

MONTGOMERY COUNTY BOARD OF EDUCATION

850 Hungerford Drive ♦ Rockville, Maryland 20850

June 7, 2011

Senator Jamie B. Raskin, Chair
and Members of the Montgomery County Delegation
James Senate Office Building, Room 122
11 Bladen Street
Annapolis, Maryland 21401-1991

Delegate Brian Feldman, Chair
and Members of the Montgomery County Delegation
Lowe House Office Building, Room 223
84 College Avenue
Annapolis, Maryland 21401-1991

Dear Senator Raskin, Delegate Feldman,
and Members of the Montgomery County Delegation:

The last few months have been a watershed for the Maintenance of Effort (MOE) law in the State of Maryland. In light of the recent ruling by the Maryland State Board of Education in response to the Montgomery County Board of Education's Petition for Declaratory Judgment, it is painfully apparent that the overall Thornton promise is not being protected by how the MOE law is currently written. We urge you to make revisions of the MOE law an immediate and top legislative priority so that its purpose can be restored. Specifically, we ask that you:

- Work with your Annapolis colleagues to ensure that local education dollars supplement rather than supplant state education funding as required by the MOE mandate.
- Ensure that all penalties for failure to meet MOE funding be appropriately shifted from local school districts to the designated funding body; in the interim, immediately waive the FY 2013 penalty that will otherwise result in a \$26 million reduction in state education aid to the Montgomery County Public Schools (MCPS) as a result of the Montgomery County Council's budget actions.
- Reverse the rebasing that would otherwise result from this year's actions by the County Council and prevent future unilateral and unregulated rebasing of funding by counties.
- Establish that MOE is the floor amount that local governments must appropriate to school systems absent a waiver.
- Authorize county councils to raise taxes, notwithstanding charter limits, for education purposes.

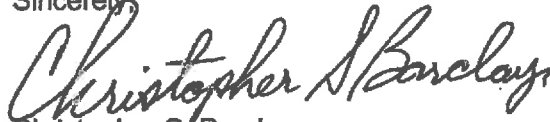
We write to you now because the challenges to MOE have reached a critical juncture. As you are no doubt aware, this year, the County Council, in not meeting MOE, cut local funding for MCPS by \$45 million from FY 2011 levels. It used those funds for non-educational purposes and for other priorities that were not even included in the county executive's budget. We appreciate that each year the entire delegation works hard to ensure funds are sent to Montgomery County to address the school system's growing enrollment and the increasing educational needs of our students. Yet, this year,

state dollars were supplanted, rather than supplemented, by the erosion of local contribution below MOE. This conflicts directly with both the spirit and intention of the Maryland General Assembly's ground breaking *Bridge to Excellence Act*. The Thornton mandate expressly opposed the use of state education dollars to backfill local support for education. It has had the real consequence of lowering the per-pupil expenditure and the available resources for our neediest students. As a result, from FY 2009 to FY 2012, the per-pupil expenditure within MCPS has dropped by \$1500 per student. Of greater significance, the County Council chose to forego the MOE waiver process resulting in their unilateral rebasing of the funding formula for MCPS and an enduring and significant lowering of our per-pupil expenditure. Their action will trigger a \$26 million dollar penalty that will adversely impact our FY 2013 budget.

In a deeply divided opinion last month, the State Board ruled 6-4 that while the MOE law imposes a funding obligation on local government, the law, as written, does not require counties to seek a waiver when they fail to meet MOE. In essence, while noting that the current MOE law is "unworkable" and subject to manipulation by local funding bodies, the State Board found that without revision, the MOE law cannot be read to protect school systems from a county's calculated refusal to fund MOE. The State Board issued a dire warning: "If this rebasing trend continues, we express serious concerns about maintaining adequate funding for education in Maryland. The MOE statute, as it is currently written, has the ability to undo this basic funding cornerstone of Maryland public education." We agree wholeheartedly. The State Board's ruling must be seen as a clarion call if education is to remain a priority for not only Montgomery County, but for the State of Maryland as a whole.

In conclusion, we again respectfully restate our request that you work with your colleagues in the General Assembly to revise the law so that the children of Maryland are not penalized and can receive the best possible education in every county. At a minimum, there needs to be a review of several flaws in the law: the requirement to impose a penalty on the school district; eliminating unilateral rebasing by counties; and ensuring a waiver of the penalty for FY 2012 that will otherwise be imposed in the FY 2013 budget. We look forward to working closely with you during both the interim and the upcoming legislative sessions to revise and craft an enhanced MOE statute that does exactly what it was intended to do—protect our investment in the children of Maryland.

Sincerely,



Christopher S. Barclay
President

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Copy to:

Mr. Leggett
Members of the Montgomery County Council
Members of the Board of Education
Dr. Weast
Mr. Bowers
Dr. Lacey