



APPROPRIATIONS COMMITTEE

February 27, 2020

TESTIMONY

Submitted by
Dr. Bernard Sadusky, Executive Director

HB 152 – Budget Reconciliation and Financing Act (BRFA) of 2020

Position: Oppose

The Maryland Association of Community Colleges (MACC) representing all of Maryland's 16 Community Colleges strongly opposes HB 152, which alters the full-time pupil allocation for our community colleges as funded in the Governor's FY 21 budget and changes the methodology for funding community colleges in future years. MACC also opposes language changes in the bill. This legislation is being opposed on both a fiscal and conceptual basis.

This legislation removes the decision-making powers from the duly elected legislature whose responsibility it is to determine budget reconciliation and allows for discussion with affected organizations. This legislation would signify a major power shift in that responsibility.

Fiscal support for Maryland's community colleges has not fully recovered from the "Great Recession" during which time our community colleges lost approximately \$100 Million. This was attributed to the State fiscal posture and inability to adequately compensate community colleges for spiking enrollments brought about by a diminished labor market. Recognizing this revenue loss, the State adjusted the CADE formula "truing up" and legislatively adjusted the timeline and percentage tie for full CADE to occur in FY 2023.

This BRFA signifies that this administration has no intention of fully funding CADE, ignoring the State's promise of being equal partners with County government and students in addressing the cost of community colleges. Astonishingly, this reduction of funds and abandonment of the CADE formula is not being proposed during a recessionary period, but during a time of prosperity. This legislation signals a fundamental lack of understanding the needs of our community colleges. The funding model proposed for future years would inhibit our colleges' ability to innovate, provide program enhancements and address enrollment increases with predictability. It certainly would not be a value-based model.

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MACC also object to the language changes in funding the Facilities Renewal Grant providing this grant as discretionary, instead of compulsory. Be mindful, funding for this program was unanimous on a bipartisan basis to address the deferred maintenance problem which has resulted from our \$80 Million reduction to the Capital Improvement Program this administration imposed during the prior four fiscal years. That maintenance backlog totaled approximately \$1 billion last year. The Facilities Renewal Grant guarantees that the needs of each institution are addressed in a timely fashion.

MACC Opposes this legislation as it pertains to community colleges and requests full formula funding as per FY21 tie as described in the Governors submitted budget. We also request future community college funding be based on the CADE formula with full CADE funding in FY23, as well as the elimination of the proposed new language for the Facilities Grant Program.