



House Appropriations Committee
Testimony by
Dr. Clifford Coppersmith, President
February 28, 2024

HB 352# - Budget Reconciliation and Financing Act of 2024

Position: Oppose

I am writing to advocate for complete restoration of Cade funding which has been severely impacted by the Governor’s Department of Budget and Management’s proposed 2025 budget.

The Governor’s Budget and Management Office has issued the proposed 2025 budget, which includes historic cuts to community college funding with the Budget Reconciliation and Financing Act (BFRA). As introduced the bill would rebase the Cade formula funding to 26.5%, a historic cut from the full 29%, which was only fully reached within the past two years.

The rationale for these funding cuts was neither based on good policy nor the most recent enrollment data, and in fact will cripple community college efforts to restore enrollment and restore programs for workforce development. These cuts come at a time when MD community colleges have made great progress in increasing enrollment and student success rates, even as we have been called upon to (1) help support the K-12 system through expanding dual enrollment, (2) to address the workforce skills gap by expanding trades-based certifications and producing work-ready graduates, and (3) to mitigate student debt by more efficiently transferring students to four-year schools.

The Cade funding formula established an equitable distribution of funding by linking funding to Maryland four-year institutions, in an attempt to assure quality of community college facilities and programming and adequate staffing for the students we serve. The cuts instituted in this BFRA bill are absolutely devastating and particularly impact rural colleges—especially those on the Eastern Shore—with Cecil, Chesapeake, and Wor-Wic all incurring double digit declines in state funding under this budget proposal. They represent the fourth largest funding cuts in the history of the Cade formula after those of the Great Recession and the COVID-19 pandemic.

For your information and to provide context, I share these additional points:

- The BRFA disproportionately targets community colleges in reducing their percentage tie to the four-year public universities, despite the large population community colleges serve and the unique and vital role these institutions play in localized economic development.
- Due to two prior years of fully-funding the Cade Formula, community college enrollment is increasing. Community colleges are leading higher education with an 8.3% increase; by contrast, public four-year enrollment increases are at about 2%.
- Reducing Cade in a time of enrollment growth stretches funding even more with less support for all students and for the supports that help ensure their success.

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- Despite previous enrollment declines, community colleges have continued to produce more graduates annually, with a 28% increase from the 2009-2010 academic year (the baseline for the beginning of enrollment decline) to the 2021-2022 academic year, the most current year for which data are available.
- Strong and consistent State funding provides the necessary support services to help students complete.
- Community colleges have been asked to close the skills gap in workforce shortages.
- Community colleges have been tasked by Blueprint for Maryland's Future legislation with developing College and Career Readiness (CCR) pathways, which by law must be offered at a 25% tuition discount.
- Community colleges provide unmatched opportunities and support for our State's diverse and underserved populations. Therefore, the proposed BRFA cuts disproportionately affect our states most vulnerable individuals and families.
- BRFA reductions would require students to pay more in tuition, which reduces the chance that recent high school students will enroll at all, according to research.
- Affordability remains the biggest barrier to student success, BRFA cuts requiring tuition increases make postsecondary education further out of reach.
- Community colleges compete in a tight academic labor market for skilled faculty and staff, increasing funding for public four-year institutions while reducing the community college Cade calculation harms our ability to compete, directly impacting our ability to attract and retain talent, especially in a time when Collective Bargaining is being implemented for our segment.

I thank you all for your distinguished and long service to our region. I also very much appreciate your support of education and the noble community college mission. Please contact Clifford P. Coppersmith, President, Chesapeake College (ccoppersmith@chesapeake.edu) for any questions.