

HOUSE BILL 1290

Testimony

By Delegate Maggie McIntosh

Education Public Schools Construction -Funding and Administration

Appropriations Committee

March 1, 2022

Good afternoon, Vice-Chair Chang and members of the Appropriations Committee. As always I am grateful for the opportunity to introduce my bill, **House Bill 1290 Education Public Schools Construction -Funding and Administration**.

During the interim, I Chaired the Workgroup on the *Assessment and Funding of School Facilities* and we have worked diligently to complete this work. You may recall that this workgroup was an outgrowth of the Knott Commission of four years ago. That Commission made several recommendations on changes to how we fund and construct our public school facilities. Before you today are several additional recommendations designed to assist our local counties in the construction of schools.

I must share that one major component of the Knott Commission, the Integrated Master Facility Asset Library (IMFAL), a comprehensive school assessment, was not completed. The IAC did contract with an outside consultant to do a review of all 1,400 school facilities and systems. Unfortunately, the data collected had several problematic issues. We spent a great deal of time working to improve the data however, and I believe that working closer with LEAs will give us a useable ranking of schools. However, our workgroup does not believe this will be done before 2027.

This bill's purpose is to require the Interagency Commission on School Construction to adopt changes to State funding levels for school construction, State/local cost-share formulas, school construction project approval requirements, and the implementation of and use of data from the ongoing statewide school facility assessment.

- The bill renames the Local Share of School Construction Costs Revolving Loan Fund to **The School Construction Revolving Loan Fund**, and requires the Governor to include in the annual budget bill at least \$50 million in fiscal 2023, \$20 million in fiscal 2024, and \$10 million in each of fiscal 2025 and 2026.

Loans from the fund must be repaid within five years, subject to a waiver process. Loans from the fund may be used to represent the State or local share of eligible public school construction or capital improvement costs, including for projects funded by the Built to Learn program.

- The bill extends mandated funding (\$40 million annually) for the HSFF to fiscal 2025 and 2026 and also extends the requirement that 50% of the funds be awarded to Baltimore City.
- State-Local Cost Share: When updating the cost-share calculations every two years, IAC must limit the percentage point decrease in the State share for any county to 5%. IAC must update the State/local cost-share formula for fiscal 2025 and 2026 to align with the changes made by the Blueprint.
- By October 1, 2023, IAC must update its per-student gross area baseline square footage to align with Chapter 36, including (1) instructional space for English-language learners; (2) community schools and schools eligible for Concentration of Poverty grants; (3) collaborative planning spaces for teachers; (4) break-out space for one-on-one and school group instruction; and (5) career and technical education pathways.
- When calculating the maximum State allocation for an approved school construction project, IAC may make an enrollment deduction for the project only if the available seat count in an adjacent school is 15% or more of the adjacent school's enrollment.

The bill creates several adjustments and incentives that increase the State share of eligible school construction costs for targeted projects:

- a 10% increase in the State share for schools with a concentration of poverty level of 80%
- a 5% increase in the State share for schools with a concentration of poverty level of between 55% and 80%
- a 5% increase in the State share for schools that achieve specified ratings on their most recent maintenance assessment
- a 5% increase in the State share for schools built as net-zero buildings
- a 5% increase in the State share for projects with an estimated total cost of ownership that is at least 15% less than baseline levels, subject to repayment if the completed project does not meet that threshold.