**Brooke E. Lierman**Comptroller of Maryland



## **News Release**

# Maryland Comptroller Releases Report on School Construction Costs

New analysis highlights unsatisfactory conditions of public schools, factors driving up costs, and financing gaps contributing to poor infrastructure

**ANNAPOLIS, Md. (September 18, 2025)** — The Office of the Maryland Comptroller released a report today outlining the condition of Maryland's public-school buildings and the cost drivers limiting the ability of the state and local school systems to achieve an overall state of good repair for existing school facilities and build new schools to meet present and future needs.

This school construction report is the latest installment in the Comptroller's "State Spending Series," which examines state expenses and shares lessons learned nationally and globally about the factors driving costs for public goods and critical infrastructure projects that are necessary to advance inclusive growth.

"Spending on public school infrastructure is the second-largest public investment in our country. This report should be a wake-up call; it highlights the urgent need to prioritize a state of good repair for Maryland schools, various ways that the state and local governments can control school capital costs, funding trends, and considerations for resource allocation," Maryland Comptroller Brooke E. Lierman said. "Our children deserve to learn in modern, high-quality school buildings that support their development, allow them to seize every opportunity, and lay a strong foundation for a prosperous future. Investing in school buildings is essential to help young people and our communities thrive."

The report identifies major cost drivers, policy priorities, and mandates that increase maintenance and construction costs. It also analyzes state and local funding trends, challenges, and promising practices from other states.

#### **Key Findings:**

- <u>The Statewide Facilities Assessment</u>, published by the Interagency Commission on School Construction (IAC), shows that more than 1,000 of Maryland's 1,361 schools require repairs, renovation, or replacement.
  - 1. Only 20% of public school buildings are in "like new," "good," or "satisfactory" condition.
  - 2. The remaining 80% are considered in need of repairs or are considered "functionally unreliable."
- Construction costs have surged 42% since 2019, with each new classroom averaging \$1 million (estimated at \$600/new square foot; cost was reportedly \$392/new square foot in 2020).
- On average, local governments shoulder about 74% of capital costs for school facilities, creating disparities in school quality based on local wealth, tax effort, and tax capacity. This is the case nationally and in Maryland.
- State funding for the Capital Improvement Program (CIP) has remained around \$300 million each year (with a short-term boost in FY 2024), failing to keep pace with inflation or other rising costs.
- Top five counties with the worst average facility scores:
  - 1. Kent
  - 2. Garrett
  - 3. Allegany
  - 4. Washington
  - 5. Cecil

The report utilizes data from the IAC, the Maryland State Department of Education, the Department of Legislative Services, and national research organizations, and provides case studies, cost analyses, and comparisons to peer states to better understand Maryland's positioning.

**Read the full School Construction Report** 

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