Department of Legislative Services

Maryland General Assembly 2020 Session

FISCAL AND POLICY NOTE Third Reader

House Bill 993 Ways and Means (Montgomery County Delegation)

Education, Health, and Environmental Affairs

Montgomery County - Board of Education - Compensation MC 13-20

This bill increases the compensation amounts for members of the Montgomery County Board of Education beginning December 1, 2020. Once fully phased in, the compensation amounts for elected members of the board increase by \$10,000, while the total compensation amount for the student member increases by \$30,000 (a portion of that increase is for a higher education scholarship, while another portion is for a one-time stipend). A salary increase for an elected member under the bill must take effect at the beginning of the term of office (and may not increase during the current term of office). **The bill takes effect July 1, 2020.**

Fiscal Summary

State Effect: None.

Local Effect: Montgomery County Board of Education expenditures increase by about \$8,800 in FY 2021 and by about \$100,000 in 2026 due to the higher compensation amounts required under the bill. Revenues are not affected.

Small Business Effect: None.

Analysis

Bill Summary: As shown in **Exhibit 1**, the compensation amount for an elected member of the county board increases from \$25,000 to \$30,000 beginning December 1, 2020, and again increases (to \$35,000) beginning December 1, 2022. For the president of the board, the bill increases the annual compensation amount from \$29,000 annually to

\$34,000 annually beginning on December 1, 2020, and again increases (to \$39,000) the compensation amount beginning December 1, 2022.

The bill also increases the compensation amount for the student member of the board. Beginning with the term that starts in 2021, the bill increases the amount of the scholarship for the student member from \$5,000 to \$15,000. The student is also entitled to a one-time stipend of \$5,000 beginning with that term. In total, the student member receives \$20,000 for the term starting in 2021. Beginning with the term starting in 2023, the bill again increases the amount of the scholarship (from \$15,000 to \$25,000) and also increases the one-time stipend amount (from \$5,000 to \$10,000). In total, the student member receives \$35,000 for the term starting in 2023.

The bill also authorizes a student member to elect to receive a percentage of the total amounts of compensation as a scholarship and the remaining percentage as a stipend, provided that the total amount is not received solely as a scholarship or solely as a stipend.

Exhibit 1 Compensation Changes Under the Bill for Members of the Montgomery County Board of Education

		Under the Bill Beginning on		
	Current Law	Dec. 1, 2020	Dec. 1, 2022	
Board Members	\$25,000	\$30,000	\$35,000	
President of the Board	29,000	34,000	39,000	
	τ	Jnder the Bill for the Te	erm Starting in	
	Current Law	<u>2021</u>	<u>2023</u>	
Student Member	\$5,000	\$20,000	\$35,000	
Courses Demontrant of Locialation	9			

Source: Department of Legislative Services

Current Law: An elected member of the county board is entitled to reimbursement for travel and other expenses as provided by the Montgomery County Council. In addition, an elected member of the county board is entitled to receive \$25,000 annually as compensation; the president of the board is entitled to receive \$29,000 annually as compensation. A student member who completes a full term may not receive compensation but, after submitting expense vouchers, may be reimbursed for out-of-pocket expenses incurred in connection with official duties. A student member who completes a full term is granted a scholarship of \$5,000 to be applied toward the student's higher education costs.

Any of these amounts may also be set through legislation based on recommendations of the Montgomery County Board of Education Compensation Commission in accordance with State law.

Background: The Montgomery County Board of Education consists of seven elected members and one student member. An elected member of the board serves a four-year term. Two members are elected from the county at large; five members are elected from county school districts. **Appendix – Local Boards of Education** shows the selection methods, terms of office, and membership of the 24 local boards of education.

Local Expenditures: Exhibit 2 shows the bill's effect on Montgomery County Board of Education expenditures from fiscal 2021 through 2026. Once fully phased in, compensation expenditures increase by \$100,000 in fiscal 2026. The terms of three members begin on December 1, 2020, while the terms of the other four members begin December 1, 2022. This analysis assumes that the president of the board is part of the first cohort of members (with a new term beginning on December 1, 2020).

As shown in Exhibit 2, compensation expenditures are only minimally affected in fiscal 2021. In subsequent years, expenditures increase more significantly. By fiscal 2026, compensation expenditures increase by \$100,000.

Exhibit 2	
Compensation Expenditures Under Current Law and the Bill	
Fiscal 2021-2026	

Droposed	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	<u>FY 2026</u>
Proposed Salaries	\$192,750	\$214,000	\$237,333	\$269,000	\$277,750	\$284,000
Current	104.000	104.000	104.000	104.000	104.000	104.000
Law	184,000	184,000	184,000	184,000	184,000	184,000
Net Change	\$8,750	\$30,000	\$53,333	\$85,000	\$93,750	\$100,000

Source: Department of Legislative Services

Additional Information

Prior Introductions: None.

Designated Cross File: None..

Information Source(s): Montgomery County Public Schools; Department of Legislative Services

Fiscal Note History:	First Reader - February 20, 2020
an/hlb	Third Reader - March 16, 2020

Analysis by: Eric F. Pierce

Direct Inquiries to: (410) 946-5510 (301) 970-5510

Appendix – Local Boards of Education

School System	Number of Members	Term		Means of Selection ¹
Allegany	6	4 years	E	5 from county at large 1 student (nonvoting, one-year term)
Anne Arundel ²	8	4 years	E	7 from councilmanic districts 1 student (one-year term)
Baltimore City ³	10	3 years	А	9 from city at large 1 student (one-year term)
Baltimore ⁴	12	4 years	A/E	4 from county at large (appointed)7 from councilmanic districts (elected)1 student (one-year term)
Calvert	6	4 years	E	2 from county at large3 from commissioner districts1 student (nonvoting, one-year term)
Caroline	7	4 years	A/E	3 elected from school board districts2 appointed from county at large2 students (nonvoting, one-year term)
Carroll	11	4 years	E	5 from county at large 5 commissioners <i>ex officio</i> (nonvoting) 1 student (nonvoting, one-year term)
Cecil	6	4 years	E	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	Е	5 from councilmanic districts 2 students (nonvoting, one-year term)
Frederick	8	4 years	E	7 from county at large 1 student (nonvoting, one-year term)
Garrett	6	4 years	E	2 from county at large 3 from commissioner districts 1 student (nonvoting, one-year term)

School System	Number of Members	Term		Means of Selection ¹
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	2 from county at large5 from councilmanic districts1 student (one-year term)
Kent ⁵	6	4 years	E	5 from county at large 1 student (nonvoting, one-year term)
Montgomery	8	4 years	E	2 from county at large5 from school districts1 student (one-year term)
Prince George's ⁶	14	4 years	A/E	9 elected from school board districts4 appointed by county1 student (one-year term)
Queen Anne's	7	4 years	E	 from county at large from commissioner districts students (nonvoting, one-year term)
St. Mary's	6	4 years	E	 from county at large from commissioner districts 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 ⁷	8	4 years	Е	7 from county at large 1 student (nonvoting, one-year term)
Wicomico ⁸	7	4 years	Е	5 from councilmanic districts 2 from county at large
Worcester	10	4 years	E	7 from commissioner districts 3 students (nonvoting, one-year term)

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

²Chapter 473 of 2017 restructured the Anne Arundel County Board of Education from a nine-member appointed board to an eight-member elected board consisting of seven elected members (one from each of the seven councilmanic districts on a nonpartisan basis) and one student member. The terms of the elected members are staggered; four members were elected at the 2018 general election and three members will be elected at the 2020 general election. In this manner, the elected board is phased in. The members elected in November 2018 serve a six-year term, while the members elected in 2020 serve a four-year term. Thus, beginning in 2024, all members must stand for election.

³Chapter 593 of 2017 repealed the role of the Governor in making appointments to the Baltimore City Board of School Commissioners; it also repealed the Governor's role in filling board vacancies and removing board members. As a result, board members are appointed solely by the Mayor of Baltimore City until the appointed/elected board established by the legislation is executed at the 2022 general election. Chapter 593 also established the Baltimore City Public School Board Community Panel (which the Mayor must convene) and specified its membership. The purpose of the panel is to select nominees to be recommended to the Mayor elects not to appoint a member or to fill a vacancy from a list submitted by the panel, the Mayor must reconvene the panel to submit additional names of qualified candidates. Beginning with the 2022 general election, the board will be restructured as a hybrid board with two members elected from the city at large, nine members appointed by the Mayor, and one student member. Elected members will serve a four-year term whereas appointed members will serve a three-year term.

⁴Chapters 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 were elected at the general election in November 2018 and serve four-year terms. In addition, Chapters 480 and 481 established the Baltimore County Nominating Commission. Generally, the commission is responsible for submitting to the Governor at least two names for each vacancy on the board. The commission consists of 19 members of the county and must reflect the diversity of the county. Except in extraordinary circumstances, the Governor must appoint members to the board of education from the list the nominating commission provides.

⁵Although not in statute, the Kent County Board of Education reports that there is a nonvoting student member of the board and that he or she does not attend closed sessions.

⁶Chapter 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.

⁷Although not in statute, the Washington County Board of Education reports that there is a student member of the board and that he or she can only concur on votes and must abstain from certain matters.

⁸Chapter 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 were elected at the general election in 2018 and serve four-year terms.

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

HB 993/ Page 7