

Department of Legislative Services
Maryland General Assembly
2013 Session

FISCAL AND POLICY NOTE
Revised

House Bill 1107
Ways and Means

(Prince George's County Delegation)
Education, Health, and Environmental Affairs

**Prince George's County - School System - Academic Revitalization and
Management Effectiveness Initiative**
PG 411-13

This emergency bill alters the membership of the Prince George's County Board of Education by adding four appointed members, three appointed by the county executive and one appointed by the county council. The county executive appoints the chair and vice chair of the board from among the board's members; the vice chair must be an elected member. The county executive also appoints to any vacant seat held by an elected member, a member to fill the seat for the remainder of the term. The bill specifies the purpose and responsibility of the county board of education. The bill also enhances the authority of the Prince George's County superintendent of schools and designates the position as Chief Executive Officer (CEO). Further, the bill gives the county executive additional authority to select the CEO while reducing the authority of the county board of education. A consultant must be hired to conduct a school utilization study and make certain recommendations. An interim and a final report on implementation of, and progress under, the Act and any recommendations are due to specified State officials by December 31, 2013, and December 31, 2017, respectively.

During the 2018 legislative session, the General Assembly must deliberate and determine if provisions of the bill should be terminated. If the General Assembly does not take action, the Act remains in full effect.

Fiscal Summary

State Effect: General fund expenditures for the State Board of Elections decrease by an undetermined amount due to the repeal of potential special elections to fill board vacancies. Revenues are not affected.

Local Effect: Prince George's County Board of Education expenditures increase by \$19,100 in FY 2013 for one-time and ongoing costs associated with the addition of four members to the county board of education. The ongoing costs increase to \$114,400 in FY 2014 and due to inflation to \$119,700 in FY 2018. Prince George's County expenditures increase by \$250,000 in FY 2014 to cover costs associated with hiring a consultant to perform the school utilization study. Prince George's County Board of Elections expenditures decrease by \$200,000 to \$250,000 per special election that is avoided under the bill. Savings on an annual basis will be considerably lower given the infrequency of special elections under current law.

Small Business Effect: None.

Analysis

Bill Summary:

County Board of Education

The bill specifies that the purpose of the county board of education is to raise the level of academic achievement in the public school system and to raise the level of engagement of parents, students, and the community as a whole.

The Prince George's County Board of Education is altered from a 10-member board, including 9 elected members and 1 student member, to a 14-member board, which also includes 4 appointed voting members. Three members are appointed by the county executive and must possess respectively, a high level of (1) knowledge and expertise concerning education; (2) business, finance, or higher education experience; and (3) knowledge and expertise concerning successful administration of a large organization. Also, one member is appointed by the county council and must be the parent of a student enrolled in the county public school system. These new members, and the chair and vice chair of the county board must be appointed no later than June 1, 2013.

Appointed members must be Prince George's County residents and serve four-year terms. The county executive, subject to county council approval, fills elected member vacancies. Appointed members receive salaries (\$18,000, or if appointed chair, \$19,000), are entitled to a maximum of \$7,000 per fiscal year in allowances for travel and other expenses, and may be provided health insurance and other fringe benefits as provided to other board of education employees.

Chief Executive Officer

The CEO is selected by the county executive from a list of three nominees recommended by a search committee and is appointed by the board after a contract (which determines the CEO's compensation) is negotiated by the chair of the board. The search committee consists of one member of the State Board of Education appointed by the State Superintendent and two residents of Prince George's County appointed by the Governor. The initial search committee must be appointed by June 1, 2013. The search committee must review any data regarding potential candidates that has been collected and provided by a search firm since September 2012.

The State Superintendent of Schools must approve the appointment of the CEO or give the reasons for disapproval to the county board and the county executive. The CEO serves for a four-year term beginning July 1; however, the bill allows a new CEO to be appointed after July 1, 2013, to a four-year term ending June 30, 2017. The bill also provides for either reappointment of the CEO, appointment of a new CEO, and in the case of a vacancy, appointment of an interim CEO.

The CEO is the executive officer, secretary, and treasurer of the county board of education. The CEO is responsible for overall administration of the county school system and for the day-to-day management and oversight of the fiscal affairs of the school system. The CEO is also responsible for the development and implementation of curriculum and instruction and for hiring a chief operating officer, chief financial officer, a chief academic officer, a chief of staff, a board liaison, and other executive staff. The board of education generally may not implement a policy or take any action that contradicts the CEO's day-to-day management and oversight of fiscal affairs. Except for specified personnel matters, the county board may only take an action contrary to the action of the CEO with a vote of two-thirds of all voting members. The CEO may consolidate schools if practicable.

Other Provisions

The CEO and the county board of education must hire a consultant to conduct a school utilization study. By December 1, 2014, the consultant must make recommendations regarding the geographical attendance areas for, or consolidation of, schools to the CEO, the county board, the county executive, and the county council. The CEO must enter into a memorandum of understanding (MOU) with specified institutions of higher education for the provision of policy analysis and advice to the county board of education.

By December 31, 2013, the county executive, the CEO, and the county board of education must submit an interim report on the implementation of the bill to the Senate Education, Health, and Environmental Affairs Committee; the House Committee on

Ways and Means, the Prince George's County Senators, and the Prince George's County Delegation. By December 31, 2017, the local officials specified above must report to the State officials specified above on academic progress and improvement in the management of the Prince George's County public school system, and recommendations concerning the continuation, modification, or termination of the public school governance system established by the bill.

Current Law: The Prince George's County Board of Education consists of nine elected members, each residing in one of nine school board districts, as well as one student member with limited voting rights. Each candidate must be a registered voter and a resident of the school board district he or she intends to represent. Board members are elected by the registered voters of each school board district and serve four-year terms.

The board chair receives an annual salary of \$19,000, while other board members (except the student member, who receives no salary) receive an annual salary of \$18,000. Elected members receive health insurance and other fringe benefits regularly provided to board employees. All members are entitled to a maximum of \$7,000 per fiscal year in allowances for travel and other expenses, as provided in the county budget. A seat on the board remains vacant if the vacancy occurs within 180 days of the end of the member's term; otherwise a special election is held to fill the vacancy.

The county board has the authority to determine the geographical attendance area for each public school and to consolidate schools if practicable.

Background: Chapter 289 of 2002 (HB 949) eliminated the then-existing Prince George's County Board of Education and established a new county board of education. The new board consisted of nine voting members jointly appointed by the county executive and the Governor from a list of nominees submitted by the State Board of Education. At least four voting members had to have management experience, at least three members had to possess a high level of knowledge concerning education, at least one member had to be a parent of a student in a Prince George's County public school, and at least one member had to have knowledge or experience in the education of students with disabilities. In addition to the nine voting members, one student with limited voting privileges served on the new board. The new board members took office June 1, 2002, and their terms expired December 3, 2006.

Chapter 289 also eliminated the existing Prince George's County Superintendent of Schools position and replaced it with a CEO. The CEO acted as the executive officer, secretary, and treasurer of the new board and was responsible for the overall administration of the county public school system. The new board employed and established the salary of the CEO. The CEO's contract, which could not exceed four years, provided that continued employment was contingent on demonstrable

improvement in student performance and successful management of the school system. The provisions establishing the CEO and the CEO's responsibilities expired on June 30, 2006.

Chapter 289 also required the CEO to select and establish salaries for a Chief Academic Officer (CAO), a CFO, and a Chief Accountability Officer for the Prince George's County public school system. The selection of officers and establishment of officers' salaries were subject to the approval of the new board. The CAO and the chief accountability officer positions expired on June 30, 2006, but the CFO position continued past that date.

Pursuant to Chapter 289, on December 4, 2006, a newly elected board replaced the appointed board. The board consisted of nine elected members and one student member. Four were elected from anywhere in the county, and the remaining five were each elected from a different school board district. Chapters 348 and 349 of 2008 (SB 33/HB 1041) repealed the statutory position of CFO for the Prince George's County public school system and established, following the 2010 general election, the board structure described in the Current Law section above, which eliminated the four at-large members and established nine school board districts.

The Prince George's County Board of Education is 1 of 18 elected school boards in the State. There are four appointed school boards in the State and two counties have hybrid boards including both elected and appointed members.

State Fiscal Effect: The bill repeals special elections for certain vacancies on the Prince George's County Board of Education. The State Board of Elections advises that its expenditures will decrease by approximately \$15,000 for each special election that is made unnecessary by the bill. Any expense reimbursements for search committee members are assumed to be minimal and absorbable within existing resources of the Maryland State Department of Education and the Office of the Governor.

Local Fiscal Effect: The initial terms for the four appointed members added by the bill begin June 1, 2013 (the final month of fiscal 2013). Prince George's County school system expenditures increase by approximately \$9,300 in fiscal 2013, \$114,400 in fiscal 2014, and by \$119,700 in fiscal 2018, accounting for inflation, to provide an annual salary of \$18,000 and health insurance to four additional members on the county board of education and to cover travel reimbursements and phone costs. One-time costs in fiscal 2013 of \$9,600 include \$1,600 per member (a total of \$6,400) for a laptop computer, printer, and cellular phone, as well as approximately \$3,200 for board room furniture needed to accommodate new members.

Prince George's County school system expenditures increase by approximately \$250,000 in fiscal 2014 to cover costs to hire a consultant to complete the required school utilization study. It is assumed that existing Prince George's County resources will be sufficient for preparation of the required interim report and final report.

Prince George's County school system expenditures may increase by an undetermined amount for policy analysis and advice provided by specified institutions of higher education; the extent of any expenditure will depend upon the MOU agreed to for these services.

The Prince George's County Board of Elections advises that there has not been a special election for a board of education vacancy, but that based on expenditures for county council special elections, such an election would cost the county approximately \$200,000 to \$250,000. County expenditures decrease accordingly for each special election made unnecessary by the bill.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Prince George's County, Department of Legislative Services

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