



PSSAM
Public School Superintendents' Association
OF MARYLAND

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BILL: HB 740

TITLE: Primary and Secondary Education - Education Savings Account Program - Established

DATE: March 7, 2024

POSITION: Unfavorable

COMMITTEE: House Appropriations Committee

CONTACT: Mary Pat Fannon, Executive Director, PSSAM

The Public School Superintendents' Association of Maryland (PSSAM), on behalf of all twenty-four public school superintendents, **opposes** House Bill 740.

This bill creates the Education Savings Account (ESA) program in the Maryland State Department of Education (MSDE) to provide grants to families to defray specified costs related to nonpublic schooling for eligible students. Participating students are included in the enrollment count used to calculate required State and local education aid for local school systems. The State must deposit specified portions of per pupil State and local education aid, depending on family income, in each participating student's account, with each county reimbursing the State for the local share deposited. The bill establishes a subtraction modification from the State income tax for contributions to an eligible ESA,

PSSAM opposes any public financing for private schools, including education savings accounts and the use of public financing tools for families choosing non-public schools. Under the proposed ESA program, the State would be required to provide taxpayer funds directly to private schools. While seemingly not a voucher program, this program uses public dollars to fund private schools and divert scarce resources away from the public education system that serves 90% of American children.

Additionally, PSSAM opposes the proposal to allow a new Education Savings Account program to provide grants to parents for home instruction expenses. Maryland's long-standing approach to homeschooling establishes very limited educational, reporting, and verification requirements for parents choosing to homeschool their child. In fact, current regulations simply require parents to

sign a form verifying that they will provide “regular, thorough instruction during the school year in the studies usually taught in the public schools to children of the same age,” consent to requirements to keep a portfolio of the student’s work, and submit to semester evaluations by school system staff. This is the limited extent of any governmental role in the education of home schooled children. Local superintendents do not seek additional oversight in Maryland’s homeschooling regulations, but oppose any public incentive for more families to opt into homeschooling.

PSSAM does not support increasing the burden on state revenues and future state budgets by establishing an income tax credit to benefit parents who exercise their choice to provide their children with home instruction. Unlike public schools, homeschooling parents have no means of direct accountability to taxpayers for their use of tax revenues. Funds provided to parents through ESA programs in other states have been found ripe for fraud and abuse -- in 2018, the state’s Auditor General in Arizona found that parents misused over \$700,000 in ESA funds on items such as beauty supplies and sports apparel, with no way for the state to recoup misspent money.

For these reasons, PSSAM **opposes** House Bill 740 and requests an unfavorable committee report.