
TO: Senate Budget and Tax Committee

BILL: Senate Bill (SB) 960 – Maryland Public Charter School Program - School Facilities - Funding

DATE: April 1, 2026

POSITION: Support with Amendments

The Maryland State Board of Education (State Board) and State Department of Education (MSDE) support *Senate Bill (SB) 960 – Maryland Public Charter School Program - School Facilities - Funding*, with amendments. SB960 establishes funding on a per pupil basis for Maryland’s public charter schools.

In the 2024-2025 school year, 50 public charter schools served 25,351 Maryland public school students in seven local education agencies (LEAs) within Maryland. This represents approximately 3% of the students in Maryland, and if clustered as one district, would be the tenth largest LEA in the state. There were 31 public charter schools in Baltimore City, one in Baltimore County, ten in Prince George’s County, four in Frederick County, two in Anne Arundel County, one in St. Mary’s County, and one in Charles County. Charter schools are authorized by the LEA.

Unique to Maryland, teachers and administrators in charter schools are public school employees represented by local bargaining units. Charter schools are open to all students in the jurisdiction where the school is located, but may have local priority groups and conduct lotteries when enrollment exceeds capacity at the Charter School. They participate in the Maryland Comprehensive Assessment Program and as such, are included in Maryland’s Accountability System.

Securing and maintaining facilities presents a significant challenge for public charter schools in Maryland. Education Article §9-109 establishes the principle that charter schools should receive funding commensurate with other public schools in the jurisdiction, but in practice the statute applies only to operating funds and does not extend to state or local capital funding used for school construction and major facility improvements. As a result, charter schools must locate, lease or purchase, and renovate suitable facilities independently, redirecting operating dollars that would otherwise support instruction and student services to cover facility costs. In a 2022 study by the Maryland Interagency Commission on School Construction (IAC), charter school operators reported facilities costs ranging from \$313 to \$3,522 per student.

SB960 would support the sustainable operations of charter schools, which do not receive facilities support from the LEA in most cases (though some charter schools lease facilities from the LEA). Section 9 of the Education Article of the Annotated Code of Maryland requires that “A county board shall disburse to a public charter school an amount of county, State, and federal money for elementary, middle, and secondary students that is commensurate with the amount disbursed to other public schools in the local jurisdiction.” Under guidance from the State Board, this calculation typically does not include funds of the county board that are allocated for capital outlay or debt service, leaving charter schools to fund facility maintenance and operation from the per pupil allocation.

The establishment of a per pupil state allocation for expenses related to facilities would also enable Maryland to consider an application for federal funds that could reduce the cost to the State of providing facilities support to public charter schools. The total award depends on the amount appropriated by Congress, and the number, size, and quality of viable applications. This grant program is the *U.S. Department of Education Charter Schools Program – State Charter Schools Facilities Incentive Grants*. MSDE is monitoring the Federal Register for the next announcement of funding availability.

Amendments:

MSDE requests that the committee consider the following amendments.

- Clarify that funding is provided on a per pupil basis to each public charter school based on the school's official enrollment.
- State that the per pupil funding amount may be utilized for costs related to operations, maintenance, and repairs; lease or mortgage payments; to build a capital reserve; and other costs related to the provision of a safe and secure learning environment.
- The per pupil amount should be linked to an average state capital expenditures for all public schools. Currently local education agencies report to MSDE budget categories (210) Operation of Plant, (211) Maintenance of Plant, and (215) Capital Outlay. One or more of these categories divided by enrollment would result in an average amount expended on a per pupil basis across the State.

With these amendments, the State Board and the Department respectfully request a favorable report on **SB960**. For further information, please contact Laurel Cratsley, Interim Executive Director of Government Affairs, at laurel.cratsley@maryland.gov.