

# **State Aid to Harford County**

## **Fiscal 2025**

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### **State Aid Overview**

- Harford County will receive \$396.7 million in State aid in fiscal 2025. Of this amount, \$354.3 million is direct aid, and \$42.5 million is for retirement payments.
- Harford County will receive a 7.3% increase in State funding in fiscal 2025, with total State aid increasing by \$26.9 million over the prior year. Direct aid increases by \$16.8 million, while retirement payments increase by \$10.1 million.
- The vast majority of this funding is targeted to the public school system, which receives around 89% of the total State aid provided to Harford County. The community college system receives around 5.3%, and only around 3.1% is targeted to the county government and the three municipalities.

### **County-Municipal Aid**

- Harford County will receive \$12.4 million in county-municipal aid, which represents a \$1.4 million, or 12.4%, increase from the prior year.
- State funding includes \$7.5 million for highway user revenues, \$4.1 million for police aid, and \$0.6 million for fire and rescue aid.

### **Public Safety Grants**

- Harford County will receive \$2.9 million in funding under the existing police aid formula and \$1.2 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 Harford County share of these costs will total \$196,300 in fiscal 2025. The local reimbursement is deducted from each jurisdiction's police aid amount.

- Harford County will receive \$565,300 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**

- Harford County will receive \$7.5 million in local highway user revenues in fiscal 2025, which represents a \$1.1 million, or 17.9% increase over the prior year. The county and municipal share is based on road mileage and vehicle registration. In fiscal 2025, the Harford County government will receive \$4.8 million, and the municipalities will receive \$2.7 million in local highway user revenues.
- 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 \$1.9 million reduction in State funding for jurisdictions in Harford County in both fiscal 2026 and 2027. Statewide, the funding reduction totals approximately \$100 million in both fiscal years.

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**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

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## **Local Health Grants**

- Harford County will receive \$6.4 million in local health grants in fiscal 2025, which represents a 7.6% increase over the prior year. Statewide, local health departments will receive \$123.2 million, which represents a \$7.4 million, or 6.4%, increase from the prior year. Harford County will receive a higher increase in funding this year than the statewide average.

## **Local Library and Community College Aid**

- Harford County will receive \$2.2 million in local library aid and \$18.4 million in State support for the local community college. State funding for Harford Community College will decrease by \$0.9 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 Harford County, the projected reduction totals \$0.9 million.

## **Education Aid**

- The vast majority of State funding is targeted to the public school system. Direct State aid to the Harford 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 Harford County Public School System will receive \$314.9 million in direct aid, which represents a \$15.8 million, or 5.3%, increase from the prior year. In addition, the State will provide \$38.1 million in funding for teacher retirement payments.
- On a per pupil basis, Harford County will receive \$9,552 in State funding: \$8,521 per pupil in direct aid; and \$1,031 per pupil for teacher retirement payments.
- Harford County will receive a 5.2% increase in per pupil direct aid in fiscal 2025. This exceeds the statewide average increase of 3.2%. Harford County ranks fourth in the amount of per pupil direct aid increase.

## **Blueprint and Targeted Funding**

- Harford County will receive \$14.0 million in State funding under the Blueprint Initiatives in fiscal 2025. This includes \$1.2 million for supplemental instruction, \$8.0 million in concentration of poverty grants, \$3.7 million for full-day prekindergarten, and \$0.6 million for college and career programs.

- A considerable amount of State education funding is based on targeted student populations, with Harford County receiving \$88.7 million in targeted grants under the compensatory aid, English Language Learners (ELL), and special education programs. Of these three programs, Harford County receives \$55.9 million in compensatory aid funding and \$27.7 million in special education funding. Due to the relatively low number of ELL students, Harford County Public School System receives around \$5.1 million in ELL grant.

## **Student Enrollment**

- The full-time equivalent student (FTES) enrollment count increases by 0.1% in Harford County, which is similar to the statewide average increase (0.1%). Currently, the county school system has around 37,000 public school students, which accounts for approximately 4.3% of students statewide.
- The number of students approved for free and reduced-priced meals (FRPM) increases by 7.9% in Harford County, which exceeds the statewide average increase of 1.3%. This increase is the fifth highest in the State. Harford County currently has the seventh lowest percentage of students approved for FRPM at 40.6% 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.
- Harford County has the eight lowest percentage of students identified as ELL at 2.9% of total student enrollment. In fiscal 2025, the number of ELL students increases by 10.8%, resulting in 104 additional students requiring language services. Harford County has the tenth highest enrollment increases for ELL students.
- Harford County has an above average share of students receiving special education services and is ranked fourth in the share of students receiving special education in the State. In fiscal 2025, the number of students receiving special education services accounts for 16.5% of total enrollment, compared to the statewide average of 13.9%.
- Harford County has the seventh lowest targeted student index in the State at 60.0%. 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%.
- The targeted student index in Harford County is primarily comprised of students approved for FRPM and special education services. The county has a relatively low share of students receiving English language services.
- Statewide, public-school enrollment represents 13.9% of the total State population. In Harford County, public school enrollment represents 14.0% of the overall county population (the ninth highest share in the State). 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 -- HARFORD COUNTY**

	<u>FY 2024</u>	<u>FY 2025</u>	<u>\$ Difference</u>	<u>% Difference</u>
<b>Direct Aid</b>				
Foundation Aid	\$177,399,830	\$179,737,887	\$2,338,057	1.3
Comparable Wage Index	6,345,592	6,429,224	83,632	1.3
Compensatory Aid	51,455,501	55,931,800	4,476,299	8.7
Student Transportation - Regular	15,606,892	15,777,039	170,147	1.1
Student Transportation - Special Education	1,059,000	1,096,000	37,000	3.5
Special Education - Formula	23,662,530	27,692,183	4,029,653	17.0
Special Education - Nonpublic Placements	6,088,786	6,088,786	0	0.0
Special Education - Infants and Toddlers	510,557	547,428	36,871	7.2
English Language Learners Grant	4,394,696	5,064,046	669,350	15.2
Teacher Development Grants	4,000	4,000	0	0.0
Food Service	520,595	698,655	178,060	34.2
Innovative Programs	25,432	25,432	0	0.0
Out-of-County Placements	130,188	130,188	0	0.0
Judy Hoyer Centers	660,000	660,000	0	0.0
Prekindergarten Expansion Program	970,000	970,000	0	0.0
Blueprint - Concentration of Poverty	3,957,841	7,954,379	3,996,538	101.0
Blueprint - Transitional Supplemental Instructor	1,808,700	1,200,925	-607,775	-33.6
Blueprint - Full Day PreKindergarten	2,530,762	3,691,872	1,161,110	45.9
Blueprint - College and Career Readiness	1,214,156	641,295	-572,861	-47.2
Blueprint - Career Ladder	607,476	530,877	-76,599	-12.6
Blueprint - Coordinators	88,520	0	-88,520	-100.0
<b>Education</b>	<b>\$299,041,054</b>	<b>\$314,872,016</b>	<b>\$15,830,962</b>	<b>5.3</b>
Library Formula	2,121,051	2,179,428	58,377	2.8
<b>Libraries</b>	<b>\$2,121,051</b>	<b>\$2,179,428</b>	<b>\$58,377</b>	<b>2.8</b>
Community College Formula	18,477,775	17,582,140	-895,635	-4.8
Grants for ESOL Programs	20,774	24,463	3,689	17.8
Optional Retirement	818,583	813,093	-5,490	-0.7
<b>Community Colleges</b>	<b>\$19,317,132</b>	<b>\$18,419,696</b>	<b>-\$897,436</b>	<b>-4.6</b>
Local Health Formula	5,937,137	6,387,072	449,935	7.6
<b>Health</b>	<b>\$5,937,137</b>	<b>\$6,387,072</b>	<b>\$449,935</b>	<b>7.6</b>
Highway User Revenue	6,403,173	7,549,493	1,146,320	17.9
Elderly & Disabled Transportation Grants	170,371	175,721	5,350	3.1
<b>Transportation</b>	<b>\$6,573,544</b>	<b>\$7,725,214</b>	<b>\$1,151,670</b>	<b>17.5</b>
Police Aid	2,906,291	2,895,372	-10,919	-0.4
Fire and Rescue Aid	565,274	565,274	0	0.0

**STATE AID TO LOCAL GOVERNMENTS -- HARFORD COUNTY**

	<u>FY 2024</u>	<u>FY 2025</u>	<u>\$ Difference</u>	<u>% Difference</u>
<b>Direct Aid</b>				
Police Aid Enhancement	987,756	1,211,801	224,045	22.7
<b>Public Safety</b>	<b>\$4,459,321</b>	<b>\$4,672,447</b>	<b>\$213,126</b>	<b>4.8</b>
<b>Total Direct Aid</b>	<b>\$337,449,239</b>	<b>\$354,255,873</b>	<b>\$16,806,634</b>	<b>5.0</b>
<b>Payments in Behalf</b>				
Retirement - Teachers	\$28,755,267	\$38,103,152	\$9,347,885	32.5
Retirement - Libraries	1,323,101	1,606,903	283,802	21.4
Retirement - Community College	2,283,399	2,760,766	477,367	20.9
<b>Total Payments in Behalf</b>	<b>\$32,361,767</b>	<b>\$42,470,821</b>	<b>\$10,109,054</b>	<b>31.2</b>
<b>Total State Aid</b>	<b>\$369,811,006</b>	<b>\$396,726,694</b>	<b>\$26,915,688</b>	<b>7.3</b>