

BILL: Senate Bill 197
TITLE: Creation of a State Debt - Qualified Zone Academy Bonds
POSITION: SUPPORT
DATE: March 1, 2017
COMMITTEE: Budget and Taxation Committee
CONTACT: John R. Woolums, Esq.

The Maryland Association of Boards of Education (MABE), representing all twenty-four local boards of education, supports Senate Bill 197.

This bill would authorize the Board of Public Works to issue \$4.8 million in interest-free Qualified Zone Academy Bonds (QZABs) and grant the proceeds to the Interagency Committee on School Construction. Since 1998, the federal QZAB program has allowed the Board of Public Works to issue interest-free bonds and grant the proceeds to the Interagency Committee on School Construction for the renovation, repair, and capital improvements of qualified zone academies. Under federal law, qualified zone academies are defined as public schools that (1) are designed in cooperation with business to enhance the academic curriculum, increase graduation and employment rates, and prepare students for college and the workforce; and (2) require students to meet the same academic standards and assessments as other students in the same school system. In addition, qualified zone academies must either be located in a federal Enterprise or Empowerment Zone or have at least 35% of their student population qualify for free or reduced price meals.

As the FY 2018 capital budget is being deliberated, local boards of education have called on the Governor, General Assembly, and Board of Public Works, to endorse a robust state school construction budget. Therefore we greatly appreciate that the State will provide more than \$330 million for school facility construction and renovation projects in the coming year.

Increased state funding is critical for not only major renovation and new school construction projects but also many smaller school renovation and improvement projects funded through QZAB and the Aging Schools Program. This bill will ensure that the federal QZAB program continues to provide significant, supplemental funding to further improve Maryland's public school facilities – the schools and classrooms in which more than 870,000 students are learning each school day.

For these reasons, MABE supports Senate Bill 197 and requests a favorable report.