

Department of Legislative Services
 Maryland General Assembly
 2024 Session

FISCAL AND POLICY NOTE
First Reader

Senate Bill 984 (Senator Lewis Young)
 Education, Energy, and the Environment

Blueprint for Maryland's Future - Alterations

This bill authorizes a local board of education to set limits on enrollment dates and the number of courses that dually enrolled students may take at higher education institutions. It transfers authority for approving specifications of teachers spending time outside the classroom from the State Board of Education (SBE) to local school boards and for approving when a career ladder has become effective from the Accountability and Implementation Board (AIB) to SBE. The Secretary of Labor must prioritize activities, programs, and services that contribute to meeting the statewide goal that, by the 2030-2031 school year, 45% of high school students complete the high school level of a registered apprenticeship or an industry-recognized occupational credential before they graduate. Finally, AIB, in consultation with the Maryland State Department of Education (MSDE), must conduct and report on, by January 1, 2025, two feasibility studies: one regarding providing publicly funded prekindergarten; and one regarding the career ladder. **The bill takes effect June 1, 2024; provisions regarding the feasibility studies by AIB terminate June 30, 2025.**

Fiscal Summary

State Effect: General fund expenditures increase by *at least* \$200,000 in FY 2025 for a consultant to conduct the feasibility studies. The Maryland Department of Labor (MDL) can support the goal using existing resources, but resources may need to be temporarily diverted from existing priorities. Public four-year institutions of higher education revenues and expenditures are not materially affected. Baltimore City Community College (BCCC) revenues (and potentially corresponding expenditures) may decrease.

(in dollars)	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Higher Ed Rev.	(-)	(-)	(-)	(-)	(-)
GF Expenditure	\$200,000	\$0	\$0	\$0	\$0
Net Effect	(\$200,000)	(-)	(-)	(-)	(-)

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

Local Effect: Local school system expenditures may decrease, potentially significantly, due to the authorization to limit dual enrollment of students. Local community college revenues (and potentially corresponding expenditures) may decrease if local school systems choose to limit dual enrollment.

Small Business Effect: Minimal.

Analysis

Bill Summary:

Dual Enrollment Limitations

A local board of education may limit the number of courses that a student dually enrolled at the student's high school and at an institution of higher education may enroll in at the institution of higher education as part of the post-College and Career Readiness (CCR) pathway. Also, a local board may limit the dates during which a dually enrolled student may enroll in courses at an institution of higher education to align with the local board's school year.

Accountability and Implementation Board – Feasibility Studies

First, AIB, in consultation with MSDE, must study the feasibility of providing publicly funded prekindergarten, by examining:

- an increased role for public prekindergarten providers, including (1) increases in funding for the Interagency Commission on School Construction (IAC) to local school systems to increase the number of spaces in which local school systems are able to provide prekindergarten classes and (2) alterations in the plans, rules, and guidelines adopted by IAC for public prekindergarten-related projects to increase the number of available spaces in public prekindergarten programs, including plans to lease available spaces within a local school system and to allow converted mobile trailers to serve as public prekindergarten spaces;
- the role of private prekindergarten providers, including (1) altering the per pupil allocation received by private prekindergarten providers and (2) altering the requirement that at least 50% of eligible prekindergarten slots be provided by eligible private prekindergarten providers; and
- any changes to statute, regulation, or guidelines necessary to better provide publicly funded prekindergarten in the State.

In conducting this study, AIB's considerations must comply with the State's goal of providing publicly funded prekindergarten to every family with children of eligible age that wishes to utilize prekindergarten.

Second, AIB, in consultation with MSDE, must study the feasibility of the career ladder for educators, including:

- the feasibility of allowing teachers to spend time outside the classroom in the percentages required under Title 6, Subtitle 10 of the Education Article and whether any part of that calculation should include working time that is outside the school year;
- whether school systems require additional personnel, such as consulting teachers, in order to aid educators on the career ladder;
- if additional personnel or other methods of professional development are necessary in order to make the career ladder function as intended, how the target per pupil foundation amount required under current law should be adjusted; and
- any changes to statute, regulation, or guidelines necessary to ensure that the career ladder for educators works as intended.

AIB must report the results of both studies, and related recommendations, to the Governor and General Assembly by January 1, 2025.

Current Law:

Blueprint for Maryland's Future

The Blueprint for Maryland's Future (Blueprint) legislation (including Chapter 771 of 2019, Chapters 36 and 55 of 2021, and Chapter 33 of 2022) established new programs, updated education funding formulas, and, among other provisions, included mechanisms for holding units of State and local government accountable for implementing the Blueprint.

State and local government units responsible for implementing an element of the Blueprint must develop implementation plans consistent with a specified Comprehensive Implementation Plan that describe the goals, objectives, and strategies that will be used to improve student achievement and meet the Blueprint recommendations for each segment of the student population.

College and Career Readiness Standard

SBE had to adopt a CCR standard as specified in English language arts, mathematics, and, when practicable, science. MSDE had to develop and begin to implement a plan to publicize the standards by January 1, 2022.

It is the goal of the State that students enrolled in public school meet the CCR standard before the end of grade 10 and no later than the time the student graduates from high school. It is also the goal of the State that each student enrolled in public school, regardless of the student's race, ethnicity, gender, address, socioeconomic status, or the language spoken in the student's home, have equitable access to CCR and meet the CCR standard at an equal rate.

Beginning with the 2021-2022 school year, each student must be assessed no later than grade 10 by a method adopted by SBE to determine whether the student meets the CCR standard. Meeting the CCR standard must initially require a student to achieve the equivalent of a score of 4 or 5 in the mathematics and English portions of the Partnership for Assessment for College and Career Readiness grade 10 assessments, on the Maryland Comprehensive Assessment Program (MCAP) grade 10 assessments, or any successor assessments. Statute required MSDE to conduct an empirical study of the interim CCR standard to determine whether the standard adequately measured students' readiness for college or careers. After the required empirical study has been completed, the CCR standard must reflect the results of the study.

On January 23, 2024, SBE adopted a new CCR standard, informed by the study's results. Proficiency under the new CCR standard can be demonstrated in two ways. The first method is for a student who has earned a high school grade point average of 3.00 or higher. Such a student must also earn a grade of A, B, or C in Algebra I, or score proficient or above on the Algebra I MCAP. The second method entails a student scoring proficient or above on both the English Language Arts 10 and the Algebra I MCAP.

Post College and Career Readiness Pathways

Beginning with the 2023-2024 school year, each local board of education must provide all students who meet the CCR standard with access to specific post-CCR pathways at no cost (including fees) to them or their parents. These pathways include (1) a competitive entry college preparatory program chosen by the local board of education, as specified; (2) a program that allows a student, through an early college program or dual enrollment at a student's high school and an institution of higher education to earn an associate degree or at least 60 credits toward a bachelor's degree; and (3) a robust set of career and technology education (CTE) programs, as specified, that allow a student to complete specified credentials or apprenticeships.

A public high school must provide access to these programs directly or through another public school in the county. A student meeting the CCR standard must enroll in at least one post-CCR pathway, with counseling and advising services offered to help each student choose at least one pathway aligning with the student’s goals. SBE must adopt regulations that guarantee, to the extent practicable, statewide uniformity in the quality of the post-CCR pathways, meeting the specified CCR pathway requirements, and granting high school graduation credit for the CCR pathway programs.

College and Career Readiness Funding

In addition to funding for non-CCR and CCR students provided within the foundation formula, funding is provided for students who have met the CCR standard adopted by SBE. Per-pupil funding, covered by both State and local shares, begins at \$517 in fiscal 2022 and is inflation adjusted each subsequent year. Post-CCR funding is based on the number of students in grades 9 through 12 who have met the post-CCR standard. Specifically, the fiscal 2025 funding is \$595 for each student in grades 9 through 12 meeting the interim CCR standard in spring 2023. For fiscal 2025, this per-pupil funding is providing local school systems with an estimated total of \$11.6 million in State funds and \$11.6 million in local funding to facilitate provision of post-CCR pathways to students through the Blueprint funding formula. Fiscal 2026 funding will be \$625 for each student in grades 9 through 12 meeting the CCR standard in spring 2024.

Each fiscal year, the State must distribute the State share of the CCR program amount to each local board of education. The local board of education must distribute to each school the minimum school funding amount for CCR, which is 75% of the per-pupil amount.

Dual Enrollment

“Dually enrolled student” is defined as a student who is dually enrolled in a secondary (high) school in the State and an institution of higher education in the State. It includes a student enrolled in a credit or noncredit certificate or license program, course, or sequence of courses that leads to certification or licensure at an institution of higher education in the State.

A public institution of higher education may not charge tuition to a dually enrolled student. A public school system must pay 75% of the cost of tuition for a public institution of higher education for its students. If there is an agreement before July 1, 2020, between a public school and a public institution of higher education in which the public institution charges less than 75% of tuition to a dually enrolled student, the local board must pay the cost of tuition under the existing agreement. The Blueprint for Maryland’s Future – Revisions (Chapter 55 of 2021) expanded dual enrollment to include noncredit courses leading to an industry-recognized certificate or license.

Career Ladder for Educators

Under Chapter 36 of 2021, a four-level career ladder must be implemented by each local board of education by July 1, 2023. Level one is a State-certified teacher. Level two is a teacher pursuing a master's degree, 30 credits of a State board-approved program of study, or National Board Certification (NBC). Level three is a teacher who has an NBC, if NBC or a comparable assessment is not available in the teacher's content area, a master's degree in that area; level three includes an assistant principal. Level four is a teacher on the teacher leadership track or administrative track of the career ladder, each of which are further divided into tiers. If a teacher achieves level three or four on the career ladder by being an NBC teacher, the teacher must retain NBC status in order to remain at that level.

An assistant principal is on level three of the career ladder and must be an NBC teacher and have an advanced professional certificate for administration. An assistant principal must teach in a classroom for at least 20% of his or her working hours and spend the remaining time on other teacher activities, as specified.

Publicly Funded Full-day Prekindergarten

A "Tier I child" is a child who is three or four years old and whose family income is less than or equal to 300% of the federal poverty level (FPL); a "Tier II child" is a child who is four years old and whose family income is more than 300% of, but not more than 600% of, FPL; a "Tier III child" is a child who is four years old and whose family income is more than 600% of FPL.

Chapter 36 established a new funding formula providing for voluntary full-day prekindergarten for four-year-olds and three-year-olds from low-income families (Tier I). Low-income is defined as at or below 300% of FPL. Expansion of full-day prekindergarten first focuses on making full-day prekindergarten available for all four-year-olds from low-income families as half-day slots are being converted into full-day slots and new slots are coming online. This occurs at the same time as full-day prekindergarten is expanded gradually for three-year-olds from low-income families.

MSDE must develop a sliding scale to calculate the family share for families with income above 300% of FPL. Beginning in the 2024-2025 school year (fiscal 2025), four-year-olds from families whose income is between 300% and 600% of FPL (Tier II) may be offered full-day prekindergarten if space is available to encourage socioeconomic diversity in prekindergarten classrooms. Priority in expanding full-day prekindergarten slots is given to children from low-income families and children with disabilities and children living in homes where English is not the primary spoken language regardless of income. For four-year-olds from families with income above 600% of FPL (Tier III), the family share

pays the full cost of full-day prekindergarten. However, a local board may provide up to 100% of the family share on behalf of the family.

“Prekindergarten enrollment” means (1) beginning in fiscal 2023, the number of Tier I children enrolled with an eligible prekindergarten provider and (2) beginning in fiscal 2025, the number of Tier I and Tier II children enrolled with an eligible prekindergarten provider. Tiers I through III each include only children whose family chooses to enroll the child in full-day prekindergarten.

Public and private providers must meet specified requirements to be eligible to participate in the publicly funded full-day program. County governments (including Baltimore City) must appropriate the greater of the combined local share of several aid programs, after certain local relief provisions are applied, or the per pupil Maintenance of Effort (better known as MOE) result.

Registered Apprenticeship or Industry-recognized Occupational Credential

The CTE Committee must establish, for each school year between the 2023-2024 school year and the 2030-2031 school year, inclusive, statewide [goals](#) that reach 45% by the 2030-2031 school year, for the percentage of high school students who, prior to graduation, complete the high school level of a registered apprenticeship or an industry-recognized occupational credential.

To the extent practicable, the CTE Committee must ensure that the largest number of students achieve the related requirement by completing a high school level of a registered apprenticeship program approved by the Division of Workforce Development and Adult Learning within MDL. By December 1 each year, the CTE Committee must report to the Governor, the General Assembly, and AIB on the progress, by high school, toward attaining the goals established by the CTE Committee.

State Revenues: To the extent that local school system expenditures for dual enrollment tuition decrease, BCCC higher education tuition revenues (and potentially corresponding expenditures) decrease. However, the magnitude of any such decrease is unknown and depends primarily on whether and to what extent Baltimore City Public Schools elects to limit dual enrollment.

State Expenditures: AIB advises that, to address the detailed requirements of each study within the expedited time frame of the bill (by January 1, 2025), AIB will need to contract with outside experts to support AIB in conducting these studies. AIB estimates the cost of these outside experts to be at least \$100,000 for each study. The actual cost will depend on the results of the procurement process. AIB notes that completing the procurement process and the required studies by the bill’s January 1, 2025, deadline will be difficult, and the

accelerated deadline for AIB to complete the work may increase the cost beyond that estimate. Although AIB generally relies on special funding for its operations, this analysis assumes general funds support the required studies. Accordingly, general fund expenditures increase by at least \$200,000 in fiscal 2025.

SBE can carry out its responsibilities under the bill with existing resources.

Local Fiscal Effect: The bill does not alter the requirement for local school systems to provide post-CCR pathways (including the provision allowing students to earn an associate degree or 60 credits) or the per-pupil state and local funding allocated to support these pathways. However, it grants authority to local boards of education to limit dual enrollment in two ways: (1) by establishing a maximum cap on the number of courses a dually enrolled student may take at an institution of higher education and (2) by restricting the enrollment period to align with the local board's academic calendar (which is assumed to mean that dually enrolled students may be barred from enrolling in summer courses at institutions of higher education). Consequently, for those local boards opting to exercise this authority, there is a potential decrease in expenditures for the local school system, which may be significant.

For context, during the 2021-2022 school year, the Maryland Longitudinal Data System Center (MLDSC) reported that approximately 19,000 students, accounting for 6.8% of high school students, were dually enrolled. Virtually all dually enrolled students (97%) are enrolled in community colleges. As of fall 2023, the average community college tuition is \$3,812 annually, or approximately \$127 per credit hour. Assuming local school systems pay 75% of tuition costs, the per-credit-hour cost amounts to approximately \$95.

The Department of Legislative Services does not have information on the number of credits attempted by all dually enrolled students; however, according to MLDSC in 2021-2022, grade 12 students had attempted an average of 2.62 dual enrollment credits between grades 9 and 12 (summer excluded). *For illustrative purposes only*, if dually enrolled students each attempt one fewer credit due to limits imposed by local school systems, total expenditures for tuition by local school systems decrease by approximately \$1.8 million annually.

However, absent the bill, the number of dual enrollment credits likely increases in future years due to the requirement that post-CCR pathways, including dual enrollment, be provided to students free of charge beginning in the 2023-2024 school year.

To the extent that local school system expenditures for dual enrollment tuition decrease, local community college tuition revenues (and potentially corresponding expenditures) decrease. However, the magnitude of any such decrease is unknown and depends primarily on local school system decisions.

Additional Information

Recent Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: None.

Information Source(s): Baltimore City Public Schools; Baltimore County Public Schools; Anne Arundel County Public Schools; Frederick County Public Schools; Maryland State Department of Education; Accountability and Implementation Board; Maryland Longitudinal Data System Center; Baltimore City Community College; University System of Maryland; Morgan State University; St. Mary's College of Maryland; Maryland Department of Labor; Department of Legislative Services

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