

Department of Legislative Services
Maryland General Assembly
2019 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 356
Ways and Means

(Delegate Patterson, *et al.*)

Primary and Secondary Education - Nonpublic Schools - Required Information

This bill requires each nonpublic school, as defined by the bill, to annually submit specified occupancy, accreditation, and program of study information to the Maryland State Department of Education (MSDE). MSDE must publish the occupancy and program of study information on its website and adopt regulations specifying the information that must be provided. The State Board of Education may revoke a nonpublic school's certificate of approval or church-exempt registration if it does not provide the required information. The bill also requires specified local officials to notify MSDE if they revoke a use and occupancy permit for a nonpublic school or if the local fire marshal closes a nonpublic school facility due to violations. **The bill takes effect July 1, 2019.**

Fiscal Summary

State Effect: General fund expenditures increase minimally beginning in FY 2020, as discussed below. No effect on revenues.

Local Effect: Local governments can carry out the bill's requirements with existing resources. No effect on local revenues.

Small Business Effect: None.

Analysis

Bill Summary: "Nonpublic school" includes a (1) noncollegiate educational institution operating with a certificate of approval issued by the State Board of Education and (2) an institution operated by a bona fide church organization that has provided MSDE with specified documentation required by regulations.

By September 1 of each year, each nonpublic school must provide the following information to MSDE:

- a copy of the use and occupancy permit for each facility used by the school;
- a copy of the local fire marshal's occupancy approval for each facility;
- a statement indicating whether the school is accredited or seeking accreditation; and
- basic information about the school's curricula and course of study.

The specified information must be provided to MSDE (1) within six months after the initial issuance of a certificate of approval or the initial completion of a church-exempt registration and (2) before staff or students occupy a school facility.

Current Law: A "noncollegiate educational institution" is a school or other institution that offers an educational program but is not an institution of postsecondary education, as defined in State law. A noncollegiate educational institution may not operate in the State without a certificate of approval from the State Board of Education, except that an institution operated by a bona fide church organization does not require a certificate. Instead, they must submit to MSDE a completed church-exempt registration form and documentation that establishes the legal existence of the bona fide church organization. Exempt institutions that register with the State may not receive State funds, except for food service programs. By August 31 of each year, each private educational association, corporation, and institution must report to the board its enrollment and courses of study.

Background: MSDE does not issue certificates of approval to public schools. Therefore, this analysis assumes that the bill applies only to private noncollegiate educational institutions. MSDE advises that there are 965 nonpublic schools in the State, including exempt institutions.

State Fiscal Effect: Nonpublic schools must already submit information on their courses of study to MSDE, and the remaining information that the bill requires to be submitted they either must already obtain (certificates of occupancy) or is easily provided (statement regarding accreditation). However, MSDE does not currently have a procedure in place to receive information in a standard format or a mechanism on its website to display the required material for all 965 nonpublic schools in the State.

Therefore, general fund expenditures by MSDE increase in fiscal 2020 to develop a sortable database on its website that includes all of the submitted materials. MSDE advises that developing the database will require 80 programming hours; using an hourly rate of \$47, expenditures increase by approximately \$4,000. The Department of Legislative Services (DLS) notes that actual costs may be higher depending on the hourly rate charged and the actual number of hours needed to develop the database. It is assumed that the

database can include a mechanism that allows nonpublic schools to upload their information electronically, minimizing the need for staff time to collect and organize it. Thus, while MSDE advises that it requires a permanent position to manage the information, DLS estimates that to the extent the flow of incoming information must be managed (*e.g.*, following up with institutions that do not submit their information), general fund expenditures by MSDE may increase minimally each year for temporary clerical assistance.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Anne Arundel, Charles, and Montgomery counties; Maryland State Department of Education; Montgomery County Public Schools; Prince George's County Public Schools; Department of Legislative Services

Fiscal Note History: First Reader - February 12, 2019
mm/rhh

Analysis by: Michael C. Rubenstein

Direct Inquiries to:
(410) 946-5510
(301) 970-5510