

**BILL:** House Bill 854  
**TITLE:** School Construction - Nonpublic Special Education School  
Renovation Program - Established  
**HEARING DATE:** February 17, 2026  
**POSITION:** Letter of Information  
**COMMITTEE:** Appropriations  
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The Maryland Association of Boards of Education (MABE), representing all the state's local boards of education, provides this informational letter for **House Bill 854 – School Construction – Nonpublic Special Education School Renovation Program – Established**.

House Bill 854 would create a capital grant program within the Interagency Commission on School Construction to provide renovation funding to nonpublic special education schools that operate residential treatment centers. These schools serve a small but particularly vulnerable population of students whose individualized education programs require highly specialized services, and many of whom are placed in these settings because local school systems cannot provide those services directly.

MABE supports the objective of ensuring that students placed in nonpublic special education settings are served in facilities that are safe, stable, and appropriate to support both their education and well-being.

Notably, local school systems already share substantial financial responsibility for nonpublic special education placements, paying tuition at a rate significantly higher than the per pupil allocation. As the Committee evaluates this proposal, it may also wish to consider whether existing tuition structures from public school systems and mechanisms available to the private sector (philanthropy, private financing, etc.) could possibly address renovation needs before establishing a new State capital program.

Maryland's public school construction system through the Interagency Commission on School Construction continues to operate under significant resource constraints, with documented needs that significantly exceed currently available State and local funding. The September 2025 Comptroller's *State Spending School Construction Report* found that 81% of Maryland's nearly 1,400 public school buildings are functionally unreliable or in need of repair. The report further noted that while overall capital spending per student in Maryland is roughly aligned with the national average, county governments provide approximately 74% of school construction funding and the State provides approximately

23%. Construction costs are rapidly increasing. All of these issues converge without a solution for public school systems across the State to address aging infrastructure, modernization needs, and urgent health and safety priorities for public school buildings.

In closing, MABE recognizes the importance of ensuring that all students, including those placed in nonpublic special education settings, are educated in safe and appropriate facilities. At the same time, the State's capital program remains under significant strain, and public school systems continue to face substantial unmet facility needs. Before expanding the State's construction portfolio to include a new program for nonpublic entities, we respectfully urge the Committee to consider how such a program would be funded, how it would interact with existing capital priorities, and whether alternative mechanisms could address these renovation needs in a fiscally sustainable manner.