

Department of Legislative Services
Maryland General Assembly
2008 Session

FISCAL AND POLICY NOTE

House Bill 1571
Ways and Means

(Delegate Olszewski)

Education, Health, and Environmental
Affairs

Public Schools - Graduation Rate Formula

This bill alters the graduation rate formula that is to be used until October 1, 2011, when the Maryland State Department of Education must use the more precise four-year cohort graduation rate formula established by Chapters 229 and 558 of 2006. To calculate the formula proposed in the bill, the number of graduates is divided by the number of graduates plus the number of dropouts from grades 9 through 12 in consecutive years. This graduation rate methodology must be used to report graduation rates in 2008, 2009, and 2010.

The bill takes effect July 1, 2008.

Fiscal Summary

State Effect: MSDE could make the required changes to the graduation rate calculation methodology with existing resources.

Local Effect: None. Local school systems already collect and report the data that would be used under the revised graduation rate calculation.

Small Business Effect: None.

Analysis

Current Law: Until 2011, MSDE must annually report interim graduation rates that are calculated by dividing the number of graduates by the number of students who began

ninth grade four years earlier. By October 1, 2011, MSDE must report graduation rates that rely on a stricter calculation involving the tracking of outcomes for individual students in each cohort of students who begin ninth grade together.

Background: Chapters 229 and 558 of 2006 required MSDE to build the capacity to report better graduation rates by 2011. The calculation that will be used by 2011 is based on a model developed by the National Governors Association (NGA) in response to *Graduation Counts*, the final report of a task force established by NGA. The report notes that “the quality of state high school graduation and dropout data is such that most states cannot accurately account for their students as they progress through high school.” The task force recommended that states’ calculations of graduation rates be improved and standardized.

The State’s databases did not have the ability in 2006 to track individual students, so Chapters 229 and 558 also established an interim graduation rate formula that was to be used until 2011. MSDE has used the interim methodology to report graduation rates for the last two years but suggests that continuing to report graduation rates using the current interim methodology would threaten future progress on its longitudinal database and the ability to meet the 2011 deadline for cohort reporting. In consultation with local school systems, MSDE has determined that the methodology proposed in the bill would be more accurate and would facilitate the transition to cohort reporting.

Additional Information

Prior Introductions: None.

Cross File: None.

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

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mll/rhh

Analysis by: Mark W. Collins

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