

Department of Legislative Services  
Maryland General Assembly  
2007 Session

FISCAL AND POLICY NOTE

House Bill 1037  
Ways and Means

(Delegate Ramirez, *et al.*)

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Maryland School Attendance Performance Program

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This bill establishes a Maryland School Attendance Performance Program to reward schools that show substantial improvements in their attendance rates. To the extent that funds for the program are included in the annual State budget, the State Superintendent of Schools must distribute recognition awards to schools where data-based measures of attendance have improved. The State Board of Education must establish policies for the determination of eligibility for and distribution of the awards. Awards may not supplant funds regularly appropriated for use by the school.

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Fiscal Summary

**State Effect:** Currently, a fraction of federal Title I funds are used to recognize a portion of the public schools in the State that have been successful in meeting performance standards. General fund expenditures would increase beginning in FY 2008 in accordance with any additional amount provided in the annual State budget for the Maryland School Attendance Performance Program. Under one reasonable scenario, general fund expenditures would increase by \$280,000 in FY 2008. Revenues would not be affected.

**Local Effect:** Local school revenues from State aid would increase in accordance with any additional amount provided in the annual State budget for the Maryland School Attendance Performance Program.

**Small Business Effect:** Minimal.

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## Analysis

**Bill Summary:** The school attendance improvement team in a school receiving an award under the Maryland School Attendance Performance Program must determine how the award will be used. Funds may not be used for staff bonuses or differential pay increases and must be expended in accordance with the policies of the local school system. The principal of a school receiving an award must file a report indicating how the funds were used.

**Current Law:** The federal No Child Left Behind Act authorizes states to use a portion of their federal Title I funds to provide performance recognition awards to schools that are successfully meeting State standards.

**Background:** As shown in **Exhibit 1**, the average daily attendance percentage at public schools in Maryland was 93.7% in the 2005-2006 school year, meaning about 1 of every 16 students was absent on an average school day. Rates for individual school systems range from a low of 89.3% in Baltimore City to a high of 95.8% in Washington County. The exhibit also shows the percent of students in each school system that were designated as habitual truants, meaning they were unlawfully absent more than 20% of the school days within any marking period, semester, or year during the last school year. Rates for 13 of the 24 school systems were less than 1%; in Baltimore City 10.6% of students were habitually truant.

**State Expenditures:** The Maryland State Department of Education (MSDE) advises that 103 schools received school performance recognition awards totaling \$282,838 in fiscal 2006. The awards were paid from federal Title I funds and schools were chosen for the awards based on a number of criteria, including attendance. Federal Title I funds pass through the State budget and therefore could be redirected to the Maryland School Attendance Performance Program, which would require that the existing award criteria be refocused towards data-driven school attendance measures.

Assuming, however, that the bill envisions a separate State program of awards, general fund expenditures would increase in accordance with the amount provided in the annual State budget for the Maryland School Attendance Performance Program. Using an amount roughly equivalent to the school performance recognition awards provided with Title I funds, general fund expenditures could increase by \$280,000 annually beginning in fiscal 2008. This would allow approximately 10% of the State's 1,429 schools to receive awards of approximately \$2,000 each.

The State Board of Education could adopt eligibility criteria and a distribution methodology with existing resources. MSDE already tracks attendance data for each public school, so schools could be identified for awards with existing resources.

**Local Revenues:** Local school revenues from State aid would increase in accordance with any additional amount provided in the annual State budget for the Maryland School Attendance Performance Program. Awards would be distributed to schools that show substantial improvements in student attendance.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

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

**Fiscal Note History:** First Reader - March 13, 2007  
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**Exhibit 1**  
**Average Daily Attendance Percentages and Percent of Students Habitually Truant**  
**2005-2006 School Year**

<u>School System</u>	<u>Average Daily Attendance</u>	<u>Habitually Truant</u>
Allegany	94.2%	1.0%
Anne Arundel	93.9%	1.4%
Baltimore City	89.3%	10.6%
Baltimore	94.2%	1.3%
Calvert	94.6%	0.4%
Caroline	94.4%	0.9%
Carroll	95.0%	0.4%
Cecil	92.9%	0.7%
Charles	93.9%	0.6%
Dorchester	92.0%	1.2%
Frederick	94.2%	0.8%
Garrett	95.1%	0.1%
Harford	93.8%	0.8%
Howard	95.2%	0.4%
Kent	92.5%	3.9%
Montgomery	95.1%	0.8%
Prince George's	93.2%	4.4%
Queen Anne's	93.3%	1.0%
St. Mary's	93.2%	1.2%
Somerset	92.7%	2.4%
Talbot	95.0%	0.2%
Washington	95.8%	0.4%
Wicomico	92.9%	2.0%
Worcester	93.9%	0.7%
<b>Total</b>	<b>93.7%</b>	<b>2.4%</b>

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