

**Department of Legislative Services**  
Maryland General Assembly  
2004 Session

**FISCAL AND POLICY NOTE**

House Bill 155

(Chairman, Ways and Means Committee)  
(By Request – Departmental – Education)

Ways and Means

Budget and Taxation

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**Education - Comprehensive Master Plan Annual Updates**

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This departmental bill extends the deadline for local school systems to submit annual updates to their comprehensive master plans from July 1 to August 15. Local school systems are also required to submit estimated prior year revenues and expenditures with the comprehensive master plans. By October 1 of each year, systems must provide current year approved budgets and actual prior year revenues and expenditures to the State Board of Education and the State Superintendent of Schools.

The bill takes effect July 1, 2004.

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**Fiscal Summary**

**State Effect:** The Maryland State Department of Education (MSDE) could collect and review the additional budget information with existing resources.

**Local Effect:** Local school systems could prepare and submit the additional budget information with existing resources.

**Small Business Effect:** MSDE has determined that this bill has minimal or no impact on small business (attached). Legislative Services concurs with this assessment.

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**Analysis**

**Current Law:** Each local school system must update its comprehensive master plan by July 1 of each year. Each local board is required to provide for an annual audit of its financial transactions and accounts. The results of the audit must be reported within three

months after the close of each fiscal year to the State Superintendent of Schools, the county fiscal authority, the Joint Audit Committee of the General Assembly, the Senate Budget and Taxation Committee, the Senate Education, Health, and Environmental Affairs Committee, the House Appropriations Committee, and the House Committee on Ways and Means.

**Background:** The Bridge to Excellence in Public Schools Act of 2002 established the requirement that local school systems develop and implement comprehensive master plans. The plans form the basis of the accountability system implemented in the Act. To focus accountability on student performance outcomes, State aid was reconfigured to eliminate approximately 30 categorical programs and replace them with large, unrestricted block grants. In return for the increased flexibility, local school systems were required to submit detailed comprehensive master plans that define how State, local, and federal funding will be used to improve student achievement in every segment of the student population. The Bridge to Excellence legislation, along with the federal No Child Left Behind Act enacted the same year, require MSDE to carefully track the progress of all student subgroups towards meeting State performance standards. If a local school system is not showing sufficient improvement across every segment of the student population, the State superintendent can require the system to make specific revisions to its plan. Each school system's first comprehensive master plan was due to MSDE October 1, 2003.

MSDE advises that moving the date of submission for the comprehensive master plans back will allow school systems to prepare updates based on more complete analyses of student performance data from the prior school year.

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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 - February 9, 2004  
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