

State Aid to Howard County

Fiscal 2023

State Aid Overview

- Howard County will receive \$438.1 million in State aid in fiscal 2023. Of this amount, \$379.2 million is direct aid, and \$59.0 million is for retirement payments.
- Howard County will receive an 8.3% increase in State funding in fiscal 2023, with total State aid increasing by \$33.7 million over the prior year. Direct aid increases by \$39.7 million, while retirement payments decrease by \$6.0 million.
- On a per capita basis, Howard County ranks fifteenth with State aid totaling \$1,318 per resident. This compares to the statewide average of \$1,494 per resident.

Proposed Enhancements

- The proposed State budget includes \$45.9 million in additional funding for the police aid formula, of which \$2.1 million is targeted to law enforcement agencies in Howard County. The allocation is based on county population (\$6.46 per capita) and the number of municipal sworn officers (\$975 per officer). Baltimore City receives \$8 million under the formula enhancement.
- Regarding public school funding, the Administration provided an additional \$57.3 million in hold harmless grants under the compensatory aid program to offset declines in the free and reduced-price meal (FRPM) count. Since Howard County's funding under this program did not decrease from the prior year, the school system was not eligible for a hold harmless grant.
- The Administration also provided an additional \$68.1 million for full-day prekindergarten programs that exceeded the requirements under the Blueprint Plan. The Administration provided per student funding regardless of family income. Under the Blueprint Plan, full-day prekindergarten funding is targeted for the lowest income families at 300% of the federal poverty level. Howard County will receive \$3.4 million of this additional funding.
- When the proposed State budget was introduced by the Governor in January, the additional discretionary enhancements to education aid were offset by the Administration's underfunding of the Education Effort Index which was supposed to provide additional funding to Baltimore City (\$99.0 million) and Prince George's County (\$26.5 million).
- However, the Governor has just recently submitted a supplemental budget that includes full funding for the Education Effort Index.

County Government Aid

- Howard County will receive \$12.3 million in county government aid, which represents a \$3.4 million, or 37.9%, increase from the prior year.
- State funding includes \$3.9 million for highway user revenues, \$7.2 million for police aid, \$0.6 million for fire and rescue aid, and \$89,300 in gaming impact aid.

Public Safety Grants

- Howard County will receive \$5.0 million in funding under the existing police aid formula and \$2.1 million under the proposed enhancement.
- 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 4.3% of overall funding) targets funding to municipalities based on the number of sworn officers. Funding in fiscal 2023 is based on \$1,950 per sworn officer. The Administration's proposal would increase the per sworn officer grant to \$2,925 (representing a \$975 per officer increase).
- Since fiscal 2004, local governments must reimburse the State for 30% of the State Police crime lab costs, which will total \$5.1 million in fiscal 2023. The reimbursements are based on local crime rates (one-third) and local wealth (two-thirds). The Howard County share of these costs will total \$302,779 in fiscal 2023. The local reimbursement is deducted from each jurisdiction's police aid amount.
- Howard County will receive \$617,432 in fire and rescue aid in fiscal 2023. 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).

Local Health Grants

- Howard County will receive \$3.0 million in local health grants in fiscal 2023. Statewide, local health departments will receive \$74.9 million, which represents a \$1.0 million increase from the prior year.

Transportation Aid

- Legislation enacted in 2018 (Chapters 330 and 331) requires the State to provide capital transportation grants to local governments based on the amount of revenue allocated to the Gasoline and Motor Vehicle Revenue Account. The local share will total 13.5% in fiscal 2020 to 2024. Baltimore City receives 8.3%, county governments receive 3.2%, and municipal governments receive 2.0%.

- Howard County will receive \$3.9 million in local highway user revenues in fiscal 2023, which represents a \$158,864, or 4.3%, increase over the prior year.
- The county and municipal share is based on road mileage and vehicle registration.

Local Library and Community College Aid

- Howard County will receive \$1.1 million in local library aid and \$31.3 million in State support for the local community college. State funding for Howard Community College will increase by \$5.5 million in fiscal 2023.

Education Aid

- Over 85% of State aid to Howard County will go to public schools. The Howard County Public School System will receive \$331.4 million in direct aid in fiscal 2023, which represents a \$30.7 million, or 10.2%, increase from the prior year. In addition, the State will provide \$53.5 million in funding for teacher retirement payments.
- On a per pupil basis, Howard County will receive \$6,893 in State funding: \$5,935 per pupil in direct aid; and \$958 per pupil for teacher retirement payments. Howard County ranks sixth lowest in the amount of per pupil direct aid.
- Howard County will receive a 10.0% increase in per pupil direct aid in fiscal 2023. This is relatively higher than the statewide average increase of 5.4%.

Blueprint and Targeted Funding

- Howard County will also receive \$10.1 million in additional State funding under the Blueprint Initiatives in fiscal 2023. This includes \$2.0 million for supplemental instruction and \$5.4 million for full-day prekindergarten.
- A considerable amount of State education funding is based on targeted student populations, with Howard County receiving \$68.7 million in targeted grants under the compensatory aid, English Language Learners (ELL), and special education programs. Howard County receives the fourth lowest amount of funding on a per pupil basis (\$1,230).

Student Enrollment

- The full-time equivalent student (FTES) enrollment count increases by 0.1% in Howard County while the statewide average decreases by 0.7%. This results in 83 additional students for the Howard County Public School System. Currently, the county school system accounts for approximately 6.6% of students statewide.

- The number of students approved for FRPM decreases by 2.2% in Howard County which is relatively lower than the statewide average decrease of 6.9%. Howard County currently has the fourth lowest percentage of students approved for FRPM at 21.9% of total student enrollment.
- Howard County has the tenth highest percentage of students identified as ELL at 7.1% of total student enrollment. In fiscal 2023, the number of ELL students increases by 18.1%, resulting in 610 additional students requiring language services.
- Howard County has a relatively lower share of students receiving special education services. In fiscal 2023, the number of students receiving special education services accounts for 10.7% of total enrollment, compared to the statewide average of 12.8%.
- Howard County has the fifth lowest targeted student index in the State at 39.7%. 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 28.3% in Carroll County to 116.1% in Baltimore City, with the statewide average at 62.5%.
- Statewide, public school enrollment represents 13.7% of the total State population. In Howard County, public school enrollment represents 16.8% of the overall county population (the highest in the State). Public school enrollment as a share of total county population ranges from 8.9% in Kent County to 16.8% in Howard County.

Per Capita State Aid to Local Governments – Fiscal 2023

