

Department of Legislative Services
Maryland General Assembly
2018 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 709
Ways and Means

(Delegate W. Miller, *et al.*)

Education - County Boards of Education - County Superintendent Contracts

This bill requires a contract executed on or after June 1, 2019, between a local school board and the local superintendent of schools (or Chief Executive Officer of Baltimore City Public Schools) to provide that if the contract is terminated, the maximum cash settlement that the superintendent may receive may not exceed an amount equal to (1) the superintendent's monthly salary multiplied by the number of months remaining on the contract if the remaining term of the contract is less than 12 months or (2) 12 months' worth of the superintendent's salary if the remaining term of the contract is more than 12 months. The maximum cash settlement may include cash or health benefits; health benefits may be received for the duration of the cash settlement or until the superintendent finds other employment.

These compensation provisions do not apply if the superintendent's employment contract is terminated for immorality, misconduct in office, insubordination, incompetency, or willful neglect of duty. **The bill takes effect July 1, 2018.**

Fiscal Summary

State Effect: None.

Local Effect: Local school system expenditures potentially decrease to the extent that school systems currently provide larger settlements than the bill allows. The amount of any future savings cannot be reliably estimated and will vary by county.

Small Business Effect: None.

Analysis

Current Law: The State Superintendent of Schools may remove a local superintendent of schools for immorality, misconduct in office, insubordination, incompetency, or willful neglect of duty. Prior to removing the local superintendent, the State Superintendent must send the local superintendent a copy of the charges against the individual and give the individual an opportunity, within 10 days, to request a hearing. After this 10-day period, but promptly, the local superintendent must have an opportunity to be heard publicly before the State Superintendent in his or her own defense, in person or by counsel.

The salary of a local superintendent may not be decreased during the superintendent's term of office. Each local superintendent must devote full time to public school business.

Generally, the term of a local superintendent of schools is four years, beginning on July 1. A local superintendent continues to serve until a successor is appointed and qualifies. By February 1 of the year in which a term ends, the local superintendent must notify the local board whether the superintendent is a candidate for reappointment. In the year in which a term begins, the local board must appoint a local superintendent between February 1 and June 30. However, if the local board decides to reappoint the incumbent superintendent, the local board must take final action at a public meeting no later than March 1 of that year. If (1) a vacancy in the position of local superintendent occurs or (2) the local board is unable to appoint a county superintendent by July 1 of a year in which a term begins, an interim superintendent must be appointed. These provisions do not fully apply to Baltimore City and Prince George's and Washington counties. Baltimore City and Prince George's County each have a chief executive officer of the school system rather than a superintendent.

Local Fiscal Effect: For the 2017-2018 school year, the statewide average annual salary for a local superintendent of schools is \$213,000, ranging from \$141,000 in Garrett County to \$290,000 or higher in Baltimore City and Baltimore, Montgomery, and Prince George's counties. Thus, notwithstanding health benefits, one month of settlement payments would range from nearly \$12,000 to over \$24,000.

The bill specifies settlement limits for local superintendent contracts executed on or after June 1, 2019. To the extent that these limits are lower than those typically provided for in such contracts (or that termination clauses are absent from such contracts) local school system expenditures may be reduced, if they terminate a superintendent. The amount of any future savings cannot be reliably estimated and will depend on the local superintendent's salary and the length of time remaining in the term at the time of contract termination for any given local school system.

Additional Information

Prior Introductions: None.

Cross File: None.

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

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