



## Senate Bill 1026

*County Boards of Education – Budgets – Notice  
(Transparency in Education Spending Act)*

MACo Position: **SUPPORT**  
**WITH AMENDMENTS**

To: Appropriations Committee

Date: March 26, 2024

From: Brianna January

The Maryland Association of Counties (MACo) **SUPPORTS SB 1026 WITH AMENDMENTS**. This bill ensures that county governments receive more comprehensive and timely data about school system spending as funding partners for Maryland public schools. Counties value transparency and good governance in education funding, so much so that SB 1026 is one of MACo's four 2024 legislative priorities. The bill, as introduced, represented more than a year's work and collaboration with multiple education stakeholders and legislative leaders.

**With that consideration, MACo recommends the following compromise amendment to SB 1026, leaving the current law regarding inter-category transfers fully unamended by this bill:**

**On page 1, in lines 9-10, strike "providing for exemptions from certain requirements related to certain transfers"; in line 15 strike "5-105(b),"; and**

**strike in their entirety the lines beginning with line 8 on page 6 through line 7 on page 7, inclusive.**

**With that amendment, counties continue to support the merits of the bill and believe it will provide much needed transparency for county governments and Maryland taxpayers.**

All education stakeholders benefit from a clear understanding of the sources and uses of public school funding. Recently, the opacity of pandemic-driven federal funds and revelations about separately maintained fund balances have heightened these concerns from county governments and other stakeholders. The school board budget proposal and routine reporting should grant the county funding entities enough clarity and structure to fairly assess those priorities on behalf of their communities. Maryland law should ensure that decision-makers and stakeholders can connect public funds to the needed investments for educational outcomes. SB 1026 seeks to do just that by making uniform reporting requirements, including on school system reserves and their proposed uses, and by empowering the Maryland State Department of Education (MSDE) to share spending information more fully and efficiently with county governments.

Additionally, SB 1026 requires school systems to post certain budget data online in an easy-to-find manner. This will ensure that Marylanders have access to the same information as the State and county governments about how local school systems invest taxpayer dollars.

**Importantly, SB 1026 does not alter the process for appropriating school funding, nor any funding requirements. It is simply a good governance and best practice bill to increase transparency in the State's and counties' most important investment and largest investment of Maryland tax dollars – education.**

K-12 spending makes up the greatest portion of nearly all county budgets; for many, education funding is greater than all other county spending combined, including public safety and transportation. Counties must have access to the most comprehensive and timely spending data available to responsibly budget and prepare for the immediate and long-term expenses associated with the Blueprint for Maryland's Future. The Blueprint's success, and the public's support of that plan, depend on it. For these reasons, MACo **SUPPORTS SB 1026 and** urges a **FAVORABLE** report **with that AMENDMENT.**