

Child Investment Fund, Bill 5-24, Hearing June 18, 2024

Montgomery County Taxpayers League

The Taxpayers League supports efficient and effective government and is unable to develop a cost-benefit justification for this bill. The amount of \$1,800 in annual grant awards for 18 years following an eligible child's 18th birthday seems small but it adds up, especially when applied to a potential pool of 150,000 graduating students over an 18 year period.

We recommend the sponsors think about how to help MCPS do a better job of educating low-income students K-12 by linking funding to proficiency improvements. College and Career readiness data from last year showed low-income 10th graders were only 5% proficient in math and 25% proficient in literacy. If that doesn't dramatically improve when this year's data is released in September, there can't be a higher priority.

Obvious flaws in the bill that prevent an objective analysis include:

1. **Eligibility:** excludes parents income- we don't exclude parents income when determining college loan eligibility. How would income and wealth eligibility be verified each year?
2. **Scope:** this seems unlimited spanning from education, to business ownership or investments, to real property ownership to retirement investments. What was left out and how in heavens name would compliance be audited, or would this be audited like the bag tax?
3. **Administrative Costs-** it's easy to conceive that the annual cost of administration would exceed the \$1,800 per child reducing the number of awards that could be funded. Eligibility determination and redetermination, application processing for up to 150,000 children, payment processing...

Bill 5-24 Link

https://montgomerycountymd.granicus.com/MetaViewer.php?view_id=169&event_id=16099&meta_id=174086