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## THE MARYLAND HOUSE OF DELEGATES Annapolis, Maryland 21401 HARFORD COUNTY DELEGATION

January 30, 2024

The Honorable Helen T Grady Budget Secretary 45 Calvert Street Annapolis, Maryland 21401

## **RE: CADE FUNDING FORMULA CHANGES**

Dear Madam Secretary:

The Harford County Delegation strongly rejects all language in the Budget Reconciliation and Financing Act (BRFA) that proposes changes to the Cade Funding formula. The Cade Funding formula, which establishes an equitable distribution of funding, currently mandates the State to provide 29% funding per Full-Time Equivalent Student (FTES) at community colleges. This year's BRFA seeks to change this percentage to 26.5% which would result in a \$22 million reduction to the support of Maryland's community colleges.

Community colleges play a vital role in shaping the future of our state by providing accessible, affordable, and quality education to a diverse student body. Some important points to consider:

- Enrollment Growth: Over the past two years, Maryland community colleges have experienced a remarkable 8.3% enrollment increase, outpacing a 2% increase in public four-year institutions. Reducing Cade funding during a growth period would strain the ability of community colleges to effectively support students.
- Graduation Rates: Despite previous enrollment declines, Maryland community colleges have demonstrated resilience by producing more graduates annually, with a <u>28% increase in</u> graduates during the past decade.

- 3. **Workforce Development**: Community colleges play a pivotal role in <u>closing the skills gap in</u> <u>workforce shortages</u>; reducing Cade funding jeopardizes this capacity to fulfill this critical mission.
- 4. **Diverse and Underserviced Populations**: Community colleges provide <u>essential opportunities</u> <u>for our State's diverse and underserved populations</u>; any reduction in funding disproportionately impacts the student who need it the most.

Maintaining the 29% funding per FTES for community colleges is critical to their long-term success. We ask that you please reject any language that reduces this funding during the upcoming budget cycle.

Thank you for your consideration.

Sincerely,

Delegate Teresa E. Reilly

Chair, Harford County Delegation

Delegate Lauren Arikan

Delegate Susan K. McComas

Vice-Chair, Harford County Delegation

elegate Mike Griffith

Delegate Andre Johnson

Pologato Stova Johnson

cc: The Honorable Wes Moore, Governor

The Honorable Guy Guzzone, Chair, Senate Budget & Tax Committee

The Honorable Ben Barnes, Chair, House Appropriations Committee