



POSITION STATEMENT

**TESTIMONY PRESENTED TO
THE SENATE EDUCATION, HEALTH, AND ENVIRONMENTAL AFFAIRS COMMITTEE,
THE SENATE BUDGET AND TAXATION COMMITTEE,
THE HOUSE APPROPRIATIONS COMMITTEE AND
THE HOUSE WAYS AND MEANS COMMITTEE**

**SENATE BILL 1000/HOUSE BILL 1300 –
BLUEPRINT FOR MARYLAND’S FUTURE - IMPLEMENTATION**

February 17, 2020

**DONALD C. FRY
PRESIDENT & CEO
GREATER BALTIMORE COMMITTEE**

Position: Support with Amendments

Senate Bill 1000/House Bill 1300 – Blueprint for Maryland’s Future – Implementation codifies the policy recommendations of the Commission on Innovation and Excellence in Education (the Commission), adopts funding formulas and requirements for education, and creates a new government infrastructure to oversee implementation of the plan.

The Greater Baltimore Committee (GBC) supports the intent and goals of the Commission’s recommendations.

In *Gaining the Competitive Edge: Keys to Economic Growth and Job Creation in Maryland*, a report published by the GBC, a highly-educated workforce is identified as one of the core pillars for a competitive business environment and job growth. The report provides as a core pillar:

Workforce that is highly-educated and meets Maryland’s business needs. Maryland’s secondary and higher education institutions must offer access to quality instruction at all levels and cultivate a workforce that is well-suited to a modern economy and to the specific needs of Maryland’s business sectors.

The GBC evaluated the Commission’s proposals and the provisions of Senate Bill 1000/House Bill 1300 through a lens focused on three key factors: accountability, achievability, and economic development.

With an eye to these issues, the GBC supports the proposed legislation with recommendations for the respective committees to consider a number of concerns that would suggest several amendments to the bill:

- The legislation creates a new oversight board with broad authority to establish metrics and outcomes and evaluate the results of the increased spending on education. The board is also given a large number of administrative responsibilities and virtually unchecked authority to withhold funds from school systems, individual schools, and other State agencies. The GBC firmly supports strong accountability and agrees that it is vital to have an entity with oversight authority to ensure that public dollars are spent appropriately and that goals are being met. The GBC would urge the committees to carefully examine

GREATER BALTIMORE COMMITTEE

111 South Calvert Street • Suite 1700 • Baltimore, Maryland • 21202-6180

(410) 727-2820 • www.gbc.org

whether the creation of a new board is duplicative of existing state entities or does not authorize excess powers. It would not be productive to create overlapping structures or a parallel oversight bureaucracy.

- The GBC supports the principle that local government need to be partners in this education reform transformation. However, the increased funding required in the early years of the 10-year implementation would be difficult for some jurisdictions, particularly Baltimore City and Prince George's counties, to meet without significantly reducing existing services, programs, or raising additional revenues. The GBC urges an amendment to the bill to ensure that the increased funding required of local jurisdictions is gradual and consistent over the ten-year phase-in period and set at a level that, considering the financial stability of each subdivision, is achievable by all jurisdictions.
- Senate Bill 1000/House Bill 1300 contain a large number of programmatic elements with an accompanying price tag for the State and local governments. Although each of these policy areas is important and integral to improved scholastic improvement, the legislation fails to establish a prioritization of the five policy areas should there be an economic downturn or other extraordinary circumstances that would preclude full funding of the entire program. The establishment of a prioritization of the policy initiatives would create a degree of certainty as to the funding responsibilities should such an unanticipated circumstance occur.
- Senate Bill 1000/House Bill 1300 do not address the source of the revenues that will pay for the reforms in the bills. It has been proffered that adequate state funding exists for the first few years of the program's implementation but that a comprehensive review of the state's tax structure is needed to ensure that it is consistent with a 21st century economy. The GBC is supportive of such a study and welcomes the opportunity to participate in the effort to modernize the state's tax structure. The GBC's support of the legislation is conditioned on the plan's implementation not being funded by relying on any revenue source that would make Maryland less competitive for business, including either an increase of existing business taxes or the elimination of effective business tax credits.
- It has been suggested that several of the provisions of the legislation, including those related to teacher salaries and career ladders, may be inconsistent with current law. The legislation should be amended to include a severability clause. If any provisions are challenged and adjudged unenforceable the inclusion of a severability clause would ensure that the other provisions of the bill would remain in effect.

For the reasons stated above, the Greater Baltimore Committee urges a favorable report with amendments on Senate Bill 1000/House Bill 1300.

The Greater Baltimore Committee (GBC) is a non-partisan, independent, regional business advocacy organization comprised of hundreds of businesses -- large, medium and small -- educational institutions, nonprofit organizations and foundations located in Anne Arundel, Baltimore, Carroll, Harford, and Howard counties as well as Baltimore City. The GBC is a 65-year-old, private-sector membership organization with a rich legacy of working with government to find solutions to problems that negatively affect our competitiveness and viability.