

Department of Legislative Services
 Maryland General Assembly
 2023 Session

FISCAL AND POLICY NOTE
Third Reader - Revised

Senate Bill 818

(Senator A. Washington)

Budget and Taxation

Appropriations

Education - Public High School Athletic and Physical Education Facilities - Study

This bill requires the Interagency Commission on School Construction (IAC) to conduct a comprehensive study analyzing the current condition of public high school athletic and physical education facilities in the State. In conducting the study, IAC must consult with local school systems, and local school systems must provide specified information on request by IAC. By December 1, 2023, IAC must report its findings and recommendations to the Governor and General Assembly. The bill also requires the Maryland-National Capital Park and Planning Commission (MNCPPC) and the Prince George’s County Board of Education to meet no later than December 1, 2023, to discuss potential partnerships to upgrade public high school athletic and physical education facilities in Prince George’s County. **The bill takes effect June 1, 2023, and terminates May 31, 2024.**

Fiscal Summary

State Effect: General fund expenditures increase significantly, likely by approximately \$750,000, in FY 2024 to conduct the mandated study. However, IAC advises that, even with increased funding, it likely cannot complete the study by the bill’s deadline, as discussed below. The required meeting has no material effect on MNCPPC operations or finances. No effect on revenues.

(in dollars)	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	750,000	0	0	0	0
Net Effect	(\$750,000)	\$0	\$0	\$0	\$0

Note: () = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate increase; (-) = indeterminate decrease

Local Effect: The bill likely has an operational effect on local school systems, including Prince George’s County Public Schools, but has no direct effect on local finances.

Small Business Effect: Minimal.

Analysis

Current Law: Chapter 14 of 2018, the 21st Century School Facilities Act, required IAC, in consultation with local school systems, to adopt educational facilities sufficiency standards for Maryland public schools by July 1, 2018. The standards are defined as a uniform set of criteria and measures for evaluating the physical attributes and educational suitability of public elementary and secondary school facilities in the State. The standards include specified categories, and they must be reviewed and updated periodically. Chapter 14 also required IAC to develop a facility condition index, which is a calculation to determine the relative physical condition of public school facilities by dividing the total repair cost of a facility by its total replacement cost.

Chapter 14 also required IAC to complete an initial statewide facilities assessment using the sufficiency standards by July 1, 2019, and update the assessment at least every four years. In completing the initial assessment, IAC had to incorporate the index, contract with an independent third-party vendor to conduct the data collection and assessment, use existing data sources to the extent possible, and coordinate with local school systems to identify data elements to be used. Due to procurement delays, the initial assessment was not completed until July 2021; the first follow-up assessment is currently underway.

State Expenditures: IAC advises that the educational facility sufficiency standards developed in response to Chapter 14 and used for the school facility assessment include standards for physical education facilities but not for athletic facilities. Moreover, IAC notes that each school system may have its own standards and criteria for athletic facilities and that there is not an industry consensus set of standards for those facilities. As a result, the current assessment includes data on the condition of school physical education facilities but not for athletic facilities.

The development of the existing sufficiency standards was a collaborative effort between IAC and local school systems, and a similar effort to develop consensus standards for high school athletic facilities would likely take several months, or possibly longer if consensus is difficult to achieve. As the bill requires the comprehensive study to be completed in six months, it is unlikely that IAC can complete the study in the time allowed by the bill, given the amount of time necessary to develop the new standards, incorporate them into an assessment framework, and train assessors to conduct assessments using the standards.

IAC's protocol for the follow-up facility assessments is to assess one-quarter of all facilities each year so that all facilities are updated at least every four years, as required by Chapter 14. Therefore, current assessors may be able to incorporate the new athletic facility standards into their planned assessments in fiscal 2024. There are approximately 200 high schools in the State, which translates to an estimated 50 being assessed in

fiscal 2024 (one-quarter of the total). The study must be completed less than halfway into the fiscal year, which means that, at most, 25 schools can be assessed with existing resources, leaving approximately 175 schools needing to be assessed separately. Any delay in developing the standards likely means that fewer schools can be included in the planned follow-up assessment.

IAC advises that its assessors are fully subscribed, so it would likely have to hire and train contractual assessors to complete the study or conduct a new procurement for a third party to conduct the assessments. The contract modification for the first follow-up assessment of 350 schools costs \$1.28 million, so assessing 175 schools (or half of those planned to be assessed in fiscal 2024) could cost about \$644,000. However, that estimate does not account for (1) the likelihood that some portion of the assessments of the other 25 schools cannot be handled with existing resources due to timing issues noted above; (2) the significantly shortened timeframe for the assessments under such a contract to be completed; and (3) any costs associated with training the assessors to use the new standards. The extended process of either procuring the assessment or hiring contractual staff makes it even less likely that IAC can complete the study in the timeframe allotted.

Additional Information

Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: HB 313 (Delegate Washington) - Appropriations.

Information Source(s): Public School Construction Program; Department of Budget and Management; Montgomery County Public Schools; Maryland-National Capital Parks and Planning Commission; Department of Legislative Services

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