

# HOUSE BILL 349

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By: **Delegates Vitale, Bates, Beidle, Eckardt, Elliott, Frank, Frush, George, Krebs, Love, McConkey, McMillan, Norman, Pena-Melnyk, Schuh, Sophocleus, and Stocksdales**

Introduced and read first time: January 22, 2014

Assigned to: Ways and Means

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## A BILL ENTITLED

AN ACT concerning

### **Education – Maintenance of Effort – Lease Payment Exclusion**

FOR the purpose of excluding certain lease payments made by a county board of education from the maintenance of effort calculation; and generally relating to maintenance of effort funding.

BY repealing and reenacting, with amendments,

Article – Education

Section 5–202(d)(3)(i)

Annotated Code of Maryland

(2008 Replacement Volume and 2013 Supplement)

(As enacted by Chapter 647 of the Acts of the General Assembly of 2013)

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

### **Article – Education**

5–202.

(d) (3) (i) For purposes of this subsection, for fiscal year 1997 and each subsequent fiscal year, the calculation of the county's highest local appropriation to its school operating budget for the prior fiscal year shall exclude:

1. A nonrecurring cost that is supplemental to the regular school operating budget, if the exclusion qualifies under regulations adopted by the State Board;

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



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2. A cost of a program that has been shifted from the county school operating budget to the county operating budget;

3. The cost of debt service incurred for school construction projects; [and]

4. For a county that shifts the recurring costs associated with providing retiree health benefits for current retirees to the county board, any reduction in those retiree health costs from the amount the county was required to appropriate in the previous year; **AND**

**5. LEASE PAYMENTS MADE BY A COUNTY BOARD TO A PRIVATE ENTITY HOLDING TITLE TO PROPERTY USED FOR A PARTICULAR PUBLIC SCHOOL BY A COUNTY BOARD AS DESCRIBED IN § 4-114(C)(1) OF THIS ARTICLE.**

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2014, the effective date of Chapter 6 of the Acts of the General Assembly of 2012. If the effective date of Chapter 6 is amended, this Act shall take effect on the taking effect of Chapter 6.