

## **SUPPORT**

### **House Bill 562 - Primary and Secondary Education - Maintenance of Effort - Inflation Adjustment (Maintenance of Effort Modernization Act)**

**House Ways and Means Committee  
February 24, 2026**

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The Maryland State Education Association supports House Bill 562, which establishes an inflation factor as part of the annual maintenance of effort calculation for local funding of public schools.

MSEA represents 76,000 educators and school employees who work in Maryland's public schools and community colleges, teaching and supporting our almost 900,000 K-12 students so they can pursue their dreams. MSEA represents more than 40 local affiliates in every county across the state of Maryland, and our parent affiliate is the 3-million-member National Education Association (NEA).

The state and local governments have a shared commitment to funding public schools. The Blueprint for Maryland's Future reinforced and re-established that commitment through various elements, including wealth equalization, minimum school funding, splits in concentration of poverty funding, and of course, maintenance of effort. And while the Blueprint formulas continue to phase in and project a growth in overall spending, they failed to account for inflation and the effect that inflation has on the purchasing power of the formulas. This has especially been realized during the early phase-in of the Blueprint at a time of the highest levels of inflation in the country in 40 years.

House Bill 562 can help address this inflationary gap in the Blueprint formula by incorporating an annual inflation factor into the calculation of required local funding. Such an inflation factor would be wise for the committee to consider for the entirety of the formula, which would impact the state share as well.

Accounting for inflation strengthens fiscal predictability for schools and reinforces that the local share of education should keep pace with inflation and with the state's continued commitment to public school funding.

**For these reasons, MSEA urges a favorable report on House Bill 562.**