

BALTIMORE COUNTY PUBLIC SCHOOLS

DATE: February 28, 2006
TO: **Board of Education**
FROM: Dr. Joe A. Hairston, Superintendent
SUBJECT: **LEGISLATION UPDATE**

ORIGINATOR: Dr. Donald A. Peccia Assistant Superintendent of Human Resources and Governmental Relations

RECOMMENDATION

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That the Board of Education consider taking positions on Key School Legislation.

Attachment I – Key School Legislation Summary
Attachment II – Senate and House Bills

**BALTIMORE COUNTY PUBLIC SCHOOLS
KEY SCHOOL LEGISLATION
February 28, 2006**

UPDATES ON LEGISLATION PREVIOUSLY CONSIDERED

(*Status is as of 2/15/2006)

Full Funding of Bridge to Excellence (Thornton)

State aid to Baltimore County is estimated at \$435.8 million (Includes student transportation and other state aid program not linked to adequacy)

Board of Education position: Support

*Status: No change

Capital Budget

To date a total of \$18.058 million state funds for construction has been allotted to BCPS.

A total of \$210 million of the \$280 million in available State funds have been allocated. An additional \$70 million in available funds have not yet been allocated

Board of Education position: Support

IAC Reports

The Superintendent has appealed to the Board of Public Works for additional funds. There have been two bills filed requiring the Governor to include up to \$400 million for funding public school construction but have tied it to video lottery terminals.

BCPS needs to continue to stress to legislators the need to fund the full \$400 million needed for public school construction

Board of Education position: Support

*Status: No change

Pension Reform

To date there has been much discussion on reforming the pension system for teachers and state employees. The cost of full retroactivity, increasing the multiplier from 1.4% to 2% and phasing out the current methodology of funding the retirement system (corridor funding) for teachers is \$314.5 million per year. Other state employees would add an additional \$166.2 million to the cost. Some issues that need to be address are as follows:

1. Legislators intend to improve both teacher and state employee systems equally
2. State employees want no more than 4% employee contribution, up from 2%.
Teachers are willing to pay more.
3. As per federal ruling, state must record cost of retiree health care for state employees as a liability (Estimated cost at \$20 billion).
4. Concerns over Triple A bond rating.

Notes:

1. Pension is a retention issue. We need to not only recruit, but retain our experienced teachers.
2. Teachers are willing to increase their contribution to get the improvements.
3. Maryland is the third wealthiest state in the nation, but the retirement benefits are the lowest in the country.

Board of Education position: Support

*Status: No change

NEW - HB133 - Education - Maryland Infants and Toddlers Program - Grants – Funding (Cross Filed with SB367)

Repealing a limitation that grants provided under the Maryland Infants and Toddlers Program are subject to the availability of funds in the State budget; etc

Recommended Board of Education position: Support

*Status: HB - Hearing on February 9, 2006
SB – Hearing on February 22, 2006

NEW - HB178 - Income Tax - State and County Income Tax Credit for New Teachers (Cross Filed with SB133)

Allowing specified classroom teachers to claim an income tax credit in the amount of \$1,200 if the individual meets specified requirements; providing that the tax credit may not be claimed unless the governing body of the county where the individual is employed as a classroom teacher has authorized the tax credit by law; providing for the crediting of the tax credit between the State income tax and county income tax; applying the Act to tax years after 2006; etc.

Recommended Board of Education position: Support

*Status: HB - Hearing on February 23, 2006
SB – 1st Reading on January 18, 2006

SB1 - Registered Sexual Offenders - Supervision, Notification, and Penalties (Cross Filed with HB4)

Authorizing the Maryland Parole Commission to administer extended sexual offender parole supervision; requiring a local law enforcement unit to provide a notice to a county superintendent of a change of address of a sexual offender within a specified time period; requiring a local law enforcement unit to provide a notice to a specified police department of a change of address of a sexual offender within a specified time period; etc.

Board of Education position: Support

*Status: SB - Hearing on January 19, 2006
HB – Hearing on February 7, 2006

SB4 - Education - Geographic Cost of Education Index – Funding (Cross Filed with HB242)

Requiring the State to provide certain grants to certain county boards of education to reflect regional differences in the cost of education that are due to factors outside the control of local jurisdictions

Board of Education position: Support

*Status: SB - Hearing on February 1, 2006
HB – 1st Reading on January 23, 2006

NEW – SB432 - Primary and Secondary Education - School Facilities - Aging Schools Program - Grant Calculation (Cross Filed with HB705)

Altering a requirement that the State distribute grants to county boards of education under the Aging Schools Program; providing for the calculation of the amount of grants to be distributed to county boards under the Program in specified fiscal years; etc.

Recommended Board of Education position: Support

*Status: SB – Hearing on February 15, 2006
HB - Hearing on February 21, 2006

By: **Delegates Hixson, Bozman, Healey, Howard, Marriott, and Patterson**

Introduced and read first time: January 16, 2006

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Education - Maryland Infants and Toddlers Program - Grants - Funding**

3 FOR the purpose of repealing a limitation that grants provided under the Maryland
4 Infants and Toddlers Program are subject to the availability of funds in the
5 State budget; correcting an obsolete reference; and generally relating to the
6 funding of the Maryland Infants and Toddlers Program.

7 BY repealing and reenacting, with amendments,
8 Article - Education
9 Section 8-416
10 Annotated Code of Maryland
11 (2004 Replacement Volume and 2005 Supplement)

12 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
13 MARYLAND, That the Laws of Maryland read as follows:

14 **Article - Education**

15 8-416.

16 (a) (1) There is a Maryland Infants and Toddlers Program in the
17 Department.

18 (2) The purpose of the Program is to provide a statewide,
19 community-based interagency system of comprehensive early intervention services to
20 eligible infants and toddlers, birth through age 2, and their families.

21 (b) The Department shall be the lead agency for supervising and monitoring
22 the Program.

23 (c) The Program shall include the early intervention services provided or
24 supervised by the Department and the State Departments of Health and Mental
25 Hygiene including the Program for Hearing-Impaired Infants established under Title
26 13, Subtitle 6 of the Health - General Article and Human Resources, and the [Office
27 for Children, Youth, and Families] GOVERNOR'S OFFICE FOR CHILDREN.

1 (d) The Program shall be administered in accord with the applicable
2 requirements of Part C of the Individuals with Disabilities Education Act and other
3 applicable federal and State laws.

4 (e) An interagency coordinating council shall be appointed by the Governor,
5 with the advice and consent of the Senate, and shall:

6 (1) Advise and assist the Department in the supervision and monitoring
7 of the Program; and

8 (2) Submit an annual report to the Governor and the federal
9 government.

10 (f) Local lead agencies shall be established or designated in each county and
11 Baltimore City to administer the Program in their subdivision, under the direction of
12 the Department.

13 (g) (1) In each county, the county executive or county commissioners, as
14 appropriate, or in Baltimore City, the Mayor shall establish a local interagency
15 coordinating council to advise and assist the local lead agency in the development and
16 implementation of policies that constitute the local Program.

17 (2) (i) In each county, the county executive or county commissioners,
18 as appropriate, or in Baltimore City, the Mayor may designate the local management
19 board to serve as the local interagency coordinating council or establish the local
20 interagency coordinating council as a part of that board.

21 (ii) Where a local management board and a local interagency
22 coordinating council coexist, they shall work cooperatively.

23 (h) (1) For fiscal year 2004, the annual per child cost of the Program is
24 \$4,044.

25 (2) For fiscal year 2005 and each succeeding fiscal year, the annual per
26 child cost of the Program shall be the amount in paragraph (1) of this subsection
27 increased by the same percentage as the increase in the implicit price deflator for
28 State and local government expenditures, as of July of the second fiscal year
29 preceding the year for which the amount is being calculated.

30 (3) [Subject to the availability of funding for the Program in the State
31 budget, the] THE Department shall distribute a grant to the local lead agency for the
32 Program in each county in an amount equal to the product of:

33 (i) The annual per child cost multiplied by the number of children
34 in the county who received services under the Program in the second fiscal year
35 preceding the year for which the amount is being calculated; and

36 (ii) 1. .05 for fiscal year 2004;

37 2. .10 for fiscal year 2005;

- 1 3. .15 for fiscal year 2006; and
- 2 4. .20 for fiscal year 2007 and each succeeding fiscal year.

3 (i) The Department shall adopt regulations necessary to carry out the
4 provisions of this section.

5 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
6 July 1, 2006.

By: **Delegates Mayer, Aumann, Bartlett, Bohanan, Boteler, Cluster, Costa, Cryor, DeBoy, Dwyer, Elmore, Hogan, Jameson, Jennings, Kohl, Kullen, Levy, McComas, McConkey, McDonough, Niemann, Shewell, Smigiel, Stull, Weldon, and Wood**

Introduced and read first time: January 19, 2006

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Income Tax - State and County Income Tax Credit for New Teachers**

3 FOR the purpose of allowing certain classroom teachers to claim an income tax credit
4 in a certain amount for certain taxable years under certain circumstances;
5 providing that the tax credit may not be claimed unless the governing body of a
6 county has authorized the tax credit by law; providing that the credit may not
7 exceed the State income tax for the taxable year and that any unused credit may
8 not be carried over to any other taxable year; providing for a certain crediting of
9 the tax credit between the State income tax and a county income tax; providing
10 for the application of this Act; and generally relating to an income tax credit for
11 certain teachers under certain circumstances.

12 BY adding to

13 Article - Tax - General

14 Section 10-726

15 Annotated Code of Maryland

16 (2004 Replacement Volume and 2005 Supplement)

17 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF

18 MARYLAND, That the Laws of Maryland read as follows:

19 **Article - Tax - General**

20 10-726.

21 (A) SUBJECT TO THE PROVISIONS OF THIS SECTION, AN INDIVIDUAL WHO IS A
22 PUBLIC SCHOOL CLASSROOM TEACHER HOLDING A STANDARD CERTIFICATE OR AN
23 ADVANCED PROFESSIONAL CERTIFICATE MAY CLAIM A CREDIT AGAINST THE
24 COMBINED STATE INCOME TAX AND COUNTY INCOME TAX IN THE AMOUNT OF \$1,200
25 IF:

1 (1) THE INDIVIDUAL MEETS THE REQUIREMENTS PROVIDED IN
2 SUBSECTION (D) OF THIS SECTION; AND

3 (2) THE COUNTY WHERE THE INDIVIDUAL IS EMPLOYED AS A
4 CLASSROOM TEACHER HAS ELECTED TO GRANT THE CREDIT IN ACCORDANCE WITH
5 SUBSECTION (E) OF THIS SECTION.

6 (B) THE CREDIT ALLOWED UNDER THIS SECTION MAY BE CLAIMED FOR EACH
7 OF THE FOLLOWING TAXABLE YEARS:

8 (1) FOR THE TAXABLE YEAR IN WHICH THE INDIVIDUAL COMPLETED
9 THE FIRST YEAR OF EMPLOYMENT AS A CLASSROOM TEACHER; AND

10 (2) IF THE INDIVIDUAL'S SECOND YEAR OF EMPLOYMENT AS A
11 CLASSROOM TEACHER IS CONSECUTIVE TO THE FIRST YEAR, FOR THE TAXABLE
12 YEAR IN WHICH THE INDIVIDUAL COMPLETED THE SECOND YEAR OF EMPLOYMENT
13 AS A CLASSROOM TEACHER.

14 (C) (1) THE CREDIT ALLOWED UNDER THIS SECTION MAY NOT EXCEED THE
15 STATE INCOME TAX FOR THAT TAXABLE YEAR, CALCULATED BEFORE APPLICATION
16 OF THE CREDITS UNDER THIS SECTION AND §§ 10-701 AND 10-701.1 OF THIS SUBTITLE
17 BUT AFTER APPLICATION OF THE OTHER CREDITS ALLOWED UNDER THIS SUBTITLE.

18 (2) THE UNUSED AMOUNT OF THE CREDIT FOR ANY TAXABLE YEAR MAY
19 NOT BE CARRIED OVER TO ANY OTHER TAXABLE YEAR.

20 (D) TO QUALIFY FOR THE CREDIT UNDER THIS SECTION, AN INDIVIDUAL
21 SHALL PROVIDE PROOF THAT THE INDIVIDUAL:

22 (1) IS EMPLOYED BY A COUNTY BOARD OF EDUCATION AS A CLASSROOM
23 TEACHER IN A PUBLIC SCHOOL IN THE COUNTY IN WHICH THE CREDIT IS CLAIMED;
24 AND

25 (2) RESIDES IN THE SAME COUNTY IN WHICH THE INDIVIDUAL IS
26 EMPLOYED AS A CLASSROOM TEACHER.

27 (E) (1) THE MAYOR AND CITY COUNCIL OF BALTIMORE CITY OR THE
28 GOVERNING BODY OF A COUNTY MAY, BY LAW, AUTHORIZE THE CREDIT UNDER THIS
29 SECTION FOR RESIDENTS OF THAT COUNTY.

30 (2) A CREDIT MAY NOT BE CLAIMED UNDER THIS SECTION UNLESS THE
31 COUNTY WHERE THE INDIVIDUAL IS EMPLOYED AS A CLASSROOM TEACHER HAS
32 AUTHORIZED THE CREDIT AS PROVIDED IN THIS SUBSECTION.

33 (3) IF A COUNTY AUTHORIZES A CREDIT UNDER THIS SECTION, THE
34 COUNTY SHALL GIVE THE COMPTROLLER NOTICE OF THE CREDIT ON OR BEFORE
35 JULY 1 PRIOR TO THE FIRST TAXABLE YEAR FOR WHICH THE CREDIT WILL BE
36 EFFECTIVE.

1 (F) THE CREDIT PROVIDED IN THIS SECTION SHALL BE CREDITED AGAINST
2 THE STATE AND COUNTY INCOME TAX IN PROPORTION TO THE RATIO OF STATE
3 INCOME TAX LIABILITY TO COUNTY INCOME TAX LIABILITY FOR THE INDIVIDUAL
4 CLAIMING THE CREDIT.

5 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
6 June 1, 2006, and shall be applicable to all taxable years beginning after December
7 31, 2006.

By: **Senators Kasemeyer, Brochin, Harris, Hogan, Hollinger, Kelley,
Klausmeier, Lawlah, McFadden, Ruben, and Stone**

Introduced and read first time: February 1, 2006

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Primary and Secondary Education - School Facilities - Aging Schools**
3 **Program - Grant Calculation**

4 FOR the purpose of altering a requirement that the State distribute grants to county
5 boards of education under the Aging Schools Program; providing for the
6 calculation of the amount of grants to be distributed to county boards under the
7 Program in certain fiscal years; and generally relating to the calculation of
8 grants under the Aging Schools Program.

9 BY repealing and reenacting, with amendments,
10 Article - Education
11 Section 5-206(f)
12 Annotated Code of Maryland
13 (2004 Replacement Volume and 2005 Supplement)

14 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
15 MARYLAND, That the Laws of Maryland read as follows:

16 **Article - Education**

17 5-206.

18 (f) (1) In fiscal year 2006 and in each fiscal year thereafter, the State shall
19 distribute grants to county boards under the Aging Schools Program administered by
20 the Interagency Committee on School Construction [in the following amounts:

21	(1)	Allegany County	\$166,000
22	(2)	Anne Arundel County	\$859,000
23	(3)	Baltimore City	\$2,356,000
24	(4)	Baltimore County.....	\$1,484,000
25	(5)	Calvert County	\$65,000

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1	(6)	Caroline County	\$85,000
2	(7)	Carroll County	\$233,000
3	(8)	Cecil County	\$163,000
4	(9)	Charles County	.....	\$85,000
5	(10)	Dorchester County	.....	\$65,000
6	(11)	Frederick County	.....	\$310,000
7	(12)	Garrett County	.....	\$65,000
8	(13)	Harford County	.....	\$369,000
9	(14)	Howard County	.....	\$149,000
10	(15)	Kent County	.....	\$65,000
11	(16)	Montgomery County	.....	\$1,023,000
12	(17)	Prince George's County	.....	\$2,053,000
13	(18)	Queen Anne's County	.....	\$85,000
14	(19)	St. Mary's County	.....	\$85,000
15	(20)	Somerset County	.....	\$65,000
16	(21)	Talbot County	.....	\$65,000
17	(22)	Washington County	.....	\$229,000
18	(23)	Wicomico County	.....	\$181,000
19	(24)	Worcester County	.....	\$65,000]

20 IN AMOUNTS EQUAL TO THE FUNDING LEVEL CALCULATED UNDER PARAGRAPH (2)
21 OF THIS SUBSECTION.

22 (2) THE FUNDING LEVEL FOR A COUNTY IS:

23 (I) IN FISCAL YEAR 2007, THE FOLLOWING AMOUNTS FOR THE
24 FOLLOWING COUNTIES:

- 25 1. ALLEGANY COUNTY \$166,000;
- 26 2. ANNE ARUNDEL COUNTY \$859,000;
- 27 3. BALTIMORE CITY \$2,356,000;

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1	4.	BALTIMORE COUNTY	\$1,484,000;
2	5.	CALVERT COUNTY	\$65,000;
3	6.	CAROLINE COUNTY	\$85,000;
4	7.	CARROLL COUNTY	\$233,000;
5	8.	CECIL COUNTY	\$163,000;
6	9.	CHARLES COUNTY	\$85,000;
7	10.	DORCHESTER COUNTY	\$65,000;
8	11.	FREDERICK COUNTY	\$310,000;
9	12.	GARRETT COUNTY	\$65,000;
10	13.	HARFORD COUNTY	\$369,000;
11	14.	HOWARD COUNTY	\$149,000;
12	15.	KENT COUNTY	\$65,000;
13	16.	MONTGOMERY COUNTY	\$1,023,000;
14	17.	PRINCE GEORGE'S COUNTY	\$2,053,000;
15	18.	QUEEN ANNE'S COUNTY	\$85,000;
16	19.	ST. MARY'S COUNTY	\$85,000;
17	20.	SOMERSET COUNTY	\$65,000;
18	21.	TALBOT COUNTY	\$65,000;
19	22.	WASHINGTON COUNTY	\$229,000;
20	23.	WICOMICO COUNTY	\$181,000; AND
21	24.	WORCESTER COUNTY	\$65,000; AND

22 (II) EXCEPT AS PROVIDED IN PARAGRAPH (3) OF THIS SUBSECTION,
 23 IN FISCAL YEAR 2008 AND IN EACH FISCAL YEAR THEREAFTER, THE FUNDING LEVEL
 24 FOR THE COUNTY FOR THE PRIOR FISCAL YEAR INCREASED BY THE PRODUCT OF
 25 THE FUNDING LEVEL FOR THE COUNTY FOR THE PRIOR FISCAL YEAR AND THE
 26 PERCENTAGE CHANGE IN THE CONSUMER PRICE INDEX - ALL URBAN CONSUMERS -
 27 ALL ITEMS, AS PUBLISHED BY THE BUREAU OF LABOR STATISTICS OF THE UNITED
 28 STATES DEPARTMENT OF LABOR, FOR THE PRIOR FISCAL YEAR.

29 (3) IF THE FUNDING LEVEL CALCULATED UNDER PARAGRAPH (2)(II) OF
 30 THIS SUBSECTION IS LESS THAN THE FUNDING LEVEL FOR THE PRIOR FISCAL YEAR,

1 THE FUNDING LEVEL FOR THE COUNTY SHALL BE THE FUNDING LEVEL FOR THE
2 PRIOR FISCAL YEAR.

3 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
4 July 1, 2006.