

HB0684/849838/1

BY: Budget and Taxation Committee

AMENDMENTS TO HOUSE BILL 684
(Third Reading File Bill)

AMENDMENT NO. 1

On page 1, strike beginning with “stating” in line 8 down through “circumstance;” in line 10; and in line 14, after “year;” insert “requiring the Baltimore City Board of School Commissioners to make certain disbursements to public charter schools in certain fiscal years; requiring the Baltimore City Board of School Commissioners, by a certain date, to contract with a certain accountant to conduct a certain audit; requiring the Baltimore City Board of School Commissioners to consult with the Secretary of Budget and Management on the scope of the audit; requiring the Baltimore City Public School System to fully submit to a certain audit and provide certain documents, records, and information; requiring a certain accountant to make a certain report to certain entities by a certain date; requiring the Baltimore City Board of School Commissioners to comply with certain requirements as a condition of receiving certain funds; requiring the Baltimore City Board of School Commissioners to develop a certain financial recovery plan and to submit the plan to certain entities by a certain date and to make certain quarterly reports; requiring the Mayor of Baltimore City and the Baltimore City Council to develop a certain plan by a certain date and submit the plan to certain entities;”.

On page 5, in line 27, strike “3.” and substitute “2.”.

On page 6, in line 9, strike “4.” and substitute “5.”.

AMENDMENT NO. 2

On page 5, in lines 1 and 4, in each instance, strike “SEEKS TO ENROLL” and substitute “ENROLLS”; in line 14, after the first “THE” insert “FOLLOWING PERCENTAGE OF THE”; in line 17, after “YEAR” insert “:”.

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- (1) FOR FISCAL YEAR 2018, 50%;**
- (2) FOR FISCAL YEAR 2019, 75%; AND**
- (3) FOR FISCAL YEAR 2020, 100%”;**

and strike in their entirety lines 21 through 26, inclusive.

AMENDMENT NO. 3

On page 6, after line 8, insert:

“(d) The Baltimore City Board of School Commissioners shall disburse any additional revenue appropriated by Baltimore City and the State to Baltimore City Public Schools in fiscal years 2018 through 2020 to public charter schools in amounts that are commensurate with the amounts disbursed to other public schools in the City.

SECTION 3. AND BE IT FURTHER ENACTED, That:

(a) (1) On or before December 31, 2017, the Baltimore City Board of School Commissioners shall contract with an independent certified public accountant to conduct an independent, comprehensive audit of the Baltimore City Public School System.

(2) The Baltimore City Board of School Commissioners shall consult with the Secretary of Budget and Management on the scope of the audit.

(b) The accountant selected under subsection (a) of this section:

(1) shall be licensed to practice accounting in the State;

(2) shall be experienced and qualified in accounting and auditing public bodies; and

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(3) may not have a direct or indirect personal interest in the affairs of Baltimore City or the Baltimore City Public School System.

(c) The Baltimore City Public School System shall fully submit to the audit and provide any and all documents, records, and information requested by the accountant.

(d) The accountant shall perform the audit in accordance with generally accepted government auditing standards.

(e) On or before December 31, 2019, the accountant shall report and present its findings, conclusions, and recommendations to the Secretary of Budget and Management; the State Board of Education; in accordance with § 2-1246 of the State Government Article, the General Assembly, the Senate Budget and Taxation Committee, and the House Appropriations Committee; the Mayor of Baltimore City; and the Baltimore City Board of School Commissioners.

SECTION 4. AND BE IT FURTHER ENACTED, That:

(a) As a condition of receiving State funds under Section 1 of this Act, the Baltimore City Board of School Commissioners shall comply with the requirements of this section.

(b) The Baltimore City Board of School Commissioners shall develop a financial recovery plan that shall:

(1) address all repeat findings from the Office of Legislative Audits; and

(2) include steps to:

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(i) eliminate the structural deficits of the Baltimore City Public School System by fiscal year 2020;

(ii) balance the Baltimore City Public School System budget and future deficits;

(iii) alter permanent and temporary staffing levels and review existing employment contracts and attrition levels to achieve greater efficiency, including size and scope of the Baltimore City Public School System central office;

(iv) alter the administrative organization of the Baltimore City Public School System to achieve greater efficiency;

(v) conduct special audits or further studies to analyze the effectiveness of the financial recovery plan; and

(vi) establish a capital budget that maximizes the use of available resources to address infrastructure deficiencies.

(c) By August 1, 2017, the Baltimore City Board of School Commissioners shall submit the financial recovery plan to the Mayor of Baltimore City, the Secretary of Budget and Management, and, in accordance with § 2-1246 of the State Government Article, the Senate Budget and Taxation Committee and the House Appropriations Committee.

(d) (1) The Baltimore City Board of School Commissioners shall report quarterly on the progress of the financial recovery plan to the Mayor of Baltimore City, the Secretary of Budget and Management, and, in accordance with § 2-1246 of the State Government Article, the Senate Budget and Taxation Committee and the House Appropriations Committee.

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(2) The first quarterly report shall be submitted no later than November 1, 2017.

(3) The financial recovery plan shall be a public record and be posted on the Baltimore City Public School System's Web site.

(e) By August 1, 2017, the Mayor of Baltimore City and the Baltimore City Council shall develop a plan to sell, lease, convey, assign, or dispose of surplus school system assets and submit the plan to the Secretary of Budget and Management, and, in accordance with § 2-1246 of the State Government Article, the Senate Budget and Taxation Committee and the House Appropriations Committee.”.