

GENERAL ASSEMBLY OF NORTH CAROLINA



Session 2009

Legislative Fiscal Note

BILL NUMBER: House Bill 1176 (First Edition)

SHORT TITLE: Reorganize Schools with High Dropout Rate.

SPONSOR(S): Representatives Crawford, Coates, Steen, and Langdon

FISCAL IMPACT

Yes ( ) No ( ) No Estimate Available (X)

FY 2009-10 FY 2010-11 FY 2011-12 FY 2012-13 FY 2013-14

General Fund:

SEE ASSUMPTIONS & METHODOLOGY SECTION BELOW\*\*

Positions (cumulative):

Principal Departments(s) & Program(s) Affected: None

Effective Date: This act is effective when it becomes law.

\*\*There is no fiscal impact associated with high schools that would currently be affected by this bill. There could be a possible impact in future years, however it is impossible to predict which high schools will meet the eligibility requirements of this bill in future years.

BILL SUMMARY: This bill would enact new GS 115C-47(38a) to require local boards of education to reorganize all high schools that have a graduation rate of less than 60% for two consecutive years. The reorganization design would need to include at least 5 of the 16 career clusters recognized by the US Department of Education. Each career cluster must include a four-unit career and technical concentration, with at least one course at an advanced level. Virtual school and work experience courses related to the career cluster could be used to meet the concentration requirement. The bill would also require that school counselors or faculty members make information about career clusters, educational requirements, and career outlook available to all eighth and ninth grade students. Finally, the bill would encourage these schools to establish career and technical student organizations related to the offered career clusters.

1 The 16 career clusters recognized by the US Department of Education are: (1) Agriculture & Natural Resources, (2) Architecture & Construction, (3) Arts, Audio/Video Technology & Communications, (4) Business & Administration, (5) Education & Training, (6) Finance, (7) Government & Public Administration, (8) Health Science, (9) Hospitality & Tourism, (10) Human Services, (11) Information Technology, (12) Law & Public Safety, (13) Manufacturing, (14) Retail/Wholesale Sales & Service, (15) Scientific Research & Engineering, and (16) Transportation, Distribution & Logistics.

**ASSUMPTIONS AND METHODOLOGY:** There are currently between 5 and 9 schools that meet this bill’s criteria of having a graduation rate of less than 60% for two consecutive years. The number of schools varies depending on whether “graduation rate” is defined as a 4-year cohort rate or a 5-year cohort rate. The table below lists those high schools that have a graduation rate of less than 60% for two consecutive years:

**High Schools: 4-Year Cohort Rate < 60%, 2 Consecutive Years**

School Name	Type	2007	2008
The Hawbridge School	Charter	38%	33%
Cape Lookout Marine Sci High	Charter	26%	19%
PACE Academy	Charter	33%	45%
Edgecombe Early College High	Early College	46%	47%
J F Webb High	Regular	56%	59%
Ayden-Grifton High	Regular	57%	54%
North Pitt High	Regular	55%	44%
Goldsboro High	Regular	51%	48%
Beddingfield High	Regular	50%	54%

**High Schools: 5-Year Cohort Rate < 60%, 2 Consecutive Years**

School Name	Type	2007	2008
The Hawbridge School	Charter	59%	56%
Cape Lookout Marine Sci High	Charter	41%	28%
Hunter Huss High	Regular	58%	59%
Goldsboro High	Regular	53%	57%
Beddingfield High	Regular	54%	58%

All of the above high schools currently have at least 5 of the required clusters, and are therefore meeting all the requirements of the bill that might have a fiscal impact.

Overall, DPI estimates that 312 of North Carolina’s 411 high schools (76%) have at least 5 of the clusters. Of the 99 high schools that do not have at least 5 career clusters, at least 48 are alternative schools, Learn and Earn schools, or redesigned high schools (schools within a school). If a high school that does not have the required 5 clusters were to experience 2 consecutive years with a graduation rate below 60%, that high school would face some increased costs in order to meet the requirements of this bill.

Costs of implementing career clusters include lesson plans, teaching guides, student workbooks, assessments and information on careers. Commercially available resources on career clusters would cost approximately \$4 to \$7 per student per cluster. Absent an appropriation, high schools would be required to purchase materials on career clusters out of existing resources (most likely from instructional supplies allotment or from local funds).

Because it is impossible to predict which high schools might experience a drop in graduation rates in future years, and all currently eligible high schools already meet the requirements of this bill, there is no estimate available for future years.

**SOURCES OF DATA:** Department of Public Instruction, Career Communications, Inc., States' Career Clusters Initiative

**TECHNICAL CONSIDERATIONS:**

Clarification of "Graduation Rate"

The bill currently requires action if a high school has "a graduation rate of less than sixty percent." Graduation rates can be calculated many ways. The bill sponsor might consider defining graduation rate as either "a 4-year cohort graduation rate" or "a 5-year cohort graduation rate" to remove ambiguity over interpretation of the term "graduation rate."

Types of High Schools

As currently written, this bill would require any high school with a graduation rate of less than 60% to provide at least 5 career clusters. The bill sponsor might consider defining high schools based on size or the curriculum it offers. The current bill could require reorganization of alternative schools, Learn & Earn sites, or redesigned high schools with very small numbers of students. Furthermore redesigned high schools offer a curriculum with a career-based theme. As noted above, there are at least 48 alternative schools, Learn and Earn schools or redesigned high schools that do not currently offer 5 or more career clusters.

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**DATE:** April 21, 2009



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