the Board of Public Works, with the aid of the Interagency Committee on Public School Construction and the Public School Construction Program, decides which construction projects to fund with the appropriation.

**Local Fiscal Effect:** Overall school construction funding from the State would not be altered by the bill; however, the allocation of State funding could be impacted by the legislation for two reasons.

- First, local school systems that use relocatable classrooms in order to provide a quicker and less expensive solution to school capacity problems could receive additional funds from the State.

- Second, local school systems that already use a large number of relocatable classrooms could receive less funding. The bill requires the State to classify relocatable classrooms as permanent classrooms, meaning projects that add capacity through the construction of new school buildings or additions to existing school buildings may not be justifiable in places where large numbers of relocatable classrooms are already in use.

Local jurisdictions provide a match for State school construction funding through the State/local shared cost formula. Jurisdictions pay 10% to 50% of eligible State school construction costs, with more wealthy jurisdictions generally providing a greater local share. To the extent that the bill results in a redistribution of State funds, local funding would also be impacted.

According to one estimate, relocatable classrooms range in price from approximately \$36,000 for a single classroom unit to \$63,000 for a double classroom with rest rooms. These amounts do not include the costs of installing fire alarm and protection services, electrical systems, water lines, sewer supply and connections, steps, decks, platforms, and walkways. Three-year leasing costs range from approximately \$20,000 for a single classroom unit to approximately \$30,000 on a double classroom unit. Leasing costs include some of the installation costs mentioned above.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Board of Public Works, Maryland State Department of Education, Public School Construction Program, Department of Legislative Services

**Fiscal Note History:** First Reader - February 2, 2004  
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**Exhibit 1**  
**Number of Relocatable Classrooms**

<u>County</u>	<u>State-Owned</u>	<u>Locally-Owned</u>	<u>Local Leased</u>	<u>Total</u>
Allegany	0	2	0	2
Anne Arundel	0	117	0	117
Baltimore City	4	35	0	39
Baltimore	3	225	0	228
Calvert	10	79	14	103
Caroline	2	11	0	13
Carroll	0	120	0	120
Cecil	0	53	6	59
Charles	57	100	2	159
Dorchester	7	0	4	11
Frederick	4	145	0	149
Garrett	0	0	0	0
Harford	12	26	25	63
Howard	2	119	0	121
Kent	0	0	0	0
Montgomery	49	73	567	689
Prince George's	21	465	0	486
Queen Anne's	0	25	29	54
St. Mary's	37	73	0	110
Somerset	3	3	0	6
Talbot	0	11	0	11
Washington	1	37	0	38
Wicomico	0	77	0	77
Worcester	<u>0</u>	<u>37</u>	<u>0</u>	<u>37</u>
<b>Total</b>	<b>212</b>	<b>1,833</b>	<b>647</b>	<b>2,692</b>

Source: Public School Construction Program

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