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**TO:** Members of the State Board of Education

**FROM:** Jack R. Smith, Ph.D. *GRS/CLN*

**DATE:** April 26, 2016

**SUBJECT:** 2016 Session Legislative Report

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**PURPOSE:**

The purpose of this agenda item is to provide the State Board of Education a summary of select legislation passed by the 2016 Maryland General Assembly that affect Maryland public education. A list of select legislation that failed is also included.

**SUMMARY:**

Ms. Amanda Conn, Director of Education Policy and Government Relations, will update the State Board on legislation in the 2016 session.

**ACTION:**

No action required, for discussion only.

Attachments

**State Board of Education**  
**2016 Session Report of**  
**Select Legislation that Failed**

**State Board and MSDE - Generally**

SB 404/HB 570 – State Board of Education – State Superintendent of Schools – Appointment  
SB619/ HB 533 – State Department of Education – Employment Categories and Practices

**Education Funding**

SB 325 – Juvenile Services Education - Modifications  
SB 461/HB 1433 – Education – Pre-kindergarten Students – Funding

**Juvenile Services Education**

SB 325 - Juvenile Services Education - Modifications

**Curriculum**

HB 633 – Education – Teacher and Principal Evaluations – Revisions to Requirements  
HB 476 – State Board of Education – Financial Literacy Curriculum – Graduation Requirements  
HB 474 – Elementary School Students – Daily Physical Activity  
SB 503 – Education – On-line Instructional Program for Financial Literacy  
HB 324 – Education – Maryland High School Diploma – Civics Test Requirement  
HB 1396/SB 960 - Domestic Violence - Education and Definition of Abuse

**Assessments**

SB 407/HB141 - Education - Education Accountability Program - Limits on Testing  
SB 786/HB 397 - Education - Assessments - Best Practices in the Administration of Assessments  
HB 1233 - Education - Administration of Standardized Test and Assessments - Notification  
SB 787/HB1427 – Education – Federal Innovative Assessments Pilot Program – Application  
HB 781 – Education – Assessments – Reporting of Aggregate Results  
HB 1204 - Education - PARCC Testing - Exemption for Children with Disabilities

**Schools and Student Services**

HB 251 – Education – Home Instruction Programs – Participation in Clubs and Activities  
HB 725 – Handguns – School Employees – Handgun Permits and Carrying Weapons on School Property

HB 1375 – Public Schools and Libraries – Access to Obscene Materials and Child Pornography  
– Prohibited

SB 183 – School Vehicles – Seat Belts – Requirements

SB 267 – Public Schools – Voluntary Nonsectarian Prayer at School-Sponsored Events

SB 1150/HB 1542 - Primary and Secondary Education - Computer Health and Safety Guidelines  
and Procedures

## **Educator Effectiveness**

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

HB 921 - Primary and Secondary Education - School Personnel - Training Requirement

SB 832/HB 1228 - Education - Grounds for Discipline

## **School Nutrition**

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

SB 755/HB 1325 – State Department of Education – Breakfast and Lunch Programs - Funding

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

## **Special Education**

SB 950 - Education - Students with Disabilities - Study of Parental Consent in the Individualized  
Education Program Process

## **School Calendar**

SB 767/HB1349 – Education – Beginning of School Year – After Labor Day

SB 629 – Education – Public School Holidays – Veteran’s Day

HB 620 - Elementary and Secondary Education - Required Number of School Days - Repeal

HB 626 - Education - Public School Holidays - Veteran’s Day

Hb 996 - Education - Public School Holidays - Easter Monday

## **Career and College Readiness**

SB 922/HB 1187 - Career Apprenticeship Opportunity Act of 2016

## **Library**

HB 138/SB 338 - Task Force to Study the Placement of Library Services Within the Education  
Article of the Annotated Code of Maryland

# **State Board of Education**

## **2016 Session Report of**

### **Select Legislation that Passed**

(grouped by topic)

#### **MSDE Departmental Bill**

##### **SB 282 - Early Childhood Development - Transfer of Provisions (June 1, 2016 effective date)**

- Transfers all provisions relevant to child care that are under the jurisdiction of MSDE from the Family Law Article to the Education Article (In 2005 the Child Care Administration located within the Department of Human Resources was transferred to MSDE but at that time all provisions for the CCA were not transferred)
- Creates a new subtitle, Division of Early Childhood Development (DECD), to contain these provisions
- Aligns the regulatory approval of the DECD with all other Divisions within the MSDE by placing it under the purview of the State Board of Education.

#### **Education Funding**

##### **SB 905/HB 999 - Commission on Innovation and Excellence in Education (June 1, 2016 effective date)**

- Establishes the Commission to review the Adequacy Study and make recommendations on funding and other policy and legislative initiatives
- 25 members (one State Board member appointed by the President)
- Chair chosen jointly by Governor, President, and Speaker; if no agreement by Aug. 1, 2016, the President and the Speaker jointly appoint the chair
- Preliminary report of Commission due Dec. 31, 2016 and final report due Dec, 31, 2017
- Streamlined Master Plan requirement for LEAs for 2016 and 2017.
- MSDE to convene stakeholders to review master plan requirements.
- MSDE to report to State Board, Commission and General Assembly on Oct. 1, 2017 on
  - what information future comprehensive master plans should contain; and
  - whether future comprehensive master plans should be completed in a digital form that can be updated periodically

##### **SB 422/HB 709 - Education - Maryland School for the Blind - Funding (July 1, 2016 effective date)**

- Increases annual State funding for the Maryland School for the Blind (MSB) by including the number of children served annually by MSB's Outreach Program as a component of State formula funding;
- Requires the Governor to include at least \$1 million per fiscal year for MSB residential services

**SB 584/HB 668 - Preschool Development Grants - Expansion Grants - Required State Funding (July 1, 2016 effective date)**

- Requires the Governor, in each fiscal year in which MSDE receives an expansion grant through the federal Preschool Development Grant Program, to include an appropriation of State funds equal to the amount that the State committed to fund as the state match in its application to the U.S. Department of Education: \$3,672,000 in FY 2018 and \$7,344,000 in FY 2019
- Appropriation is in addition to the amount required under current law for the State Prekindergarten Expansion Grant Program.

**HB 285 - State Education Aid - Real Property Valuation - Tax Increment Financing (June 1, 2016 effective date)**

- Authorizes state grants, for FY 2018 and 2019, to counties that establish a tax increment financing (TIF) development district after May 1, 2016, and qualify for State disparity grant funding
- For fiscal 2018 and 2019, using net taxable income (NTI) based on tax returns filed on or before November 1, State aid (excluding NTI grants) must be calculated once using the assessed valuation of real property as defined by current law and again using that same valuation as reduced by the calculated tax increment due to the TIF district for each eligible county
- If the amount of State aid calculated as reduced by the tax increment is greater than the amount of State aid calculated without excluding the tax increment, the difference is provided as a grant to the county board of education.
- States legislative intent that the adequacy of the education funding study consider the impact of economic development incentives in low-wealth counties on State education aid and make recommendations on specified topics

## **Assessments**

**SB 794/HB 657 – Education – Pre-Kindergarten and Kindergarten Assessments – Administration (July 1, 2016 effective date)**

- Requires the Kindergarten Readiness Assessment (KRA) to be a mandatory representative sample assessment;
- Representative sample is to be determined by MSDE;
- Optional census administration (all kindergarten students) is authorized for LEAs or principal/teacher (if LEA does not choose census administration) if:
  - the administration of the assessment is completed before Oct. 1; and
  - the aggregate results are returned within 45 days after administration of the assessment.
- Prohibits the KRA from being administered to an enrolled prekindergarten student.
- MSDE to adopt regulations to implement the new requirements.

**SB 533/HB 412 - Education - Administration of Assessments - Provision of Information**  
(July 1, 2016 effective date)

- Requires a local board of education to provide the following information for each assessment administered in a local school system by Oct. 15 on the website and in the master plan each year:
  - the title of the assessment;
  - the purpose of the assessment;
  - whether the assessment is mandated by a local, State, or federal entity;
  - the grade level or subject area, as appropriate, to which the test is administered;
  - the testing window of the assessment; and
  - whether accommodations are available for students with special needs and what the accommodations are.
- Extends the time by which MSDE has to develop a State-specific assessments in specified core content areas (i.e., social studies) by two years, from the 2016-2017 school year to the 2018-2019 school year

## **Innovative Programs**

**SB 376 - Pathways in Technology Early College High (P-TECH) Schools Act of 2016**  
(effective June 1, 2016)

- Authorizes state per pupil funding for 2 P-TECH schools in Baltimore City to open in SY 2016/2017
- Budget authorizes planning funding for 6 P-TECH schools at \$100,000 per school: 2 in Baltimore City for SY 2016/2017 and the following 4 for SY 2017/2018; 2 in Prince George's, 1 in W. Md and 1 on the Eastern Shore
- Elimination of dual enrollment funding provision
- MSDE to convene stakeholders to determine "optimal funding strategy for P-TECH" including reviewing:
  - Number of credits for P-TECH schools and students expected to graduate;
  - Whether the foundation amount should be applied for the 13th and 14th year for P-TECH students; and
  - A framework for funding the dual enrollment costs of P-TECH students
- Report due on Dec. 1, 2016

**SB 910 - Maryland Education Development Collaborative** (effective July 1, 2016 and sunsets on June 30, 2019)

- Establishes the Maryland Education Development Collaborative (EDCO)
- EDCO is managed by an executive board and must employ an executive director
- Board of Directors includes the State Superintendent, Secretary of Commerce, Senate and House member, several stakeholder groups appointed by the organization, and 6 members appointed by the Governor
- Purposes of EDCO include:
  - Advise and make recommendations to the State Board of Education, the General Assembly regarding statutory and regulatory policies necessary to promote 21st

- century learning that enhances socioeconomic and demographic diversity in public schools and reduces the achievement gap between socioeconomic and demographic groups across the State; and
      - Study and promote policies that increase the opportunity for enhancing socioeconomic and demographic diversity of student enrollment through twenty-first century learning opportunities across all schools and between local school systems in the State
  - EDCO is to perform the following functions:
    - Collaborate with LEAs, state gov't, and stakeholders to provide research and development approach to 21<sup>st</sup> century learning;
    - Disseminate information on best practices;
    - Provide technical assistance and training;
    - Collaborate on analysis and integration of data on 21<sup>st</sup> century learning;
    - Promote interagency efforts that support 21<sup>st</sup> century learning; and
    - Assist LEAs/cohorts of public schools to assess opportunities to enhance 21<sup>st</sup> century learning.
  - Funding for EDCO is \$250,000 from elimination of the Early High School Graduator Scholarship program (fenced off funding)

**SB 1126/HB 1615 – Linking Youth to New Experiences (LYNX) High School - Pilot Program (July 1, 2016 effective date)**

- Establishes a Linking Youth to New Experiences (LYNX) High School pilot program at Frederick High School in Frederick County
- Purposes of the Pilot Program:
  - Individualized, self-directed learning, in accordance with a personal plan;
  - Allows students to select academic course work in accordance with personal plan; and
  - Allows students to participate and move between project based learning, college levels, work/internships/apprenticeships as part of the student's curriculum
- On or before December 1, 2016, the county board shall approve plan after consultation with the county superintendent
- Within 45 days after county board has approved plan, the State Board of Education shall grant waivers from regulations that conflict with the plan
- State Board may not grant waivers related to:
  - Personnel requirements (general certification requirements and teacher certification);
  - Mandatory school days and school year requirements; and
  - Assessment requirements
- State Board and county superintendent to meeting with DLLR concerning the development of apprenticeship experiences
- Yearly reporting requirements to the State Board on academic and career progress, student, parent, teacher, and advocate review of the Pilot Program
- LYNX High School will continue until County Superintendent sends notice to the SBE that program has been discontinued
- General Assembly reporting requirements

**SB 1170/HB 1403 - Next Generation Scholars of Maryland (effective date July 1, 2016)(Chapter 33 of the Laws of Md)**

- Creates the Next-Generation Scholars of Maryland Program in MSDE (moved from MHEC) to:
  - allow eligible students in grades 7 and 8 to prequalify for a Guaranteed Access (GA) Grant;
  - require students to agree in writing to meet specified qualifications; and
  - require that services be provided to students participating in the program.
- MSDE must award grants to nonprofit organizations to administer the program and provide services in LEAs that have at least 50% or more students on FRMS.
- Services to students include:
  - a high school graduation plan;
  - summer work or internship opportunities;
  - financial aid literacy assistance;
  - career interest assessments;
  - mentorship and one-on-one counseling;
  - visits to college campuses and workplaces;
  - an intensive summer bridge program for students entering an institution of higher education directly from high school; and
  - a plan to matriculate and graduate from an institution of higher education.
- \$5 million mandatory appropriation from FY 2018 to FY 2023

**HB 1402/SB 1125 – Public Schools Opportunities Enhancement Act (effective July 1, 2016)(Chapter 32 of the Laws of Md)**

- Applies to LEAs that have at least 50% or more students on FRMs (Baltimore City and Allegany, Caroline, Dorchester, Kent, Prince George's, Somerset, and Wicomico)
- MSDE to administer grant program for LEAs and non-profits to:
  - expand or create an extended day and summer enhancement program;
  - expand or create a summer enhancement program; or
  - establish new educational or recreational partnerships with specified entities.
- MSDE to develop a plan, in consultation with the Department of Natural Resources, before Dec. 1, 2016 for extended day and summer enhancement program
- \$7.5 million mandatory appropriation from FY 2018 to FY 2022

## **Curriculum**

**HB 72 – Education – Sexual Abuse and Assault Awareness Program – Development and Implementation (July 1, 2016 effective date)**

- Requires the State Board of Education to develop and implement a program of age-appropriate education on the awareness and prevention of sexual abuse and assault for public schools and non-public schools that have a certificate of approval and accept textbook/technology funding
- The program must be taught by teachers who are trained to provide instruction on the awareness and prevention of sexual abuse and assault.



- Incorporated into the health curriculum of local boards of education and nonpublic schools.

**SB 770/HB 1297 - Education - Public High Schools - Agricultural Science (Oct. 1, 2016 effective date)**

- Encourages each county board of education to implement an agriculture science curriculum in at least one public high school or career and technology education center in the county.
- Curriculum must be selected from existing curricula developed by MSDE or developed by a county board and approved by MSDE

**HB 708 - Education – Maryland Seal of Biliteracy Act – Establishment (July 1, 2016 effective date)**

- Establishes the voluntary Maryland Biliteracy Program for students attending a public school that participate in the program and authorizes a seal of biliteracy for a HS diploma
- Students who meets the criteria and requirements established by the State Board shall receive a seal of biliteracy affixed to the student’s diploma or transcript at graduation
- Foreign language includes American sign-language and any Native American language.

## **Libraries**

**SB 337 - Libraries - Regional, State, and County - Funding (July 1, 2016 effective date)**

- Accelerates State funding increases (previously scheduled) to the per capita funding amounts that must be provided to the State Library Resource Center (SLRC), regional resource centers, and county public library systems participating in the State’s library program
- Increased funding to begin in FY 2018 (\$835,000) through FY 2021 (\$3.2 million)

**HB 1401/SB 1171 – Enoch Pratt Free Library – Hours of Operation (Oct. 1, 2016 effective date)**

- Requires certain branches of the Enoch Pratt Free Library (EPFL) to be open to the public seven days a week, from 9:00 a.m. to 9:00 p.m., excluding holidays
- Mandatory appropriation of \$3 million to support increased hours of operation for EPFL branches
- Required Baltimore City match of 25% for state funding
- Baltimore City to submit list of branches that will have increased hours prioritizing branches in poor and underserved communities before June 1, 2017
- MSDE to report on:
  - The impact of increased hours of the branches;
  - Appropriateness of continued increased state funding for the branches; and
  - Recommendations for the future of continued increased state funding for EPFL
- Report findings and recommendations in Dec. 2020 to Department of Budget and Management and budget committees

## **School and Student Services**

### **HB 713/SB 494 - State Department of Education - Community-Partnered School Behavioral Health Services Programs - Reporting System and Report (School Behavioral Health Accountability Act) (July 1, 2016 effective date)**

- Requires MSDE, in consultation with the Department of Health and Mental Hygiene, county boards, and other interested stakeholders, as determined by the Department, to develop and implement a standardized reporting system to determine the effectiveness of community-partnered school behavioral health services programs
- Reporting system shall use measures that collect data on the outcomes of students who receive behavioral health services from community-partnered school behavioral health services programs, including a student's:
  - academic;
  - behavioral;
  - social; and
  - emotional functioning and progress

### **SB 582/HB 115 - Education - Robotics Grant Program - Establishment (July 1, 2016 effective date)**

- Establishes a Robotics Grant Program to provide grants to public schools in the State to support and expand existing robotics programs.
- A school is eligible to receive a grant through the program if the school is associated with an existing nonprofit robotics club or has a new or an existing robotics program or club.
- \$250,000 mandatory appropriation
- MSDE must implement and administer the program and may adopt regulations to implement

### **HB 39 - Education - Orange Ribbon for Healthy School Hours - Establishment (July 1, 2016 effective date)**

- Establishes a voluntary Orange Ribbon for Healthy School Hours certification in MSDE beginning in the 2017-2018 school year.
- Orange Ribbon certification is intended to recognize a local school system that creates, implements, and enforces school start times that are consistent with those recommended by MSDE, the Department of Health and Mental Hygiene (DHMH), and the American Academy of Pediatrics (AAP).
- To receive Orange Ribbon certification, a local school system may not have
  - an elementary school requiring a student to be in class before 8:00 a.m. and board a school bus before 7:00 a.m.; and
  - a middle or high school requiring a student to be in class before 8:30 a.m. and board a school bus before 7:30 a.m.
- Establishes criteria for limited (“honorable mention” and “commended”) certification, which MSDE may grant
- MSDE to adopt regulations to implement the program

**HB 596– State Department of Education – Hearing Aid Loan Bank Program – Age of Eligibility (July 1, 2016 effective date)**

- Hearing Aid Loan Bank currently lends hearing aids on a temporary basis to a parent or legal guardian of an eligible child under age of 3
- Increases the age of the child to be eligible for the hearing aids from the Bank from age 3 to age 18

**HB 1095 - Education - Prekindergarten Programs - Notification of Eligibility by Local Departments of Social Services (July 1, 2016 effective date)**

- Requires local departments of social services or local health departments to provide a parent or guardian with an oral and written notice that their child may be eligible for publicly funded prekindergarten programs if the parent or guardian:
  - applied for economic services with the local department of social services or local health department; and
  - has a child who will be 4 years old on September 1 of the next academic year

**SB 764 - Education - Student Journalists - Freedom of Speech and Freedom of Press (Oct. 1, 2016 effective date)**

- Allows a student journalist in a public elementary or secondary school or a public institution of higher education to exercise freedom of speech and freedom of the press in school-sponsored media, subject to restrictions in the bill.
- Establishes that a student journalist is responsible for determining the news, opinion, feature, and advertising content of school-sponsored media, also subject to specified restrictions.
- Each county board of education and public institution of higher education must develop a written policy regarding the bill's requirements, which may include limits on language that may be defined as profane, harassing, threatening, or intimidating

## **Special Education**

**HB 85 – Education – Children with Disabilities – Support Services – Parental Notification (July 1, 2016 effective date)**

- Requires the parents of a child with a disability at the initial evaluation meeting be provided with written information, in a parent's native language, that may be used to contact local school system early intervention and special education family support services staff members, and a brief description of the services that they provide.
- Information concerning services must be prominently published on the appropriate section of each local school system's website.

**HB 551 - Education - Children With Disabilities - Individualized Education Program Mediation (July 1, 2016 effective date)**

- Requires the individualized education program (IEP) team to provide a parent an oral and written explanation of the parent's right to request mediation and information about pro bono services and other free or low cost services

- Requires information to be translated under certain circumstances (1% of student population)
- Requires MSDE to report on:
  - Economies of scale relating to financial impact of mediation;
  - Needs of parents whose language is less than 1% of the student population; and
  - Information on requests for mediation submitted to MSDE from county boards

**HB 86 – Special Education – Translations of Individualized Education Programs or Individualized Family Service Plans - Native Language (July 1, 2016 effective date)**

- Authorizes the parents of a child with a completed individualized education program (IEP) or individualized family service plan (IFSP) to request that the IEP or IFSP be translated into the parents’ native language, if that language is spoken by more than 1% of students in the local school system
- School personnel must provide the parents with the translated document within 30 days after the date of the request
- Requires MSDE to report on:
  - Economies of scale relating to financial impact of mediation;
  - Needs of parents whose language is less than 1% of the student population; and
  - Information on requests for mediation submitted to MSDE from county boards

**HB 895 – Task Force to Study the Implementation of a Dyslexia Education Program – Membership, Duties, and Extension (June 1, 2016 effective date)**

- Extends the deadline for submission of findings and recommendations
- Adds two additional members to the TF and outlines additional tasks to be considered

**Child Care**

**SB 312/HB 329 – Children – Family Child Care Homes and Child Care Centers – Advertising and Penalties (October 1, 2106 effective date)**

- Establishes that a person may not advertise a child care center or family day care home unless the person is licensed.
- An advertisement for child care center or family day care home must include the license number and a statement that the center is licensed.
- Authorizes MSDE to issue a civil citation for advertisement if certain conditions are met
- Authorizes a fire marshal, state or local, to visit a child care center or a family day care home or a take action against the center or home for violations of a fire prevention code
- Expresses intent of the General Assembly that MSDE expand its efforts to educate:
  - parents about the potential dangers of unregistered or unlicensed child care and the advantages of care provided by registered and licensed providers; and
  - unregulated, unlicensed, or prospective child care providers about the advantages of becoming registered or licensed and the resources available to assist them in doing so.
- MSDE must report to the Governor and the General Assembly on the status of these efforts.

## **School Construction**

**HB 1404 - Construction Education and Innovation - Establishment of Fund** (October 1, 2016 effective date)

- Establishes the Construction Education and Innovation Fund (Fund) to be administered by the Maryland Center for Construction Education and Innovation (MCCEI)
- MCCEI is a public-private partnership located at Towson University that was established in 2010 and is an industry-led workforce intermediary that was established to create a world-class education system for Maryland's built environment
- Funding is \$250,000 from the Revenue Stabilization Account (fenced off funding)

## **Educators**

**SB 493 - Teacher Induction, Retention, and Advancement Act of 2016** (July 1, 2016 effective date)

- Establishes a voluntary Teacher Induction, Retention, and Advancement Program for first-year teachers who participate in the program to be afforded at least 20% more time than other teachers to be spent on mentoring, peer observation, assistance with planning, or other preparation activities.
- Costs for the Program to be borne 80% by the State and 20% by the local board of education.
- Mandatory appropriation of \$5 million annually for the Program through FY 2022
- Increases the maximum State matching stipend for teachers who hold National Board Certification (NBC) from \$2,000 to \$4,000
- Establishes a pilot teacher incentive grant program of up to \$1,500 in Anne Arundel county for teachers in certain economically disadvantaged schools for academic years 2016-2017 and 2017-2018
- Required funding for the stipends in the budget for FY 2017 through FY 2019.
- MSDE must convene a workgroup composed of stakeholders from primary and secondary education, higher education, and other education policy experts to determine how to:
  - recruit, retain, and promote quality teachers at all levels of education in the State; incorporate and interweave the principles of NBC with the Advanced Professional Certificate, Master of Education programs, and other teacher preparation programs;
  - make the teacher recertification process more valuable, including an exploration of how to link recertification to career ladders and content or high-need area specializations;

- link loan forgiveness to teaching in high-need schools; and incorporate induction best practices into professional eligibility certificates;
- existing State laws and regulations impact teacher recruitment, retention, and promotion for specified areas; and
- evaluate whether the stipend for specified Anne Arundel County Public Schools teachers was effective in retaining effective teachers in schools with a critical mass of economically disadvantaged students
- Workgroup must make recommendations regarding;
  - its findings;
  - legislative changes that will ensure that teacher preparation academics, as authorized under the federal Every Student Succeeds Act, will be of the highest quality and rigor if they are implemented in Maryland, and the individuals that participate in these academies will be fully prepared and trained to be in a classroom in Maryland;
  - a coordinated statewide strategy for recruiting, retaining, and promoting quality teachers at all levels of education by specified stakeholders; and
  - the best methods of incentivizing effective teachers to choose to teach in low-performing schools and schools with a critical mass of economically disadvantaged students in light of federal regulations that require the equitable distribution of effective teachers.

**HB 245/SB 310 – Child Abuse and Neglect – Failure to Report**

(October 1, 2016 effective date)

- Requires an agency that is participating in an investigation that has substantial grounds to believe that a person knowingly failed to report suspected abuse or neglect to file a complaint with the county board of education (public school employees) or the appropriate agency, institution, or licensed facility at which the person is employed if the person is an educator or a human service worker.



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/CLN*  
**DATE:** April 26, 2016  
**SUBJECT:** Fiscal Year 2017 Budget

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**PURPOSE:**

The purpose of this agenda item is to provide the State Board of Education a summary of budget actions taken by the Maryland General Assembly during the 2016 legislative session that affect Maryland public education.

**SUMMARY:**

Governor Hogan submitted his budget to the General Assembly on January 20, 2016. A summary of the Governor's budget was provided to the State Board during the January meeting. The information below summarizes the actions taken by the General Assembly for each of MSDE's budgetary units. It is important to note that the General Assembly did not adopt any direct programmatic reductions in the MSDE budget.

**Headquarters Budget**

- The FY 2017 budget bill requires the Governor to abolish 657 positions in the Executive Branch. MSDE will be required to participate in this reduction. The General Assembly modified this language to stipulate that the positions must be vacant. The Maryland Board of Public Works is to approve the reduction prior to July 1, 2016.
- The General Assembly approved the additional resources and positions included in the Governor's budget for the Juvenile Services Education Program. The General Assembly added language indicating its intent that MSDE use a portion of the additional resources to develop a recruitment and retention incentive program for teachers and principals. MSDE, in consultation with the Department of Juvenile Services, is also required to submit a report addressing the progress made toward addressing identified deficiencies in the Juvenile Services Education Program and the development of performance measures to evaluate how the program is functioning.
- The FY 2017 budget requires MSDE to submit a number of reports to the General Assembly. These include an examination on whether and how a new certification for college and career counseling specialist could be implemented; data from local school systems that specifies all local, State, and federal funds spent for prekindergarten children with disabilities age three through five; recommendations for improving teacher preparation and retention; and monthly reports regarding child care subsidy expenditures and program participation.

## Aid to Education Budget

- The Bridge to Excellence formulas are funding according to the statutory mandate. The formulas total \$5.3 billion in direct State aid to local school systems, a \$122.3 million increase over FY 2016. This includes full funding of the Geographic Cost of Education Index.
- The FY 2017 budget fully funds formulas for local and regional public libraries totaling \$ 53.3 million.
- In addition to the funding provided in the Governor's initial budget proposal for three school systems with declining enrollment, funding was added for Baltimore City (\$12.7 million) and Calvert County (\$1.1 million) in a supplemental budget.
- Funding for the Governor's P-Tech initiative is included in the budget. This includes \$600,000 in fiscal year 2016 for planning grants and \$104,000 for the upcoming school year to support costs local school systems will incur that are unique to operating a P-Tech program. The budget language specifies that there shall be six P-Tech schools, as opposed to the four originally included in the proposal, and further specifies that two shall be in Baltimore City Public Schools, one being located at Paul Lawrence Dunbar High School and one located at Carver Vocational-Technical High School, two P-Tech schools in Prince George's County, one on the Eastern Shore, and one in Western Maryland.
- The FY 2017 budget restricts \$300,000 in another agency's budget only to be used to provide support for early college high schools that allow an associates degree in four years. The Governor has the option not to fund this grant and can let the funding revert to the State's General Fund instead

## Funding for Educational Organizations

- The General Assembly approved an additional \$1 million for the Maryland School for the Blind contingent upon the enacted legislation (SB422/HB709) establishing a mandate for increased funding for the school beginning in FY 2018.
- The FY 2017 budget restricts funding in other areas of the State budget only to be used for certain State Aided Institutions. This includes funding for the Maryland Science Center, the College Bound Foundation, the Great Blacks in Wax Museum, and the Maryland Humanities Council. The Governor has the option not to fund the additional grants and can let the funding revert to the State's General Fund instead. Finally, it is not clear whether the additional grants for the latter two organizations will be included in the MSDE budget or with another agency.
- The General Assembly modified the distribution of funding for the Aid to Non-Public Schools Program so that schools with more than 40 percent of students are eligible for free and reduced price meals (FARM) receive \$155 per student. Additionally, the budget language adds a middle tier of funding at \$95 per student for schools with between 20% and 40% of FARM eligible students. This compares to a \$95 maximum in previous years for schools with at least 20 percent FARM eligible students.



- The Governor's Budget included \$5.0 million to establish a state income tax credit for business entities or nonprofit organization that make a contribution to an eligible student assistance organization (SAO) that provides financial assistance for qualified education expenses to eligible nonpublic schools or any public school. Under the Governor's plan, the funding was included in MSDE's budget but the program would be operated by the Department of Commerce. The General Assembly modified the budget language and specified that the funding shall be used to provide scholarships to eligible students to attend non-public schools. The language further specifies that MSDE shall administer the grant program and allows up to \$150,000 to cover these expenses.

#### Other Budget Actions

- \$19 million in the State's Reserve fund has been restricted so that it can only be used to provide additional one-time funding to local school systems to support a portion of their share of the actual cost of pensions for their teachers. The Governor has the option not to fund the additional grants and to let the funding revert to the State's General Fund instead.
- The FY 2017 budget withholds \$5.0 million from Baltimore City until MSDE certifies that the City has increased the FY 2017 appropriation to Baltimore City Public Schools (BCPS) by \$5.0 million over FY 2016. An additional \$5.0 million is restricted until the City and BCPS submit a joint report on the potential for cost efficiencies in shared costs and other financial arrangements.
- \$250,000 is restricted in another agency's budget only to be transferred to the Maryland Education Collaborative. The Governor has the option not to support this transfer and let the funding revert to the State's General Fund instead.

#### **ACTION:**

No action required, for discussion only.