

Department of Fiscal Services  
Maryland General Assembly

**FISCAL NOTE**

Senate Bill 496 (Senator Currie, *et al.*)  
(Prince George's County Executive)  
Budget and Taxation

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**Prince George's County - Community College - Funding Formula**

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This bill alters the community college maintenance of effort requirement for Prince George's County by requiring that State community college aid for Prince George's County be reduced by the percentage decrease in local financial support from the previous fiscal year. Under current law, a county cannot receive an increase in State community college aid unless local financial support equals or exceeds the amount provided in the previous fiscal year.

This bill takes effect July 1, 1997.

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**Fiscal Summary**

**State Effect:** None, as discussed below.

**Local Effect:** Indeterminate impact on Prince George's County finances.

**Small Business Effect:** None. Small businesses are not directly affected.

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**Fiscal Analysis**

**State Effect:** Full funding of the State share of community college aid is already included in the fiscal 1998 budget allowance. However, absent this legislation, if Prince George's County fails to provide a local appropriation to the Prince George's County Community College equal to the fiscal 1997 amount, the county would be ineligible to receive any increase in State community college aid. The additional State aid targeted to Prince George's County would revert to the State general fund. Pursuant to this legislation, Prince George's County would remain eligible to receive a portion of the State aid increase even if they provide less funding than in the previous year.

**Local Effect:** Prince George's County provided approximately \$10.5 million in local funding

to the Prince George's County Community College in fiscal 1997. Under current law, in order to receive any increase in State community college aid in fiscal 1998, Prince George's County must provide at least the same level of funding as in the previous year. Based on current projections, Prince George's County will receive an additional \$568,402 in State community college aid in fiscal 1998. Pursuant to this legislation, Prince George's County would remain eligible to receive a portion of the State aid increase even if they provide less funding than in the previous year. For example, a 1% reduction in county funding from the previous year would result in a \$5,684 decrease in State aid in fiscal 1998; however, under current law it would result in a \$568,402 decrease in State aid.

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**Information Source(s):** Prince George's County, Department of Fiscal Services

**Fiscal Note History:** First Reader - March 3, 1997

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