

Department of Legislative Services
Maryland General Assembly
2000 Session

FISCAL NOTE

House Bill 699 (Frederick County Delegation)

Ways and Means

Frederick County - Board of Education - Compensation

This bill provides each member of the Frederick County Board of Education with \$3,000 annually in compensation and with health insurance benefits regularly provided to employees of the county board. In addition, the bill reduces the amount that board members receive for travel and other expenses, from \$2,500 to \$1,000 for board members and \$1,500 for the board president.

Fiscal Summary

State Effect: None.

Local Effect: Frederick County school expenditures could increase by approximately \$10,900 in FY 2001 and by \$29,100 in FY 2004.

Small Business Effect: None.

Analysis

Current Law: Each member of the Frederick County Board of Education is entitled to \$2,500 annually for travel and other expenses. Board members do not receive health insurance benefits.

Background: The Frederick County Board of Education has seven appointed board members. Chapter 245 of 1998 altered the selection process for board members from appointment by the Governor to county-wide elections. The Act established a four-year term and prohibited members from serving more than two consecutive terms. Currently, board members serve for a term of five years. Three of the seven members would be elected at the

2000 general election and four members would be elected at the 2002 general election.

Article 3 Section 35 of the State Constitution prohibits the salary or compensation of any public officer from being increased or decreased during the officer's current term of office except for those whose full term of office exceeds four years. This prohibition would affect the compensation increases provided in this bill for three appointed members. The other members would be either newly elected or will serve a term of office that exceeds four years.

Local Fiscal Effect: Frederick County school expenditures could increase by approximately \$10,900 in fiscal 2001 and by \$29,100 in fiscal 2004. Health benefit costs are based on the employer portion of health insurance benefits provided to school employees which range from \$2,262 to \$2,580. **Exhibit 1** shows the projected increase in school expenditures on an annualized basis for the four board members who are eligible to receive the compensation increase in fiscal 2001 and fiscal 2002. The remaining three board members would become eligible for the compensation increase beginning in fiscal 2003. The full fiscal impact of this legislation does not occur until fiscal 2004.

Exhibit 1
Projected Annual Cost of New Compensation Package in FY 2001

Benefits	Current Law	Proposed Law	Difference
Expense Allowance - board members (4)	\$2,500	\$1,000	(\$6,000)
Compensation (4)	\$0	\$3,000	\$12,000
Health Benefits (4)	\$0	\$2,580	\$10,320
Total			\$16,320

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source: Frederick County Public School System, Department of Legislative Services

Fiscal Note History: First Reader - March 3, 2000

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