

# ADVOCATES



## FOR CHILDREN AND YOUTH

To: Chair Kaiser and members of the Ways and Means Committee  
From: Shamoyia Gardiner, Education Policy Director  
Re: House Bill 295: Corporate Income Tax – Combined Reporting  
Date: February 12, 2020  
Position: Support

Advocates for Children and Youth (ACY) is a member organization of the Maryland Fair Funding Coalition. ACY generally supports the policy recommendations offered by the Commission on Innovation and Excellence in Education, including but not limited to: each of the Blueprint's four guiding principles; early supports and interventions for young children and their families; college and career readiness; additional supports and services for students who need them; additional resources, supports, and services for children living in high-need communities; equitable learning outcomes; and equitable distribution of funding across and within jurisdictions.

For years, Maryland has funded public education in a regressive manner, allocating resources to jurisdictions inequitably. This has resulted in some jurisdictions with students who face significant non-academic and academic barriers to learning being underfunded while jurisdictions with less severe student need receiving funds above and beyond what they require.<sup>1</sup> Disturbingly, this regressive funding model has racialized implications, with the three jurisdictions serving half of the students of color in Maryland being the most persistently underfunded: Caroline and Prince George's counties, as well as Baltimore City.<sup>2</sup>

Students, families, and communities in every jurisdiction of Maryland stand to benefit from the passage of the Commission's recommendations into law, **provided that they are accompanied by a sustainable, dedicated funding source.** The Blueprint for Maryland's Future Fund is integral to ushering in a new era of public education in Maryland; one which starts with a world-class system of public education and ensures equitable access to opportunities so all students thrive.

**House Bill 295 will alter the calculation of corporate income tax to be more complete and accurate, generating more than \$78.6 million in new revenue annually. With the expectation that this new revenue will be directed in large part to the Blueprint for Maryland's Future Fund, ACY strongly urges a favorable report on HB 295.**

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<sup>1</sup> The Urban Institute. "Do Poor Kids Get Their Fair Share of School Funding?"

[https://www.urban.org/sites/default/files/publication/90586/school\\_funding\\_brief.pdf](https://www.urban.org/sites/default/files/publication/90586/school_funding_brief.pdf) May 2017.

<sup>2</sup> The Education Trust, 2017.