

Department of Legislative Services
Maryland General Assembly
2020 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 1373
Ways and Means

(Delegate Boteler, *et al.*)

Baltimore County Board of Education - Legal Counsel and Chief Budget Analyst

This bill requires the Baltimore County Board of Education to employ legal counsel to serve as legal advisor to the board. The legal counsel serves at the pleasure of the school board. The bill also requires the school board to employ a Chief Budget Analyst (who also serves at the pleasure of the school board). The Chief Budget Analyst must review the school board's proposed budget and either approve the budget or return it to the board with suggested changes. The Chief Budget Analyst must also ensure that education spending is in accordance with the board's budget. The school board is prohibited from submitting its budget to the Baltimore County Council until it has been approved by the Chief Budget Analyst. **The bill takes effect July 1, 2020.**

Fiscal Summary

State Effect: None.

Local Effect: Baltimore County Public School System (BCPS) expenditures increase by approximately \$209,600 in FY 2021 and by approximately \$232,700 in FY 2025 to fill the required positions. Revenues are not affected. **The bill imposes a mandate on a unit of local government.**

Small Business Effect: None.

Analysis

Current Law:

Retention of Counsel

Generally, each county board may (1) retain counsel to represent it in legal matters that affect the board and (2) contract for the payment of a reasonable fee to the counsel. Funds for these fees must be included in the annual budget. The Baltimore County Board of Education may retain counsel to represent it in legal matters that involve disputes with the Baltimore County government.

Submission of Annual Budget

The county school superintendent must (1) take the initiative in the preparation and presentation of the annual school budget; and (2) seek in every way to secure adequate funds from local authorities for the support and development of the public schools in the county.

Each county board must submit an annual school budget in writing to the county commissioners, county council, or county executive. The budget must be submitted at least 45 days before the date for levying local taxes (or on an earlier date on or after March 1 as may be requested by the county fiscal authority).

Local Expenditures: BCPS expenditures increase by approximately \$209,600 in fiscal 2021 and by approximately \$232,700 in fiscal 2025 to fill the required positions. **Exhibit 1** shows the additional expenditures under the bill between fiscal 2021 and 2025.

Exhibit 1 Baltimore County Public School System Expenditures Under the Bill Fiscal 2021-2025

	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>FY 2025</u>
Staff Attorney	\$131,298	\$133,924	\$136,602	\$139,334	\$142,121
Chief Budget Analyst	148,328	151,295	154,320	157,407	160,555
Contractual Legal Counsel	(70,000)	(70,000)	(70,000)	(70,000)	(70,000)
Net Effect	\$209,626	\$215,219	\$220,922	\$226,741	\$232,676

Source: Baltimore County Public School System; Department of Legislative Services

BCPS advises that it already employs a contractual legal counsel who has expertise in education-related legal matters. However, assuming BCPS hires a permanent legal counsel, expenditures increase by \$131,298 for that purpose in fiscal 2021. This analysis assumes that the contractual counsel is no longer needed; therefore, those costs are assumed to no longer be incurred under the bill.

With regard to the Chief Budget Analyst position, BCPS notes that the fiscal 2019 adopted budget included a full-time budget analyst position. However, that position was ultimately filled as an auditor position. The Office of Internal Audit has allocated a set number of hours during the fiscal year for school board-directed projects that could include budget analysis. As a result, the Chief Budget Analyst required in the bill overlaps with responsibilities of existing personnel.

The bill requires the Chief Budget Analyst to review the school board's proposed budget and either approve the budget or return the budget to the board with suggested changes. In addition, the bill prohibits the board from submitting its budget to the Baltimore County Council unless it has been approved by the Chief Budget Analyst. In the event that the school board and the Chief Budget Analyst are unable to reach an agreement on the proposed budget, it is unclear how the annual budget would be submitted to the county council. The bill specifies that the Chief Budget Analyst serves at the pleasure of the board; therefore, it is possible that the school board may replace the Chief Budget Analyst if an impasse were to occur. Furthermore, it is unclear what role the school superintendent would have in developing the annual school budget under the provisions of the bill.

Additional Information

Prior Introductions: None.

Designated Cross File: None.

Information Source(s): Baltimore County; Baltimore County Public Schools; Department of Legislative Services

Fiscal Note History: First Reader - March 5, 2020
an/hlb

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