

HOUSE BILL 1123

F2

9lr2514

By: **Delegates Heller, Taylor, Edwards, K. Kelly, McKee, Shank, Donoghue, Elliott, Amedori, Getty, Stocksdales, Rudolph, W. Baker, Guns, Walkup, Cane, Eckardt, Schisler, Bozman, Conway, and McClenahan**

Introduced and read first time: February 24, 1999

Assigned to: Rules and Executive Nominations

Re-referred to: Ways and Means, March 1, 1999

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 27, 1999

CHAPTER _____

1 AN ACT concerning

2 **Higher Education - Community Colleges - State Funding**

3 FOR the purpose of ~~altering the formula that determines~~ adding a certain component
4 of State funding for certain community colleges for certain fiscal years;
5 establishing a formula to determine the amount of a certain State funding
6 component and providing for the division and distribution of the component; and
7 generally relating to State funding for community colleges.

8 BY repealing and reenacting, without amendments,

9 Article - Education

10 Section ~~16-305(e)(3)~~ 16-305(c)(6)

11 Annotated Code of Maryland

12 (1997 Replacement Volume and 1998 Supplement)

13 BY repealing and reenacting, with amendments,

14 Article - Education

15 Section ~~16-305(e)(6)~~ 16-305(c)(3), (7), (8), and (9)

16 Annotated Code of Maryland

17 (1997 Replacement Volume and 1998 Supplement)

18 BY adding to

19 Article - Education

20 Section 16-305(c)(8)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 Annotated Code of Maryland
2 (1997 Replacement Volume and 1998 Supplement)

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

5 **Article - Education**

6 16-305.

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

- 9 (i) The fixed costs component;
- 10 (ii) The marginal costs component;
- 11 (iii) The size factor component; ~~and~~
- 12 (iv) A hold harmless component; AND
- 13 (V) A SUPPLEMENTAL COMPONENT.

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

- 16 1. For Fiscal Year 1998, 4% of total funding;
- 17 2. For Fiscal Year 1999, 3% of total funding; ~~{and}~~
- 18 3. For Fiscal ~~{Year}~~ YEARS 2000 ~~{and each fiscal year~~
19 ~~thereafter}~~, 2001, ~~AND 2002~~, 2% of total funding; ~~AND~~
- 20 4. ~~FOR FISCAL YEAR 2003 AND EACH FISCAL YEAR~~
21 ~~THEREAFTER, 3% OF TOTAL FUNDING.~~

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

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

29 (7) (i) A board shall be eligible for a hold harmless component
30 beginning in Fiscal Year 1998 if the sum of the board's fixed costs, marginal costs,
31 {and} size factor, AND SUPPLEMENTAL components for the fiscal year is less than the
32 board's total State share in the prior fiscal year.

1 (ii) The hold harmless component amount shall be determined by
2 subtracting the sum of an eligible board's fixed costs, marginal costs, [and] size
3 factor, AND SUPPLEMENTAL components for the fiscal year from the board's total
4 State share for the prior fiscal year.

5 (8) (I) THE SUPPLEMENTAL COMPONENT SHALL BE EQUAL TO 1.75%
6 OF THE TOTAL STATE OPERATING FUND BEGINNING IN FISCAL YEAR 2003 AND EACH
7 FISCAL YEAR THEREAFTER.

8 (II) THE FUNDS AVAILABLE FOR THE SUPPLEMENTAL COMPONENT
9 SHALL BE DIVIDED AND DISTRIBUTED AS FOLLOWS:

10 1. 20% EACH TO ALLEGANY COLLEGE OF MARYLAND,
11 GARRETT COMMUNITY COLLEGE, AND HAGERSTOWN COMMUNITY COLLEGE; AND

12 2. 10% EACH TO CARROLL COMMUNITY COLLEGE, CECIL
13 COMMUNITY COLLEGE, CHESAPEAKE COLLEGE, AND WOR-WIC COMMUNITY
14 COLLEGE.

15 [(8)] (9) Any employer Social Security contributions required by federal
16 law for any employee of a board of community college trustees shall remain the
17 obligation of the employer.

18 [(9)] (10) The State contribution to retirement and fringe benefit costs is
19 not included in the calculations of amounts under this subsection.

20 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
21 July 1, 1999.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.