

Department of Legislative Services
 Maryland General Assembly
 2021 Session

FISCAL AND POLICY NOTE
First Reader

Senate Bill 825 (Senator Hester)
 Education, Health, and Environmental Affairs

**Department of Legislative Services - Study - Capacity and Accountability of State
 Department of Education**

This bill requires the Department of Legislative Services (DLS) to contract with a consultant to study and make recommendations regarding the capacity and accountability of the Maryland State Department of Education (MSDE) to carry out its responsibilities and duties to implement the Blueprint for Maryland’s Future. On request, MSDE must provide specified information within 30 days of the request. By September 1, 2021, and quarterly thereafter, MSDE must report to the General Assembly on the allocation of funds provided under the federal Coronavirus Aid Relief, and Economic Security (CARES) Act by MSDE and local school systems. By December 1, 2021, DLS must report to specified entities on the implementation of the bill. **The bill takes effect June 1, 2021, and terminates May 31, 2022.**

Fiscal Summary

State Effect: General fund expenditures increase by approximately \$82,500 in FY 2022 to contract with a consultant as required by the bill. MSDE can provide any requested information and quarterly reports with existing resources. Revenues are not affected.

(in dollars)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	82,500	0	0	0	0
Net Effect	(\$82,500)	\$0	\$0	\$0	\$0

Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate increase; (-) = indeterminate decrease

Local Effect: Local school systems can provide any required data on how federal funds were spent using existing resources.

Small Business Effect: Minimal; the consultant hired may be a small business.

Analysis

Bill Summary: The outside consultant must collect data and account for how MSDE and local education agencies spend funding provided under the federal CARES Act and the Additional Coronavirus Response and Relief Supplemental Appropriations (CRRSA) provided in the federal Consolidated Appropriations Act, 2021. With regard to student learning loss due to the COVID-19 pandemic the outside consultant must (1) recommend ongoing requirements for data collection and analysis by MSDE and the Maryland Longitudinal Data System; (2) review mitigation plans by local boards of education; and (3) review corrective actions taken by MSDE and local boards. The consultant must submit its report to the Accountability and Implementation Board (AIB).

The consultant hired must be independent from MSDE and have expertise in the capacity and accountability of State and local agencies.

On request of DLS or the consultant, MSDE must provide to the requesting entity, not later than 30 days after the date of the request, information regarding (1) the allocation of funds provided under the federal CARES Act; (2) written guidance and professional development materials provided to local boards of education to implement learning loss mitigation measures, including evidence-based best practices, practice manuals, and handbooks; (3) analysis of the accuracy of implementation of learning loss mitigation measures and outcomes, including the identification of gaps in service; and (4) any actions taken by MSDE to correct issues regarding measures taken by MSDE or local school systems to mitigate student learning loss.

Specifically, DLS must report to AIB, the Legislative Policy Committee, the Senate Education, Health, and Environmental Affairs Committee, the House Appropriations Committee, and the House Committee on Ways and Means.

Current Law: Chapter 771 of 2019 established the Blueprint for Maryland's Future (the Blueprint) as the policy goals for Maryland's education system based on the policy recommendations of the Commission on Innovation and Excellence in Education (known as the Kirwan Commission after its chair Dr. William "Brit" Kirwan). Legislation was introduced in the 2020 session, passed by the General Assembly, and vetoed by the Governor (House Bill 1300) to implement the final set of policy and funding recommendations of the commission that will encompass the Blueprint. The General Assembly overrode the veto on February 12, 2021, enacting the law as Chapter 36 of 2021.

Under the law, the Blueprint would, beginning in fiscal 2022, substantially alter State aid and State policy for public schools. It would establish in law the policies and accountability recommendations of the commission, including creation of a new AIB to oversee

implementation of the policies and funding provided under the Blueprint. Funding for existing education formulas, including the foundation program and targeted programs, is altered and new funding formulas are established for specific purposes, such as the concentration of poverty grant program and publicly funded full-day prekindergarten program.

State Expenditures: Based on the consultant costs for the Kirwan Commission over a three-year period, a capacity and accountability study of this magnitude (taking less than six months to complete) can likely be completed for approximately \$65,000 to \$100,000. General fund expenditures, therefore, increase by \$82,500 (the midpoint) in fiscal 2022. Actual costs will depend on the actual funds made available and the bids received from consultants.

MSDE advises that providing DLS and a consultant hired by DLS data regarding local school system spending on CARES Act and CRRSA funds as well as programmatic data on learning loss and the accuracy of mitigation measures and outcomes will have an operational impact but can be accomplished using existing resources. However, implementing any recommendations of the consultant, especially with regard to data collection and validation, may require additional resources.

Additional Information

Prior Introductions: None.

Designated Cross File: HB 1278 (Delegate Ebersole) - Ways and Means.

Information Source(s): Maryland State Department of Education; Legislative Services; Department of Legislative Services

Fiscal Note History: First Reader - March 2, 2021
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