

February 27, 2024

The Honorable Bill Ferguson
President, Maryland State Senate
H-107, State House
Annapolis, MD 21401

The Honorable Adrienne Jones
Speaker, Maryland House of Delegates
H-101, State House
Annapolis, MD 21401

Dear Speaker Jones and President Ferguson:

On behalf of Maryland's community colleges, MACC urgently asks for your support in rejecting the proposed cuts to the Senator John A. Cade Funding Formula (Cade) that are outlined in the Budget Reconciliation and Financing Act (BRFA). Maryland's community colleges are designed to be postsecondary institutions for the aspiring middle class. However, the crucial task of mitigating economic inequality transcends our campuses; it requires support and a commitment from all our representatives to maintain a fair and robust framework that fosters student access and affordability. For Maryland to prosper, we must acknowledge that a high school diploma simply is not enough. The State must invest in postsecondary educational opportunities to achieve economic growth for the State and social and economic mobility for all our residents.

Please allow me to address the narrative being used to rationalize the reduction in support for community colleges - which is enrollment has declined; therefore, we do not need as much funding. This rationale ignores the underlying mechanics of how the formula calculates our funding. It disregards the per-student increases at our public four-year institutions and justifies a reduction that fails to reflect the importance of funding all higher education equitably, where **all** segments rise and fall together. The driving force behind Cade is what the State provides to the public four-year institutions, and "rebasings" merely reduces the State's obligation by placing more of the cost onto economically disadvantaged students with the greatest educational needs.

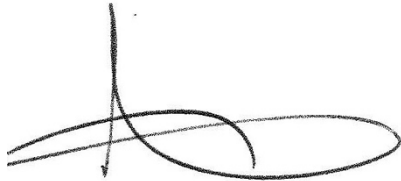
The Cade formula's percentage tie of 29 cents for every dollar provided to the public four-year institutions is rooted in policy designed to provide parity across all segments of Maryland's higher education landscape. **The argument that enrollment is down and community colleges are receiving more funding is not a valid position** as it is detached from the policy goals our formula was designed to achieve. In fact, the origin of the Cade formula stemmed from the recognition that prior funding trends favored public four-year institutions over community colleges. **Data from 1980 to 1993, the most recent available at the formula's inception, reveals an 82% increase in state aid to community colleges compared to a 172% increase for public four-year institutions.**

Contrary to claims of declining enrollment, community colleges have seen over an 8% rise from last year - and community colleges are able to provide more support to students, which has resulted in more successful completions. This uptick has empowered community colleges to provide enhanced support to students, resulting in a greater number of successful completions across credit programs as well as other workforce credentials such as licensures, certificates, and apprenticeships. The expansion of dual enrollment opportunities for high school students is a direct outcome of the Blueprint legislation, further solidifying our commitment to educational excellence.

Slashing Cade funding amidst rising enrollment only exacerbates resource constraints, inevitably leading to programs being cut and tuition hikes for students. The proposed cuts represent an untenable approach to rebasing - imagine if this method of cutting funding was used on Maryland's public schools. According to DLS's analysis on MSDE - Aid to Education, FTE enrollment in Fall 2023 was 20,235, or 2.4%, lower than Fall 2019. It would be antithetical to the goals established in the Blueprint to reduce support based on this methodology, and it is no more accurate to use such a position to devalue Maryland's community colleges.

Let us position community colleges as the solution by expanding opportunities and assisting Marylanders in their pursuit of upward mobility. Maryland's community colleges understand the hard decisions that must be made but implore you all to reject the approach outlined and instead advocate for a fair and equitable method of sharing in whatever reductions ultimately must be made.

Respectfully,

A handwritten signature in black ink, appearing to read 'Brad Phillips', with a large, sweeping flourish at the end.

Brad Phillips, Ed.D.
Executive Director

CC: The Honorable Wes Moore, Governor of Maryland
Members, The Maryland Senate
Members, The Maryland House of Delegates