

Department of Legislative Services
Maryland General Assembly
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FISCAL AND POLICY NOTE
Revised

House Bill 571

(Delegate Kaiser, *et al.*)

Ways and Means

Education, Health, and Environmental Affairs

School Counselors - Role Expansion in Public Middle and High Schools

This bill establishes a State goal (1) to achieve a ratio of at least one school counselor to every 250 students in every public middle and high school in the State by 2020, and (2) that at least 80% of a school counselor's time must be spent performing specified direct services to students. By December 1, 2016, each local school system must develop and adopt a plan on how to achieve this ratio of counselors to students.

Local boards of education may use existing local school system resources to develop a transition plan. The State Board of Education may develop and distribute guidelines to each local school system to assist in attaining the goal. Local school systems may share resources and technology for school counselors. The State board, in collaboration with local boards of education, may adopt regulations to implement the bill. The bill states the intent of the General Assembly that the Maryland State Department of Education (MSDE) and local boards of education apply for available federal funding or grants for school counseling programs.

Fiscal Summary

State Effect: State retirement expenditures on behalf of local school systems increase two fiscal years after any increase in hiring of school counselors in response to the goal set by the bill. Accordingly, general fund expenditures increase by approximately \$5.5 million annually by FY 2022.

Local Effect: If each local school system reaches the goal by 2020, local school expenditures increase by approximately \$22.7 million annually by FY 2020. Local school system retirement expenditures increase by approximately \$2.0 million annually beginning in FY 2022.

Small Business Effect: None.

Analysis

Bill Summary: Direct services by counselors to students include:

- delivering school guidance curriculum through large group guidance, interdisciplinary curriculum development, group activities, and parent workshops;
- guiding individual student academic and personal planning through individual or small group assistance and advisement;
- providing responsive services through consultation with students, families, and staff and through individual and small group counseling, crisis counseling, and peer facilitation; and
- performing other student services listed in a school counselor job description that is approved by the State Board of Education.

Current Law/Background: According to the Code of Maryland Regulations (COMAR), the School Counseling Program is a planned, systematic program of counseling, consulting, appraisal, information, and placement services for students in kindergarten through grade 12. The services are intended to help a student demonstrate personal and academic growth, make appropriate educational and career decisions, and have productive interactions with others. Specifically, the School Counseling Program must encourage development of educational and career decisionmaking skills so that a student will comprehend aptitudes, interests, and experiences as they relate to individual career development; apply the steps of decisionmaking to any situation; develop an approved four-year high school plan of study; analyze various careers that are appropriate to an individual's aptitudes, interests, and experiences; identify appropriate career opportunities; select the most relevant educational or vocational training programs; formulate and appropriately modify a personal career development plan; and demonstrate useful employment-keeping skills.

A ratio of school counselors to students is not mandated in COMAR; however, generally elementary schools have one certified school counselor, and middle and high schools have two to five certified school counselors, depending on the size of the school. To become a certified school counselor, an applicant must meet a number of qualifications including having a master's degree in school guidance and counseling.

Chapter 676 of 2012 required each local school system to submit to MSDE by December 31, 2012, a description of the local school system's guidance counselor program and the local school system's pupil personnel worker program. Each description

must include (1) data relating to the number of school guidance counselors and pupil personnel workers employed by the local school system; (2) the general duties and responsibilities of the school guidance counselors and pupil personnel workers; (3) the activities of the school guidance counselors that are designed to promote the college readiness of students in grades 6 through 12; (4) the number of students each school guidance counselor and pupil personnel worker is responsible for; and (5) any other related information requested by MSDE. Chapter 676 also required MSDE to submit a report to the General Assembly by December 31, 2013, that includes the data collected and information compiled by the local school systems and the feasibility of and costs associated with the establishment of a college readiness program implemented through school guidance counselors that targets students in grades 6 through 12.

The Elementary and Secondary School Counseling Programs grant from the U.S. Department of Education provides funding to local school systems to establish or expand school counseling programs, with special consideration given to applicants that can (1) demonstrate the greatest need for counseling in the schools to be served; (2) propose the most innovative and promising approaches; and (3) show the greatest potential for replication and dissemination. Grants awarded to local school systems may not exceed \$400,000.

State Fiscal Effect: To the extent that local school systems pursue the goal established by the bill, State expenditures for teachers' retirement will increase.

The following analysis assumes that under current law the ratio of school counselors-to-students would remain constant (which would entail any change in high school enrollment to be met by a proportionally equivalent change in the number of guidance counselors). This analysis also assumes that a given local school system will reassign counselors in order to meet the goal of the bill for *every* school before hiring additional counselors.

Certain school employee retirement costs are paid by the State based on local school system salaries from the second prior fiscal year. If additional school counselors are hired, and to the extent that counselors participate in the Teachers' Retirement System, retirement costs will increase beginning two fiscal years after the increase in salaries. Thus, based on assumptions discussed below, State teachers' retirement expenditures increase by approximately \$5.5 million annually beginning in fiscal 2022. Assuming most local school systems will phase in increases in the number of counselors over a period of years, teacher retirement expenditure increases begin sooner, but to a lesser degree. However, the full effect on the State will depend upon local government decisions regarding pursuit of the goal set by the bill. It is assumed that federal funds will not be available to cover the State's share of retirement costs.

Local Fiscal Effect: To the extent that local school systems pursue the goal established by the bill, local school expenditures will increase.

In July 2013, MSDE submitted the report required under Chapter 676 of 2012. The report indicates that statewide the ratio of school counselors to students in middle schools is 1 to 302 and in high schools is 1 to 299. In Kent County the ratio surpasses the goal of 1 to 250 for both middle schools and high schools. Based upon the reported counselor-to-student ratios and the reported number of school counselors, the number of additional counselors that will need to be hired to reach the goal set by the bill is estimated to total 266 statewide, including 90 middle school counselors and 176 high school counselors. The number of additional counselors required ranges from 1 each in 3 counties (Caroline, Dorchester, and Talbot) to 55 in Baltimore County. Kent County is not affected.

Based upon current salary and benefits per school counselor in affected counties, assuming below-average (first quartile) salaries for newly hired counselors, and accounting for inflation, the projected increase in local school expenditures will total approximately \$22.7 million annually once the counselor-to-student ratio goal is met. Assuming most local school systems will phase in increases in the number of counselors over a period of years, related expenditure increases begin as early as fiscal 2015, but to a lesser degree, and reach full implementation in fiscal 2020. Federal funds may be available to help defray costs in some years for some counties. **Exhibit 1** shows, for each county, the estimated number of additional school counselors that will be required and the related costs.

Chapter 1 of the 2012 first special session requires local school boards to share in the costs of teachers' retirement by phasing in school board payments of the annual normal cost over four years and sets out the payment required from each school board for fiscal 2013 through 2016. Beginning in fiscal 2017, local school boards will be responsible for the actual normal cost of pensions for qualifying personnel.

To the extent that school counselors participate in the Teachers' Retirement System, the relevant salary base (excluding benefits) increases by as much as \$18.1 million annually upon reaching the counselor-to-student ratio goal under the bill. Local school system retirement expenditures increase by an estimated \$2.0 million annually two years after the goal is reached statewide, assumed to be fiscal 2022. Assuming a phase in of the additional counselors, local school system retirement expenditures increase sooner (but not before fiscal 2017).

Exhibit 1
Additional School Counselors and Personnel Costs

| County | Middle School Counselors | High School Counselors | Total | Salary and Benefits |
|-----------------|---------------------------------|-------------------------------|--------------|----------------------------|
| Allegany | 2 | 4 | 6 | \$502,000 |
| Anne Arundel | 7 | 23 | 30 | 2,692,000 |
| Baltimore City | 3 | 10 | 13 | 1,276,000 |
| Baltimore | 22 | 33 | 55 | 4,427,000 |
| Calvert | 4 | 6 | 10 | 977,000 |
| Caroline | 0 | 1 | 1 | 76,000 |
| Carroll | 7 | 2 | 9 | 721,000 |
| Cecil | 3 | 0 | 3 | 263,000 |
| Charles | 2 | 9 | 11 | 955,000 |
| Dorchester | 1 | 0 | 1 | 68,000 |
| Frederick | 0 | 15 | 15 | 1,353,000 |
| Garrett | 1 | 1 | 2 | 161,000 |
| Harford | 10 | 13 | 23 | 1,704,000 |
| Howard | 7 | 2 | 9 | 814,000 |
| Kent | 0 | 0 | 0 | 0 |
| Montgomery | 0 | 5 | 5 | 482,000 |
| Prince George's | 0 | 30 | 30 | 2,670,000 |
| Queen Anne's | 3 | 2 | 5 | 416,000 |
| St. Mary's | 1 | 2 | 3 | 245,000 |
| Somerset | 5 | 8 | 13 | 1,106,000 |
| Talbot | 0 | 1 | 1 | 94,000 |
| Washington | 6 | 4 | 10 | 801,000 |
| Wicomico | 3 | 4 | 7 | 527,000 |
| Worcester | 3 | 1 | 4 | 318,000 |
| Total | 90 | 176 | 266 | \$22,650,000 |

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Baltimore, Carroll, Cecil, Harford, Montgomery, Queen Anne's, and St. Mary's counties; Maryland State Department of Education; Maryland Association of Boards of Education; Department of Legislative Services

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