

Department of Legislative Services
Maryland General Assembly
2021 Session

FISCAL AND POLICY NOTE
Third Reader

House Bill 1054
Appropriations

(Delegate B. Barnes)

Budget and Taxation

Education - Maryland School for the Blind - Pay Plan

This bill requires the Secretary of Budget and Management to develop a single, uniform pay plan for teachers and other professional personnel at the Maryland School for the Blind (MSB). In developing the pay plan, the Secretary must consider recommendations from the Board of Directors of MSB based on its review of comparable salaries in Baltimore County and must include classifications and pay grades based on the duties, responsibilities, education, and training required. Beginning with the third fiscal year the pay plan is in effect, and every third fiscal year thereafter, the Secretary must, after reviewing the recommendations of the board, adjust the pay plan, if necessary, to ensure that salaries in the pay plan are adequate to recruit and retain qualified teachers and other professional personnel. The Secretary must incorporate these adjustments into the budget recommendations for the Governor's review and approval for inclusion in the annual budget request. **The bill takes effect July 1, 2021.**

Fiscal Summary

State Effect: The Department of Budget and Management can establish and review the pay plan as required under the bill with existing budgeted resources. The bill does not otherwise directly affect State finances, as discussed below.

Local Effect: No direct effect on local finances, but any increase in compensation for MSB faculty and staff resulting from the pay plan may affect future local reimbursements to the school.

Small Business Effect: None.

Analysis

Bill Summary: In determining recommendations for the pay plan, the board, in consultation with the faculty and staff of MSB, must review the salaries of public school teachers and other professional personnel in Baltimore County and must recommend to the Secretary salaries that will be adequate to recruit and retain qualified teachers and professional personnel at MSB. The board must submit its recommendations to the Secretary by June 1 prior to the first fiscal year in which the pay plan will take effect.

The board must recommend any adjustments to the pay plan by September 1 prior to the fiscal year for which adjustments may be made, and the Secretary must review the recommendations of the board prior to making adjustments to the pay plan.

Current Law: MSB is a nonprofit organization governed by the board as provided under State law. For informational purposes, the budget submitted by the Governor to the General Assembly must include a detailed account of the operating and administrative budget for MSB.

Chapters 671 and 672 of 2016 required teachers and any other professional personnel at MSB to be paid an annual salary that is at least equal to the salary received by public school teachers and professional personnel of similar training and experience in Baltimore County. The Acts also increased annual State funding for MSB by including the number of children served annually by MSB's Outreach Program as a component of State formula funding and required the Governor to annually include at least \$1.0 million in the State budget for the cost of residential services.

Funding Formula for the Maryland School for the Blind

MSB receives a State appropriation equal to or greater than the sum of:

- 75% of the prior year appropriation multiplied by the product of (1) the sum of the weighted enrollment growth plus one and (2) the sum of the growth in the target per pupil foundation amount plus one; and
- 25% of the prior year appropriation multiplied by the sum of the weighted enrollment growth plus one.

This minimum appropriation may be reduced to the extent reductions are made to the administrative expenses of MSB.

“Weighted enrollment growth” is the product of 0.2 times the percentage change in the four-year average annual full-time equivalent enrollment from the third through sixth prior school years to the second and fifth prior school years. The “four-year average annual
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full-time equivalent enrollment” is the addition of (1) the average number of students enrolled annually in grades prekindergarten through 12 at MSB during four consecutive school years; (2) one-half the average number of children served annually by the MSB Early Intervention Program; and (3) one-half the average number of children served annually by the MSB Outreach Program.

Additionally, each county board of education must pay MSB an amount equal to the local share of the basic cost of nonpublic placements for each blind child who is sent to the school from the county each year, to support the cost of instructional programming.

State Expenditures: As the bill does not change the formula for State funding of MSB, nor does it require the Governor to include additional funding for MSB above what is required under existing law, it has no direct effect on State expenditures. And, as noted above, State law already requires teachers and any other professional personnel at MSB to be paid an annual salary that is at least equal to the salary received by public school teachers and professional personnel of similar training and experience in Baltimore County. To the extent that the pay plan established by the Secretary in accordance with the bill results in higher compensation and informs budgetary decisions regarding State appropriations for MSB, State general fund expenditures are potentially affected, presumably no earlier than fiscal 2024, based on the bill’s effective date and the timing of the preparation of the State budget.

Additional Comments: The bill’s requirements are modeled after similar provisions of State law that require the Secretary of Budget and Management to establish and periodically adjust a uniform pay plan for teachers and other professional personnel of the Maryland School for the Deaf (MSD). The Board of Trustees of MSD is responsible for submitting recommendations to the Secretary for salaries that will be adequate to recruit and retain qualified teachers and professional personnel at MSD.

Additional Information

Prior Introductions: None.

Designated Cross File: SB 720 (Senator Zucker) - Budget and Taxation.

Information Source(s): Maryland State Department of Education; Department of Budget and Management; Maryland School for the Blind; Department of Legislative Services

Fiscal Note History: First Reader - February 22, 2021
an/mcr Third Reader - March 18, 2021

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