

SENATE BILL 794  
EMERGENCY BILL

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F1

1998 Regular Session  
8lr2792

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By: **Senators Lawlah, Kasemeyer, Hogan, Van Hollen, Middleton, Neall, and Hoffman**

Constitutional Requirements Complied with for Introduction in the last 35 Days of Session

Introduced and read first time: March 18, 1998

Assigned to: Rules

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A BILL ENTITLED

1 AN ACT concerning

2 **State-Aided Educational Institutions - Criteria for Qualifying**

3 FOR the purpose of specifying the criteria for qualification as a State-aided  
4 educational institution; requiring educational institutions to submit certain  
5 requests and certain applications to the Department by a certain date; requiring  
6 the Department to review the applications from educational institutions and  
7 submit a list of qualified institutions to the State Superintendent of Schools for  
8 approval at a certain time; requiring the State Superintendent to select  
9 institutions for approval from the list and forward the list of approved  
10 institutions to the State Board of Education at a certain meeting; requiring the  
11 State Board after a certain meeting to submit the list of institutions with final  
12 approval to the Governor for funding approval; making this Act an emergency  
13 measure; and generally relating to criteria for qualification as a State-aided  
14 educational institution.

15 BY adding to  
16 Article - Education  
17 Section 5-501 through 5-505, inclusive, to be under the new subtitle "Subtitle 5.  
18 State-Aided Educational Institutions"  
19 Annotated Code of Maryland  
20 (1997 Replacement Volume and 1997 Supplement)

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

1 **Article - Education**

## 2 SUBTITLE 5. STATE-AIDED EDUCATIONAL INSTITUTIONS.

3 5-501.

4 (A) TO BE CONSIDERED FOR INCREASED FUNDING, AN EDUCATIONAL  
5 INSTITUTION MUST QUALIFY AS A STATE-AIDED EDUCATIONAL INSTITUTION UNDER  
6 THIS SUBTITLE.

7 (B) TO QUALIFY AS A STATE-AIDED EDUCATIONAL INSTITUTION, AN  
8 EDUCATIONAL INSTITUTION SHALL SUBMIT TO THE DEPARTMENT THE FOLLOWING  
9 DOCUMENTATION:

10 (1) THE NAMES OF THE MEMBERS OF AN INDEPENDENT GOVERNING  
11 BOARD FOR THE INSTITUTION;

12 (2) PROOF OF STATUS AS A NONPROFIT ORGANIZATION;

13 (3) A COPY OF THE MOST RECENT INDEPENDENT ANNUAL AUDIT OR  
14 COPIES OF THE MOST RECENT INTERNALLY GENERATED FINANCIAL STATEMENTS  
15 UNTIL THE ANNUAL AUDIT IS AVAILABLE;

16 (4) A DETAILED OPERATING BUDGET THAT:

17 (I) INDICATES THAT LESS THAN 50% OF THE OPERATING BUDGET  
18 COMES FROM STATE GRANTS;

19 (II) SPECIFIES ALL SOURCES OF INCOME, INCLUDING GRANTS  
20 RECEIVED, NAMES OF GRANTING AGENCIES, AND THE AMOUNT OF EACH GRANT;  
21 AND

22 (III) SPECIFIES ALL EXPENDITURES;

23 (5) PLANS FOR THE USE OF ANY GRANT FUNDS THAT MAY BE AWARDED  
24 BY THE STATE-AIDED EDUCATIONAL INSTITUTIONS GRANTS PROGRAMS;

25 (6) EVIDENCE OF THE PROVISION OF A DIRECT SERVICE TO MARYLAND  
26 SCHOOL GROUPS OR TO INDIVIDUALS WITH DISABILITIES, INCLUDING:

27 (I) DATA ON AGE LEVELS OF STUDENTS TO BE SERVED;

28 (II) DATA ON THE PROJECTED NUMBER OF STUDENTS AND  
29 TEACHERS TO BE SERVED BOTH STATEWIDE AND BY LOCAL JURISDICTION; AND

30 (III) PLANS OF THE INSTITUTION TO SUPPORT THE GOALS OF THE  
31 MARYLAND SCHOOLS FOR SUCCESS PROGRAM AND THE MARYLAND SCHOOL  
32 PERFORMANCE PROGRAM; AND

33 (7) EVIDENCE OF LIABILITY INSURANCE COVERAGE.

1 5-502.

2 AN EDUCATIONAL INSTITUTION THAT SEEKS TO QUALIFY AS A STATE-AIDED  
3 EDUCATIONAL INSTITUTION SHALL SUBMIT BEFORE MAY 1 TO THE MARYLAND  
4 STATE DEPARTMENT OF EDUCATION:

5 (1) AN AUGMENTATION REQUEST DESCRIBING:

6 (I) WHO WILL BE SERVED;

7 (II) THE OBJECTIVES OF THE EDUCATIONAL PROGRAM; AND

8 (III) THE ANTICIPATED OUTCOMES;

9 (2) AN APPLICATION FOR QUALIFICATION AS A STATE-AIDED  
10 EDUCATIONAL INSTITUTION; AND

11 (3) SUPPORTING DOCUMENTATION AS DESCRIBED IN § 5-501 OF THIS  
12 SUBTITLE.

13 5-503.

14 THE DEPARTMENT SHALL REVIEW APPLICATIONS FOR QUALIFICATION AS A  
15 STATE-AIDED EDUCATIONAL INSTITUTION AND SHALL SUBMIT A LIST OF THE  
16 QUALIFIED INSTITUTIONS TO THE STATE SUPERINTENDENT OF SCHOOLS IN JUNE.

17 5-504.

18 THE STATE SUPERINTENDENT SHALL:

19 (1) SELECT INSTITUTIONS FOR APPROVAL FROM THE LIST OF  
20 QUALIFIED INSTITUTIONS; AND

21 (2) PRESENT THE LIST OF APPROVED INSTITUTIONS TO THE STATE  
22 BOARD AT THE JULY MEETING FOR FINAL APPROVAL BY THE BOARD AT THE AUGUST  
23 MEETING.

24 5-505.

25 AFTER THE AUGUST MEETING, THE STATE BOARD SHALL SUBMIT THE LIST OF  
26 EDUCATIONAL INSTITUTIONS THAT HAVE RECEIVED FINAL APPROVAL TO THE  
27 GOVERNOR FOR FUNDING.

28 SECTION 2. AND BE IT FURTHER ENACTED, That this Act is an emergency  
29 measure, is necessary for the immediate preservation of the public health and safety,  
30 has been passed by a ye and nay vote supported by three-fifths of all the members  
31 elected to each of the two Houses of the General Assembly, and shall take effect from  
32 the date it is enacted.