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Position: FWA



House Appropriations Committee February 27, 2025

HB 352 - Budget Reconciliation and Financing Act of 2025

Position: Favorable with Amendments

The Maryland Association of Community Colleges (MACC), representing Maryland's 16 community colleges, appreciates the Administration's commitment to a fiscally responsible budget that increases investment in higher education. The proposed fiscal 2026 budget allocates \$500.6 million for Maryland's community colleges, reflecting a \$22.5 million increase from the previous year. This includes essential funding to support small colleges, out-of-county and out-of-state student programs, and ESOL initiatives. MACC is grateful for this continued commitment to the success of Maryland's students.

However, MACC respectfully urges the Committee to amend HB 352 to maintain the state's responsibility for funding community college retirement costs rather than shifting approximately \$5 million in rising retirement expenses to the counties. This shift would place additional financial strain on county governments, which are crucial in funding community colleges. Maryland's counties are strong partners in ensuring affordable, accessible higher education, but many are already navigating budget constraints, including obligations under the Blueprint for Maryland's Future. Requiring counties to assume new community college retirement costs could force reductions in direct support for colleges, limiting funding for workforce training programs, student services, and infrastructure improvements. Sadly, counties may feel they have no choice but to reallocate existing education funds or reduce their contributions, ultimately affecting students through higher tuition, reduced programming, or fewer student support services.

MACC fully supports the overarching goals of HB 352 and appreciates the state's investment in higher education. However, we urge the Committee to amend the bill to preserve the state's current commitment to funding community college retirement costs, ensuring that Maryland's community colleges can continue providing high-quality education without creating new fiscal pressures on local governments. Accordingly, MACC urges the Committee to issue a **FAVORABLE** vote on **HB 352** with **AMENDMENTS**.

Please contact Brad Phillips (<u>bphillips@mdacc.org</u>) or Drew Jabin (<u>djabin@mdacc.org</u>) with questions.