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Committee Report: Favorable

House action: Adopted

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CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Baltimore City Schools - Funding**

3 FOR the purpose of authorizing, ratifying, and sanctioning a reduction in the State share  
4 of basic current expenses for elementary and secondary education for the City of  
5 Baltimore by a certain amount for a certain fiscal year, contingent upon receipt of  
6 certain information; clarifying legislative intent; and providing for the effective date  
7 of this Act.

8 Preamble

9 WHEREAS, The Maryland General Assembly remains concerned about the  
10 progress of the Baltimore City Public Schools (BCPS) in implementing a plan of school  
11 management reforms, including the creation of a network of enterprise schools; and

12 WHEREAS, The Maryland General Assembly remains concerned about the  
13 ability of the Baltimore City Public Schools (BCPS) leadership to manage State and local  
14 resources and the impact that deficiency has on the classroom and student performance  
15 of BCPS students; and

16 WHEREAS, Although progress is being made in certain areas, for the sixth  
17 consecutive year, the 1995 Maryland School Performance Report indicates that  
18 performance of BCPS students was far lower, and in some areas declining, when  
19 compared to the performance of students in similarly challenged jurisdictions and  
20 students statewide; and

1 WHEREAS, In 1991, in consultation and cooperation with the Board of School  
2 Commissioners and the superintendent, Associated Black Charities commissioned an  
3 international management consulting firm, Towers Perrin/Cresap, to conduct a  
4 management study of the BCPS; and

5 WHEREAS, The final report released in June, 1992, raised serious issues about  
6 the management of the BCPS and offered numerous recommendations and strategies to  
7 restructure the management system into a network of enterprise schools, in which  
8 resources are focused at the school level and principals are given greater authority to  
9 manage their schools; and

10 WHEREAS, In August, 1992, the superintendent of the BCPS endorsed all but six  
11 of the Cresap recommendations to restructure the BCPS' management system into a  
12 network of enterprise schools, and appointed an implementation team and an enterprise  
13 school group to oversee implementation; and

14 WHEREAS, In April, 1993, the Maryland General Assembly endorsed the Cresap  
15 report by including a provision in the State budget bill requiring the BCPS and the  
16 Maryland State Department of Education (MSDE) to enter into a three-year agreement  
17 to monitor and evaluate the implementation of the Cresap recommendations, including  
18 the recommendation to implement a merit-based, systemwide personnel evaluation  
19 system for teachers, principals, and administrators; and

20 WHEREAS, In July, 1993, the agreement was signed by the State Superintendent  
21 and the BCPS superintendent, with the caveat that recommendations deemed  
22 inappropriate or not feasible, based on a written explanation by the BCPS, would not be  
23 implemented, and a requirement that MSDE and the BCPS mutually agree on the  
24 selection of a third party to conduct an independent evaluation of BCPS' progress in  
25 implementing the recommendations by June 30, 1994; and

26 WHEREAS, In January, 1994, a public meeting was held to hear a report on the  
27 BCPS' progress at which the private sector team leaders appointed by MSDE to help the  
28 BCPS facilitate the implementation of the Cresap recommendations revealed that few  
29 recommendations, if any, had been implemented, and that planning, coordination, and  
30 clear lines of responsibility were lacking on the part of the BCPS; and

31 WHEREAS, In June, 1994, the BCPS and MSDE mutually agreed to retain MGT  
32 of America, Inc., a Florida consulting firm with experience in education issues, to  
33 evaluate the BCPS' progress in implementing the Cresap recommendations; and

34 WHEREAS, In January, 1995, at a public hearing, MGT presented its report on  
35 BCPS' progress revealing that 39 of the 53 major Cresap recommendations had not been  
36 implemented and cited the major barriers to implementation as: no master plan for  
37 implementation; confusion among school and central office administrators about the  
38 Cresap report; inadequate, fragmented, poorly coordinated training efforts; sweeping  
39 changes in senior level staff within the BCPS; and the disbanding of the BCPS groups  
40 responsible for implementation oversight; and

41 WHEREAS, At the same public hearing, the superintendent of the BCPS  
42 responded to the MGT report by implying that the Cresap recommendations were for the

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1 purpose of providing guidance only and there was no intention of implementing all of the  
2 recommendations to which the BCPS and MSDE earlier agreed; and

3 WHEREAS, The BCPS' poor management practices likely contribute to the  
4 unacceptable level of student performance and efforts by private sectorvolunteers,  
5 independent consultants, the MSDE, and the Maryland General Assembly have failed to  
6 motivate action by the BCPS; and

7 WHEREAS, In April, 1995, the Maryland General Assembly included a provision  
8 in the State budget bill withholding \$5,873,943 from the Fiscal Year 1996 appropriation  
9 for the State share of basic current expenses for the City of Baltimorepending receipt of  
10 a report from the Maryland State Department of Education evaluating whether the BCPS  
11 has made substantial progress in implementing the Cresap recommendations, including a  
12 systemwide personnel evaluation system; and

13 WHEREAS, The Fiscal Year 1996 State appropriation for education aid for  
14 Baltimore City is \$423.6 million, or 20 percent of the appropriation statewide; and

15 WHEREAS, \$5,873,943 is the amount estimated to be 25 percent of Baltimore  
16 City's expenditures for salaries, wages, and benefits for administration for the BCPS for  
17 Fiscal Year 1996; and

18 WHEREAS, The action of withholding \$5,873,943 from the City of Baltimore is  
19 consistent with provisions included in State budget bills to withhold up to 25 percent of  
20 the salary of State administrators deemed to be responsible for poor compliance with  
21 State laws, rules, and regulations governing fiscal administration practices; now,  
22 therefore,

23 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
24 MARYLAND, That, notwithstanding any other provision of law, if the Maryland State  
25 Department of Education has not reported by January 31, 1996, that the Baltimore City  
26 Public Schools has made substantial progress toward implementing the Towers  
27 Perrin/Cresap recommendations, including implementing a merit based, systemwide  
28 personnel evaluation system, for Fiscal Year 1996 only, the State shareof basic current  
29 expenses as provided under § 5-202(b) of the Education Article for the City of Baltimore  
30 shall be reduced by \$5,873,943, and the corresponding reduction in thisappropriation for  
31 the State share of basic current expenses is hereby authorized, ratified, and sanctioned.

32 SECTION 2. AND BE IT FURTHER ENACTED, That if the State share of  
33 basic current expenses for the City of Baltimore is reduced in accordance with Section 1  
34 of this Act, it is the intent of the General Assembly that the City of Baltimore reduce by  
35 \$5,873,943 the budget for salaries, wages, and benefits classified as expenditures for  
36 administration for the Baltimore City Public Schools.

37 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect  
38 April 15, 1996.

