

Department of Legislative Services
Maryland General Assembly
2001 Session

FISCAL NOTE
Revised

House Bill 428

(Delegate D'Amato, *et al.*)

Ways and Means

Economic and Environmental Affairs and
Budget and Taxation

Education - Maryland Extended Learning Pilot Program

This bill establishes the Maryland Extended Learning Pilot Program to provide academic instruction to students who have demonstrated deficiencies in reading, writing, or mathematics. Academic instruction would be provided after school and during the summer. A participating local school system must submit an annual evaluation report to the State Board of Education and the State board must submit an annual evaluation report to the Governor and the General Assembly.

Contingent upon federal funding being provided to the pilot program, the Maryland State Department of Education (MSDE) must identify up to \$2 million in funding from the State appropriation for the Academic and Intervention Support Program to fund the pilot program in fiscal 2003 through fiscal 2005. The State funding is intended to match available federal funds for the pilot program.

The bill takes effect on June 1, 2002 contingent upon MSDE receiving matching funds from the federal government by September 1, 2002. The bill sunsets September 30, 2005.

Fiscal Summary

State Effect: General fund expenditures would increase by \$58,100 in FY 2003 to operate the pilot program. State grants for the pilot program would come from the State appropriation for the Academic and Intervention Support Program.

(in dollars)	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	0	58,100	61,200	64,400	0
Net Effect	\$0	(\$58,100)	(\$61,200)	(\$64,400)	(\$0)

Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate effect

Local Effect: State aid to local school systems and local school expenditures for academic intervention programs would not be affected. State funding for the Maryland External Learning Pilot Program would come from the existing State appropriation for the Academic and Intervention Support Program.

Small Business Effect: None.

Analysis

Bill Summary: Local boards of education may submit a proposal to the State Board of Education requesting to participate in the pilot program. The State board would select a proposal for implementation. The local school system chosen to participate must select schools in the county based on eligibility criteria established by the State board. A selected school can use existing public school staff or instructional providers approved by the State board. A student's eligibility for the program is based on a student's performance on the Maryland School Performance Program Tests, standardized tests, classroom test performance, or other approved criteria.

Current Law: State and local governments provide a variety of programs to supplement academic services for low-performing students. These programs include before- and after-school sessions, school community centers, summer school programs, and recreational programs.

Background: The Maryland State Department of Education (MSDE) established the Maryland Academic Intervention and Support Program to improve the performance of students with documented academic deficiencies and to prepare students for the high school assessments that students will have to pass in order to graduate. The State board recommended that \$45 million be included in the State budget to fund this program in fiscal 2001; however, the program received only \$12 million in funding for that year. Legislation adopted at the 2000 session requires the Governor to include \$19.5 million in funding for this program in fiscal 2002. Under current law, funding for this program is distributed to local school systems based on the percentage of students scoring less than 70% on the reading and math portions of the Maryland School Performance and Assessment Program. MSDE estimates that there are approximately 400,000 students in grades 1 through 12 who need intervention services. Approximately 32,700 middle school students received intervention services during fiscal 2001 under this program.

Chapter 586 of 1999 established the Maryland-After-School Opportunity Fund Program. The program provides grants to local school systems and organizations that offer before- and after-school programs for children. The proposed fiscal 2002 State budget includes \$10 million for this program and an additional \$2.5 million for a special program in Baltimore City. In addition, the proposed fiscal 2002 State budget includes \$510,000 in funding to local school systems for a pilot summer program.

State Fiscal Effect: The cost for academic intervention programs depends on several factors, including the type of academic program offered, the number of students served, the student-teacher ratio, facility expenses, transportation, and whether the program uses public school teachers or private instructors.

Administrative Costs

Administrative costs within the Maryland State Department of Education would total approximately \$58,100 beginning in fiscal 2003 to hire one staff specialist to set up, monitor, and administer the program. These costs include \$56,400 for salaries and benefits and \$1,700 for supplies and operating expenses.

Academic Intervention Costs

An after school program lasting for 2 hours a day for 180 days could cost \$1,100 per student if public school teachers are used. An extended day program lasting for 1 hour a day for 144 days (4 days a week) could cost approximately \$500 per student. An all day summer intervention program lasting for 20 days could cost approximately \$380 per student. These estimates are based on an average class size of 15 students, an average teacher salary of \$47,800, and a nominal charge for supplies and materials. If private instructors are used, the costs for the programs would be lower.

State grants for the pilot program would come from the State appropriation for the existing Academic and Intervention Support Program. No new State funding is required for the pilot program. Under current law, funding for the Academic and Intervention Support Program is distributed to local school systems based on the percentage of students scoring less than 70% on the reading and math portions of the Maryland School Performance and Assessment Program. This bill will reallocate up to \$2 million in existing funding to the pilot program. Overall funding for academic intervention services would remain the same.

Retirement Costs

The State is responsible for paying the retirement costs for teachers and many other school employees, as long as federal or State categorical programs do not fund the

positions. Since the teachers' salaries would be paid with federal and State categorical funds, local school systems would be responsible for covering the retirement costs. It is assumed that the retirement costs would be paid with the grant funding under the bill.

Additional Information

Prior Introductions: A similar bill was introduced at the 2000 session as HB 70; however, no action was taken on the bill.

Cross File: None.

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

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