



Senate Bill 795

Community Colleges and Private Nonprofit Institutions of Higher Education – Funding

MACo Position: **SUPPORT**

To: Budget and Taxation Committee

Date: March 10, 2022

From: Brianna January and Kevin Kinnally

The Maryland Association of Counties (MACo) **SUPPORTS** SB 795. This bill would fully fund and build upon the community colleges funding approach—also known as the Senator John A. Cade Funding formula—used to calculate the allowance for community colleges as a percentage of state aid provided to four-year institutions.

Under SB 795, the Cade formula would, for the first time since its establishment, be fully funded at 29% of the per full-time equivalent student provided to the select public four-year institutions for fiscal year 2024 and would increase funding to 30% every year after.

Notably, the proposed fiscal year 2024 State budget fully funded Cade at 29%, and MACo has urged budget leaders to retain that historic funding as they move the budget plan. SB 795 would codify community colleges as a budget priority for Maryland for the upcoming fiscal year and for those that follow.

When the Cade Funding formula was established in 1996, the policy goal was to achieve an equitable distribution of State support to all public institutions of higher education. Considering all sources of funding and the types of educational programs that are offered, the policy was established that 29% of funding per student would be equitable for community colleges. This bill would finally elevate state aid to community colleges to that equitable level.

The fully funded calculation comes as community colleges need it more than ever to help our communities rebuild after the COVID-19 pandemic. We need our community colleges to provide instruction in several critical workforce shortage areas such as allied health, construction trades, business, and several other critical shortage fields. Research continues to demonstrate Maryland is underproducing in the skills needed by employers in these categories.

Maryland's community colleges serve some of the state's most vulnerable student populations, including a large portion of the state's Pell Grant recipients. Counties are proud to support community colleges and the students that they serve, but it is time for the State to prioritize these critical institutions as well. SB 795 is a strong step toward doing so. For these reasons, MACo **SUPPORTS** SB 795 and urges a **FAVORABLE** report.