

Department of Legislative Services
Maryland General Assembly

FISCAL NOTE

House Bill 209 (Chairman, Ways and Means Committee)
(Departmental - Education)

Ways and Means

State Aid for Public Education - Schools for Success - Extension of Sunset

This departmental bill extends the sunset date for the Schools for Success Fund from June 30, 1998 to June 30, 2001. This fund is established to provide challenge grants to low-performing schools to implement school improvement programs.

This bill takes effect June 1, 1998.

Fiscal Summary

State Effect: State expenditures for challenge grants would continue in FYs 1999 - 2001. Revenues would not be affected.

Local Effect: Local school systems would continue to receive challenge grants in FYs 1999 - 2001.

Small Business Effect: The Maryland State Department of Education has determined that this bill has minimal or no impact on small businesses (attached). Legislative Services concurs with this assessment.

Fiscal Analysis

Background: Challenge grants were established in 1992 to provide additional funding to improve student performance in Maryland schools. Schools have used their challenge grants to purchase instructional materials and technology; to conduct summer and after-school enrichment programs; to provide staff development opportunities to promote the use of applied academics in the classroom; and to hire additional staff to reduce class sizes. State funding is not intended to supplant local funds.

State Expenditures: State expenditures will be maintained because the bill proposes to continue the Schools for Success Fund. The proposed fiscal 1999 State budget includes \$5,638,827 in funding for challenge grants. Approximately 38,000 students will be served by this program in fiscal 1999. Out-year expenditures are expected to remain relatively constant.

Information Source(s): Maryland State Department of Education, Department of Legislative Services

Fiscal Note History: First Reader - February 2, 1998

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