



UNIVERSITY SYSTEM *of* MARYLAND

USM FY2026 Capital Budget Testimony

House Appropriations
Capital Budget Subcommittee
March 10, 2025

Senate Budget and Taxation
Capital Budget Subcommittee
March 11, 2025

USM Chancellor Jay A. Perman

*Includes Response to Analysis Concerning Item RB36
Colwell Center Deferred Maintenance
Facilities Renewal (Statewide)*

Thank you for the opportunity to testify in support of the governor's FY 2026 capital budget recommendations for the University System of Maryland (USM). I intend to keep my testimony brief and speak to the issues raised by the legislative analysts.

Before I do, however, I thank Gov. Moore for his support of our capital request, and I thank each of *you* for the way you've invested in the USM. We know you're making tough choices, and we understand the difficulty of balancing the needs of higher education against many others, especially when budgets are severely challenged.

A theme consistently invoked by Gov. Moore and reflected in his State Plan is to *leave no one behind*. Of course, that's the System's goal as well. Among our guiding priorities is to give *every* learner the chance to succeed—not only because we believe that every learner deserves the benefits of a college education, should that be the path they choose, but because we believe that higher education is essential to solving the greatest challenges we face as a state, as a nation, and as a global community. Opening access to that education produces more leaders—of different backgrounds and experiences and perspectives—united in fixing the problems that imperil our safety, prosperity, and well-being.

At the USM, “access for all” means far more than getting these learners *into* our universities. It means giving them everything they need to succeed once they're there. And that requires sustained investment in the environments that nurture their success: classrooms that make it easier to learn and teach and collaborate; labs that facilitate world-class research and innovation; communal spaces where students can connect with one another and knit together a community of support—a community of ideas. It's your support of our capital program that makes all of this possible.

In addition, Gov. Moore’s growth agenda calls for investments in IT, life sciences, and aerospace and defense—industries fueled by the University System. The governor wants to ensure that these industries powering the “economy of tomorrow” are housed right here in Maryland. Those aspirations are advanced by universities whose state-of-the-art facilities are equipped to foster innovation in these critical sectors and to cultivate the innovators who will lead them.

Our capital request is, therefore, inextricably tied to state priorities and state success. And every conversation we have throughout this process will acknowledge those ties.

As has been our trend over the last several years, the System’s project requests are strategically focused, with most of our universities asking for renovation and replacement funding. This is timely, as the Department of Legislative Services has asked us to address the following question.

The Chancellor should comment on the impact of institutions reducing facilities renewal expenditures [to help address cuts in their operating budgets] and their ability to meet the 2% target.

As I responded in our operating budget hearings earlier this year, we believe these spending reductions will enlarge our deferred maintenance backlog and potentially increase costs in future years, as our campus buildings age. Our university leaders have shared their concerns that cuts to deferred maintenance will impair their ability to keep critical building systems functioning and infrastructure intact, which will increasingly disrupt teaching and learning, and compromise building safety—and, therefore, *student* safety.

Several of our universities note that failing HVAC systems, electrical systems, and sewer lines are causing significant problems already. In one case, funds had to be diverted from campus programs to address the most urgent building maintenance needs.

At the same time, the state’s continued strong support for facilities renewal and whole-building renovation and replacement in our capital request will help address these problems. Your support is very much appreciated.

In conclusion, let me say that, every day, the System’s students, faculty, and staff come together to build the future. They need safe facilities that make this vital work easier, spaces that improve their effort, invite interdisciplinary collaboration, stimulate discovery, and enable progress.

And so we remain committed to the redevelopment of our campus facilities, and we’re deeply grateful for DLS’s recommendation for full funding, as requested.

My colleagues and I are happy to answer your questions.

Please direct questions or comments to:

Mark Beck | Associate Vice Chancellor for Capital Planning

University System of Maryland | 701 East Pratt Street | Baltimore, MD 21202

(410) 576-5741 | mbeck@usmd.edu