

Department of Legislative Services
 Maryland General Assembly
 2003 Session

FISCAL AND POLICY NOTE

Senate Bill 663 (Senator Conway, *et al.*)
 Education, Health, and Environmental Affairs

Education - Elementary Schools - Moratorium on Suspensions of Students

This bill places a two-year moratorium on student suspensions from public elementary schools. Each local board of education must develop and implement an in-school alternative to suspension by the beginning of the 2003-2004 school year. The alternative disciplinary measures must include communication with parents and any appropriate community agencies. Local boards must submit a report to the Maryland State Department of Education (MSDE) describing the alternative measures by December 1 and May 1 of each year. MSDE must compile these reports and report to the Senate Education, Health, and Environmental Affairs Committee and the House Ways and Means Committee on or before January 1 and June 1 of each year.

The bill is effective July 1, 2003 and sunsets June 30, 2005.

Fiscal Summary

State Effect: General fund expenditures for teachers' retirement payments could increase by an estimated \$2.2 million in FY 2006 and 2007 due to increases in teacher salary bases in FY 2004 and 2005. Federal fund revenues could decrease in FY 2004 and 2005 if the bill jeopardizes funding under the federal Gun Free Schools Act.

(\$ in millions)	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
FF Revenue	-	-	\$0	\$0	\$0
GF Expenditure	0	0	2.2	2.2	0
Net Effect	\$0	\$0	(\$2.2)	(\$2.2)	\$0

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

Local Effect: Local school expenditures could increase by an estimated \$28.4 million in FY 2004 and 2005 to implement alternative disciplinary measures in elementary schools.
This bill imposes a mandate on a unit of local government.

Small Business Effect: None.

Analysis

Current Law: For cause, a public school principal may suspend any student in the principal's school for up to ten days. The student or the student's parent or guardian must be given a conference with the principal and any other appropriate personnel during the suspension period. At the request of a principal, a local school superintendent may suspend a student for more than ten school days or may expel a student after an investigation and a conference with the student and the student's parent or guardian. A student or the parent or guardian of a student may appeal the superintendent's decision to the local board of education.

Background: The number of students suspended from public elementary schools during the 2000-2001 school year is shown in **Exhibit 1**. In total, 12,079 students were suspended, and nearly a third of the students were suspended from Baltimore City elementary schools. The most common reasons for suspensions were fighting, physically attacking a student, classroom disruption, and disrespect.

Exhibit 1 Elementary School Suspensions by Local School System 2000-2001 School Year

Allegany	44	Harford	404
Anne Arundel	1,090	Howard	202
Baltimore City	3,807	Kent	17
Baltimore	1,569	Montgomery	671
Calvert	105	Prince George's	1,873
Caroline	140	Queen Anne's	76
Carroll	173	St. Mary's	212
Cecil	182	Somerset	171
Charles	467	Talbot	103
Dorchester	105	Washington	95
Frederick	172	Wicomico	302
Garrett	43	Worcester	56

Source: Maryland State Department of Education

State Revenues: Under the federal Gun Free Schools Act, public schools are required to expel students who bring firearms to school. Placing a moratorium on elementary school suspensions could jeopardize \$6.9 million in federal funding from the Safe and Drug-Free Schools program.

Local Expenditures: Local school systems would incur significant costs to implement alternative in-school disciplinary measures in the State's 824 elementary schools. It is assumed that the majority of costs would be associated with hiring additional personnel to monitor students who have been removed from classrooms. Under the assumptions described below, local school expenditures would increase by \$28.4 million to hire new school personnel.

- One-half of the elementary schools in the State could implement the alternative in-school disciplinary measures without additional personnel.
- One-half of the elementary schools in the State would require one full-time professionally certificated teacher to oversee students removed from classrooms and to administer in-school disciplinary measures. Assuming an average cost per teacher of \$60,915 (including benefits), local school system expenditures would increase by \$25.1 million.
- One-third of the schools that hire a teacher to oversee and administer the new disciplinary measures would also require the service of a full-time aide. Assuming an average cost per aide of \$23,800 (including benefits), local school expenditures would increase by \$3.3 million.
- The additional costs would only be incurred in fiscal 2004 and 2005, when the moratorium is in effect.

Because it has the largest number of student suspensions in the State, the Baltimore City school system would most likely incur a disproportionate share of the costs associated with the bill.

Local school systems could incur additional costs to modify existing school space in order to accommodate students in schools but outside of their regular classrooms. These costs cannot be reliably estimated at this time.

State Expenditures: The State is responsible for paying teachers' retirement benefits. Since the State payments are based on teachers' salary base during the second prior year, State expenditures for teachers hired to implement this bill would not increase until fiscal

2006. Based on a 9.35% employer contribution rate and an increased salary base of approximately \$23.8 million, State expenditures for teachers' retirement would increase by an estimated \$2.2 million in fiscal 2006 and 2007.

Additional Information

Prior Introductions: A similar bill was introduced at the 2002 session as HB 629. The bill 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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lc/hlb

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