

**Department of Legislative Services**  
Maryland General Assembly  
2014 Session

**FISCAL AND POLICY NOTE**

Senate Bill 125

(Chair, Education, Health, and Environmental Affairs  
Committee)(By Request - Departmental - Education)

Education, Health, and Environmental Affairs

Appropriations

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**State-Aided Educational Institutions - Qualification Criteria**

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This departmental bill alters the qualification criteria for a State-Aided Educational Institution (SAI) by repealing the requirement that an institution document its plans to support the goals of the Maryland Schools for Success Program and the Maryland School Performance Program. Instead, the bill requires that documentation must specify an organization's plan to align its educational programs with the educational and curricular priorities of the Maryland State Department of Education (MSDE). Accordingly, the requirements related to the State Superintendent's review of the list of qualified organizations are similarly altered.

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**Fiscal Summary**

**State Effect:** None. Grant funding amounts provided to SAIs are not affected.

**Local Effect:** None.

**Small Business Effect:** The Maryland State Department of Education has determined that this bill has minimal or no impact on small business (attached). The Department of Legislative Services concurs with this assessment.

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**Analysis**

**Current Law:** To be considered for funding, an educational institution must qualify as an SAI. To qualify as an SAI, an educational institution must submit certain documentation to MSDE, including plans of the institution to support the goals of the Maryland Schools for Success Program and the Maryland School Performance Program.

MSDE must annually review applications for qualification as an SAI and submit a list of the qualified institutions to the State Superintendent of Schools. The Superintendent must review and comment on the institutions on the list and the extent and manner in which each would forward the goals of the Maryland Schools for Success Program and the Maryland School Performance Program. The Superintendent then must present the list of qualified institutions and comments to the State Board of Education for its review and comment. The State board must then submit to the Governor the list of institutions as well as comments from the Superintendent and the board.

**Background:** The SAI program administered by MSDE provides annual grants to certain nonprofit institutions that offer educational programs. Chesapeake Bay Foundation, Maryland Historical Society, Maryland Zoo in Baltimore, Outward Bound, and Walters Art Museum are among dozens of recent SAI program grantees. Grant funding through the program totals \$6.1 million in fiscal 2014.

Maryland Schools for Success Program and the Maryland School Performance Program are no longer in operation and do not reflect the present educational and curricular priorities of MSDE.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Maryland State Department of Education, Department of Legislative Services

**Fiscal Note History:** First Reader - January 13, 2014  
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## ANALYSIS OF ECONOMIC IMPACT ON SMALL BUSINESSES

TITLE OF BILL: State Aided Educational Institutions – Criteria for Qualifying

BILL NUMBER: SB 125

PREPARED BY: Maryland State Department of Education

### PART A. ECONOMIC IMPACT RATING

This agency estimates that the proposed bill:

WILL HAVE MINIMAL OR NO ECONOMIC IMPACT ON MARYLAND SMALL  
BUSINESS

OR

WILL HAVE MEANINGFUL ECONOMIC IMPACT ON MARYLAND SMALL  
BUSINESSES

### PART B. ECONOMIC IMPACT ANALYSIS

The proposed legislation will have no impact on small business in Maryland.