



SENATE EDUCATION, ENERGY, AND THE ENVIRONMENT COMMITTEE

FEBRUARY 27, 2026

SENATE BILL 329

EDUCATION - CERTIFICATION OF SCHOLARSHIP GRANTING ORGANIZATIONS (OPTING IN ON OPPORTUNITY ACT)

INFORMATIONAL

Maryland CAPE is our state's chapter and one of 40 state chapters of the Council for American Private Education. Our network includes the Catholic, Christian, Evangelical Lutheran, Friends, Independent, Jewish, Lutheran, Montessori, Muslim, and Seventh Day Adventist school communities. We speak on behalf of over 138,000 nonpublic school students attending nearly one thousand nonpublic schools across our great state of Maryland.

As part of the federal reconciliation bill passed in July, the federal government established the Federal Scholarship Tax Credit (FSTC), in which federal taxpayers who donate to scholarship-granting organizations (SGOs) can claim a dollar-for-dollar tax credit for donations of up to \$1,700 dollars. Each state can elect to submit a list of qualifying SGOs within the state, to which donations will qualify for the credit.

Under the federal guidelines, funds collected by SGOs can be used for educational expenses for both public and nonpublic students. Acceptable uses include paying for tutoring, for special education expenses, for technology purchases, and a variety of other educational uses. It should, however, be noted that under the federal guidelines, the decision to "opt in" and submit a list of participating SGOs resides only with the state's governor or authorized state official.

Polling has found that Marylanders from both sides of the aisle strongly support utilizing this opportunity to direct funding to Maryland students, and we strongly believe Maryland should opt in. Thank you.