

Department of Legislative Services
Maryland General Assembly
2018 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 215
Ways and Means

(Prince George's County Delegation)

Prince George's County – Elementary School – Limit on Class Size PG 501–18

This bill requires the Prince George's County Board of Education to establish a limit of no more than 30 students in a class for a public school classroom teacher who teaches in kindergarten through grade 3. "Classroom teacher" means a teacher who is primarily responsible and accountable for the students in that class and excludes numerous specified employee classifications, including instructional aides and curriculum specialists. **The bill takes effect July 1, 2018.**

Fiscal Summary

State Effect: General fund expenditures for teachers' retirement increase beginning in FY 2021.

Local Effect: Prince George's County Public Schools (PGCPS) personnel costs may increase by as much as \$1.4 million in FY 2019 and by \$1.5 million by FY 2023. PGCPS retirement expenditures increase accordingly beginning in FY 2021. Also, one-time expenditures of \$2.3 million may be incurred for 20 new portable classrooms. **This bill imposes a mandate on a unit of local government.**

Small Business Effect: None.

Analysis

Current Law/Background: PGCPS does not have an official policy or procedure limiting class sizes. PGCPS annually follows a protocol whereby targets for class size are set based on projected enrollment prior to the start of the school year. The principal selects teachers and paraprofessionals through the student-based budgeting process based on that projected

enrollment. Once students enroll in the fall, adjustments are made through a classroom balancing by the principal, budget team, and administration based on available resources and staff. In part, this involves adding paraprofessionals or instructional assistants to help teachers in larger classes, thus decreasing the student to adult ratio.

Chapters 638 and 639 of 2009 required the Maryland State Department of Education (MSDE) to develop a uniform data collection method to track the number of students who regularly participate in a classroom teacher's class and required each local school system to implement the data collection method by the 2012-2013 school year and report the results to MSDE each year; MSDE must annually report on the data to the General Assembly.

According to MSDE's 2015-2016 Class Size report, approximately 5% of Prince George's County elementary school classrooms exceeded 30 students, as compared to 4% statewide.

State Fiscal Effect: Teachers' retirement costs are paid primarily by the State based on local school system salaries from the second prior fiscal year. If additional teachers are hired to meet the bill's requirements beginning in fiscal 2019, teachers' retirement costs will increase beginning in fiscal 2021.

Local Fiscal Effect: PGCPS will hire additional teachers and purchase additional portable classrooms to accommodate additional, smaller classes. Presently, per PGCPS, a total of 935 students exceed the 30-student limit required by the bill. Though some of these students can be shifted to classes whose enrollment is below 30 students, it is estimated that approximately 20 additional teachers may be needed to avoid exceeding the 30-student maximum per classroom teacher in all of the county's kindergarten through grade 3 public school classes.

Based on current first-quartile salaries for Prince George's County school teachers, and accounting for fringe benefits, the personnel costs in fiscal 2019 for hiring 20 additional teachers totals approximately \$1.4 million. Assuming inflation, these costs increase to \$1.5 million by fiscal 2023. Additionally, to accommodate the new classes, PGCPS anticipates the purchase, installation, and equipping of 20 portable classrooms, at a total cost of \$2.3 million.

Local school boards are responsible for the actual normal cost of pensions for qualifying personnel. Thus, hiring new teachers in fiscal 2019 increases PGCPS retirement expenditures beginning in fiscal 2021.

Additional Information

Prior Introductions: None.

Cross File: None.

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

Fiscal Note History: First Reader - February 8, 2018
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