

**Department of Legislative Services**  
 Maryland General Assembly  
 2021 Session

**FISCAL AND POLICY NOTE**  
**Third Reader - Revised**

Senate Bill 630

(Senator Ferguson)

Budget and Taxation

Appropriations

**Education - Adult High School Pilot Program - Funding and Grants**

This bill authorizes the Adult High School Pilot Program to provide grants to an adult high school established by a nonprofit as part of the program. The Governor must include in the State budget an appropriation of State general or federal funds to the program of \$250,000 in fiscal 2022 and \$250,000 per pilot program beginning in fiscal 2023 and annually thereafter. In fiscal 2022, the program must provide a \$250,000 grant to the current pilot program proposing to operate in the Cherry Hill neighborhood of Baltimore City. **The bill takes effect June 1, 2021.**

**Fiscal Summary**

**State Effect:** General fund expenditures increase by \$250,000 in FY 2022 to create a pilot program in Baltimore City (FY 2022 budget includes \$250,000 appropriation contingent upon enactment of this bill). General fund or federal fund expenditures increase by \$250,000 per pilot annually beginning in FY 2023 to fund grants to adult high school programs (two pilot programs are currently operational, therefore expenditures increase by at least \$500,000 annually as shown below). Existing staff at the Maryland Department of Labor (MDL) and the Maryland State Department of Education (MSDE) can appropriately distribute funding. **This bill establishes a mandated appropriation beginning in FY 2023.**

(in dollars)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	250,000	0	0	0	0
GF/FF Exp.	0	500,000	500,000	500,000	500,000
Net Effect	(\$250,000)	(\$500,000)	(\$500,000)	(\$500,000)	(\$500,000)

*Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate increase; (-) = indeterminate decrease*

**Local Effect:** None.

**Small Business Effect:** None.

## Analysis

**Current Law:** Chapter 608 of 2017 established the Adult High School Pilot Program jointly administered and supervised by MSDE and MDL. The program provides an alternative method for adults who did not graduate from high school to earn a high school diploma and potentially earn postsecondary education credits and industry-recognized certification in an environment that meets the needs of an adult learner.

MSDE, in consultation with MDL, may approve up to six pilot projects, each of which may enroll up to 350 students. Pilot projects must operate from a fixed physical location and enroll students who are age 21 or older and who do not have a high school diploma and did not complete the requirements for high school graduation through GED or other testing. The pilot sites must provide “wraparound services,” including child care, transportation, substance abuse prevention or treatment, and other related social services.

*Application Process:* In selecting pilot sites, MDL and MSDE must give priority to pilots located in counties or geographic areas in a county where the high school attainment rate is below the State average. They must also consider geographic diversity; for every two pilot sites selected in an urban area, one must be selected in a rural area. Pilot projects are not public schools for the purposes of public financing of schools.

Only private, nonprofit entities are eligible to apply for and operate an adult high school pilot program; MSDE and MDL must establish qualifications for nonprofits that wish to operate a pilot site, as specified in the bill. Applications by nonprofit entities must include detailed descriptions of the proposed operator, curriculum, assessment procedures, performance standards, wraparound services, budget, and other features. Among other requirements, the proposed curriculum must be aligned with the Maryland College- and Career-Ready Standards. Within 60 days of receiving a plan submitted by a nonprofit entity, MSDE must approve or disapprove the proposed curriculum. If the curriculum is approved, MSDE, in consultation with MDL, must approve or disapprove the entire plan.

Within 30 days of MSDE’s final approval of a plan, and in accordance with established procedures, the State Board of Education must grant waivers from any regulation that conflicts with the purpose and goals of the plan, including student community service requirements. However, it may not grant waivers from the required Maryland High School Assessment program. Pilots must comply with Section 504 of the federal Rehabilitation Act of 1973 barring discrimination against students with disabilities and must provide accommodations equal to those a student would qualify for under the Individuals with Disabilities Education Act. Operators may partner with local school boards or public institutions of higher education if they intend to provide course work for college credit.

*Governance and Evaluation:* Each pilot must be governed by an advisory board with between 11 and 25 members; MDL and MSDE each select 1 member of the board. Each operator must conduct annual evaluations of its program that measure specified outcomes. Evaluation reports are due to MSDE and MDL annually beginning October 1, 2018. By December 1, 2020, MDL and MSDE must submit a report to the Governor and the General Assembly that includes (1) an evaluation of each pilot; (2) a recommendation to expand, continue, modify, or terminate the program; (3) demographic information on students enrolled in the pilots; and (4) the fiscal solvency of the program. If MSDE and MDL agree that the program is not effective, they must send written notice of the program's discontinuation to the pilot projects.

### *Adult Education Programs*

MDL's Division of Workforce Development and Adult Learning provides opportunities to adult learners for instruction in basic academic skills, workforce preparation, and English language acquisition, along with high school diploma options. The division provides GED testing to candidates who are at least 17 years old and not enrolled in school. Candidates may also complete the National External Diploma Program (NEDP), an applied performance assessment system that assesses high school level skills in life and work contexts. Completers of either the GED or NEDP programs receive a Maryland high school diploma.

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## **Additional Information**

**Prior Introductions:** None.

**Designated Cross File:** None.

**Information Source(s):** Maryland State Department of Education; Department of Budget and Management; Department of Legislative Services

**Fiscal Note History:** First Reader - February 16, 2021  
rh/rhh Third Reader - March 30, 2021  
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