

Department of Legislative Services
Maryland General Assembly
2026 Session

FISCAL AND POLICY NOTE
Third Reader - Revised

House Bill 1582

(Chair, Ways and Means Committee)(By Request -
Departmental - Education)

Ways and Means

Education, Energy, and the Environment

Education - Program of Educational Accountability - Alterations
(Comprehensive Outcomes and Measures of Progress for Supporting Schools
(COMPASS Act))

This departmental bill alters the statutory parameters governing how public school performance is measured and reported under the State's educational accountability program. From July 1, 2027, through July 1, 2031, the Maryland State Department of Education (MSDE) must annually report on excluded accountability indicators and how a school's poverty level correlates with school performance. **The bill takes effect July 1, 2026.**

Fiscal Summary

State Effect: The bill alters statutory provisions governing the State's public school accountability system but does not require SBE to implement specific modifications to the system. Accordingly, the bill has no impact on State revenues or expenditures. To the extent that SBE chooses to alter the accountability system, general fund expenditures for the Maryland State Department of Education (MSDE) may increase minimally; however, any impact is likely absorbable. MSDE can likely provide the required annual reports with existing resources. No effect on revenues.

Local Effect: The bill alters statutory provisions governing the State's public school accountability system but does not require SBE to implement specific modifications to the system. Accordingly, local school system finances are not affected. To the extent SBE chooses to alter the accountability system in the future, local school system revenues and expenditures are likely not materially affected.

Small Business Effect: MSDE has determined that this bill has minimal or no impact on small business (attached). The Department of Legislative Services concurs with this assessment. (The attached assessment does not reflect amendments to the bill.)

Analysis

Bill Summary: The bill increases the maximum weight that academic indicators may carry in a school's composite accountability score from 65% to 70%. The composite score must be reported showing the individual indicator scores, and no academic indicator of proficiency may be weighted as more than 20% of the composite score. The bill repeals the *requirement* that access to or credit for completion of a well-rounded curriculum be included as an academic indicator.

The bill prohibits SBE from incorporating, referencing, or relying on teacher evaluations when establishing or calculating indicators for the State accountability system.

The bill expands the school quality indicators that *may* be used to include (1) school staffing indicators (instead of just access to highly credentialed teachers) and (2) completion of well-rounded curriculum measures that are indicative of on-track progress at key transition points within elementary and secondary education. Unlike other school quality indicators, completion of well-rounded curriculum measures may be based on student testing.

MSDE must report annually to the SBE and the General Assembly on (1) indicators not included in the composite score and (2) the relationship between the proportion of students in a school from low-income households and school accountability ratings for the past three years, including both overall scores and each indicator.

Current Law: The State's educational accountability system may not rely solely on national standardized testing and must include at least three school quality indicators measuring student opportunity or success. One required school quality indicator is a school climate survey that includes at least one question for educators regarding critical instructional feedback. Other permissible school quality indicators include measures such as class size, caseload, access to advanced coursework and career programs, chronic absenteeism, discipline and restorative practices data, and access to highly credentialed teachers. School quality indicators may not be based on student testing.

SBE must establish a composite accountability score that meaningfully differentiates schools. The composite score must include both academic and school quality indicators, compare schools with similar demographic characteristics, and report individual indicator scores. Academic indicators may account for no more than 65% of the composite score,

and each academic and school quality indicator must carry at least 10% weight. The composite score must be calculated numerically in percentile form and may not use a letter grade model. One required academic indicator must measure access to or completion of a well-rounded curriculum that reflects on-track progress at key transition points.

Background: Maryland’s current educational accountability system was established pursuant to the federal Every Student Succeeds Act (ESSA) and related State law. Maryland submitted its ESSA State Plan in 2017, which outlined the framework for evaluating school performance. Components of the accountability system were influenced by the Protect Our Schools Act of 2017 (Chapter 29) and include academic indicators, school quality indicators, and a composite scoring methodology used in the Maryland School Report Card.

Since adoption of the ESSA plan, Maryland has implemented the Blueprint for Maryland’s Future, which expanded State education policy priorities, and transitioned from the Partnership for Assessing Readiness for College and Careers assessment to the State-developed Maryland Comprehensive Assessment Program.

In 2024, MSDE convened the Maryland Assessment and Accountability Task Force to examine the State’s assessment and accountability systems and to consider potential updates. The Task Force reviewed the Maryland School Report Card and the State’s accountability framework and issued recommendations related to transparency, indicator weighting, and alignment with Blueprint and federal requirements. Following the task force’s work, MSDE convened the Maryland Accountability Advisory Committee to further develop recommendations for consideration by SBE. MSDE advises that the bill’s codified provisions align statutory language with recommendations of the Maryland Assessment and Accountability Task Force and the Maryland Accountability Advisory Committee.

Additional Information

Recent Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: None.

Information Source(s): Accountability and Implementation Board; Maryland State Department of Education; Baltimore City Public Schools; Montgomery County Public Schools; Department of Legislative Services

Fiscal Note History:
js/mcr

First Reader - March 10, 2026

Third Reader - April 7, 2026

Revised - Amendment(s) - April 7, 2026

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ANALYSIS OF ECONOMIC IMPACT ON SMALL BUSINESSES

TITLE OF BILL: Education - Program of Educational Accountability - Alterations
(Comprehensive Outcomes and Measures of Progress for Supporting
Schools (COMPASS Act))

BILL NUMBER: HB1582

PREPARED BY: Timothy Guy

PART A. ECONOMIC IMPACT RATING

This agency estimates that the proposed bill:

WILL HAVE MINIMAL OR NO ECONOMIC IMPACT ON MARYLAND SMALL
BUSINESS

OR

WILL HAVE MEANINGFUL ECONOMIC IMPACT ON MARYLAND SMALL
BUSINESSES

PART B. ECONOMIC IMPACT ANALYSIS