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BILL: HB 1430
TITLE: Maryland Public Charter School Program - School Facilities - Funding
DATE: March 11, 2026
POSITION: Unfavorable
COMMITTEE: House Appropriations Committee
CONTACT: Mary Pat Fannon, Executive Director, PSSAM

The Public School Superintendents' Association of Maryland (PSSAM), on behalf of all twenty-four public school superintendents, **opposes** House Bill 1430.

This bill directs the Governor, for fiscal year 2028 and each fiscal year thereafter, to include in the annual budget bill an appropriation for the maintenance and operation of public charter school facilities that is equal to the total aggregate student enrollment in the Maryland Public Charter School Program for the prior fiscal year multiplied by \$1,600. This bill also requires the Interagency Commission on School Construction (IAC) to distribute the appropriated funds directly to the public charter school for the maintenance and operation of public charter school facilities.

PSSAM supports efforts to ensure all Maryland students learn in safe, modern, and well-maintained facilities; however, we oppose House Bill 1430 because it would establish a separate, per-pupil funding stream specifically for public charter school facilities outside of the State's existing school construction funding process.

This bill would move away from the State's current system that directs funding to schools based on need and toward a separate funding model that could create inequities among public school students. Under the current model capital funds are granted through a rigorous evaluation process administered by the IAC. School systems and the Commission balance competing demands based on the age, condition, size, and use of every school building in a jurisdiction, ensuring that scarce dollars are targeted to the highest priorities.

Maryland's charter school law stipulates that these are *public schools* under the auspices of their local education agency (LEA). However, PSSAM sees no compelling reason to establish a separate fund for charter schools, particularly one based on a per-pupil formula that introduces equity concerns and does not align with the fundamental nature of capital funding. Capital projects are driven by facilities and building needs - not primarily by student enrollment - making a per-pupil approach an ill fit for this purpose. It is also important to note that capital funding for charters was specifically discussed and dismissed during the legislation deliberations that authorized charter schools.

Many charters are located in underutilized or closed public schools. Since these buildings are owned by the local government or the LEA, requests for improvements are evaluated through the LEA's Capital Improvement Process (CIP). In doing so, they are prioritized like the rest of the system's infrastructure.

There are other opportunities for charters to access State capital funding. For charters that are using non-government owned buildings, the law allows for these schools and their operators to use creative financing to make complete capital projects, or work with other organizations to address their facility needs. Additionally, beginning in 2023, the IAC adopted a policy allowing state bond proceeds to fund capital improvements for leased public charter school buildings not owned by local school systems. To qualify, the charter school must have a lease of at least 25 years and a written guarantee from the LEA.

Every system has unmet capital needs and skyrocketing inflationary costs, creating new and more expensive costs for every capital project. These inflationary pressures further our opposition to carving out additional state funding for charter school facilities when there is already insufficient funding to support the current facility needs.

For these reasons, PSSAM **opposes** House Bill 1430 and respectfully requests an **unfavorable** committee report.