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**Senate Capital Budget Subcommittee
Testimony on
Community College Capital Budget**

Dr. Ray Hoy, President
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Good Afternoon Chairman DeGrange and members of the committee. I am Ray Hoy, President of Wor-Wic Community College and the Maryland Association of Community College Presidents. Thank you for the opportunity to meet with you to discuss the community college capital budget. We sincerely appreciate your past support and hope we continue to be a priority in your budget deliberations. It is my intention to give you an overview of the capital budget request from MACC and then have Prince George's Board Chair John Steinecke discuss their Center for Health Studies project.

As directed by the 2007 General Assembly's Joint Chairman's Report, MACC worked throughout the summer to develop a process to submit the annual community college consolidated bond request for the 15 locally-funded community colleges in priority order. A committee of presidents, finance officers and facilities directors representing small, medium and large colleges developed recommendations for the presidents to consider and adopt. A process was unanimously agreed upon, which culminated in a prioritized list of 34 projects totaling \$134 million for FY 2009. Appended to my testimony is a copy of the complete list annotated with the projects that are included in the Governor's budget.

For each of the 14 community colleges with a project request in FY 2009 to receive their first priority project, our funding needs to reach \$104 million. Governor O'Malley has budgeted \$81 million for the first thirteen projects on our prioritized list. Among the first 13 projects, I should point out that two design projects, one at Hagerstown and the other at Wor-Wic received \$773,000 and \$674,000, respectively, less than requested. We are very appreciative of the Governor's recognition of the importance of community colleges to the state economy and his increase in capital funding for FY 2009. However, we would like to see these projects fully funded and the fourteenth project—Prince George's Community College Center for Health Studies, receive \$23 million, in order to ensure that each college receives its first priority project.

One thing that MACC is adamant about is that we feel the priority list must be followed, and if more funds are made available, they must be allocated in the order of the priority list.

The projects on the priority list do not represent a wish list. These are projects that have a demonstrated need. In order for a project to make the capital budget list, it must meet certain criteria:

1. It must be included in the college's Master Plan;
2. It must meet MHEC's Computation of Space Needs Standards based on MHEC's 10-year enrollment projections;
3. It must be approved by the Board of Trustees of each individual institution;
4. There must be a funding commitment for the local share; and
5. A descriptive program for the project must be approved by MHEC.

The community colleges capital requests have been growing in the past few years and are projected to continue to grow in the future. There are many reasons for this and I'll share just a few with you. First, construction inflation has had a profound impact on everyone's projects over the past several years. These increases alone account for almost a 20% increase in our project costs from submission to completion. Second, we are trying to address critical workforce shortage needs in nursing and allied health, bioscience, technology and engineering, all of which require special facilities for new and expanded programs on our campuses. For example, a quick review of the prioritization list reveals important but unfunded projects like the Health Studies building at Prince Georges, Allied Health building at Howard, Germantown BioScience Center, and two Rockville campus Science Center projects. These are all important projects—important to the colleges, to their communities and to the state economy. Third, many of our campuses are aging, requiring costly renovations. However, even renovation projects increase campus capacity and efficiencies. Fourth, our teaching and learning environments have changed due to the infusion of technology. Traditional desk and seat classroom space needs to be remodeled to accommodate the technological enhancements. These changes are enhancing learning, leading to improved outcomes. And finally, we are space constrained to meet the existing and projected demand for higher education by the citizens of our state. We currently enroll 123,000 undergraduates in credit classes and almost 400,000 more Marylanders in non-credit training programs to prepare highly-skilled workers. The contract training we do for business and industry helps Maryland maintain a competitive workforce. We need capital funding to enable us to meet the challenge of the increasing numbers of students who are accessing higher education at the community colleges.

In order to prepare the Maryland workforce for highly-skilled Maryland jobs, in order to increase the financial status of native Marylanders, in order to meet the challenge of increasing numbers of students accessing higher education, and in order to address the trained workforce demands of Maryland's businesses, Maryland's community colleges need to continue to grow. The capital investment you make in Maryland's community colleges is crucial to the continued success of the state and to the personal growth and well being of the citizens of Maryland. We ask for your support of the Governor's capital budget and ask for you to allocate additional funds to support our capital needs.

I want to thank you for all of your support and efforts to improve Maryland's community colleges. As always, we want to continue to work with you to serve the education and training needs of all Maryland's residents and Maryland's businesses.