



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

The Washington County Board of Education (WCBOE) supports with amendment House Bill 458, 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 House Bill 458, 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