



Interagency Commission on School Construction Fiscal Year 2027 Operating Budget Testimony

House Appropriations Committee
Education and Economic Development
Delegate Stephanie Smith, Chair
Thursday, February 26, 2026

Senate Budget and Taxation Committee
Education, Business, and Administration
Senator Nancy J. King, Chair
Monday, March 2, 2026

Presenters:

Edward Kasemeyer, IAC Chair
Alex Donahue, IAC Executive Director
Cassandra Viscarra, IAC Deputy Director

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).

Analysis Recommendations:

1) Abolish PIN 002433 for an Administrative Specialist III position that has been vacant since February 2025.

The 21st Century School Facilities Act of 2018 significantly expanded the IAC's responsibilities for facilities assessment, collection and dissemination of facilities data, and technical assistance to school districts and counties around facilities-portfolio management. With the Built to Learn Act and other capital grants, the General Assembly has more than doubled the IAC's transactional loads for project evaluation and eligibility calculations as well as portfolio advising. For the past five years, the IAC has annually administered between \$600 million and \$1.2 billion in capital grants at an overhead cost averaging less than one percent, which is significantly lower than the 5-7% overhead costs typical of other government and nonprofit organizations.

The Commission is grateful to the Department of Budget and Management (DBM), the Governor, and the General Assembly for additional staffing and operating resources that have been authorized for our agency in the last several years to carry out the additional responsibilities necessary to effectively administer the IAC's programs and maximize the State's increased investment. However, operating this lean is not sustainable over the long term. In order to continue to be effective, the IAC needs to retain all current capacity, and will need to request additional capacity in the coming years. As the IAC sees increased success in filling vacant positions and retaining employees, it continues



to incur some additional operating costs commensurate with the increased staffing necessary to successfully execute the expanded responsibilities of the agency.

Hiring of PIN 002433 has been delayed while the IAC works with DBM to create an appropriate MS22 and then reclassify the position to an Administrator I position that will support our Funding Programs and Finance teams, creating much needed administrative capacity to address the increased transactional loads on the IAC's grant program. The IAC has also been conscious of the State hiring freeze and budgetary concerns. However, the IAC desperately needs the capacity associated with the position and intends to work with DBM to unfreeze the position and hire within the next six months.

The IAC respectfully disagrees with the recommendation to abolish the Administrative Specialist III PIN 002433 and requests maintaining budgetary support for this essential position.

2) In calendar 2023, 2024, and 2025, IAC did not submit multiple reports. As of February 15, 2025, the agency had five outstanding reports. The fiscal 2026 Budget Bill restricted funds until IAC submits a letter confirming the submission of all mandated reports. IAC has yet to submit a letter.

Presently, the IAC has submitted all requested reports that were outstanding, save for three quarterly reports and two annual reports that are submitted as a single joint report to satisfy two statutory requirements. IAC staff plan to submit the reserve fund report by February 28, 2026, and the remaining reports and the final letter documenting submission dates of all reports by March 6, 2026.

The IAC's Departmental Bill this year, SB 48/HB337, notably would change the deadlines for reports to provide staff additional time to compile data for requested reports as presently, reports are due on the final reporting period date, leaving no time for staff to compile and vet the data that make up those reports.