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BILL: HB 458

TITLE: Public School Construction – Grant Programs, Approvals, and

Administration – Alterations

DATE: March 28, 2023

POSITION: Support with Amendments

COMMITTEE: Budget and Taxation

CONTACT: Mary Pat Fannon, Executive Director, PSSAM

The Public School Superintendents' Association of Maryland (PSSAM), on behalf of all twenty-four local school superintendents, **supports** House Bill 458 **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.

As amended by the House, the bill contains a new provision that shifts responsibility for a one-time life cycle evaluation of alternative energy systems by the IAC or the Maryland Stadium Authority to local boards of education for each new construction or major renovation project.

Such analysis can be done, however, the new provisions require the local board to conduct this evaluation during the design development phase, after which, if the board determines no alternative energy systems are appropriate, the bill would also require the local board of education to report to the IAC why alternative energy systems were not appropriate for that project. The timing of this evaluation and report would be problematic. Therefore, PSSAM suggests an amendment to indicate this would be done no later than design development or indicate that the IAC cannot delay approval of a project based on the completion of the evaluation and submission of this report. This would give local systems greater flexibility in their project timelines.

Additionally, 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 House Bill 458 with the amendments proposed above, and urges a favorable report.