

**Department of Legislative Services**  
 Maryland General Assembly  
 2001 Session

**FISCAL NOTE**  
**Revised**

House Bill 532 (Delegate Montague, *et al.*)  
 Ways and Means

**State Board of Education - Education in Juvenile Justice Facilities - Control and Supervision**

This bill requires the State Board of Education, instead of the Department of Juvenile Justice (DJJ), to provide educational programs in facilities run by DJJ. In operating the educational programs in the facilities, the State board has all the rights, privileges, and responsibilities of a local board of education. The bill also removes the requirement that the State Advisory Board for Juvenile Justice consult with and advise the Secretary of Juvenile Justice on DJJ's educational programs and services.

The bill is effective June 1, 2001.

**Fiscal Summary**

**State Effect:** General fund expenditures would increase by an estimated \$1.2 million in FY 2002. Out-years reflect annualization and inflation. In addition, \$5.8 million in general and federal funds would transfer from the Department of Juvenile Justice budget to the Maryland State Department of Education budget. No effect on revenues.

(\$ in millions)	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	1.2	1.2	1.2	1.3	1.3
Net Effect	(\$1.2)	(\$1.2)	(\$1.2)	(\$1.3)	(\$1.3)

*Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate effect*

**Local Effect:** None.

**Small Business Effect:** None.

## **Analysis**

**Current Law:** The Department of Juvenile Justice (DJJ) must develop and provide within specified juvenile facilities educational programs designed to meet the particular needs of the facilities' populations. The State Advisory Board for Juvenile Justice must consult with and advise the Secretary of Juvenile Justice on the educational programs and services within DJJ.

**State Fiscal Effect:** General fund expenditures would increase by an estimated \$1.2 million beginning in fiscal 2002 to transfer education programs at DJJ facilities to the Maryland State Department of Education (MSDE). The assumptions used to calculate this estimate are discussed below.

- The facilities affected by the legislation would be those that are operated by DJJ. Educational programs in facilities run by private vendors would not be operated by MSDE.
- All of the current DJJ education staff and the supporting budget would be transferred to MSDE. At its headquarters, DJJ houses ten educational employees: a superintendent, a pupil personnel assistant, six program specialists, and two management associates. Teachers working at the juvenile facilities would be retained by MSDE. The proposed fiscal 2002 DJJ education budget is \$5.8 million, including an estimated \$4.5 million in general funds and \$1.3 million in federal funds.
- MSDE would upgrade DJJ programs to parallel the Correctional Education program MSDE operates. This would require the addition of five new positions within a new division of MSDE, four program coordinators (academic, vocational, special education, and library services) and one psychologist. The positions would fall within the Institutional Educators Pay Plan. Assuming a 90-day start-up delay for these positions, the fiscal 2002 cost is estimated at \$336,600. Additional operating expenditures and one-time start-up costs of approximately \$26,400 in fiscal 2002 would also be anticipated.
- The program would be housed in a leased office outside of MSDE headquarters due to a lack of available space at MSDE. The office would have to accommodate 15 employees and would need space for a conference room, a copier room, and storage. The cost for the leased office would be approximately \$28,000 annually beginning in fiscal 2002. Fuel and utilities costs for the office are estimated at \$7,200 annually. One-time moving expenses estimated at \$10,000 would be required to move the DJJ office into a new MSDE office.

- The headquarters staff brought over from DJJ would require new equipment and office furniture. The one-time cost for these items is estimated at \$47,000. An additional \$20,000 is estimated for additional office furniture and equipment.
- An information technology system connecting MSDE, DJJ facilities, the DJJ education program, and DJJ would be required. The equipment and installation costs are estimated at \$60,000 in fiscal 2002.
- MSDE estimates an increase in indirect costs of 12% over the current DJJ budget. This estimate reflects increases in workloads at MSDE within business services, human resources, and all other MSDE supporting units. Increased indirect costs are estimated at \$700,000 annually. A commensurate reduction in indirect costs at DJJ would not be anticipated.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Maryland State Department of Education, Department of Legislative Services

**Fiscal Note History:** First Reader – March 13, 2001  
mld/hlb Revised – Updated Information – March 14, 2001

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