



## Senate Bill 803

### *Education – Local Share of Major Education Aid – Nonrecurring Costs Exclusion*

MACo Position: **SUPPORT**

To: Budget and Taxation Committee

Date: February 28, 2024

From: Brianna January and Kevin Kinnally

The Maryland Association of Counties (MACo) **SUPPORTS** SB 803. This bill adds a second, later application deadline for school systems to apply for nonrecurring cost waivers for one-time expenses to better align with the county government budget cycle. **In doing so, the bill will allow and encourage counties to collaboratively invest one-time funds in Maryland’s public schools instead of being forced to leave money on the table because of the current early deadline.**

Currently, school systems are statutorily authorized to apply to the State Board of Education for a “nonrecurring costs waiver” for expenses that the school system and county government agreed were one-time in nature and should not become part of the county’s maintenance of effort (MOE) requirements. Examples of these expenses include laptops, career and technical education (CTE) equipment, and personal protection equipment (PPE) like during the COVID-19 pandemic. Waiver applications are due to the State Board on March 31 each year.

This early deadline is not ideal for county budget cycles and processes, most of which do not end with a negotiated, final budget until May or June. Unfortunately, this means that county governments may conclude their budget-setting processes in early summer with funds that could be allocated for one-time school expenses, but because the waiver deadline passed on March 31, they are unable to do so.

**This current process means that counties are potentially leaving money on the table that could otherwise go to Maryland schools. SB 803 seeks to remedy that by adding a second waiver application on June 1.** Importantly, the bill does not replace or remove the March 31 deadline but simply adds a second, later deadline so counties and schools who agree upon a one-time set-aside may do so later in the budget process, once the full picture of the county budget is clearer.

Counties view SB 803 as a simple fix with an important impact and strongly support the bill as an additional chance to allocate one-time funds to Maryland’s public schools and students. For these reasons, MACo **SUPPORTS** SB 803 and urges a **FAVORABLE** report.