

Department of Legislative Services  
Maryland General Assembly  
2014 Session

FISCAL AND POLICY NOTE

House Bill 893  
Ways and Means

(Delegate George, *et al.*)

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Education - Local School System Autonomy

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This bill provides that the bylaws, rules, and regulations established by the State Board of Education only apply to a local board of education to the extent that they are consistent with the bylaws, rules, and regulations established by a local board of education. Each local board of education must provide a specified public notice on the local board's website and allow for public comment at least three months before the local board submits a grant application to seek funds to support the local public school system.

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Fiscal Summary

**State Effect:** Educational policies adopted by a local board of education may conflict with those established by the State Board of Education in a manner that puts the State out of compliance with the federal Elementary and Secondary Education Act (ESEA); thus, jeopardizing up to \$206.6 million in federal Title I funds. Any conflicting educational policies adopted by a local school system may also jeopardized \$197.4 million in federal Individuals with Disabilities Act (IDEA) funds, \$15.3 million in Perkins Act funds; and \$51.0 million in other federal funds.

**Local Effect:** Local school system federal Title I funds, IDEA funds, Perkins Act funds, and other federal funds may be jeopardized. Local boards of education could also adopt educational policies that are more or less expensive than those adopted by the State Board of Education. The bill may prevent a local school system from applying for most grants due to the inability to meet grant timelines as a result of the public notice requirement. **This bill imposes a mandate on a unit of local government.**

**Small Business Effect:** None.

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## **Analysis**

**Bill Summary:** The public notice must include (1) a copy of the grant proposal or instructions concerning how the public may obtain a copy of the grant proposal; (2) the name of each individual who was involved in the preparation of the grant proposal; and (3) a copy of any memorandum of understanding between the local school system and the prospective grantor regarding the grant proposal.

**Current Law/Background:** The State Board of Education must (1) determine the elementary and secondary educational policies of the State and (2) cause to be carried out those provisions of the Education Article that are within its jurisdiction. The State board must adopt bylaws, rules, and regulations for the administration of the public schools. These bylaws, rules, and regulations have the force of law when adopted and published. The bylaws, rules, and regulations apply to each local school system; however, they do not apply to Baltimore City to the extent that they relate to matters that are the subject of other provisions of the Education Article that do not apply to Baltimore City.

The Maryland State Department of Education has authority over (1) matters of elementary and secondary education that affect the State and (2) the general care and supervision of public elementary and secondary education.

Subject to current law, educational matters that affect the counties must be under the control of a local board of education in each county or Baltimore City. Each local board of education must seek in every way to promote the interests of the schools under its jurisdiction.

Each local board of education must (1) to the best of its ability carry out the applicable provisions of the Education Article and the bylaws, rules, regulations, and policies of the State Board of Education; (2) maintain throughout its jurisdiction a reasonably uniform system of public schools that is designed to provide quality education and equal educational opportunity for all children; (3) subject to the Education Article and the applicable bylaws, rules, and regulations of the State board determine, with the advice of the local superintendent, the educational policies of the local school system; and (4) adopt, codify, and make available to the public bylaws, rules, and regulations not inconsistent with State law, for the conduct and management of the local public schools.

The State Board of Education may institute legal proceedings to enforce (1) the provisions of the Education Article that are within its jurisdiction and (2) the bylaws, rules, and regulations adopted by the board. Without charge and with the advice of the Attorney General, the State board must explain the true intent and meaning of the provisions of (1) the laws that are within its jurisdiction and (2) the bylaws, rules, and

regulations adopted by the board. The State board must decide all controversies and disputes under these provisions. The decision of the State board is final.

### *Federal Education Requirements*

ESEA, also known as the No Child Left Behind Act (NCLB), sets out requirements “to ensure that all children have a fair, equal and significant opportunity to obtain a high-quality education...”

Section 1111(a)(1) of NCLB requires any *state* desiring to receive a grant for federal Title I funds to submit a plan to the U.S. Secretary of Education. Section 1111(b)(1)(A) requires each *state* to adopt challenging academic content standards and challenging student academic achievement standards that will be used by the state, its local school systems, and public schools. Section 1111(b)(1)(B) requires the academic standards to be “*the same academic standards that the State applies to all schools and children in the State.*” Section 1111 (b)(1)(C) requires states to have academic standards in, at least, mathematics, reading or language arts and science. Section 1111(b)(3)(A) requires the State to implement a set of yearly student academic assessments that are used as the primary means of determining the yearly performance of the State, local school system, and school in the State in enabling all children to meet the State’s challenging student academic achievement standards.

**State Revenues:** The bill enables a local board of education to adopt bylaws, rules, and regulations that are inconsistent with the bylaws, rules, and regulations adopted by the State Board of Education. However, in order to *receive* Title I federal grant funds of approximately \$206.6 million in fiscal 2015 under ESEA, a *state* must have the same academic standards and the same assessments across the state. In addition, other federal grants require that state plans have certain consistent policies across all local school systems. Thus, any conflicting educational policies adopted by a local school system may also jeopardize \$197.4 million in federal IDEA funds, \$15.3 million in Perkins Act funds, and \$51.0 million in other federal funds. It is assumed that if one local school system adopts a conflicting educational policy, the relevant federal funding for all local school systems will be jeopardized.

**Local Revenues:** Local school system federal Title I funds, IDEA funds, Perkins Act funds, and other federal funds may be jeopardized, as these funds flow through MSDE to local school systems. It is assumed that if one local school system adopts a conflicting educational policy, the relevant federal funding for all local school systems will be jeopardized.

The bill may also prevent a local school system from applying for most grants due to the inability to meet grant timelines as a result of the public notice requirement. Requests for

Proposals or Notices (RFP) of Funding Availability are usually issued 45-60 days prior to the application deadline. In addition, formula grants (*e.g.*, Title I, Title II, IDEA) also require that local school systems submit applications that generally have a 45-day turnaround from the time of the RFP dissemination to time of submission; thus, compliance for formula grants may be difficult.

**Local Expenditures:** Local boards of education could adopt educational policies that are more or less expensive than those adopted by the State Board of Education. However, any cost savings for the local school system may be offset by the potential loss of federal funds, which cannot be reliably estimated at this time.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Maryland State Department of Education, Maryland Association of Counties, Charles and Frederick counties, Department of Legislative Services

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