

Department of Legislative Services
Maryland General Assembly
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FISCAL AND POLICY NOTE

Senate Bill 449 (Senator Pugh, *et al.*)

Finance and Education, Health, and
Environmental Affairs

**Baltimore City Public School System - Charter Management Organizations -
Amendments to Collective Bargaining Agreements**

This bill authorizes a charter management organization (CMO) operating a public charter school in Baltimore City to amend the provisions of a collective bargaining agreement if 80% of employees at the school approve the amendment. An approved amendment expires when the collective bargaining agreement to which the amendment is proposed expires and is enforceable in the same manner as the existing agreement. Amendments that cover topics that are otherwise prohibited from school system collective bargaining negotiations are not allowed. Baltimore City Public Schools (BCPS) must adopt regulations that govern amendment voting, including a requirement that BCPS supervise the vote and a process by which the result must be certified.

The bill takes effect June 1, 2011.

Fiscal Summary

State Effect: None. The bill is directed at BCBS.

Local Effect: The amount of money the Baltimore City Board of School Commissioners must distribute to a public charter school is not affected by the bill. BCBS can adopt regulations that govern the voting, supervise any votes, and certify any votes using existing resources.

Small Business Effect: Minimal.

Analysis

Bill Summary: A “charter management organization” is defined as a nonprofit organization that creates, operates, manages, or supports public charter schools by centralizing or sharing specified functions and resources among charter schools that provide a college-preparatory education primarily for students who are eligible to receive services funded under Title I of the federal Elementary and Secondary Education Act of 1965.

An amendment to a collective bargaining agreement must be proposed by the CMO and presented to the employees who work at the public charter school. After presenting an amendment to the employees, the CMO must inform the public school employer (BCPS) and the employee organization of the proposed amendment.

Then the CMO must conduct a vote for the approval or disapproval of the proposed amendment by the employees who work at the public charter school. The election must be by secret ballot, must take place on the premises of the public charter school, and must be conducted during the regular work day.

An approved amendment must be made available on request.

Current Law: Certificated and noncertificated charter school employees are employees of the local school system in the jurisdiction in which the public charter school is located and have the same rights as other public school employees in that jurisdiction, including rights regarding collective bargaining. If a collective bargaining agreement is already in existence in the county where a public charter school is located, the employee organization and the public charter school may mutually agree to negotiate amendments to the existing agreement to address the needs of the particular public charter school. A public school employer may not negotiate the school calendar, the maximum number of students assigned to a class, or any other prohibited matter.

A local board must disburse to a public charter school an amount of county, State, and federal money for elementary, middle, and secondary students that is commensurate with the amount disbursed to other public schools in the local jurisdiction.

Background: Since 1991, 40 states and the District of Columbia have enacted laws that authorize public charter schools. In the majority of states, charter school teachers are not bound by school district collective bargaining agreements or have the option to choose whether or not they are covered. In the states where they are not covered by district agreements, some charter school teachers have the option to negotiate as a separate unit.

CMOs were established to help alleviate some of the common challenges faced by stand-alone charter schools such as resource scarcity, lack of buying power, and a need for administrative knowledge. In addition, CMOs tend to try to replicate an educational philosophy or instructional design in each of their schools. Across the county, CMOs have become very popular in recent years. For example, during the 2008-2009 school year, more than half of the charter schools up for renewal in the Los Angeles Unified School District were affiliated with CMOs. However, CMOs do not all follow one administrative model, which can make defining a CMO difficult. The Knowledge is Power Program (KIPP) is probably the best known CMO, although there are many others, including Friendship Public Charter Schools and Green Dot Public Schools.

In 2009, at the KIPP Ujima Village Academy, a charter school in Baltimore City, teachers worked 9 hours and 15 minutes a day rather than the standard 7 hours and 5 minutes. In addition, KIPP teachers taught two Saturdays a month and three weeks of summer classes. KIPP teachers were paid 18% more than their peers; however, the Baltimore Teachers Union said that the teachers should be paid 33% more than other Baltimore City teachers to compensate them for their extra hours, in accordance with the union contract. Since KIPP did not have the extra money to meet the contract terms, the school shortened the instructional day to 8 hours and 30 minutes, eliminated Saturday classes, and fired some of the art and the music teachers, along with some administrative staff members.

In March 2010, KIPP Baltimore, the Baltimore City Board of School Commissioners, and the Baltimore Teachers Union, amended the collective bargaining agreement for the 2010-2011 fiscal and academic year and finalized a settlement for back pay for fiscal 2009. The agreement allowed for a 9 hour and 30 minute work day, 11 Saturday sessions at which teacher participation is voluntary, and 18 teacher work days during the summer. For the extra time, teachers are to be paid 20.5% more than their peers, assuming a 1% increase in the pay scale for teachers in fiscal 2011.

MSDE reports that under current law it is cumbersome for a charter school to obtain a waiver from a collective bargaining agreement because it depends on the employee organization that represents all public school employees in the local school system agreeing to negotiate the waiver.

There are 34 public charter schools in Baltimore City, 77%, of the State total of 44.

Local Expenditures: Local school boards are required to disburse to charter schools an amount of county, State, and federal money for elementary, middle, and secondary students that is commensurate with the amount disbursed to other public schools in the local jurisdiction. The bill does not change this. Therefore, the amount of money BCPS is required to disburse to public charter schools does not change, even if charter school

employees negotiate higher salaries. To pay higher salaries, a charter school would need to alter its use of existing funds or find additional outside funds.

BCPS can adopt regulations that govern voting, supervise any votes, and certify any votes using existing resources.

Additional Information

Prior Introductions: None.

Cross File: HB 792 (Delegate Rosenberg, *et al.*) – Ways and Means.

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

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