

Department of Legislative Services
 Maryland General Assembly
 2005 Session

FISCAL AND POLICY NOTE

House Bill 480
 Ways and Means

(Delegate Cardin, *et al.*)

Education, Health, and Environmental
 Affairs

Public Schools - Summer Learning Pilot Program

This bill establishes a Summer Learning Pilot Program that provides additional instruction in mathematics, reading, and language arts to low-income students during the summer break. The State and local school systems must share in the costs of the program.

The bill is effective July 1, 2005.

Fiscal Summary

State Effect: General fund expenditures could increase by an estimated \$208,000 in FY 2006 to implement a pilot program for a single grade level. Future year expenditure estimates reflect increased State grants for summer school programs, annualization, regular salary increases, and inflation. Revenues would not be affected.

(in dollars)	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	208,000	223,900	234,800	246,100	258,100
Net Effect	(\$208,000)	(\$223,900)	(\$234,800)	(\$246,100)	(\$258,100)

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

Local Effect: State aid for local school the systems selected to participate in the pilot program could increase by an estimated \$150,000 in FY 2006. Local school expenditures for the systems could increase by a total of \$150,000 in FY 2006 to provide the required local matches. Expenditures could be offset by funds already earmarked for summer school.

Small Business Effect: None.

Analysis

Bill Summary: The State Board of Education must develop a model summer school program that provides a grade appropriate preview of the concepts and skills that will be taught in the upcoming school year, strengthens basic skills, and is linked to a school's regular curriculum. The State board must choose three counties with high concentrations of students who qualify for free and reduced price meals – one urban, one suburban, and one rural – to participate in the program. Selected counties must determine the cost of the program and must identify 50% of the funds for the program from local, federal, and private sources. The State must provide the rest of the funding.

The State board must report on the effectiveness of the program by December 1, 2006. The report must include: (1) comparisons of participating students' achievement levels before and after the summer program; (2) performance comparisons of participating students and students who did not participate; (3) evaluations from parents and participating teachers; (4) the number of students receiving free and reduced price meals; (5) attendance records of participating students; and (6) a description of the recruitment campaign and response to the campaign.

Current Law: The Summer Learning Pilot Program would be a new initiative.

Background: The preamble to the bill notes that all young people are at risk of experiencing a loss of academic skills during the summer months and that summer learning loss contributes to the achievement gap between low-income students and their more affluent peers. A comparison of proficiency rates on the Maryland School Assessment among students eligible for free and reduced price meals (*i.e.*, low-income students) and students who do not receive subsidized meals is shown in **Exhibit 1**. The exhibit reveals a gap in achievement levels. Statewide, approximately 32% of public school students are eligible for free and reduced price meals.

Exhibit 1
Percentage of Students Scoring at the Proficient or Advanced Levels
By Eligibility for Free and Reduced Price Meals

	<u>Not Eligible</u>	<u>Eligible</u>
Grade 3 – Reading	80.6	54.4
Grade 3 – Mathematics	81.7	55.9
Grade 5 – Reading	78.8	50.5
Grade 5 – Mathematics	74.0	44.4
Grade 8 – Reading	73.2	42.9
Grade 8 – Mathematics	55.9	22.7

Source: Maryland State Department of Education

State Expenditures: General fund expenditures would depend on the size and scope of the pilot program that is implemented. In order to develop a reasonable summer school program for one grade level, general fund expenditures could increase by an estimated \$208,023 in fiscal 2006. This estimate includes \$150,000 for grants to local school systems and \$58,023 to support administrative costs at the Maryland State Department of Education (MSDE).

Summer School Costs

Costs for a fairly modest pilot summer school program would total an estimated \$300,000. This estimate assumes that 500 low-income students would be served during a six-week summer program developed for one grade level by MSDE and the State Board of Education. Half of this cost would be funded by the State. The following information and assumptions were used in calculating this estimate.

- A total of 25 classes would participate in the pilot program, 10 classrooms each in the selected urban and suburban districts, and 5 in the selected rural district. Classes would average 20 students each.
- Compensation and fringe benefits for the 25 teachers participating in the program would average \$225 per day. Teachers would work a total of 32 days, including 2 days for training and planning and 30 days in the classroom with students.
- Each classroom would also include a paraprofessional at an average cost of \$125 per day. Paraprofessionals would work for 30 days.
- In addition to the personnel costs, approximately \$50 per pupil would be needed for school supplies and ancillary school services.

- In total, the program would cost an estimated \$600 per student or \$300,000 for 500 pupils.

Administrative Costs

It is assumed that two half-time contractual education specialists, one for math and one for reading, would be hired by MSDE in January 2006 to begin preparations to implement the pilot program in the summer of 2006. In addition to the staffing costs, an estimated \$20,000 would be needed to purchase or contract for the development of materials of instruction and appropriate pre- and post-tests. The State would pay all of the administrative costs associated with the program.

	<u>FY 2006</u>	<u>FY 2007</u>
Salaries and Fringe Benefits	\$32,808	\$63,967
Contractual Services	20,000	0
Local School Systems Grants	150,000	157,500
Operating Expenses	<u>5,215</u>	<u>2,455</u>
Total FY 2006 State Expenditures	\$208,023	\$223,922

Future year expenditures reflect: (1) 5% annual increases in the grants to local school systems; (2) 4.6% annual salary increases and 6.8% employee turnover; and (3) 1% annual increases in ongoing operating expenses. If instruction for additional grade levels is added, both administrative and grant expenditures would increase.

Local Fiscal Effect: Local school systems participating in the pilot program would receive additional State funds and would be required to pay half of the cost. Using the assumptions described above, local costs for the urban and suburban counties would total \$60,000 each, and local costs for the rural county would total \$30,000. All local school systems currently provide some form of summer school. It is possible that existing local funds budgeted for summer school could be used to meet the requirement of a local match.

Additional Information

Prior Introductions: None.

Cross File: None.

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

Fiscal Note History: First Reader - March 9, 2005
n/rhh

Analysis by: Mark W. Collins

Direct Inquiries to:
(410) 946-5510
(301) 970-5510