



21st Century School Facilities Commission

Comments from the Local Government Panel

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Contact: Robin Clark, Research Director, MACo

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Year after year, school construction needs and requests outnumber allocated funding. Since 2003, school construction costs have more than doubled, only exacerbating this dynamic. While the State has increased its construction cost estimate, its overall spending goals have not shifted to reflect the new cost of construction. The State and its county partners are struggling to keep pace with school construction and renovation needs.

The State's commitment to school construction funding needs to remain strong and smart – to best serve the modern needs of our schoolchildren, educators, and communities. Maryland counties advocate that state funding recognize modern cost factors as we achieve new environmental and energy standards, satisfy heightened needs for technology, ensure student safety, fulfill community resource needs, and integrate evolving teaching methods.

County governments share responsibility for financing K-12 school construction with the State, whose funding depends on statutory formulas and regulations. Counties throughout Maryland are working with their school systems to find cost-saving solutions, and MACo supports the Commission's review of school funding formulas and guidelines to promote the smartest and most effective funding for modern schools.

MACo urges the Commission to recommend the State retain a strong commitment to this top funding priority.

Recommendations for the Commission from county governments include:

1. Maintain and strengthen the State's commitment to school construction capital funding in recognition of increases in school construction costs. Recognize the cost of recently enacted state laws and regulations of school construction in the State's funding formula.
2. Assess the cost-drivers of modern school construction, such as achieving new environmental and energy standards, satisfying heightened needs for technology,

ensuring student safety, fulfilling community resource needs, and integrating evolving teaching methods. Determine if there are more cost-effective means to achieving these aims and provide options for pursuing less costly alternatives within state law and regulation.

3. Review and revise labor laws and regulations that apply to the school construction sector, including the prevailing wage law and regulations.
4. Examine the timeline for school construction and consider ways to better coordinate the timeline with local budget processes.
5. Ensure that state alternative financing laws do not create disincentives to public-private partnership by clarifying the categorization of lease payments to private builders as temporary obligations that do not extend beyond the term of the lease.
6. Consider non-eligible expenses in the State's funding structure, including architectural & engineering fees, and the cost of moveable equipment and furniture.
7. Develop options and incentives for counties to more effectively leverage state funding.
8. Provide a predictable and accountable State-level commitment to school facility maintenance funding.

Maryland's counties welcome continued communication with the Commission for further detail on these recommendations and ideas for implementation.

For more information, please contact:

- The Honorable Mel Franklin, Council Member, Prince George's County
(301.952.3820, mfranklin1@co.pg.md.us)
- The Honorable Jan Gardner, County Executive, Frederick County
(301.600.3190, jgardner@frederickcountymd.gov)
- Robin Clark, Research Director, MACo
(410.269.0043, rclark@mdcounties.org)