

HOUSE BILL 1000

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9lr2753
CF SB 586

By: **Delegates Valentino–Smith, B. Barnes, D. Barnes, Holmes, Lehman, and
Pena–Melnyk**

Introduced and read first time: February 8, 2019

Assigned to: Appropriations

A BILL ENTITLED

1 AN ACT concerning

2 **School Maintenance Incentive Funding Act of 2019**

3 FOR the purpose of requiring the Governor to include a certain amount in the annual State
4 budget for each county board of education to support the maintenance of school
5 buildings and equipment; requiring a certain appropriation to be in addition to any
6 other State funds provided to the county board in a certain fiscal year; requiring each
7 county board to use certain funds for a certain purpose; defining certain terms; and
8 generally relating to maintaining school buildings and equipment.

9 BY repealing and reenacting, without amendments,
10 Article – Education
11 Section 5–101(a) and (b)
12 Annotated Code of Maryland
13 (2018 Replacement Volume and 2018 Supplement)

14 BY adding to
15 Article – Education
16 Section 5–221
17 Annotated Code of Maryland
18 (2018 Replacement Volume and 2018 Supplement)

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

21 **Article – Education**

22 5–101.

23 (a) (1) Subject to the rules and regulations of the State Board and with the
24 advice of the county superintendent, each county board shall prepare an annual budget

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 according to:

- 2 (i) The major categories listed in this section; and
3 (ii) Any other major category required by the State Board.

4 (2) In addition to the information required by this section, the county fiscal
5 authorities may require the county board to provide details to the service areas and
6 activities levels in the account structure within the “Financial Reporting Manual for
7 Maryland Public Schools”.

8 (3) With the annual budget, each county board shall provide:

- 9 (i) The number of full-time equivalent positions included within
10 each major category; and
11 (ii) A description of any fund balances or other money held by any
12 outside source, including an insurer, that are undesignated or unreserved and are under
13 the direction and control of the county board.

14 (b) The budget shall be prepared to include the following categories:

15 Part I

16 (1) Current expense fund, estimated receipts:

- 17 (i) Revenue from local sources;
18 (ii) Revenue from State sources;
19 (iii) Revenue from federal sources;
20 (iv) Unliquidated surplus, the actual from the previous fiscal year
21 and the estimated from the current fiscal year, whether accrued from revenues or
22 expenditures; and
23 (v) Revenue from all other sources with identification of the source.

24 (2) Current expense fund, requested appropriations:

- 25 (i) Administration, which means those activities associated with the
26 general regulations, direction, and control of the county board, including:
27 1. Executive administration;
28 2. Business support services; and

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- 1 (3) School construction fund, estimated receipts:
- 2 (i) Revenue from local sources;
- 3 (ii) Sale of bonds;
- 4 (iii) State General Public School Construction Loan;
- 5 (iv) Revenue from State sources;
- 6 (v) Revenue from federal sources;
- 7 (vi) Unliquidated surplus, the actual from the previous fiscal year
8 and the estimated for the current fiscal year, whether accrued from revenues or
9 expenditures; and
- 10 (vii) Funds from all other sources, with identification of the source.
- 11 (4) School Construction Fund, requested appropriations:
- 12 (i) Land for school sites;
- 13 (ii) Buildings and the equipment that will be an integral part of a
14 building by project;
- 15 (iii) School site improvement by project;
- 16 (iv) Remodeling by project;
- 17 (v) Additional equipment by project;
- 18 (vi) Debt service; and
- 19 (vii) An amount that is adequate to satisfy a final court judgment
20 that, after exhaustion of the rights of appeal, is rendered against the county board of
21 education or any of its officers or employees.

22 **5-221.**

23 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS
24 INDICATED.

25 (2) "MAINTENANCE OF PLANT EXPENDITURES" MEANS THE AMOUNT
26 OF TOTAL FUNDS EXPENDED FOR THE MAINTENANCE OF PLANT CATEGORY
27 IDENTIFIED IN § 5-101(B)(2)(XI) OF THIS TITLE.

1 **(3) "TOTAL FUNDS" MEANS THE AMOUNT OF STATE AND LOCAL**
2 **FUNDS EXPENDED IN THE SECOND PRIOR FISCAL YEAR.**

3 **(B) FOR EACH FISCAL YEAR, THE GOVERNOR SHALL INCLUDE IN THE**
4 **ANNUAL STATE BUDGET AN APPROPRIATION TO EACH COUNTY BOARD EQUIVALENT**
5 **TO THE LESSER OF:**

6 **(1) AN AMOUNT EQUIVALENT TO A COUNTY BOARD'S MAINTENANCE**
7 **OF PLANT EXPENDITURES; OR**

8 **(2) 3% OF TOTAL FUNDS EXPENDED FOR THE OPERATING BUDGET**
9 **FOR THE CATEGORIES IDENTIFIED IN § 5-101(B)(2) OF THIS TITLE.**

10 **(C) THE AMOUNT APPROPRIATED UNDER SUBSECTION (B) OF THIS SECTION**
11 **SHALL BE IN ADDITION TO ANY OTHER STATE FUNDS PROVIDED TO THE COUNTY**
12 **BOARD IN THAT FISCAL YEAR.**

13 **(D) EACH COUNTY BOARD THAT RECEIVES FUNDING UNDER THIS SECTION**
14 **MAY USE THE FUNDS ONLY TO SUPPORT THE MAINTENANCE OF SCHOOL BUILDINGS**
15 **AND EQUIPMENT.**

16 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
17 1, 2019.