

## **Governor's Commission on School Construction – Meeting Summary**

Date: December 20, 2024  
Location: Room 103, Burton Cross Office Building, Augusta, Maine  
Time: 1:00 – 3:30 PM

### **Key Topics**

The View from Other States—Comparisons, Trends, and Promising Initiatives

### **Presenters**

Chris Duncombe, Principal, Education Commission of the States  
Mary Filardo, Founder/Executive Director, 21st Century School Fund

### **Attending**

*Governor's Office.* Joseph Marro

*Commission Members.* Pender Makin (Maine DOE Commissioner), Valerie Landry (Chair), Elaine Clark, Hollis Cobb, Fern Desjardins, Art Dudley, Roy Gott, Christopher Howell, Anthony Jaccarino, Jane McCall, and Rhonda Sperrey

*DOE Staff.* Scott Brown, Daniel Chuhta, Abigail Cram (remote), Glenn Cummings (remote), Laura Cyr, Chloe Teboe, and Georgette Valliere

*Office of Policy Innovation and the Future.* Brian Hubbell

*Other Attendees.* Robert Feinberg (MSMA), Amy Johnson (MEPRI), Ed Morin (Maine State Board of Education)

### **Action Items**

- Subcommittee meetings for Design/Construction (lead: Scott Brown), Finance (lead: Abigail Cram and Chelsey Fortin-Trimble), and Policy (lead: Laura Cyr) will begin the week of January 6.
- School visits will be scheduled, locations TBD.
- Superintendents have been invited to share observations and suggestions with the Commission on **January 10 from 11:00 AM – 12:30 PM** via Zoom. All Commission members are invited to attend.
- The Maine DOE is monitoring webpage comments and questions and will share with the Commission.
- Commission members are encouraged to seek information from and share information with their respective groups and provide feedback to the Commission.

### **Discussion**

Education Commission of the States (ECS) – Chris Duncombe

ECS is a non-partisan, national nonprofit that offers information and support to help education leaders create effective education policy. The following points were included in the presentation.

*(See PPT for additional information.)*

- School buildings are essential for the safety, health, and learning of students and educators.
- Nationwide, a large need exists for school construction funding.
- School *capital* spending appears to fluctuate with the economy, while school *operating* support is seemingly less volatile.
- Approximately 90% of states provide some form of financial assistance for school construction and renovation. This happens through various methods, the most prevalent including:
  - Ten states use appropriated funds, e.g., direct grants in which the state requires no repayment.
  - Seven states and D.C. provide financing support via bonds or loans with full or partial repayment.

- 28 states, including Maine, offer appropriated funds and financing. Five states offer neither.
- State strategies include:
  - Wealth Equalization. 28 states include local ability-to-pay for appropriations such as:
    - Assessed property values per student (most prominent).
    - Median household income.
    - Unemployment rates.
  - Voter Approval.
  - Independent Building Authority.
  - Dedicated Revenue. 19 states dedicate revenue for school construction, the most common being:
    - Lottery and gaming, followed by sales and use.
    - Severance on Natural Resources.
    - Sale or lease of state land.
    - Cannabis sales.
    - Fines and fees.
    - Tobacco.
  - Consolidation. 21 states provide financial incentive for school consolidation through:
    - Appropriations.
    - Funding weight.
    - Different local revenue limits.
    - Hold harmless provision.
- Maine is one of 16 states with independent financing authority.
  - 19 states have financing by a state department or agency.
  - 15 states and Washington, D.C. have local financing only.
- Innovative approaches include:
  - Allocating state aid to encourage local projects to achieve desirable outcomes such as consolidation, energy efficiency, equitable access to resources, etc.
  - Dedicating state and/or local revenues to support construction projects such as P3 public-private partnerships, where developers finance, construct, and maintain school buildings.
  - Establishing pay-as-you-go opportunities to reduce reliance on locally-financed projects.

### 21st Century School Fund (21CSF) – Mary Filardo

The 21st Century School Fund (21CSF) works nationwide to build capacity to modernize public school facilities. The following points were included in the presentation.

*(See PPT for additional information.)*

- Nationwide, challenges include modern standards that increase cost beyond inflation; older, deficient buildings; high operational, maintenance, and capital investment costs for school districts; and local, state, and federal policies and budgets not structured to meet the extent of the need.
- In 2024, the annual gap nationwide between facility expenditure and need is projected at \$141 billion.
- Potential strategies to derive higher value from existing resources include:
  - Maintenance and Operations (M&O) Efficiencies. Improved, routine M&O planning and management will result in fewer expensive, reactive, and emergency repairs.
  - Planned Comprehensive Modernizations. Master plans address multiple issues simultaneously through planned capital projects rather than a piecemeal approach. Refer to Ohio example.
  - Cost Controls & Innovation. Examples include bundling costs.
  - More Efficient Building GSF Utilization/SF Per Student. Examples include joint-use, adaptive reuse, consolidation and closings, and selective demolition.

### General Comments - All

*(Note: Comments do not necessarily reflect agreement among Commission members but rather topics or questions raised by one or more members or staff for future discussion, clarification, or analysis.)*

Commission members expressed interest in additional information regarding:

- Better bundling of technical assistance, i.e., better strategies for sharing information and technical expertise rather than expecting each district to procure the expertise to plan complex capital projects.
- Examining how maintenance resources (funds and workforce expertise) can be strengthened.
- Examining whether additions, instead of new facilities, could contribute to the solution.
- Examining potentially applicable cross-sector resources and standards such as building standards from the Maine State Housing Authority or expertise and resources from the Maine Connectivity Authority.
- Understanding where and how consolidation in Maine has proven successful in terms of student, teacher, staff, and parent experience.
- Considering longer-term opportunities to address early childhood needs.
- Examining how the potential cost-savings strategies suggested by 21CSF could be realized and identifying benchmarks to prove the concept.
- Understanding if and how existing standards contribute to short or long-term cost reduction.

The next Commission meeting is **Friday, January 17, 2025 from 1:00 – 3:30 PM**. Location TBD.