

Department of Legislative Services
Maryland General Assembly
2026 Session

FISCAL AND POLICY NOTE
Third Reader - Revised

House Bill 1176
Appropriations

(Howard County Delegation)

Budget and Taxation

**Howard County - Board of Education Budget - Percentage of County General
Fund Revenue
Ho. Co. 10-26**

This bill requires the Howard County Executive, in the submission of the annual budget to the Howard County Council, to indicate in writing the percentage of the county's general fund revenue, excluding one-time expenses, that is allocated to the operating budget of the Howard County Board of Education and operating costs associated with the Howard County Public School System, including (1) pension obligations; (2) employee and retiree benefits; (3) debt service; (4) school and student safety; and (5) transportation. The bill requires such information also be included in copies of the budget as approved by the county council that current law requires be sent to the State Superintendent within 30 days of approval and posted on the county board's public-facing website in an easily identifiable location. **The bill takes effect July 1, 2026.**

Fiscal Summary

State Effect: None.

Local Effect: Howard County can report information as specified with existing budgeted resources. Revenues are not affected.

Small Business Effect: None.

Analysis

Current Law:

County Boards of Education Budget Reporting

Each county board of education must prepare an annual budget according to the major categories listed in § 5-101 of the Education Article as well as any other major categories required by the State Board of Education. The annual budget for each local school system must include certain revenue and expenditure categories for the current expense fund and school construction fund.

The annual school budget must be submitted in writing to the county commissioners, county council, or the county executive. The budget must be submitted not less than 45 days before the date for levying local taxes or on an earlier date on or after March 1, as may be requested by the county fiscal authority.

For counties with a governing body that consists of a county executive and county council (which includes Howard County), the county executive must indicate in writing which major categories of the annual budget of the county board have been denied in whole or reduced in part and the reason for the reduction. The county council may restore any denial or reduction made by the county executive in the annual budget submitted by the county board.

Copies of the budget must be made available to the public, on request, at the time it is submitted by the county board. A copy of the initial county board submission must be placed on the county board's public-facing website in an easily identifiable location. Additionally, a copy of the budget as approved by the county council must be sent to the State Superintendent within 30 days after approval and posted on the county board's public-facing website in an easily identifiable location.

Howard County General Fund Revenues and School Appropriations

Howard County expenditures totaled \$2.7 billion in fiscal 2024. Of this amount, \$1.3 billion was spent by the Howard County Public School System. Major spending categories by the county government include \$157.2 million for police protection, \$141.9 million for fire services, \$107.7 million for transportation services, \$65.3 million for parks and recreation, and \$46.6 million for social services. In addition, debt service expenditures for the county government totaled \$192.2 million.

Additional information on county expenditures by category in fiscal 2024 is available in the [Local Government Finances Report](#) (pages 50 and 80). A copy of the complete audited

report and [summary analysis](#) is available on the Department of Legislative Services [website](#).

Exhibit 1 shows, for fiscal 2022 through 2026, a comparison between general fund operating revenue for the county and the final local appropriation made to the local school system.

Exhibit 1
History of Howard County Local School Appropriations
(\$ in Millions)

	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>
County GF Revenue¹	\$1,326.3	\$1,433.5	\$1,444.6	\$1,498.7	\$1,532.5
Final Local Appropriation²	640.8	675.6	721.2	766.0	822.7
<i>Appropriation % of GF Revenue</i>	48%	47%	50%	51%	54%

GF: General Fund

¹ Excluding fund balance – FY 2026 amounts are as approved in the operating budget, FY 2025 represents estimated revenues, FY 2024 and earlier are actuals.

² FY 2026 amount includes Chapter 604 of 2025 county obligation to make payments to the Board of Trustees of the State Retirement and Pension System on behalf of public school teachers and principals.

Source: Howard County; Maryland State Department of Education; Department of Legislative Services

In fiscal 2026, Howard County had the fifth highest total per pupil funding amount for public schools at \$23,088. Of this amount, State funding totaled \$8,338 per pupil (nineteenth highest) and local funding totaled \$14,750 per pupil (third highest). The State and local [per pupil funding amounts](#) for fiscal 2026 is available on the Department of Legislative Services [website](#).

Additional Information

Recent Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: None.

Information Source(s): Howard County; Howard County Public Schools; Department of Legislative Services

Fiscal Note History: First Reader - March 18, 2026
me/hlb Third Reader - March 30, 2026
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Analysis by: Michael E. Sousane

Direct Inquiries to:
(410) 946-5510
(301) 970-5510