

**Department of Legislative Services**  
Maryland General Assembly  
2003 Session

**FISCAL AND POLICY NOTE**

Senate Joint Resolution 12 (Senator McFadden, *et al.*)

Education, Health, and Environmental Affairs

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**State of Emergency in the Baltimore City School System**

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This joint resolution urges the Mayor and City Council of Baltimore City, the Governor and General Assembly of the State of Maryland, and the U. S. Congress to declare the Baltimore City school system in a state of emergency and to provide financial aid to the school system to alleviate the conditions that led the school system to its current state.

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**Fiscal Summary**

**State Effect:** If the joint resolution results in additional State funding for the Baltimore City school system, general fund expenditures would increase accordingly.

**Local Effect:** If the joint resolution results in additional funding for the Baltimore City school system, local school revenues for the city would increase.

**Small Business Effect:** None.

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**Analysis**

**Background:** In 1997, following a consent decree approved by the Baltimore City Circuit Court regarding the Baltimore City Public School System (BCPSS), the General Assembly passed legislation (Chapter 105 of 1997) establishing the Baltimore City-State Partnership. At the time, BCPSS was struggling with the poor academic performance of its students and questions about the system's administration and accountability. The partnership was created to improve the system through increased State oversight and the infusion of \$230 million in additional State operating aid from fiscal 1998 to 2002. SB 719 of 2001 (Chapter 420) extended the fiscal 2002 sunset on partnership funding through fiscal 2003.

The legislation that established the partnership also required a final comprehensive evaluation of the school system by December 1, 2001. This evaluation was conducted by Westat and was presented to the General Assembly on January 17, 2002. Westat concluded that the partnership has worked well to improve student achievement and system management and recommended that the partnership continue.

However, over the last several months additional problems within BCPSS have been identified and publicized. First, BCPSS revealed that it has a fiscal 2003 budget deficit of approximately \$30 million. Second, it was discovered that BCPSS had not turned off water fountains in more than 40 schools where unsafe levels of lead were detected in the water ten years ago. On March 18, 2003, the Chief Executive Officer of BCPSS announced that she will step down from her post on June 30, 2003.

In fiscal 2003, BCPSS is receiving approximately \$608 million from the State, \$201 million from local sources, and more than \$100 million from the federal government. This represents approximately \$10,000 per student, the second highest total in the State. The adequacy formula adopted by the Thornton Commission, which estimates the amount of funding needed to acquire the resources that would be required to “adequately” educate students, calculated a per pupil need in Baltimore City of approximately \$12,000, the highest total in the State. New funding formulas based on adequacy will be phased in beginning in fiscal 2004 and are scheduled to be fully implemented by fiscal 2008. In addition to State aid for operating expenses, BCPSS is receiving \$13.8 million in fiscal 2003 from the State’s Public School Construction Program.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Department of Legislative Services

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