

Department of Legislative Services
Maryland General Assembly
2012 Session

FISCAL AND POLICY NOTE

House Bill 335 (Delegate Myers, *et al.*)
Ways and Means

Education - Public Secondary Schools Near Boundary of Two Counties

This bill allows a student who must travel more than 30 miles to reach the student's assigned secondary public school to attend a public secondary school in an adjoining county, if the public secondary school in the adjoining county is closer than the assigned public secondary school and the school is below 80% capacity. The State Board of Education may adopt regulations to implement the provisions of the bill.

The bill takes effect July 1, 2012.

Fiscal Summary

State Effect: General fund expenditures may increase minimally beginning in FY 2014 due to potential State aid payments to local school systems that accept additional students. Revenues are not affected.

Local Effect: Some local school systems may realize minimally increased or decreased public school enrollment, which may have a minimal affect on State education aid. A local school system receiving additional public school students under the bill will receive local expense payments from the sending school system. **This bill imposes a mandate on a unit of local government.**

Small Business Effect: None.

Analysis

Current Law: Each local board of education must determine the geographical attendance area for each of its public schools. Generally, a student must attend the school designated to serve the student's attendance area. However, local boards of education

have various policies allowing for enrollment of or the transfer of a student outside of his or her attendance area, under certain circumstances. Unique hardship circumstances, childcare needs, programming purposes, and relief of school overcrowding are among the local exceptions to required pupil attendance within designated attendance areas.

Generally, local school systems must provide transportation to and from school for public school students. A county school board may establish a mileage limit within which school bus transportation is not generally provided. However a student within an established mileage limit may use a school bus if the school bus is not filled to capacity; if no additional bus stop is added to the route to transport the student; and a specific hardship for the student is identified by the transportation officer.

If a county school board considers it practicable, it must consolidate schools and arrange for the transportation of students to and from consolidated schools.

Under certain conditions, a county may send children who reside within its borders to a public school in an adjoining "receiving county." A public school that is near the boundary of two counties may thereby be jointly attended by students from both counties. The county school boards of the two counties may provide jointly for the maintenance and support of the jointly attended school and determine the geographical attendance areas and other attendance policies for all jointly attended schools in the receiving county. If the two counties fail to agree on a geographical attendance area, then the State Superintendent must decide the matter.

State Education Funding

The foundation program is the major State aid program for public schools. A formula determines, for each school system, the State and local shares of a minimum per pupil funding level. The total cost of the foundation program, which equals the per pupil foundation amount times the full-time equivalent student enrollment count, is shared equally by the local governments and the State. However, as a wealth equalized formula, the State provides more aid per pupil to school systems in the less wealthy jurisdictions and less aid per pupil to school systems in the more wealthy jurisdictions.

The State provides grants to assist local school systems with the cost of transporting students to and from school. The grants are inflated annually with the increase in the Consumer Price Index for private transportation in the second preceding fiscal year, but increases may not be less than 1% or more than 8% (and are capped at 1% for fiscal 2013 through 2015). Local school systems experiencing increases in enrollment receive an additional grant amount equal to the district's student enrollment increase over the previous year multiplied by the total per pupil transportation aid from the prior year. In addition to the base transportation grants, the State provides local school systems with an additional \$1,000 for each student with special transportation needs.

For each student residing in a “sending county” but attending public school in a “receiving county,” the sending county must pay the receiving county the lesser of the two counties’ local per student current expense. If the local per student current expense for the sending county is less than it is for the receiving county, then the State pays the receiving county the difference, plus the appropriate State share of the foundation program, for each student residing in the sending county but attending public school in the receiving county.

Background: For over 10 years, Allegany and Washington counties have maintained an agreement to permit middle and high school students from the Little Orleans area of Allegany County to attend school in either county. In 2011 the Allegany County Board of Education voted to modify the agreement to require public middle school students attending school in Washington County (about 24 students) to return to Allegany County and to allow those in 10th through 12th grade for the 2011-2012 school year (about 17 students) to complete their high school experience in Washington County. The Washington County Board of Education agreed with the modification.

In August of 2011, the Circuit Court for Allegany County denied both a temporary restraining order and injunctive relief to plaintiffs wishing to continue the practice of allowing middle school students residing in Allegany County to attend the Washington County public school. In October of 2011, the Maryland State Board of Education affirmed the decision of the Allegany County Board of Education in response to an appeal by 43 parents of students living in the Little Orleans area of Allegany County. The State board disagreed with each of six particular arguments that the county school board acted in an illegal and arbitrary manner in reaching its decision.

The public school in Washington County receiving students from Allegany County under the current joint agreement is Hancock Middle-Senior High School. Washington County advises that as of September 30, 2011, this school’s enrollment was 304 students, or 52% of the school’s 584 student full capacity. Washington County also advises that parents of nine students residing in Allegany County have agreed to make tuition payments and cover transportation costs in order to send the students to a public school in Washington County.

Garrett County is presently phasing out its tuition support for certain students to attend public school in Allegany County. Garrett County Board of Education policy allows students currently attending an Allegany County public school who were in grades 6 through 11 during the 2009-2010 school year to continue attending the Allegany County school and provides tuition reimbursement for these students. Also, younger siblings of these students will be allowed to enroll in the Allegany County school after completing elementary school in Garrett County; tuition reimbursement will be provided for these students as well. This phase-out affects those residing in the Finzel area of northeast

Garrett County. A similar arrangement for the Bloomington area of southeast Garrett County has already phased out. This bill may result in the reestablishment of the phased out agreements.

State Fiscal Effect: General fund expenditures may increase minimally beginning in fiscal 2014 to the extent that additional students attend school in an adjoining county and that the receiving county has a current expense amount above the current expense amount for the sending county.

Local Fiscal Effect: A sending county will be required to make additional local expense payments to an adjoining receiving county to the extent that (1) the 30-mile distance threshold is exceeded; (2) for a given year, the potential receiving school is below 80% capacity; (3) parents opt to send children to the adjoining county; and (4) existing agreements do not already provide for the children to attend school in the receiving county. The State share of foundation aid and other State aid determined in part by enrollment will decrease for sending counties and increase for receiving counties. Sending county expenditures for public school transportation will increase.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Allegany, Cecil, Carroll, Garrett, St. Mary's, and Washington counties; Maryland State Department of Education; Department of Legislative Services

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