



**Informational testimony for
House Bill 1211: Education – Compensatory Education – Maryland Neighborhood
Tier System Calculation**

**Appropriations Committee
Position: Informational**

March 14, 2023

Strong Schools Maryland is a network of education advocates dedicated to ensuring the full funding and faithful implementation of the Blueprint for Maryland’s Future.

The Blueprint envisions a World-Class system of public schools for our state’s students. Maryland is making record-breaking investments in education and providing resources to support students achieve educational excellence. Through concentration of poverty grants, the Blueprint provides supports and services that address the needs of children in communities with high poverty rates, high crime rates, and those that lack access to adequate health care and social services, with resources provided at the school level and in the community.

Currently, under Education Article § 5–222, “compensatory education enrollment” is the greater of either the number of students eligible for free or reduced price meals for the prior fiscal year *or* the number of students directly certified under certain public assistance programs.¹ This calculation sets the basis for the compensatory education program and subsequent concentration of poverty grant program.

As required under the Blueprint law, the Maryland State Department of Education (MSDE) submitted a report to the Accountability and Implementation Board (AIB)

¹ [Education Article § 5–222](#)

in October 2022 that studies the incorporation of neighborhood indicators of poverty to determine a school's eligibility for the concentration of poverty grant and the compensatory education program. In December 2022, MSDE submitted another report to the AIB, General Assembly, and the Department of Budget and Management to include necessary statewide data counts and a fiscal analysis of a neighborhood tier system proposal in Maryland.

The initial report, as well as subsequent updated reports, determined neighborhood indicators of poverty to be a more accurate and precise measure of student need. Included in the most recent January 2023 report is a projection that the adoption of the Maryland Neighborhood Tiers (MNT) and corresponding calculation methods would increase the State share of Compensatory Education Aid by \$591 million in Fiscal Year 2024 and add an additional 419 schools eligible for a Concentration of Poverty Grant.²

Strong Schools Maryland advocates for equitable education funding on the basis of concrete data. Thorough research was conducted by MSDE, however, the State needs a full comparative analysis of the *various* funding methodologies to determine funding adequacy, as mandated by the law. Further, despite the projected costs by MSDE in their updated report, there is no official Fiscal and Policy Note available to the public at this time of testimony submission, therefore it is difficult to determine the fiscal impact. This is especially concerning given that the future of the Blueprint fund is already cast into doubt. Finally, as the report was required to be submitted to the AIB, we believe that the Board should have a review and approval system on new counting methodology to align with Blueprint intent of not only equity, but also accountability and implementation with fidelity.

Respectfully submitted,

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Strong Schools Maryland

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² [Updated Neighborhood Indicators of Poverty Report \(2023\)](#)