

Department of Legislative Services
 Maryland General Assembly
 2000 Session

FISCAL NOTE

House Bill 271 (Delegate Gladden. *et al.*)

Ways and Means

Education - Compulsory School Attendance - Age Limits

This bill increases the age of compulsory school attendance from 16 to 18, unless a student under 18 has obtained a high school certificate or diploma.

This bill takes effect July 1, 2000.

Fiscal Summary

State Effect: General fund expenditures would increase by \$19.5 million beginning in FY 2002. Future year expenditures reflect enrollment increases and adjustments to the current expense foundation amount. Revenues would not be affected.

(in millions)	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
GF Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditures	0	19.5	37.0	38.6	40.0
Net Effect	\$0	(\$19.5)	(\$37.0)	(\$38.6)	(\$40.0)

Note: () = decrease; GF = general funds

Local Effect: Local school expenditures could increase by at least \$35.2 million in FY 2001. State aid to local school systems would increase by \$19.5 million beginning in FY 2002.

Small Business Effect: None.

Analysis

Current Law: Students under the age of 16 must attend a public school regularly during the entire school year unless the student receives regular, thorough instruction at an alternative setting (private or home schools). A student's parent or legal guardian must ensure that the student attends school on a regular basis. Failure to comply with this requirement can result in a misdemeanor conviction. For a first conviction, a parent or legal guardian is subject to a fine of \$50 per day of unlawful absence or imprisonment not to exceed ten days, or both. On a second or subsequent conviction, the individual is subject to a fine of \$100 per day of unlawful absence or imprisonment not to exceed 30 days, or both.

Background: Approximately 10,200 students in Maryland dropped out of high school during the 1998-1999 school year, including 900 students who were expelled. In most cases, local school systems require parental permission before a student under the age of 18 drops out of school. Currently, parental permission can be either verbal or written. According to the Maryland School Performance Report, the State high school drop-out rate in 1999 totaled 4.2%, ranging from less than 2% in Montgomery County to almost 11% in Baltimore City. In the last seven years, the State's high school drop-out rate reached a high of 5.4% in 1993 and a low of 4.1% in 1998. In Baltimore City, the high school drop-out rate reached a high of 18.5% in 1993 and a low of 10.2% in 1998.

Lack of interest and academics were the reported reasons given by 65% of the students who dropped out of high school in 1999. Student expulsions accounted for 8% and employment accounted for 5%. The whereabouts of 16% of the students who dropped out of high school is not known by school officials.

Local school pupil personnel workers attempt to contact the parents or legal guardians of students who are continually absent from school. For students under the age of 16, local school officials can take legal action against the student's parents or legal guardian requiring the student to attend school. For students 16 years old and older, local school officials have limited abilities to require habitually absent students to return to school on a continued basis.

According to the Maryland School Performance Report, 7% of elementary school students statewide had more than 20 absences, 14% of middle school students had more than 20 absences, and 23% of high school students had more than 20 absences. In Baltimore City, over 59% of high school students had more than 20 absences compared to 14% of elementary school students. Since most high school students are at least 16 years old, local school officials cannot require them to attend school.

State Fiscal Effect: Raising the compulsory attendance age to 18 will increase school enrollment by approximately 9,300 students statewide in the 2000-2001 school year (fiscal

2001). This estimate does not include students who were expelled by school officials. However, since State current expense aid is based on a one-year lag in student enrollment, State aid will not increase until fiscal 2002. The average per pupil State grant under the current expense formula in fiscal 2002 is estimated at \$2,100. Accordingly, State expenditures would increase by \$19.5 million in fiscal 2002. Since this bill would require most student drop-outs to remain in school for two additional years, State expenditures would increase by \$37 million in fiscal 2003. This estimate incorporates 17,000 additional students. Future year expenditures reflect increases in student enrollment and the basic current expense foundation amount.

In addition, the State contribution for teachers' retirement could increase in fiscal 2003 and in subsequent years, to the extent that local school systems hire additional teachers. State contributions for teachers' retirement costs are based on the teacher's salary base in the second prior year.

Local Fiscal Effect: State aid to local boards of education could increase by approximately \$19.5 million beginning in fiscal 2002. In addition, the inclusion of additional students to the enrollment count will alter the current distribution of State aid under the current expense formula in that the additional students as a proportion of enrollment will vary by county. For example, Baltimore City comprises only 12% of student enrollment, but represents approximately 32% of additional students affected by this bill.

Local school expenditures could increase by at least \$35.2 million in fiscal 2001, which is based on a projected \$3,790 local average per pupil instructional cost. The magnitude of the total fiscal impact will depend upon the ability of each local school district to accommodate additional students within available resources. Beginning in fiscal 2002, there could be some offsetting of expenses due to the increase in State aid.

In addition, this bill may increase school attendance for habitually absent students due to the penalty provision against parents and legal guardians for students who fail to attend school regularly. This could prompt parents to take actions to ensure that their high school children attend school.

Local school systems provide pupil personnel services designed to improve pupil attendance at school and to solve pupil problems involving the home, school, and community. Pupil personnel workers consult with school staff and parents, visit the student's home, evaluate social and educational adjustment, and help to implement laws and regulations concerning the rights and responsibilities of students. In 1998, local school systems employed almost 300 pupil personnel and school social workers. Local school systems spend approximately \$37 million on pupil personnel services in fiscal 1998.

To require students who are 16 and 17 years old to attend school, local school systems may have to hire additional pupil personnel workers, especially in school districts with a high student-absentee rate. The average salary for a pupil personnel worker and school social worker was approximately \$60,000 in 1998.

Additional Information

Prior Introductions: This bill was introduced in the 1996 session as HB 303 and received an unfavorable report from the House Ways and Means Committee.

Cross File: None.

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

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ncs/jr

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