

Department of Legislative Services
 Maryland General Assembly
 2011 Session

FISCAL AND POLICY NOTE

House Bill 810 (Delegate Gutierrez, *et al.*)
 Ways and Means

Dropout Prevention Task Force

This bill establishes a Dropout Prevention Task Force. The Maryland State Department of Education (MSDE) must provide staff support for the task force. A final report with findings and recommendations is due by January 1, 2013. MSDE and the Children’s Cabinet are required to consider the findings and recommendations of the task force in the development of plans and programs.

The bill takes effect July 1, 2011, and terminates June 30, 2013.

Fiscal Summary

State Effect: General fund expenditures increase by \$50,900 in FY 2012, which accounts for a 90-day start-up delay. This estimate reflects the cost of hiring one full-time contractual employee at MSDE to staff the task force. Future year expenditures reflect inflation and the termination of the contractual employee in FY 2013. MSDE and the Children’s Cabinet can consider the task force’s recommendations in the development of plans and programs using existing resources. No effect on revenues.

(in dollars)	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	50,900	30,100	0	0	0
Net Effect	(\$50,900)	(\$30,100)	\$0	\$0	\$0

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

Local Effect: Local school system employees appointed to the task force can participate without affecting local budgets.

Small Business Effect: None.

Analysis

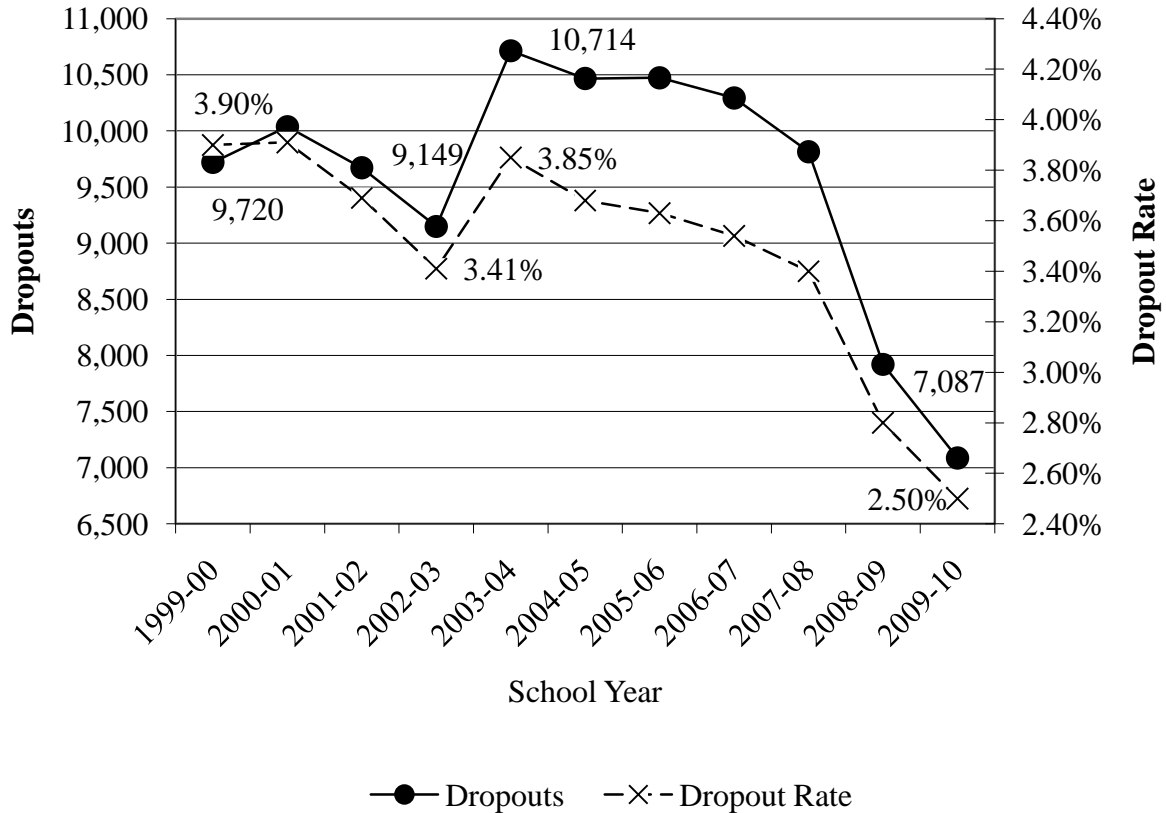
Bill Summary: The task force is charged with:

- studying, surveying, and assessing the adequacy, quality, and effectiveness of dropout prevention programs currently being provided to students in the State by local school systems;
- conducting hearings and gathering information about current dropout prevention policies and programs in the State, including current data on dropout rates by gender and subgroups for all local school systems;
- identifying specific best practices and successful models for dropout prevention programs in the State and in other states; and
- preparing and reporting findings and recommendations to reduce dropout rates in the State.

Task force members may not receive compensation but are entitled to reimbursement for expenses under the standard State travel regulations, as provided in the State budget.

Background: An average of more than 9,000 students per year dropped out of Maryland public high schools from the 1999-2000 school year to the 2009-2010 school year. **Exhibit 1** charts the number of dropouts over this span and also shows the reported dropout rate for each year. Since spiking in the 2003-2004 school year, the number and rate of dropouts has decreased every year, dropping to 7,087 dropouts (a 2.5% rate) during the 2009-2010 school year. MSDE partially attributes the decline to the effort to help students pass the High School Assessment exams, which became a graduation requirement beginning with the class of 2009.

Exhibit 1
Number of Dropouts and Dropout Rates
1999-2000 to 2009-2010 School Years



Source: Maryland State Department of Education

Dropout rates are not consistent across the State. **Exhibit 2** displays the number of dropouts and the dropout rates for each of the 24 local school systems in the 2009-2010 school year. The exhibit shows that Prince George’s County has the highest number of dropouts, while Somerset County has the highest dropout rate. After Prince George’s County, several of the larger counties have the highest numbers of dropouts; after Somerset County, several other Eastern Shore school systems and Baltimore City have higher dropout rates.

Exhibit 2
Number of Dropouts and Dropout Rates by School System
2009-2010 School Year

School System	Dropouts	School System	Dropout Rate
Prince George's	1,183	Somerset	4.56%
Baltimore City	1,098	Wicomico	4.52%
Baltimore	1,065	Baltimore City	4.07%
Montgomery	963	Caroline	3.51%
Anne Arundel	690	Cecil	3.40%
Harford	280	Baltimore	3.03%
Howard	242	St. Mary's	2.91%
Wicomico	207	Anne Arundel	2.79%
Cecil	184	Prince George's	2.64%
Charles	183	Allegany	2.22%
St. Mary's	168	Talbot	2.17%
Frederick	162	Harford	2.13%
Washington	127	Dorchester	2.10%
Calvert	95	Montgomery	1.98%
Carroll	92	Charles	1.81%
Allegany	66	Washington	1.80%
Caroline	63	Queen Anne's	1.69%
Queen Anne's	44	Garrett	1.60%
Somerset	43	Calvert	1.57%
Talbot	34	Kent	1.52%
Dorchester	32	Howard	1.39%
Worcester	31	Worcester	1.32%
Garrett	24	Frederick	1.18%
Kent	11	Carroll	0.94%
Statewide	7,087	Statewide	2.50%

Source: Maryland State Department of Education

State Expenditures: The State's fiscal difficulties in the past few years have reduced agency budgets to the point where additional assignments cannot be absorbed with existing resources. Therefore, general fund expenditures increase by \$50,881 in fiscal 2012, which accounts for a 90-day start-up delay following the bill's July 1, 2011 effective date. This estimate reflects the cost of hiring one full-time contractual employee to staff the task force, study and assess the effectiveness of current dropout prevention programs, identify specific best practices, and assist with making recommendations to reduce dropout rates in the State. It includes a salary, fringe benefits, one-time start-up costs, and ongoing operating expenses.

Fiscal 2013 expenditures reflect the termination of the contractual employee on January 1, 2013, and 1% annual increases in ongoing operating expenses.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Governor's Office for Children, Maryland State Department of Education, Department of Legislative Services

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ncs/mwc

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