



Karen B. Salmon, Ph.D.
State Superintendent of Schools

TO: Members of the Maryland State Board of Education

FROM: Karen B. Salmon, Ph.D

DATE: January 22, 2019

SUBJECT: 2019 Legislative Session Overview

PURPOSE:

The purpose of this item is to provide a legislative overview and status of Prek-12 education-related bills that are currently before the 2019 Maryland General Assembly.

EXECUTIVE SUMMARY:

Tiffany Johnson Clark will update the members of the State Board of Education briefly on significant legislation that has been introduced thus far during the 2019 legislative session. The members will also receive an overview of the legislative process in Maryland and a copy of primary and secondary education-related issue papers produced by the Department of Legislative Services.

ACTION:

For information only. No action required.

2019 Legislative Session

Legislative Informational Briefing



STATE BOARD OF EDUCATION MEETING

January 22, 2019

Legislative Session at a Glance

- The legislative body in Maryland is called the Maryland General Assembly.
- The Maryland General Assembly passes public general and public local laws, raises revenues and appropriates funds.
- The annual session of the General Assembly begins on the second Wednesday in January and meets for 90 consecutive days.
- Office of Government Relations and Office of Policy and Fiscal Analysis identifies, analyzes, reviews, and tracks legislation related to public primary and secondary education.

General Assembly at a Glance

- The General Assembly is divided into two houses – the 47 member Senate and the 141 member House of Delegates.
 - Senate is presided over by the President of the Senate – Thomas V. Mike Miller, Jr.
 - House is presided over by the Speaker of the House – Michael E. Busch.
- The General Assembly is organized into 6 standing committees.
- The members of the General Assembly are also organized into a number of different statutory (i.e., Spending Affordability) and select committees (i.e., county delegations).
- The powers of the General Assembly are plenary and generally unrestricted unless specifically limited by the US or Maryland Constitution (i.e., budget).
- The Department of Legislative Services (DLS) provides central nonpartisan staff services to the Maryland General Assembly. Departmental staff provides support and assistance to the General Assembly as a whole, to its committees and subcommittees, and individual legislators.

2019 Legislative Session – Education Committees

House

Appropriations

Chair – Maggie McIntosh

Ways and Means

Chair – Anne Kaiser

Health and Government Operations

Chair – Shane Pendergrass

Senate

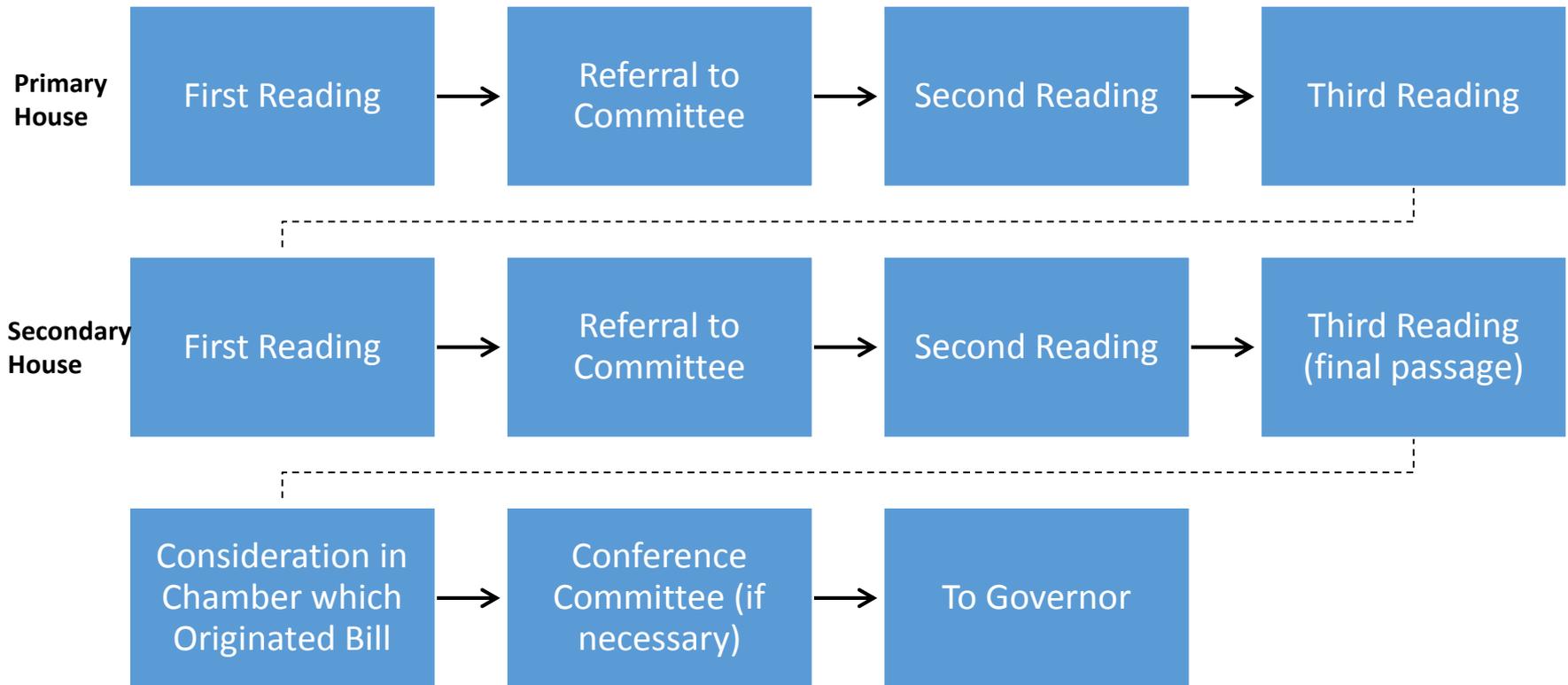
Budget and Taxation

Chair – Nancy King

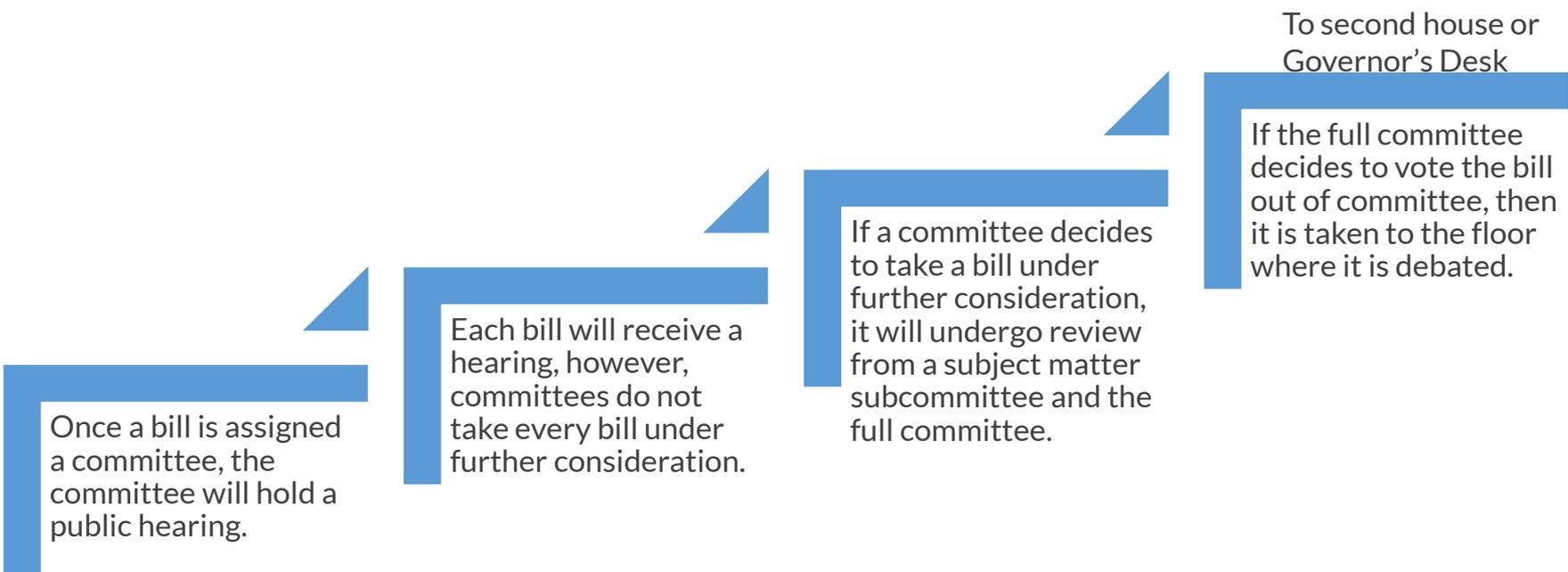
Education, Health, and Environmental Affairs

Chair – Paul Pinsky

2019 Legislative Session – Legislative Process



2019 Legislative Session – Committee Process



Once a bill is assigned a committee, the committee will hold a public hearing.

Each bill will receive a hearing, however, committees do not take every bill under further consideration.

If a committee decides to take a bill under further consideration, it will undergo review from a subject matter subcommittee and the full committee.

To second house or
Governor's Desk

If the full committee decides to vote the bill out of committee, then it is taken to the floor where it is debated.

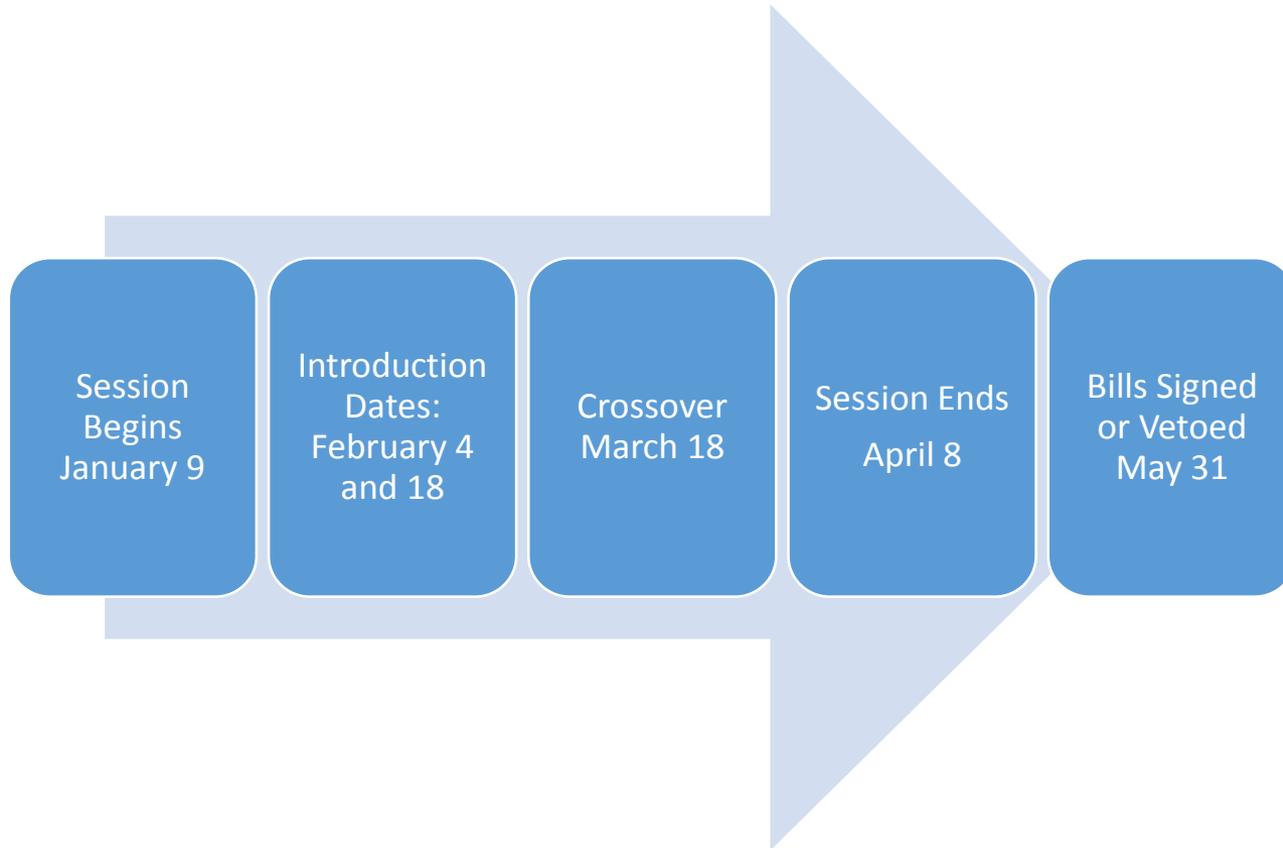
2019 Legislative Session – Operating Budget Process

- The Governor must submit a budget to the General Assembly one week after the opening of regular session. Budget covers the next fiscal year as well as any deficiencies arising in the current fiscal year.
- The budget bill appropriates funds for the legislature, judiciary, and all executive agencies.
- The General Assembly may increase or decrease appropriations relating to the legislature and the judiciary, but may neither increase nor transfer funds from one program to another for executive agencies.
- The budget bill is heard in the Senate Budget and Taxation Committee and the House Appropriations Committee. Executive officials must appear before the General Assembly to explain and answer questions about their budgets.
- The Governor may amend the budget bill before final action – these are called supplemental budgets.

The State Board’s Role During Legislative Session

- The State Board of Education will meet three times during the 2019 legislative session – January 22, February 26, and March 26. You will receive legislative and budget updates at each meeting.
- The State Board may decide to provide written testimony, oral testimony, or both in support or opposition of a bill.
- Due to the fast pace of the legislative session, bills may be introduced that need State Board action before the next State Board meeting occurs. The State Board will be notified of the bill immediately.

2019 Legislative Session – Dates of Interest



For any additional questions, please contact:

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ISSUE PAPERS 2019 LEGISLATIVE SESSION



DEPARTMENT OF LEGISLATIVE SERVICES 2018

Issue Papers

2019 Legislative Session

**Presentation to the
Maryland General Assembly**

**Department of Legislative Services
Office of Policy Analysis
Annapolis, Maryland**

November 2018

For further information concerning this document contact:

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DEPARTMENT OF LEGISLATIVE SERVICES
OFFICE OF POLICY ANALYSIS
MARYLAND GENERAL ASSEMBLY

Victoria L. Gruber
Executive Director

November 2018

Ryan Bishop
Director

Members of the General Assembly:

Prior to each session, staff of the Department of Legislative Services, Office of Policy Analysis, prepare an information report on issues. This document is a compilation of the issue papers arranged by major topic. The information reflects the status of the items as of November 30, 2018.

Following each paper is an identification of the staff who worked on a particular topic. If you should need additional information, please do not hesitate to contact the appropriate staff person.

I trust this information will be of assistance to members of the General Assembly.

Sincerely,

Handwritten signature of Victoria L. Gruber in black ink.

Victoria L. Gruber
Executive Director

Handwritten signature of Ryan Bishop in black ink.

Ryan Bishop
Director

VLG:RB/mrm

Education

State Education Aid and Maintenance of Effort

State aid for public schools is projected to increase by \$372 million in fiscal 2020. The increase includes \$125 million in Education Trust Fund supplemental funds as a result of the approval of the constitutional amendment by the voters in November 2018; by fiscal 2023, when the funds are fully phased in, an estimated \$540 million in supplemental funds will be available for education.

State Public Schools Aid Projected to Increase by \$372 Million

Public schools are expected to receive an estimated \$6.9 billion in fiscal 2020, representing a \$371.7 million (5.7%) increase over the prior fiscal year. The increase is comprised of aid that flows directly to local school boards, which is projected to increase by \$355.9 million (6.1%), as well as by retirement aid which is projected to increase by \$15.8 million (2.2%). The increase in direct aid is largely driven by a moderate expected rise in the per pupil foundation amount and enrollment increases as well as the first installment of the Education Trust Fund supplemental funding approved by voters at the November 2018 election. This does not include \$200 million in income tax revenues required to be deposited on a one-time basis in the Commission for Education and Excellence in Education special fund in fiscal 2019 to fund implementation of the commission's recommendations.

Foundation and Many Other Direct Aid Programs Will Increase Slightly

The Foundation Program is the major State aid program for public schools, accounting for nearly half of State education aid. For each school system, a formula determines the State and local shares of a minimum per pupil funding level, or "foundation." The foundation program is projected to total \$3.2 billion in fiscal 2020, an increase of \$98.7 million (3.2%) over fiscal 2019, as shown in **Exhibit 1**. The increase is attributable to statewide enrollment growth of an estimated 0.7% and a 2.5% inflationary increase in the per pupil foundation amount, from \$7,065 to \$7,244. The 2.5% increase in the per pupil foundation amount is equivalent to the increase in the Consumer Price Index for all urban consumers (commonly known as CPI-U) for the Washington-Arlington-Alexandria DC-VA-MD-WV (Washington statistical area).

Statute provides that the inflationary adjustment is the lesser of CPI-U or the Implicit Price Deflator for State and Local Government (IPD) up to 5.0%. For fiscal 2020, IPD is higher than the Washington CPI-U at 3.9%. Chapter 10 of 2018 charged the departments of Budget and Management, Education, and Legislative Services with determining the appropriate regional CPI-U measure to use for fiscal 2020, since the U.S. Bureau of Labor Statistics is no longer reporting data for the combined Washington-Baltimore Metropolitan Area used in statute in the

foundation formula and the student transportation formula. The departments jointly determined that the Washington CPI-U more closely tracks the previous combined Washington-Baltimore Metropolitan Area and is also less volatile than the new Baltimore-Columbia-Towson area CPI-U. The Commission on Innovation and Excellence in Education will recommend the permanent CPI-U measure to be used in the aid formulas. Although projected enrollment grows statewide, it varies by local school system, from an increase of 2.3% to a decline of 1.0%. Actual enrollment and wealth figures will not be available until January 2019.

Exhibit 1
Estimated State Aid for Education
Fiscal 2019 and 2020
(\$ in Thousands)

<u>Program</u>	<u>2019</u>	<u>2020</u>	<u>\$ Change</u>	<u>% Change</u>
Foundation Program	\$3,056,189	\$3,154,879	\$98,689	3.2%
Education Trust Fund Supplemental Grants	\$0	\$125,000	\$125,000	n/a
Net Taxable Income Grant	62,524	62,713	189	0.3%
Tax Increment Financing Grant	535	668	133	24.8%
Geographic Cost of Education Index Supplemental Grant	141,574	146,315	4,742	3.3%
Foundation Special Grant	12,956	0	-12,956	-100.0%
Declining Enrollment Supplemental Grant	18,664	10,587	-8,076	-43.3%
Compensatory Education Program	1,308,336	1,375,531	67,194	5.1%
Special Education Program	290,813	299,994	9,181	3.2%
Limited English Proficiency	288,041	315,716	27,675	9.6%
Guaranteed Tax Base	48,170	46,963	-1,207	-2.5%
Student Transportation	282,585	302,830	20,245	7.2%
Nonpublic Special Education	123,500	125,970	2,470	2.0%
Prekindergarten Expansion	11,644	26,644	15,000	128.8%
Prekindergarten Supplemental Grant	16,039	23,865	7,826	48.8%
School Safety Grants	13,100	10,600	-2,500	-19.1%
Other Programs	82,305	84,611	2,307	2.8%
Direct Aid Subtotal	\$5,803,594	\$6,159,506	\$355,912	6.1%
Teachers' Retirement	\$732,921	\$748,739	\$15,818	2.2%
Grand Total	\$6,536,515	\$6,908,245	\$371,730	5.7%

Note: Other programs includes general and special funds supporting the SEED School, formulas for specific populations, infants and toddlers, innovative programs, food service, teacher development, and other programs.

Source: Department of Legislative Services

Other than the foundation program, the compensatory education and limited English proficiency formulas are projected to have the largest dollar increases among the direct aid formula programs in fiscal 2020. A portion of the increase in each program is due to projected enrollment growth in students eligible for free and reduced-price meals and English language learners, respectively, and the rest of the increases can be attributed to the increase in the per pupil foundation amount.

Chapter 258 of 2016 established grants, for fiscal 2018 and 2019, for school systems in counties that establish a tax increment financing (TIF) development district after May 1, 2016, and that qualify for State disparity grant funding. State education aid is calculated twice for eligible systems, once including the assessed value of property in a TIF district and once excluding the increase in the value of property in the TIF district, and a State grant provides the higher amount of State aid between the two calculations. Baltimore City Public Schools has received grants of approximately \$422,100 in fiscal 2018 and \$541,700 in fiscal 2019 due to the law, which was set to terminate on June 30, 2019. Chapter 387 of 2018 repealed the termination date of the Act.

An increase for prekindergarten expansion is projected in fiscal 2020 due to Chapter 361 of 2018 which sets mandatory State funding at \$26.6 million beginning in fiscal 2020. Therefore, prekindergarten expansion grants increase by \$15.0 million over fiscal 2019, an increase that is equivalent to the annual federal grant funding amount for the program, which terminates after fiscal 2019. Finally, a decrease of \$13.0 million is projected due to no funding being included in fiscal 2020 for the foundation special grant. This fiscal 2019 grant provided supplemental funding to some school systems to ensure all received at least an increase of \$100,000 in direct State aid, but as it was not required by statute it is not anticipated for the fiscal 2020 budget.

Education Funding from Commercial Gaming Revenues

The Bridge to Excellence in Public Schools Act (Chapter 288 of 2002) established funding formulas for direct State aid to public schools. Established during the 2007 special session, the Education Trust Fund is a nonlapsing, special fund to be used for continued funding of the Bridge to Excellence in Public Schools Act formulas and programs. The fund may also be used to support capital projects for public schools, community colleges, and public four-year institutions, as well as to expand public early childhood education programs in the State. A portion of the proceeds from video lottery terminals (VLTs) and table games is dedicated to the Education Trust Fund.

Chapter 357 of 2018, a proposed constitutional amendment approved by the voters at the 2018 general election, requires the Governor to provide supplemental State funding for public education through the use of commercial gaming revenues that are dedicated to public education in the State budget beginning in fiscal 2020. Supplemental funding must total at least \$125 million in fiscal 2020, \$250 million in fiscal 2021, and \$375 million in fiscal 2022. In all subsequent years, 100% of the gaming revenues dedicated to public education must be used for supplemental funding. This supplemental funding is in addition to the State funding provided through the Bridge to Excellence in Public Schools Act and is anticipated to be used to help fund the Commission on Innovation and Excellence in Education's recommendations. Beginning in fiscal 2020, the

Governor must identify in the annual State budget how the supplemental revenue is being used to supplement and not supplant spending on public schools. Exhibit 1, above, assumes the supplemental funding will be provided as direct aid to school systems in fiscal 2020, but it may also include school construction. Under the constitutional amendment, general fund expenditures benefiting public schools in the State are expected to increase by \$125 million in fiscal 2020 and by \$540 million in fiscal 2023. The amendment also repeals the constitutional provision specifying that capital projects at community colleges and public senior higher education institutions are among the purposes for which revenue from VLT facilities is raised.

State Retirement Costs Increase; Local Costs Virtually Flat

State retirement costs for public school teachers and other professional personnel will total an estimated \$748.7 million in fiscal 2020, representing a \$15.8 million (2.2%) increase. This slight increase is attributed to an increase in the State contribution rate and modest salary base growth. In addition to the State's share of teacher pension costs, local governments will contribute approximately \$307.0 million in fiscal 2020 (nearly level with the fiscal 2019 local total): \$283.7 million for the local share of pension contributions, which is the employer "normal cost" for active members of the State Teachers' Pension or Retirement Systems, as well as \$23.3 million toward State Retirement Agency (SRA) administrative costs, a portion of which will go toward SRA information technology upgrades. The normal cost for fiscal 2020 is 4.38% of salary base as compared to 4.41% in fiscal 2019; however, this rate decline is expected to be somewhat offset by a statewide increase in the local salary base.

Maintenance of Effort

The Maintenance of Effort (MOE) law requires each county government, including Baltimore City, to provide as much per pupil funding for the local school board as was provided in the prior fiscal year. Beginning in fiscal 2017, the local retirement contribution for the normal cost is included in the highest local appropriation for purposes of calculating the per pupil MOE amount. As of November 2018, the Maryland State Department of Education has certified that the school appropriations of 23 counties have met the fiscal 2019 MOE requirement. In total, 16 counties exceeded MOE by 1.0% or more. Baltimore City MOE figures are pending as of November, 2018.

Eleven jurisdictions may be required to increase their MOE appropriations in fiscal 2020 as required by Chapter 6 of 2012. Preliminary estimates suggest that statewide per pupil local wealth will increase from fiscal 2019 to 2020. Actual wealth and enrollment figures pertaining to fiscal 2020 aid will be available in January 2019. The required increase is the lesser of the increase in a county's per pupil wealth, the average statewide increase in per pupil local wealth, or 2.5%. In fiscal 2019, eleven jurisdictions were required to increase their appropriations due to this provision, ranging from an increase of 0.3% to 1.5%.

Education

Commission on Innovation and Excellence in Education Nears Completion

The Commission on Innovation and Excellence in Education has continued its work during the 2018 interim. The commission formed four working groups to evaluate each of the preliminary recommendations made in January 2018 to provide greater specificity, a phase-in schedule, and assumptions for estimating the cost of the preliminary recommendations. The commission is in the process of finalizing its policy recommendations, developing cost estimates to implement the recommendations, and making funding decisions. The commission's final report is due December 31, 2018.

Commission's Work through 2018 Session

Chapters 701 and 702 of 2016 established the Commission on Innovation and Excellence in Education to, among other charges, (1) review the findings of a consultant's study on adequacy of education funding and its related studies and make recommendations on the funding formula; (2) review and make recommendations on expenditures of local education agencies; (3) review and make recommendations on innovative education delivery mechanisms and other strategies to prepare Maryland students for the 21st century workforce and global economy; and (4) review and make recommendations on expanding prekindergarten, including special education prekindergarten. The commission began meeting in September 2016 with former University System of Maryland Chancellor Dr. William "Brit" Kirwan appointed to serve as chair of the commission. It includes eight legislators and representatives of State and local boards of education, State and local superintendents, local governments, higher education, and numerous other stakeholders.

During 2016, the commission reviewed multiple reports including the *Cost of an Adequate Education* and related reports prepared by Augenblick, Palaich and Associates. However, the commission determined that before it could focus on funding, it must first determine what policies to recommend to make Maryland's education system world class. Thus, throughout 2017, the commission reviewed the *9 Building Blocks for World-Class Education Systems* and a gap analysis for Maryland prepared by the National Center on Education and the Economy where each building block represents a policy area that Maryland should pursue to achieve student outcomes that are comparable to those in top performing systems. The commission issued a report in January 2018 with preliminary policy recommendations (59 in total) with the building blocks grouped into five policy areas. In the report, the commission requested an additional year in order to fully respond to its charge and included a legislative proposal for the 2018 legislative session to advance the commission's preliminary policy recommendations.

Accordingly, Chapter 361 of 2018 extended the deadline for the commission to complete its work to December 31, 2018. It also established and altered several programs and mandated funding for them, consistent with many of the preliminary policy recommendations detailed in the January 2018 report, and established a special fund consisting of \$200 million in income tax revenue that must be deposited in the fund in fiscal 2019 for use in a future fiscal year. The commission's preliminary report and a link to the legislation, as well as all of the meeting materials and video of commission meetings, is available on the commission's website: <http://dls.maryland.gov/policy-areas/commission-on-innovation-and-excellence-in-education>.

Commission's Work in 2018 Interim

Beginning in April 2018, the commission divided into four working groups based on the following policy areas: (1) early childhood education; (2) high-quality teachers and leaders; (3) college and career readiness pathways; and (4) more resources for at-risk students. A fifth policy area related to governance and accountability is being evaluated by the full commission. Working with staff, consultants, and other experts, each working group developed further specificity into the assumptions, policy decisions, and implementation considerations necessary to cost out the fiscal impact of the preliminary recommendations. The commission and its working groups met multiple times throughout the spring and summer, with stakeholder involvement and participation at each working group meeting. Starting in September 2018, each working group presented their recommendations to the full commission and received feedback and comments from the other commission members and stakeholder groups. After another round of working group meetings to consider changes to their recommendations based on the feedback, the working groups presented their recommendations to the full commission for approval. The full commission will continue to work to develop cost estimates to implement the policy recommendations and then make funding and formula decisions based on the final policy recommendations and their estimated costs. The final reports of each working group can also be found on the commission's website.

Working Group 1: Early Childhood Education

Among other recommendations related to services for children ages 0-5 and their families, Working Group 1 recommended to expand high-quality, full-day prekindergarten through a voluntary, mixed-delivery system (public school- and community-based programs) at no cost for four-year-olds and three-year-olds from families with incomes up to 300% of the federal poverty level (FPL) (approximately \$75,000 for a family of four). For four-year-olds from families with incomes between 300-600% FPL (approximately \$75,000 to \$150,000 for a family of four), the group recommended that some public funding be provided to families to assist with the cost of prekindergarten based on a sliding scale. Families with incomes above 600% FPL (approximately \$150,000 for a family of four) will pay the full cost to attend a public prekindergarten program. The working group also made recommendations to increase the capacity and quality of existing prekindergarten programs, increase the number of early childhood educators and staff in the State,

and provide professional development incentives and tuition assistance for prospective teachers and staff.

Working Group 2: High Quality and Diverse Teachers and Leaders

In addition to recommendations to make teacher preparation programs more rigorous, raise licensing standards for new teachers, and rebrand the teaching profession as a more attractive career, Working Group 2 recommended to raise teacher pay to make it equitable with other highly trained professions with comparable education requirements. While teacher wages and salaries will continue to be collectively negotiated at the local level, the State will conduct periodic benchmarking of teacher salaries with other professions. Ultimately, most increases in teacher salaries will be tied to movement up a teacher career ladder. The career ladder will be based on performance and experience, including certification from the National Board for Teaching and Professional Standards, and there will be two tracks: a teacher leadership track and an administrative track. The State will provide uniform design parameters for the career ladder, including titles and criteria for moving up the ladder, and while local school districts will have flexibility to develop ladder pay scales and roles for teachers within the school, districts must remain within these parameters. The working group also recommended that the school day must be reorganized to allow teachers to spend less of the working day teaching classes and have more time to improve instruction and plan lessons, tutor students who are falling behind, and participate in collaborative professional learning. Other recommendations include expansion of teacher scholarships and loan forgiveness programs for students who teach, or agree to teach, in high-need schools.

Working Group 3: College and Career Readiness Pathways

Working Group 3 recommended that a tenth grade-level college and career readiness (CCR) standard be established that certifies that the student has the requisite literacy in English and mathematics needed to succeed in first-year credit-bearing courses in open enrollment postsecondary institutions in the State. Students who meet the CCR standard will be able to pursue (1) an Advanced Placement Diploma program, the International Baccalaureate Diploma program, or the Cambridge International Diploma program; (2) a dual enrollment program to earn college credits while in high school, with the possibility of earning an associate's degree along with or subsequent to high school graduation; (3) redesigned Career and Technical Education pathways that include workplace training and lead to industry-recognized credentials, including postsecondary certificates earned through dual enrollment; and (4) a combination of these options. These pathways will be aligned with high school graduation requirements, and the electives, extra-curricular activities, and full range of courses that are typically offered by a high school will still remain available to students regardless of the pathway that the student chooses. For students who do not meet the CCR standard by the end of tenth grade, the State and local school districts will develop eleventh and twelfth grade programs for these students to meet the CCR standard by twelfth grade, including programs with more project and program-based courses, summer

instruction following tenth grade, assignment of a teacher as the student's case manager, and priority access to an enhanced career counseling system.

Working Group 4: More Resources for At-risk Students

To ensure that at-risk students have both the academic supports and wraparound services to address their social, physical health, mental health, and family needs, Working Group 4 recommended to revise the funding formula weights for special education students and English learner students and to add a concentrated poverty formula to support intensive, coordinated services for students in schools that have a high concentration of student poverty. For these high poverty schools, funding in addition to the compensatory education formula would be available to provide a community schools coordinator and a health services practitioner at that school and services such as extended learning time, vision and dental services, behavioral health services, and family and community engagement. For special education students, the group recommended a stop-gap, placeholder weight until a special education study that was required by Chapter 361 of 2018 to evaluate national and international special education funding methodologies is completed in December 2019. For English learner students, the group recommended to include funding to allow for the provision of a family liaison and support services such as translation services, cultural competency training, family support and engagement, and referrals to resources outside the school.

Policy Area 5: Governance and Accountability

The full commission has been considering policies to ensure that the commission's final recommendations to transform Maryland's education system are implemented with fidelity and that new funds are spent effectively to improve student outcomes. In its preliminary report, the commission recommended a strong system of accountability and that a meaningful portion of new funds must be subject to the approval of specific plans to implement the commission's recommendations and must be subject to demonstrated progress toward greater student success. To that end, the commission is considering establishing an independent body to oversee and coordinate implementation of the commission's recommendations over the anticipated phase-in period of 10 years, with up to 25% of new funds subject to approval of initial plans and demonstrated progress during the implementation period. The commission's final report will include the final governance and accountability recommendations, as well as a potential implementation timeline for the recommendations under the other four policy areas.

School Construction

The enactment of the 21st Century School Facilities Act in the 2018 session marked the end of several years of work to review and update the State's public school construction process and funding, including making the process more independent and transparent. The new Interagency Commission on School Construction has been appointed and is implementing the law, with several workgroups (including legislators) scheduled to report their recommendations in 2019. 2018 legislation also provided dedicated funding in fiscal 2019 through 2021 to improve heating and air conditioning systems, plumbing, and other systems in public schools. Finally, 9 schools have been completed under the Baltimore City School Construction and Revitalization Program, which is on track to complete 26 to 28 school projects by 2021, one year later than the original schedule.

21st Century School Facilities Act

Following the work of the 21st Century School Facilities Commission in 2016 and 2017 that culminated in a final report in January 2018, the General Assembly passed the 21st Century School Facilities Act to make comprehensive changes to the public school construction funding and approval process, including making the process more independent and transparent. The bill was vetoed by the Governor, but the General Assembly overrode the veto during the 2018 session, and the bill became law (Chapter 14 of 2018). Under the Act, the Interagency Committee on School Construction is renamed the Interagency Commission on School Construction (still referred to as IAC) and made an independent commission within the Maryland State Department of Education. IAC's membership is expanded from five to nine members, which includes four additional public members: two appointed by the Governor; and two appointed by the Presiding Officers (one each). The Board of Public Work's authority to grant final approval with respect to public school construction projects is transferred to IAC. The law required IAC to livestream its meetings to the public beginning no later than August 2018. IAC began livestreaming its meetings, with archived recordings available on its website, in May.

The law requires a statewide school facilities assessment to be conducted by July 1, 2019, and a workgroup (including legislators among the membership) to be established to review the assessment results and make recommendations by December 2019 on the use of the results in allocating school construction funding beginning no sooner than fiscal 2021. IAC issued a Request for Proposals to conduct the facilities assessment in November 2018, with responses due in December and a contractor to be selected shortly thereafter. The facilities assessment is expected to be complete by summer 2019. The law also creates a second workgroup (also includes legislators) to examine the educational specifications, space guidelines, and square footage allocations that determine eligibility for State funding for public school construction projects,

which must report its recommendations by July 1, 2019. The Educational Specifications Workgroup has been appointed and will hold several meetings prior to the 2019 legislative session.

The law expresses legislative intent that the State should provide at least \$400 million for school construction each year, which can be phased in over several years, with the annual goal to be recalculated following the initial school facility assessment and the findings of the Facilities Assessment Workgroup. The \$400 million goal is slightly more than the \$391.3 million that the General Assembly provided for school construction in fiscal 2019 and significantly more than the \$320 million preliminary school construction allocation for fiscal 2020 through 2023 submitted by the Governor in the 2018 *Capital Improvement Program*.

The law also created the School Safety Grant program, which is administered by IAC to provide \$10 million in annual grants to local school systems for security improvements beginning in fiscal 2019 (although \$10 million is mandated, the fiscal 2019 operating and capital budgets reserve a total of \$20 million for these grants). A revolving loan fund to provide loans to local governments to forward-fund the local share of school construction projects was also created in the law.

Finally, while the law generally maintains existing IAC review and oversight of educational specifications and schematic designs, it reduces State oversight of design and construction documents for specified types of public school construction projects and requires the Department of General Services, with IAC review and approval, to establish a multi-year certification process to permit school systems that meet the criteria to forego certain State review and approval. IAC reports that a draft independent certification process is being finalized, with approval possible by the end of the year.

Schools Facing Severe Facility Issues

Over the last year, many school systems have encountered facility issues with potential impacts on student health. Significantly, in January 2018, all public schools in Baltimore City were closed for one day due to heating outages that left students in unheated classrooms as a result of the extremely cold weather and aging facilities. Approximately 60 public school buildings were closed for more than one day due to lack of heating and related problems such as burst pipes. A total of 80 buildings were impacted by the extreme weather conditions. Baltimore City and other jurisdictions have also faced issues with adequate air conditioning during warmer parts of the school year and mold inside of facilities.

To help address this issue, for fiscal 2019, the capital budget included \$15 million for heating, ventilation and air conditioning improvement projects for Baltimore City Public Schools (BCPS). In addition, Chapter 561 of 2018 established the Healthy School Facility Fund within the IAC to provide grants to public schools to improve the health of school facilities. The Governor must appropriate \$30 million for the special fund in fiscal 2020 and 2021, which must be in addition to funds that would otherwise be appropriated for public schools. IAC must administer

the grant program and give priority in awarding grants to schools based on the severity of issues in the school. No jurisdiction may receive more than \$15 million in a given fiscal year, and the total amount of a grant is not required to cover the full cost of a project.

Baltimore City School Construction and Revitalization

Chapter 647 of 2013 established a new partnership among the State, Baltimore City, and BCPS to fund up to \$1.1 billion in public school facility improvements through revenue bonds to be issued by the Maryland Stadium Authority (MSA). The partners executed a Memorandum of Understanding (MOU) that established the specific roles and responsibilities of each party to implement the construction plan. The State is contributing \$20 million annually to support debt service on the bonds and BCPS/Baltimore City is contributing \$40 million annually until the outstanding debt is retired.

The program currently anticipates a total of 26 to 28 schools to be renovated or constructed. The specific projects that will be included in the initiative contain more elementary and middle schools and fewer high schools than originally proposed. To date, 9 schools have been completed; 5 are under construction; 7 are being designed; 1 is in procurement; 4 are awaiting approval by IAC; and 2 are in the feasibility study stage. The schedule has taken longer than originally anticipated, but the first 2 schools, Fort Worthington PreK-8 and Frederick Elementary, were completed in summer 2017 and opened for the 2017-2018 school year. An additional 7 schools opened to students in time for the start of the 2018-2019 school year. The program is currently anticipated to be completed by summer 2021, one year behind the original schedule.

A total of three bond issuances are planned by MSA to finance construction. The first \$320 million bond issuance was issued in April 2016. The bonds' par value and premium provide \$385 million for construction. In February 2017, MSA closed a bond sale issuing \$426 million. The sale generated a bond premium totaling \$70 million. MSA received approximately \$880 million in construction proceeds from the first two bond sales. MSA anticipates one more issuance with a par value of about \$200 million, potentially in spring 2019. That final issuance should increase annual debt service to \$60 million, as anticipated in the original legislation.

The opening of new schools will require an increased attention to maintenance. The MOU states that BCPS must include an annual increase over the prior year maintenance appropriation of \$3 million from fiscal 2015 through 2023 until the full agreed upon amount of approximately \$42.5 million is reached. The Baltimore City fiscal 2019 budget includes the required \$3 million increase. IAC also recommends that the efforts to increase maintenance be continuously measured. BCPS has implemented a new computerized maintenance management system utilizing initiative funding that will better track progress of the maintenance program.

Education

School Safety

In response to recent school shootings, including an incident in Southern Maryland, the General Assembly enacted comprehensive school safety legislation altering State oversight of school safety policies and requiring local school systems to implement new safety-related requirements and programs. The General Assembly also provided significant operating and capital funding for implementation grants to local school systems in the fiscal 2019 budget. Implementation of a number of provisions of the comprehensive school safety legislation began on September 1, 2018.

Following high-profile incidences of gun violence at high schools in Parkland, Florida, and St. Mary's County, Maryland, the General Assembly enacted comprehensive legislation to make schools in the State safer by restructuring the governance system for overseeing school safety policies and grants, enhancing the security of schools through building and staffing improvements, and ensuring access to mental health and other wraparound services for students who display behaviors of concern. The General Assembly also provided \$40.6 million in operating and capital funding in the fiscal 2019 operating and capital budgets, primarily to provide grants to local school systems for school safety related initiatives.

Maryland Safe to Learn Act of 2018

Senate Bill 1265 (Chapter 30), the Maryland Safe to Learn Act of 2018, was a bipartisan bill combining several provisions from separate pieces of legislation introduced by the Administration and members of both parties.

Governance Restructuring

The Act restructures the State level governance responsible for overseeing and ensuring school safety, along with monitoring implementation of the various provisions within the new legislation. It establishes a School Safety Subcabinet chaired by the State Superintendent of Schools and including five other State agency leaders, which serves as the governing board for the existing Maryland Center for School Safety (MCSS). The subcabinet is charged with multiple responsibilities, including collaborating to create a comprehensive, coordinated approach to school safety, fostering partnerships between the school and law enforcement communities, and administering grant funding. An advisory board with broad stakeholder representation is also created to assist the subcabinet. For administrative purposes, MCSS is reassigned from within the Department of State Police to an independent unit within the Maryland State Department of Education (MSDE).

School Safety Assessment Teams and Model Policy

By September 1, 2018, the subcabinet was required to develop a model policy for establishing one or more assessment teams in each local school system. The model policy guiding the formulation of local assessment teams must address the process for identifying, and/or intervening with, students or other individuals who may pose a threat to school safety, the composition and appropriate number of teams within a school system, and the associated training that should be provided. School systems are required to establish a local assessment team policy in accordance with the model policy by September 1, 2019. The local policies must also include a process for regular assessment and intervention, including diversion and de-escalation tactics, standards for timely response, and procedures for ensuring the proper referral to additional services, if needed.

School Safety Coordinators, Evaluations, Emergency Drills, and Plans

Each school system is required to designate a school safety coordinator, certified by MCSS, by September 1, 2018. This individual is to serve as a liaison between the local school system, local law enforcement, and MCSS. In addition, by June 15, 2019, and regularly thereafter, each local school system must conduct a safety evaluation of each school to identify and address any physical deficiencies and any patterns of safety concerns on school property or at school-sponsored events. By July 1, 2020, each local school system must update its school emergency plan to conform to MSDE guidelines regarding how schools will address behavioral threats and emergency events. In addition, the legislation authorizes MSDE to incorporate age-appropriate components of active shooter preparedness into its annual schedule of drills for each school.

School Resource Officers

The Safe to Learn Act includes several provisions pertaining to the training and use of School Resources Officers (SRO). The legislation defines an SRO as a law enforcement officer assigned to a public school in accordance with a Memorandum of Understanding between a local law enforcement agency and a local school system, or a Baltimore City School Police Officer. Under the law, MCSS was required to develop a specialized SRO training curriculum by September 1, 2018, and a model training program must be developed and approved by the Maryland Police Training and Standards Commission (MPTSC) by March 1, 2019. All SROs must have completed an approved SRO training program by September 1, 2019. Beginning with the 2018-2019 school year, the Act requires that each school system demonstrate that every public high school has either an assigned SRO or adequate law enforcement coverage. Beginning with the 2019-2020 school year, the requirement for an SRO or adequate law enforcement coverage extends to all public schools. MCSS is required to report on compliance with SRO coverage requirements by October 1 each year. By December 15, 2018, the center is required to develop guidelines to assist local school systems with identifying appropriate levels of SRO and/or law enforcement coverage for all schools.

Mental Health Coordinators, Services, and Responsibilities

By September 1, 2018, each local school system was required to appoint a mental health services coordinator to coordinate existing mental health services and referral procedures within the local school system. The coordinator is responsible for ensuring that referred students receive the necessary services, external funding for services is maximized, and plans for behavioral health and wraparound services are developed for those students who exhibit behaviors of concern. The Act requires the subcabinet to review the local plans for the delivery of services and identify gaps in the availability of services, reporting the findings to the General Assembly by December 1, 2018. In addition, the legislation directs the Commission on Innovation and Excellence in Education (Kirwan Commission) to include recommendations pertaining to broader school mental health and wraparound services as a component of its final report, due December 31, 2018.

Funding

The fiscal 2019 budget provides approximately \$40.6 million in funding to support school safety-related initiatives. A total of \$14.1 million is provided for school safety-related operating grants to local jurisdictions. This includes \$2.5 million to fund the safety evaluations required under the Act, along with \$10.6 million for various types of training, development of plans for delivery of mental health/wraparound services, and enhanced community outreach. The legislation creates the nonlapsing Safe Schools Fund to administer these grant funds and designates the subcabinet responsible for making grants from the fund. The budget also includes \$1 million in funding for grants to public and private schools and day care centers at risk of hate crimes; these funds can support operating or capital costs. Approximately \$23.5 million is allocated to support capital improvements to the safety and security of school facilities, including addressing any deficiencies identified through the required safety evaluations. Of the total capital funding provided in fiscal 2019, \$3.5 million is allocated to funding improvements at nonpublic schools. Capital grants for public schools are administered by the Interagency Commission on School Construction (IAC). To cover the enhanced responsibilities required under the Act, MCSS is also provided with \$3.0 million and 14 positions.

Although it is anticipated that school systems will complete the mandated safety assessments during fiscal 2019, funding requests to address operating or capital deficiencies may not be known in time to distribute the entire appropriation by the end of the fiscal year. A provision added to Chapter 10, the Budget Reconciliation and Financing Act of 2018, allows for any unexpended grant funds to also be spent in fiscal 2020.

Beyond fiscal 2019, legislation passed during the 2018 session requires that \$10 million be appropriated annually to the Safe Schools Fund to partially offset local costs for providing adequate SRO coverage. In addition, the 21st Century School Facilities Act (Chapter 14 of 2018) requires an annual \$10 million appropriation to fund school safety capital improvements. The Act also mandates that MCSS is provided \$2 million annually to support its operating costs.

Implementation

Since the legislation took effect on June 1, 2018, the School Safety Subcabinet has met on a monthly basis. To date, all implementation deadlines outlined in the legislation have been met. MCSS has reported that all jurisdictions have designated school safety and mental health services coordinators. A training curriculum for SROs and other school security employees was approved by MPTSC by the September 1 deadline, with MCSS indicating that related lesson plans and the model training program will be established by the March 1, 2019 deadline. It is anticipated that MCSS will offer training to all required personnel at no cost to the local jurisdictions. The model policy for behavioral threat assessments was approved by the subcabinet at the August 2018 meeting. After researching other policies nationwide, the Maryland policy relies heavily on similar policies established in Virginia.

On October 1, MCSS submitted its report regarding SRO coverage at all public high schools. The report indicated that the majority of public high schools in the State have an SRO assigned to the school during the academic day. In instances where adequate local law enforcement coverage is used to fulfill the requirement, jurisdictions primarily rely on the use of assigning roving law enforcement officers, deputies, and school police officers on a geographic basis to respond to calls for service at schools within a particular region. School systems are also encouraging law enforcement personnel to utilize school parking lots and Wi-Fi to write reports and complete other administrative tasks while maintaining a presence on school grounds. Other jurisdictions utilize overtime to fund sheriff's deputies, or structure patrol coverage for law enforcement officers or SRO supervisors to incorporate school-related calls for services. The MCSS guidelines to assist local school systems in determining adequate SRO or law enforcement coverage for all schools are anticipated in December 2018.

With regard to distribution of the funds appropriated in the fiscal 2019 budget, the subcabinet has approved the grant application for the \$1 million hate crimes grant. Applications for that grant are due December 15, 2018. The subcabinet determined that the \$10.6 million in operating grant funds would be distributed, with each jurisdiction receiving a minimum allocation of \$200,000, and the remainder would be allocated by enrollment. IAC is awarding the \$20.0 million in capital funding for public schools in two \$10 million installments. At its September 2018 meeting, the commission approved allocating \$5 million of the first installment based on enrollment and \$5 million based on school facility square footage. Local school systems must apply for funding for eligible projects, which are subject to local matching requirements based on the State-local cost share allocation that applies to other school construction projects.

Maryland State Board of Education
Legislative Synopsis
January 22, 2019

Bills for State Board Discussion:

HB 45 (Administration) Accountability in Education Act of 2019

No hearing scheduled as of January 18, 2019

Crossfile: SB 92 (Administration)

- This bill establishes the Education Monitoring Unit (EMU) as an independent unit in the State. This bill also establishes an Inspector General position in the EMU.
 - The EMU is authorized to investigate whether civil rights of certain individuals are being upheld, analyze issues of child abuse and neglect, graduation requirements, assessments, procurement, among others, and report on instances of fraud, abuse, and waste.
 - EMU may make inquiries and obtain information, hold hearings, have access to MSDE's, county board, and local school system records, and issue subpoenas.
 - EMU must establish an anonymous tip program to report violations.
- This bill establishes an Inspector General Selection and Review Commission in the EMU.
- This bill is an emergency bill.

HB 53 (Chang) County Boards of Education – Length of School Year – Adjustments

No hearing scheduled as of January 18, 2019

Crossfile: SB 131 (King)

- This bill clarifies that a county board of education to extend the length of the school year for *any* reason up to 5 school days beyond June 15 without the approval of the State Board *or any other entity*.
- This bill is an emergency bill.

HB 87 (Ebersole) State Board of Education – Membership – Teachers and Parent

No hearing scheduled as of January 18, 2019

- This bill increases the membership of the State Board of Education from 12 to 15 members by adding 2 certified teachers and 1 parent of a student enrolled in a public school.
- For teacher members, the Governor selects a member from a list jointly submitted by the Maryland State Education Association and the Baltimore Teachers Union.
 - The teacher member may not vote on any matters that relate to appeals to the State Board regarding suspension or dismissal of teachers, principals, or other professional personnel.
- For parent members, the Governor selects a member from a list submitted by the Maryland Parent Teacher Association.

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SB 128 (Pinsky and King) County Boards of Education – School Year – Start and End Dates

No hearing scheduled as of January 18, 2019

- This bill repeals a provision that authorizes a county board of education to extend the length of the school year for up to 5 days beyond June 15 without the approval of the State Board of Education.
- This bill requires each county board of education to set the start and end date of the school year for the public schools in the county.

SB 131 (King) County Boards of Education – Length of School Year – Adjustments

No hearing scheduled as of January 18, 2019

Crossfile: HB 53 (Chang)

- This bill clarifies that a county board of education to extend the length of the school year for *any* reason up to 5 school days beyond June 15 without the approval of the State Board *or any other entity*.
- This bill is an emergency bill.

Bills for Information:

HB 58 (Speaker) Mandated Reports and Statutory Commissions, Councils, and Committees - Revisions

No Hearing scheduled as of January 18, 2019

Crossfile: SB 112 (President)

- This bill repeals certain provisions of the Education Article as obsolete.
- This bill alters the reporting date of the Maryland Class Size report from January 31 to March 1 of each year.
- This bill alters the reporting date of an accountability report from “each January” to March 1 of each year.
- This bill codifies a current reporting requirements on child care subsidy expenditures and participation as well as the enhanced services for blind students at the Maryland School for the Blind.

SB 112 (Speaker) Mandated Reports and Statutory Commissions, Councils, and Committees – Revisions

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