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June 3, 2019

Senator

Harrisburg, PA 17120

RE: Education Committee meeting June 4, 2019

Dear Senator :

On behalf of our 4,500 locally elected school directors, the Pennsylvania School Boards Association (PSBA) is respectfully **requesting your support of SB700,** which is scheduled for committee consideration on Tuesday, June 4 at 10:00. SB700 is Senator Pat Browne’s legislation that would implement the recommendations of the State Public School Building Construction and Reconstruction Advisory Committee. The proposed changes bring the state’s reimbursement program for school construction and renovation projects (PlanCon) into the twentieth century.

The need to address aging and inadequate school facilities is critical. We know schools are struggling with financing projects to fix leaking roofs, failing mechanical and electrical systems, and crumbling infrastructure. Schools are also undertaking necessary projects to address overcrowded classrooms and to enhance school security issues. We know that nearly one-third of school district buildings throughout Pennsylvania are in need of replacement or major renovation. In 2016 the state implemented a moratorium on acceptance of school projects for reimbursement leaving school district local taxpayers with the sole responsibility to finance renovation and construction projects. According to the 2017 PSBA State of Education report, the biggest obstacle to construction and renovation projects has been financial considerations. As a result, more than half of districts postponed maintenance and renovation projects.

Nearly a year ago, the Public School Building Construction and Reconstruction Advisory Committee issued its final report and recommendations. The committee was created to review and recommend to the General Assembly changes to the PlanCon process and PSBA was honored to have a seat at the table and provide input in the creation of the report. The legislation proposed by Senator Pat Browne would implement the bipartisan commission’s recommendations and includes the following highlights:

**A greatly improved administrative process:** The administrative process is reduced to four steps from 11. All documents and data collection would be submitted electronically via a web-based application system developed by the Pennsylvania Department of Education (PDE).

**Inclusion of high-performance building standards:** The process would recognize high-performance building standards and provide an incentive in the reimbursement formula for projects that meet those recognized standards.

**Addition of a new component to affect maintenance, repairs and modernization projects:** A small project building maintenance and repair grant program would be created and funded from a set-aside of the funds for the new building reimbursement program. Among the key points:

* Eligible projects include: roof repairs and replacement; HVAC boilers and controls; plumbing systems; energy savings projects; health, safety and security upgrades; emergencies; and other approved projects.
* It sets a per-project maximum award with a required local match (no local match for emergencies). A funding rubric would be used to prioritize grant awards which shall consider school district wealth, prior receipt of grant awards, building condition and emergencies.
* A set-aside of monies appropriated for the new building reimbursement program would be created and dedicated to school safety projects.
* Guidelines would be developed for voluntary reporting of information by districts related to building safety, inventory and condition. Financial incentives would be given to districts that make reports.

**Improved reimbursement formula:** A new reimbursement formula would include factors such as per pupil amount, school building capacity and wealth factors.

**Logical payment calculation and method:** The new formula will be utilized to calculate a total state share owed on the project which will be divided into 20 equal payments made over 20 years.

Now is the time to institute a new PlanCon process that will serve schools, students and local communities for years to come. We ask that you consider co-sponsorship of this important legislation.

Sincerely,

John M. Callahan

Chief Advocacy Officer

Pennsylvania School Boards Association