

Department of Legislative Services
Maryland General Assembly
2009 Session

FISCAL AND POLICY NOTE
Revised

Senate Bill 689

(Senator Rosapepe)

Education, Health, and Environmental Affairs

Ways and Means

High Schools and High School Students - Options for Accelerated Graduation

This bill requires the State Superintendent of Schools to implement a credit-by-examination process for English 12 and Algebra II by the 2010-2011 school year. Prior to implementation, the Maryland State Department of Education (MSDE) must conduct a study to identify appropriate examinations in order to accelerate student graduation from high school and then report on its progress in identifying examinations and implementing credit-by-examination by March 1, 2010. In addition, by February 1, 2010, MSDE must report to the State Superintendent of Schools on the feasibility of and interest in establishing middle college programs for students in high schools. If the State Superintendent determines that there is sufficient interest and capability to implement middle college programs for high school students based on the findings in the report, the State Superintendent must implement a middle college program in interested school systems beginning in the 2010-2011 school year.

The bill takes effect July 1, 2009 and terminates June 30, 2012.

Fiscal Summary

State Effect: Given the State's fiscal difficulties, agency budgets have been constrained. Thus, the requirement to conduct studies is not absorbable within the existing budgeted resources of MSDE. Instead, general fund expenditures may increase minimally in FY 2010 for conference space, travel, and printing. To the extent credit-by-examination reduces high school enrollment due to earlier graduation, State aid through the formulas decreases in FY 2013. Revenues are not affected.

Local Effect: Local school system revenues from State education aid may decrease in FY 2013; local expenditures may decrease correspondingly.

Small Business Effect: None.

Analysis

Bill Summary: The credit-by-examination study must ensure that the content of an examination assesses a student's mastery of the entire content of the State-approved course; determine the passing score of an examination that allows a student to receive credit for the State-approved course; and establish eligibility criteria for students.

MSDE is required to review and evaluate the appropriateness of implementing middle college programs for students in high schools. In its review and evaluation, MSDE must explore and discuss with institutions of higher education in the State the feasibility of establishing partnerships to implement middle college programs for students in high schools. Likewise, MSDE must explore and discuss with local school systems the benefits of and the level of interest in offering middle college programs to students in high schools in their jurisdiction.

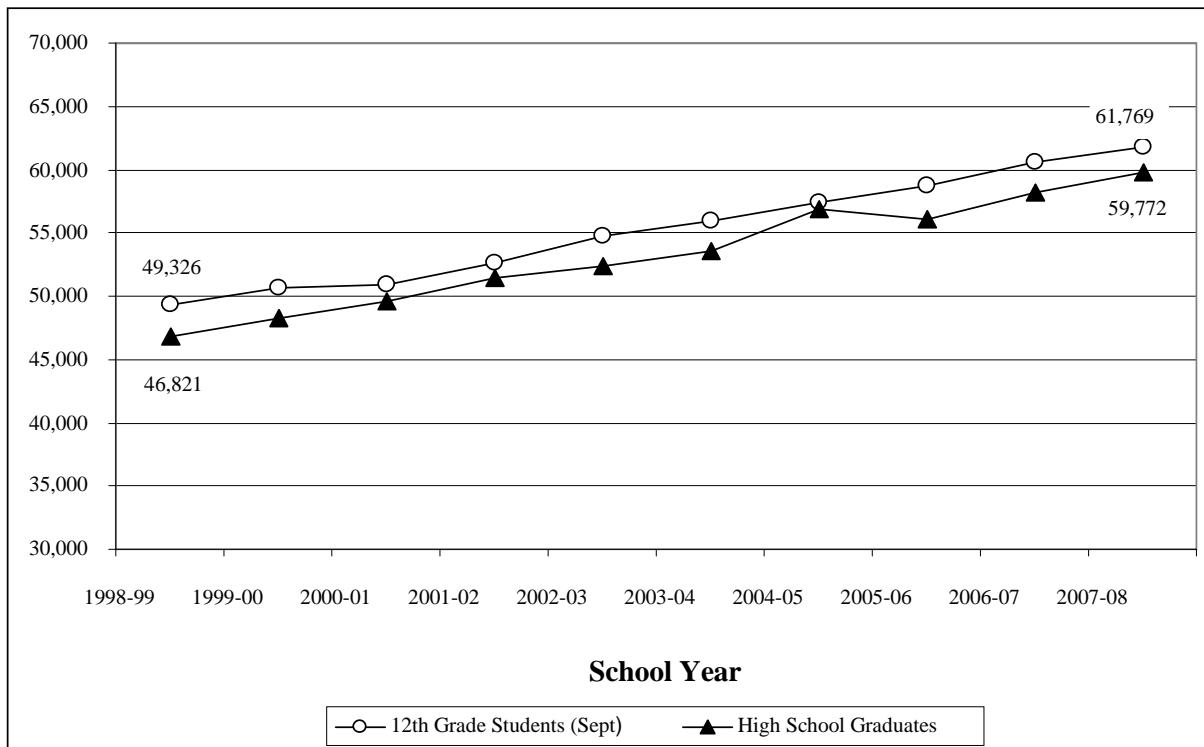
Current Law/Background: Policies, rules, and regulations for the graduation of students from Maryland public schools are established by local boards of education and MSDE. By regulation, a student must complete the credit requirements established by MSDE, a student service requirement, and any local school system requirements to qualify for graduation from a public high school in Maryland. Beginning with the cohort of students who entered grade 9 in the 2005-2006 school year (high school seniors in the 2008-2009 school year), each student will also be required to pass each of four Maryland High School Assessments (HSAs) or achieve a combined total score on the HSAs in order to qualify for a high school diploma. Qualified students who have taken but have not passed the HSAs may instead complete a subject-based senior project in order to earn a high school diploma. The number of public high school graduates from the last 10 school years is shown in **Exhibit 1** with the number of twelfth grade students who started the year.

To be awarded a Maryland high school diploma, a student needs to earn a minimum of 21 credits that consist of specific core credits including courses commonly known as English 12 and Algebra II. English 12 is generally taken during a student's senior year in high school because four credits of English are needed to graduate and courses in the same subject are not generally taken in tandem. If a student fails an English course and needs to repeat it, English courses need to be taken in tandem or over the summer to graduate in four years. English 12 is the course that most commonly prevents a student from graduating in four years. Algebra II is generally taken during a student's junior or senior year and may also prevent a student from graduating in four years.

On the other hand, advanced students may be prevented from graduating early because they have not yet had the opportunity to take English 12 or Algebra II. However, it should be noted that advanced students have the option of earning a high school diploma if they are accepted for early admission to an accredited college or by an approved vocational, technical, or postsecondary program and have completed all Maryland HSAs and student service requirements. After a successful full year of approved postsecondary study, the local superintendent will award a student a high school diploma.

Another option for both categories of students would be a credit-by-examination process that would allow students to graduate in four years or less. While Advanced Placement (AP) and International Baccalaureate (IB) courses that offer students the opportunity to potentially earn college credit by passing an examination are common in high schools across the country and in Maryland, offering credit for high school courses by examination appears to be rare.

Exhibit 1
Number of Twelfth Grade Students and High School Graduates
Maryland Public Schools
1998-1999 to 2007-2008



Source: Maryland Department of Planning; Maryland State Department of Education

A Maryland resident may also obtain a high school diploma by examination through the general educational development (GED) program. To qualify, an individual must be at least age 16 and may not have already obtained a high school certificate or diploma. The individual must also have officially withdrawn from a regular public or private school at least three months prior to the date of GED testing. The External Diploma Program is another program offered by the State that allows adults to earn high school diplomas.

The Middle College National Consortium describes a middle college as a secondary school authorized to grant diplomas in its own name, which is located on a college campus and allows students to take some college courses at no cost to themselves. This general concept has been implemented in a variety of ways across the nation to meet local needs. Generally, the goal of these programs is to decrease the high school dropout rate and increase the college-going and completion rate for a student population that has been historically underserved. During the 2005-2006 school year, middle college programs were offered in 22 states.

Federal Pell Grants are need-based grants for low-income undergraduate and certain post-baccalaureate students. To be eligible for a Pell Grant, a student needs to have earned a high school diploma. Therefore, advanced students who may otherwise choose to begin college early and earn a high school diploma through an approved year of postsecondary study may not choose that option because they need a Pell Grant to afford college. The Dual Enrollment Grant Program was created in part to help these students.

Chapters 296 and 297 of 2007 established a Dual Enrollment Grant Program that provides financial assistance to students who are simultaneously enrolled in high school and an institution of higher education. MHEC estimates that 6,193 students are attending institutions of higher education while enrolled in high school in fiscal 2009. MHEC has awarded approximately \$120,000 to 330 dually enrolled students in fiscal 2009. The fiscal 2010 budget includes no funding for the Dual Enrollment Grant Program, although MHEC has the authority to use funds carried forward from other student financial assistance programs to support dual enrollment grants. Legislation was passed (Chapter 459) in the 2009 session that renames the program to be the Early College Access Grant program and makes it permanent.

MSDE advises that all students who take Algebra II and English 12 are required to take end-of-course or final examinations. MSDE has partnered with the American Diploma Project (ADP) to develop an end-of-course examination for Algebra II that is suitable for credit-by-examination. The examination consists of a common core of algebraic topics that are typically taught in an Algebra II course and seven optional modules. The ADP Algebra II exam is being administered to about 1,300 Maryland students in the 2008-2009 school year as a pilot and will be administered annually.

State and Local Fiscal Effect: General fund expenditures for MSDE may increase minimally in fiscal 2010 to conduct studies to identify appropriate examinations for credit-by-examination and the interest and capability to implement middle college programs. Expenditures for the studies may include conference space, travel, and printing.

Given that students already take end-of-course examinations for Algebra II and English 12, implementation of the credit-by-examination program will be absorbable within existing budgeted resources of MSDE and local school systems. MSDE advises that it costs approximately \$25 per student to administer and grade the ADP Algebra II examination and that these costs can be handled with State and local existing resources. The cost to administer and grade an English 12 examination is unknown, but MSDE advises that any such cost can also be handled with existing resources.

To the extent credit-by-examination reduces the number of years required by students to graduate from high school, State general fund expenditures for education will decrease for each student not included in the State aid formulas; local expenditures may also decrease. Enrollments may decrease in the 2011-2012 school year, affecting State aid formulas in fiscal 2013 only reflecting termination of the program in 2012.

Implementation of a middle college program may require increased expenditures; however, implementation of middle college programs is not required by the bill. Expenditures to implement middle college programs will depend on local capabilities and resources.

Additional Information

Prior Introductions: SB 967 of 2008, similar to this bill as introduced, was passed by the Senate. The bill passed the full House on second reading, but a third reading vote was not taken.

Cross File: None.

Information Source(s): Maryland State Department of Education, Maryland Higher Education Commission, University System of Maryland, Middle College National Consortium, American Diploma Project, Department of Legislative Services

Fiscal Note History: First Reader - March 15, 2009
ncs/rhh Revised - Senate Third Reader - April 6, 2009
Revised - Enrolled Bill - May 20, 2009

Analysis by: Caroline L. Boice

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