
By: **Delegate Snodgrass**

Introduced and read first time: February 12, 1999

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Elected County Boards of Education - Taxing Authority and Fiscal**
3 **Accountability Authorized**

4 FOR the purpose of authorizing elected county boards of education to impose, by
5 resolution, a property tax to provide funding for public school operations and
6 expenses; providing that the property tax is in addition to the county property
7 tax; providing for the collection and administering of the property tax; requiring
8 the property tax rate to be set by certain county boards at a certain level for
9 certain fiscal years; requiring certain counties to reduce their property tax rate
10 by a certain amount for certain fiscal years; authorizing certain counties to
11 appropriate funds for the county boards of education; authorizing certain county
12 boards to provide for the issuance of bonds and other evidences of indebtedness;
13 requiring that the proceeds from the issuance of bonds and other evidences of
14 indebtedness be used for certain purposes; providing for the tax-exempt nature
15 of the bonds and other evidences of indebtedness; requiring certain county
16 boards to appropriate in an annual budget a certain minimum amount;
17 requiring certain county boards to spend revenues in a certain manner; making
18 technical changes; providing for a delayed effective date; and generally relating
19 to the fiscal accountability of elected boards of education that choose to have
20 taxing authority.

21 BY adding to
22 Article - Education
23 Section 3-115, 3-116, 3-117, 5-103.1, 5-104.1, and 5-105.1
24 Annotated Code of Maryland
25 (1997 Replacement Volume and 1998 Supplement)

26 BY repealing and reenacting, with amendments,
27 Article - Education
28 Section 4-123(c), 5-102, 5-103, 5-104, 5-105, 5-107, 5-109, 5-110, 5-113,
29 5-201(e), 5-202(b)(3)(ii) and (iii)
30 Annotated Code of Maryland
31 (1997 Replacement Volume and 1998 Supplement)

1 BY repealing and reenacting, without amendments,
2 Article - Education
3 Section 5-202(b)(1), (2), and (3)(i)
4 Annotated Code of Maryland
5 (1997 Replacement Volume and 1998 Supplement)

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

8 **Article - Education**

9 3-115.

10 (A) AN ELECTED COUNTY BOARD UNDER THIS PART III, BY RESOLUTION, MAY
11 IMPOSE A PROPERTY TAX ON THE ASSESSABLE PROPERTY OF THE COUNTY TO
12 PROVIDE FUNDING FOR PUBLIC SCHOOL OPERATIONS AND EXPENSES IN THE
13 COUNTY AS PROVIDED IN § 5-104.1 OF THIS ARTICLE.

14 (B) THE PROPERTY TAX AUTHORIZED UNDER SUBSECTION (A) OF THIS
15 SECTION IS IN ADDITION TO THE COUNTY'S PROPERTY TAX.

16 (C) THE PROPERTY TAX:

17 (1) SHALL BE COLLECTED IN THE SAME MANNER THAT THE STATE AND
18 COUNTY PROPERTY TAXES ARE COLLECTED IN THE COUNTY; AND

19 (2) IS SUBJECT TO THE SAME EXEMPTIONS, CREDITS, PAYMENT
20 REQUIREMENTS, AND ENFORCEMENT PROVISIONS THAT APPLY TO THE COUNTY
21 PROPERTY TAX UNDER THE TAX - PROPERTY ARTICLE, INCLUDING IMPOSITION OF A
22 LIEN ON REAL PROPERTY FOR UNPAID TAXES, IMPOSITION OF INTEREST AND
23 PENALTY DUE ON OVERDUE TAXES, AND PROVISIONS RELATING TO TAX SALES.

24 (D) THE COUNTY SHALL REMIT THE TAXES COLLECTED DURING ANY MONTH,
25 AND INTEREST OR PENALTIES ON THE TAXES COLLECTED, TO THE OFFICIAL
26 DESIGNATED BY THE COUNTY BOARD TO RECEIVE THE TAXES.

27 (E) FOR THE FISCAL YEAR IN WHICH AN ELECTED COUNTY BOARD OF
28 EDUCATION CHOOSES TO IMPOSE THE TAXING AUTHORITY GRANTED BY THIS ACT:

29 (1) THE PROPERTY TAX RATE SET BY THE COUNTY BOARD SHALL BE
30 THE RATE THAT IS ESTIMATED TO PROVIDE REVENUES EQUAL TO A LEVEL OF
31 EXPENDITURES THAT IS THE GREATER OF THE LEVEL REQUIRED UNDER § 5-202 OF
32 THIS ARTICLE OR THE LEVEL OF EXPENDITURES IN THE BUDGET OF THE COUNTY
33 BOARD FOR THE PRIOR FISCAL YEAR, UNLESS THE COUNTY BOARD HOLDS A PUBLIC
34 HEARING TO RAISE THE PROPERTY TAX ABOVE THAT RATE;

35 (2) EACH COUNTY IN WHICH THERE IS AN ELECTED COUNTY BOARD
36 SHALL REDUCE ITS PROPERTY TAX RATE TO DECREASE THE AMOUNT OF REVENUE

1 FROM THE PROPERTY TAX BY THE AMOUNT BUDGETED FOR THE COUNTY BOARD
2 FOR THE PRIOR FISCAL YEAR; AND

3 (3) NOTWITHSTANDING PARAGRAPH (2) OF THIS SUBSECTION, A
4 COUNTY MAY APPROPRIATE MONEY FOR THE COUNTY BOARD IN ADDITION TO THE
5 AMOUNT IN THE BUDGET FOR THE COUNTY BOARD.

6 3-116.

7 (A) THE COUNTY BOARDS THAT CHOOSE TO HAVE TAXING AUTHORITY MAY
8 PROVIDE FOR THE ISSUANCE OF BONDS OR OTHER EVIDENCES OF INDEBTEDNESS
9 PAYABLE FROM THE TAXES OR OTHER SOURCES AS MAY HAVE BEEN OR MAY BE
10 IMPOSED IN ACCORDANCE WITH § 3-115 OF THIS SUBTITLE.

11 (B) THE PROCEEDS FROM THE ISSUANCE OF THE BONDS OR OTHER
12 EVIDENCES OF INDEBTEDNESS MAY ONLY BE USED FOR PUBLIC SCHOOL
13 CONSTRUCTION AND PUBLIC SCHOOL CAPITAL IMPROVEMENT PROJECTS.

14 (C) THE BONDS, NOTES, AND ANY OTHER EVIDENCES OF OBLIGATION ISSUED
15 UNDER THIS SECTION, THEIR TRANSFER, THE INTEREST PAYABLE ON THEM, AND
16 ANY INCOME DERIVED FROM THEM, INCLUDING ANY PROFIT REALIZED IN THEIR
17 SALE OR EXCHANGE, SHALL BE EXEMPT AT ALL TIMES FROM EVERY KIND AND
18 NATURE OF TAXATION BY THIS STATE, OR BY ANY OF ITS POLITICAL SUBDIVISIONS,
19 MUNICIPAL CORPORATIONS, OR PUBLIC AGENCIES OF ANY KIND.

20 3-117.

21 FOR EACH FISCAL YEAR, BEGINNING ON JULY 1 AND ENDING ON JUNE 30 OF
22 THE SUBSEQUENT YEAR, A COUNTY BOARD THAT CHOOSES TO HAVE TAXING
23 AUTHORITY SHALL ADOPT A BUDGET THAT CONTAINS THE ESTIMATES OF REVENUE
24 ANTICIPATED AND THE PROPOSED EXPENDITURES FOR DEBT SERVICE ON BONDS
25 ISSUED BY THE COUNTY BOARD AND FOR OTHER PAYMENTS AUTHORIZED BY THIS
26 PART III OF THIS SUBTITLE OR OTHER LAW AND AS OTHERWISE REQUIRED UNDER
27 TITLE 5 OF THIS ARTICLE.

28 4-123.

29 (c) (1) Before any agreement made BY AN APPOINTED COUNTY BOARD
30 under subsection (b) of this section becomes effective, it shall:

31 (i) Be approved by the county governing body; and

32 (ii) Be submitted to the Attorney General.

33 (2) If the Attorney General finds that the agreement is not in proper
34 form or not compatible with the laws of this State, the Attorney General shall give
35 written details to the governing body of each public agency concerned as to how the
36 proposed agreement fails to meet the requirements of law.

1 5-102.

2 (a) In this subtitle, "county council" means, in Baltimore City, the Mayor and
3 City Council of Baltimore.

4 (B) THIS SECTION DOES NOT APPLY TO A COUNTY THAT HAS AN ELECTED
5 COUNTY BOARD WITH TAXING AUTHORITY.

6 [(b)] (C) (1) Each county board shall submit an annual school budget in
7 writing to the county commissioners, county council, or the county executive.

8 (2) The budget shall be submitted not less than 45 days before the date
9 for levying local taxes or on an earlier date on or after March 1 as may be requested
10 by the county fiscal authority.

11 [(c)] (D) (1) This subsection applies only to a county that has a county
12 governing body that consists of a county executive and county council.

13 (2) The county executive shall indicate in writing which major categories
14 of the annual budget of the county board have been denied in whole or reduced in part
15 and the reason for the denial or reduction.

16 (3) The county council may restore any denial or reduction made by the
17 county executive in the annual budget submitted by the county board.

18 (4) In Baltimore County, the County Council may not restore any denial
19 or reduction made by the County Executive.

20 (5) This item applies to Baltimore County and supersedes item (4) of this
21 subsection only if the voters of Baltimore County approve an amendment to the
22 Baltimore County Charter that grants the County Council the authority to restore
23 any denial or reduction made by the County Executive in the budget submitted by the
24 County Board. The Baltimore County Council may restore any denial or reduction
25 made by the County Executive if it publicly states the amount the restoration
26 represents in the county tax rate.

27 [(d)] (E) (1) In Baltimore City, the City Council may not restore any denial
28 or reduction made by the Mayor.

29 (2) (i) This paragraph applies to Baltimore City and supersedes
30 paragraph (1) of this subsection only if the voters of Baltimore City approve an
31 amendment to the Baltimore City Charter that grants the City Council the authority
32 to restore any denial or reduction made by the Mayor in the budget submitted by the
33 County Board.

34 (ii) The Baltimore City Council may restore any denial or reduction
35 made by the Mayor if it publicly states the amount the restoration represents in the
36 City tax rate.

1 [(e)] (F) (1) Copies of the budget shall be made available to the public, on
2 request, at the time it is submitted by the county board.

3 (2) A copy of the budget as approved by the county commissioners or
4 county council shall be sent to the State Superintendent within 30 days after
5 approval.

6 5-103.

7 (a) THIS SECTION DOES NOT APPLY TO A COUNTY THAT HAS AN ELECTED
8 COUNTY BOARD WITH TAXING AUTHORITY.

9 (B) The amount requested in the annual budget of each county board for
10 current expenses for the next school year and that is to be raised by revenue from
11 local sources may not be less than the minimum amount required to be levied under
12 § 5-202 of this title.

13 [(b)] (C) The county commissioners or county council may provide funds that
14 are more than the amount required by § 5-202 of this title to support improved and
15 additional programs.

16 [(c)] (D) If a county council or board of county commissioners does not approve
17 the amount requested in the budget that is more than the amount required by §
18 5-202 of this title:

19 (1) The county council or board of county commissioners shall indicate in
20 writing, within 15 days after the adoption of the budget, which major categories of the
21 annual budget have been reduced and the reason for the reduction; and

22 (2) The county board shall submit to the county governing body, within
23 30 days after the adoption of the budget, a report indicating how the alterations to the
24 budget will be implemented, accompanied by reasonable supporting detail and
25 analysis.

26 5-103.1.

27 THE AMOUNT APPROPRIATED IN THE ANNUAL BUDGET OF EACH ELECTED
28 COUNTY BOARD WITH TAXING AUTHORITY FOR CURRENT EXPENSES FOR THE NEXT
29 SCHOOL YEAR AND THAT IS TO BE RAISED BY REVENUE FROM PROPERTY TAX
30 IMPOSED BY THE ELECTED COUNTY BOARD MAY NOT BE LESS THAN THE MINIMUM
31 AMOUNT REQUIRED TO BE LEVIED UNDER § 5-202 OF THIS TITLE.

32 5-104.

33 (a) THIS SECTION DOES NOT APPLY TO A COUNTY THAT HAS AN ELECTED
34 COUNTY BOARD WITH TAXING AUTHORITY.

35 (B) Each county council or board of county commissioners shall levy and collect
36 a tax on the assessable property of the county which, together with other local
37 revenue available, including income tax revenues and bond money, and together with

1 estimated revenues and funds from all sources, will produce the amounts necessary to
2 meet the appropriations made in the approved annual budget of the county board.

3 [(b)] (C) (1) Local funds provided for appropriations shall be paid in
4 accordance with the expenditure requirements, as certified by the county board, to
5 the treasurer of the county board on a monthly basis.

6 (2) Appropriations for school construction, permanent improvements,
7 and repairs for special purposes may be required to be paid more frequently on the
8 order of the president and secretary of the county board to the county commissioners,
9 county council, or the county executive.

10 [(c)] (D) (1) Notwithstanding any other provision in this article, this
11 subsection applies to Wicomico County.

12 (2) The Wicomico County Council annually shall pay to the Wicomico
13 County Board the amount of the budget of the County Board that has been approved
14 by the County Council:

15 (i) In 12 equal monthly installments; or

16 (ii) At the times on which the County Council and County Board
17 mutually agree.

18 (3) Taxes levied under this section shall be retained by the county and
19 any annual deficiencies in the tax are the responsibility of Wicomico County.

20 5-104.1.

21 EACH ELECTED COUNTY BOARD MAY LEVY AND COLLECT A TAX ON THE
22 ASSESSABLE PROPERTY OF THE COUNTY WHICH, TOGETHER WITH BOND MONEY,
23 AND TOGETHER WITH ESTIMATED REVENUES AND FUNDS FROM ALL SOURCES, WILL
24 PRODUCE THE AMOUNTS NECESSARY TO MEET THE APPROPRIATIONS MADE IN THE
25 ANNUAL BUDGET OF THE ELECTED COUNTY BOARD.

26 5-105.

27 (a) THIS SECTION DOES NOT APPLY TO A COUNTY THAT HAS AN ELECTED
28 COUNTY BOARD WITH TAXING AUTHORITY.

29 (B) All revenues received by a county board shall be spent by the board in
30 accordance with the major categories of its annual budget as provided under § 5-101
31 of this subtitle.

32 [(b)] (C) (1) (i) A transfer may be made within the major categories without
33 recourse to the county commissioners or county council except that a report of the
34 transfer shall be submitted to the county commissioners or county council within 15
35 days after the end of each month.

1 (ii) A report under subparagraph (i) of this paragraph shall include
2 a narrative summary that clearly indicates each transfer.

3 (2) A transfer between major categories shall be made only with the
4 approval of the county commissioners or county council.

5 (3) If the county commissioners or county council fail to take action on a
6 request for transfer between major categories within 30 days after the receipt of a
7 written request substantiating the transfer, the failure to take action constitutes
8 approval.

9 (4) A county board shall submit to the county governing body a report
10 within 15 days after the end of each month if during that month the county board
11 takes any action that would commit the county board to spend more for the current
12 fiscal year in any major category than the amount approved in the annual budget for
13 that category.

14 (5) A report under paragraph (4) of this subsection shall include a
15 narrative explanation of the action taken, indicating any request for transfer between
16 categories that may become necessary for the fiscal year as a result of the action.

17 [(c)] (D) Nonlocal funds received by a county board after the adoption of the
18 annual budget by the county fiscal authority may be spent by the county board if the
19 county fiscal authority is notified and approves of:

20 (1) The source and amount of the funds; and

21 (2) The manner of spending the funds.

22 5-105.1.

23 ANY REVENUES RECEIVED BY AN ELECTED COUNTY BOARD WITH TAXING
24 AUTHORITY SHALL BE SPENT BY THE BOARD IN ACCORDANCE WITH THE MAJOR
25 CATEGORIES OF ITS ANNUAL BUDGET AS PROVIDED UNDER § 5-101 OF THIS
26 SUBTITLE.

27 5-107.

28 (a) THIS SECTION DOES NOT APPLY TO A COUNTY THAT HAS AN ELECTED
29 COUNTY BOARD WITH TAXING AUTHORITY.

30 (B) If the county commissioners or county council does not appropriate the
31 amount requested by the county board for capital projects, it shall indicate in writing
32 which projects have been reduced, deferred, or eliminated and the reason for the
33 reduction, deferral, or elimination.

34 [(b)] (C) (1) The expenditure for school building construction shall be made
35 in accordance with the cost approved by the county commissioners or county council
36 for each project.

1 (2) A transfer between major categories or of unexpended project
2 balances is subject to the approval of the county commissioners or county council.

3 (3) If the county commissioners or county council does not take action on
4 a transfer within 30 days after the receipt of a written request substantiating the
5 transfer, the failure to take action constitutes approval.

6 5-109.

7 (a) Each county board shall provide for an annual audit of its financial
8 transactions and accounts.

9 (b) (1) The audit shall be made by a certified public accountant or a
10 partnership of certified public accountants who are:

11 (i) Licensed by the State Board of Public Accountancy; and

12 (ii) Approved by the State Superintendent.

13 (2) The audit shall be made in accordance with the standards and
14 regulations adopted by the State Board.

15 (c) (1) The results of the audit are a matter of public record.

16 (2) The results shall be reported within 3 months after the close of the
17 fiscal year for the county board to the State Superintendent and the county fiscal
18 authority on the form and in the manner required by the State Board.

19 (d) (1) **THIS SUBSECTION DOES NOT APPLY TO A COUNTY THAT HAS AN**
20 **ELECTED COUNTY BOARD WITH TAXING AUTHORITY.**

21 (2) In addition to the audit required by this section, the county
22 commissioners or county council may conduct an audit using auditors employed by
23 the county.

24 5-110.

25 (a) In this section, "performance audit" means an assessment of an entity's or
26 program's practices to determine whether the entity or program is operating
27 economically and efficiently and whether corrective actions for improving its
28 performance are appropriate.

29 (b) **THIS SECTION DOES NOT APPLY IN A COUNTY THAT HAS AN ELECTED**
30 **COUNTY BOARD WITH TAXING AUTHORITY.**

31 (C) In the absence of an agreement between a county governing body and a
32 county school board, the Department at the request of the county governing body
33 shall contract for a performance audit of the county public school system to address
34 the issues raised in the county's request.

1 [(c)] (D) The Department shall make reasonable efforts to ensure that a
2 performance audit under this section is completed and the results of the audit are
3 made available to the county board in time to be considered by the county board in the
4 preparation of its budget for the next fiscal year.

5 [(d)] (E) The cost of a performance audit under this section shall be shared
6 equally between the county governing body and the county board.

7 [(e)] (F) A performance audit for which the Department contracted under
8 subsection (b) of this section:

9 (1) Shall be conducted in accordance with generally accepted
10 government auditing standards; and

11 (2) May not include an assessment or evaluation of a county board's
12 efforts to meet the standards of the Maryland School Performance Program.

13 [(f)] (G) Nothing in this section prevents a county governing body and a
14 county school board from making an agreement to perform or contract for a
15 performance audit of school board functions, including an agreement involving the
16 scope of the performance audit or the responsibility for the funding of the
17 performance audit.

18 5-113.

19 (a) THIS SECTION DOES NOT APPLY IN A COUNTY THAT HAS AN ELECTED
20 COUNTY BOARD WITH TAXING AUTHORITY.

21 (B) A county governing body may notify the Department that a local board has
22 not complied with one or more reporting requirements under this subtitle or one of
23 the expenditure limitations of § 5-105 of this subtitle.

24 [(b)] (C) The Department shall investigate a complaint filed under this
25 section. If the State Superintendent determines, after taking into account
26 aggravating and mitigating circumstances, that a violation has occurred without
27 reasonable justification, for the next fiscal year following the final determination of a
28 violation, the county board may not make a category expenditure, as defined by the
29 Maryland Board of Education reporting manual, in excess of the category expenditure
30 in the operating budget approved by the county governing body without the prior
31 approval of the county governing body. If the county governing body fails to take
32 action on a request for approval within 30 days after the receipt of a written request,
33 the failure to take action constitutes approval.

34 5-201.

35 (e) (1) For the purposes of calculating the local share under § 5-202 of this
36 subtitle and regardless of the source of the funds, all funds that a county board or the
37 Mayor and City Council of Baltimore City are authorized to expend for schools may be
38 considered as levied by the county council, board of county commissioners, [or] the

1 Mayor and City Council of Baltimore, OR AN ELECTED COUNTY BOARD WITH TAXING
2 AUTHORITY except for:

- 3 (i) State appropriations;
- 4 (ii) Federal education aid payments; and
- 5 (iii) The amount of the expenditure authorized for debt service and
6 capital outlay.

7 (2) Except as provided in this section, these appropriations to a county,
8 academy, college, or university may not be paid from the General State School Fund.
9 5-202.

10 (b) (1) Each county board and the Mayor and City Council of Baltimore City
11 shall receive from the State, in the manner and subject to the limitations under this
12 section, an amount for each school year to be known as the "State share of basic
13 current expenses" for each county, which shall be calculated as indicated in this
14 subsection.

15 (2) (i) The basic current expenses to be shared shall equal the per
16 pupil basic current expense figure multiplied by full-time equivalent enrollment.

17 (ii) 1. If State aid for public elementary and secondary education
18 exceeds 31.5% of the projected general funds of the State in any fiscal year, then the
19 amount required for the per pupil basic current expense figure may not be
20 implemented for the next fiscal year unless the General Assembly, at the regular
21 session immediately preceding that next fiscal year, affirms by joint resolution that
22 the additional State aid required using the per pupil basic current expense figure is
23 within the State's fiscal resources.

24 2. As provided under item 1 of this subparagraph, if State
25 aid for public elementary and secondary education exceeds the percentage amount
26 specified and a joint resolution of affirmation is not enacted by the General Assembly,
27 then the per pupil basic current expense figure in which the State shall share for the
28 next fiscal year shall be the lesser of the per pupil basic current expense figure for the
29 fiscal year or an amount equal to 108 percent of the prior year's per pupil basic
30 current expense figure.

31 3. By January 14 of each year, the Department of Legislative
32 Services shall calculate State aid as a percentage of the projected State General Fund
33 revenues for the current fiscal year. State aid shall include State funds provided to
34 the county boards whether pursuant to formula or on a grant basis and State
35 payments on behalf of the county boards such as retirement and debt service for State
36 bonds for school construction.

37 (3) (i) In this paragraph, "enrollment" means the full-time equivalent
38 enrollment used in calculating the current expense aid for a county.

1 (ii) To be eligible to receive the State share of basic current
2 expenses:

3 1. The county governing body, INCLUDING AN ELECTED
4 COUNTY BOARD WITH TAXING AUTHORITY, shall levy an annual tax sufficient to
5 provide an amount of revenue for elementary and secondary public education
6 purposes equal to the product of the wealth of the county and a local contribution rate
7 determined for each fiscal year; and

8 2. The county governing body, INCLUDING AN ELECTED
9 COUNTY BOARD WITH TAXING AUTHORITY, shall appropriate local funds to the school
10 operating budget in an amount no less than the product of the enrollment for the
11 current fiscal year and the local appropriation on a per pupil basis for the prior fiscal
12 year.

13 (iii) 1. Except as provided in sub-subparagraph 2 of this
14 subparagraph, for purposes of this paragraph, the local appropriation on a per pupil
15 basis for the prior fiscal year for a county is derived by dividing the county's highest
16 local appropriation to its school operating budget for the prior fiscal year by the
17 enrollment for the prior fiscal year. For example, the calculation of the current
18 expense aid for Fiscal Year 1985 shall be based on the highest local appropriation for
19 the school operating budget for a county for Fiscal Year 1984. Program shifts between
20 a county operating budget and a county school operating budget may not be used to
21 artificially satisfy the requirements of this paragraph.

22 2. For purposes of this paragraph, for Fiscal Year 1997 and
23 each subsequent fiscal year, the calculation of the county's highest local appropriation
24 to its school operating budget for the prior fiscal year shall exclude:

25 A. A nonrecurring cost that is supplemental to the regular
26 school operating budget, if the exclusion qualifies under regulations adopted by the
27 State Board; and

28 B. A cost of a program that has been shifted from the county
29 school operating budget to the county operating budget.

30 3. The county board, EXCEPT AN ELECTED COUNTY BOARD
31 WITH TAXING AUTHORITY, must present satisfactory evidence to the county
32 government that any appropriation under sub-subparagraph 2 A of this
33 subparagraph is used only for the purpose designated by the county government in its
34 request for approval.

35 4. Any appropriation that is not excluded under
36 sub-subparagraph 2 A of this subparagraph as a qualifying nonrecurring cost shall be
37 included in calculating the county's highest local appropriation to its school operating
38 budget.

39 5. Qualifying nonrecurring costs, as defined in regulations
40 adopted by the State Board, shall include but are not limited to:

- 1 A. Computer laboratories;
- 2 B. Technology enhancement;
- 3 C. New instructional program start-up costs; and
- 4 D. Books other than classroom textbooks.

5 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take
6 effect October 1, 2000 and shall be applicable to fiscal years after June 30, 2001.