

State Aid to Baltimore County

Fiscal 2025

State Aid Overview

- Baltimore County will receive \$1.2 billion in State aid in fiscal 2025. Of this amount, \$1.1 billion is direct aid, and \$127.6 million is for retirement payments.
- Baltimore County will receive a 5.4% increase in State funding in fiscal 2025, with total State aid increasing by \$61.6 million over the prior year. Direct aid increases by \$35.2 million, while retirement payments increase by \$26.3 million.
- The vast majority of this funding is targeted to the public school system, which receives around 90% of the total State aid provided to Baltimore County. The community college system receives around 6.6%, and only around 3.3% is targeted to the county government.

County-Municipal Aid

- Baltimore County will receive \$38.8 million in county-municipal aid, which represents a \$2.2 million, or 6.1%, increase from the prior year.
- State funding includes \$13.8 million for highway user revenues, \$19.9 million for police aid, and \$1.7 million for fire and rescue aid.

Public Safety Grants

- Baltimore County will receive \$12.7 million in funding under the existing police aid formula and \$7.1 million in enhanced funding based on the number of violent crime offenses occurring within the county.
- The majority of State funding under the police aid formula is based on population density. More urbanized jurisdictions with a higher population density receive a higher per capita grant amount. A small component of the formula (representing 4.2% of overall funding) targets funding to municipalities based on the number of sworn officers. Funding in fiscal 2025 is based on \$1,950 per sworn officer.
- Since fiscal 2004, local governments must reimburse the State for 30% of the State Police crime lab costs, which will total \$5.9 million in fiscal 2025. The reimbursements are based on local crime rates (one-third) and local wealth (two-thirds). The Baltimore County share of these costs will total \$786,900 in fiscal 2025. The local reimbursement is deducted from each jurisdiction's police aid amount.

- Baltimore County will receive \$1.7 million in fire and rescue aid in fiscal 2025. Each county’s funding is based on their share of property tax accounts relative to the statewide total. Each county is guaranteed a minimum 2% share of total funds (\$300,000).

Transportation Aid

- Baltimore County will receive \$13.8 million in local highway user revenues in fiscal 2025, which represents a \$2.2 million, or 19.3% increase over the prior year. The county and municipal share is based on road mileage and vehicle registration.
- State funding for local highway user revenues is based on the amount of revenue allocated to the Gasoline and Motor Vehicle Revenue Account (GMVRA). In fiscal 2025, State funding to local governments is based on 18% of total GMVRA revenues. Of this amount:
 - 61.1% goes to Baltimore City (11.0% of GMVRA);
 - 23.9% goes to county governments (4.3% of GMVRA); and
 - 15.0% goes to municipalities (2.7% of GMVRA).
- Under current law, these distributions increase for fiscal 2026 and 2027. Beginning in fiscal 2028, the allocations revert to the fiscal 2024 distribution, as shown in the following table.
- However, the Budget Reconciliation and Financing Act (BRFA) includes a provision that will revert the distribution back to the fiscal 2024 levels beginning in fiscal 2026. This legislative action will result in a \$3.7 million reduction in State funding for Baltimore County in both fiscal 2026 and 2027. Statewide, the funding reduction totals approximately \$100 million in both fiscal years.

Local Share of Highway User Revenues

	<u>FY 23</u>	<u>FY 24</u>	<u>FY 25</u>	<u>FY 26</u>	<u>FY 27</u>
MDOT	86.5%	84.4%	82.0%	80.0%	80.0%
Baltimore City	8.3%	9.5%	11.0%	12.2%	12.2%
Counties	3.2%	3.7%	4.3%	4.8%	4.8%
Municipalities	2.0%	2.4%	2.7%	3.0%	3.0%

MDOT: Maryland Department of Transportation

Source: Department of Legislative Services

Local Health Grants

- Baltimore County will receive \$7.7 million in local health grants in fiscal 2025. Statewide, local health departments will receive \$123.2 million, which represents a \$7.4 million, or 6.4%, increase from the prior year.

Local Library and Community College Aid

- Baltimore County will receive \$7.6 million in local library aid and \$70.6 million in State support for the local community college. State funding for the Community College of Baltimore County will decrease by \$4.7 million in fiscal 2025.
- The BRFA includes a provision that rebases the Cade funding formula and will reduce statewide funding for community colleges by \$22.6 million over current law funding amounts. In Baltimore County, the projected reduction totals \$4.5 million.

Education Aid

- The vast majority of State funding is targeted to the public school system. Direct State aid to the Baltimore County Public School System accounts for approximately 80% of total State aid provided to the county; and funding for teacher retirement accounts for around 10% of total State aid.
- In fiscal 2025, the Baltimore County Public School System will receive \$941.8 million in direct aid, which represents a \$37.5 million, or 4.2%, increase from the prior year. In addition, the State will provide \$115.3 million in funding for teacher retirement payments.
- On a per pupil basis, Baltimore County will receive \$9,963 in State funding: \$8,876 per pupil in direct aid; and \$1,086 per pupil for teacher retirement payments.
- Baltimore County will receive a 4.8% increase in per pupil direct aid in fiscal 2025. This exceeds the statewide average increase of 3.2%. Baltimore County ranks sixth in the amount of per pupil direct aid increase.

Blueprint and Targeted Funding

- Baltimore County will receive \$44.2 million in State funding under the Blueprint Initiatives in fiscal 2025. This includes \$4.2 million for supplemental instruction, \$32.3 million in concentration of poverty grants, \$3.6 million for full-day prekindergarten, and \$1.2 million for college and career programs.

- A considerable amount of State education funding is based on targeted student populations, with Baltimore County receiving \$321.0 million in targeted grants under the compensatory aid, English Language Learners (ELL), and special education programs. Of these three programs, Baltimore County receives \$199.3 million in compensatory aid funding, \$67.7 million in special education funding and \$53.9 million in ELL grant.

Student Enrollment

- The full-time equivalent student (FTES) enrollment count decreases by 0.6% in Baltimore County. In comparison, the statewide average FTES enrollment count increases by 0.1%. Currently, the county school system has around 106,100 public school students, which accounts for approximately 12.4% of students statewide.
- The number of students approved for free and reduced-price meals (FRPM) increases by 0.9% in Baltimore County, which is below the statewide average increase of 1.3%. This increase is the tenth lowest in the State. Baltimore County currently has the thirteenth highest percentage of students approved for FRPM at 54.2 % of total student enrollment. Statewide, over half of the students are approved for FRPM and this ranges from around 27% in Carroll County to almost 90% in Dorchester County and Baltimore City.
- Baltimore County has the sixth highest percentage of students identified as ELL at 11.5% of total student enrollment. In fiscal 2025, the number of ELL students increases by 10.2%, resulting in 1,128 additional students requiring language services. Baltimore County has the thirteenth highest enrollment increase for ELL students.
- Baltimore County has an above average share of students receiving special education services and is ranked seventh in the share of students receiving special education in the State. In fiscal 2025, the number of students receiving special education services accounts for 15.2% of total enrollment, compared to the statewide average of 13.9%.
- Baltimore County has the ninth highest targeted student index in the State at 80.9%. This index adds together the percent share of FTES who are approved for FRPM, ELL, and special education services. The targeted student index ranges from 42.3% in Carroll County to 117.4% in Baltimore City, with the statewide average at 78.3%.
- Statewide, public-school enrollment represents 13.9% of the total State population. In Baltimore County, public school enrollment represents 12.5% of the overall county population. In comparison, Kent County has the lowest share, with public school enrollment accounting for 8.4% of the total county population while Howard County has the highest share at 16.7%.

STATE AID TO LOCAL GOVERNMENTS -- BALTIMORE COUNTY

	<u>FY 2024</u>	<u>FY 2025</u>	<u>\$ Difference</u>	<u>% Difference</u>
Direct Aid				
Foundation Aid	\$485,048,729	\$489,042,736	\$3,994,007	0.8
Comparable Wage Index	15,448,802	15,576,011	127,209	0.8
Compensatory Aid	194,022,898	199,286,657	5,263,759	2.7
Student Transportation - Regular	36,741,326	37,108,739	367,413	1.0
Student Transportation - Special Education	4,257,000	4,360,000	103,000	2.4
Special Education - Formula	60,349,421	67,738,013	7,388,592	12.2
Special Education - Nonpublic Placements	22,719,716	22,719,716	0	0.0
Special Education - Infants and Toddlers	1,772,214	1,900,199	127,985	7.2
English Language Learners Grant	46,595,321	53,926,496	7,331,175	15.7
Teacher Development Grants	4,000	4,000	0	0.0
Food Service	2,442,597	2,797,734	355,137	14.5
Innovative Programs	328,416	328,416	0	0.0
Out-of-County Placements	1,028,049	1,028,049	0	0.0
Judy Hoyer Centers	1,245,000	1,245,000	0	0.0
Prekindergarten Expansion Program	500,000	500,000	0	0.0
Blueprint - Concentration of Poverty	19,001,351	32,328,756	13,327,405	70.1
Blueprint - Transitional Supplemental Instructor	6,314,738	4,229,060	-2,085,678	-33.0
Blueprint - Transition Grants	2,953,950	2,510,858	-443,092	-15.0
Blueprint - Full Day PreKindergarten	1,155,594	3,558,852	2,403,258	208.0
Blueprint - College and Career Readiness	1,857,661	1,201,757	-655,904	-35.3
Blueprint - Career Ladder	402,483	416,411	13,928	3.5
Blueprint - Coordinators	82,925	0	-82,925	-100.0
Education	\$904,272,191	\$941,807,460	\$37,535,269	4.2
Library Formula	7,469,645	7,633,069	163,424	2.2
Libraries	\$7,469,645	\$7,633,069	\$163,424	2.2
Community College Formula	71,703,077	67,174,349	-4,528,728	-6.3
Grants for ESOL Programs	322,856	428,272	105,416	32.7
Optional Retirement	3,289,675	3,008,985	-280,690	-8.5
Community Colleges	\$75,315,608	\$70,611,606	-\$4,704,002	-6.2
Local Health Formula	7,665,281	7,677,682	12,401	0.2
Health	\$7,665,281	\$7,677,682	\$12,401	0.2
Highway User Revenue	11,579,134	13,816,330	2,237,196	19.3
Elderly & Disabled Transportation Grants	395,836	408,265	12,429	3.1
Transportation	\$11,974,970	\$14,224,595	\$2,249,625	18.8
Police Aid	12,813,805	12,730,505	-83,300	-0.7
Fire and Rescue Aid	1,695,236	1,695,236	0	0.0
Police Aid Enhancement	7,063,789	7,138,540	74,751	1.1
Public Safety	\$21,572,830	\$21,564,281	-\$8,549	-0.0

STATE AID TO LOCAL GOVERNMENTS -- BALTIMORE COUNTY

	<u>FY 2024</u>	<u>FY 2025</u>	<u>\$ Difference</u>	<u>% Difference</u>
Direct Aid				
Teachers Retirement Supplemental Grants	3,000,000	3,000,000	0	0.0
Other Direct Aid	38,200	38,200	0	0.0
Other	\$3,038,200	\$3,038,200	\$0	0.0
Total Direct Aid	\$1,031,308,725	\$1,066,556,893	\$35,248,168	3.4
Payments in Behalf				
Retirement - Teachers	\$91,310,777	\$115,262,684	\$23,951,907	26.2
Retirement - Libraries	2,877,078	3,595,735	718,657	25.0
Retirement - Community College	7,028,251	8,691,659	1,663,408	23.7
Total Payments in Behalf	\$101,216,106	\$127,550,078	\$26,333,972	26.0
 Total State Aid	 \$1,132,524,831	 \$1,194,106,971	 \$61,582,140	 5.4