



Testimony - Budget Reconciliation and Financing Act of 2026  
Favorable with Amendments  
Senate Budget & Taxation Committee  
March 4, 2026  
Terrence Cavanagh on Behalf of SEIU Local 500

Honorable Chairman Guzzone & Members of the Senate Budget & Taxation Committee:

On behalf of SEIU Local 500, which represents thousands educational support professionals, childcare providers, higher education employees, and public service workers across Maryland, we respectfully submit this testimony in support of the Budget Reconciliation and Financing Act of 2026, with amendments to ensure Maryland continues to invest in working families, public education, and accessible higher education.

While we recognize the difficult fiscal environment facing the State, we must be clear: balancing the budget cannot come at the expense of the children, students, educators, and working families who depend on these critical investments.

However, today we must highlight a growing and pressing challenge that affects not only our educators and staff, but students and families across Maryland: enrollment declines in our public schools that stem from factors outside of local control, including federal layoffs, immigration policy pressures, and demographic shifts that have ripple effects through school funding formulas.

**Childcare: Fully Fund the Childcare Scholarship & Credentialing**

SB 284 reduces or constrains funding in ways that threaten access to affordable childcare and the stability of the workforce.

We respectfully urge amendments to:

- **Fully fund the Child Care Scholarship Program**, ensuring no eligible family is placed on a waitlist.
- **Fully fund credentialing and professional development support for childcare providers**, including scholarship and workforce pathway programs.

Maryland's childcare providers are small business owners and early childhood educators who already operate on razor-thin margins. Cutting scholarship access or workforce development funding forces providers out of the field and pushes parents—particularly working mothers—out of the workforce. That is economically counterproductive.

If Maryland is serious about labor force participation, child wellbeing, and school readiness, full investment in childcare scholarships and credentialing is essential.

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## **Public Education: Fully Fund the Blueprint & Protect Against Enrollment-Based Cuts**

SEIU Local 500 represents thousands of educational support professionals who are indispensable to student success. Bus drivers, paraprofessionals, food service workers, maintenance staff, security staff, and clerical employees ensure that classrooms are safe, functional, and supportive learning environments.

We respectfully request amendments to:

- **Maintain full funding for the Blueprint for Maryland's Future**, without erosion of formula commitments.
- **Provide additional dedicated funding for professional development for educational support professionals**, ensuring they are treated as the education professionals they are.
- **Reinstate and strengthen hold harmless provisions** to protect school systems experiencing enrollment declines from sudden and destabilizing funding losses.

Enrollment fluctuations do not reduce the fixed costs of operating a school system. Heating buildings, transporting students, maintaining facilities, and providing student support remain constant. Abrupt funding reductions due to enrollment shifts create

layoffs and service cuts that harm students—particularly in rural jurisdictions and communities experiencing demographic change.

Educational support professionals should not bear the brunt of formula adjustments driven by temporary enrollment patterns.

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### **Community Colleges: Remove Caps & Reinstate Hold Harmless Protections**

SB 284 imposes a 3% cap on increases in the State share under the Senator John A. Cade formula and reduces future growth in Promise Scholarship funding. These changes risk undermining Maryland's workforce pipeline.

Community colleges are the primary access point for working adults, first-generation students, and career-changing workers. During economic downturns, enrollment often increases. Artificial caps limit responsiveness when it is needed most.

We respectfully urge amendments to:

- **Remove the 3% cap on the State share under the Cade formula.**
- **Reinstate hold harmless provisions to stabilize community college funding during enrollment shifts.**
- **Fully fund the Maryland Community College Promise Scholarship at prior levels and maintain future growth.**

Capping formula growth while costs rise effectively becomes a cut. Community colleges should not be asked to do more with structurally less.

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### **Protect Core Education and Workforce Investments**

Across multiple provisions, SB 284 reduces or redirects funding from dedicated accounts and workforce programs. While fiscal prudence is important, consistent downward adjustments to workforce development, health, and education programs weaken Maryland's long-term competitiveness.

Budget reconciliation should not erode structural investments in:

- Early childhood access
- K-12 stability
- Higher education affordability
- Workforce development pathways

These investments reduce future costs in public assistance, corrections, and healthcare while increasing tax revenue through higher wages and employment stability.

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## **Conclusion**

Maryland's working families are already navigating high housing costs, childcare costs, and economic uncertainty. This is not the moment to retreat from commitments that strengthen opportunity.

SEIU Local 500 respectfully urges this Committee to:

- Fully fund the Child Care Scholarship and childcare credentialing programs
- Maintain full Blueprint funding and add professional development support for educational support professionals
- Reinstate hold harmless protections for K-12 and community colleges
- Remove growth caps that weaken higher education funding

With these amendments, the Budget Reconciliation and Financing Act of 2026 can reflect fiscal responsibility without sacrificing economic fairness or educational opportunity.

Thank you for your time and consideration.