SENATE BILL 958

F1, B1, B5   3lr3184

By: **Senator Madaleno**
Introduced and read first time: February 14, 2013
Assigned to: Rules

A BILL ENTITLED

1   AN ACT concerning

2   **Education – State Funding – Operating and Capital Funds**

3   FOR the purpose of establishing the rate by which the target per pupil foundation
4   amount is increased in certain fiscal years; requiring that certain county boards
5   of education receive a certain grant; repealing a certain provision that allowed
6   for the reduction of a grant under certain circumstances; establishing a certain
7   State goal to provide at least a certain amount of funds in each fiscal year for
8   certain purposes; and generally relating to education funding in the State.

9   BY repealing and reenacting, without amendments,
10   Article – Education
11   Section 5–202(a)(1)
12   Annotated Code of Maryland
13   (2008 Replacement Volume and 2012 Supplement)

14 BY repealing and reenacting, with amendments,
15   Article – Education
16   Section 5–202(a)(13) and (f) and 5–301(c)
17   Annotated Code of Maryland
18   (2008 Replacement Volume and 2012 Supplement)

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

21   **Article – Education**

22 5–202.

23   (a)   (1)   In this section the following words have the meanings indicated.

24   (13)   "Target per pupil foundation amount" means:

EXPLANATION: **Capitals indicate matter added to existing law.**
[Brackets] indicate matter deleted from existing law.

1   (i)   In fiscal years 2008, 2009, and 2010, $6,694;

2   (ii)   Except as provided in items (iii) and (iv) of this paragraph,
3   in subsequent fiscal years:

4   1.   The target per pupil foundation amount for the prior
5   fiscal year increased by the same percentage as the lesser of:

6   A.   The increase in the implicit price deflator for State
7   and local government expenditures for the second prior fiscal year;

8   B.   The Consumer Price Index for all urban consumers for
9   the Washington–Baltimore metropolitan area, or any successor index, for the second
10   prior fiscal year; or

11   C.   5%; or

12   2.   If there is no increase in the implicit price deflator for
13   State and local government expenditures for the second prior fiscal year or in the
14   Consumer Price Index for all urban consumers for the Washington–Baltimore
15   metropolitan area, or any successor index, for the second prior fiscal year, the target
16   per pupil foundation amount for the prior fiscal year;

17   (iii)   In fiscal year 2012, $6,694; and

18   (iv)   In each of fiscal years 2013 **[**through 2015**] AND 2014**:

19   1.   The target per pupil foundation amount for the prior
20   fiscal year increased by the same percentage as the lesser of:

21   A.   The increase in the implicit price deflator for State
22   and local government expenditures for the second prior fiscal year;

23   B.   The Consumer Price Index for all urban consumers for
24   the Washington–Baltimore metropolitan area, or any successor index, for the second
25   prior fiscal year; or

26   C.   1%; or

27   2.   If there is no increase in the implicit price deflator for
28   State and local government expenditures for the second prior fiscal year or in the
29   Consumer Price Index for all urban consumers for the Washington–Baltimore
30   metropolitan area, or any successor index, for the second prior fiscal year, the target
31   per pupil foundation amount for the prior fiscal year.

1   (f)   (1)   In this subsection, "GCEI adjustment" means the foundation
2   program for each county multiplied by:

3   (i)   0.000 in Allegany;

4   (ii)   0.018 in Anne Arundel;

5   (iii) 0.042 in Baltimore City;

6   (iv) 0.008 in Baltimore;

7   (v)   0.021 in Calvert;

8   (vi) 0.000 in Caroline;

9   (vii) 0.014 in Carroll;

10   (viii) 0.000 in Cecil;

11   (ix) 0.020 in Charles;

12   (x)   0.000 in Dorchester;

13   (xi) 0.024 in Frederick;

14   (xii) 0.000 in Garrett;

15   (xiii) 0.000 in Harford;

16   (xiv) 0.015 in Howard;

17   (xv) 0.010 in Kent;

18   (xvi) 0.034 in Montgomery;

19   (xvii) 0.048 in Prince George's;

20   (xviii) 0.011 in Queen Anne's;

21   (xix) 0.002 in St. Mary's;

22   (xx) 0.000 in Somerset;

23   (xxi) 0.000 in Talbot;

24   (xxii) 0.000 in Washington;

1   (xxiii) 0.000 in Wicomico; and

2   (xxiv) 0.000 in Worcester.

3   (2)   **[**To the extent funds are provided in the State budget for the
4 grants under this subsection, in**]** **IN** addition to the State share of the foundation
5 program, each county board **[**may**]** **SHALL** receive a grant to reflect regional
6 differences in the cost of education that are due to factors outside of the control of the
7 local jurisdiction.

8   (3)   **[**Subject to paragraph (4) of this subsection, the**]** **THE** amount of
9 the grant to each county board under this subsection shall equal the GCEI adjustment
10 for the county board multiplied times:

11   (i)   0.50 in fiscal year 2006;

12   (ii)   0.62 in fiscal year 2007;

13   (iii)   0.74 in fiscal year 2008;

14   (iv)   0.86 in fiscal year 2009; and

15   (v)   1.00 in fiscal year 2010 and each fiscal year thereafter.

16   **[**(4)   For any fiscal year, if sufficient funds are not provided in the State
17 budget to fully fund the grants provided under this subsection, the grant to each
18 county board under this subsection shall equal the amount determined under
19 paragraph (3) of this subsection multiplied by a fraction:

20   (i)   The numerator of which is the amount provided in the State
21 budget to fund the grants; and

22   (ii)   The denominator of which is the sum of the amounts
23 calculated under paragraph (3) of this subsection for all the county boards.**]**

24 5–301.

25   (c)   **(1)   IT IS THE GOAL OF THE STATE TO PROVIDE AT LEAST**
26 **$350,000,000 IN EACH FISCAL YEAR TO FUND PUBLIC SCHOOL CONSTRUCTION**
27 **OR CAPITAL IMPROVEMENT COSTS.**

28   **(2)**   The State shall pay the costs in excess of available federal funds of
29 the State share of public school construction projects and public school capital
30 improvements in each county if:

1   **[**(1)**]** **(I)**   The projects or improvements have been approved by the
2 Board of Public Works; and

3   **[**(2)**]** **(II)**   Contracts have been executed on or after July 1, 1971 for the
4 projects or improvements.

5   SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
6 July 1, 2013.