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 Maryland General Assembly  
 2026 Session

FISCAL AND POLICY NOTE  
 First Reader

House Bill 1231 (Delegate Wivell, *et al.*)  
 Ways and Means and Appropriations

Washington County - Dually Enrolled Students

This bill expands the definition of “dually enrolled student” in Washington County to include students enrolled in nonpublic secondary schools or home schools. As a result, these students become eligible for participation in the Part-time Grant Program and the Early College Access Grant. Further, the bill alters the definition of “full-time equivalent (FTE) enrollment” for public school funding to include Washington County students who are dually enrolled while attending nonpublic schools or home schools. **The bill takes effect July 1, 2026.**

Fiscal Summary

**State Effect:** *Under one set of assumptions*, State expenditures in support of public schools increase by approximately \$591,100 in FY 2027 due to including additional Washington County students in enrollment counts and by comparable amounts in subsequent years. Use of special fund balance in FY 2027 affects special fund revenues in FY 2027 and 2028 and requires additional general fund spending in FY 2028 as shown. Other possible effects are discussed below. **This bill increases a mandated appropriation beginning in FY 2027.**

(in dollars)	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
SF Revenue	(\$9,700)	(\$7,100)	\$0	\$0	\$0
GF Expenditure	\$114,100	\$859,000	\$335,000	\$437,000	\$461,600
SF Expenditure	\$477,000	(\$493,800)	\$0	\$0	\$0
Net Effect	(\$600,800)	(\$372,300)	(\$335,000)	(\$437,000)	(\$461,600)

*Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate increase; (-) = indeterminate decrease*

**Local Effect:** State education aid increases for Washington County Public Schools (WCPS) and decreases for all other counties under State education funding formulas. Correspondingly, mandated local appropriations decrease for WCPS and increase for several other counties. Local community college revenues may decrease, and WCPS expenditures may increase, as discussed below. **This bill imposes a mandate on a unit of local government.**

**Small Business Effect:** None.

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## Analysis

**Current Law:** For an overview of Maryland’s public school funding framework including FTE enrollment, see the **Appendix – Public School Funding in Maryland**.

### *Dual Enrollment*

“Dually enrolled student” is defined as a student who is dually enrolled in a secondary (high) school in the State and an institution of higher education in the State. It includes a student enrolled in a credit or noncredit certificate or license program, course, or sequence of courses that leads to certification or licensure at an institution of higher education in the State.

A public institution of higher education may not charge tuition to a dually enrolled student. A public school system must pay 75% of the cost of tuition for a public institution of higher education for its students. If there is an agreement before July 1, 2020, between a public school and a public institution of higher education in which the public institution charges less than 75% of tuition to a dually enrolled student, the local board must pay the cost of tuition under the existing agreement.

### *Part-time Grant Program*

The Part-time Grant Program provides grants to undergraduate students taking at least 3 but no more than 11 hours of courses each semester or who are dually enrolled in a secondary school in the State and an institution of higher education. Recipients must be Maryland residents or eligible for in-state tuition under the Maryland Dream Act and must demonstrate a definite financial need. Funds for the program are allocated by the Maryland Higher Education Commission (MHEC) to institutions of higher education based on the number of part-time students with demonstrated financial need who are enrolled at the institution. Grants are distributed to students by the institutions based on guidelines established by MHEC.

For courses completed under the grant, a recipient is not required to receive credit simultaneously from both a secondary school and an institution of higher education.

An institution of higher education that receives State funds must provide MHEC with an annual audit of the use of the funds.

### *Early College Access Grant Program*

The Early College Access Grant Program is the successor to the Dual Enrollment Grant, which was established by Chapter 297 of 2007 to provide financial assistance to students taking courses in both high school and college. Since a program was being created specifically for dually enrolled students, the Part-time Grant Program, which allowed institutions to use funds for dually enrolled students, was amended to remove all references to dually enrolled students. However, the Dual Enrollment Grant was never fully funded; it only received approximately \$120,200 in carry-forward funds in both fiscal 2008 and 2009.

Subsequently, Chapter 459 of 2009 expanded eligibility for the Part-time Grant Program to include dually enrolled students and clarified that a dually enrolled student must receive both high school and college credit from a course to be eligible for a Part-time Grant. Chapter 459 also renamed the Dual Enrollment Grant to be the Early College Access Grant Program.

Accordingly, the Early College Access Grant Program provides financial assistance to dually enrolled students. MHEC must administer the grant in cooperation with institutions of higher education. A recipient of a grant must be a dually enrolled student and demonstrate financial need according to criteria established by MHEC. For courses completed under the grant, a recipient is not required to receive credit simultaneously from both a secondary school and an institution of higher education.

MHEC must formulate guidelines for the awarding of the grant to dually enrolled students and adopt any other guidelines or regulations essential for the effective administration of the program. Grant funding is allocated by MHEC to an institution of higher education based on the number of dually enrolled students receiving credit for courses completed at the institution. Any institution of higher education receiving State funds must furnish MHEC with an annual audit detailing the utilization of the allocated funds. Funds for the grant are as provided by the Governor in the annual budget of MHEC.

Each local board of education is required to extend the opportunity for dual enrollment to all high school students meeting mutually agreed-upon enrollment requirements.

### *Nonpublic Schools*

A noncollegiate educational institution may not operate in Maryland without a certificate of approval from the State Board of Education (SBE). SBE must issue a certificate of approval to a noncollegiate educational institution if it deems that the facilities, entrance and scholarship criteria, as well as educational qualifications and standards, are satisfactory for the institution's intended purposes, programs, training, courses, and the certificates or

diplomas it plans to issue. However, SBE is prohibited from issuing a certificate to an institution that practices discrimination based on race, color, or national origin, or an institution lacking a policy against the administration of corporal punishment by its employees. Notably, these requirements do not apply to institutions operated by *bona fide* church organizations, such as Amish and Mennonite parochial schools, although such institutions without approval cannot receive State funds, with specific exceptions for eligible students in the food service program enrolled in nursery school through grade 8.

### *Home Instruction Regulations*

According to regulations, a parent or guardian who chooses to provide a home instruction program for his or her child must initially sign a form prescribed by the Maryland State Department of Education, as specified, and verify annually the continuation of home schooling for his or her child with the local school superintendent or with the supervising nonpublic school or institution.

The home instruction program must:

- provide regular, thorough instruction in the studies usually taught in the public schools to children the same age;
- include instruction in English, mathematics, science, social studies, art, music, health, and physical education; and
- take place on a regular basis during the school year and be of sufficient duration to implement the instruction program.

The home instruction program may include enrollment on a part-time or full-time basis in courses offered by accredited or unaccredited colleges.

### **State/Local Fiscal Effect:**

#### *Full-time Equivalent Enrollment Impacts*

*Under one set of assumptions*, the bill increases FTE enrollment for WCPS by approximately 61.5 students, as discussed in the *Tuition Impacts* section below. Because State education aid formulas are largely enrollment driven, the addition of these students affects multiple components of the Blueprint for Maryland's Future funding formulas, including the foundation program, compensatory education, special education, English learner funding, and other formula components.

As a result, State aid increases for WCPS and decreases modestly for all other counties, reflecting the redistribution of formula aid based on enrollment counts. Under these assumptions, total State education aid increases by approximately \$591,100 in fiscal 2027, \$365,200 in fiscal 2028, \$335,000 in fiscal 2029, \$437,000 in fiscal 2030, and \$461,600 in fiscal 2031.

Changes in enrollment counts also affect the calculation of required local contributions under the State education funding formulas. Accordingly, mandated local appropriations decrease for WCPS and increase for several other counties due to adjustments in local share calculations, including the education effort adjustment and related formula components.

Although the enrollment changes primarily affect Washington County, the structure of the State aid formulas results in small offsetting changes for other counties, as the formulas allocate funding statewide based on relative enrollment and wealth measures.

Because the additional enrollment increases State education aid for WCPS, expenditures from the Blueprint for Maryland's Future Fund (BMFF) increase in fiscal 2027 – but only by \$477,000 as sufficient fund balance is not available to cover all new costs under the bill. Thus, general fund expenditures of \$114,100 are used to cover the residual new costs incurred in fiscal 2027. In the out-years, all new costs under the bill are covered with general funds. Further, in fiscal 2028, due to accelerated depletion of BMFF fund balance, the bill results in modest decreases in interest earnings for BMFF in both fiscal 2027 and 2028. Moreover, additional general funds must backfill for spending that would have otherwise been provided through BMFF. Accordingly, BMFF expenditures decrease by \$493,800 in fiscal 2028 (which accounts for the BMFF spending in fiscal 2027 and the loss of \$16,800 in interest income that would have also been available for expenditure), and general fund expenditures increase by \$859,000 in fiscal 2028 (\$365,200 in new spending under the bill and \$493,800 to offset the decrease in funding through BMFF).

Any actual impact on State and local finances due to FTE enrollment depends on the actual number of additional students enrolled, and the distribution of statewide enrollment.

### *Tuition Impacts*

Under the bill, as under current law, a public institution of higher education is prohibited from charging tuition to a dually enrolled student. The bill expands “dually enrolled student” to include a student who is enrolled in a private or home school in Washington County. Thus, public institutions of higher education (*i.e.*, public four-year institutions of higher education and community colleges, including Baltimore City Community College) are prohibited from charging these students tuition. However, due to location, higher education tuition revenues are being only impacted at Hagerstown Community College and University System of Maryland (USM) institutions offering courses at USM at Hagerstown. In lieu of tuition, it is assumed that public institutions of higher education are paid a reduced cost of tuition by WCPS (under one possible interpretation of the bill discussed in more detail below) or a fee established by an agreement with a private or home school similar to the arrangements in place for public school students.

Either interpretation may lead to reduced higher education revenues for dually enrolled students from private and home schools. However, any such decrease cannot be reliably quantified at this time. Actual higher education revenues decrease depending on the agreements made and the number of credits taken by eligible private and home school students. The agreements do not affect higher education expenditures.

It is unclear if WCPS is responsible for the cost of tuition for a dually enrolled private or home school student under the bill. To the extent the bill is interpreted to require it to do so, WCPS expenditures increase. WCPS estimates that, *under one set of assumptions* about participation and credit loads, expenditures could increase by approximately \$210,330 annually to cover tuition costs for participating nonpublic and home-schooled students; however, the magnitude of any impact ultimately depends on the number of participating students and the agreements reached with institutions of higher education. WCPS's estimate assumes participation by approximately 82 nonpublic and home-schooled students in grades 11 and 12 (about 12.6% of eligible students), each taking an average of nine credits per semester at Hagerstown Community College, with per-student tuition costs similar to those currently incurred for WCPS dual enrollment students. Under the set of assumptions discussed above, the additional State aid for WCPS from the FTE enrollment fully offsets the WCPS tuition costs.

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### **Additional Information**

**Recent Prior Introductions:** Similar legislation has not been introduced within the last three years; however, legislation with similar provisions has been introduced. See HB 725 of 2025 and SB 749 and HB 500 of 2024.

**Designated Cross File:** None.

**Information Source(s):** Washington County; Maryland State Department of Education; Maryland Higher Education Commission; University System of Maryland; Department of Legislative Services

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# Appendix – Public School Funding in Maryland

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## State Aid for Public Schools

### *Blueprint for Maryland’s Future and Education Funding Formulas*

The majority of direct State aid to public schools (excluding teachers’ retirement) is determined by enrollment-based funding formulas generally found in Title 5, Subtitle 2 of the Education Article. This includes the foundation formula, which makes use of a per pupil foundation amount (PPFA) and an “enrollment count,” which is the greater of (1) the prior year full-time equivalent (FTE) enrollment and (2) the three-year moving average of FTE enrollment. Collectively, the formulas account for a uniform base cost per pupil that is necessary to provide general education services to students in every local school system and address the additional costs associated with educating three student populations: special education students; students eligible for free and reduced-price meals; and students who are English learners. Under Chapter 237 of 2025, beginning in fiscal 2026, the special education, compensatory education, and English learner formulas – structured similarly to the foundation program, but targeting the three student populations mentioned above – use statutory per-pupil dollar amounts (rather than percentage weights of PPFA), with amounts specified through fiscal 2033 and inflation adjustments thereafter.

Most State education aid formulas also include wealth equalization across counties, compensating for differences in local wealth by providing less aid per pupil to the more wealthy counties and more aid per pupil to the less wealthy counties. Although on the whole most State aid formulas are designed to have the State pay roughly one-half of program costs, the State’s share for the less wealthy counties is higher than 50%, and the State’s share for more wealthy counties is lower than 50%. For purposes of determining State and local shares of funding, wealth equals the sum of 100% of assessed public utilities real property value, 40% of the assessed value of all other real property, 50% of the assessed value of personal property, and 100% of net taxable income.

Major education aid programs include the foundation formula, comparable wage index (CWI), guaranteed tax base (GTB), compensatory education, concentration of poverty grants (CPG), English learner, special education, full-day prekindergarten, college and career ready (CCR), transitional supplemental instruction (through fiscal 2026), career ladder, and transportation grant programs.

The Blueprint for Maryland’s Future (Blueprint) legislation, including Chapter 771 of 2019; Chapters 36 and 55 of 2021; and Chapter 33 of 2022 established new programs and updated education funding formulas, to among other provisions provide additional

support for schools serving high concentrations of students living in poverty, including community schools and wraparound services, and increased support for students learning English and students with disabilities. Chapter 237, among other provisions, curtailed foundation program per pupil funding.

### *Blueprint for Maryland's Future Fund*

The Blueprint for Maryland's Future Fund (BMFF) was created by Chapter 771 as the successor to the Commission on Innovation and Excellence in Education Fund. The BMFF is intended to assist in providing adequate funding for early childhood education and primary and secondary education to provide a world-class education to students in Maryland.

### *Comparable Wage Index*

CWI provides additional funds to local school systems with above-average personnel costs but does not decrease funding for local school systems with below-average costs. CWI adjustment values are fixed in statute and range from 0.047 in Frederick County to 0.166 in Montgomery County. The formula multiplies the adjustment value by the foundation program for a given county, which is the PPFA multiplied by the enrollment count for the county.

### *Guaranteed Tax Base*

The GTB program is intended to encourage less wealthy jurisdictions to maintain or increase local education tax effort, *i.e.*, local education appropriation as a percentage of local tax base. The program provides additional State education aid to counties that (1) have less than 80% of the statewide average wealth per pupil and (2) provide local education funding above the minimum local share required by the Foundation Program. The program uses local education tax effort and wealth to determine State aid amounts for each eligible local school system.

### *Concentration of Poverty Grant Program*

Blueprint legislation provides additional support for schools serving high concentrations of students living in poverty through the CPG Program. CPG funding has two components, a personnel grant and a per-pupil grant.

*Personnel Grants* are provided to employ a community school coordinator with specified qualifications and provide full-time coverage by at least one health care practitioner. A county that provides health coverage or community school services with funds other than the personnel grant must continue to provide those services through fiscal 2030. If the

personnel grant provided to an eligible school exceeds the costs to employ those positions and provide health coverage, the eligible school may use excess funds to provide wraparound services and complete the community school needs assessment. The personnel grant is a State-funded categorical amount that increases with inflation.

*Per-pupil Grants* are provided for each qualifying school following the completion of a community school needs assessment, and each eligible school must use the per-pupil grant to provide wraparound services and other programs and services as identified in the school needs assessment. CPG funds must generally be distributed by the local board to each eligible school. However, if the local school system has at least 10 eligible schools or at least 35% of a local school system’s schools are eligible schools, the local board may expend up to 50% of CPG personnel and per-pupil grants on behalf of eligible schools on program costs that directly benefit the school, and in accordance with a plan developed in consultation with eligible schools that ensures that each eligible school receives the required positions/coverage and services. Per-pupil grants are only wealth equalized for districts that receive the minimum State funding (40%) under the compensatory education formula; for all other districts, the State pays the full amount. The local funding percentage is based on the compensatory education wealth equalization formula.

The following table lays out the phase-in of the two components of the funding.

**Concentration of Poverty Grants Phase-in**

<u>School Poverty Percentage</u>	<u>Year Personnel Phased-in</u>	<u>Year Per Pupil Phased-in</u>
> = 80%	FY 2020	FY 2022
75%-80%	FY 2021	FY 2023
70%-75%	FY 2022	FY 2024
65%-70%	FY 2023	FY 2025
60%-65%	FY 2024	FY 2026
55%-60%	FY 2025	FY 2027

School concentration percentages are based on a three-year average of compensatory education enrollment in each public school.

For the per-pupil grant, schools receive funding along a sliding scale according to their CPG level, the three-year average percentage of compensatory education enrollment students at each school. Schools at or below 55% CPG level receive no funding per pupil. Schools above 55% and below 80% CPG level see the per-pupil amount increase until, for schools at or above 80% CPG level, per-pupil funding reaches the statutorily established per-pupil maximum amount. The per-pupil amount established by this sliding scale is then

multiplied by a school’s compensatory education enrollment in the second prior fiscal year to get a calculated grant amount. A percentage increment of per-pupil funding is then applied for each of six years of eligibility, beginning with 16% in the first year of eligibility and culminating in 100% funding by the seventh year, is specified in statute as shown in the table below.

<u>Eligibility Year</u>	<u>Share of CPG Per Pupil</u>
NOT ELIGIBLE	0%
Year 1	16%
Year 2	32%
Year 3	37%
Year 4	55%
Year 5	66%
Year 6	75%
Year 7 and Beyond	100%

Beginning in fiscal 2030, however, all schools receive 100% of the calculated per-pupil grant amount regardless of year of eligibility.

*College and Career Ready Funding*

It is the goal of the State that students enrolled in public school will meet the CCR standard adopted by the State Board of Education before the end of the 10th grade and no later than the time the student graduates from high school. In addition to funding for non-CCR and CCR students provided within the foundation formula, funding is provided for students in grades 9 through 12 who have met the CCR standard. Per-pupil funding, covered by both State and local shares, begins at \$517 in fiscal 2022 and is inflation adjusted each subsequent year. These funds support various pathways and educational options available to students who meet the CCR standard.

*Career Ladder for Educators*

Under Chapter 36, as amended by Chapter 55, a four-level career ladder must be implemented by each local board of education by July 1, 2024. Level one is a State-certified teacher. Level two is a teacher pursuing a master’s degree, 30 credits of a State board-approved program of study, or National Board Certification (NBC). Level three is a teacher who has an NBC or, if NBC or a comparable assessment is not available in the teacher’s content area, a master’s degree in that area. Level three includes an assistant principal. Level four is a teacher on the teacher leadership track or administrative track of the career ladder, each of which is further divided into tiers. If a

teacher achieves level three or four on the career ladder by being an NBC teacher, the teacher must retain NBC status in order to remain at that level. The State and county governments share the cost of required salary increases for educators reaching certain levels on the career ladder, including for attaining and retaining NBC status.

### *Grow Your Own Educators*

Chapters 227 and 228 of 2024 established the Grow Your Own Educators Program to provide support to eligible provisional teachers and noncertified education support professionals interested in teaching who pledge to fulfill a service obligation. Administered by the Maryland State Department of Education (MSDE), the program provides grants to local school systems in collaboratives for certain teacher candidates' expenses and program administration costs. Chapter 237 made several alterations to the program, including clarifying that the program purpose is to support collaboratives that offer teacher licensure programs with on-the-job experiential learning for eligible individuals, not to directly support the individuals.

### *Full-day Prekindergarten*

The full-day prekindergarten funding formula provides State and local funding for voluntary full-day prekindergarten for (1) children who are three or four years old from low-income families and homeless youths and whose family income is less than or equal to 300% of the federal poverty level (FPL) (Tier I children) and (2) four-year-olds from families whose income is – for fiscal 2026 funding – between 300% and 360% of FPL, and beginning fiscal 2027 between 300% and 600% of FPL (Tier II students).

There is no family share for Tier I students. For Tier II students, a sliding scale developed by MSDE determines the family share. For four-year-olds from families with income above 600% (Tier III), the family share covers the full cost of full-day prekindergarten. However, a local board may provide up to 100% of the family share on behalf of the family. Local governments are required to fund the local share of the full-day prekindergarten program. The funding formula for full-day prekindergarten is based in part on the per-pupil amount. The per-pupil amount is \$14,473 for fiscal 2026, escalates to \$19,950 in fiscal 2027 and 2028, and increases annually by inflation beginning in fiscal 2029.

Beginning in the 2024-2025 school year, prekindergarten slots provided by eligible private providers must account for at least 10% of the total prekindergarten slots provided by eligible prekindergarten providers in each county. The proportion of eligible private provider prekindergarten slots in each county increases by 10 percentage points every school year, until, in the 2028-2029 school year, and each subsequent school year, eligible private provider prekindergarten slots account for at least 50% of eligible prekindergarten provider prekindergarten slots in each county.

Priority in expanding full-day prekindergarten slots is given to three- and four-year-olds who are Tier I children, children with disabilities regardless of family income, and children living in homes where English is not the primary spoken language. The proportion of enrolled Tier I children who are three- and four-year-olds must increase annually until all such children are enrolled in a full-day prekindergarten program.

### *Prekindergarten Expansion Grant Program*

The Prekindergarten Expansion Grant Program, administered by MSDE, is intended to broaden the availability of high-quality prekindergarten and school readiness services throughout the State for children and their families in coordination with the expansion of publicly funded full-day prekindergarten under the Blueprint. The program is a competitive grant program to provide grants to qualified providers, including (1) a local board of education or (2) if partnering with a local board under a memorandum of understanding, a State accredited or nationally accredited child care program or a nonpublic school approved by MSDE to provide prekindergarten services.

Grants may be used to add available slots to expand prekindergarten services, including (1) establishing or expanding full-day prekindergarten for eligible young children and (2) expanding existing half-day prekindergarten programs into full-day prekindergarten for eligible young children. Grants may not be used (1) to supplant existing funding for prekindergarten services; (2) for capital improvements; or (3) to fund the same full-day prekindergarten slot that is funded under the full-day prekindergarten program established by Blueprint legislation.

Through fiscal 2029, the Governor must annually appropriate to the Prekindergarten Expansion Fund (established to provide funds to the program) an amount that is at least equal to the total amount of all funds received by the program in the prior fiscal year. Beginning in fiscal 2030, funds appropriated to the Prekindergarten Expansion Fund must be consolidated into the publicly funded full-day prekindergarten program.

### *Public School Transportation*

All school systems are required to arrange transportation to and from school for all public school students and are required to provide transportation to and from school for all disabled students. The State provides annual aid to public schools for the purpose of funding student transportation. The funding consists of two parts: a base grant that is adjusted annually; and a per-pupil grant based on the number of students with special transportation needs.

## **Local Funding for Public Schools**

### *Maintenance of Effort and Local Share*

Each year, the county government (including Baltimore City) is required to appropriate funds to the local board equivalent to the greater of the per-pupil maintenance of effort (MOE) requirement or the local share amount of all wealth-equalized formulas. The per-pupil MOE amount is based upon the enrollment count as defined above. The local share of major education aid programs equals the local share of the foundation formula, compensatory education, English learner, special education, CWI, full-day prekindergarten, CCR, transitional supplemental instruction (through fiscal 2026), and career ladder grant programs. Also, counties that benefit from the compensatory education State funding floor are required to fund the local share of CPG. However, for some counties, the combined local share across these several programs is subject to adjustments described below. Additionally, under Chapter 336 of 2024, the State and county governments must pay for Blueprint implementation coordinator salaries in the same proportion as the foundation program.

### *Education Effort Adjustment to Local Share Requirement*

Local governments are required to fund the local share of the foundation program and the required local shares for several other funding formula programs. The law also includes a mechanism for establishing a maximum local share that a county must fund each year. This involves “local education effort,” which is determined for each county by dividing the county’s local share of major education aid by the county’s wealth. An “education effort index,” which is the local education effort divided by the “State average education effort” is then determined. A “maximum local share” is calculated for each county, which is the county’s local wealth multiplied by the State average education effort.

Each county with an education effort above 1.0 for two consecutive years receives relief based upon its “education effort adjustment,” which is the amount by which the calculated local share exceeds the maximum local share. This relief (which results in increases to State aid), is provided to counties within one of three tiers, based on whether the education effort is (1) greater than 1.0 but less than 1.15; (2) at least 1.15 but less than 1.27; or (3) at least 1.27. State relief for the first tier is phased up from 15% of the education effort adjustment in fiscal 2023 to 50% by fiscal 2030. State relief for the second tier is phased up from 20% of the education effort adjustment in fiscal 2023 to 100% by fiscal 2030. State relief for the third tier is 100% beginning in fiscal 2023. However, the education effort adjustment for a county is only allowed to the degree that per-pupil MOE is met each year.

### *Additional Reductions to Local Share*

A county may be eligible for a reduction in the required local share of major aid formulas in three additional ways: (1) if a county receives State funds from the GTB program, the  
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local share may be reduced by the amount of GTB funds, except that for Baltimore City only the amount above \$10.0 million may be reduced from the local share; (2) if a county receives State funds to support the minimum funding floors of 15% for the foundation and 40% for the targeted programs; and (3) if a county has a CWI of at least 0.13, the local share of CWI may be reduced by 50%. However, in all of these cases, the local share may not be reduced to below the required per-pupil MOE amount.

*Minimum School Funding Requirement*

Each local board of education must distribute to its public schools at least 75% of the applicable per-pupil funding amounts generated under the foundation program and most major education aid formulas. In addition, local boards must distribute 100% of the per-pupil amounts provided under the concentration of poverty grant program and for eligible private provider prekindergarten slots.