

SENATE BILL 1146

F1, F3

6lr3669
CF HB 209

By: **Senator McFadden**

Introduced and read first time: March 3, 2016

Assigned to: Rules

A BILL ENTITLED

1 AN ACT concerning

2 **Education – State Grant to Counties With Declining Student Enrollment**

3 FOR the purpose of altering the criteria for a county board of education to be eligible to
4 receive a certain State grant in certain fiscal years; requiring certain county boards
5 of education to receive certain grants under certain circumstances; declaring the
6 intent of the General Assembly; requiring the Governor to transfer certain funds for
7 a certain fiscal year to eligible counties in a certain year under certain circumstances;
8 requiring certain funds to be provided in a certain fiscal year if certain funds are not
9 transferred; requiring the City of Baltimore to appropriate certain funds for a certain
10 purpose in a certain year; specifying the calculation of a certain amount in a certain
11 year; and generally relating to State education aid.

12 BY repealing and reenacting, with amendments,
13 Article – Education
14 Section 5–202(i)
15 Annotated Code of Maryland
16 (2014 Replacement Volume and 2015 Supplement)

17 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
18 That the Laws of Maryland read as follows:

19 **Article – Education**

20 5–202.

21 (i) (1) In this subsection, “total direct education aid” means the total financial
22 assistance provided by the State to a county board under the following programs:

23 (i) Funding for the foundation program including funds for the
24 Geographic Cost of Education under this section;

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



- 1 (ii) Transportation aid under § 5–205 of this subtitle;
- 2 (iii) Funding for compensatory education under § 5–207 of this
3 subtitle;
- 4 (iv) Funding for students with limited English proficiency under §
5 5–208 of this subtitle;
- 6 (v) Funding for special education students under § 5–209 of this
7 subtitle;
- 8 (vi) Funding for the guaranteed tax base program under § 5–210 of
9 this subtitle; and
- 10 (vii) Funding for grants provided under this subsection.

11 (2) For fiscal year 2012 only, if a county board's total direct education aid
12 in the current fiscal year is less than the prior fiscal year by more than 6.5%, then the State
13 shall provide a grant to the county board in an amount necessary to ensure that a decrease
14 in total direct education aid is not more than 6.5%.

15 (3) For fiscal year 2013 only, if a county board's total direct education aid
16 in the current fiscal year is less than the prior fiscal year by more than 5%, then the State
17 shall provide a grant to the county board in an amount necessary to ensure that a decrease
18 in total direct education aid is not more than 5%.

19 (4) For fiscal year 2014 only, if a county board's total direct education aid
20 in the current fiscal year is less than the prior fiscal year by more than 1%, then the State
21 shall provide a grant to the county board equal to 25% of the decrease in total direct
22 education aid from the prior fiscal year to the current fiscal year.

23 (5) (i) For fiscal years 2015 through **[2017] 2018**, a county board is
24 eligible for a State grant under this paragraph if a county board's:

25 1. **[Full-time equivalent enrollment is less than 5,000;**

26 **2.] Full-time equivalent enrollment in the current fiscal year**
27 **is less than the prior fiscal year; and**

28 **[3.] 2. Total direct education aid in the current fiscal year**
29 **is less than the prior fiscal year by more than 1%.**

30 (ii) The State shall provide a grant to a county board that is eligible
31 under subparagraph (i) of this paragraph.

32 (iii) The grant shall be equal to 50% of the decrease in total direct
33 education aid from the prior fiscal year to the current fiscal year.

1 SECTION 2. AND BE IT FURTHER ENACTED, That the county boards of
2 education that would have been eligible for a grant in fiscal year 2015, 2016, or 2017 under
3 § 5–202(i) of the Education Article, as enacted by Section 1 of this Act, shall receive in fiscal
4 year 2017 any grants for which they were eligible in fiscal years 2015 through 2017 if funds
5 are restricted or provided for this purpose in the 2017 budget bill (S.B. 190/H.B. 150)
6 (Chapter ____, Acts of the General Assembly of 2016).

7 SECTION 3. AND BE IT FURTHER ENACTED, That it is the intent of the General
8 Assembly that the Governor transfer funds to a county board of education for fiscal year
9 2017 in accordance with this Act if funds are restricted for this purpose in the 2017 budget
10 bill (S.B. 190/H.B. 150) (Chapter ____, Acts of the General Assembly of 2016). If funds are
11 restricted in the budget bill and the Governor does not transfer the fiscal 2017 funds in
12 accordance with this Act, then that amount shall be provided to the county board in fiscal
13 year 2018. If a county board also qualifies for a grant for fiscal year 2018 under this Act,
14 then the total grant owed to a county board in fiscal year 2018 shall be equal to the fiscal
15 2018 amount calculated under this Act plus the fiscal 2017 amount calculated under this
16 Act.

17 SECTION 4. AND BE IT FURTHER ENACTED, That, in addition to the
18 maintenance of effort amount required under § 5–202(d) of the Education Article for fiscal
19 year 2017, the City of Baltimore shall appropriate \$10,000,000 for the Baltimore City
20 Public Schools, which shall be counted in the highest local appropriation used to calculate
21 the required maintenance of effort amount for fiscal year 2018.

22 SECTION 5. AND BE IT FURTHER ENACTED, That this Act shall take effect June
23 1, 2016.