

BILL: Senate Bill 92
TITLE: Maryland School Overcrowding Reduction Act of 2018
DATE: January 31, 2018
POSITION: OPPOSE
COMMITTEE: Budget and Taxation Committee
CONTACT: John R. Woolums, Esq.

The Maryland Association of Boards of Education (MABE), representing all of the state's local boards of education, opposes Senate Bill 92.

MABE appreciates the bill's intent to facilitate alternative financing of projects to address school capacity needs. However, MABE opposes Senate Bill 92 not only based on the significant and unwarranted changes it would make to the state's laws and regulations regarding school construction projects using alternative financing methods, but also because it would incentivize the construction of schools which do not meet Maryland's high standards for schools regardless of funding or financing method.

MABE objects to establishing the program set forth in this bill to provide significant state funding incentives to encourage public school systems to build lower quality schools. The cost reductions are to be made possible by exempting school projects from the statutory and regulatory requirements and standards governing other public schools. MABE does not believe this program necessarily represents innovation, but rather the promotion of building schools which are less expensive because they are exempt from many, if not all, school quality standards. Again, under the incentive program, a school construction project would be exempt from the statutes pertaining to the IAC and BPW, and regulations that govern the public school construction program.

In addition, MABE opposes the bill's provisions applying specifically to school projects funded through alternative financing methods, including amending the law to repeal requirements that the Board of Public Works (BPW) and/or Interagency on School Construction (IAC) develop regulations governing school construction projects. Senate Bill 92 specifies that regulations that govern the Public School Construction Program do not apply to projects that use alternative financing methods; and would repeal the requirement that projects that qualify for alternative financing methods must meet the educational standards, design standards, and procedural requirements under this article and under regulations adopted by the Board of Public Works. In addition, the bill would repeal the requirement that the Board of Public Works must adopt regulations recommended by the Interagency Committee on School Construction to implement bids for alternative financing projects.

MABE is also concerned that Senate Bill 92 would allow local decisions to use alternative financing methods without state approval, while providing the same state/local cost share per project, and requiring final BPW approval of funding. This appears to provide local discretion to invest in an alternatively financed project without any preliminary approvals (or denials) prior to final funding approval (or denial) by the BPW.

For these reasons, MABE requests an unfavorable report on Senate Bill 92.