



TESTIMONY TO THE HOUSE WAYS AND MEANS COMMITTEE

HB 26 - Public Schools – Open Enrollment – Policies and Funding

Position: Unfavorable

By: Linda T. Kohn, President

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The League of Women Voters of Maryland (LWVMD) is a nonpartisan organization that supports policies that provide an equitable, quality education for all children. *HB 14 – Public Schools – Open Enrollment – Policies and Funding* authorizes Local Education Agencies (LEAs) to adopt an open enrollment policy that allow students to attend a public school, free of charge, in a county where the student is not a resident. This bill raises several issues that will negatively impact low-income and minority students, as well as students with disabilities and the schools serving these students.

This open enrollment program has costs that are not accounted for in the bill. The policy does not adequately account for how cross-district open enrollment will impact the LEA enrollment, especially those districts that enroll high numbers of low-income and minority students. We anticipate that LEAs serving these students will see a higher rate of students transferring out and few students transferring into the LEA. Enrollment declines can reduce services and harm vulnerable students.

The bill does not consider structural cost differences that influence district finances. For example, it does not account for fixed costs, such as utilities, facility maintenance and operation, which remain constant regardless of enrollment changes. Pension obligations may also lock in costs. Large enrollment declines can force a district to reduce services, close schools, or consolidate programs.

The program is likely to negatively impact educational quality. Research on choice and voucher programs shows that families with more economic and social capital are more likely to take advantage of open enrollment options and that the racial make-up of a school or district influences who is likely to participate in the program.¹ Differences in the educational needs of students will also impact who is likely to take advantage of cross district open enrollment. Students with fewer educational needs are less expensive to educate and more likely to move, leaving students with more expensive needs in the sending district.

Open-enrollment across districts has implications for students with disabilities who receive special education services. Federal and state law require the provision of a free and appropriate public education to students with disabilities. House Bill 26 allows a receiving school in an open enrollment district to deny an enrollment application if it does not “offer appropriate programs or is not structured or equipped with the necessary facilities to meet any special needs of the child.” Allowing schools to

¹ Monarrez, T., Kisida, B. & Chingos. M. (2022). "The Effect of Charter Schools on School Segregation. *American Economic Journal: Economic Policy* 14 (1): 301–40. DOI: 10.1257/pol.20190682

Villavicencio, A. (2013) "It's Our Best Choice Right Now": Examining the Choice Options of Charter School Parents. *Education Policy Analysis Archives*, 21 (81) <http://epaa.asu.edu/ojs/article/view/1274>

reject students with disabilities without due process is discriminatory – it means that many students with disabilities will not have the opportunity to participate in the program. It also unfairly burdens some districts more than others.

The administrative costs of implementing an open enrollment policy are not addressed. The implementation of this policy will require extensive State and local administrative capacity not accounted for in the bill. It will impact State Aid calculations as it requires MSDE to provide the difference in funding when local expense per student differs between receiving and sending districts. Districts with open enrollment policies will have to manage application processes and develop financial procedures for payment between districts. The provision of transportation services to out-of-district students will also add administrative and financial costs to the participating districts. These costs induce spending that could otherwise be used on programming and personnel to improve student outcomes.

Rather than offering open enrollment across districts, targeting resources on improving all schools would better serve students.

LWVMD urges an **unfavorable report** on HB 26.