

*September 24, 2008*

---

# Just 1 Illinois High School Dropout Costs \$221,000

---

## Associated Press

**T**axpayers lose \$221,000 over the course of a lifetime for each Illinois student who drops out of school, according to a new analysis released Wednesday.

“Taxpayers bear a huge fiscal burden for the dropout problem in Illinois,” said study co-author Joe McLaughlin of the Center for Labor Market Studies at Boston’s Northeastern University.

Dropouts pay lower taxes compared to high school graduates, McLaughlin said. They collect more unemployment, welfare, food stamps, rent subsidies and other government support. They go to prison at higher rates.

The researchers used U.S. Census Bureau and Illinois data to calculate the net fiscal effect of dropping out.

The analysis was released in support of a plan to triple the number of dropouts re-enrolled

annually in Illinois. The plan, submitted to the Legislature in January, calls for more money for programs tailored to dropouts.

Phased in over five years, the plan would cost \$31 million in its first year and \$166 million in its fifth year. Its goal would be to graduate 11,000 former dropouts by its fifth year.

“The program makes a lot of sense for the kids and for the taxpayers,” said task force member Jack Wuest, executive director of Chicago’s Alternative Schools Network, a non-profit organization. “By the fifth year, it should be paying for itself.”

**Facts about Illinois dropouts**  
Parents and taxpayers can find dropout rates for school districts and high schools at the Illinois State Board of Education’s Web site, [www.isbe.state.il.us/](http://www.isbe.state.il.us/). Click on “Report Cards” and search by school or district name.

**THOUSANDS OF DROPOUTS:** In 2006-2007, the state’s

high school dropout rate was 3.5 percent. More than 25,000 students dropped out that year. A task force studying the issue estimated 14 percent of high-school age students, more than 100,000, were out of school in 2006.

**OUT OF WORK:** Only 35 percent of Illinois teenage dropouts were able to find jobs in 2005. In contrast, 57 percent of teenage high school grads were employed.

**EARNINGS:** Mean annual earnings for Illinois men who dropped out was \$21,400 in 2005, nearly 30 percent below the mean salary of male high school grads. Women made \$8,500, which was 47 percent less than women who graduated.

**HOME OWNERSHIP:** In 2005, the rate of home ownership was 49 percent among Illinois households headed by someone lacking a high school diploma. The rate was 64 percent for high school grads and 75 percent for college grads.