
R00A03

MSDE Funding for Educational Organizations

Maryland State Department of Education

Response to the Analyst's Review and Recommendations

Senate Education, Business & Administration Subcommittee –

February 24, 2025

House Education & Economic Development Subcommittee –

February 26, 2025



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State Superintendent of Schools

The Maryland State Department of Education (MSDE) welcomes this opportunity to share with the Committee some of its success stories and to address questions raised by the analyst.

Representatives from the School for the Blind will present their response to the Analysis.

Fiscal 2025

Implementation of Legislative Priorities

Aid to Non-Public Schools Program

Based on awards allocated to date, the Department of Legislative Services (DLS) recommends reducing \$1.7 million in special funds for this program in fiscal 2025.

Considering the fiscal outlook of the State and the relatively new implementation of this program, DLS recommends deleting the \$2.5 million special fund allowance for the NSHS program in fiscal 2026. The savings from the reductions to fiscal 2025 and 2026 appropriations can be recycled to support Medicaid costs, allowing a general fund reduction of \$4.2 million.

MSDE Response

MSDE supports the Governor's Allowance.

Issues

1. BOOST

DLS recommends that language from the fiscal 2025 Budget Bill be restored regarding awards for special education students and a report on the BOOST Program. MSDE should comment on:

- why special education awards did not meet the \$700,000 legislative directive;
- why no students declined awards; and
- the efforts of BOOST schools to close the gap between BOOST and non-BOOST students on standardized assessments.

MSDE Response

MSDE concurs.

Operating Budget Recommended Actions

2. *Add the following language to the special fund appropriation:*

Amount
Change

-\$ 1,969,251 GF

(1) \$1,700,000 in special funds is reduced from the fiscal 2025 appropriation for program R00A03.04 Aid to Non-Public Schools within Funding for Educational Organizations within the Maryland State Department of Education that was made for the purpose of the Non-Public School Health and Security program.

Explanation: *This action reduces the fiscal 2025 special fund appropriation from the Cigarette Restitution Fund for the Non-Public School Health and Security program within the Aid to Non-Public Schools program in the Funding for Educational Organizations budget to more closely align with actual spending.*

MSDE Response

MSDE concurs with the Governor's Allowance.

3. *Eliminate the Cigarette Restitution Fund special fund appropriation for the Non-Public School Health and Security Program. The savings can be recycled to fund Medicaid reducing general fund spending on that program.*

Amount
Change

-\$ 2,500,000 SF

MSDE Response

MSDE supports the Governor's Allowance.

4. *Add the following language to the special fund appropriation:*

Further provided that \$617,522 of this appropriation shall be used only to provide an additional award for each student with special needs that is at least equal in amount to the Broadening Options and Opportunities for Students Today (BOOST) Program scholarship award that a student is awarded in accordance with paragraph (6) above.

Further provided that the Maryland State Department of Education (MSDE) shall submit a report to the budget committees by January 15, 2026, that includes the following:

(1) the number of students receiving BOOST Program scholarships;

- (2) the amount of the BOOST Program scholarships received;
- (3) the number of certified and noncertified teachers in core subject areas for each nonpublic school participating in the BOOST Program;
- (4) the assessments being administered by nonpublic schools participating in the BOOST Program and the results of these assessments. MSDE shall report the assessment results reported by nonpublic schools to the budget committees in an aggregate manner that does not violate student data privacy;
- (5) in the aggregate, for each BOOST Program scholarship awarded (a) the nonpublic school and grade level attended by the student; (b) the school attended in the 2024-2025 school year by the student; and (c) if the student attended the same nonpublic school in the 2024-2025 school year, whether, what type, and how much nonpublic scholarship aid the student received in the 2024-2025 school year and will receive in the 2025-2026 school year;
- (6) the average household income of students receiving BOOST Program scholarships;
- (7) the racial breakdown of students receiving BOOST Program scholarships;
- (8) the number of students designated as English language learners receiving BOOST Program scholarships;
- (9) the number of special education students receiving BOOST Program scholarships;
- (10) the county in which students receiving BOOST Program scholarships reside;
- (11) the number of students who were offered BOOST Program scholarships but declined them as well as their reasons for declining the scholarships and the breakdown of students attending public and nonpublic schools for students who declined scholarships;
- (12) the number of students who received BOOST Program scholarships for the 2024-2025 school year who are attending public school for the 2025-2026 school year as well as their reasons for returning to public schools; and
- (13) the number of students who received BOOST Program scholarships for the 2024-2025 school year who withdrew or were expelled from the nonpublic schools they were attending and the reasons for which they withdrew or were expelled; the schools they withdrew or were expelled from; and the length of time students receiving BOOST Program scholarships were enrolled at a nonpublic school before withdrawing or being expelled.

Information Request	Author	Due Date
BOOST Program Participation	MSDE	January 15, 2026

MSDE Response

MSDE concurs.