Graduation Matters Montana
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SB 13: Raise the legal dropout age to "age 18 or upon graduation"

SENATE EDUCATION
EXHIBIT NO. 1
DATE 1/23/13
BILL NO. SB13

What SB 13 does:

This bill raises the legal drop out age from "age 16" to "age 18 or upon graduation". The bill also allows flexibility for students from the compulsory attendance requirement in order to allow them to pursue a GED, enroll in postsecondary education or an apprenticeship, or to attend Montana Job Corps or Youth Challenge. It exempts students who are home schooled. In the 2011-2012 school year, 1,841 students dropped out of school. **It is estimated that an additional 244 students each year will stay in school with the passage of SB 13.**

Why we need SB 13:

Montana is one of only 17 states in the country that allow 16-year-olds to drop out of high school.[i] Montana's legal dropout age of 16 was established back in 1921 – a time of very different social and economic demands. In today's global economy, a student needs *at minimum* a high school diploma to find a decent-paying job. By the year 2018, it is estimated that 63% of the jobs in this country and 62% of the jobs in Montana will require education and training beyond high school.[ii] We need to set a statewide expectation for Montana students that they will graduate from high school.

Montana's dropout rate costs our state millions of dollars each year:

- Nearly 80% of male inmates and 75% of female inmates at Montana State Prison are high school dropouts.[iii]
- Almost 30% of Montana's high school dropouts meet the federal definition of low-income, which is twice the rate of high school graduates.[iv]
- High school dropouts earn $9,200 less per year than high school graduates and about one million dollars less over a lifetime than college graduates.[v]
- The economy of Montana would see a combination of crime-reduction savings and additional revenue of about $19.6 million each year if the male high school graduation rate increased by just 5 percent.[vi]
- If Montana were able to cut the dropout rate in half, the state would gain $12 million more a year in increased earnings and $21 million more in home sales.[vii]

SB 13 is a critical piece of a comprehensive, statewide strategy:

Graduation Matters Montana consists of 28 locally-designed initiatives that engage schools, communities, businesses and families in a focused effort to increase the number of students who graduate prepared for college and careers. Sixty-five percent of Montana students currently attend a school with a Graduation Matters initiative. Since launching Graduation Matters Montana, our high school dropout rate has declined from 5.1 percent to 4.1 percent and from 2,423 students dropping out annually to 1,841 students. SB 13 would provide communities with another strategy to build on the successes of the past two years.

Prepared by the Office of Public Instruction, January 2013

[i] Education Commission of the States, current as of 12/31/2012.

[ii] "Projections of Jobs and Education Requirements Through 2018," The Georgetown University Center on Education and the Workforce, accessed 12/31/2012, http://www9.georgetown.edu/grad/gppi/hpi/cew/pdfs/montana.pdf.

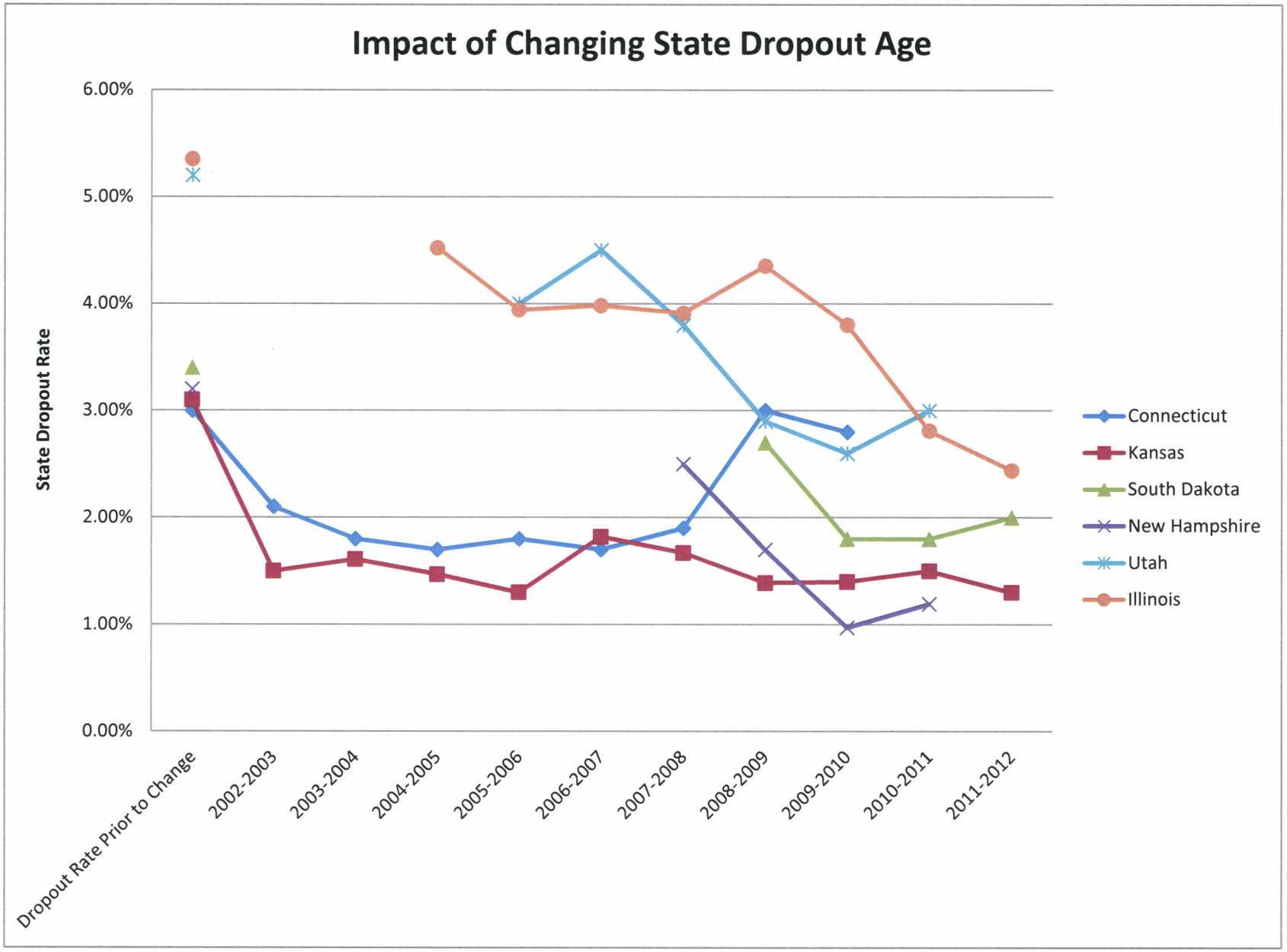
[iii] Montana Department of Corrections, *2009 Biennial Report, Accessed 12/31/2012, http://www.cor.mt.gov/content/Resources/Reports/2009BiennialReport.pdf.*

[iv] *Jeffrey A. Springer and David A. Stuit, "Montana's High School Dropouts: Examining the Fiscal Consequences," The Friedman Foundation for Educational Choice (2010).*

[v] John M. Bridgeland, John J. Dilulio Jr., and Karen Burke Morison, *The Silent Epidemic: Perspectives of High School Dropouts* (March 2006).

[vi] "Montana High Schools," Alliance for Excellent Education, accessed 12/31/2012, http://www.all4ed.org/files/Montana.pdf.

[vii] "Education and the Economy: Boosting Montana's Economy by Improving High School Graduation Rates," Alliance for Excellent Education, accessed 12.31.2012, http://www.all4ed.org/files/Montana_seb.pdf.


Impact of Changing State Dropout Age
State Dropout Rate
6.00%
5.00%
4.00%
3.00%
2.00%
1.00%
0.00%
Dropout Rate Prior to Change
2002-2003
2003-2004
2004-2005
2005-2006
2006-2007
2007-2008
2008-2009
2009-2010
2010-2011
2011-2012
Connecticut
Kansas
South Dakota
New Hampshire
Utah
Illinois

State Dropout Rates

	Dropout Rate Prior to Change	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012
Connecticut	3.00%	2.10%	1.80%	1.70%	1.80%	1.70%	1.90%	3.00%	2.80%		
Kansas	3.10%	1.50%	1.61%	1.47%	1.30%	1.82%	1.67%	1.39%	1.40%	1.50%	1.30%
South Dakota	3.40%							2.70%	1.80%	1.80%	2.00%
New Hampshire	3.20%						2.50%	1.70%	0.97%	1.19%	
Utah	5.20%				4.00%	4.50%	3.80%	2.90%	2.60%	3.00%	
Illinois	5.35%			4.52%	3.94%	3.98%	3.91%	4.35%	3.80%	2.81%	2.44%