

HOUSE BILL 258

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1998 Regular Session
8lr6174
CF 8lr6142

By: **The Speaker (Administration) and Delegates Taylor, Rawlings, Hixson, Conway, Edwards, W. Baker, Bonsack, Boston, Bozman, Brinkley, Cadden, Crumlin, C. Davis, Donoghue, Elliott, Franchot, Getty, Guns, Harrison, Hecht, Heller, Howard, D. Hughes, Jones, Krysiak, Marriott, McClenahan, McIntosh, McKee, Pitkin, Proctor, Rudolph, Slade, Snodgrass, Stocksdale, Stull, Stup, Walkup, and Workman**

Introduced and read first time: January 28, 1998

Assigned to: Appropriations

A BILL ENTITLED

1 AN ACT concerning

2 **Higher Education - Small Community Colleges - Annual Grant**

3 FOR the purpose of establishing a certain annual grant for certain small community
4 colleges; providing certain exceptions during a certain period; defining a certain
5 term; and generally relating to annual grants for small community colleges.

6 BY repealing and reenacting, with amendments,
7 Article - Education
8 Section 16-305
9 Annotated Code of Maryland
10 (1997 Replacement Volume and 1997 Supplement)

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

13 **Article - Education**

14 16-305.

15 (a) The formula used for the distribution of funds to the community colleges in
16 the State shall be known as the Senator John A. Cade Funding Formula.

17 (b) In this section the following words have the meanings indicated.

18 (1) "Assessed valuation of real property" means assessed valuation of
19 real property as determined for purposes of the State aid calculated under § 5-202 of
20 this article.

21 (2) "Board" means:

1 (i) In a county that has 1 or more community colleges, the board of
2 community college trustees for the county; or

3 (ii) Where 2 or more counties establish a region to support a
4 regional community college, the board of regional community college trustees.

5 (3) "Community college" means a community college established under
6 this title but does not include Baltimore City Community College.

7 (4) "County share" means the total amount of money for operating funds
8 to be provided each fiscal year to a board by the county that supports the community
9 college or colleges or, in the case of a regional community college, the total amount of
10 money for operating funds to be provided each fiscal year to the board by all counties
11 that support the regional community college.

12 (5) "Direct grants" means the sum of the following components of the
13 State share:

14 (i) Fixed costs;

15 (ii) Marginal costs; and

16 (iii) Size factor.

17 (6) "Full-time equivalent student" is the quotient of the number of
18 student credit hours produced in the fiscal year 2 years prior to the fiscal year for
19 which the State share is calculated divided by 30, as certified by the Maryland Higher
20 Education Commission.

21 (7) "Population" means population as determined for purposes of
22 calculating the State share of the library program using the definition in § 23-501 of
23 this article.

24 (8) "Region" means the counties supporting a regional community college
25 established under Subtitle 2 of this title.

26 (9) "SMALL COMMUNITY COLLEGE" MEANS:

27 (I) ALLEGANY COLLEGE OF MARYLAND;

28 (II) GARRETT COMMUNITY COLLEGE;

29 (III) HAGERSTOWN JUNIOR COLLEGE;

30 (IV) CARROLL COMMUNITY COLLEGE;

31 (V) CECIL COMMUNITY COLLEGE;

32 (VI) CHESAPEAKE COLLEGE; OR

33 (VII) WOR-WIC COMMUNITY COLLEGE.

1 [(9)] (10) "State share" means the amount of money for community
2 college operating funds to be provided each fiscal year to a board by the State.

3 [(10)] (11) "Student credit hours" means student credit hours or contact
4 hours which are eligible, under the regulations issued by the Maryland Higher
5 Education Commission, for inclusion in State funding calculations.

6 [(11)] (12) "Total State operating fund" means the sum of community
7 college State appropriations for direct grants.

8 (c) (1) The total State operating fund per full-time equivalent student to the
9 community colleges for each fiscal year as requested by the Governor shall be:

10 (i) In Fiscal Year 1998, not less than an amount equal to 21% of the
11 State's General Fund appropriation per full-time equivalent student to the 4-year
12 public institutions of higher education in the State as designated by the Commission
13 for the purpose of administering the Joseph A. Sellinger Program under Title 17 of
14 this article in the previous fiscal year;

15 (ii) In Fiscal Year 1999, not less than an amount equal to 22% of the
16 State's General Fund appropriation per full-time equivalent student to the 4-year
17 public institutions of higher education in the State as designated by the Commission
18 for the purpose of administering the Joseph A. Sellinger Program under Title 17 of
19 this article in the previous fiscal year;

20 (iii) In Fiscal Year 2000, not less than an amount equal to 23% of the
21 State's General Fund appropriation per full-time equivalent student to the 4-year
22 public institutions of higher education in the State as designated by the Commission
23 for the purpose of administering the Joseph A. Sellinger Program under Title 17 of
24 this article in the previous fiscal year;

25 (iv) In Fiscal Year 2001, not less than an amount equal to 24% of the
26 State's General Fund appropriation per full-time equivalent student to the 4-year
27 public institutions of higher education in the State as designated by the Commission
28 for the purpose of administering the Joseph A. Sellinger Program under Title 17 of
29 this article in the previous fiscal year; and

30 (v) In Fiscal Year 2002 and each fiscal year thereafter, not less
31 than an amount equal to 25% of the State's General Fund appropriation per full-time
32 equivalent student to the 4-year public institutions of higher education in the State,
33 as designated by the Commission for the purpose of administering the Joseph A.
34 Sellinger Program under Title 17 of this article in the previous fiscal year.

35 (2) The State share shall be distributed to each board and shall be
36 limited by the provisions of subsection (d) of this section.

37 (3) Subject to subsection (d) of this section, the total State share for each
38 board shall be the sum of:

39 (i) The fixed costs component;

1 (ii) The marginal costs component;

2 (iii) The size factor component; and

3 (iv) A hold harmless component.

4 (4) (i) The funds available for the fixed costs component shall be a set
5 percentage of the year's total State operating fund as follows:

6 1. For Fiscal Year 1998, 36% of total funding;

7 2. For Fiscal Year 1999, 37% of total funding; and

8 3. For Fiscal Year 2000 and each fiscal year thereafter, 38%
9 of total funding.

10 (ii) The funds available for the fixed costs component shall be
11 divided and distributed to the community colleges in the same proportion in which
12 the direct grants were distributed in the prior fiscal year.

13 (5) (i) For each board, the marginal costs component shall be the
14 product of the dollar amount per full-time equivalent student multiplied by the
15 number of full-time equivalent students at the board's community college or colleges.

16 (ii) The dollar amount per full-time equivalent student shall be
17 calculated by dividing 60% of the total State operating fund for the fiscal year by the
18 total number of full-time equivalent students at community colleges statewide.

19 (iii) In determining the marginal costs component for a board, the
20 number of full-time equivalent students at all campuses and colleges operated by the
21 board shall be added together.

22 (6) (i) The size factor component shall be a set percentage of the year's
23 total State operating fund as follows:

24 1. For Fiscal Year 1998, 4% of total funding;

25 2. For Fiscal Year 1999, 3% of total funding; and

26 3. For Fiscal Year 2000 and each fiscal year thereafter, 2% of
27 total funding.

28 (ii) The funds available for the size factor component shall be
29 divided and distributed equally to each board that operates a community college or
30 colleges at which the total number of full-time equivalent students is less than or
31 equal to 80% of the statewide median.

32 (iii) In determining the eligibility of a board for a size factor
33 component, the number of full-time equivalent students at all campuses and colleges
34 operated by the board shall be added together.

1 (7) (i) A board shall be eligible for a hold harmless component
2 beginning in Fiscal Year 1998 if the sum of the board's fixed costs, marginal costs, and
3 size factor components for the fiscal year is less than the board's total State share in
4 the prior fiscal year.

5 (ii) The hold harmless component amount shall be determined by
6 subtracting the sum of an eligible board's fixed costs, marginal costs, and size factor
7 components for the fiscal year from the board's total State share for the prior fiscal
8 year.

9 (8) Any employer Social Security contributions required by federal law
10 for any employee of a board of community college trustees shall remain the obligation
11 of the employer.

12 (9) The State contribution to retirement and fringe benefit costs is not
13 included in the calculations of amounts under this subsection.

14 (d) In each fiscal year, in order for a board to receive an increase in the State
15 share of support, the county share, in the aggregate, that supports the community
16 college or colleges shall equal or exceed the aggregate amount of operating fund
17 appropriations made to the board by the county or all of the counties supporting the
18 college in the previous fiscal year.

19 (e) (1) (i) Beginning in Fiscal Year 1996, a grant in the amount provided in
20 paragraph (2) of this subsection shall be distributed to each board in order to provide
21 instruction and services to students enrolled in an English for Speakers of Other
22 Languages ("ESOL") program.

23 (ii) To qualify for a grant under this subsection, each participant in
24 the program shall be a student:

- 25 1. Born outside of the United States or whose native
26 language is not English;
- 27 2. Who comes from an environment where a language other
28 than English is dominant; or
- 29 3. Who is an American Indian or Alaskan native and comes
30 from an environment where a language other than English has had a significant
31 impact on the student's level of English language proficiency.

32 (2) (i) Subject to the provisions of subparagraph (ii) of this paragraph,
33 the amount of the grant shall be \$800 times the number of qualified full-time
34 equivalent students who are enrolled in a county ESOL program and at the
35 community college.

36 (ii) 1. The total amount of the grants under this paragraph may
37 not exceed \$1,000,000 for any fiscal year.

1 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take
2 effect July 1, 1998.