Department of Legislative Services

Maryland General Assembly 2021 Session

FISCAL AND POLICY NOTE Third Reader - Revised

Senate Bill 785 (Senators Ferguson and Pinsky)

Education, Health, and Environmental Affairs

Ways and Means

State Board of Education Membership and Terms - Capability and Capacity Study of Education Agencies

This emergency bill requires the Governor to appoint (1) members reasonably reflective of the racial, ethnic, cultural, and gender diversity of the State; and (2) members with specified areas of expertise and backgrounds in addition to the teacher and parent member. The bill also adjusts the terms of board members such that the Governor must appoint a new member or reappoint a current member on or before January 1 of the year in which a member's term expires and clarifies that all regular member terms begin on July 1 after their appointment.

The bill further requires the Accountability and Implementation Board (AIB), in consultation with the Department of Legislative Services (DLS), to contract with a consultant for a study of the capability and capacity of State governmental entities to carry out their duties and to implement the Blueprint for Maryland's Future (the Blueprint). The Governor must include in the annual budget bill a sufficient appropriation to conduct the study. AIB must submit a preliminary report of findings to the Governor and the General Assembly by December 15, 2021, and must submit a final report by September 1, 2022.

Fiscal Summary

State Effect: General or special fund expenditures increase by approximately \$125,000 in FY 2022 or FY 2023 to conduct the study as discussed below. **This bill may establish a mandated appropriation for FY 2023.**

Local Effect: None.

Small Business Effect: None.

Analysis

Bill Summary: In addition to the teacher and parent member, the Governor must appoint from the general public members with a background, experience, or high level of knowledge and expertise in:

- using antiracism and equity principles, practices, and frameworks in an educational setting to make systemic change;
- successful management of a large business, nonprofit, or governmental entity and has served in a high level management position;
- instructional programs, adaptations, and supports for students with disabilities;
- multilingual instruction and in achieving proficiency in English as a second language;
- early childhood development and education;
- programs that enhance socioeconomic and demographic diversity in public schools;
- implementing education reform efforts, innovative public school designs, or successful digital learning programs; and
- administering a school system or an institution of postsecondary education.

The Governor must appoint three members in 2021 who meet the bill's qualifications. Additionally, the terms of two of the four board members whose terms expire on June 30, 2023, instead terminate June 30, 2022, and must be replaced by members appointed by the Governor who meet the bill's qualifications and serve for a term of five years until a successor is appointed, who serves a normal term.

The study mandated by the bill must examine the capacity of the Maryland State Department of Education (MSDE), the Maryland Higher Education Commission, the Maryland Department of Labor, and other State governmental entities. These State agencies must provide any information requested by AIB, DLS, or the consultants conducting the study in a timely manner.

Current Law:

State Board of Education

The State Board of Education consists of 13 regular members and 1 student member appointed by the Governor with the advice and consent of the Senate. In making appointments to the State board, the Governor must consider representation from all parts of the State and areas of the State with concentrations of population or unique needs. Members of the board must be appointed from the general public. Except for the student member, any individual who is subject to the authority of the State board may not be

appointed to the State board. In addition, the Governor and the State Superintendent of Schools may not be appointed to the State board.

Each regular member serves for a staggered four-year term and until a successor is appointed and qualifies. The Governor must appoint a new member to fill any vacancy on the State board for the remainder of that term and until a successor is appointed and qualifies. A member is eligible for reappointment but may not serve for more than two full four-year terms. The student member serves for a term of one-year. A student member is eligible for reappointment but may not serve more than two full one-year terms.

Among the regular members, the Governor must appoint one teacher and one parent member with the advice and consent of the Senate. The teacher member who received the highest number of votes after an election by teachers in the State must be appointed by the Governor. For the parent member, the Governor must appoint the parent member from a list of three qualified individuals submitted by the Maryland Parent Teacher Association (PTA). MSDE must provide notice of a teacher member vacancy to (1) all certified teachers who are actively teaching in the State and (2) all teachers' organizations representing teachers in the State for purposes of collective bargaining. The elections must be conducted under regulations adopted by MSDE. MSDE may consult with the State Retirement Agency of the Maryland State Retirement and Pension System to conduct the election. MSDE must provide notice of a parent member vacancy to the Maryland PTA.

A teacher or parent member may attend and participate in an executive session of the State board; however, a teacher member may not vote on any matter that relates to appeals to the State board related to the suspension or dismissal of teachers, principals, and other professional personnel.

The Blueprint for Maryland's Future

Chapter 771 of 2019 established the Blueprint for Maryland's Future as the policy goals for Maryland's education system based on the policy recommendations of the Commission on Innovation and Excellence in Education (known as the Kirwan Commission after its chair Dr. William "Brit" Kirwan). Legislation was introduced in the 2020 session, passed by the General Assembly, and vetoed by the Governor (House Bill 1300) to implement the final set of policy and funding recommendations of the commission that will encompass the Blueprint. The General Assembly overrode the veto on February 12, 2021, enacting the law as Chapter 36 of 2021.

Under the law, the Blueprint would, beginning in fiscal 2022, substantially alter State aid and State policy for public schools. It would establish in law the policies and accountability recommendations of the commission, including creation of a new AIB to oversee implementation of the policies and funding provided under the Blueprint. Funding for

existing education formulas, including the foundation program and targeted programs, is altered and new funding formulas are established for specific purposes, such as the concentration of poverty grant program and publicly funded full-day prekindergarten program.

Chapter 361 of 2018 established a special fund, renamed to be the Blueprint for Maryland's Future Fund by Chapter 771 of 2019, to assist in providing adequate funding for early childhood, primary and secondary education, including revised funding formulas and prekindergarten expansion grants, to provide a world-class education to students based on the recommendations of the Commission on Innovation and Excellence in Education. The Blueprint Fund receives revenues from several sources including the Education Trust Fund and specified online sales tax revenues.

State Expenditures: Based on the consultant costs for the Kirwan Commission over a three-year period, a capability and capacity study of this magnitude (taking over one year to complete) can likely be completed for approximately \$100,000 to \$150,000. The AIB must be appointed and hire staff before this study could begin. Special fund expenditures, therefore, increase by \$125,000 (the midpoint) in fiscal 2022 and/or 2023, assuming the Blueprint Fund can be used for this purpose. Otherwise, general fund expenditures increase by the same total amount. The Governor may be required to appropriate funding for the study in fiscal 2023, but funding may be provided in fiscal 2022.

DLS can consult with AIB using existing resources, and other State agencies can provide information to AIB or the contractor with existing resources.

Additional Information

Prior Introductions: None.

Designated Cross File: None.

Information Source(s): Governor's Office; Maryland State Department of Education; Maryland Higher Education Commission; Maryland Department of Labor; Department of Legislative Services

Fiscal Note History: First Reader - February 24, 2021 rh/rhh Third Reader - March 31, 2021

Revised - Amendment(s) - March 31, 2021

Direct Inquiries to: (410) 946-5510 (301) 970-5510 Analysis by: Michael E. Sousane