

HB352 BRFA LMB Testimony.docx (1).pdf

Uploaded by: Lisa Kovacs

Position: FAV



**Local power, collective voice
for Maryland's children, youth and families**

February 27, 2025

SUPPORT – HB352 - Budget Reconciliation and Financing Act of 2025

Dear Delegates:

On behalf of the Maryland Association of Local Management Boards, I am writing to express support for multiple budget items related to the local safety net for vulnerable children and their families in the Budget Reconciliation and Financing Act of 2025. We are especially motivated to protect Blueprint, Enough Act and the Consortium for Community Supports funding. These initiatives are not in competition with one other but work together to create a tapestry of braided supports at a time when changes at the Federal level are shaking the very fabric of the safety net we have worked so hard to put together over many years.

The Consortium on Coordinated Community Supports provides grants for behavioral health services to students. The dramatic worsening of the behavioral health of children and youth over the last decade, which accelerated during and after the pandemic. In 2022-23, 28% of high school students reported that their mental health was not good most of the time or always, and 24% of middle school students reported that they had seriously considered suicide. Local Management Boards across Maryland have been a part of the implementation of the Consortium, whether as a hub or spoke because we understand the connections between mental health issues and lack of opportunity for our children and families. .

The Blueprint Signature Legislation supports the same children targeted through the Consortium for Community Supports and the Enough Act. We oppose any funding cuts to the per pupil foundation amounts (as laid out in Senate Bill 429) and any cuts to the Tier 2 supports for pre-kindergarten expansion (HB1432).

The ENOUGH Act is Governor Moore's signature program to address childhood poverty with a place-based approach. Local Management Boards have been doing place-based work for decades, and welcome the Governor's vision. In this first year of implementation, collaborative groups across the state have begun the work to create partnerships, develop neighborhood action plans with these partners, and some have begun to implement programming to address childhood poverty. ENOUGH is a collaborative approach which will serve us well as we protect our children and families against cuts at the Federal level.

Local community support and collaboration across agencies will be the most important resources we have in the face of continued decentralization at the federal government level. During the pandemic, Local Management Boards became adept at blending and braiding resources and dollars to serve our most vulnerable children and families. We can continue that work with the right state supports in place.



Local power, collective voice
for Maryland's children, youth and families

We urge you to support funding to alleviate childhood poverty in HB352 - Budget Reconciliation and Financing Act of 2025 and oppose those initiatives that cut holes in our increasingly fragile safety net.

Sincerely,

A handwritten signature in black ink that reads "P M Brown".

Pamela M. Brown, PhD
Chair

HB352.BRFA.SWA.pdf

Uploaded by: Rachel London

Position: FAV



House Appropriations Committee

February 27, 2025

HB 352: Budget Reconciliation and Financing Act of 2025

Position: Oppose elimination of LISS program; Support change in nonpublic special education funding formula; Support the change to the Waiting List Equity Fund

The Maryland Developmental Disabilities Council creates change to make it possible for people with developmental disabilities to live the lives they want with the support they need. Disability Rights Maryland (DRM) is federally mandated to advance the civil rights of people with disabilities.

Low Intensity Support Services program

The BRFA, in Section 8 on page 128, proposes to eliminate Health General §7-717 which established the Low Intensity Support Services (LISS) program. **The Council and DRM oppose the elimination of the LISS program.**

→ WHAT is LISS?

According to the Developmental Disabilities (DDA) website, the LISS program serves children living at home with their family and adults living in their own home in the community who are not receiving any services from the DDA. It provides up to \$2,000 to help children and adults with developmental disabilities to purchase eligible services or items to address their needs, enhance or improve their quality of life, and promote independence and community integration.

→ WHY is LISS critical?

LISS serves between 2,000 and 2,500 children and adults with developmental disabilities a year. Recipients can only access funds if they do not receive other Medicaid waiver services. LISS is the only DDA service these Marylanders receive. It helps with purchases like respite, home modifications, adaptive equipment, and summer camps.

We understand that the leaders in the budget committees in the General Assembly have worked with Governor Moore to remove this language from the BRFA, and appreciate the acknowledgement that the statute only requires LISS services to be delivered *IF FUNDS ARE AVAILABLE.*

Waiting List Equity Fund

The BRFA, on page 45 eliminates a section of Health-General §7-205(e)(2) to increase the way the Waiting List Equity Fund (WLEF) can be used to provide services. **The Council and DRM support this change to offset some of the proposed budget cuts to DDA's FY 2026 budget.**

Nonpublic Special Education funding formula

The BRFA on pages 23-24 changes the nonpublic special education schools formula set in Education §8-415 from the 70%-30% ratio to a 60%-40% ration in FY 2026 and a 50%-50% ratio in FY 2027 after the local school systems the initial 200% **The Council and DRM support a change in the**

funding formula because it decreases the incentive for local school systems to send students with disabilities to nonpublic special education schools.

→ WHY should the funding formula change?

Maryland is one of the most segregated states in the nation for students with disabilities. According to 2022-2023 data among the 50 states and DC, Maryland has the **6th highest rate of placing students with disabilities in separate (public and nonpublic) schools.**ⁱ

5.92% (6,081) of students with disabilities in Maryland are educated in separate schools. The total cost is 14% of the entire special education budget.

It is cost-effective. Data show that the total per pupil spending tends to be *higher* for students educated in more restrictive environments. As compared to regular class: 13.8% higher for a resource placement, 33.3% higher for special class placements, 111.1 percent higher for special school placements.ⁱⁱ

Based on 2022-2023 expenditures, Maryland spends \$48,398 per student with a disability in nonpublic schools compared to \$21,494 per student with a disability in public schools.ⁱⁱⁱ

Research shows that students with and without disabilities experience positive outcomes when all students learn together.^{iv} The research identified these benefits for all students with disabilities, including who are most frequently placed in more restrictive educational environments (e.g., students with the most significant cognitive disabilities^v with emotional disability/conduct disorders^{vi}).

Contact: Rachel London, Executive Director; RLondon@md-council.org

ⁱ US Department of Education, EDFacts Data Warehouse: "IDEA Part B Child Count and Educational Environments Collection," 2022-23.

ⁱⁱ Chambers, Perez, and Socias (May 2004).

ⁱⁱⁱ Selected Financial Data Maryland Public Schools SY2021-2022, Part 2 Expenditures. Table 5A Expenditures for Special Education: Maryland Public Schools, 2021-2022.

^{iv} Cole, S.M., Murphy, H.R., Frisby, M.B., & Robinson, J. (2022). The relationship between special education placement and high school outcomes. *The Journal of Special Education*.

^v Kleinart, H. Towles-Reeves, E., Quenemon, R., Thurlow, M., Fluegge, L., Weseman, L., & Kerbel, A. (2015).

Where students with the most significant cognitive disabilities are taught: Implications for general curriculum access.

Exceptional Children, 81, 3, pp. 312-28. Kleinart, H., & Kearns, J. (2022). Reconsidering LRE: Students with the most significant cognitive disabilities and the persistence of separate schools. TIES Center.

^{vi} Powers CJ, Bierman KL, Coffman DL. Restrictive educational placements increase adolescent risks for students with early-starting conduct

HB352.BRFA.SWA.pdf

Uploaded by: Rachel London

Position: FAV



House Appropriations Committee

February 27, 2025

HB 352: Budget Reconciliation and Financing Act of 2025

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Inseparable 2025 - HB 352 FWA - BRFA-Behavioral He

Uploaded by: Angela Kimball

Position: FWA



409 7th St Northwest, Suite 305
Washington, D.C. 20004
February 27, 2025

House Appropriations Committee
120 Taylor House Office Building
Annapolis, Maryland 21401

**RE: Reject Cut to Behavioral Health in Schools in HB 352:
Budget Reconciliation and Financing Act of 2025**

Dear Chair Barnes, Vice-Chair Chang, and Members of the Committee:

On behalf of Inseparable, I write to urge you to reject the proposed \$90 million cut to the **Coordinated Community Supports Partnership Fund**. In recent years, Maryland has led the way in increasing access to mental health support for students through this fund. With major changes and disinvestment in school mental health on the horizon at the federal level, it is more important than ever for Maryland to support its students.

Inseparable is a national nonprofit mental health advocacy organization. Our priorities are closing the treatment gap for people with mental health and substance use conditions, improving crisis response, expanding the mental health workforce, and supporting prevention and early intervention through school and youth mental health. We work with mental health advocates and leaders across the country to increase access to evidence-based services and supports that help young people thrive.

The Coordinated Community Supports Partnership Fund is a critical component of the Blueprint for Maryland's Future as it allows for holistic support and wraparound services to meet the mental health needs of students. The appetite for this program is evident from the [Maryland Consortium of Coordinated Community Supports' Annual Report](#):

- The RFP for grants to providers of evidence-based behavioral health services for students received 258 proposals, requesting more than \$380 million; *in FY25, 129 grants were awarded to 101 organizations, for a total of \$111 million.*

(over)

- The RFP for grants to pilot ten Coordinated Community Supports Partnership Hubs received 17 proposals, requesting a total of \$9.3 million; *in FY25, \$4.7 million was awarded to ten pilot Hubs, which serve 15 jurisdictions of the state.*

Despite the critical role of school mental health services provided by the Partnership Fund to support Maryland's youth, the Budget Reconciliation and Financing Act of 2025 proposes a nearly **70% reduction in funding**. The potential consequences are significant and alarming:

- **Costly mental health crises:** When students do not receive the help they need for mental health challenges, there are typically costly increases in emergency room visits and hospitalizations.
- **Educational decline:** Mental health is directly linked to academic success. When students struggle with untreated mental health conditions, absenteeism increases and students' ability to learn and succeed in school diminishes.
- **Strain on families:** School mental health services reduce barriers to care for families. Without this critical access, families will experience significant stress and difficulty as they seek services for their children.
- **Long-term financial burden:** Prevention and early intervention provided by school mental health programs are cost-effective investments. Reducing access to these services for students now risks much higher future expenditures by Maryland in emergency care, child welfare and justice system involvement, and adult mental health and addiction services.

While we understand the difficult decisions that lie ahead in response to the projected revenue shortfall, now is not the time for a major disinvestment in the mental health of Maryland's young people. Thank you for your consideration. If you would like to discuss this issue further, please reach me at angela@inseparable.us.

Sincerely,



Angela Kimball
Chief Advocacy Officer, Inseparable

Children's National Testimony - HB 352 - Laura M.

Uploaded by: Austin Morris

Position: FWA



111 Michigan Ave NW
Washington, DC 20010-2916
ChildrensNational.org

**Testimony of Laura M. Rogers, MSN, CPNP-PC
Nurse Practitioner Team Lead
Summit Hall School Based Health Center
Children's National Hospital**

**HB 352: Budget Reconciliation and Financing Act of 2025
Position: Favorable with Amendment (Education: Community Supports Partnership Fund Cut)
February 27, 2025
House Appropriations Committee and House Ways and Means Committee**

Chairs Barnes and Atterbeary, Vice Chairs Chang and Wilkins, and members of the House Appropriations and Ways and Means committees, thank you for the opportunity to provide written testimony in opposition to the proposed Community Supports Partnership Fund budget cuts on page 22 of House Bill 352. My name is Laura Rogers, and I am the Nurse Practitioner Team Lead for the Summit Hall School Based Health Center in Gaithersburg, Maryland through Children's National Hospital. Children's National has been serving the nation's children since 1870. Nearly 60% of our patients are residents of Maryland, and we maintain a network of community-based pediatric practices, surgery centers and regional outpatient centers in Maryland. We believe that partnering with schools will improve students' health and academic outcomes, which is why for nearly three decades we have led approximately 50 school health programs serving early childhood and K-12 school systems, including providing a medical health care program to 10 Montgomery County Elementary School-Based Health Centers.¹ Our programs reach diverse populations including students, teachers, caregivers and other support professionals.

While we appreciate and support the efforts of the BRFA, Children's National is strongly opposed to the proposed cuts of 90 million dollars to the Community Supports Partnership Fund in its projected FY26 budget, especially as it relates to school based behavioral health (SBBH). SBBH is a critical component of Maryland's continuum of behavioral health care and is an integral tool in addressing the growing children's behavioral health emergency.² According to the Centers for Disease Control and Prevention, 40% of high school students reported consistent feelings of hopelessness, and 20% seriously contemplated suicide.³ Given the significant amount of time children spend in school, and the difficulty many families have of accessing affordable and quality behavioral health care, SBBH services are necessary to ensure children are

¹ [Children's National Hospital 2024 School Health Programs and Initiatives Report](#)

² [AAP, AACAP, CHA declare national emergency in children's mental health | AAP News | American Academy of Pediatrics](#)

³ [Data and Statistics on Children's Mental Health | Children's Mental Health | CDC](#)

accessing some level of care and support. SBBH also provides essential preventive and early intervention services, which have been proven to reduce the need for intensive behavioral services and therefore save state governments a significant amount of funds to spend on other vital social services.⁴ We stand firm that removing funding for the Partnership Fund and reducing SBBH services by 70% will be detrimental for children and families across Maryland and will prevent students from accessing essential health services.

The overwhelming majority of students we care for in our health centers are those who are uninsured and ineligible for traditional health insurance, such as undocumented children. Many of our students have suffered trauma and are subsequently diagnosed with PTSD, anxiety, depression and adjustment disorder. Access to mental health services for this population is essentially limited to what is available in our schools. Programs such as Jewish Social Services (JSSA), Sheppard Pratt, and Identity provide free mental health therapy to a population that would otherwise not have access to any behavioral health services due to cost, transportation, language barriers, etc. In addition to providing therapy in school, programs such as Identity extend their services to after school activities for high-risk youth (support groups, life skills training, and substance abuse prevention). These programs often have extensive wait lists which further highlights the need and urgency of these programs.

We applaud the Maryland General Assembly for approving funding for the Partnership Fund under the Blueprint legislation, and we urge the committee to restore funding for this program. Further, this program has been incredibly successful – with 58,000 students across the state receiving behavioral health services, 475 new behavioral health workers hired, 754 behavioral health providers trained in proven practices to improve student outcomes, and 1,185 school staff trained in behavioral health practices to improve student outcomes⁵. This funding has also been effective at improving behavioral health outcomes and exhibiting positive behavioral health and emotional regulation skills.

Because of this, we strongly urge the committees to reconsider the detrimental proposed cuts to the Community Supports Partnership Fund and corresponding SBBH services as they will have a devastating effect on children and families across the state. Thank you for the opportunity to submit testimony. We are happy to answer any questions you may have.

For more information, please contact:

Austin Morris, Government Affairs Manager
almorris@childrensnational.org

⁴ [Cost-effectiveness evidence of mental health prevention and promotion interventions: A systematic review of economic evaluations - PMC](#)

⁵ [Pages - Maryland-Consortium-on-Consolidated-Community-Supports](#)

MSPA HB 352 Support with Amendment Letter.pdf.pdf

Uploaded by: Bradley Leposa

Position: FWA



Delegate Ben Barnes, Chair
Delegate Mark S. Chang, Vice Chair
Appropriations Committee
120 Taylor House Office Building
121 Taylor House Office Building
Annapolis, Maryland 21401

February 25, 2025

Bill: House Bill 352 - Budget Reconciliation and Financing Act of 2025

Position: Support with Amendment

Dear Chair Barnes, Vice Chair Chang, and Members of the Committee:

The Maryland School Psychologists' Association (MSPA) represents about 500 school psychologists throughout the state. Through our work in schools, we promote Maryland students' social-emotional and academic development. As a result, we write in support of House Bill 352 with an amendment that removes cuts to the Coordinated Community Supports Partnership Fund, which funds vital mental health services in schools.

The MSPA both supports a balanced budget and understands the need for Maryland to eliminate the current deficit. However, Maryland students face an ongoing mental health crisis, and reducing or eliminating mental health programs risks harming children, youth, and young adults in need of those services¹. Moreover, research links social, emotional, and behavioral problems experienced during the developmental period with adverse adult social and economic outcomes.² Therefore, in addition to causing much otherwise preventable human suffering, leaving such issues unaddressed likely will burden future budgets with reduced tax revenues and increased expenses.

Thus, we respectfully request that the original funding levels be retained. Specifically, we recommend that on page 22, in line 16 STRIKE "AND", in line 17 STRIKE the first bracket "[", and in line 18 STRIKE "\$40,000,000" the brackets "[]" around 2026 and STRIKE "2025".

Thank you for taking the time to read our written testimony. If we can provide any additional information or be of any assistance, please do not hesitate to contact us at legislative@mSPAonline.org or Sarah Peters at speters@hbstrategies.us or 410-322-2320.

Respectfully submitted,

Bradley Leposa, PHD NCSP
Co-Chair, Legislative Committee
Maryland School Psychologists' Association.

¹ Office of the Surgeon General (OSG). Protecting Youth Mental Health: The U.S. Surgeon General's Advisory [Internet]. Washington (DC): US Department of Health and Human Services; 2021. PMID: 34982518.

² Vergunst F, Comisso M, Geoffroy MC, Temcheff C, Poirier M, Park J, Vitaro F, Tremblay R, Côté S, Orri M. Association of Childhood Externalizing, Internalizing, and Comorbid Symptoms With Long-term Economic and Social Outcomes. *JAMA Netw Open*. 2023 Jan 3;6(1):e2249568. doi: 10.1001/jamanetworkopen.2022.49568. PMID: 36622675; PMCID: PMC9856729.

Sheppard Pratt_HouseBRFA_Lang_FWA.pdf

Uploaded by: Damian Lang

Position: FWA



Sheppard Pratt

Written Testimony – Damian Lang

BRFA Hearing

House Appropriations Committee

February 27, 2025

Sheppard Pratt is the nation's largest nonprofit provider of mental health, substance use, special education, developmental disability, and social services. We appreciate the opportunity to testify regarding the **drastic and disproportionate cuts to the Consortium on Coordinated Community Supports under the proposed Budget Reconciliation and Financing Act (BRFA)**.

The Consortium was established as Maryland's first large-scale initiative to **systematically measure and improve youth mental health outcomes** in schools. It was designed to **increase access to behavioral health services, improve student outcomes, and ensure accountability through rigorous data collection and evaluation**.

Since its inception, the Consortium has:

- **Trained 754 behavioral health providers** in evidence-based interventions.
- **Trained 1,185 school staff** to identify and respond to student mental health needs.
- **Hired 475 new behavioral health professionals**, directly addressing Maryland's severe workforce shortage.
- **Delivered behavioral health services to over 58,000 students** across 1,124 schools.
- **Achieved measurable improvements**, with 77% of students showing progress in behavioral health outcomes and 80% demonstrating positive skill development.

These are not abstract numbers; they represent real students receiving **critical, life-changing support** in schools across the state.

Despite this progress, the BRFA proposes to cut the Consortium's funding by a staggering **66% to 75%**, while other components of the Blueprint for Maryland's Future face average reductions of just **15%**.

I must ask: **Why are mental health services being targeted so disproportionately?** Why does the Governor's budget **undervalue behavioral health services**, when we know they are essential to student success?

At a time when **school absenteeism, gun violence, and youth mental health crises are escalating**, it is unconscionable to **gut the very programs designed to help students cope, heal, and thrive**.

The **\$90 million in proposed cuts** will force the closure of programs that were carefully designed and rigorously evaluated to fill **long-standing gaps in Maryland's behavioral health system**. This funding has:

- **Supported innovative interventions** led by national experts, such as Dr. Bruce Wexler (Yale University) and Dr. James Gordon (Georgetown University).
- **Funded treatment for uninsured and undocumented students**, ensuring **equal access to care** regardless of insurance status.
- **Expanded the behavioral health workforce**, addressing the **critical shortage** that threatens our ability to serve students.
- **Established Care Coordination Hubs** to **prevent children from falling through the cracks**, tracking academic achievement, attendance, and ER utilization to ensure services produce tangible results.

Cutting this funding now—after just two years—**undermines all these efforts**. The reality is that mental health challenges are **long-term issues** that require **sustained investment**, not short-term, stopgap measures.

Let's be clear: Investing in **school-based mental health services is not just the right thing to do—it is fiscally responsible**. Decades of research confirm that **early mental health intervention reduces costly downstream effects**, including:

- Increased **academic success and graduation rates**
- Reduced **juvenile justice involvement**
- Lower **emergency room and inpatient psychiatric utilization**

The Consortium's investment in **data-driven mental health programming is precisely the type of cost-effective, evidence-based policymaking** that should be prioritized. **Eliminating funding now wastes the progress we have made and forces students back into an already strained system**.

I urge this committee to **restore as much funding as possible** for the Consortium and to **recognize that mental health services are not optional—they are foundational to student success**.

Senate leadership, including **President Bill Ferguson and Senator Augustine, have been strong advocates for mental health services**. I ask you to work with them and with Governor Moore to **find a path forward that does not sacrifice the well-being of Maryland's children**.

If we are serious about **building a stronger, healthier future for Maryland's youth**, we must ensure that **the Consortium remains fully funded**. Thank you for your time and your leadership on this critical issue.

Sheppard Pratt **stands ready to support the General Assembly in finding solutions to sustain these essential programs.**

BackpackOverview Two Pager.pdf

Uploaded by: Jenny Ryan

Position: FWA



Breaking Barriers and Healing Young Minds

More kids and teens than ever are struggling with behavioral health — we're here to help.

1 in 5 children have a mental, emotional or behavioral health disorder, but only 20% receive care.

Our unique model designs care to fit each individual's needs.

- Fast and accessible telehealth intervention
- Diverse service offerings for an inclusive care approach
- Comprehensive treatment for the whole family



Therapy & Psychiatry

With the right care team, therapy can be transformative. Our diverse team is licensed in youth and family behavioral and mental health, including cognitive talk therapy and medication management/ psychiatry.

- Personalized Client-Clinician Matching
- In-network with Medicaid and major insurance
- Therapy offered in 250+ languages
- Appointment scheduling within 5 days
- Cultural Intentionality trained clinicians

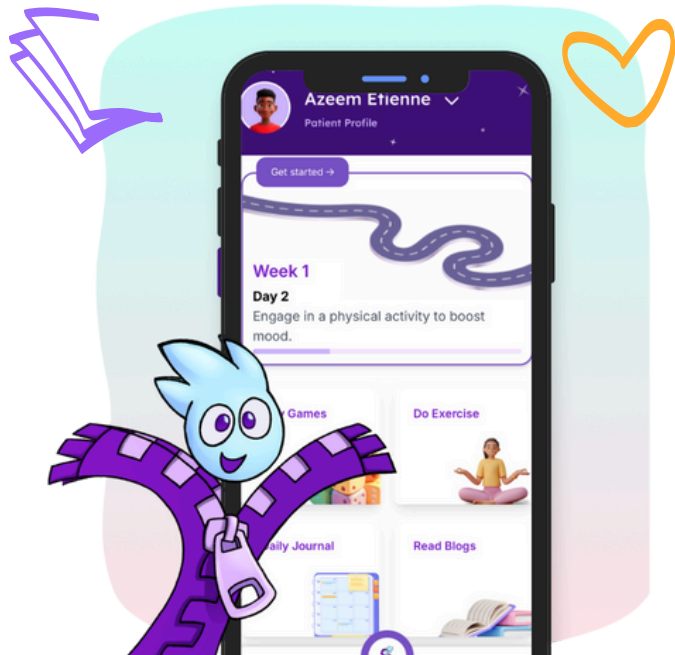


84% of clients have seen a reduction in their depression symptoms.

To schedule an appointment visit us at hellobackpack.com / call us at 866-968-6342

Interested in becoming a Backpack Healthcare partner? Please email partners@hellobackpack.com

To refer a child/family for our services, please visit hellobackpack.com/refer-a-patient



Backpack Care Companion

The Family Mental Health App

Backpack Healthcare's premier app, Backpack Care Companion, is a comprehensive family mental health solution that utilizes a personalized technology-driven self-care application accessible through web and phone.

- Workbooks designed to mirror therapy session progression
- Daily data collection for customized session adaptation
- Periodic assessments and daily journaling to evaluate patient feelings
- Alert Response Logic for urgent care interventions



Workshops

Our clinician-led wellness workshops are designed to empower parents, children, teachers, employers, caregivers, and school administrators with valuable insights and practical training. Workshops explore a variety of topics, including:

- Working with challenging behaviors
- Suicide prevention
- Social media safety
- Problem-solving and social skills
- Budgeting and financial preparedness
- Self-care and resilience
- Education and coping strategies
- Offered virtually, live and asynchronous

To schedule an appointment visit us at hellobackpack.com / call us at 866-968-6342

Interested in becoming a Backpack Healthcare partner? Please email partners@hellobackpack.com

To refer a child/family for our services, please visit hellobackpack.com/refer-a-patient

HB352- BackpackFWA.pdf

Uploaded by: Jenny Ryan

Position: FWA

The Honorable Ben Barnes
120 Taylor House Office Building
Annapolis, MD 21401

February 27, 2025

Budget Reconciliation and Financing Act of 2025: Favorable with Amendments

Restoration of Funding to Coordinated Community Supports Partnership

Chair Barnes, Vice Chair Chang, and Members of the Appropriations Committee,

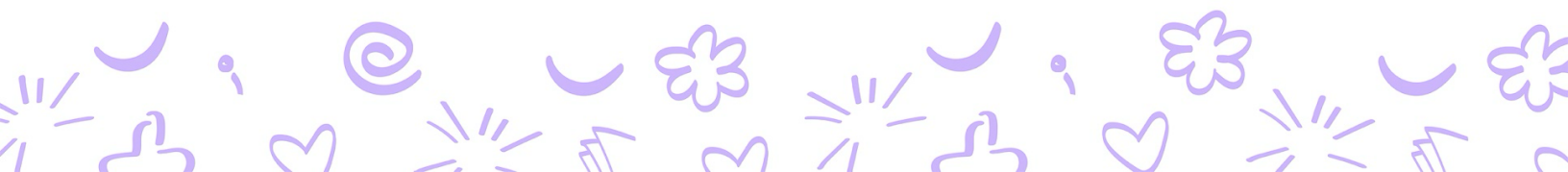
We respectfully urge the Committee to reconsider the proposed cuts to the Coordinated Community Support Partnership Fund. As written, HB352 would cut funding to the fund by \$90m, potentially creating gaps in health accessibility for students across Maryland.

CHRC funding is essential to sustaining the mental health services we provide in the State—services that Medicaid simply does not cover but that have proven invaluable to students, caregivers, and educators. Without this funding, a significant gap would be created, leaving vulnerable members of our community without the support they need. Over the past year, CHRC funding has allowed us to provide student therapy groups in Howard County, reaching 61 students who may not have access to mental health support otherwise. We have also hosted caregiver workshops on crucial topics like mental health resources and nutrition, providing education and guidance to 68 parents and caregivers. Additionally, our educator workshops have supported 60 teachers with tools like mindful eating and journaling for mental wellness, helping them better care for themselves and their students.

Beyond group programming, CHRC funding has also been a safety net for students who fall through Medicaid's cracks—those who are uninsured, underinsured, or whose families cannot afford co-pays that make even covered care inaccessible. By subsidizing individual therapy, this funding has ensured that financial barriers do not prevent children from getting the mental health support they need. If CHRC funding is cut, these successful, high-impact programs will be lost, leaving students without therapy, caregivers without guidance, and educators without support. The demand for mental health services continues to grow, and this funding is a critical part of making sure that no student, family, or educator is left behind. We urge you to continue investing in these life-changing services for our community.

Thank you for your consideration.

Respectfully,
Jenny Ryan
Chief Clinical Officer, Backpack



NASW Maryland - 2025 HB 352 FWA - BRFA - House.pdf

Uploaded by: Karessa Proctor

Position: FWA

**Testimony Before the House Appropriations Committee
House Bill 352 – Budget Reconciliation and Financing Act of 2025
February 27, 2025
Support with Amendments**

The Maryland Chapter of the National Association of Social Workers (NASW-MD) strongly opposes two provisions in the Budget Reconciliation and Financing Act of 2025:

- **Reducing the annual appropriation to the Coordinated Community Supports Partnership Fund to \$40 million (Education §7-447.1, page 22)**
- **Reducing the annual appropriation to the Maryland Department of Aging’s Long-Term Care and Dementia Care Navigation Program by half (Human Services §10-1303, page 48)**


Reject Cuts to Behavioral Health in Schools

The Maryland Consortium for Coordinated Community Supports (CCCS), a key component of the Blueprint legislation under the auspices of the Community Health Resources Commission (CHRC), was created and funded to expand access to preventive, early- and acute-intervention behavioral health and wraparound services to students and their families. Services are provided in schools—where students are—and through community providers. They address and work to remediate barriers to learning. Providentially, these services were authorized, funded, and ready to launch in an unanticipated post-pandemic spike in youth mental health need. That need continues.

In a recent Statewide Impact Report, the CCCS shared that between March and October 2024:

- 80% of Maryland schools received services
- More than 58,000 students were seen
- Community agencies were able to hire 475 additional providers
- 754 professionals and 1185 school staff members were trained in proven practices to support student outcomes
- 70% of those receiving the most intensive services showed improvement in behavioral outcomes
- 90% of the students and families were satisfied with the services provided

(over)



As social workers, we understand the need for belt-tightening in the current economic crisis and will do all that we can to move forward with what we are given. But we have grave concerns about the draconian permanent reduction in the CCCS non-lapsing funding that the General Assembly originally enacted for this important work. We ask that you consider this closely in the process of budget reconciliation.

Maryland students continue to need the comprehensive, integrated, targeted behavioral health and wraparound services that the CCCS provides so that they can attend school and be in their classrooms, taking full advantage of the education that the Blueprint provides. **We therefore urge the General Assembly to reject this permanent reduction in funding to behavioral health services for our youth.**

Reject Cuts to Dementia Care

The Long-Term Care and Dementia Care Navigation Program was established in 2023. It helps caregivers navigate the complex maze of dementia care through programs in each Area Agency on Aging (AAAs). The AAAs provide assistance with care planning, support groups, cognitive screening, and more. The mandated annual appropriation is \$2.4 million and the AAAs have staffed up to provide these services or in some cases, expand to reach the growing number of people seeking help.

Maryland has the highest prevalence of dementia of any state, according to a 2023 study. Dementia takes an enormous toll on the people living with dementia and their families. We as social workers witness the physical, emotional and financial strain caused by caring for a loved one with dementia. Dementia Care Navigators provide crucial support for families, who often feel they are struggling alone.

One example is a Baltimore County son who is struggling to help his mother take care of his stepfather with Alzheimer's Disease. The wife desperately wants to keep him at home, but he is becoming combative and will not take his medications. The Dementia Care Navigator met with the family and provided guidance about the best ways to handle the behaviors, enrolled the wife in a support group, and connected them to some programs through the Department of Aging to lessen the cost of care.

The Dementia Care Navigation Program can reduce health care costs to the State by preventing or delaying nursing home placement. In addition, this program improves the quality of life for those with dementia and greatly reduces caregiver stress. In the program's FY 25 funding, the budget was reduced 50% from \$2.4 million to \$1.2 million. The current BRFA would make this budget cut permanent. **We strongly urge the Committee to preserve and restore the original level of funding.**

Respectfully,

Karessa Proctor, BSW, MSW
Executive Director, NASW-MD

HB352 BRFA Testimony-Behavioral Health Funding.pdf

Uploaded by: Madelin Martinez

Position: FWA

House Bill 352
Budget Reconciliation and Financing Act of 2025
Appropriations Committee/ Ways and Means Committee
February 27th 2025
Support With amendments

Catholic Charities of Baltimore is monitoring HB352, which addresses statutory budget mandates, and would like to weigh in on specific provisions of the proposed budget. In particular, we are opposed to the permanent reduction of the mandate for the Consortium on Coordinated Community Supports (behavioral health services) from \$130 million to \$40 million.

For a century, Catholic Charities has provided care and services to improve the lives of Marylanders in need. We accompany Marylanders as they age with dignity, support their pursuit of employment and career advancement, heal from trauma and addiction, achieve independence, prepare for educational success, and welcome immigrant neighbors into Maryland communities. **As the largest private provider of human services in Maryland, and the second largest non-profit provider of behavioral health services, Our Villa Maria Behavioral Health program serves children, adults, and families across the state, with counseling and medication for individuals suffering from mental health and substance use disorders.** With eight clinics, virtual appointments, and programs in more than 100 schools, Villa Maria Behavioral Health ensures access to high-quality care for those with the most significant barriers to treatment.

While Villa Maria Behavioral Health remains a cornerstone in our efforts to support individuals with behavioral health needs, we recognize and appreciate the proposed 1% increase in rates for behavioral health providers. However, we must also highlight the concerning reduction in overall funding for behavioral health services. Specifically, the permanent cut to the Consortium on Coordinated Community Supports from \$130 million to \$40 million presents a significant challenge for the continued support of individuals we serve. This reduction in funding threatens critical resources, including the Family Care Coordination (FCC) model, which we use to address chronic absenteeism and provide vital support to families. Our FCC program, serving communities in Frederick, Baltimore County, and Anne Arundel, strategically intervenes with students who are chronically absent, offering personalized support that is not typically available through traditional school-based programs.

Through direct engagement with families, our Family Care Coordinators have seen firsthand how connecting families to comprehensive support systems can improve attendance and academic performance. The successes we've seen in areas like Baltimore County, where 24 out of 27 students showed improvement in attendance, reflect the real impact of this model. Yet, without continued funding for behavioral health services, these critical supports will be unsustainable, and we will not be able to reach more students in need.

As such, Catholic Charities strongly urges lawmakers to reconsider the cuts to behavioral health services and to continue supporting programs that provide comprehensive, wraparound services to families in need. The FCC model is just one example of how targeted interventions can help students thrive, and we urge the expansion, rather than the reduction, of these essential programs.
Submitted by: Madelin Martinez, Assistant Director of Advocacy

HB 352 - Budget Reconciliation and Financing Act o

Uploaded by: Nia Callender

Position: FWA



Mary Pat Fannon, Executive Director
1217 S. Potomac Street
Baltimore, MD 21224
410-935-7281
marypat.fannon@pssam.org

BILL: HB 352
TITLE: Budget Reconciliation and Financing Act of 2025
DATE: February 27, 2025
POSITION: Favorable with Amendments
COMMITTEE: House Appropriations & Ways and Means Committees
CONTACT: Mary Pat Fannon, Executive Director, PSSAM

The Public School Superintendents' Association of Maryland (PSSAM), on behalf of all twenty-four public school superintendents, **supports** House Bill 352 with **two amendments** to remove the cost shift of more teacher pension costs to local governments, and remove the proposed increase of the local cost share for the placement of nonpublic students.

First, PSSAM opposes **the teacher pension cost shift provision** of the bill.

As proposed, this provision would shift approximately \$93 million in state teacher pension costs onto counties beginning in FY '26, and permanently transfer an increased percentage of the unfunded liability of teacher pension indefinitely.

The Budget Reconciliation and Financing Act (BRFA) seeks to permanently transfer additional teacher pension costs to counties. There is also a recommendation from the Department of Legislative Services (DLS) that would more than double the initial shift, increasing the county burden to \$186 million in FY '26. If both the BRFA and the DLS recommendations were approved, this proposal would require counties to assume 100% of the State's unfunded teacher pension liability—an unprecedented and unsustainable financial obligation.

Counties already fully cover the employer share of teacher pensions, or “normal costs” — a responsibility imposed in 2012 after extensive negotiations. These negotiations recognized that county governments have little control over teacher salaries. More importantly, the 2012 negotiations recognized that counties have no control or ability to impact the pension investment returns, or the policies driving these liabilities. As a result, the State would continue to contribute the “unfunded liability,” of pension costs. This proposal, however, would require counties to

shoulder the entire cost. Unfunded liabilities primarily result from underperforming pension investments - again, something that local governments and local school systems have no control over. The recent normal cost increases are salary-driven - linked to the Blueprint for Maryland's Future — factors outside of the authority of counties and school systems.

DLS staff has proposed a 100% cost shift without justification or policy analysis—a move with severe fiscal consequences. If approved, this shift is an unprecedented policy shift that will affect the local negotiations between school systems and their county funding partner. If this change is adopted, it is expected that any requests from local school systems over traditional "Maintenance of Effort," will be met with serious resistance due to this additional fiscal responsibility.

To compound the fiscal burden, the BRFA also proposes slashing supplemental retirement grants under Aid to Civil Divisions by 50% in FY '26 and eliminating them entirely in FY '27. These grants were part of a 2012 agreement to ease the impact of the original pension cost shift, and their elimination would break that commitment—resulting in a \$28 million statewide loss over two years and compounding the financial burden on counties.

Second, PSSAM opposes the proposed **nonpublic special education placement cost shift** provision of HB 352.

This provision proposes shifting \$25 million in new costs onto local school systems in FY '26 and permanently changes the cost-sharing relationship, lowering the State's contribution from 70% to 60% for nonpublic placements. This shift will immediately affect school system budgets, starting in July, many of which were recently adopted and awaiting their local governments' response. Similar to the pension shift discussion above, this proposal will materially change the funding relationship between school systems and their local governments. As school districts have no ability to raise revenue, we will have no option but to seek additional funding to cover this cost shift. Costs for nonpublic placements are not discretionary, these are necessary and federally mandated expenses for our most vulnerable special education students.

School systems already suffer from underfunding for special education students. Local school systems spend over \$1,038,848,168 in direct special education services that are NOT reimbursed by the state and federal governments [\(see linked chart\)](#).

These BRFA provisions worsen a growing financial crisis facing our local government partners. For these reasons, PSSAM **supports House Bill 352 with two key amendments**: one to remove the cost shift of more teacher pension costs to local governments, and another to remove the proposed increase of the local cost share for the placement of nonpublic students. PSSAM respectfully requests a **favorable with amendments** report from the committees.

MSEA BRFA FWA.pdf

Uploaded by: Samantha Zwerling

Position: FWA

FAVORABLE WITH AMENDMENTS

Budget Reconciliation and Financing Act of 2025 House Bill 352

**House Appropriations Committee
House Ways and Means Committee
February 27, 2025**

**Samantha Zwerling
Government Relations**

The Maryland State Education Association offers this Favorable with Amendments testimony for the Budget Reconciliation and Financing Act (BRFA) of 2025, House Bill 352. We urge the committees to pass the Governor's tax reform plan as introduced, and amend the changes that affect public education.

MSEA represents 75,000 educators and school employees who work in Maryland's public schools, teaching and preparing our almost 900,000 students so they can pursue their dreams. MSEA also represents over 40 local affiliates in every county across the state of Maryland, and our parent affiliate is the 3 million-member National Education Association (NEA).

MSEA wholeheartedly supports the Governor's tax reform plan and urges the committees to pass it. The proposal raises state and local revenue from the wealthiest Marylanders and corporations, asking them to pay their fair share. This is a thoughtful proposal that will help ensure the state is able to fund Maryland's future. The proposal raises much-needed revenue to fund essential services like public education and reduces taxes for working families. Maryland families and communities cannot afford the additional \$1 billion in cuts in services that would be required if the legislature does not adopt this proposal. As MSEA has said before, the state cannot balance the budget on the backs of our students that need the most support. We urge you to pass serious tax reform.

We are concerned and ask the committees to reject the proposed shift of educator pension costs (both K-12 and community college) to local governments. During pension reforms about 10 years ago, there was a "skin in the game" argument for local governments to have some financial responsibility for employee pension costs. The deal then was essentially for counties to be responsible for the normal cost share

of employer pension contributions and the state would be responsible for the unfunded liability portion. Employees also pay into that system and since those reforms educators are paying 7% of their salaries to contribute to their own retirement security. The state, not the counties, creates and leads the State Retirement and Pension System, and the state, not the counties, is responsible for pension investments. The result of those investment decisions is what yields the unfunded liability. Shifting any share of the unfunded liability is not about “skin in the game.” The proposed cost shift will make it harder to meet other obligations, including funding local share of schools above maintenance of effort.

Additionally, we respectfully ask the committees to reject the Department of Legislative Services recommendation of shifting another \$92 million of educator retirement costs onto local governments. But if the General Assembly proceeds with shifting some of these costs, we urge you to pass legislation that would generate revenue on the local level. The Governor’s tax reform plan would generate about \$100 million in local revenue through the local income tax, and there are many bill proposals this session that would enable counties to raise revenue.

Finally, we would like to highlight the proposed change in funding to the Coordinated Community Supports Partnership Fund, which supports the Maryland Consortium on Coordinated Community Supports (The Consortium). The Consortium, created by the Blueprint for Maryland’s Future, is charged with ensuring that all students and their families can access evidence-based behavioral health resources. In FY25, the Consortium awarded grants totaling \$110 million. This only required a \$40 million allocation from the state budget due to a fund balance in the Coordinated Community Supports Partnership Fund from unspent funds from previous years. We are concerned that a cut of \$70 million would lead to reduced resources and supports to students compared with what they were receiving in FY25. MSEA urges the Committee to amend the level funding to \$110 million so there is no disruption services for students.

SEIU Local 500 Testimony on HB 352 (BRFA) - 2025.p

Uploaded by: Terrence Cavanagh

Position: FWA



Testimony - HB 352, Budget Reconciliation and Financing Act of 2025
Favorable with Amendments
House Ways & Means Committee and Appropriations Committees
February 27, 2025
Terrence Cavanagh
On Behalf of SEIU Local 500

Honorable Chairs Atterbeary & Barnes and Members of the House Ways & Means and Appropriations Committees:

SEIU Local 500 represents over 23,000 workers across Maryland including family child care providers, educational support staff in our public schools, and college professors. Our members have a role in the lives of Marylanders from cradle to career, impacting Maryland's economy and economic future every time they show up to work. We urge the Committee to fully pass Gov. Moore's proposed revenue package, as introduced in HB 352, Maryland's Budget Reconciliation and Financing Act of 2025. His proposal raises much-needed revenue to fund essential services, reduces taxes for working families, and helps ensure the wealthiest individuals and large corporations contribute their fair share. Maryland families and communities cannot afford the additional \$1 billion in cuts in services that would be required if the legislature does not adopt this proposal.

Passing Gov. Moore's revenue package as included in HB 352 provides an essential foundation for our state's budget for the next year and into the future, and we urge the Committee to adopt it. However, this is just a starting point. Adopting the Fair Share for Maryland Act as outlined in HB 1014 would go a step further in preventing some of the other proposed cuts to public services and providing the state resources to help respond to harmful federal budget cuts.

Both Gov. Moore's proposals and the Fair Share for Maryland Act would also help create a more just and equitable tax system, ensuring that the wealthy corporations and individuals who are getting a break under our current system are paying their fair share in taxes. We can't grow our economy if we are cutting back on things like public

schools, child care, and transit service. Raising significant new revenue is the right choice to support Maryland families and strengthen our communities.

Our members provide essential public services in the areas of child care and education. Many are overworked and underpaid while doing the best job they can with limited resources. We are concerned about the future of Maryland's children and the critical need for sustained investment in early childhood, K-12 public schools, and higher education.

The proposed budget adjustments should prioritize full funding for essential programs that support the developmental and educational needs of Maryland's youngest learners. One clear example is in full funding of child care scholarships while not waitlisting working families. Quality child care is not only a cornerstone of early childhood development but also a vital component in ensuring working families can thrive. Access to affordable, high-quality child care enables parents to remain in the workforce while providing children with the foundational skills necessary for lifelong success.

Similarly, robust education funding is imperative to uphold Maryland's commitment to equitable learning opportunities for all students. The Blueprint for Maryland's Future set forth ambitious goals to improve educational outcomes, particularly for underserved and marginalized communities. To achieve these objectives, it is crucial that HB 352 maintains full funding for public schools, special education programs, and initiatives aimed at closing the achievement gap.

In addition, Maryland's community colleges serve as a critical bridge for workforce development, higher education, and economic mobility. These institutions provide affordable and accessible education to thousands of students, many of whom rely on financial aid and state funding to achieve their academic and professional goals. Restoring the hold harmless provision that was removed in last year's Budget Reconciliation and Financing Act. This has resulted in schools experiencing enrollment increases while working with less funding. Fully funding for our community colleges will ensure they continue to serve as a vital resource for workforce training and career advancement.

Cuts or reductions in funding for child care, education, and community colleges would have long-term negative consequences for Maryland's economy and workforce. Investing in our children and students today ensures a stronger, more competitive future for our state. We urge the committee to fully fund these critical areas and safeguard the well-being and academic success of our youngest residents and students.

We respectfully request that you support full funding for child care, education, and community colleges in this year's Budget Reconciliation and Financing Act.

Thank you for your consideration.

Terrence Cavanagh
On Behalf of SEIU Local 500

Easterseals Testimony_HB352.pdf

Uploaded by: Dennis Alexander

Position: UNF



Testimony in Opposition to Cuts to the Consortium on
Coordinated Community Supports Partnership Fund in HB352
Joint Hearing of the House Appropriations and Ways & Means Committees
February 27, 2025, 1:00 pm
Respectfully submitted by
Dennis C. Alexander, Director of Government Relations

Mister Chair, Madam Chair, and Members of the Appropriations and Ways & Means Committees, on behalf of Easterseals, thank you for the opportunity to testify in opposition to the proposed cuts in funding for the Consortium on Coordinated Community Supports Partnership contained in the Education Article of HB352. These funds, as you know, provide grants to fund behavioral health services for students established in the legislation that created the Blueprint for Maryland's Future.

Easterseals DC MD VA is a nonprofit organization serving Maryland (except for the Eastern Shore), Northern Virginia, and the District of Columbia, leading the way to full equity, inclusion, and access through direct and life-changing disability and community services to thousands of children and adults in our neighborhoods, regardless of their disability, military status, income, race, or age.

We currently operate eight child development centers and Head Start programs throughout the area. Five of these programs are located in the State of Maryland and we provide behavioral health services for students and their families through our Head Start programs in Prince George's County.

At Easterseals, we recognize the importance of early childhood education and the positive impact that mental wellness has on learning. Schools and community partners such as Easterseals are important players in reaching students, especially since families face numerous barriers trying to access behavioral health services outside of schools because of the dire shortage of those services, both in the community and in schools.

The need for these services is critical. There has been a dramatic worsening of the behavioral health of children and youth over the last decade, which accelerated during and after the pandemic. In 2022-23, 28% of high school students reported that their mental health was not good most of the time or always, and 24% of middle school students reported that they had seriously considered suicide.

This grant program is an incredibly important measure in helping to address this crisis. And it has been a dramatic success. In the first six months of implementation, grantees served more than 58,000 students and added 475 new behavioral health workforce members. In addition, they trained 1,185 school staff in behavioral health practices. These investments paid off: 77% of youth provided with early intervention services, and 70% of youth provided with intensive services, demonstrated improvement in behavioral health outcomes. Ninety percent of students and families reported satisfaction with the services they received.

In summary, this program is an important piece of the Blueprint and funding must be restored to its original budgeted level of \$130 million. In this uncertain environment, we cannot afford to cut critical services for one of our most vulnerable populations, our children. Easterseals will continue to support communities in Maryland by providing high quality, inclusive early childcare, education, and behavioral health services. But the State must also step up as a partner in helping us care for these children and their families.

I encourage you to restore the full amount of funding at \$130 million for the Coordinated Community Supports Partnership Fund in HB352.

Allegany County Commissioners _ Budget Status Over

Uploaded by: Jason Bennett

Position: UNF

We are writing today to express our deep concern regarding Governor Wes Moore's budget proposal, which would have a severe financial impact on Allegany County Government. After reviewing the details, **we estimate that these proposals will negatively affect our budget by more than \$5 million.**

During the FY 2025 budget process, we worked hard to eliminate a \$13 million budget deficit—a process that required staff reductions, a hiring freeze, benefit cuts for employees, and decreased funding for outside agencies. Despite these difficult choices, we balanced the budget responsibly without major tax increases. However, it left us with little financial flexibility.

Now, before we even begin the FY 2026 budget process, we find that the Governor's proposal introduces new financial burdens that could significantly reduce our revenue and severely limit our ability to operate. **The most significant concern is an estimated \$3.2 million loss—more than 10% of our income tax revenue—directly resulting from the Governor's income tax plan.** While this proposal generates additional revenue for Maryland and many of its largest counties, it disproportionately harms smaller, less affluent counties like ours. While we support tax relief for Marylanders, this method unfairly disadvantages the state's poorest counties.

Beyond income tax reductions, the budget includes several other funding cuts and additional costs that would further strain our resources, including:

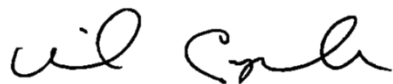
- **The loss of \$816,053 in disparity grant funding** for the supplemental teacher pension shift grant, with an additional reduction of the same amount in FY 2027.
- New county payment obligations of **\$754,195 for teacher pension costs.**
- An additional **\$368,000 cost shift** for a proposed 90% share of our local SDAT office.

In total, **we are facing a \$5.1 million revenue loss for FY 2026**—equivalent to 5% of our general fund budget. We strongly urge you to reconsider these proposals and identify alternative solutions that do not place an undue burden on counties like ours. We recognize that the State of Maryland is also in a challenging financial position. **Governor Moore has emphasized that "no one will be left behind" in Maryland, and while these impacts may be unintended, the proposed budget structure places a disproportionate strain on Allegany County, making it difficult for us to keep pace with the needs of our community.**

We would welcome the opportunity to discuss this further and answer any questions you may have. Thank you for your time and attention to this urgent matter.

Sincerely,

The Board of County Commissioners of Allegany County



David J. Caporale
President

Disparity Grant Reduction

-\$816,053

This represents a 9% reduction in a supplemental teachers pension shift grant (\$1,632,106) that was added to our disparity grant back in FY 2013.

- **Per the Governor's budget, 50% will be reduced this year and then eliminated entirely in FY 27**
- **The regular disparity grant per the formula gives us \$7.2M annually – this has not been touched yet**

New Payment for Teacher Pension Costs

-\$754,195

This is a new proposal and would make county governments pick up more of the share for teacher pensions. It is part of an older discussion about teacher pension costs from years ago and is an 80% increase in costs.

SDAT Cost Shift

-\$368,000

This represents a cost share shift from 50% to 90%.

- **The County currently pays 50% of the budgeted cost for the local assessment office, managed by the State.**
- **We budgeted approximately \$360,000 for this in FY 25. This addition in cost will take us to a total of \$728,000**

Highway User Revenue

Appears to be unchanged with small programmed increase included. Leaving us at approximately \$1.6M total.

Board of Education

So far, we are anticipating that our required Maintenance of Effort cost should be largely unchanged, potentially very slightly lowered. This totals approximately \$34 million annually.

Proposed Income Tax Changes

-\$3,200,000

Governor Moore has proposed doubling the standard deduction for some Marylanders. While this puts more money in the pockets of those family's, it will have an effect on the income tax we collect at the County level, which helps to fund the services we provide.

While the intention behind that tax change is helpful to our residents, it will have a devastating effect on our County Government's ability to provide the required services.

- The proposal would move the deduction to \$5,600/\$11,200 for single/married
- The comptrollers office estimates that we will lose approximately \$3.2M during FY26 from this change. **This is roughly a 10.6% reduction in our income tax estimates.**
- Approximately 98% of Allegany County residents would be receive this updated tax break



TOTAL PROJECTED LOSS

\$5.1 Million

This represents approximately 5% of our General Fund Budget and has the potential to cripple our County Government operations.

HB352 Howard Co BOE Testimony 022725 for APP W&M -

Uploaded by: Staff Howard County

Position: UNF



**Board of Education
of Howard County**

Jolene Mosley, *Chair*

Linfeng Chen, Ph.D., *Vice Chair*

Andrea Chamblee, Esq.

Jennifer Swickard Mallo

Jacky McCoy

Meg Ricks

Antonia Watts

James Obasiolu
Student Member

William J. Barnes
*Superintendent,
Secretary/Treasurer*

**Board of Education of Howard County
Testimony Submitted to the Maryland House of Delegates,
Appropriations and Ways & Means Committees
February 27, 2025**

**HB0352: UNFAVORABLE
Budget Reconciliation and Financing Act of 2025**

The Board of Education of Howard County (the Board) opposes the **Budget Reconciliation and Financing Act of 2025** given the significant fiscal burdens placed on local school systems.

As the vehicle by which the Governor makes corrective changes to statute where his proposed budget differs from requirements set in statute, the Board recognizes HB0352 has widespread implications for both expenditures and revenues at all levels of Maryland government. Our testimony today focuses on three specific areas that would impact school system funding.

Initially, the bill cuts funding for the Coordinated Community Supports fund, which was developed with the passage of the Blueprint for Maryland's Future to address student behavioral health needs. As of FY25, the Maryland Consortium which oversees these efforts made available nearly \$120 million in grant funds directly to mental and behavioral health providers to support student wellbeing statewide in Maryland. Five providers were awarded a total of \$4,960,000 to provide supports to the Howard County Public School System (HCPSS) in the areas of: parenting education for caregivers; expanded access to substance use groups and counseling; individual and family therapy, early intervention groups, case management, psychiatric services; executive cognitive functioning enhancement to improve learning ability, enhance engagement, and reduce negative mental health experiences; and substance use disorder services, mental health interventions and education, parent support, and navigation to services and supports. Among the various services each provider provides, up to 20% of HCPSS schools are benefiting from the current funding. HB0352 would reduce the required statewide funding for Coordinated Community Supports to \$40 million annually.

The State and local school systems share in the costs of nonpublic placements for special education children who cannot receive an appropriate education in a public school. When a child is in a nonpublic placement approved by the Maryland State Department of Education (MSDE), the local school system initially contributes an amount equal to the local share of the basic cost of educating a child without disabilities plus two times the total basic cost. Any costs above this base amount are currently split with the State responsible for 70 percent and the local county responsible for 30 percent. HB0352, however, would increase the local share to 40 percent in FY26 and 50 percent thereafter. While these costs are variable, staff estimates HCPSS will see a decrease of \$2.5 million in FY26 and \$6 million in FY27. Making adjustments to the revenue for \$2.5 million and then \$6 million will require other programs to have reduced spending or personnel to be cut. A comparable reduction of \$6 million is an increase of class size by one at all levels. All students will experience that impact and we know that the impact is most often felt most strongly by our students receiving special education services, including those awaiting nonpublic placement.

The last piece of HB0352 that has the potential to impact HCPSS' budget is an increase in the amount local county governments must pay to the State to offset their share of contributions for the Teachers' Retirement System and the Teachers' Pension System. For Howard County, the bills require \$6.8 million in additional payments to the State starting in FY26. The State has been

Board of Education of Howard County
Testimony Submitted to the Budget and Taxation Committee
February 28, 2025

[shifting costs for retirement and pension since 2011](#) (see page 11) with millions in statewide fees, increasing Maintenance of Effort (MOE), and by FY17 the normal cost portion of retirement payments became a local responsibility included in MOE only to the extent of the prior year's funding. This imposed a new and sudden burden on local boards without offsetting revenue. The Board maintains consideration of pension responsibilities in the costs of adequate educational funding, including legislation to mitigate the burden on local boards of paying for 100 percent of normal retirement costs, as a legislative platform to date.

While this money comes from the County and not directly out of the HCPSS budget, it will mean fewer local funds available to support the school system. The Moore Administration has indicated this cut is expected to be covered by additional tax revenues counties will receive if other proposed changes to tax statutes also pass this session. Without a guarantee and until those revenues are realized, however, local governments will be on the hook for the additional payment.

For these reasons, we urge an UNFAVORABLE report from this Committee on the areas of HB0352 discussed above.

MANSEF - Letter of Information - BRFA 2025.pdf

Uploaded by: Dorie Flynn

Position: INFO



TO: Members of the House Appropriations and Ways and Means Committees
FROM: Dorie Flynn, Executive Director
DATE: February 27, 2025
RE: Letter of Information – HB 352 – Proposed change to nonpublic funding formula

This Letter of Information and accompanying one-page description will provide you with helpful information during the budget deliberations in the coming weeks. We fully recognize the daunting task of addressing the fiscal challenges that lay ahead and appreciate the many difficult decisions before you.

I represent the Maryland Association of Nonpublic Special Education Facilities (MANSEF). MANSEF is comprised of 70 schools serving over 3,800 of Maryland's most challenged students and their families. We employ over 2,000 educational, behavioral, clinical, and administrative professionals of whom 1,000 are classroom teachers, therapists and assistants. Our schools provide a strong education and give families peace of mind and hope for their children's future.

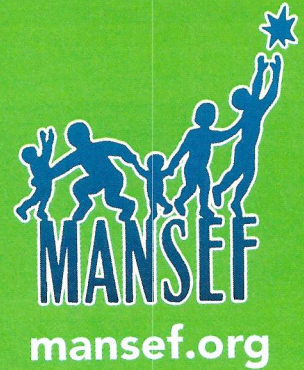
MANSEF schools are approved by the Maryland State Department of Education under COMAR 13A.09.10 to serve students referred to and funded by local education agencies (LEAs). MANSEF advocates for and supports a full continuum of services for students, as reflected in the federal education law *Individuals with Disabilities Education Act* (IDEA). The IDEA mandates that a continuum of placements is available for students who cannot be served in their local public schools. A school district may refer and place a student with a disability in a nonpublic special education school as a means of providing a free appropriate public education (FAPE) as outlined in the student's Individualized Education Program (IEP).

The nonpublic funding formula is a cost-sharing responsibility outlined in Education Article (8-406) between the State and LEAs. We firmly stand with our LEA partners in meeting the State's obligation to serve the most challenged students. Amending the funding formula has potential to further hinder the placement options afforded to students with special needs across our great State and will have unintended consequences of depriving students of an appropriate special education. In addition, this cost shift places an enormous, unexpected burden on the LEAs who are already facing numerous hurdles with very limited resources. Additionally, a change in the funding formula will have a direct negative impact on families as parents already have a difficult time advocating for their special needs child. Limiting the options is a disservice and is likely to have an adverse effect on students with the most severe disabilities and families that may not have economic access to special education advocates to fight for what their child needs. We ask our legislative representatives to carefully consider these factors when discussing the potential funding formula change.

I hope this letter and the attached information are helpful. I may be reached at 410-938-4413 or via email: mansef@aol.com.

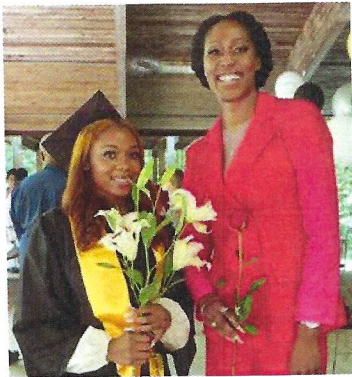
Preparing Maryland Students to Thrive

Maryland's Nonpublic Special Education Facilities



Thousands of Maryland students have unique learning needs and require highly specialized services and specific attention and expertise not always available in the public schools. Some students have complex physical or intellectual disabilities. Others have autism spectrum disorders and/or social emotional, behavioral, and learning challenges.

Throughout the year, those students and their families rely on the state's nonpublic special education facilities to provide critically needed educational and support services.



These special education schools, located across the state, have interdisciplinary teams with experience and expertise to provide high-quality services that are customized to meet each student's needs. Their well-trained staff create a rigorous therapeutic learning environment with a singular focus on each child, helping them to advance and grow. In some cases, a student may require one-to-one attention, intensive psychological counseling and/or psychiatric oversight and medication monitoring. Others require ongoing therapy and physical assistance. Mental health providers at the schools often step in to partner with families to overcome problems that affect a child's progress in school. Families are engaged and considered an integral part of the child's education and services in every nonpublic special education facility.

A nonpublic school is the appropriate choice for many Maryland students who are unable to have their needs met in the public schools. These schools serve students ages 5 to 21 with a range of disabilities who require the most intensive services, including:

- Emotional disabilities
- Learning disabilities
- Multiple disabilities
- Autism
- Intellectual disabilities

PROTECTING EDUCATIONAL OPTIONS FOR STUDENTS WITH DISABILITIES

Governor Moore's proposed FY26 budget includes amendments to the nonpublic funding formula, which could significantly impact educational choices for students with disabilities. Under the Individuals with Disabilities Education Act (IDEA), federal law mandates a full range of educational options to meet students' diverse needs. Maryland has a long and proud history of meeting this mandate and must continue to ensure that nonpublic school options remain accessible and viable and that all students are provided with a free and appropriate public education. Parents already face challenges securing appropriate placements for their children, and we believe this proposal could further restrict and limit the available choices for students. MANSEF is committed to advocating for the students and families we serve with a primary goal being that Maryland students with disabilities who are disadvantaged and underserved are not forgotten.

FACTS ABOUT MARYLAND'S NONPUBLIC SPECIAL EDUCATION SCHOOLS

- 70 schools in 15 counties and Baltimore City
- More than 3,800 Maryland students served
- Maximum class size of 9 students per one teacher and one aide — as mandated by Maryland regulations
- More than 2,000 Marylanders employed
- Nonpublic facilities often operate year-round



PARTNERING WITH THE PUBLIC SCHOOLS TO PROVIDE ESSENTIAL SERVICES TO MARYLAND CHILDREN & FAMILIES

The nonpublic special education facilities are partners with the state's 24 local education agencies, providing important educational services to thousands of students who need specialized instruction and support. These nonpublic schools serve as essential components of the full continuum of educational offerings required by Maryland's students and their families. Nonpublic schools contribute to Maryland's ranking as the nation's leading school system.

Like public schools, the nonpublic facilities are highly regulated by the state of Maryland. State policies set standards for reimbursement rates, class size and other aspects of educational services. And like the public schools, the nonpublic facilities are held accountable for the quality of services they provide.

The nonpublic schools' costs reflect a more intensive level of staff support and non-classroom services.

A key goal of the nonpublic schools is to prepare students to be able to return successfully to the public schools. Each year, a significant percentage of students do return to the public schools ready, willing and able to successfully complete their education. Students in nonpublic schools progress through graduation and achieve successful post-secondary outcomes.

For more information, visit www.mansef.org or call 410-938-4413

BRFA Testimony CE Fitzwater 2025.02.27.pdf

Uploaded by: Jessica Fitzwater

Position: INFO



FREDERICK COUNTY GOVERNMENT
OFFICE OF THE COUNTY EXECUTIVE

Jessica Fitzwater
County Executive

February 27, 2025

Chair Barnes and Members of the
Appropriations Committee
House Appropriations Committee
120 Taylor House Office Building
Annapolis, MD 21401

Chair Atterbeary and Members of the
Ways and Means Committee
House Ways and Means Committee
130 Taylor House Office Building
Annapolis, MD 21401

Dear Chairs Barnes and Atterbeary, and Members of the House Appropriations and Ways and Means Committees,

As the Frederick County Executive, I write to urge the committee to pass a Budget and Budget Reconciliation and Financing Act that addresses the budget deficit with the least amount of harm to local governments.

As proposed, the Budget Reconciliation and Financing Act of 2025 (BRFA) pushes a large amount of state liabilities to county governments, further straining already tight local budgets and making it difficult to impossible for Counties to meet the needs of our communities while fulfilling state mandates such as the Blueprint for Maryland's Future. Frederick County would see increases of over \$7.5 million in just FY26. Because those cost shifts are reoccurring annual expenses, we expect that burden to only grow in the out years.

As the fastest growing county in the state, Frederick County struggles to meet the needs of our residents while managing a balanced budget. This is particularly relevant in our school funding, as we are the fastest growing school system in Maryland. The BRFA recommends pushing \$92.9M of teacher pension costs to counties, while simultaneously phasing out supplemental retirement grants which are crucial to counties for covering these costs.

Frederick County consistently funds our schools above the required maintenance of effort (MOE,) but with income tax revenues plateauing in recent years and revenue from building permits decreasing, it is increasingly difficult to meet the budget needs of our county services and fund beyond MOE. With these cost shifts, Frederick County would likely only be able to fund at the MOE level, further exasperating overcrowding in our school systems. While Frederick County is in a unique position as the fastest growing school system, other jurisdictions will also struggle to absorb these cost shifts without making cuts to services.

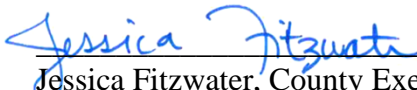
As a county leader who is strongly committed to the promises of Blueprint for Maryland's Future, these cost shifts are deeply concerning. The State made a promise when passing the Blueprint, and these unreasonable cost shifts undermine counties' ability to work in partnership towards that promise. I respectfully request that your committee reevaluate these cost shifts and consider the impact that they may have on a county's ability to implement and maintain Blueprint programs.

The proposed BRFA also proposes to shift the State Department of Assessments and Taxation (SDAT) costs nearly entirely onto county governments – changing the rate of reimbursement for SDAT’s operating costs from 50% to 90%. These shifts would cost Frederick County roughly \$794,000 each fiscal year, beginning in FY26. In addition to the fiscal burden, this change could create perceived or real conflicts of interest since local governments benefit directly from increased assessment values through property tax revenue.

My administration is also concerned with the proposed budget cut of 22% to the Developmental Disabilities Administration (DDA) for FY26. We are particularly concerned by the elimination of the geographical differential in the reimbursement rate for intellectual and developmental disabilities service providers. This differential was initially instituted as an acknowledgement of the higher cost of living and doing business in five counties, including Frederick. This elimination would cause providers to offer reduced wages for employees, which would likely lead to a reduction in services available. The State cannot simply reduce programs that are necessary for the wellbeing of our most vulnerable residents as an attempt to account for the budget shortfalls.

Thank you for your consideration of HB 352. I urge you to pass a BRFA and Budget package that prioritizes partnership without placing additional budgetary burdens on local governments.

Sincerely,



Jessica Fitzwater, County Executive
Frederick County, MD