



Senate Bill 905

Commission on Innovation and Excellence in Education

MACo Position: **SUPPORT**
with AMENDMENTS

Date: March 1, 2016

To: Budget and Taxation Committee

From: Robin Clark Eilenberg, Esq.

The Maryland Association of Counties (MACo) **SUPPORTS** SB 905 **WITH AMENDMENTS**. This legislation establishes the Commission on Innovation and Excellence in Education to review the findings of the Study of Adequacy in Education Funding in Maryland and to make recommendations for changes to Maryland's current state and local education funding.

MACo supports a multi-stakeholder review of education funding requirements and formulas, many of which could benefit from updating and reconsideration. MACo also appreciates the inclusion of two county representatives on the Commission, analogous to those on the "Thornton" Commission during the last major such review. County governments have several concerns regarding current education funding formulas. To ensure that these concerns are addressed head-on by the Commission, MACo suggests the legislation be amended.

Primary among county concerns are current laws governing local education appropriations. The legislation currently states that the Commission will recommend how to ensure that education funds are being spent efficiently and effectively and that local school systems are allocating their resources to improve student achievement. Current state funding requirements fail to encourage efficient use of funds by local school boards and too often prevent a collaborative relationship between funding and student achievement. To address these issues, MACo suggests language in the Commission's charge seeking recommendations on how to revise state laws to further promote collaboration, joint county/school efforts, and efficiency.

The Commission also should closely evaluate distribution and calculation methods. The State's current calculation of the wealth for purposes of education aid includes two tax bases – property and income. Counties suggest the formula should better reflect available government revenues, and more reasonably recognize actual capacity provided by these tax bases. The Commission should review and recommend how the formula should be refined to better effect the intended policy.

According to current law, state education aid automatically declines with annual enrollment decreases. While it is already in the charge of the Commission to consider declining enrollment, MACo requests the legislation be amended to require the Commission to make a specific recommendation for a better method of accommodating the ongoing costs of jurisdictions experiencing declining enrollment in the state's education aid calculation. A clearer recognition of the presence of and differential between variable costs (that change with enrollment) and fixed costs (that essentially do not) could be a helpful modernization in school funding approaches.

MACo also hopes that the Commission membership could be improved. A community college representative would add to the Commission's ability to address preparing students for both postsecondary education and the workforce. In addition, adding three more members of the public could allow for appointments from the full geography of the diverse state. These six appointments would promote an understanding of local workforce needs that would contribute to the Commission's recommendations to ensure excellence in career and college readiness in the state.

For these reasons, MACo requests the Committee give a **FAVORABLE WITH AMENDMENTS** report to SB 905.