
TO: Appropriations

BILL: House Bill (HB) 0854 - Special Education School Renovation Program - Established

DATE: February 17, 2026

POSITION: Letter of Information

The Maryland State Department of Education (MSDE) is providing information regarding HB 854, which establishes a grant program for certain nonpublic special education schools to support new construction, facility renovations, technical and infrastructure upgrades, and health, safety, and accessibility improvements. Under the bill, the Interagency Commission on School Construction (IAC) would implement and administer the program.

The bill references MSDE in two key areas: that new construction must comply with MSDE standards, and that the IAC should prioritize funding for projects needed to meet those standards. It will therefore be critical for MSDE, through its Office of School Facilities, to verify for the IAC that submitted projects meet these standards. For the program to succeed, MSDE anticipates the need to provide training and guidance to nonpublic special education schools, offer support at key stages of project design, and maintain ongoing coordination with the IAC. While standards are already established for common school program spaces, specialty areas, such as residential or treatment facilities, may require further development.

Clarification is needed regarding which types of residential programs are intended to be eligible for funding under HB 854. MSDE staff will need to verify that schools applying for funding meet the qualifications outlined in the bill and report their findings to the IAC. Currently, there are four special education nonpublic schools that work with residential treatment centers as defined by the Maryland Department of Health (MDH). However, HB 854 refers to “Residential Treatment Centers” licensed by MDH, the Department of Human Services (DHS), or the Department of Juvenile Services (DJS). While DHS and DJS license residential treatment facilities, these are not the same as MDH’s residential treatment centers. If the bill’s intent is to include all residential treatment facilities, the number of eligible nonpublic special education schools would increase from four to thirteen.

Based on experience with the Nonpublic Aging Schools Program (NASP), MSDE anticipates that nonpublic schools may benefit from additional guidance in navigating planning, design, and funding processes for construction projects, particularly because their facilities portfolios are smaller in scale than those managed by local education agencies. Since HB 854 does not set a minimum funding level for any fiscal year, it is difficult to predict the annual volume of project reviews. To implement the program, establish standards, review an estimated 10–13 project applications per year, and provide guidance to nonpublic schools, dedicated resources would be needed to manage program requirements and ensure timely project oversight.

For further information, please contact Laurel Cratsley, Interim Executive Director of Government Affairs, at 443-571-5461 or Laurel.Cratsley@maryland.gov.