
TO: House Ways and Means Committee

BILL: House Bill (HB) 1254 - Education – Public Schools – Service Contracts and Professional Development

DATE: March 4, 2026

POSITION: Letter of Information

The Maryland State Department of Education (MSDE) is providing information for consideration regarding House Bill (HB) 1254, which proposes new requirements related to local education agency (LEA) service contracts and mandates the development of a professional development system for paraeducators and education support professionals.

HB 1254 would establish new oversight responsibilities for MSDE by requiring the Department to receive, review, and audit service contract submissions from all 24 local school systems prior to contract execution. This will require analysis and review of hundreds of complex documents. These submissions would include cost-benefit analyses demonstrating at least a 20 percent cost savings when compared to using school system employees, as well as employee assistance plans for any staff impacted by contracting decisions. This represents a new administrative and compliance function for MSDE, requiring the development of policies, procedures, and tracking systems to ensure statewide consistency and statutory compliance.

The bill would also require MSDE to design, develop, and administer a statewide professional development system for paraeducators and education support professionals. This system would include training in areas such as team-based student outcomes, physical restraint, and crisis de-escalation. Implementation of this requirement would necessitate additional programmatic capacity, either through new staff or contracted support, as well as dedicated funding for system development, delivery, and ongoing administration.

In addition to state-level impacts, HB 1254 would have significant operational and fiscal implications for local education agencies. County boards would be responsible for conducting complex cost-benefit analyses for proposed service contracts, developing employee assistance plans, and submitting required documentation to MSDE for review. LEAs would also be required to provide at least two days of paid, in-person professional development annually to paraeducators and education support professionals during weekday school hours, resulting in local staffing, scheduling, and program delivery costs. These costs would be borne by local school systems and are not included in MSDE's fiscal estimates.

The State Board and the Department request that the committee consider this information as it deliberates HB 1254. Please contact Laurel Cratsley, Interim Executive Director of Government Affairs at Laurel.cratsley@maryland.gov, if you would like any additional information.