

---

R00A02

MSDE Aid to Education

---

Maryland State Department of Education

Response to the Analyst's Review and Recommendations

House Education & Economic Development Subcommittee –

February 25, 2026

Senate Education, Business & Administration Subcommittee –

February 27, 2026



Carey M. Wright, Ed.D.  
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.

### **Performance Analysis: Managing for Results**

#### **4. Demographic Gaps in Test Scores Persist**

**The Department of Legislative Services (DLS) recommends adopting committee narrative requesting a report on MCAP scores and LEA progress on remediation of COVID-19-related learning loss.**

**MSDE response:**

MSDE Concur.

#### **Fiscal 2026**

##### **Transfers from Aid to Education to Headquarters**

**DLS is concerned that MSDE is diverting savings from some programs providing services to children including mandated aid programs to expand administrative spending in the headquarters budget. This practice is detrimental to legislative oversight of the budget. MSDE should comment on the use of realignments to address shortfalls in the MSDE Headquarters budget.**

**MSDE response:**

The realignments from the Aid to Education budget to the Headquarters budget in the FY 2026 working budget amendment are necessary due to the administrative nature of the activities; these are not grant programs. MSDE believes these programs were incorrectly located in the Aid to Education budget in prior years and is correcting this in the fiscal 2026 Working Amendment.

In the fiscal 2025 closing amendment, MSDE needed to realign available funds in order to close the fiscal year. MSDE realigned available funds from programs that were over funded or under-utilized. At no time did MSDE divert program funds allocated to children to another purpose in the Department's budget.

**DLS recommends deleting funds in the fiscal 2027 budget for the Yleana Leadership Foundation. Additionally, DLS recommends reducing the appropriations for the Healthy Families Initiative, the Adult High School Pilot Program, the Student Field Trip Fund, and the Leading Men Fellowship to a level consistent with prior years and actual spending.**

**MSDE response:**

MSDE concurs with the recommendation regarding the Yleana Leadership Foundation. MSDE respectfully disagrees with recommended cuts to the Healthy Families, Adult High School Pilot, the Student Field Trip and the Leading Men Fellowship programs. The fiscal 2025 actual expenditures for the Healthy Families Program did not include \$1.4 million in encumbrances or obligations for the

program. As a result, the program spent all but \$23k. The Adult High School Pilot program has used all of its fiscal 2026 appropriation and plans to expand the program in future years. The Student Field Trip program was first funded in fiscal 2025. While slow to get off the ground, the program has obligated or spent most of the fiscal 2026 appropriation. Lastly, the Leading Men Fellowship program plays critical roles in diversifying the teacher workforce by cultivating classroom teachers from within the community and strengthens engagement and achievement through early literacy support in predominately black school districts.

All of these programs support children and families in the State; some are direct support, and others provide experiential learning opportunities. Therefore, MSDE respectfully disagrees with the recommendation to reduce funding for these four programs.

### **Fiscal 2027**

#### ***Budget Reconciliation and Financing Act***

**Consistent with recommendations appearing in those programs, DLS recommends shifting 100% of the fiscal 2027 increase (\$72.4 million) to the State share of teacher retirement costs to local jurisdictions.**

#### **MSDE response:**

MSDE supports the Governor's Allowance.

#### ***Academic Excellence Fund***

**Because the Aid to Education budget is solely meant for the distribution of grants and does not include the administrative expenses of other grant programs, DLS recommends adding language requiring the general fund appropriation for the administration of the Academic Excellence Fund to be transferred to the MSDE Headquarters budget.**

#### **MSDE response:**

MSDE concurs. The rationale for shifting this program to the Headquarters budget is the same rationale MSDE used to realign programs from the Aid to Education budget to the Headquarters budget in its fiscal 2026 working amendment.

#### ***Local Share and Maintenance of Effort***

**MSDE should discuss issues with calculating local MOE, inconsistencies with communicating Blueprint Coordinator cost shares, and its current calculation process for determining local effort. MSDE should further discuss guidance provided to counties with respect to recent local effort developments and whether MSDE will consider updating its local effort certification forms in order to minimize future uncertainty regarding the local effort requirement.**

#### **MSDE response:**

With the introduction of mandated Blueprint Coordinator funding in FY 2026, the statute clearly

mandated a State and local contribution. However, this program was not included in the definition of Major Education Aid in §2-205 of the Education Article. Additionally, the mandate was not incorporated into the required local appropriation calculation defined in §5-235 of the Education Article. Due to the lack of clarity, MSDE did not require LEAs to add the local share of Blueprint Coordinator funding to the greater-of amount for FY 2026. However, MSDE clearly communicated the calculated local share for Blueprint Coordinator funding in State Aid data transmitted to LEAs. For FY 2027, the local share for Blueprint Coordinator funding is included in the required local share.

After the conclusion of the 2025 Legislative Session, MABE and PSSAM raised concerns regarding the responsible party for the local share of private prekindergarten. In August 2024, this issue was resolved, and County Governments are the responsible party. As a result, for fiscal 2026 forward, the local share for private prekindergarten was not included in the required local share for Blueprint programs. However, for fiscal 2025, the required local share did include private prekindergarten funding. It is also important to note that the budget is based on the number of slots awarded to private providers, but the payments are based on the actual number of students served.

In fall 2025, MACO raised concerns about the potential for double counting the cost for private prekindergarten in the Maintenance of Effort (MOE) calculations. MSDE reviewed the concern and determined that MACO was correct; there was potential for double counting this funding. In November 2025, the LEAs requested additional review noting that the MOE calculation includes only students in grades K-12 and not prekindergarten students. Therefore, the funding for these students is not included in the MOE calculations.

In January 2026, MSDE, after consulting with DLS, conducted a deeper analysis of the fiscal 2025 Maintenance of Effort calculations including the required total local share. MSDE's conclusion is that both the Counties and the LEAs are correct. For some LEAs, the Local Share did not include funding for private prekindergarten. Those LEAs that were invoiced for private prekindergarten should have the MOE Calculation adjusted. For two LEAs, the funding exceeded the required amount, and as a result, the fiscal 2026 invoice to the two Counties for private prekindergarten will be reduced by the amount overpaid. Lastly, for the remaining LEAs, the Local Share included funding for private prekindergarten and as such, the MOE calculation should be revised. The fiscal 2027 MOE calculations will include program shifts to account for the funding overstated to the Counties and understated to the LEAs. MSDE believes this action will resolve this issue permanently.

## **Proposed Blueprint Revisions**

### ***FRPM Counts***

**MSDE should comment on whether a one-year extension of the “greater of” methodology for counting FRPM students just delays by a year substantial reductions in the counts of those students or if there will be actions taken before the next enrollments counts that are expected to increase the direct certification and FRPM eligibility counts at CEP schools.**

### **MSDE response:**

MSDE does not believe that its efforts, while helpful to the LEAs, will increase the number of students directly certified as eligible for Free or Reduced Price Meals (FRPM). Calculating the Compensatory

Education program funding based solely on students directly certified and families providing meal benefit forms risks undercounting the actual number of students in poverty.

MSDE provides technical assistance to LEAs regarding eligibility for school meals and the Community Eligibility Program (CEP) each year. LEAs utilize the State's Maryland Direct Certification System (MDCS) to identify students as directly certified eligible for school meals.

MSDE believes the declining participation in federal assistance programs that enable children to be directly certified as eligible for FRPM as well as the federal changes to the SNAP program included in the One Big Beautiful Bill passed in summer 2025 will have lasting impact on the State's ability to identify students in poverty. As noted above, LEAs use the MDCS System to interface with DHS and MDH to match students with program enrollment data. LEAs conduct this match process at least three times per year.

Many districts and schools in Maryland participate in the CEP which enables districts and schools with at least 20% of students eligible for FRPM to provide meals to all students, regardless of the family's income. The USDA reimburses districts at free or paid meal rates based on the CEP percentage in the school. The CEP percentage is calculated as the number of students directly certified by 1.6. Participation in CEP is a great benefit to students receiving nutritious meals but removes a student-level identifier of poverty since districts and schools can no longer collect a meal benefit form from families at CEP schools.

**DLS recommends adopting committee narrative requesting a report on FRPM, CCR, and NBC teacher enrollment and counts.**

**MSDE response:**

MSDE concurs.

## **Issues**

### **1. MSDE Misrepresented Status of AW Program**

**MSDE should comment on why it did not report the fiscal 2025 shortfall to the Comptroller's Office at closeout as required and changes to processes to ensure shortfalls are properly reported moving forward.**

**MSDE response:**

MSDE receives four invoices per year from MDH for the Autism Waiver program, however the first is from the prior year and the remaining three are from the current year. MSDE consulted with DBM and DBM instructed MSDE to use remaining fiscal 2025 funds and then fiscal 2026 funds to pay the balance of the fiscal 2025 Q4 invoice. Because the invoice was not received until late summer, MSDE was not able to report a fiscal 2025 shortfall to the Comptroller's Office at closeout. Since the final fiscal 2025 invoice was treated as a FY 2026 liability, notification to the Comptroller's Office was not required.

**MSDE should comment on why it did not notify the General Assembly prior to the November 2025 report that enrollment was frozen and it was seeking to decrease slots and implement cost containment measures. MSDE should discuss how the agency determined the cost containment measures undertaken and the outreach being undertaken to notify participants of these measures. In addition, DLS recommends adopting committee narrative requesting an update on this program including a timeline for the end of the enrollment freeze.**

**MSDE response:**

MSDE consulted DBM and the Governor’s Office regarding the programs cost overruns in fall 2024. The fiscal 2026 budget analysis requested information on the number of slots that would be served in fiscal 2026. MSDE indicated then that it would serve 1,914 slots and backfill as participants left the program. Due to the continued increasing costs, MSDE felt it was prudent to hold slots vacant while it worked with the Governor’s Office and DBM to determine options for controlling costs for this program. MSDE has implemented cost saving options that do not require an amendment to the Autism Waiver through MDH and the Centers for Medicaid and Medicare. MSDE continues to work with DBM and the Governor’s Office and MDH on amendments to the Autism Waiver that will bring the program more in line with the annual appropriation.

**2. Special Education Enrollment Continues to Diverge from Kirwan Commission Assumptions**

**Thus, DLS recommends adding a provision to the BRFA to reduce the expected growth rates for fiscal 2027 through 2030 to 5% annually. DLS also recommends a reduction of \$58,460,253 that is contingent on the enactment of a provision changing the per pupil funding level.**

**MSDE response:**

House Bill 504/Chapter 237 from the 2025 Session requires MSDE to contract for a comprehensive special education adequacy study, with a report of findings and recommendations due by December 15, 2026. This study will evaluate special education funding levels, nonpublic placement costs, and cost-sharing formulas. A vendor has been selected, and the work is underway.

An internal review of Special Education funding for fiscal years 2022-2024, comparing total Special Education expenditures and State and local revenue reveals LEAs are spending on average \$800 million or 30% more, including Nonpublic Placements than the State and Local revenue mandated by the current Special Education funding formula. When accounting for federal revenue, LEAs still spent nearly \$600 million or 28% more than their total special education revenue.

For these reasons, MSDE respectfully requests the General Assembly to delay any changes to the Special Education funding formula until after the completion of the mandated study.

**3. Chronic Absenteeism Rates Decrease, but May Miss Target for 2025-2026 School Year**

**MSDE should discuss efforts to reduce chronic absenteeism rates and initiatives designed to address chronic absenteeism among the student groups with the highest rates.**

**MSDE response:**

MSDE acknowledges that chronic absenteeism has decreased since the 2021-2022 peak but remains substantially above pre-pandemic levels and may not meet the 15.0% target for the 2025-2026 school year. MSDE's strategy is built on (1) a statewide attendance systems framework, (2) consistent progress monitoring using monthly data collection and public reporting, and (3) targeted implementation supports through Community Schools and aligned state and federal funding streams that serve the student groups with the highest chronic absenteeism.

Addressing chronic absenteeism is part of the Strategic Plan Alignment: Pillar 4: More Resources for Student Success. The Goal: Every student is matched with the resources they need to succeed is specified in Outcome: 4.A Decrease the rate of chronic absenteeism.

### *Statewide Attendance Strategy*

MSDE's statewide attendance strategy focuses on strengthening district and school capacity to prevent and reduce chronic absenteeism through coordinated systems-building. Rather than relying on one-time interventions, MSDE emphasizes continuous improvement structures that integrate data use, professional learning, family engagement, and cross-sector partnerships into routine district and school operations.

### *Partnership with Attendance Works*

As part of this strategy, MSDE partners with Attendance Works, a nationally recognized organization, to support LEAs in implementing evidence-based attendance practices. This partnership focuses on strengthening district and school attendance teams, improving the use of actionable data to identify early warning signs, and supporting the implementation of tiered attendance interventions aligned to multi-tiered systems of support (MTSS).

### *Attendance Task Force*

MSDE convenes the Task Force to Improve Attendance and Reduce Chronic Absenteeism in Schools pursuant to 2025 Md. Laws, ch. 243, signed by Governor Wes Moore in May 2025. The statute directs MSDE to examine statewide attendance trends and root causes, review national and local best practices, set a statewide goal for reducing chronic absenteeism, and develop and distribute guidance and tools to support LEAs in improving attendance.

### *Statewide Webinars*

To support implementation at scale, MSDE provides statewide webinars designed to build LEA- and school-level capacity to operationalize evidence-based attendance strategies. These sessions focus on translating systems-building concepts into practice, including the use of data to drive decision-making, strengthening family engagement approaches, and building strategic partnerships to reduce barriers to attendance. Webinars also elevate implementation examples to support peer learning across districts while maintaining a consistent statewide framework.

### *Statewide Toolkits*

MSDE has also developed a suite of statewide attendance toolkits, including the Welcome Back to School Toolkit, the Spring Attendance Action Toolkit, and the Year-Round Attendance Implementation Toolkit. These resources provide LEA and school teams with structured guidance for establishing attendance systems, identifying attendance barriers, and selecting and implementing interventions aligned to the underlying causes of absenteeism. The toolkits are designed to support sustained

implementation across the full school year rather than episodic attendance campaigns.

### *Monthly LEA At-Risk for Chronic Absenteeism Data Collection*

In addition to implementation supports, MSDE collects monthly LEA data on students at risk for chronic absenteeism and [publicly posts these data](#) on the MSDE website. This [monthly data collection](#) shifts attendance monitoring from a retrospective, end-of-year activity to an on-going prevention-oriented practice. The data are used to identify emerging risk patterns during the school year, inform technical assistance and statewide supports, and reinforce continuous improvement cycles at the LEA level.

### *Systems-Building Approach*

MSDE has adopted a systems-building approach to attendance improvement, recognizing that chronic absenteeism is driven by multiple, interrelated factors that require coordinated action across schools, districts, families, community partners, and state agencies. Rather than relying on isolated interventions, MSDE's strategy is designed to embed attendance improvement into routine district and school operations through six key ingredients that guide implementation and continuous improvement. These ingredients include strengthening the use of actionable data so LEAs can identify students at risk early and monitor progress throughout the school year; building capacity among district and school teams through professional learning, tools, and technical assistance to implement evidence-based attendance practices; and promoting positive engagement strategies that strengthen relationships with students and families and address barriers through supportive, nonpunitive approaches. The strategy also emphasizes ensuring adequate and equitable resources to address root causes of absenteeism; developing strategic partnerships with community-based organizations and public agencies to extend supports beyond the school day; and reinforcing shared responsibility for attendance across schools, families, communities, and state partners.

### *Community Schools as Primary Strategy for Reducing Chronic Absenteeism*

MSDE explicitly leverages Community Schools as a primary delivery mechanism to reduce chronic absenteeism because the student groups with the highest rates of chronic absenteeism often require coordinated, wraparound supports. Community Schools are structured to deliver those supports by integrating academics, health, mental health, family engagement, and community partnerships.

MSDE, in collaboration with the National Center for Community Schools, facilitates a Community of Practice with Community School Coordinators that focuses on reducing chronic absenteeism. The Community of Practice supports implementation of attendance strategies within the Community Schools framework and reinforces consistent use of evidence-based practices across participating LEAs.

Community Schools use the statewide attendance systems-building framework and key ingredients to address student attendance from a school-based lens.

Based on annual reporting from Community Schools during the 2024-2025 school year, the most commonly implemented strategies from the [Attendance Playbook: Smart Strategies for Reducing Student Absenteeism Post-Pandemic](#), included the following:

- Engaging Families (98%)

A large majority of Community Schools implemented family engagement strategies to highlight the importance of regular attendance. These strategies included personalized outreach (calls and letters),

grade-specific workshops, and multiple forms of communication such as text messages, email, and families' preferred communication methods.

- Early Warning Systems (95.4%)

School teams established regular structures for reviewing attendance data, examining root causes of absenteeism, identifying solutions, implementing tiered interventions, and monitoring progress.

Data systems were used to provide timely information to both school- and district-level teams to support coordinated service delivery.

- Regular Incentives (75.9%)

Schools implemented attendance campaigns and initiatives informed by student input to promote and reinforce regular attendance. Celebrations and recognition activities were designed to include both students and families, reinforcing shared responsibility for daily attendance.

These strategies are implemented through existing statewide frameworks and supports that prioritize students experiencing the highest barriers to regular attendance.

#### **4. \$68 Million in Fiscal 2020-2022 Federal Stimulus Funds for LEAs Remain Unspent**

**DLS recommends adding language restricting \$50,000 in general funds for Montgomery County Public Schools until the late reports are submitted. DLS also recommends committee narrative requiring all jurisdictions with remaining balances to submit a final closeout report on COVID-19. The jurisdictions that are exempt are as follows: Allegany County; Anne Arundel County; Frederick County; St. Mary's County; and Worcester County.**

#### **MSDE response:**

MSDE will follow the guidance of the General Assembly.

#### **Operating Budget Recommended Actions**

	<b>Amount Change</b>
1. Delete the appropriation for a grant to the Yleana Leadership Foundation, which is no longer in operation	-\$70,000 GF
2. Reduce Adult High School Pilot Program general funds to the level of actual expenditures. In fiscal 2025, the program only had two eligible applicants.	-\$750,000 GF
3. Reduce Student Field Trip Fund general funds to the level of actual expenditures. Local education agencies requested reimbursement for \$376,716 in fiscal 2025.	-\$100,000 GF
4. Reduce Leading Men Fellowship general funds to the level appropriated in the three prior fiscal years.	-\$100,000 GF
5. Reduce general funds for the Healthy Families Initiative to align the appropriation with actual expenditures. In fiscal 2025, the program expended	-\$1,000,000 GF

\$3,151,540.

**MSDE response:**

MSDE concurs with reduction to the Yleana Foundation and respectfully disagrees with the recommended reductions for the Healthy Families, Adult High School Pilot, Student Field Trip, and the Leading Men Fellowship programs for the reasons stated earlier in this response.

**6. Amend the following language: , provided that this appropriation shall be reduced by \$72,432,355 contingent upon the enactment of legislation reducing the State share of K–12 teacher retirement costs.**

**Explanation:** This action increases the general fund reduction for K-12 Teacher Retirement contingent on the enactment of legislation that reduces the State share of annual employer pension contributions for members of the Teachers’ Retirement System/Teachers’ Pension System employed by local education agencies.

**MSDE response:**

MSDE supports the Governor’s Allowance.

**7. Add the following language on the general fund appropriation: , provided that \$50,000 of this appropriation made for the purpose of education State aid for the Montgomery County Public Schools in the Aid to Education budget may not be expended until the local education agency submits a report to the budget committees containing information regarding COVID-19 federal stimulus fund expenditures. The report shall include:**

**(2) the county board’s use of federal funding to address the effects of the COVID-19 pandemic on education; and**

**(3) State funding received to implement the Blueprint for Maryland’s Future Program, including a description of the amount of funding spent on student instruction.**

**Additionally, as part of this submission, Montgomery County should review previous reports for this purpose and document corrections.**

**The report shall be submitted by July 1, 2026, and the budget committees shall have 45 days from the date of the receipt of the reports to review and comment. Funds restricted pending the receipt of reports may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.**

**Explanation:** In fiscal 2021, 2022, and 2023, local education agencies (LEA) received a total of \$256.6 million as authorized in the RELIEF Act (Chapter 39 of 2021) and allocated in the fiscal 2022 Budget Bill (Chapter 357 of 2021) for tutoring, behavioral health, summer school, school reopening, and

transitional supplemental instruction. Because LEAs reported still carrying COVID-19 federal stimulus fund balances in calendar 2024, committee narrative in the 2025 Joint Chairmen’s Report requested LEAs submit a final closeout report on expenditures. Montgomery County was the only LEA to not submit the requested information. This language restricts a portion of the aid to Montgomery County Public Schools pending submission of the overdue report.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Report on Montgomery County’s Covid-19 Federal Stimulus Fund Expenditures	Montgomery County Public Schools	July 1, 2026

**MSDE response:**

MSDE will follow the guidance of the General Assembly

**8. Add the following language on the general fund appropriation: , provided that this appropriation made for the purpose of the special education funding formula shall be reduced by \$58,460,253 contingent on the enactment of legislation to reduce the per pupil rate for the special education funding formula.**

**Explanation:** The mandated growth in per pupil special education funding was based on an assumption that early interventions would reduce the overall number of students enrolled in special education later on. The growing per pupil funding levels would reflect a shrinking but higher-need population of students. This assumption has not come to fruition, yet the mandated growth in per pupil funding has not been adjusted. This action reduces funding for special education funding formula contingent on the enactment of legislation that reduces the per pupil funding in the special education funding formula.

**MSDE response:**

MSDE appreciates the Analyst’s recommendation, and respectfully suggests this issue be addressed after the completion of the mandated Special Education Study in December 2026.

**9. Add the following language on the general fund appropriation:**

**, provided that \$9,261,250 of this appropriation made for the purpose of administrative expenses for the Academic Excellence Fund, R00A02.60, may not be expended for that purpose but instead may be transferred by budget amendment to program R00A01.03 Office of Teaching and Learning to be used only for administrative expenses for the Academic Excellence Fund. Funds not expended for this restricted purpose may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund.**

**Explanation:** This language requires the transfer of the administrative appropriation for the Academic Excellence Fund from the Maryland State Department of Education’s Aid to Education budget to the Office of Teaching and Learning in the Headquarters budget. Academic Excellence Fund grants will remain in the Aid to Education budget.

**MSDE response:**

MSDE concurs.

10. Adopt the following narrative:

**Final Reports on Local Education Agency (LEA) COVID-19 Federal Stimulus Fund**

**Expenditures:** In fiscal 2021, 2022, and 2023, LEAs received a total of \$256.6 million as authorized in the RELIEF Act (Chapter 39 of 2021) and allocated in the fiscal 2022 Budget Bill (Chapter 357 of 2021) for tutoring, behavioral health, summer school, school reopening, and transitional supplemental instruction. As part of mandated reporting in Chapter 55 of 2021, the Blueprint for Maryland’s Future Program – Revisions, LEAs were required to report on expenditures of these funds to the General Assembly and the Accountability and Implementation Board through calendar 2023. However, as of December 2025, multiple LEAs still report carrying federal stimulus fund balances. Therefore, the committees request that the LEAs with remaining balances submit a final closeout report by October 1, 2026, consistent with the requirements of the previously mandated report on COVID-19 federal stimulus fund expenditures, which requested the following information: (1) the county board’s use of federal funding to address the effects of the COVID-19 pandemic on education; and (2) State funding received to implement the Blueprint for Maryland’s Future Program, including a description of the amount of funding spent on student instruction. Additionally, as part of this submission, LEAs should review previous reports for this purpose and document corrections in this final report. The jurisdictions that have expended all federal stimulus funds and are therefore exempt are as follows: Allegany County; Anne Arundel County; Frederick County; St. Mary’s County; and Worcester County.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Reports on LEA COVID-19 expenditures	LEAs	October 1, 2026

**MSDE response:**

MSDE will follow the guidance from the General Assembly.

11. Adopt the following narrative:

**Report on the Maryland Comprehensive Assessment Program (MCAP):** The committees remain interested in tracking the costs for MCAP assessment development and implementation. The committees request by October 1, 2026, that the Maryland State Department of Education (MSDE) submit a report on MCAP, which should include, but is not limited to:

- a timetable for MCAP administration for all assessments for the 2026-2027 and 2027-2028 school years, including field testing and pilots for new assessments;
- details on MCAP measurement of student learning loss in the 2026-2027 school year by local education agency (LEA), subject area, grade level, and assessment, as well as additional steps taken, if any, by MSDE at the State level to measure student learning loss;
- details on MCAP administration in the 2026-2027 and 2027-2028 school years by LEA, program, grade level, and assessment, including alternative assessments and the Kindergarten Readiness Assessment;

- anticipated changes, if any, to assessments for virtual school students in the 2026-2027 and 2027-2028 school years;
- expenditures in fiscal 2026 and 2027, and anticipated allowances for fiscal 2028, for each MCAP assessment, assessments under development, and administration, including contractual expenditures by vendor;
- a discussion of reasons for increased costs relative to budgeted expenses for MCAP assessments and how MSDE is working to improve its forecasting of these costs beginning with the fiscal 2028 budget submission;
- information pertaining to any formal review of MCAP assessments and standards in calendar 2027 and 2028 by MSDE, by curriculum and assessment, including any anticipated changes to MCAP assessments as a result of that review and the projected costs of those changes; and
- alignment of MCAP goals and outcomes with Blueprint for Maryland’s Future outcome measures.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Report on MCAP	MSDE	October 1, 2026

**MSDE response:**  
MSDE concurs.

12. Adopt the following narrative:

**Report on Enrollment and Counts for Blueprint for Maryland’s Future Programs:** The committees request a report by October 1, 2026, on Maryland State Department of Education (MSDE) enrollment collection procedures for free and reduced-price meal (FRPM) students; the count of national board certification (NBC) eligible teachers in the career ladder program; and student counts for the college and career readiness (CCR) program.

For FRPM student enrollment, this report should include data by local education agency (LEA) and school for the Community Eligibility Provision (CEP), including the percentage of FRPM students in the fiscal year prior to entry into CEP; and greater than comparisons by LEA and school used to calculate compensatory education enrollment.

For NBC teachers counts, the report should include the following data by LEA and school-type (either low-performing and non-low-performing) if applicable:

- count of teachers eligible for a fiscal 2026 award and their year of NBC attainment;
- count of teachers who attempted NBC but did not attain it in either school year 2024-2025 or 2025-2026;

- count of teachers attempting NBC in school year 2026-2027; and
- steps taken by MSDE and LEAs to encourage NBC teachers to move to low-performing schools.

For CCR student counts, this report and data should include projected CCR counts and funding from fiscal 2028 through 2031 based on expanded CCR standard.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Report on enrollment and counts for Blueprint for Maryland’s Future programs	MSDE	October 1, 2026

**MSDE response:**

MSDE concurs.

13. Adopt the following narrative:

**Report on the Autism Waiver Program:** The committees request a report by October 1, 2026, on the Autism Waiver (AW) program, which is managed by the Maryland State Department of Education (MSDE). This status update should provide information on the following:

- the current number of individuals on the AW waitlist;
- the number of slots utilized in fiscal 2023 through 2026;
- the number of slots in use in fiscal 2027;
- the average cost per slot in fiscal 2023 through 2026 and forecasted for fiscal 2027 through 2032;
- a timeline for unfreezing enrollment and increasing utilized slots to the target level;
- MSDE’s strategy for managing high program costs, including specific cost containment measures implemented and anticipated savings from these measures; and
- projected costs for AW services through fiscal 2032 by year based on the timeline for increasing utilized slots.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Report on the AW program	MSDE	October 1, 2026

**MSDE response:**

MSDE concurs.

14. Adopt the following narrative:

**Report on the Nonpublic Placement Program:** The committees request a report on costs for the Nonpublic Placement program; implementation of nonpublic school special education teacher pay parity related to the Teacher Pay Parity Act (Chapter 648 of 2023); and actions taken by the Maryland State Department of Education (MSDE) to implement this program. The committees request that MSDE submit a report by October 1, 2026, including (1) program closeout data for fiscal 2026 by provider, including annual reimbursement costs and any costs that could not be covered within the fiscal 2026 appropriation; (2) actions taken in calendar 2026 and 2027 to implement Chapter 648; and (3) planned actions related to implementation of Chapter 648 and efforts to achieve pay parity in future years.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Report on the nonpublic placement program	MSDE	October 1, 2026

**MSDE response:**

MSDE concurs.

***Budget Reconciliation and Financing Act Recommended Actions***

**1. Reduce the mandated annual growth rates for per pupil special education funding to 5% in fiscal 2027 through 2030.**

MSDE appreciates the Analyst’s recommendation, and respectfully suggests this issue be addressed after the completion of the mandated Special Education Study in December 2026.

**2. Amend a provision to shift all of the fiscal 2027 increase in the State share of the Teachers’ Retirement System costs to local jurisdictions, rather than approximately half.**

MSDE supports the Governor’s Allowance.