

**Department of Legislative Services**  
Maryland General Assembly  
2011 Session

**FISCAL AND POLICY NOTE**

Senate Bill 965 (Senator Benson)  
Education, Health, and Environmental Affairs

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**Prince George's County - Age for Compulsory Public School Attendance -  
Exemption**

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This bill increases the age of compulsory school attendance from 15 to 17 for students in Prince George's County. Existing penalties for legal custodians who fail to ensure that their children attend school and for individuals who induce or attempt to induce children to be unlawfully absent from school apply. However, a child who is 16 or 17 years old may withdraw if the child's parent or guardian provides written consent to the local school system.

The bill takes effect July 1, 2011.

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**Fiscal Summary**

**State Effect:** General fund expenditures increase by \$10.0 million in FY 2013 due to an increase in public school enrollment in Prince George's County during the 2011-2012 school year. Future year expenditures reflect inflation and normal enrollment shifts. Revenues are not affected.

(\$ in millions)	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	0	10.0	11.7	14.3	14.9
Net Effect	\$0	(\$10.0)	(\$11.7)	(\$14.3)	(\$14.9)

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

**Local Effect:** State education aid for Prince George's County increases by \$17.7 million in FY 2013; however, funding for the other local school systems decreases by \$7.7 million collectively. The minimum required local appropriation to the Prince George's County Public School System under the maintenance of effort provision increases by approximately \$7.8 million in FY 2013.

**Small Business Effect:** Minimal.

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## Analysis

**Current Law:** A child age 5 to 15 must attend public school regularly unless the child is otherwise receiving regular, thorough instruction at an alternative setting (*i.e.*, a private or home school). An individual who has legal custody of a child age 5 to 15 and fails to see that the child attends school is guilty of a misdemeanor.

A person who has legal custody or care and control of a child age 5 to 15 and fails to see that the child attends school, receives instruction, or has written consent to withdraw from school is subject to the following:

- for a first conviction, maximum penalties of \$50 per day of unlawful absence and/or 10 days imprisonment; and
- for a second or subsequent conviction, maximum penalties of \$100 per day of unlawful absence and/or 30 days imprisonment.

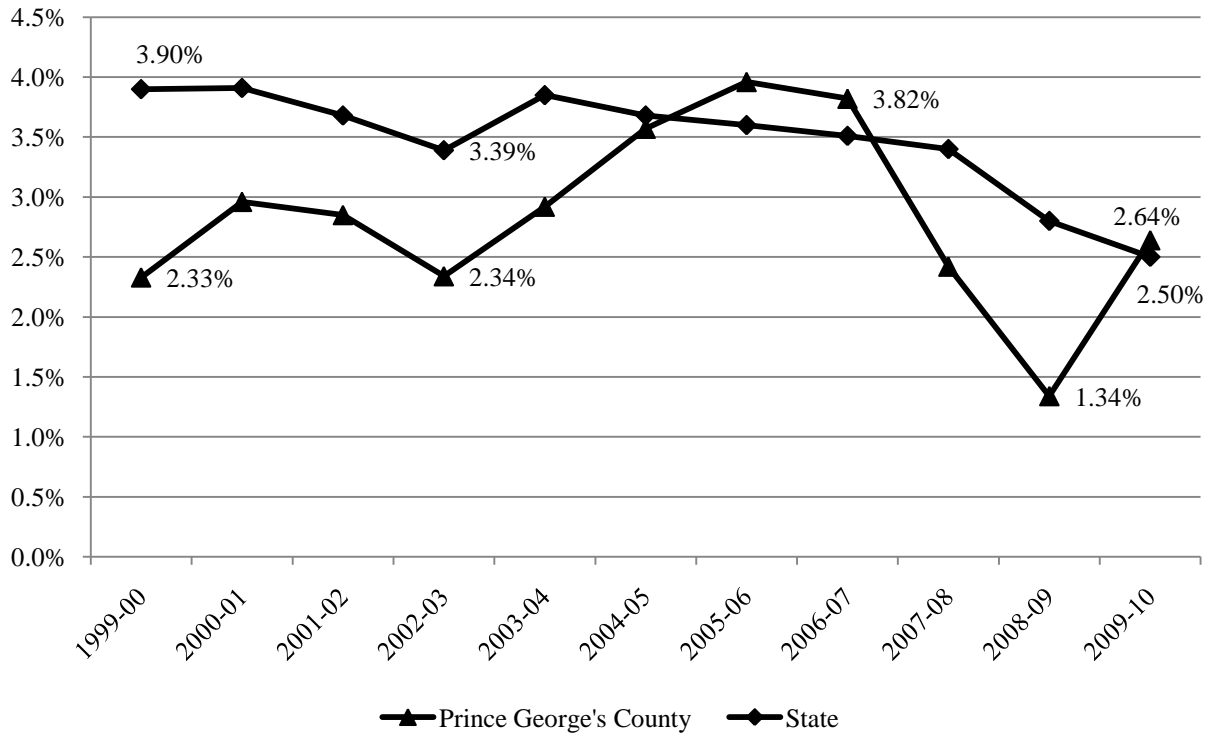
However, the court may suspend the fine or the prison sentence and establish terms and conditions to promote the child's school attendance.

A person who induces or attempts to induce a child to be absent unlawfully from school is guilty of a misdemeanor and subject to maximum penalties of 30 days imprisonment and/or a fine of \$500.

**Background:** More than 14,000 Prince George's County students dropped out of school from the 1999-2000 school year to the 2009-2010 school year, an average of approximately 1,300 per year. Reported annual dropout rates for Prince George's County and the State are charted in **Exhibit 1**. The exhibit shows that, in general, the dropout rate in Prince George's County has been lower than the statewide dropout rate. In the past few years the county's dropout rate has been inconsistent, ranging from a high of 3.82% during the 2006-2007 school year to a low of 1.34% during the 2008-2009 school year.

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**Exhibit 1**  
**Number of Dropouts and Dropout Rate for Prince George's County**  
**1999-2000 to 2009-2010 School Years**



Source: Maryland State Department of Education

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Chapter 449 of 2006 established the Task Force to Study Raising the Compulsory Public School Attendance Age to 18, and the task force submitted a final report in December 2007. The task force noted that students who drop out of high school face “harsh futures” characterized by lower wages, disproportionate representation in prisons, and shorter overall life spans. The costs to society were also described, including greater dependency on public assistance among dropouts and high incarceration costs for the population.

The task force recognized several factors that would make increasing the age of compulsory school attendance difficult, including the significant operating and capital cost increases associated with the age change and the ongoing shortage of qualified teacher candidates. The task force did not specifically recommend that the age of compulsory school attendance be raised, but did encourage strong use of student supports and alternative paths to high school graduation. In addition, the task force recommended that, if the State does increase the age of mandatory school attendance, it should provide adequate financial support for the endeavor.

**State Expenditures:** General fund expenditures increase by \$10.0 million in fiscal 2013 due to an increase in Prince George's County public school enrollment in the 2011-2012 school year. Future year expenditures increase with inflation and reflect normal shifts in enrollment. The information and assumptions used to calculate this estimate are described below.

- Due to the bill's July 1, 2011 effective date, it is assumed that enrollment at the start of the 2011-2012 school year will be affected by the bill.
- Approximately 900 Prince George's County students per year have dropped out of school in recent years. It is assumed that 900 students who have dropped out or will drop out this school year (2010-2011) will have to return to school in fall 2011 due to the increase in the compulsory attendance age. In addition, approximately three-quarters of the students who dropped out during the 2009-2010 school year (those who were 16 when they dropped out) will be required to return to school. In total, approximately 1,500 additional students will be included in the fall 2011 enrollment counts for Prince George's County. The higher enrollment count will be used to calculate fiscal 2013 State aid.
- The number of Prince George's County students in at-risk categories (students eligible for free and reduced price meals, students with disabilities, and students with limited English proficiency) will increase in accordance with the overall increase in enrollment.

The average dropout numbers for the two-year period ending with the 2009-2010 school year were used in this estimate. The projected fiscal 2013 to 2016 increases in direct State education aid are shown by program in **Exhibit 2**.

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**Exhibit 2**  
**Increases in State Education Aid Programs**  
**Fiscal 2013-2016**  
**(\$ in Millions)**

<b><u>Direct Aid</u></b>	<b><u>FY 2013</u></b>	<b><u>FY 2014</u></b>	<b><u>FY 2015</u></b>	<b><u>FY 2016</u></b>
Foundation Program	\$5.4	\$5.4	\$5.5	\$5.6
Geographic Cost Index	0.5	0.5	0.5	0.5
Compensatory Education	3.2	3.2	3.3	3.4
Special Education Formula	0.6	0.6	0.6	0.6
Limited English Proficiency	1.0	1.1	1.2	1.3
Guaranteed Tax Base	-0.7	0.8	2.1	2.0
Student Transportation	0.1	0.1	0.1	0.1
<b>Direct Aid Subtotals</b>	<b>\$10.0</b>	<b>\$11.7</b>	<b>\$13.2</b>	<b>\$13.5</b>
Teachers' Retirement	<u>0.0</u>	<u>0.0</u>	<u>1.1</u>	<u>1.4</u>
<b>Total</b>	<b>\$10.0</b>	<b>\$11.7</b>	<b>\$14.3</b>	<b>\$14.9</b>

Source: Department of Legislative Services

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Using data from the 2005-2006 school year, the Task Force to Study Raising the Compulsory Public School Attendance Age to 18 estimated that it would cost \$12.1 million for portable classrooms to accommodate additional students if the compulsory age of attendance was raised to 18 in Prince George's County. Using the Department of Legislative Services data on the number of dropouts and information from MSDE on the current cost of portable classrooms, it is estimated that it would cost \$30.7 million to initially set up and rent the portable classrooms in fiscal 2012 and approximately \$6.7 million annually thereafter. In either case, the cost would be shared by the State and local governments.

The bill may also indirectly affect State expenditures for other programs and functions. The Task Force to Study Raising the Compulsory Public School Attendance Age to 18 indicated that dropouts are disproportionately represented in public assistance programs and the juvenile and adult justice systems. If increasing the compulsory school attendance age in Prince George's County reduces the number of students who leave high school before earning a diploma, this may decrease State costs for social programs, public safety, and correctional services. Any potential long-term savings cannot be reliably estimated.

**Local Revenues:** State aid to Prince George’s County Public Schools will increase by an estimated \$17.7 million in fiscal 2013; however, State funding to other local school systems decreases collectively by an estimated \$7.7 million due to the wealth equalization factor in State aid. The effect on direct fiscal 2013 State education funding for each local school system is shown in **Exhibit 3**. According to current estimates, two local school systems will be unaffected by the change, and 21 local school systems will receive less State aid than they are expected to receive under current law.

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**Exhibit 3**  
**Projected Changes in Fiscal 2013 Direct State Aid**  
(\$ in Thousands)

<u>County</u>	<u>Change in Aid</u>	<u>County</u>	<u>Change in Aid</u>
Allegany	(134)	Harford	(337)
Anne Arundel	(632)	Howard	(404)
Baltimore City	(1,521)	Kent	(20)
Baltimore	(1,101)	Montgomery	(1,258)
Calvert	(138)	Prince George’s	17,656
Caroline	(72)	Queen Anne’s	(59)
Carroll	(205)	St. Mary’s	(147)
Cecil	(209)	Somerset	(44)
Charles	(372)	Talbot	0
Dorchester	(63)	Washington	(323)
Frederick	(355)	Wicomico	(237)
Garrett	(32)	Worcester	0

Source: Department of Legislative Services

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After fiscal 2013, State aid for Prince George’s County Public Schools will be approximately \$19.5 million to \$22.0 million higher than it would be without the change in the compulsory school attendance age. There will be at least a small negative impact on every other local school system except Talbot and Worcester counties, which are already at the State minimum funding levels for formulas that will be affected by the higher enrollment counts in Prince George’s County. Collectively, State education aid increases by \$11.7 million to \$14.9 million annually, with the annual increases for Prince George’s County Schools partially offset by decreases for nearly every other local school system.

**Local Expenditures:** Prince George's County school expenditures increase as a result of adding students to local enrollments, which will begin in fall 2011 (fiscal 2012) under the bill. In fiscal 2011, Prince George's County has budgeted approximately \$5,000 per pupil in local education spending. If this cost is applied to approximately 1,500 additional students in fiscal 2012, local expenditures will increase by \$7.8 million. However, the actual magnitude of any increase will depend on the ability of the school system to accommodate additional students with available resources.

One school function that will most likely require additional resources is the tracking of truant students. Local school systems use pupil personnel workers to monitor truancy. If students who would drop out without this legislation are required to stay in school, it is assumed that there will be more truancy problems and that more pupil personnel workers will be needed. In June 2010, the average salary and benefits for a pupil personnel worker in Prince George's County was approximately \$85,247. The number of additional pupil personnel workers that might be needed cannot be reliably estimated.

County governments are required to provide local school systems with at least as much funding per pupil as was provided in the previous fiscal year in order to receive increases in the State share of the foundation formula. Due to the increases in enrollment that will occur if 16- and 17-year-old students in Prince George's County are required to attend school, the county government will be required to increase funding for the school system by an estimated \$7.8 million in fiscal 2013 to comply with the maintenance of effort requirement.

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### **Additional Information**

**Prior Introductions:** Bills to increase the age of compulsory school attendance statewide have been introduced annually since 2002. None of the bills has been successful.

**Cross File:** HB 1092 (Prince George's County Delegation) - Ways and Means.

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

**Fiscal Note History:** First Reader - March 10, 2011  
mc/mwc

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