Governor's Commission on School Construction – Meeting Summary

Date: May 23, 2025 Location: via Zoom

Time: 10 a.m. – noon

Key Topics

1. School Revolving Renovation Fund (SRRF)

2. Decoupling Major Capital Construction Funds and Essential Programs and Services (EPS)

Attending

Commission Members. Valerie Landry (Chair), Chelsey Fortin-Trimble (on behalf of Commissioner Pender Makin), Jenny Boyden, Elaine Clark, Fern Desjardins, Roy Gott, Chris Howell, Anthony Jaccarino, and Rhonda Sperrey

DOE Staff. Scott Brown, Abigail Cram, Glenn Cummings, Laura Cyr, Ann Pinnette, and Chloe Teboe Other Attendees. Chuck Adam (Turner & Townsend), Donald Bresnahan (Building Infrastructure Management Solutions), and Jen Brooks (grant writer)

Action Items

- Chair Landry thanked commission members for their contributions to the Interim Summary published in mid-April, which consolidated the commission's work to-date and provides transparency for stakeholders to encourage continued input.
- Commission members received a draft Work Plan outlining the commission's upcoming work and schedule for the coming months. Members are encouraged to suggest changes.
- Going forward, the commission will meet approximately every two weeks via Zoom unless otherwise indicated. Additional sessions will be scheduled on specific topics between commission meetings to prepare information for commission review.
- Commission members are encouraged to continue to share information with their respective constituencies and provide feedback from these groups to the commission.
- The Joint Standing Committee on Education and Cultural Affairs has received the commission's interim summary, and the commission looks forward to their feedback.

General Updates

- Scott Brown, Maine DOE Director of School Facilities, reported that the Maine DOE is nearing completion of its rating process for school construction projects, to be presented in July.
- Roy Gott, the Maine School Boards Association's (MSBA) representative to the commission, reported that MSBA generally supports many of the strategies identified in the Interim Summary.

Key Topics

1. School Revolving Renovation Fund (SRRF)

(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.)

Premise: Increasing the cap on the SRRF (for example, from \$2 million to \$8 million) would enable larger renovation projects, thereby reducing the pressure on more costly new construction.

Commission members expressed agreement regarding examining this area more closely with the following considerations:

- o Changes in this area would likely involve changes to Title 20-A, section 15905.
- o The authorized Debt Service limit is under the purview of the Maine State Board of Education.
- o This could result in the ability to make renovation investments "earlier."
- This could allow for more flexibility for decision-makers to better adjust for needs and priorities.
- This could involve potentially moving funding from General Purpose Aid (GPA) to SRRF, which is not considered part of the 55% of school funding.
- This could mean potentially changing the requirements regarding major capital projects approval to accommodate a greater number of small-scale projects.
- This could entail potentially changing the definition of small-scale projects, now defined as smaller than 600 square feet.
- Should the Major Capital School Construction Program be considered as a needs-based process?
- o Is it prudent to make small investments in high-needs buildings?
- o Is a "third lane" needed that is not SRRF nor the Major Capital School Construction Program?

2. <u>Decoupling Major Capital Construction Funds and Essential Programs and Services (EPS) Funding</u> (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.)

Premise: Decoupling the Debt Service and EPS would enable improved fiscal planning and transparency for all parties—state government, the Maine Legislature, school districts, and the general public—and increase awareness of the relationships between Debt Service and GPA. For some school districts, it would also reduce the likelihood of year-over-year changes in school budget requests and local tax rates.

Commission members expressed agreement regarding pursuing additional examination of this strategy with the following considerations:

- The Debt Service cannot be reduced, as it reflects prior commitments.
- Changes in the EPS formula could result in changes to subsidies to school administrative units.
- Increasing the Debt Service ceiling could reduce resources in other areas.
- EPS limits the amount that a minimum receiver pays toward a project, which has worked well.
- Is there another way entirely to approach this issue?

The next commission meeting is scheduled for **Friday**, **June 6**, **2025**, **from 10 a.m. – noon** via Zoom.