

Department of Legislative Services
Maryland General Assembly
2021 Session

FISCAL AND POLICY NOTE
First Reader

Senate Bill 468 (Senator West)
Education, Health, and Environmental Affairs

Baltimore County Board of Education - Annual Budget - Conditions on Expenditures

This bill allows the Baltimore County Executive and Baltimore County Council to amend the annual budget of the Baltimore County Board of Education by prohibiting expenditures unless specified conditions established by the county executive or county council are met. The bill permits the county executive and county council to withhold conditioned funds if the school board does not comply. The county council must adopt procedures to carry out the provisions of the bill. **The bill takes effect July 1, 2021.**

Fiscal Summary

State Effect: None.

Local Effect: Baltimore County can meet the requirements of the bill with existing resources. Revenues are not affected.

Small Business Effect: None.

Analysis

Current Law: Each county board of education must prepare an annual budget according to the major categories listed in § 5-101 of the Education Article as well as any other major categories required by the Maryland State Board of Education. The annual budget for each local school system must include certain revenue and expenditure categories for the current expense fund and school construction fund. Expenditure categories for the current expense fund include:

- administration;
- mid-level administration;
- instructional salaries;
- textbooks and classroom instructional supplies;
- other instructional costs;
- special education;
- student personnel services;
- health services;
- student transportation;
- operation of plant and equipment;
- maintenance of plant;
- fixed charges;
- food services; and
- capital outlay.

The annual school budget must be submitted in writing to the county commissioners, county council, or the county executive. The budget must be submitted not less than 45 days before the date for levying local taxes or on an earlier date on or after March 1 as may be requested by the county fiscal authority.

Provisions in Jurisdictions with County Executive and County Council

The county executive may deny in whole or reduce in part *major categories* of the school board’s annual budget. The county executive must indicate which *major categories* of the annual budget are denied or reduced in writing and the reason for the denial or reduction. The county executive may only deny or reduce budgeted amounts in each major funding category as a whole (*i.e.*, the county executive cannot control how the budget reductions in each major category are achieved and may not reduce budgeted amounts for individual line items in the budget). Except in Baltimore County, the county council may restore any denial or reduction made by the county executive.

Baltimore County Provision

In Baltimore County, the county council may not restore any denial or reduction made by the county executive. If the voters of Baltimore County approve an amendment to the Baltimore County Charter that grants the county council the authority to restore any denial or reduction made by the county executive in the budget submitted by the school board, the county council may do so if it publicly states the amount the restoration represents in the county tax rate. As of February 2021, Baltimore County voters have not adopted such an amendment.

Additional Information

Prior Introductions: None.

Designated Cross File: None.

Information Source(s): Baltimore County; Department of Legislative Services

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rh/hlb

Analysis by: Michael E. Sousane

Direct Inquiries to:
(410) 946-5510
(301) 970-5510