

**Testimony in Support with Amendments of House Bill 490:  
Education – The Blueprint for Maryland’s Future –  
Revisions**

House Appropriations Committee  
February 24, 2026

The Baltimore City Public School System (City Schools) supports with amendments House Bill 490, which seeks to make several modifications to The Blueprint for Maryland’s Future (Blueprint). Specifically, the bill’s hold-harmless provision regarding extending the methodology for calculating compensatory education enrollment in Community Eligibility Provision (CEP) districts is of critical importance to both the financial stability of City Schools as well as our ability to support our most vulnerable students. Unfortunately, the extension, while appreciated, is not a permanent solution and will only lead to ongoing uncertainty and unpredictability for high-poverty districts.

It is imperative that the hold-harmless be implemented in perpetuity until the State adopts an alternative methodology for counting poverty in CEP districts. For context, without this year’s hold-harmless in the Governor’s budget, City Schools would have experienced a devastating funding cut of more than \$110 million in critical compensatory education funds. Given that CEP districts, by definition, are specifically designed for, and primarily consist of, high-poverty schools and districts, we respectfully urge the committee to adopt an amendment to make permanent the hold-harmless for calculating compensatory education enrollment, as follows:

PAGE 4, INSERT AFTER LINE 34:

**(iv) SUBPARAGRAPH (i) 2 OF THIS PARAGRAPH SHALL NOT APPLY TO SCHOOLS OR DISTRICTS THAT OPT INTO THE UNITED STATES DEPARTMENT OF AGRICULTURE COMMUNITY ELIGIBILITY PROVISION UNTIL AN ALTERNATIVE METHODOLOGY FOR COUNTING POVERTY IS ADOPTED.**

It is important to understand that without the proposed amendment, any move to require CEP districts to calculate compensatory education enrollment using direct certification alone would not only have distressing fiscal consequences but is a direct contradiction to longstanding federal practice related to the essential use of a multiplier.

Currently set by the federal government at 1.6, a multiplier is necessary in CEP districts to accurately estimate the total percentage of low-income students when, by design, the school no longer collects individual meal applications. Because CEP districts rely on direct certification data (e.g., SNAP, TANF) rather than family applications to identify economically disadvantaged students, the multiplier serves as a proxy to account for additional students who are eligible for free or reduced-price meals but are not captured in direct certification, ensuring fair federal reimbursement. The multiplier is based on analysis showing that for every 10 students identified through direct certification, approximately 6 additional students would qualify for free or reduced-price meals if applications were collected.

Without the proposed amendment, CEP districts will continue heading toward a future charged with devastating consequences via the revocation of crucial compensatory education funds, not to mention the unintended consequence of how the existing provision is undoubtedly dissuading Maryland districts from opting into the CEP program.

In summary, rather than prolonging a level of unpredictability that wreaks havoc on school system budget planning, the General Assembly must make permanent the hold harmless for calculating compensatory education enrollment in CEP districts until Maryland adopts an alternative methodology for counting poverty. Surely it was never in keeping with the goals and spirit of the Blueprint that participation in CEP by high-poverty districts, who only want to ensure that all students are fed, would put at risk the very dollars targeted to students living in poverty.

City Schools appreciates the committee's consideration and respectfully urges a favorable with amendments report of HB490.