

Department of Legislative Services
Maryland General Assembly
2014 Session

FISCAL AND POLICY NOTE
Revised

Senate Bill 290

(Senator Brochin, *et al.*)

Education, Health, and Environmental Affairs

Ways and Means

Baltimore County - Board of Education - Selection of Members

This bill restructures the Baltimore County Board of Education from a 12-member appointed board, including 1 student member, to a 12-member board consisting of 4 at-large members appointed by the Governor; 7 nonpartisan members each elected from one of seven council districts (school board districts), and a student member. The bill alters the date of expiration for the terms of certain members. Restructuring of the board begins December 7, 2015, and is fully realized by December 3, 2018. Every four years at the general election one member will be elected from each of seven council districts. Additional members are appointed within 30 days of the general election or of a vacancy on the board. In appointing members to the board, the Governor must ensure, to the extent practicable, that the total makeup of the board reflects gender, ethnic, and racial diversity. This bill also establishes the Baltimore County School Board Nominating Commission and provides for the selection of its 19 members.

Fiscal Summary

State Effect: State Board of Elections expenditures are not substantially affected.

Local Effect: Baltimore County expenditures increase by \$100 in FY 2015 and by \$1,300 annually beginning in FY 2020, assuming board members do not receive health insurance coverage from the local school system. Local election costs increase beginning in FY 2019 to cover the local share of creating additional election ballot styles. **This bill may impose a mandate on a unit of local government.**

Small Business Effect: None.

Analysis

Bill Summary: An elected member of the Baltimore County school board must be at least 21 years old, have resided in the school board district for at least two years, and be a registered voter in the county before the election. The office is deemed vacant if the member does not maintain district residency. If a district boundary line is changed, an incumbent who resides outside of the district as a result of the change may serve the remainder of the current term.

After election results are certified, the State Board of Education must declare for each district whether a candidate has been elected. If no individual files for candidacy or if no individual otherwise qualifies for placement on the ballot, the Governor must appoint a member (from a list of nominees submitted by the Baltimore County School Board Nominating Commission) to fill the vacancy within 30 days of the general election.

At its first meeting in December of each year, the county board must elect a chair and vice chair from among its members. A student member who completes a full term must be granted a \$100 higher education scholarship. Otherwise, provisions concerning the student member of the county board are not altered by the bill.

The State Board of Education may remove a board member for immorality, misconduct in office, incompetency, willful neglect of duty, or failure to attend 75% of board meetings in a calendar year without good cause. The board member must be informed of the charges against the member, be given an opportunity to request a public hearing before the State Board of Education, and if removed, be given the right to a *de novo* review of the removal by the Circuit Court for Baltimore County.

Each nonstudent board member receives an annual compensation of \$100. Board members are also entitled to allowances for travel and other expenses as budgeted by the county. The bill alters school board terms from five to four years and sets term limits for school board members.

Baltimore County School Board Nominating Commission

The purpose of the Baltimore County School Board Nominating Commission is to select nominees to be recommended to the Governor as qualified candidates for appointment to the Baltimore County Board of Education. The commission must reflect the cultural, geographic, ethnic, and racial diversity of Baltimore County. The commission must hold at least two public hearings on the selection of nominees before recommending nominees to the Governor.

Beginning October 1, 2018, for each nomination to the county board, the commission must submit a list of nominees that contains at least two names for each vacancy, unless there are less than two applicants for a vacancy. Absent an extraordinary circumstance, the Governor must appoint a member to the county board from the list submitted by the commission. If the Governor elects not to appoint a member from a list submitted by the commission, the Governor must request that the commission submit the names of additional qualified candidates. A member of the commission serves for a four-year term. The Baltimore County Public School System must provide staff support for the commission.

Current Law: The Baltimore County Board of Education consists of 12 members appointed by the Governor: 1 member from each of the 7 councilmanic districts in the county, 4 from the county at-large, and 1 student member.

Members serve five-year terms, except the student member who serves a one-year term. With the approval of the Governor, the State Superintendent of Schools may remove a board member for immorality, misconduct in office, incompetency, willful neglect of duty, or failure to attend board meetings. If any of the members vacates the position, the Governor appoints a replacement.

Background: The Baltimore County Board of Education is one of four appointed school boards in the State. There are 17 elected school boards in the State and three counties have hybrid boards including both elected and appointed members. **Appendix – Local Boards of Education** shows the selection methods, terms of office, and membership of the 24 local boards of education.

Local Fiscal Effect: The Maryland Constitution prohibits increases in the salaries and compensation of board members during a term of office. Under the bill, the term of one member will begin in December 2015 (five months into fiscal 2016), the term of one member will begin in December 2016 (five months into fiscal 2017), and the terms of nine members will begin in December 2018 (five months into fiscal 2019). The staggered terms will have the effect of phasing in the compensation increases over five fiscal years.

Members of the Baltimore County Board of Education will be entitled to an annual salary of \$100 (or a \$100 scholarship for a student member serving a one-year term). Accordingly, accounting for payroll taxes of approximately \$8 per nonstudent member, Baltimore County expenditures increase by \$100 in fiscal 2015 and by \$1,290 annually beginning in fiscal 2020.

Under the bill, county school board members are also entitled to allowances for travel and other expenses, as provided in the county budget. The Baltimore County Public

Schools budget currently covers travel expenditures (including mileage and conference costs), membership dues, and other costs (such as supplies). Because the bill does not alter the size of the board, annual expenditures for travel and other expenditures are not affected by the bill.

The bill does not indicate whether county school board members will be eligible for health insurance. Baltimore County health insurance costs per member range from approximately \$5,500 for an individual plan to \$15,800 for a family plan. If nonstudent board members are provided health insurance coverage, annual health care expenditures beginning in fiscal 2016 would be as much as \$9,200 and as much as \$173,800 by fiscal 2020. These costs would be substantially lower to the extent that board members opt out of health insurance coverage due to existing coverage or for other reasons.

Exhibit 1 illustrates the potential increase in county expenditures for fiscal 2015 through 2020.

Exhibit 1
Additional Expenditures under the Bill

| <u>Fiscal Year</u> | <u>Salaries*</u> | <u>Payroll Tax</u> | <u>Health</u> | <u>Total</u> | <u>Total Without Health</u> |
|--------------------|------------------|--------------------|---------------|--------------|-----------------------------|
| 2015 | \$100 | \$0 | \$0 | \$100 | \$100 |
| 2016 | 158 | 5 | 9,217 | 9,380 | 163 |
| 2017 | 258 | 13 | 25,017 | 25,288 | 271 |
| 2018 | 300 | 16 | 31,600 | 31,916 | 316 |
| 2019 | 825 | 58 | 114,550 | 115,433 | 883 |
| 2020 | 1,200 | 88 | 173,800 | 175,088 | 1,288 |

*Includes student member scholarship.

Baltimore County board of elections costs increase minimally to cover the costs associated with generating ballot styles for elections, beginning in fiscal 2019.

Additional Information

Prior Introductions: None.

Cross File: HB 384 (Delegate Lafferty, *et al.*) - Ways and Means. The bill is identical to HB 1453 (Baltimore County Delegation – Ways and Means), as it passed the House, though it is not listed as the cross file.

Information Source(s): Baltimore County, Maryland State Department of Education, Maryland State Board of Elections, Department of Legislative Services

Fiscal Note History: First Reader - January 27, 2014
ncs/hlb Revised - Senate Third Reader - April 3, 2014

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Appendix – Local Boards of Education

| <u>School System</u> | <u>Number of Members</u> | <u>Term</u> | <u>Means of Selection¹</u> | |
|----------------------|--------------------------|-------------|---------------------------------------|---|
| Allegany | 7 | 4 years | E | 5 from county at large 1 commissioner <i>ex officio</i> (nonvoting) 1 student (nonvoting, one-year term) |
| Anne Arundel | 9 | 5 years | A | 3 from county at large 5 from legislative districts 1 student (one-year term) |
| Baltimore City | 10 | 3 years | A | 9 from city at large 1 student (one-year term) |
| Baltimore | 12 | 5 years | A | 4 from county at large 7 from council districts 1 student (one-year term) |
| Calvert | 6 | 4 years | E | 2 from county at large 3 from commissioner districts 1 student (nonvoting, one-year term) |
| Caroline | 7 | 4 years | A/E | 3 elected from school board districts 2 appointed from county at large 2 students (nonvoting, one-year term) |
| Carroll | 9 | 4 years | E | 5 from county at large 3 commissioners <i>ex officio</i> (nonvoting) 1 student (nonvoting, one-year term) |
| Cecil | 6 | 4 years | E | 5 from commissioner districts 1 student (nonvoting, one-year term) |
| Charles | 8 | 4 years | E | 7 from county at large 1 student (nonvoting, one-year term) |
| Dorchester | 7 | 4 years | E | 5 from council districts 2 students (nonvoting, one-year term) |
| Frederick | 8 | 4 years | E | 7 from county at large 1 student (nonvoting, one year term) |
| Garrett | 7 | 4 years | E | 2 from county at large 3 from commissioner districts 1 commissioner <i>ex officio</i> (nonvoting) 1 student (nonvoting, one-year term) |

| <u>School System</u> | <u>Number of Members</u> | <u>Term</u> | | <u>Means of Selection</u> ¹ |
|----------------------|--------------------------|-------------|-----|--|
| Harford | 11 | 4 years | A/E | 6 elected from council districts 3 appointed 1 superintendent <i>ex officio</i> (nonvoting) 1 student (one-year term) |
| Howard | 8 | 4 years | E | 7 from county at large 1 student (one-year term) |
| Kent | 6 | 4 years | E | 5 from county at large 1 student (nonvoting, one-year term) |
| Montgomery | 8 | 4 years | E | 2 from county at large 5 from school board districts 1 student (one-year term) |
| Prince George's | 14 | 4 years | A/E | 9 elected from school board districts 4 appointed 1 student (one-year term) |
| Queen Anne's | 7 | 4 years | E | 1 from county at large 4 from commissioner districts 2 students (nonvoting, one-year term) |
| St. Mary's | 6 | 4 years | E | 1 from county at large 4 from commissioner districts 1 student (nonvoting, one-year term) |
| Somerset | 5 | 4 years | E | All from commissioner districts |
| Talbot | 8 | 4 years | E | 7 from school board districts 1 student (nonvoting, one-year term) |
| Washington | 8 | 4 years | E | 7 from county at large 1 student (nonvoting, one-year term) |
| Wicomico | 7 | 5 years | A | All from county at large |
| Worcester | 10 | 4 years | E | 7 from commissioner districts 3 students (nonvoting, one-year term) |

¹A = Appointed by Governor, except in Baltimore City where board is appointed jointly by the Governor and the Mayor.
E = Elected. A/E = Combined appointed and elected board. In Prince George's County, 3 members appointed by the County Executive and 1 member appointed by the county council.

Source: Annotated Code of Maryland, Education Article, Sections 3-101 through 3-1405; local board of education websites