



**Maryland**

**DEPARTMENT OF BUDGET  
AND MANAGEMENT**

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*Deputy Secretary*

**Testimony of  
Department of Budget and Management - Letter of Concern  
SB934/HB1329**

**Education - Public School Construction - Funding**

**Budget and Taxation and Appropriations Committee  
March 11th 2026**

HB1329/SB0934 increases legislative intent to fund public school construction by at least \$100 million, from \$450 million to \$550 million annually, beginning in fiscal year 2027. It also codifies existing language that the annual funding annual goal should be recalculated before the Nancy K. Kopp Public School Facilities Priority Fund a \$70 million capital budget mandate beginning in FY 2027 is funded.

HB 1290 of 2022 established legislative intent to provide \$450 million annually for school construction. HB 1329/SB 934 would increase this annual funding goal by at least \$100 million, to "at least" \$550 million. The bill both amends the enacted intent language to specify the \$450 million funding goal applies to FY 2023 to FY 2026 and codifies the revised intent language to provide \$550 million in the Education Article (Section 5-303(m)).

If enacted, HB1329/SB0934 would create significant pressure on the State's capital budget. Public school construction programs currently comprises 25.7% of the FY 2027 capital budget as proposed and the 5-year CIP. This share would increase to over 31.4% if meeting a \$550 million annual funding goal.

Complying with this legislation would be untenable given limited capital budget capacity. If debt levels remain as planned, increasing funding to the IAC by a minimum of \$100 million would necessitate deferring planned projects or potentially reducing funding for other capital programs, and would severely limit the Governor's and legislature's ability to fund new initiatives or priorities not planned in the CIP. Moreover, providing additional State funds for locally-owned school construction projects diverts resources from critical needs at State facilities. Finally, implementing and administering larger capital programs would likely require additional IAC positions and operational funds at a time when the State is facing economic challenges, including a structural deficit.

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