How Could City Schools Lose $42 m. in State Aid?
Increased Wealth of City & Enrollment Drop are Primary Drivers

With the backdrop of a $130 m. deficit announced by Baltimore City Schools’ CEO, the proposed state education budget for Baltimore City allocates $42 m. less than last year, if the budget passes with no changes.

City legislative leaders and the BEC are working to erase that loss and add funds to the state budget. Join us in Annapolis on Feb. 23rd! See details on budget and BEC action below.

Structural Deficit Caused by Years of Stagnant State Funding

The "Thornton" education formula passed in 2002 brought essential additional funding to school systems across the state, phased in through FY2008. But when the recession began, lawmakers cut the formula by removing the inflation factor, among other changes.

For nine years, per pupil state funding to Maryland schools has been essentially flat while health care costs, utilities, etc., have risen dramatically. In Baltimore, this has led to annual cuts to balance the budget: state funding has not kept pace with rising costs and other expenditures.

Flat state funding is the primary reason for City Schools’ structural deficit.
Recent calculations by the Department of Legislative Services, requested by the ACLU-MD and presented to the Commission on Innovation and Excellence in Education (“Kirwan” Commission), show an “adequacy gap” of $290 m. this year for City Schools.

An adequacy gap is the amount a school system falls short of receiving the dollar target established by the current funding formula to be adequate for children to achieve state standards. When the legislature cut the formula in 2009, each subsequent year the gap, or funding shortfall, has grown for Baltimore City and for many other school systems as well, including Prince George's, some Eastern Shore counties, and Baltimore county.

Had this funding been provided, City Schools would not have a structural deficit.

Because the legislature passed a law in 2015 mandating that a key part of the formula be included (the Geographic Cost of Education Index) and because advocates across the state have so strongly supported education funding, the Governor this year proposed a budget that funds the education formula as required by law*.

While most counties gained funding, Baltimore City Schools is proposed to lose $42 m. in state aid compared to last year. The primary reasons for this are an enrollment decrease of 950 students and an increase in the property and income wealth of the City of Baltimore. When the City’s wealth goes up relative to other counties, state education aid goes down, on the theory that the city now has additional revenue to support its schools.

Last year, facing a $24 m. loss, after much advocacy, City Schools received an additional $13 m. from the Governor and $10 m. from the Mayor. Because the state funding was a one-time grant, last year’s lower state funding combines with this year’s drop due to enrollment and wealth, combining for a loss of $42 m.

*The Governor did cut mandated programs for after-school, summer school enrichment, and student mentors which the legislature can work to restore. Additionally, the Governor increased funding from $5 m. to $6.8 m. for a private school voucher program (“BOOST”). While most of the vouchers went to students already in religious schools, City School lost funding for those students who transferred to the private, religious schools.
Action in Annapolis-Feb. 23, 2017

Bring your loudest voice and activist spirit and join city parents, educators, advocates and community members to demand additional funding for our children's education!

6:30 p.m., Thursday, Feb. 23, 2017
Lawyers Mall in front of the State House

Free bus transportation will depart from Baltimore locations TBA between 4:30-5 p.m. RSVP to BaltimoreEdCoalition@gmail.com by Friday, Feb. 17.

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