

Department of Legislative Services
Maryland General Assembly
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FISCAL AND POLICY NOTE
Revised

House Bill 490

(Delegate Frush)

Ways and Means

Education, Health, and Environmental Affairs

Education - Juvenile Justice Alternative Education Pilot Program

This bill eliminates the June 30, 2005 termination date on the Juvenile Justice Alternative Education Pilot Program (JJAEP).

Effective July 1, 2005, the bill removes the word "Pilot" from the program's title and the Maryland State Department of Education (MSDE) is required to oversee the program. With the advice of a six-member Juvenile Justice Alternative Education Program Advisory Board established in the bill, the State Board of Education must select a private agency to administer the program. The program may be operated in a facility owned and operated by a private party or a local board of education. Under the modified program that begins July 1, 2005, local boards of education will be required to pay the per pupil basic current expenses for each student transferred to the program.

Fiscal Summary

State Effect: Annual general fund expenditures of \$2 million would continue past FY 2005 due to the removal of the scheduled termination date.

Local Effect: Local school expenditures would increase by an estimated \$655,400 in FY 2006, \$699,600 in FY 2007, and \$761,500 in FY 2008 to pay for students placed at the alternative education program. It is assumed that the majority or all of the expenditure increases would be incurred by Prince George's County Public Schools. **This bill imposes a mandate on a unit of local government.**

Small Business Effect: Potential meaningful.

Analysis

Bill Summary: Beginning July 1, 2005, the bill authorizes the juvenile court to order students to attend the Juvenile Justice Alternative Education Program as a condition of probation. A suspended or expelled student in the designated program county must attend the alternative education program beginning the first day of the suspension or expulsion. The bill requires the curriculum at the program to focus on English and language arts, mathematics, science, and social services. A local board of education must consider course credit earned at the program as credit earned in a county school.

For fiscal 2004, general funds appropriated for JJAEP that are not expended by the end of the fiscal year do not revert to the general fund and remain available for expenditure on the pilot program in fiscal 2005. The bill also changes the annual reporting date for the program from August 1 to December 31.

Current Law: JJAEP is a program for public school students who have been suspended, expelled, or identified as candidates for suspension or expulsion. MSDE or the local board of education in the county where JJAEP is located may enter into a partnership with the county's circuit court judges to oversee JJAEP. The State Board of Education may select a private agency to administer JJAEP if the private agency can show evidence of student progress in reading and mathematics and has at least three years of experience working with students who have been suspended or expelled.

JJAEP must: (1) provide programs designed to promote self-discipline and reduce disruptive behavior; (2) ensure that students continue to receive appropriate educational and related services during their suspension and expulsion terms; and (3) offer services to facilitate students' transitions back to schools after they have served their suspension and expulsion terms. The pilot program is scheduled to terminate June 30, 2005.

Background: JJAEP was established through legislation enacted in 2001 (House Bill 825) and opened in Prince George's County in February 2003. The Prince George's County public school system has primary responsibility for the operations of the pilot program. According to the school system, the program will offer a variety of services from a number of outside agencies in addition to educational services that are tailored to the needs of students who have experienced difficulties in traditional school settings. The physical capacity and staffing levels of JJAEP can support up to 120 students.

The fiscal 2003 State budget includes \$866,000 million for five months of JJAEP operations. The annualized amount needed to operate JJAEP is \$2 million.

State Fiscal Effect: The annualized general fund appropriation for JJAEP is \$2 million. Due to the repeal of the June 30, 2005 termination date, this funding would continue beyond fiscal 2005. Beginning in fiscal 2006, instead of going to the Prince George's County public school system, State funding for the program would be provided to a private agency that would operate the alternative education program.

Local Expenditures: Local school expenditures would increase beginning in fiscal 2006 to pay tuition for students who are sent to the alternative education program. Expenditures would increase by an estimated \$655,400 in fiscal 2006, \$699,600 in fiscal 2007, and \$761,500 in fiscal 2008. These estimates are based on the following assumptions.

- The private agency that takes over operations of the alternative education program in July 2006 would continue to use the facility that is currently being used for JJAEP. The facility was modified to house JJAEP and is owned by Prince George's County Public Schools. The capacity of the modified program, therefore, would be 120 students, the same as the existing program.
- Payments from local boards of education would be based on the per pupil foundation amount and would be prorated based on the amount of time that students spend at the alternative education program. Assuming the Bridge to Excellence in Public Schools Act of 2002 is fully implemented, the per pupil foundation amounts for fiscal 2006 to 2008 are estimated at \$5,462, \$5,830, and \$6,346 respectively.

Currently, only Prince George's County sends students to JJAEP, and it is assumed that Prince George's County schools would continue to provide the program with the majority or all of its students. Therefore, the majority or all of the estimated expenditure increases would be incurred by the Prince George's County public school system. It is assumed that payments from Prince George's County Public Schools and other local school systems would add to the contract value of the private agency that is hired to run the alternative education program and would not reduce the level of State funding for the program.

Small Business Effect: The bill would allow businesses to compete for the JJAEP contract. Transportation services for the program might also be contracted, providing an additional opportunity for small businesses.

Additional Information

Prior Introductions: None.

Cross File: None.

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

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