

**BILL:** Senate Bill 190/House Bill 150  
**TITLE:** Budget Bill (Fiscal Year 2017)  
**POSITION:** Support with Amendment to Eliminate the Maryland Education Credit Program  
**COMMITTEES:** Senate Budget & Taxation - Education, Business and Administration  
House Appropriations - Education and Economic Development  
**CONTACT:** John R. Woolums, Esq.

The Maryland Association of Boards of Education (MABE) supports the full funding for public elementary and secondary education provided in the Governor's proposed State Budget for FY 2017, and requests an amendment to eliminate the proposed nonpublic school student assistance program.

In Section RA00A03.05 "Student Assistance Organization Business Entity Grants" the Governor's budget would provide \$5 million in special funds from the Cigarette Restitution Fund to fund reimbursements of 50 percent of the contribution made by a business entity or nonprofit organization to a Student Assistance Organization (SAO) to provide financial assistance to students attending nonpublic schools.

MABE and the local boards we represent strongly oppose establishing a new state-administered program to provide grants to a new type of organization which will, in turn, provide funding to private and parochial schools so that these schools can offer financial assistance including scholarships for individual students.

The question is often raised whether these scholarships are vouchers, or at least substantially similar enough to vouchers to raise substantially similar objections. Maryland's local boards of education think so, for the following reasons. Traditional voucher programs typically involve direct payments of public funds to parents in the form of individual scholarships to send their children to private/parochial schools. Tuition tax credit programs, and the business contribution reimbursement program proposed in the FY 2017 State Budget, involve the offsetting of a significant percentage of the value of private contributions to organizations which in turn distribute those dollars to schools to provide to parents in the form of individual scholarships to send their children to private/parochial schools.

MABE firmly believes that whether state funding is being allocated to support a voucher program, or taxes otherwise owed are being diverted to do so, the state is inappropriately expending the energies and expertise of a state agency and its employees to run a voucher or voucher-like program for private and parochial schools.

For these reasons, MABE requests an amendment to remove the special fund allowance of \$5 million for Student Assistance Organization Business Entity Grants, and the establishment of the Maryland Education Credit Program, from the proposed State Budget for FY 2017 (SB 190/HB 150).