



Written Testimony – Senate Budget & Taxation Committee

HB1430 – Maryland Public Charter School Program – School Facilities – Funding Position: FAVORABLE WITH AMENDMENTS

Dear Chair and Members of the Senate Budget and Taxation Committee,

I respectfully urge your support for HB1430 with two important amendments:

- (1) **increase the per-pupil facilities funding level to at least \$1,000**, and
- (2) **remove the provision excluding charter schools in districts that operate more than 50 charter schools.**

This bill addresses a long-standing structural inequity in Maryland's public education system. Public charter school students are public school students. Yet, unlike their peers in district-operated schools, charter schools must pay for rent, maintenance, utilities, and capital needs out of their operating budgets—diverting critical resources away from instruction and student supports.

1. **\$1,000 Per Pupil Is a More Accurate and Still Modest Investment**

While \$800 represents meaningful progress, it does not fully reflect the actual burden charter schools carry.

At **New Village Academy Public Charter School (NVA)**, facility costs alone represent approximately 20% of our total per-pupil expenditures—a substantial diversion of funds intended for teaching and learning.

Statewide data further underscores this reality:

- Charter schools can spend **up to \$2,400 per pupil on facilities**
- In some cases, **up to 40% of operating budgets** are consumed by facility costs

A **\$1,000 per pupil level**:

- More accurately reflects real-world costs
- Provides meaningful relief without overreach
- Remains fiscally responsible relative to total education spending

Even at this level, Maryland would still be providing only **partial support**, not full parity with district-funded facilities.

2. Federal Leverage Makes This Investment Highly Efficient

HB1430 enables Maryland to access the federal **State Charter School Facilities Incentive Grant (SFIG)**:

- Up to **\$10 million annually**
- Up to **\$50 million over five years**

Even at a \$1,000 per pupil level, the State benefits from significant federal cost-sharing, making this a high-leverage investment.

Critically:

- This funding does not divert existing IAC capital funds
- It establishes a new, dedicated appropriation
- It brings new federal dollars into Maryland

3. The District-Based Exclusion Undermines Both Equity and Federal Eligibility

The current amendment excludes charter schools located in districts that operate more than 50 charter schools.

This provision raises two major concerns:

Equity:

It treats public school students differently based on the structure of the district in which they reside—an outcome that is inconsistent with the principle that all public school students should be supported fairly.

Federal Compliance:

SFIG requires a statewide, uniform facilities funding program at the district level.

If Maryland:

- adopts a lower per-pupil funding level, or
- excludes certain districts from participation,

the State risks becoming ineligible for federal funding altogether.

That would mean forfeiting up to \$50 million in federal support, significantly increasing the net cost to Maryland taxpayers.

4. This Is a Targeted, Fiscally Responsible Policy Solution

HB1430 addresses a specific and well-documented gap:

- Charter schools receive no dedicated facilities funding

- They must fund buildings using operating dollars intended for students

Even at \$1,000 per pupil:

- The total statewide investment remains modest relative to overall education spending
- The cost is still less than a single large school construction project
- The return on investment is amplified through federal matching funds

HB1430 represents a thoughtful, fiscally responsible opportunity to:

- Advance equity for all public school students
- Reduce the diversion of classroom dollars to facilities
- Leverage significant federal funding
- Do so without impacting existing school construction funding

For these reasons, I respectfully urge the Committee to issue a **favorable report** on HB1430 with the following amendments:

- **Increase funding to at least \$1,000 per pupil**
- **Remove the district-based exclusion to ensure statewide eligibility and maximize federal funding**

Thank you for your consideration and for your leadership on Maryland's fiscal priorities.

Sincerely,

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