

HOUSE BILL 209

F1, F3

6lr1288

By: **Delegates Krebs, Afzali, Ciliberti, Kittleman, Rose, and Shoemaker**

Introduced and read first time: January 22, 2016

Assigned to: Appropriations

A BILL ENTITLED

1 AN ACT concerning

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

3 FOR the purpose of establishing eligibility for a county board of education to receive a
4 certain State grant; requiring a certain grant to be provided to eligible county boards
5 in certain fiscal years; declaring the intent of the General Assembly; requiring the
6 Governor to transfer certain funds for a certain fiscal year to eligible counties in a
7 certain year under certain circumstances; requiring certain funds to be provided in
8 a certain fiscal year if certain funds are not transferred; and generally relating to
9 State education aid.

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

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

17 **Article – Education**

18 5–202.

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

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

23 (ii) Transportation aid under § 5–205 of this subtitle;

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



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

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

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

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

22 (5) (i) For fiscal years 2015 [through 2017] **AND 2016**, a county board
23 is eligible for a State grant under this paragraph if a county board's:

- 24 1. Full-time equivalent enrollment is less than 5,000;
- 25 2. Full-time equivalent enrollment in the current fiscal year
26 is less than the prior fiscal year; and
- 27 3. Total direct education aid in the current fiscal year is less
28 than the prior fiscal year by more than 1%.

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

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

1 **(6) (I) FOR FISCAL YEARS 2017 AND 2018, A COUNTY BOARD IS**
2 **ELIGIBLE FOR A STATE GRANT UNDER THIS PARAGRAPH IF A COUNTY BOARD'S:**

3 **1. FULL-TIME EQUIVALENT ENROLLMENT IN THE**
4 **CURRENT FISCAL YEAR IS LESS THAN THE PRIOR FISCAL YEAR; AND**

5 **2. TOTAL DIRECT EDUCATION AID IN THE CURRENT**
6 **FISCAL YEAR IS LESS THAN THE PRIOR FISCAL YEAR BY MORE THAN 1%.**

7 **(II) THE STATE SHALL PROVIDE A GRANT TO A COUNTY BOARD**
8 **THAT IS ELIGIBLE UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH.**

9 **(III) THE GRANT SHALL BE EQUAL TO 100% OF THE DECREASE**
10 **IN TOTAL DIRECT EDUCATION AID FROM THE PRIOR FISCAL YEAR TO THE CURRENT**
11 **FISCAL YEAR.**

12 SECTION 2. AND BE IT FURTHER ENACTED, That it is the intent of the General
13 Assembly that the Governor transfer funds to a county board of education for fiscal year
14 2017 in accordance with this Act if funds are restricted for this purpose in the 2017 budget
15 bill (S.B. __/ H.B. __) (Chapter ____, Acts of the General Assembly of 2016). If funds are
16 restricted in the budget bill and the Governor does not transfer the fiscal 2017 funds in
17 accordance with this Act, then that amount shall be provided to the county board in fiscal
18 year 2018. If a county board also qualifies for a grant for fiscal year 2018 under this Act,
19 then the total grant owed to a county board in fiscal year 2018 shall be equal to the fiscal
20 2018 amount calculated under this Act plus the fiscal 2017 amount calculated under this
21 Act.

22 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect June
23 1, 2016.