

Department of Legislative Services
Maryland General Assembly
1999 Session

FISCAL NOTE

House Bill 1174 (Delegate Shriver. *et al.*)

Ways and Means

Education - Alternative Learning Program

This bill enables a local school system to use the State and local share of basic current expense funding to pay for the placement of a student in an alternative learning program. In addition, the bill requires local boards of education to provide a student who attends an alternative learning program and who satisfies State and local graduation requirements with a Maryland high school diploma issued by the public secondary school in which the student is enrolled. Local boards of education cannot place more than 1% of the school system's high school enrollment at an alternative learning program in a school year. The State School Superintendent may waive the enrollment limitation upon written request of a county superintendent.

This bill takes effect July 1, 1999 and sunsets June 30, 2002.

Fiscal Summary

State Effect: Potential minimal increase in general fund expenditures. Revenues would not be affected.

Local Effect: Potential minimal increase in local school expenditures. Potential increase in State education aid.

Small Business Effect: Minimal.

Fiscal Analysis

State Effect: During the 1997-98 school year, approximately 4% of students enrolled in grades 9 through 12 dropped out of school, representing about 8,900 students statewide. Since State aid under the current expense formula is based on student enrollment as of September 30th of the prior year, local school systems will not lose State funding if potential high school dropouts remain in school. State aid under the basic current expense formula will total approximately \$2,000 per student in fiscal 2001. To the extent that enabling certain at-risk students to attend an alternative learning program reduces the number of high school dropouts, general fund expenditures could increase. The potential increase in State expenditures is assumed to be minimal.

Local Effect: Local school expenditures could increase by \$2,000 beginning in fiscal 2001 for each student who attends an alternative learning program and does not dropout of school. The fiscal impact on local school systems is assumed to be minimal.

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

Fiscal Note History: First Reader - March 19, 1999

lnc/jr

Analysis by: Hiram L. Burch, Jr.

Direct Inquiries to:

John Rixey, Coordinating Analyst

(410) 946-5510

(301) 970-5510