

**Adequate and Equitable State and Local Funding of Public Education**

(Adopted 1990; amended 1993, 1994, 1997, 2000, 2002, 2004, 2007, 2010, 2011)

WHEREAS, the Maryland Association of Boards of Education (MABE), the preeminent voice for public education in Maryland, has consistently supported adequate and equitable funding for Maryland public schools; and

WHEREAS, there are substantial differences in the ability of local boards of education to fund programs; and historically this resulted in substantial inequity in the provision of educational opportunity to the children of Maryland; and

WHEREAS, the Maryland State Constitution requires that the General Assembly “shall by law establish throughout the state a thorough and efficient system of free public schools; and shall provide by taxation or otherwise for their maintenance”; and

WHEREAS, the Commission on Education Finance, Equity, and Excellence convened by the General Assembly:

- Determined, based on the conclusions of thorough expert analysis, that current per pupil funding is significantly inadequate;
- Recommended consolidating categorical programs, increasing the base amount of per pupil funding, and enhancing supplements to this amount in order to address the increased costs arising from educating students with special needs; and
- Recommended providing local school systems maximum flexibility in allocating resources; and

WHEREAS, the Bridge to Excellence in Public Schools Act of 2002, based substantially on the recommendations of the Commission:

- Eliminates twenty-seven categorical programs and phases in significant state funding increases through fiscal 2008 to enhance the adequacy, equity, and flexibility of state public school funding;
- Enhances local school system accountability for student performance by requiring that all local school systems must develop a five-year comprehensive master plan for student achievement;
- Establishes task forces to address issues including the adequacy and equity of the state public school construction program and student enrollment count methodology;
- Mandates that all local school systems provide by 2007 universal kindergarten and targeted pre-kindergarten programs for all economically disadvantaged four-year-olds; and
- Requires increased state education aid and local school system performance accountability without modifying the maintenance of effort law; and

WHEREAS, in FY 2008 the State achieved full funding of the Bridge to Excellence Act’s mandated per pupil funding levels and targeted funding programs, after years of significant, incremental increases in State aid

and local government funding that met or exceeded their minimum maintenance of effort funding amounts; and

WHEREAS, in 2009, MGT of America issued a report confirming that the increased funding provided by the Bridge to Excellence Act had resulted in significantly increased student performance for all students, including minority and economically disadvantaged students; and

WHEREAS, since 2008 Maryland and the nation have experienced an economic recession that prompted passage of the federal American Recovery and Reinvestment Act (ARRA), which provided Maryland with more than \$700 million in education funding in fiscal years 2010 and 2011; and

WHEREAS, in a Special Session convened in the fall of 2007 the State significantly increased its sales tax and income tax rates, in large part to sustain full funding of the Bridge to Excellence Act; and

WHEREAS, the Bridge to Excellence Act has been amended to curtail the annual growth in State aid called for under the Bridge to Excellence Act's inflation factor, while the per pupil foundation amount and Geographic Cost of Education Index have been fully funded; and

WHEREAS, the Commission on Education Finance, Equity, and Excellence that proposed the Bridge to Excellence Act concluded in its report that "meeting adequacy goals...will require that counties continue to exceed maintenance of effort" and "if counties provide increases in education funding comparable to the increases provided from fiscal 1997 to 2000, most school systems would meet or exceed adequacy goals..."; and

WHEREAS, Maryland's public school students deserve the affirmative commitment of all county governments to provide annual increases in public education funding which meet or exceed the minimum maintenance of effort funding level; and

WHEREAS, adequate local funding is essential to the current and continued success of Maryland's public schools, as it represents half of the total revenues provided to Maryland's 24 fiscally dependent school systems; and

WHEREAS, following the amendments adopted in 2011, local governments are more clearly permitted to cut \$2.5 billion in local funding, reducing the \$5.3 billion provided in FY 2011 down to the floor of \$2.7 billion mandated as the local share of the foundation program; and

WHEREAS, as the State strives to continue to sustain level funding for public education it now lacks legal authority to prevent local governments from qualifying for \$4.7 billion in state aid while at the same time reducing local funding from \$5.3 billion to \$2.7 billion; and

WHEREAS, Maryland's county governments have significant revenue generating capacity through county-wide local income taxes and county-wide property taxes, taxing authority not available to county governments in much of the United States; and

WHEREAS, many of Maryland's counties are either failing to adequately raise local taxes or invest existing funding reserves to provide sufficient local funding for their school systems; and

WHEREAS, providing local boards of education with taxing authority is not warranted in light of the ample scope of local taxing authority and the State's authority to control the investment of those local revenues; and

WHEREAS, the federal government, Maryland's General Assembly, Governor, and State Board and Department of Education, continue to adopt and promote new mandates in areas such as curriculum, assessments, student discipline, collective bargaining, professional development, and procurement, that impose significant increased costs on local school systems at a time when combined federal, state and local funding is decreasing;

NOW, THEREFORE, BE IT RESOLVED, that MABE will work collaboratively and vigorously with all stakeholders to ensure broad public support for full funding of the Bridge to Excellence Act by state and local governments; and

BE IT FURTHER RESOLVED, that MABE urges the Governor and General Assembly to support and enact amendments to the maintenance of effort law to provide a constitutionally adequate combination of state and local funding by making the long-understood meaning of maintenance of effort, and not the local share of the foundation program, the annual local funding floor; and

BE IT FURTHER RESOLVED, that MABE urges the Governor and General Assembly to fully fund the Bridge to Excellence Act, including maintaining the per pupil foundation amount and providing increases mandated by the Act's annual inflation factor; and

BE IT FURTHER RESOLVED, that MABE will advocate for state and local efforts to secure increased local contributions consistent with the equity and adequacy goals of the Bridge to Excellence Act; and

BE IT FURTHER RESOLVED, that MABE will support local flexibility in adopting policies and procedures intended to optimize student learning while at the same time reducing costs, and MABE will oppose the implementation of new state or federal policies or programs that impose any new unfunded mandates on local school systems; and

BE IT FURTHER RESOLVED, that MABE will support legislation, regulations, and MSDE policies and procedures, that permanently or temporarily repeal mandated programs, services, and other requirements imposing costs on local school systems that are not directly related to school systems' abilities to provide high quality classroom instruction; and

BE IT FURTHER RESOLVED, that MABE will vigorously oppose any effort to reduce state funding and/or shift funding responsibilities from the state to county governments; actions which would reduce levels of education programs and services for students, and erode the state's progress toward an adequate and equitable education for all students in Maryland's public schools.