



Interagency Commission on School Construction

Fiscal Year 2026 Operating Budget

Response to Department of Legislative Services Analysis

House Appropriations Committee
Education and Economic Development
Delegate Stephanie Smith, Chair
Wednesday, February 26, 2025

Senate Budget and Taxation Committee
Education, Business, and Administration
Senator Nancy J. King, Chair
Monday, March 3, 2025

Presenters:

- Edward Kasemeyer, IAC Chair
- Alex Donahue, IAC Executive Director
- Cassandra Viscarra, IAC Deputy Director
- Sadi Abrar, IAC Chief Financial Officer

Thank you for your continuing support for public school construction in Maryland, and for the opportunity to report today on the operating budget for the Interagency Commission on School Construction (IAC). The Commission and their staff are tasked with a significant mission to provide leadership and resources to local education agencies (LEAs) to develop and sustain school facilities so that all Maryland public school students, teachers, administrators, and staff have safe and educationally sufficient environments in which to teach and learn.

Through legislation in 2018 and 2020, the General Assembly significantly expanded the work of the IAC in four main ways.

- First, it more than doubled the average annual amount of State capital grant funds administered by the agency to about \$880 million per year from an average of less than \$400 million per year across the previous ten years;
- Second, it increased the number of statutorily mandated on-site facilities assessments from about 150 to 500 per year;
- Third, it greatly expanded the amount of technical assistance the IAC provides to local school districts ongoingly around their facilities-portfolio management activities; and,
- Fourth, it required that the IAC replace its antiquated legacy information systems with modern cloud-based systems that permit far more efficient transactional services to school districts and more transparent management of State funds among other benefits.

IAC staff have accomplished all of these things at a total operational cost equal to about 1% of its capital grant budget. And, at the same time, IAC staff have improved the agency's relationship with



school districts and stakeholders such that the IAC is now a sought-after partner in meeting the facilities-related challenges facing local jurisdictions and the State.

But this massive and successful expansion of the IAC’s responsibilities over the past seven years is only a precursor to the heavy lift that will be required of the IAC on behalf of the State of Maryland in the coming years. The mission of the IAC is to achieve a safe, healthy, and educationally sufficient learning environment for **every** child attending a public school in Maryland. As I have reported in recent months, the doubling of the cost of school construction over the last 12 years and the natural process of wear and tear on Maryland’s aging school facilities—many of which were built 30 to 50 years ago—are pushing the average condition of Maryland school buildings significantly below the level that is fiscally sustainable and in some cases that is educationally sufficient.

The coming three to five years is our window of opportunity as a State to develop a plan to get every school district to an educationally sufficient and fiscally sustainable portfolio of school facilities – and that plan will have to be affordable within the context of expected resource constraints. Our work in the coming years will not be easy but, with your support, we will help Maryland’s school districts map the way forward to fiscally sustainable school facilities and we’ll make real progress towards getting there.

Analysis Responses:

1) IAC should comment on the reasons for the delays in submitting required reports.

Please see the following table for information on the outstanding MSARs:

Report	Citation and MSAR #	Status
Statewide Contingency (December 31, 2024)	Education Article § 5-303, (MSAR #11521)	The timing of the report is challenging, because it is due December 31 for the period ending December 31. This report was submitted on February 21, 2025.
Baltimore City School Facilities (21st Century Schools Report) - (2023 Report due 12/31/2023; 2024 Report due 12/31/2024)	Education Article § 10-645, (MSAR #11573)	This report is submitted each year by the Maryland Stadium Authority (MSA) on behalf of the Parties. The IAC approved the 2023 Report on 3/14/2024 and believed that MSA had submitted it shortly after MSA Board approval at the 4/2/2024 MSA Board meeting. For the 2024 report, MSA has provided IAC with the following schedule:



		<ul style="list-style-type: none"> • Board of School Commissioners approval - expected February 25, 2025 • MSA Board approval (contingent on IAC approval at March IAC Meeting) - expected March 4, 2025 • IAC approval - expected March 13, 2025 • Submission of Report - expected March 24, 2025
Annual Maintenance Report (FY 2024)*	Education Article § 5-310, (MSAR #14070)	Submitted on September 19, 2024.
Solar Technologies Report	Education Article § 5-319, (MSAR #11572)	IAC staff are currently coordinating with MDGS and MSDE's Office of School Facilities to complete this report.
Alternative Energy Systems Report	Education Article § 5-325, (MSAR #15027)	IAC staff are currently coordinating with MDGS and MSDE's Office of School Facilities to complete this report.
Prince George's County P3 Report	Education Article § 4-126.1, (MSAR #15025)	IAC staff are currently coordinating with PGCPs, Prince George's County, and MSA staff to complete and submit this report. The content is 75% complete as of 2/21/2025 and IAC staff are targeting March 31, 2025 for submission of the report so long as all four parties approve the report prior to that date.

* Information under Ed. Art. § 5-310(b)(2) requested by DLS will be included in the IAC's Annual Report for the Statewide Facilities Assessment (SFA) (MSAR #15603). This report for FY 2023 was submitted on August 27, 2024. The report for FY 2024 is scheduled for approval by the IAC at its meeting on March 13, 2025 and will be submitted by March 2, 2025.

2) DLS recommends adding budget bill language to restrict funds pending the submission of overdue reports in calendar 2025.

IAC is working diligently to provide the requested information as soon as possible and does not object to restricting funds pending the submission of overdue reports, as we are confident that all of the requested information will be provided by April 30, 2025.