
21st Century School Facilities Act

**Presentation to the
Workgroup on the Assessment and Funding of
School Facilities**

**Department of Legislative Services
Office of Policy Analysis**

21st Century School Facilities Commission

- The commission was established by the Presiding Officers in 2016 to
 - Review the appropriateness of existing educational specifications for school construction projects
 - Identify the best practices and possible efficiencies in public school construction
 - Identify innovative financing mechanisms and alternatives to traditional financing for construction and maintenance
 - Evaluate the appropriate role for State agencies with respect to school construction
 - Review the relationship between the State and local governments on school construction projects
- Met 17 times over two years and delivered the final report to the General Assembly in January 2018
- Arrived at a series of findings and recommendations that met the themes of (1) flexibility; (2) streamlining the process; (3) providing incentives; (4) focusing the State's role on providing expertise and assistance; and (5) transparency
- Chapter 14 of 2018 (HB 1783) generally implements the commission's recommendations, among other provisions

School Facility Standards and Assessment

- The Interagency Commission on School Construction (IAC) must adopt educational sufficiency standards and a facility condition index for public schools
 - Standards are a uniform set of criteria and measures for evaluating the physical and educational suitability of public school facilities
 - They are *minimum* standards
- IAC must complete an initial statewide facilities assessment using the sufficiency standards by July 1, 2019
 - Procurement for a vendor to conduct the assessment is under protest and awaiting decision by the State Board of Contract Appeals
- Results of the initial facility assessment must be shared with this workgroup
 - Working with local jurisdictions, the workgroup must consider (1) how the relative condition of facilities should be prioritized; and (2) if appropriate, how the results of the assessment should be used in making funding decisions
- Facility condition data must be updated at least every four years

Funding Levels for School Construction

- Legislative intent that the State should provide at least \$345 million for public school construction in fiscal 2019 – this goal was surpassed
- Legislative intent that, as soon as practicable and within debt affordability guidelines, the State should provide at least \$400 million each year (which can be phased in) – this goal was again surpassed in fiscal 2020
- Annual funding goal should be recalculated to reflect the initial facility assessment and this workgroup’s findings and recommendations

Alternative Financing

- Chapter 14 expands allowable alternative financing methods to include “design-construct-operate-maintain-finance” arrangements
 - These allow local school systems to enter into a public-private partnership agreement with a private entity or county revenue authority
- IAC must, in consultation with the Maryland Stadium Authority, provide technical assistance and support to local school systems on the use of alternative financing and project delivery methods
- IAC must explore the feasibility of regional construction projects

Educational Specifications Workgroup

- Established by Chapter 14 to
 - Assess the appropriateness of square footage allocations
 - Review the alignment of school design standards with square footage allocations
 - Examine the use of regional square footage figures
 - Review the process for determining State-rated capacity
 - Examine the differences in facility cost-per-student by type of school and jurisdiction

Assessment and Funding of School Facilities Workgroup

- Established by Chapter 14 to
 - Consider how the relative condition of facilities based on the standards and the index should be prioritized
 - Determine if and how the results of the facility assessment should be used in funding decisions
 - Consider whether the State should offer funding incentives to reduce the total cost of ownership of facilities

Other Major Provisions

- Expanded and strengthened the role of IAC in approving State funding for school construction projects
- Required the Department of General Services (DGS) to develop a certification process that enables qualified local school systems to conduct their own reviews of design and construction documents (instead of DGS)
- Required IAC to develop incentives for local school systems to construct energy-efficient schools
- Established a revolving loan fund to assist local school systems with a local share of construction costs