

**Testimony of the
Baltimore City Board of School Commissioners
In Opposition of House Bill 909
Education – Local Share of Major Education Aid**

February 28, 2024

The Baltimore City Board of School Commissioners has several concerns with House Bill 909 and expects to incur significant costs as a result. As drafted, the bill proposes that if the school board and local county both agree, items in excess of the required local aid can be designated as non-recurring costs that are supplemental to the regular operating budget.

This language would mean local counties, assuming they can get the school board to agree, would be allowed to exclude items from MOE that would previously not have been allowed to be excluded. As such, in addition to the already listed categories (computer labs, tech enhancements, instructional program start-up costs and books other than classroom textbooks, etc.), anything agreed upon can also be excluded.

It is important to understand that this is not cost neutral for schools. A decrease in local allocation is generally not held harmless with state funding, so by agreeing to have something excluded as a non-recurring cost would mean a direct decrease in calculation for the local share of educational aid, which in turn reduces the basis for comparison for subsequent year's maintenance of effort – the trickledown effect of which can lead to reduced funding over multiple years. This could, in theory, be used to counter the intent and impact of MOE and mitigate the intended local contribution increases proposed by the Blueprint.

It is also unclear as to the role of MSDE in this mutual agreement. The current Nonrecurring Cost Exclusion Form is submitted to MSDE each year prior to 03/31 and includes only certain exclusions. MSDE subsequently responds as to the allowability of its exclusion in the MOE calculation for the next fiscal year. The legislation does not ensure if MSDE would still retain approval authority. The vagueness of this legislative request is troublesome and it is uncertain if the updated exclusion (is it still nonrecurring?) would cover costs that City Schools has in agreement currently with the City of Baltimore from every other thing from, for example, crossing guards to the City Schools contribution to the Baltimore City Health Department.

In summary, the proposed language re: MOE is antithetically opposed to the meaning and purpose of MOE. For all intents and purposes, it would mean allowing the entity that is being legally required to provide funds to be able to decide what funds do and do not count. For the

foregoing reasons, the Baltimore City Board of School Commissioners opposes House Bill 909 and urges an unfavorable report.

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