# **Department of Legislative Services**

Maryland General Assembly 2017 Session

# FISCAL AND POLICY NOTE First Reader

House Bill 1622 (Prince George's County Delegation)

**Rules and Executive Nominations** 

## Prince George's County Board of Education - Academic Revitalization and Management Effectiveness Initiative - Repeal PG 401-17

This bill restructures the Prince George's County Board of Education from a 14-member hybrid board (consisting of both elected and appointed members) to a 10-member elected board. The bill repeals the authority of the county executive to appoint members to the board and establishes procedures for a special election if a seat becomes vacant. The bill also requires the county board, rather than the county executive, to select a chair and vice chair of the board each year. In addition, the bill repeals various provisions of law related to the position, powers, and responsibilities of the county superintendent of schools and subjects the superintendent to the same statutory requirements of other county superintendents.

The bill takes effect July 1, 2017.

# **Fiscal Summary**

**State Effect:** None.

**Local Effect:** Prince George's County Board of Education expenditures decrease by approximately \$110,800 annually beginning in FY 2018. Prince George's County Board of Elections expenditures increase by \$200,000 to \$250,000 per special election that is required as a result of the bill. County revenues are not affected.

Small Business Effect: None.

#### **Analysis**

#### **Bill Summary/Current Law:**

#### County Board of Education

Under current law, the Prince George's County Board of Education is a 14-member board, including 9 elected members, 4 appointed members, and 1 student member. 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, 1 member is appointed by the county council and must be the parent of a student enrolled in the county public school system. The bill removes the 4 appointed members, thus making the board a 10-member elected board.

Under current law, the county executive fills elected member vacancies. The bill repeals the authority of the county executive to fill vacancies and instead requires a special election if a seat on the county board held by an elected member becomes vacant more than 180 days before the end of the member's term of office. The seat remains vacant until the next election if the vacancy occurs within 180 days or less of an election.

#### Chief Executive Officer

Under current law, the chief executive officer (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 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. Current law also provides for either reappointment of an incumbent 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 (CFO), a chief academic officer, a chief of staff, a board liaison, and other executive staff. The board of education HB 1622/ Page 2

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.

The bill repeals the role of the CEO as well as the enhanced authorities and subjects the county superintendent to the same statutory requirements of other county superintendents.

#### Other Provisions

*Under current law*, by December 31, 2017, the county executive, the CEO, and the county board of education must report 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 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 Chapter 147 of 2013. *The bill* repeals this requirement.

*Under current law*, during the 2018 legislative session, the General Assembly must deliberate and determine if provisions of Chapter 147 of 2013 (which established the enhanced authorities of the county superintendent as well as the appointed board positions) should be terminated. *The bill* repeals this requirement.

**Background:** The composition and authority of the Prince George's County Board of Education have been affected several times in recent years due to legislation adopted by the General Assembly. Major legislation affecting the county board was enacted in 2002, 2008, and 2013.

Chapter 289 of 2002 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 the county at-large, and the remaining five were each elected from a different school board district.

Chapters 348 and 349 of 2008 repealed the statutory position of CFO for the Prince George's County public school system and established, following the 2010 general election, a board structure that eliminated the four at-large members and established nine school board districts.

Chapter 147 of 2013 altered the membership of the board by adding four appointed members to the existing elected board. The county executive appoints three members with certain experience requirements, and the county council appoints one member who must be a parent of a student in the county school system. If a seat held by an elected member becomes vacant, the county executive must appoint a qualified individual for the remainder of the term, with the appointment subject to rejection by a two-thirds vote of the county council. Chapter 147 also enhanced the authority of the Prince George's County superintendent of schools and designated the position as the CEO. Further, the legislation provided the county executive additional authority to select the CEO while reducing the authority of the county board of education.

#### Local Boards of Education in Maryland

The Prince George's County Board of Education is 1 of 3 hybrid school boards in the State consisting of both elected and appointed members. There are 4 appointed school boards in the State and 17 have elected boards. **Appendix – Local Boards of Education** shows the selection methods, terms of office, and membership of the 24 local boards of education.

#### **Local Expenditures:**

Prince George's County Board of Education

School board members receive an annual salary of \$18,000, with the chair receiving \$19,000. In addition, board members may receive up to \$7,000 annually for travel and other expenses, and are authorized to receive health insurance and other fringe benefits that are provided to other board of education employees. Prince George's County advises that fringe benefit expenses for board members equal 15% of salaries. Based on these facts, county expenditures for each school board member totals approximately \$27,700 annually. By eliminating four school board positions beginning in fiscal 2018, county expenditures will decrease by approximately \$110,800 annually. **Exhibit 1** shows how the reduction in board members affects board of education expenditures.

# Exhibit 1 Prince George's County Board of Education Expenditures Under the Bill

	<b>Annual Cost Savings</b>
Board Member Salaries	(\$72,000)
Fringe Benefits	(10,800)
Travel/Other Expenses	(28,000)
Net Effect	(\$110,800)

Source: Prince George's County Public School System; Department of Legislative Services

#### Prince George's County Board of Elections

The Prince George's County Board of Elections advised for previous legislation related to special elections for board of education members that, based on expenditures for county special elections, such an election would cost the county approximately \$200,000 to \$250,000. County expenditures increase accordingly for each special election required under the bill.

## **Additional Information**

Prior Introductions: None.

Cross File: None.

Information Source(s): Prince George's County; Maryland State Department of

Education; Maryland State Board of Elections; Department of Legislative Services

**Fiscal Note History:** First Reader - March 13, 2017

mm/hlb

Analysis by: Eric Pierce Direct Inquiries to:

(410) 946-5510 (301) 970-5510

# **Appendix – Local Boards of Education**

School System	Number of Members	Term		Means of Selection <sup>1</sup>
Allegany	6	4 years	Е	5 from county at large 1 student (nonvoting, one-year term)
Anne Arundel <sup>2</sup>	9	5 years	A	3 from county at large 5 from legislative districts 1 student (one-year term)
Baltimore City <sup>3</sup>	10	3 years	A	9 from city at large 1 student (one-year term)
Baltimore <sup>4</sup>	12	5 years	A	4 from county at large 7 from councilmanic districts 1 student (one-year term)
Calvert	6	4 years	Е	2 from county at large 3 from commissioner districts 1 student (nonvoting, one-year term)
Caroline	7	4 years	A/E	3 elected from school board districts 2 appointed from county at large 2 students (nonvoting, one-year term)
Carroll	11	4 years	Е	5 from county at large 5 commissioners <i>ex officio</i> (nonvoting) 1 student (nonvoting, one-year term)
Cecil	6	4 years	Е	5 from commissioner districts 1 student (nonvoting, one-year term)
Charles	8	4 years	Е	7 from county at large 1 student (nonvoting, one-year term)
Dorchester	7	4 years	E	5 from councilmanic districts 2 students (nonvoting, one-year term)
Frederick	8	4 years	Е	7 from county at large 1 student (nonvoting, one-year term)
Garrett	6	4 years	Е	2 from county at large 3 from commissioner districts 1 student (nonvoting, one-year term)

School System	Number of Members	Term		Means of Selection <sup>1</sup>
Harford	11	4 years	A/E	6 elected from councilmanic districts 3 appointed from county at large 1 superintendent <i>ex officio</i> (nonvoting) 1 student (one-year term)
Howard	8	4 years	E	7 from county at large 1 student (one-year term)
Kent	6	4 years	E	5 from county at large 1 student (nonvoting, one-year term)
Montgomery	8	4 years	E	<ul><li>2 from county at large</li><li>5 from school districts</li><li>1 student (one-year term)</li></ul>
Prince George's <sup>5</sup>	14	4 years	A/E	9 elected from school board districts 4 appointed by county 1 student (one-year term)
Queen Anne's	7	4 years	E	1 from county at large 4 from commissioner districts 2 students (nonvoting, one-year term)
St. Mary's	6	4 years	E	1 from county at large 4 from commissioner districts 1 student (nonvoting, one-year term)
Somerset	5	4 years	E	All from commissioner districts
Talbot	9	4 years	Е	7 from school board districts 2 students (nonvoting, one-year term)
Washington <sup>6</sup>	8	4 years	E	7 from county at large 1 student (nonvoting, one-year term)
Wicomico <sup>7</sup>	7	5 years	A	All from county at large
Worcester	10	4 years	Е	7 from commissioner districts 3 students (nonvoting, one-year term)

 $^{1}$ A = Appointed by Governor, except in Baltimore City, where board is appointed jointly by the Governor and the Mayor; E = Elected; and A/E = Combined appointed by Governor and elected board, except in Prince George's County.

<sup>2</sup>There are three steps to being appointed and retained as a member of the Anne Arundel County Board of Education. First, the School Board Nominating Commission selects nominees who are recommended to the Governor as candidates for appointment to the Anne Arundel County Board of Education. The commission consists of 13 members – 3 appointed by the county executive, and 10 appointed from various county organizations. A board member begins serving immediately upon appointment; however, the board member must stand for "approval or rejection of the registered voters of the county" at the next general election. The board member is placed on the ballot, without opposition. If the voters retain the board member, he or she may complete the remainder of the 5-year term. If the voters reject the board member, the position becomes vacant and the process begins again. Chapters 177 and 178 of 2011, as well as an Opinion of the Attorney General (98 Op. Att'y Gen. 51 (May 22, 2013)), clarify that this three-step process applies not only to newly appointed board members, but also to incumbent board members seeking a second term.

<sup>3</sup>The nonstudent members of the Baltimore City Board of School Commissioners are jointly appointed by the Mayor of Baltimore City and the Governor from a list of qualified individuals submitted by the State Board of Education. Each member must be a resident of Baltimore City, and the membership must reflect the demographic diversity of Baltimore City. In addition, Chapter 723 of 2016 restructured the board to be a hybrid board with two members elected from the city at large, nine members jointly appointed by the Governor and the Mayor of Baltimore City, and one student member. The two elected board members will be elected at the general election in November 2022 and every four years thereafter.

<sup>4</sup>Chapters 480 and 481 of 2014 restructured the Baltimore County Board of Education from a 12-member appointed board (including 1 student member) to a 12-member board consisting of 4 at-large members appointed by the Governor, 7 nonpartisan members each elected from one of seven councilmanic districts, and a student member. The elected members will be elected at the general election in November 2018 and every four years thereafter. In addition, Chapters 480 and 481 of 2014 established the Baltimore County Nominating Commission. The commission is responsible for selecting eight nominees to be recommended to the Governor as qualified candidates for appointment to the Baltimore County Board of Education. The commission consists of 19 members of the county and must reflect the diversity of the county. Except in extenuating circumstances, the Governor must appoint members to the board of education from the list the nominating commission provides.

<sup>5</sup>Chapter 147 of 2013 altered the membership of the Prince George's County Board of Education by adding four appointed members to the existing elected board. The county executive appoints three members with certain experience requirements, and the county council appoints one member who must be a parent of a student in the county school system. If a seat held by an elected member becomes vacant, the county executive must appoint a qualified individual for the remainder of the term, with the appointment subject to rejection by a two-thirds vote of the county council.

<sup>6</sup>The Washington County Board of Education reports that the student member can only concur on votes and must abstain from certain matters.

<sup>7</sup>Chapter 169 of 2016, subject to referendum, required the restructuring of the Wicomico County Board of Education. In the 2016 general election, the county approved a fully elected board option, with five members each elected from one of the five councilmanic districts and two members elected from the county at large. Members will be elected at the general election in 2018 and every four years thereafter. The terms of board members who are in office on December 2, 2018, will expire on December 2, 2018.

Source: Annotated Code of Maryland, Education Article, Sections 3-101 through 3-1405; Local Boards of Education