



House Bill 490

Education – The Blueprint for Maryland's Future - Revisions

MACo Position: **SUPPORT WITH
AMENDMENTS**

To: Appropriations and Ways and Means
Committees

Date: February 24, 2026

From: Sarah Sample

The Maryland Association of Counties (MACo) **SUPPORTS HB 490 WITH AMENDMENTS**. This bill seeks to adjust a number of components of the State's visionary education plan, the Blueprint for Maryland's Future (Blueprint). The provisions of the bill focus broadly on school funding, teacher recruitment and retention, college and career readiness, and resource allocation in community schools. MACo offers context below on two overarching challenges, along with specific amendment language to address an urgent funding issue for FY26-FY27 budget calculations.

The shifts proposed in HB 490 have the potential to come at a time when the Blueprint plan faces an environment dramatically unlike that envisioned during its initial forecasts. The pandemic, labor market, and cost-drivers have altered the underpinning of this landmark effort. County governments have been funding partners, making record-setting financial commitments over four years of the roll-out, with the vast majority of jurisdictions funding tens of millions of dollars over their local share of Blueprint costs. This reality runs counter to a founding assumption of the Blueprint, which anticipated all counties would eventually convert to the local share portion of funding. For fiscal year 2027, it is estimated that another three counties will actually convert to the maintenance of effort (MOE) portion of funding as local school systems plead with county governments to cover the substantial gaps left by the State's inadequate contributions (based on pre-pandemic assumptions, rather than actual implementation costs).

Even with these historic investments, education experts from across the state have highlighted challenges both operational and financial that could compromise the shared outcomes of the plan. HB 490 presents an opportunity to address some of those obvious and demonstrated challenges. While counties take no issue with the majority of the proposals in the bill, MACo offers some perspective on Blueprint implementation challenges as well as some narrow changes to enhance transparency and accountability.

First, HB 490 contains a provision to extend the period by which the existing calculation for compensatory education was intended to cover. This is the result of the State's failure to identify a new methodology that adequately captures the real consequences of poverty across the state by the specified deadline. Without this "hold harmless" for schools participating in the Community Eligibility Program, state and local funding for thousands of resource-scarce students would diminish significantly.

Counties have no quarrel fulfilling a new funding mandate that otherwise would leave behind students with the greatest need, due to a state-level failure. However, the need for this legislative change, like others, is triggered, once again, by the State's continued failure to meet the resource and timeline demands of the Blueprint. This lapse undermines the work local school systems, teachers, and support staff are doing every day in an attempt to realize the outcomes of the historic but severely flawed plan. The absence of sufficient accountability for the State has the very real potential to compromise the outcomes of the Blueprint and squander billions in taxpayer funded investment. Additionally, rather than changing the law continually, strategies to hold the State accountable are necessary to address the State's inability to meet its end of the program obligations.

Second, investments in education must continue to comply with robust transparency and accountability standards, especially as progress relates to the changes HB 490 demands. To this end, counties respectfully request an amendment to the bill to require the Maryland State Department of Education to report annually on the effects of any changes to the Blueprint, as well as regular reporting on components of the plan that local school systems have demonstrated are not working.

Third, MSDE communications to county governments failed to identify a revised administrative interpretation regarding funding for private pre-kindergarten (pre-k) services under the Blueprint, until after county budgets were finalized in FY26. Nearly every MOE county inadvertently embedded this funding within their school budget appropriation, unaware that they were expected to back out that funding and pay the private pre-k provider funding directly to MSDE. Amendments, included below as uncodified language, specify that counties who inadvertently added these funds to an over-MOE budget for FY26 should be treated fairly, as a one-time-only remedy. As such, those funds should be treated the same way as a "program shift" under current law, and excluded from the FY26 maintenance of effort base. This statute properly accounts for programs transferred from the school budget to the county budget, which, in effect, happened here as MSDE revised their interpretation. This uncodified language, included on the next page, remedies the problem for FY26-into-FY27 calculations only.

Significant reforms, as those prescribed by the Blueprint, hold great promise but must be built to last. Course corrections in the face of significant obstacles will serve students, educators, and communities better in the long run. HB 490, with the reasonable changes outlined above, can ensure the reform plan will work for all students, teachers, and school leadership. Accordingly, MACo urges a **FAVORABLE WITH AMENDMENTS** report for **HB 490** (please see amendments listed on the following page).

MACo Amendments to House Bill 490

On page 18, after line 10, insert:

“SECTION 2, AND BE IT FURTHER ENACTED, That for Fiscal Year 2026 only, the exclusion under Section 5-235(c)(ii) shall be interpreted to include the amount paid by a county as part of its allocation to its Board of Education attributable to support private pre-kindergarten providers, through documents from the Maryland State Department of Education.

To receive the exclusion indicated in this section, that county must have exceeded its required Maintenance of Effort funding level established under Section 5-235(a)(2) of the Education article, and must not have provided direct funding for private pre-kindergarten services outside of its appropriation to the Board of Education for Fiscal Year 2026.

The amounts to be excluded from the respective counties’ Fiscal Year 2026 Highest Local Appropriation, for purposed of calculating their required Maintenance of Effort for Fiscal Year 2027, shall be as follows:

<u>Allegany</u>	<u>\$14,280</u>
<u>Anne Arundel</u>	<u>238,360</u>
<u>Baltimore City</u>	<u>936,798</u>
<u>Baltimore County</u>	<u>2,016,785</u>
<u>Calvert</u>	<u>39,764</u>
<u>Carroll</u>	<u>444,065</u>
<u>Charles</u>	<u>182,964</u>
<u>Frederick</u>	<u>663,340</u>
<u>Harford</u>	<u>702,565</u>
<u>Howard</u>	<u>1,568,411</u>
<u>Montgomery</u>	<u>2,467,288</u>
<u>Queen Anne’s</u>	<u>96,147</u>
<u>Wicomico</u>	<u>253,802</u>
<u>Worcester</u>	<u>418,282;</u>

On page 18, in line 11, strike “2” and substitute “3”.