

Department of Legislative Services
 Maryland General Assembly
 1999 Session

FISCAL NOTE
Revised

Senate Bill 632 (Senator Van Hollen. *et al.*)

Budget and Taxation

Education - Maryland After-School Opportunity Act

This bill establishes the Maryland After-School Opportunity Fund Program to provide funding to organizations with after-school programs for children. The Department of Human Resources (DHR) will administer the fund as directed by an executive committee. The executive committee is comprised of the Governor, the State Superintendent of Schools, and the Secretaries of Human Resources, Health and Mental Hygiene, Juvenile Justice, and the Office for Children, Youth, and Families. The executive committee must consult with an advisory committee consisting of State officials, parents, students, a teacher, and community representatives. The Governor must include \$10 million in the fiscal 2001 State budget for this program. The executive committee must report to the General Assembly by December 31 of each year on the implementation of the program.

The executive committee must develop the first comprehensive plan of after-school opportunity programs by December 15, 1999.

This bill takes effect July 1, 1999.

Fiscal Summary

State Effect: General fund expenditures could increase by \$10.3 million in FY 2001. The bill requires the Governor to include \$10 million in the FY 2001 budget for this program. It is assumed that the State budget would continue to include \$10 million each year for after-school grants after FY 2001.

(in dollars)	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004
GF Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditures	0	10,280,100	10,261,400	10,270,600	10,280,100
Net Effect	\$0	(\$10,280,100)	(\$10,261,400)	(\$10,270,600)	(\$10,280,100)

Note: () = decrease; GF = general funds

Local Effect: State aid to local boards of education could increase by an indeterminate amount.

Small Business Effect: Minimal.

Fiscal Analysis

Background: Approximately 1 million students are enrolled in either public or private schools in Maryland. Many of these children return to unsupervised settings once the school day concludes. According to a survey by the League of Women Voters, approximately 20% of children in Montgomery County are left unsupervised after school hours. Depending upon the time of dismissal, children can be left alone for over four hours each day. The National Center for Juvenile Justice reported in 1997 that almost half of juvenile crime takes place between 2:00 p.m. and 8:00 p.m. each day and that after-school hours are the most frequent time when students are victims of crime and accidents.

State Effect: The Maryland After-School Opportunity Fund Program will provide grants to organizations providing before- and after-school programs for children. Program costs depend on several factors, including the number of students served, the student-teacher ratio, facility expenses, and transportation. A program serving 100 students may cost around \$81,160 a year, as outlined in the following table. The estimate assumes that instructors will work for 36 weeks a year and is based on an after-school program in Montgomery County. The actual per student cost varies considerably, depending on the level of instruction, salary costs, and facility expenses.

Estimated Cost of Instructional Program Serving 100 Students

Category		Assumptions	Projected Cost
	Instructors	1 instructor per 15 students 7 instructors at \$12.75/hr 4 hour program for 36 weeks	\$64,260
	Materials	\$25 per student	\$2,500
	Snacks	\$144 per student (\$0.80 per day)	\$14,400
	Total Expenses		\$81,160

Pursuant to the legislation, the Governor must include \$10 million in the fiscal 2001 State

budget for this program. Based on the above per student costs, around 12,300 students could receive after-school services. However, the actual number of students receiving services will depend on the type of program developed, whether parents are charged fees, and the amount of revenue generated from non-State sources. Less comprehensive programs can be developed that would serve more children at the same cost.

In addition, DHR will have to hire six individuals (one administrator, two fiscal specialists, two administrative officers, and one office secretary) at a cost of \$280,000 to provide administrative oversight, review grant applications, and provide technical assistance to organizations. Administrative expenses account for less than 3% of the program's total required funding.

The executive committee is required to review and update the comprehensive plan of after-school opportunity programs each year. This plan must address (1) the integration of funding sources; (2) maximization of federal funding opportunities; (3) the promotion of the use of school buildings and local public transportation resources for after-school opportunity programs; (4) the use of local child care resource and referral centers for technical assistance purposes; (5) the promotion of continued expansion of high quality after-school opportunity programs in the State; and (6) the consideration of implementing the full range of options for improving the delivery of after-school opportunity programs.

If any fiscal year, the total grants awarded to applicants operating within a particular county may not exceed 15% of the total grants awarded in that fiscal year.

Local Effect: Local governments may receive up to \$10 million in funding for after-school programs beginning in fiscal 2001. A portion of the grants, however, could go to private providers thereby reducing the amount available to local schools and other government agencies.

The type of after-school programs provided by local governments vary across the State. In Howard County, the department of recreation and parks is one of the leading agencies in the county providing child care. The department supervises over 30 programs during the school year and summer months at 19 different sites. These programs include: before and after-school programs, full-day kindergarten care programs, recreation programs, and inclusion services for individuals with disabilities. The department also operates after-school grant programs for at-risk youth through grants from the Office of Crime Control and Prevention and through a Community Block Grant which includes coordination with the police department and partnerships with other county agencies. The department provides over 500 programs a season and around 1,000 programs in the summer months to address recreational needs of the county's youth.

Information Source(s): Interagency Coordinating Board (Montgomery County), Department of Human Resources, Maryland State Department of Education, Howard County, Department of Legislative Services

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Analysis by: Hiram L. Burch, Jr.

Direct Inquiries to:
John Rixey, Coordinating Analyst
(410) 946-5510
(301) 970-5510