

BILL: House Bill 684
TITLE: Education - Grant for Declining Education Aid
POSITION: SUPPORT
DATE: February 21, 2017
COMMITTEE: Appropriations Committee
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The Maryland Association of Boards of Education (MABE), representing all twenty-four local boards of education, supports House Bill 684, consistent with strong support for full funding of the Bridge to Excellence Act, maintaining the per pupil foundation amount and providing increases mandated by the Act's annual inflation factor, fully funding the Geographic Cost of Education Index (GCEI), and providing supplemental hold harmless grants to local school systems.

This bill would require the State to provide grants in FY 2018 to local boards of education if the school system's enrollment is less than the prior fiscal year and the State's direct aid to education is less than the prior fiscal year by more than 1%. The grants provided would fund 50 percent of the decrease in total direct education aid to the school system. The school systems qualifying for the grants provided by this bill include Baltimore City, and Calvert, Carroll, Garrett, and Kent county public schools.

The Maryland State Constitution places a high priority on public education by requiring the General Assembly to "establish a thorough and efficient system of free public schools" and to "provide by taxation or otherwise for their maintenance." In 2002, the legislature enacted the Bridge to Excellence in Public Schools Act which resulted in a \$1.6 billion increase in state funding, phased in through FY 2008. This landmark law restructured the education financing system to enhance the adequacy, equity, flexibility and accountability of state public school funding.

Since 2008, state education funding has remained relatively flat. Key programs such as the GCEI have not been fully funded until very recently; and new unfunded mandates and cost shifts have negatively impacted local school system and county government budgets. Maryland is now embarking on the next phase of education funding reform, building on the recommendations of national experts, through the newly formed Commission on Innovation and Excellence in Education. The new education funding adequacy study conducted by national experts recommends a \$1.9 billion increase in state aid for public education. This increase represents the commitment Maryland should make in order to fully and equitably fund a high quality public education for all of Maryland's more than 870,000 prekindergarten through 12th grade students.

Specifically, the experts conclude the current amount of per pupil funding is inadequate for all students, and in need of significant additional per pupil increases for students receiving special education services. The study further recommends increased access to high quality prekindergarten programs. These recommendations address MABE's longstanding support for additional resources in these critical areas of need.

In the context of these ongoing developments in defining adequate and equitable funding for Maryland's public schools, the declining enrollment grants provided by this legislation in the FY 2018 State Budget will help ensure the adequacy of education funding for these local school systems in the 2017-2018 school year. For these reasons, MABE supports House Bill 684 and urges a favorable report.