

Department of Fiscal Services
Maryland General Assembly

FISCAL NOTE

House Bill 161(Delegate Rzepkowski)
Ways and Means

Public Schools - Computer Purchase Matching Fund Program

This bill establishes an Educational Computer Purchasing Matching Fund Program in the Maryland State Department of Education (MSDE). The fund's purpose is to (1) provide for the purchase and installation of computers in public elementary schools; and (2) encourage parent teacher units to raise funds for the purchase of educational computers. MSDE is required to pay 20% of the computer costs. Approval for State matching funds is solely based on the application's filing date, with earlier dated applications funded first. Any unexpended funds remaining in the fund at the end of the fiscal year cannot revert to the general fund.

Fiscal Summary

State Effect: Potentially significant increase in general fund expenditures. Revenues would not be affected.

Local Effect: None. Since State reimbursements are for parent teacher unit's expenses, local government finances are not directly affected. Any additional work load can be handled with existing resources.

Fiscal Analysis

State Expenditures: General fund expenditures could increase to the extent that funding is provided to the Computer Purchase Matching Fund Program and that parent teacher units submit applications for State matching funds. For illustrative purposes only, if parent teacher units in each of the State's 797 public elementary schools purchase one computer, general fund expenditures could increase by \$331,700 in fiscal 1997. This estimate is based on the following:

- \$2,000 cost per computer (pentium computer with multi-media capabilities), with

the State share totaling \$400 per computer; and

- one additional part-time contractual Staff Specialist at MSDE to handle the application and procurement requirements.

The actual fiscal impact would depend upon the number of schools participating in the program and the number of computers purchased by each school. Since local parent teacher units would have to raise 80% of the computer costs, many schools that serve a high percentage of low income students may not be able to raise sufficient financial resources to qualify for State matching funds. For example, in Montgomery County, approximately 23% of elementary students were approved for the Free and Reduced Meal Program in 1995. However, the percentage ranged from 2.6% in the Whitman cluster to 46% in the Blair cluster. Due to limited financial resources available to parents in the Blair cluster, its parent teacher units would be less likely to raise the same amount of money as in the Whitman cluster. Such fiscal disparities between schools exist throughout the State and could limit the number of elementary schools that participate in the program.

Additional Comments: MSDE's fiscal 1997 budget allowance includes \$1,231,000 for the purchase and installation of computer and other technology equipment in 90 public schools statewide. This funding is part of the Maryland Plan for Technology that the State Board of Education adopted in January 1995. The plan's purpose is to provide schools with high capacity access to on-line resources and provide data, voice, and video communication and interaction within and outside the school. MSDE advises that eligibility under its current plan is based on school need, which gives schools lacking computer equipment priority over schools that already have computers.

Information Source(s): Maryland State Department of Education, Anne Arundel County Schools, Montgomery County Schools, Department of Fiscal Services

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