House Appropriations Committee

HB352 - Budget Reconciliation & Financing (BRFA) Act

Written Testimony - Unfavorable

Dr. Richard Midcap, President Garrett College February 28, 2024

The Budget Reconciliation and Financing Act (BRFA) of 2024 (HB352) would reduce state operating aid to community colleges – whose enrollment grew by 8.3 percent in fall 2023 – by 5 percent in FY25. Even more concerning, that 5 percent cut plays out differently for the various community colleges when the reductions are applied through the Cade Formula. Unfortunately, Garrett College is the most dramatic example of the devastating effects of the proposed BRFA. Garrett College – whose enrollment grew by 20 percent in fall 2023 – would see a 21 percent reduction in state operating funds in FY25.

Further, four of the most rural – and least prosperous – jurisdictions would be most harmed by the BRFA. Garrett College, Cecil College, Chesapeake College, and Wor-Wic Community College would all see double-digit reductions in state aid in FY25 if the BRFA is permitted to become law.

While those four colleges would be the most adversely affected, the BRFA would create challenges across the entire community college sector, which enrolled over 330,000 credit and continuing education students in 2023. Community colleges are responsible for the majority of Maryland's credentialed workforce training while also serving the largest share of first-generation, financially challenged students in the state.

Community colleges are expected to deliver our programs and services as economically as possible given the financial challenges our students face. And, frankly, we do that better than any other sector of higher education.

Garrett College is a perfect example. Our combined in-county tuition and fee rate for next year (\$148 per credit hour) is actually \$1 <u>less</u> than it was five years ago. That's nearly unheard of in an era of dramatically escalating higher education costs.

GC also discounts the tuition rate for High School Dual Enrollment (HSDE) by 50 percent – *twice* the required state reduction. But the ability of Garrett College – and all of our sister community colleges – to provide a high-value, low-cost education will be severely challenged if this budget reduction isn't reversed.

Thank you for the opportunity to provide this written testimony. I strongly urge the subcommittee to support the work of our community colleges by fully funding the Cade Formula and ultimately rejecting the proposed BRFA (HB352).