



Interagency Commission on School Construction Fiscal Year 2025 Operating Budget Response to Department of Legislative Services Analysis

House Appropriations Committee
Education and Economic Development
Delegate Stephanie Smith, Chair
Thursday, February 29, 2024

Senate Budget and Taxation Committee
Education, Business, and Administration
Senator Nancy J. King, Chair
Monday, March 4, 2024

Presenters:

Edward Kasemeyer, IAC Chair
Alex Donahue, IAC Executive Director
Cassandra Viscarra, IAC Deputy Director

Thank you for your continuing support for public school construction in Maryland, and for the opportunity to report today on the operating budget for the Interagency Commission on School Construction (IAC). The Commission and their staff are tasked with a significant mission to provide leadership and resources to local education agencies (LEAs) to develop and sustain school facilities so that all Maryland public school students, teachers, administrators, and staff have safe and educationally sufficient environments in which to teach and learn.

In this report we will respond to the analyst's questions, and will provide additional information that may be of interest to the members of the committee.

IAC should comment on the status of the debt capacity study for the RLF; funds expended to date; and whether an additional study is needed, considering that the program remains under development and is not funded in the fiscal 2025 proposed budget.

The University of Maryland College Park Division of Research has completed the fiscal capacity study commissioned by the IAC. The final cost of the study was \$46,000, and the full amount has been expended or invoices have been received and payment is in process. The IAC does not anticipate any additional study on debt capacity. Separately, the IAC has tasked its staff with developing policy recommendations around future adjustments to the State Local Cost Share formula that the IAC establishes under Ed. Art. § 5-303(d)(3)(i). IAC staff are reviewing potential policy options and expect to contract during FY 2025 with UMD for some data collection and analysis in order to support this effort. The cost of this contract is included in the IAC's FY 2025 Governor's Allowance.

IAC should provide an update on the following items related to Chapter 32 implementation: (1) status of the SFA report; (2) timetable for the Administrative Procedures Guide and appeal process, specifically for approved enrollment projections for individual projects; and (3) proposed remedy, if any, for the unresolved concern regarding minimum equipment needed for food preparation to be used for the survey of school buildings.

- (1) As noted in the analysis, for many years, the IAC has interpreted the provision in Education Article, §5-310(b)(3) as referring to the IAC's maintenance assessments and has annually submitted to the Governor and General Assembly a report on those maintenance assessments. The IAC voluntarily publishes information related to the SFA in its agency [Annual Report](#). However, Facility Condition Index information has been compiled and submitted to DLS and is readily available for compilation into an annual report. IAC will work in the coming month to prepare and submit an annual report on the SFA to DLS. We will also work with the DLS library to update the listing of required MSARs to reflect the legislative intent of this change.
- (2) The IAC is targeting late summer of 2024 for release of a draft Administrative Procedures Guide (APG) for review and comment by stakeholders, with final publication in early fall. The updated APG will include the IAC's existing appeal process, as procedural changes to that process are not anticipated. It will also include a separate appeal process specifically for eligible enrollment projections for individual projects.
- (3) Section 7 of Chapter 32 requires the IAC and the Maryland Department of Health to determine the minimum equipment needed in each school for food preparation and to use the information in the assessment of school buildings under Education Article, §5-310. The IAC communicated with the MDH and understands that MDH does not have standards or recommendations for minimum needed food-preparation equipment, which traditionally have been determined by local jurisdictions. The IAC assesses the general condition of present kitchen equipment as a whole as part of the SFA. However, to ensure that local needs and deficiencies are captured and identified through the assessment process as required by this Section, LEAs are asked to identify equipment they believe is missing to be included as a deficiency within the educational-sufficiency (MDCI) calculations.