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THE SENATE OF MARYLAND
ANNAPOLIS, MARYLAND 21401

SPONSOR STATEMENT

**SB 640 – Primary and Secondary Education –
Maintenance of Effort Requirements - Alteration**

February 23, 2022

Mr. Chairman and Members of the Budget & Taxation Committee:

Background

In 1984, the General Assembly established the Maintenance of Effort Requirement for K-12 funding, to ensure the cost of education is shared and to provide local Boards of Education with predictable and stable funding.

Over the past two years, due to the pandemic, public school enrollment has dropped across the state. But, while enrollment has dropped, the cost of providing an education to our students across the state has not. During the 2021 Legislative Session, legislation was passed to protect school systems from a loss of Maintenance of Effort funding due to a drop in enrollment during the pandemic.

SB 640

Senate Bill 640 will expand on last year's legislation and require that funding of Maintenance of Effort funding in 2023 will not be less the previous year. The legislation further ensures that those counties who exceeded their Maintenance of Effort last year will not be penalized in the next fiscal year.

I respectfully request a favorable report on Senate Bill 640.