

July 24, 2009

The Honorable James R. Roebuck
208 Irvis Office Bldg.
Harrisburg, PA 17120-2188

Dear Chairman Roebuck:

Subject: House Bill 11, Section 21 (relating to the Mandate Waiver Program)

We are writing in opposition to the amendment contained in House Bill 11, PN 2488, in which local education agencies (LEAs) are mandated to solicit single-prime bids as well as separate-prime bids, with the local education agency utilizing the least expensive responsive bid option.

Until the waiver provisions sunset in 2010 as currently provided for in section 1716-B of the School Code, we ask that the law continue to apply as written, and LEAs continue to be able to receive waiver applications relating to the School Code's separate-prime bid requirements without having to solicit single-prime bids and separate-prime bids. Preparing and reviewing dual bids can impose additional costs. Moreover, we support the Department of Education continuing to approve applications where LEAs show that they will enable the LEA "to operate in a more effective, efficient or economical manner."

Since the inception of the Mandate Waiver Program, scores of LEAs have used mandate waivers to realize substantial efficiencies, particularly with regard to school construction projects. Allowing LEAs to utilize single-prime contracts offers LEAs a more progressive option and creates an opportunity for significant taxpayer savings. In contrast, the use of separate-prime contractors can significantly raise overhead costs, lead to inefficiency on the project site, and create management problems due to a lack of accountability for costly delays in progress. Information providing evidence to these points was presented to the Department's Task Force on Mandate Waivers as well as to two earlier study groups, the School Construction Task Force and the Act 1 Task Force, both of which recommended that the separate-prime construction waiver be retained.

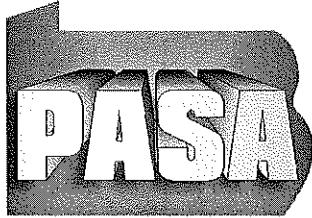
PASBO understands that the Department's Task Force on Mandate Waivers issued the recommendation that this legislation seeks to implement, citing comparative data from LEAs in which school districts bid the same project using single-prime bids as well as separate-prime bids and their decision to proceed with a separate-prime contract. However, just like those who did not support the recommendation, we assert that LEAs and their elected officials should be able to consider the unique circumstances of their LEA and/or individual project and decide whether to proceed with single-prime or separate-prime construction. Otherwise, this legislation will impose yet another mandate on LEAs which will jeopardize their ability to reduce costs and subsequently save taxpayers' money.

Sincerely,

Stinson Stroup
Executive Director
PA Assn of School Administrators

Jay Himes
Executive Director
PA Assn of School Business Officials

Cc: Members of the House Education Committee



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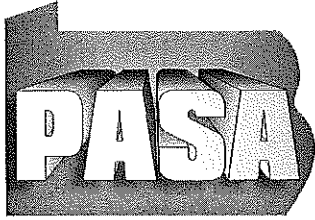
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Sincerely,

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Stinson Stroup
Executive Director
PA Assn of School Administrators

A handwritten signature in black ink, appearing to read "Jay Himes".

Jay Himes
Executive Director
PA Assn of School Business Officials

Cc: Members of the House Education Committee

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