

# BALTIMORE CITY PUBLIC SCHOOLS

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## **Testimony in Support with Amendments of Senate Bill 869: Primary and Secondary Education – Concentration of Poverty School Grant Program – Eligibility**

Senate Budget and Taxation Committee  
Senate Education, Energy, and the Environment Committee  
March 7, 2023

The Baltimore City Public School System (City Schools) supports with amendments Senate Bill 869, which seeks to accelerate implementation of the Concentration of Poverty Grant Program under the Blueprint for Maryland's Future. As drafted, the proposed legislation would ensure personnel grants are fully phased in by FY24, and per pupil grants by FY26. City Schools appreciates the spirit of the legislation in recognizing the importance of swiftly delivering much-needed resources for schools with concentrations of poverty.

While the accelerated timeline in SB869 is certainly an important step toward acknowledging the ever-pressing needs of schools with 55-60% poverty, it is critical to simultaneously recognize the need to address the serious and multiple fiscal challenges facing City Schools as a result of being unable to accurately measure poverty due to limitations associated with being a district that serves universal meals.

By way of background, prior to 2015, City Schools relied on the collection of meal application forms in order for students to receive free meals. Since 2015, however, all City Schools students have been able to eat free breakfast and lunch through USDA's Community Eligibility Program (CEP). In the year after the district implemented universal free meals, lunch participation increased by 10,000 meals per day. At present, City Schools has an enrollment of more than 75,000 students and, on a daily basis, serves approximately 86,000 meals.

Baltimore City represents one of the state's four CEP districts. In a study of CEP implementation, researchers at the Johns Hopkins School of Public Health compared like schools in Baltimore City and Montgomery County and found that the odds of being in a food insecure household were twice as likely for students attending CEP-eligible, but not participating schools (in Montgomery County) than for students attending CEP schools (in Baltimore City).

While the research yielded clear reasons why students ought to have access to free meals in the school setting, at the most basic level, food is as essential as textbooks in supporting student learning. Even so, the move to becoming a CEP district has not been without its challenges. Due to our concentrated poverty and status as a CEP district, City Schools no longer collects Free and Reduced-Price Meal (FARMS) Forms. As most other Maryland school districts do not operate this way and still collect FARMS forms, City Schools' FARMS rate is based on our 2015 FARMS rate – prior to the inclusion of Medicaid in FARMS counts.

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City Schools has advocated for years that the state must develop a more robust and nuanced apples-to-apples comparison of poverty across districts. During the development of Maryland's Blueprint legislation, City Schools worked with Senate leadership to include language that required MSDE to develop a methodology whereby poverty would be counted using neighborhood indicators of poverty tied to the U.S. Census. By that measure, which was finalized in January and has been introduced as pending legislation, the state would have a consistent, more refined mechanism for counting poverty statewide that directs resources to students who need them most, including in Baltimore City.

**Instead this year, via Medicaid, Maryland has put in place a new way to count poverty that directs large poverty funding increases to the current FARMS count for every jurisdiction in the state except Baltimore City, the jurisdiction that has, by far, the deepest poverty.**

The General Assembly's inclusion of Medicaid enrollment to measure poverty is an important component that added 110,000 children and \$390 million in funding – but does not provide a comparable way to count and compare poverty across the state. **Policymakers have a responsibility to question any poverty methodology that omits Baltimore City, Maryland's epicenter of historic underfunding and students in poverty.** The neighborhood indicators methodology is a proven strategy that is already working in places like Texas and New Mexico, and deserves serious consideration by the Maryland General Assembly.

Furthermore, as if it is not detrimental enough that **Baltimore City is omitted from the State's new \$390 million investment in poverty**, MSDE's recently released updated projections in state aid reveal a new methodology in determining which schools are eligible for concentration of poverty funds in CEP districts. **This methodology ultimately eliminates any ability to distinguish poverty levels amongst schools throughout the district.**

For the past several years, MSDE has determined school-level poverty in Baltimore City by using each school's direct certification rate times a 1.6 multiplier, which resulted in many schools having 100% poverty. It should be noted this same method is used by the federal government in determining Title I eligibility in CEP districts.

This year, for reasons that remain unclear at the time of the writing of this testimony, MSDE has instead reverted to using the districtwide poverty rate from the year before Baltimore City entered into CEP (2015) and multiplying that rate (85%) times a school's current enrollment. The result is that the wealthiest schools in the district are now, for the first time, slated to receive concentration of poverty funds, while the most historically poor schools will see a reduction in their poverty funding.

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It is increasingly clear that one of the Blueprint's most outstanding elements and egregious oversights is that policymakers still must decide how to measure poverty moving forward. With the ultimate methodology yet to be determined, there is no guarantee that schools will have accurate and comparable poverty counts and receive adequate funding to address their students' needs.

The outcome of the decision will be critical to determining the targeted distribution of resources. Given the ongoing and increasingly determinantal impact of not having a way to accurately count poverty in Baltimore City, we respectfully request consideration of the following amendment concepts:

1. Ensure the Neighborhood Indicators of Poverty data is collected in CEP districts in FY24, so that appropriate funding is allocated using the methodology by FY25.
2. In the interim, ensure Baltimore City receives a portion of the State's new \$390M investment in poverty as a result of Medicaid that is relative to its proportional share of State Medicaid recipients who live in Baltimore City.
3. Until a long-term solution is adopted for counting poverty, require MSDE to return to determining poverty at the individual school level in CEP districts by using a school's direct certification rate times the 1.6 multiplier.
4. Immediately eliminate the requirement that CEP schools collect the State's alternative income form by 2022-2023, as well as the requirement for CEP districts to collect income eligibility forms in FY27.

In closing, it is well-documented that the Baltimore City Public Schools have been underfunded for decades. Starting with the 2007 legislative session, the State acted to halt implementation of full Thornton funding. These actions have caused a steadily increasing "adequacy gap" for City Schools. By FY13, DLS calculated an adequacy gap of \$156 million, and for FY15, that gap had risen to \$290 million. A state-required evaluation separately calculated a \$358 million annual "adequacy gap" in FY15, and for FY17, DLS found that the State had underfunded City Schools for adequate educational instruction by \$342 million.

As a result of these long-standing and well-acknowledged adequacy gaps, City Schools has struggled to provide critical educational programming and resources that other school districts across Maryland have been able to provide their students. Baltimore's young people, particularly those living in high-poverty neighborhoods, have not had access to the resources they could and should have to pursue their dreams and realize their potential. Remediating these deficits is crucial to ensure that City Schools has a solid foundation on which to build toward the "world-class model" of educational adequacy outlined in the Blueprint.

While the Blueprint has begun to remedy this historic underfunding, the multi-year ramp up of the Blueprint means that Baltimore has yet to receive the amount of funding DLS indicated was

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necessary to meet the gap identified in FY17. Further, the absence of a consistent and comparable method for counting poverty Statewide has made Blueprint related increases to date unpredictable. Unstable and inconsistent funding is a persistent trait of the systemic structures that have undermined high poverty districts like Baltimore for years and that the Blueprint was designed to disrupt.

It is imperative that policymakers act with urgency and take seriously the responsibility to ensure the accurate counting of poverty in Baltimore City, as well as other CEP jurisdictions. For all these reasons, City Schools respectfully urges a **FAVORABLE WITH AMENDMENTS** committee report of SB869.