



Jack R. Smith, Ph.D.
Interim State Superintendent of Schools

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TO: Members of the State Board of Education
FROM: Jack R. Smith, Ph.D. *JRS/cla*
DATE: January 26, 2016
SUBJECT: Legislative Update

PURPOSE

The purpose of this agenda item is to provide the State Board of Education with a Legislative update.

SUMMARY

Ms. Amanda Conn, Director of Education Policy and Government Affairs will provide a Legislative briefing relating to education legislation. The information will be provided at the Board meeting as the session just began on January 13, 2016.

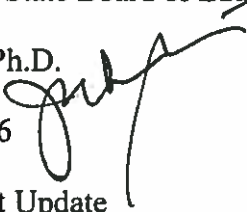
ACTION

No action required, for discussion only.



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TO: Members of the State Board of Education
FROM: Jack R. Smith, Ph.D. 
DATE: January 26, 2016
SUBJECT: FY 2017 Budget Update

PURPOSE:

The purpose of this agenda item is to provide the State Board of Education an overview of the FY 2017 State budget.

SUMMARY:

Governor Larry Hogan submitted his FY 2017 budget proposal to the General Assembly on January 21, 2016. Ms. Kristy Michel, Deputy Superintendent for Finance and Administration, will provide a summary of the FY 2017 State budget as it relates to funding for K-12 education and the Maryland State Department of Education. The information will be provided at the Board meeting as it is not publicly available prior to January 21.

ACTION:

No action required, for discussion only.

Summary of the Fiscal 2017 Governor's Allowance for MSDE

- **Aid to Education:**
 - Bridge to Excellence formulas are funded according to statutory mandate. Formulas increase by \$122.5 million, or 2.4% from FY 2016. This includes full funding of the Geographic Cost of Education Index (GCEI). Mandated funding for the State libraries increases by \$1.38 million.
 - The FY 2017 budget includes \$5.6 million to stabilize Aid for counties with declining enrollment. This Aid will go to Carroll, Garrett, and Kent counties.
 - \$104,000 is included in the budget to support the Governor's P-TECH Initiative.
 - The budget also includes an additional \$4 million for the Nonpublic Placements program and an additional \$7 million for the Child Care Subsidy Program (\$3 million in State funds and \$4 million in expected Federal Funds). These increases are required to meet expected needs of the programs.
 - Quality Teacher Incentives are reduced by \$7 million because the Advanced Professional Certificate stipend program was eliminated effective July 1, 2016.
 - Funding for STEM grants are eliminated in the FY 2017 budget. This includes grants to local school systems, for Project Lead the Way, and a grant to the Maryland Business Round Table.

- **MSDE Headquarters:**
- Increases include:
 - \$4.5 million for Assessment contracts based on expected expenditures.
 - \$1.95 million for Juvenile Services Education. The Allowance includes 20 new positions, position turnover relief, contract funds for substitute teachers, and funds for vehicles.
 - 14 PINs (6 contractual conversions and 8 new PINs) for the Library for the Blind and Physically Handicapped supported with existing mandated funding.
 - \$100,000 for a Heroin Task Force web site.

- One vacant position is abolished in the Office of Information Technology.

- **Funding for Educational Organizations:**
 - \$5.0 million is included for Boast Tax Credits. The Department of Commerce will administer the program but funding is included in the MSDE budget.
 - \$1.88 million for the State grant to the Maryland School for the Blind (continues the \$1.8 million additional program support added in Fiscal 2016 plus a \$76k funding increase per the formula).
 - \$85k for a new institution: Young Audiences of Maryland.

- **State employees:**
 - Based on a preliminary review of Budget documents, the FY 2017 Budget includes funds for salary increments.
 - Funds are included for health care for eligible contractual employees.

- **FY 2016 Deficiencies** include:
 - \$600k for P-TECH implementation grants.
 - \$20.3 million for Special Education Nonpublic Placements.
 - \$7.7 million for Assessments.

State Board of Education
Legislative Update 2/12/16

For Discussion:

SB 376/HB 464 - Pathways in Technology Early College High (P-TECH) Schools Act of 2016 (Administration)

SB 376 – Hearing on 3/2 (EHEA)

HB 464 - Hearing on 2/25 (W & M)

- Establishes 4 state-funded P-TECH schools that are selected by MSDE and have received a certificate of approval from MHEC.
- Provides \$520 for each P-TECH student with 50% provided by the local school district and 50% by the State.
- Establishes a cap of 400 students per year beginning in FY 2017 through FY 2022 and in each fiscal year thereafter.
- Provides that a county board shall pay for the cost of dual enrollment of the P-TECH student and State will reimburse the county board for 50% of the dual enrollment costs.
- Authorizes MSDE to adopt regulations to implement the provisions.
- Requires MSDE, in consultation with MHEC, to report annually to the Governor and General Assembly on the implementation of state funded P-TECH schools.
- Provides that the Act should not be construed as prohibiting a county board for establishing P-TECH schools that are not funded under the statutory provisions for P-TECH schools.

SB 325 - Juvenile Services Education – Modifications (Senators Kelley, et. al)

Hearing on 2/17 (B & T and EHEA)

- Changes the methodology by using the full Current Expense Appropriation, which includes Special Education costs, and other fund sources, such as Federal Funds. Currently, the Basic Cost (which is the average amount spent by an LEA from county and State funds for the public education of a nondisabled child) per pupil for each LEA is divided by 260, which is the number of days that education programs operate in DJS facilities, to get a Daily Cost per pupil.
- These changes result in a higher Daily Cost per pupil for LEAs.
- Currently, DJS may only invoice LEAs for youth who are in placements that last 15 consecutive days or more. The legislation eliminates this limitation and requires invoicing for all students regardless of length of stay.
- Under the legislation, invoicing would be conducted by MSDE rather than DJS. Currently, DJS invoices the LEAs and MSDE is reimbursed for the students at the 14 DJS residential facilities who match prior year LEA enrollments.
- Requires teachers and other staff of JSE to be paid an annual salary that is at least equal to the average annual salary of teachers and other personnel in the county that provides the highest average annual salary.

- If the formula for JSE students is not enough to cover the salaries then the Governor must appropriate funding to cover the salaries (which is supplemental to the formula).

HB 633 – Education – Teacher and Principal Evaluations – Revisions to Requirements

(Delegate Ebersole, et. al)

Hearing on 2/18 (W & M)

- Deletes the state oversight and default model for evaluations which eliminates the States the right to approve local models or solicit data from LEAs to demonstrate model performance validity and credibility.
- Preserves requirement that a county board establish performance evaluation criteria for certificated teachers and principals in the local school system (based on the general standards) that are mutually agreed to by the local school system and the exclusive employee representative.
- These mutual agreements would be subject to collective bargaining.
- It also deletes:
 - the expectation that student growth data be included as a significant component as one of the multiple measures of student growth;
 - the language allowing existing or newly created single examinations or assessments to be used as one of the multiple measures of student growth;
 - the requirement that student growth data based on State Assessments may not be used to make personnel decisions before the 2016-2017 school year.

For Information (organized by topic):

Assessments:

SB 407/HB 141 – Education - Education Accountability Program - Limits on Testing –

SB 407 – Hearing on 3/2 (EHEA)

HB 141 – Hearing on 2/11 (W & M)

- Requiring the State Board of Education to adopt regulations limiting the amount of time in the aggregate that may be devoted to federal, State, and locally mandated tests for each grade to 2% of the specified minimum required annual instructional hours exclusive of time devoted to teacher-selected classroom quizzes and exams, portfolio reviews, or performance assessments.

HB 324 – Education - Maryland High School Diploma - Civics Test Requirement –

Hearing on 2/11 (W & M)

- On or after January 1, 2018, to graduate from a public high school, a student shall take and achieve a passing score on a civics test that consists of the 100 questions used for the civic portion of the naturalization test administered by the U.S. Citizenship and Immigration Services.

- On or before the first day of the 2017-2018 school year, the State Board shall determine the means of providing each high school student an opportunity to take the civics test required.
- A student shall answer correctly at least 60% of the questions on the civics test to achieve a passing score and may repeat taking the civics test until the student achieves a passing score.

SB 786/HB 397 - Education - Assessments - Best Practices in the Administration of Assessments –

SB 786 – Hearing on 3/2 (EHEA)

HB 397 – Hearing on 3/3 (W & M)

- Requiring MSDE to develop a set of best practices that the Department and local school systems must consider when deciding whether to administer an assessment or a test to students.
- The best practices shall: be aligned with state curriculum and content; be developed in collaboration with teachers and be of high quality; be designed to inform instruction and have a clear purpose; allow for individualization of student instruction; provide timely and understandable feedback to the local school systems, teachers; and parents; effectively measure critical thinking skills, complex skills, and subject mastery; provide an accurate measure of student achievement and student growth; promote a level playing field for English Language Learners and students who receive special education accommodations; limit the impact of instructional time and required time out of other classes; not be used only for accountability purposes for teacher-principal evaluation or student learning objectives; and address any other principles recommended by MSDE.
- MSDE shall conduct an audit of all state-mandated assessments that are administered in the state to ensure conformity with the best practices developed.
- Each local school system shall conduct an audit of all locally mandated assessments that are administered in the local school system to ensure conformity with the best practices developed.
- MSDE and local school systems are encouraged to apply for federal funds to audit State and local assessment systems.

SB 533/HB 412 - Education - Administration of Assessments - Provision of Information –

SB 533 – Hearing on 3/2 (EHEA)

HB 412 – Hearing on 3/3 (W & M)

- Requiring each county board to provide information relating to each assessment administered in a local school system (federal, state or local) that includes the title, purpose, grade level tested, subject area, testing window, time to complete, loss of instruction time, and accommodations for students with special needs.
- Information is to be updated annually, posted online, and included in the county board's comprehensive master plan updates.

Curriculum:

HB 476 - State Board of Education - Financial Literacy Curriculum - Graduation Requirement –

Hearing on 2/18 (W & M)

- Requires the State Board to develop curriculum content for a semester-long course in financial literacy.
- Each local board must implement the curriculum in every high school under the board's jurisdiction, and a student must complete the course in order to graduate from high school.

SB 503 - Education - Online Instructional Program for Financial Literacy –

Hearing on 2/17 (EHEA)

- Requiring MSDE, in consultation with the Financial Literacy Education Advisory Council, to develop and implement an online instructional program that provides a financial literacy curriculum for high school students.
- Requires students to demonstrate competency in managing money, managing credit and debt, saving and investing, and financial planning for successful completion of the program.
- Beginning in the 2017-2018 school year, the online instructional program for financial literacy shall be available for high school students to participate in on a voluntary basis.
- If a high school student demonstrates competency in all of the requirements, the students shall receive certification in financial literacy.

Teachers and Students:

SB 493/HB 1410 - Teacher Induction, Retention, and Advancement Act of 2016 –

SB 493 – Hearing on 2/24 (EHEA)

HB 1410 – Hearing on ___ (W & M)

- To the maximum extent practicable, each public school shall utilize teachers who have obtained National Board Certification (NBC) in leadership roles within the school.
- Establishes a \$5000 incentive for NBC to be matched by the local school district.
- Establishes a Teacher Induction, Retention, and Advancement Program in the State where each participating first year teacher shall be afforded at least 20% more than teachers who are not first year teachers during the academic week to be spent on mentoring, peer observation, assistance with planning, or other preparation activities.
- Each county board that has a participating first year teacher shall provide each first year teacher with information regarding resources available to the first year teacher that may be used during the additional time that includes (1) mentoring; (2) peer observation; and (3) assistance with planning.
- Any costs incurred under the program shall be borne 80% by the State and 20% by the county board.
- The Governor annually shall include an appropriation of \$7,000,000 in the State budget for MSDE to administer the program.

HB 251 - Education - Home Instruction Programs - Participation in Clubs and Activities

- Requires, beginning on January 1, 2017, a local school system to allow a student participating in a home instruction program to participate in the extracurricular clubs and interscholastic activities of the local school system.

- A student who participates in an extracurricular club or activity shall:
 - participate with the public school to which the student would be assigned if the student were to attend a public high school in the local school system;
 - meet the same eligibility or tryout criteria for participation in the extracurricular club or activity as a student who attends a public school in the local school system;
 - comply with all policies, rules, and regulations of the governing organization of the extracurricular club or activity.

Nutrition:

SB 756/HB 1360 – Primary and Secondary Education – Breakfast Program – School Requirements (Breakfast After the Bell Act)

SB 756 – Hearing on 3/15 (B & T)

HB 1360 – Hearing on __ (W & M)

- Requires each school with certain percentages of FRMs children or children directly certified (CEP) in SY 2016/2017 through SY 2018/2019 to offer:
 - Breakfast in the classroom;
 - Grab and go breakfast stations; and
 - Breakfast served after the first period of the school day.

HB 528 - Primary and Secondary Education - Sensible Sugar in Schools Act –

- Each county board shall add to its federally mandated wellness policy, a plan for reducing students’ added sugar intake per school meal, including any a la carte items, based on recommendations from the American Heart Association
- A workgroup convened by each county board to study the best practices of other jurisdictions regarding methods of lowering students’ total sugar intake per school meal as well as consider whether the results of the best practices study would be appropriate to implement in the local school system.
- The workgroup shall make recommendations to the county board based on:
 - the results of the best practices study;
 - workgroup discussions and deliberations; and
 - public testimony received at the workgroup’s public hearings