BY: Budget and Taxation Committee

AMENDMENTS TO HOUSE BILL NO. 1247

(Third Reading File Bill)

AMENDMENT NO. 1

On page 1, strike lines 4 and 5 in their entirety and substitute:

"Governor's Teacher Salary Challenge Program - Public School Funding Enhancement";

in lines 8 and 9, in each instance, after "education" insert "under certain circumstances"; in line 12, after "the" insert "State"; and in line 14, after "Program;" insert "establishing a transitional education fund to be used for a certain purpose; requiring that certain reimbursements for retirement contributions be credited to the fund; providing that certain fund balances remain in the fund for a certain period; providing for the termination of the fund;".

On page 2, strike beginning with "providing" in line 6 down through "Act;" in line 19 and substitute "requiring the Governor to include certain appropriations in the State budget for certain fiscal years for certain education purposes;"; in line 23, strike "and 5-214"; and strike in their entirety lines 26 through 30, inclusive.

AMENDMENT NO. 2

On page 3, in line 6, strike "<u>THE MAXIMUM</u>" and substitute "<u>A</u>"; in line 7, strike "<u>ENCOMPASSES</u>" and substitute "<u>APPLIES TO</u>"; in line 10, after "INCLUDE" insert "<u>SALARY</u>"; in the same line, after "INCREMENTS," insert "<u>OR</u>"; strike beginning with "CERTIFICATED" in line 19 down through "ADMINISTRATORS," in line 20 and substitute "<u>TEACHERS</u>"; after line 23, insert:

"(6) "TEACHER" MEANS ANY CERTIFICATED PROFESSIONAL PUBLIC SCHOOL EMPLOYEE WHO IS NOT AN ADMINISTRATOR.";

in line 24, strike "(6)" and substitute "(7)"; in the same line, strike "INDICATED" and substitute

"STATED"; and in line 26, strike "(7)" and substitute "(8)".

On page 4, strike beginning with ", MULTIPLY" in line 8 down through "2001" in line 11 and substitute ":

- 1. <u>IF THE COUNTY BOARD MEETS THE LOCAL MATCH</u>
 REQUIREMENT ESTABLISHED UNDER SUBSECTION (F)(2) OF THIS SECTION IN FISCAL
 YEAR 2001AND MEETS THE LOCAL MATCH REQUIREMENT FOR FISCAL YEAR 2002,
 MULTIPLY THE TEACHER SALARY BASE FOR THE COUNTY BOARD BY 0.02;
- 2. IF THE COUNTY BOARD DOES NOT MEET THE LOCAL MATCH REQUIREMENT ESTABLISHED UNDER SUBSECTION (F)(2) OF THIS SECTION IN FISCAL YEAR 2001 AND MEETS THE LOCAL MATCH REQUIREMENT IN FISCAL YEAR 2002, MULTIPLY THE TEACHER SALARY BASE FOR THE COUNTY BOARD BY 0.01; AND
- 3. <u>IF THE COUNTY BOARD MEETS THE LOCAL MATCH</u>
 REQUIREMENT ESTABLISHED UNDER SUBSECTION (F)(2) OF THIS SECTION IN FISCAL
 YEAR 2001 AND DOES NOT MEET THE LOCAL MATCH REQUIREMENT IN FISCAL YEAR
 2002, MULTIPLY THE TEACHER SALARY BASE FOR THE COUNTY BOARD BY 0.01".

On page 5, in line 7, strike "AND (III)" and substitute "THROUGH (V)"; strike in their entirety lines 15 through 17, inclusive, and substitute:

- "(II) FOR FISCAL YEAR 2001, THE GOVERNOR SHALL INCLUDE IN THE ANNUAL BUDGET BILL AN APPROPRIATION OF AT LEAST \$5,300,000 FOR THE TARGETED COMPONENT.
- (III) FOR FISCAL YEAR 2002, THE GOVERNOR SHALL INCLUDE IN THE ANNUAL BUDGET BILL AN APPROPRIATION OF AT LEAST \$10,600,000 FOR THE TARGETED COMPONENT.";

in line 18, strike "(III)" and substitute "(IV)"; in line 20, after "A" insert "PROPORTIONATE SHARE OF THE"; in the same line, after "COMPONENT" insert "THAT IS"; in line 21, strike "SUM OF THE" and substitute "TOTAL"; after line 23, insert:

"(V) A COUNTY BOARD SHALL RECEIVE ITS PROPORTIONATE SHARE OF THE TARGETED COMPONENT REGARDLESS OF WHETHER IT MEETS THE LOCAL MATCH REQUIREMENT ESTABLISHED UNDER SUBSECTION (F)(2) OF THIS

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SECTION.";

in line 25, strike "SHALL" and substitute "MAY"; in line 27, after "SUPERINTENDENT" insert "FOR THE PERCENTAGE COMPONENT AND THE WEALTH ADJUSTED COMPONENT OF THE GOVERNOR'S TEACHER SALARY CHALLENGE PROGRAM"; strike beginning with the first "THE" in line 31 down through "SCHEDULE" in line 32; and in line 33, after "YEAR," insert "THE NEGOTIATED AND FUNDED COST OF LIVING ADJUSTMENT FOR TEACHERS AND THE AGGREGATE COST OF NEGOTIATED AND FUNDED CHANGES TO THE TEACHER SALARY SCHEDULES,".

On page 6, in line 4, after "(1)" insert "<u>THE PERCENTAGE COMPONENT AND THE WEALTH ADJUSTED COMPONENT OF</u>"; strike in their entirety lines 9 through 15, inclusive, and substitute:

- "(2) (I) SUBJECT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH AND PARAGRAPH (3) OF THIS SUBSECTION, A COUNTY BOARD THAT PROVIDES A NEGOTIATED AND FUNDED COST OF LIVING INCREASE FOR TEACHERS OF AT LEAST 4% OR A NEGOTIATED AND FUNDED ADJUSTMENT TO THE TEACHER SALARY SCHEDULES THAT HAS AN AGGREGATE COST THAT IS AT LEAST EQUIVALENT TO THE COST OF PROVIDING A 4% COST OF LIVING ADJUSTMENT FOR TEACHERS SHALL QUALIFY FOR THE PERCENTAGE COMPONENT AND THE WEALTH ADJUSTED COMPONENT OF THE GOVERNOR'S TEACHER SALARY CHALLENGE PROGRAM.
- (II) THE FUNDS PROVIDED BY A COUNTY BOARD FOR THE PURPOSE OF MEETING THE LOCAL MATCH REQUIREMENT ESTABLISHED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH SHALL BE:
- 1. IN ADDITION TO ANY PREVIOUSLY NEGOTIATED AND FUNDED STEP INCREASES AND STIPENDS; AND
- 2. OBTAINED FROM SOURCES OTHER THAN THE PERCENTAGE COMPONENT OF THE GOVERNOR'S TEACHER SALARY CHALLENGE PROGRAM.

- (3) IF A COUNTY BOARD MEETS THE LOCAL MATCH REQUIREMENT ESTABLISHED UNDER PARAGRAPH (2) OF THIS SUBSECTION IN FISCAL YEAR 2001 AND DOES NOT MEET THE LOCAL MATCH REQUIREMENT IN FISCAL YEAR 2002, THE COUNTY BOARD SHALL RECEIVE:
- (I) A PERCENTAGE COMPONENT IN FISCAL YEAR 2002 AS PROVIDED UNDER SUBSECTION (D)(2)(II)3 OF THIS SECTION; AND
- (II) A WEALTH ADJUSTED COMPONENT IN FISCAL YEAR 2002 AS PROVIDED UNDER SUBSECTION (D)(3) OF THIS SECTION.";

in line 16, strike "(3)" and substitute "(4)"; strike beginning with the colon in line 17 down through "(I)" in line 18; and strike beginning with "; AND" in line 19 down through "2000" in line 23.

AMENDMENT NO. 3

On pages 6 through 9, strike in their entirety the lines beginning with line 29 on page 6 through line 4 on page 9, inclusive.

On page 9, in line 12, strike "<u>(E)</u>" and substitute "<u>(I)</u>"; strike beginning with "<u>SPECIAL</u>" in line 12 down through "<u>BOARDS</u>" in line 13 and substitute "<u>TRANSITIONAL EDUCATIONAL FUND</u>"; in line 15, strike "<u>AGENCY</u>" and substitute "<u>STATE FROM COUNTY BOARDS</u>"; in line 18, strike "<u>AGENCY</u>" and substitute "<u>STATE</u>"; in line 26, strike "<u>SUBSECTION</u> (D) OF THIS <u>SECTION</u>" and substitute "<u>§ 5-203(D) OF THIS SUBTITLE</u>"; and after line 34, insert:

"(5) THE FUND SHALL BE USED TO IMPLEMENT THE GOVERNOR'S TEACHER SALARY CHALLENGE PROGRAM ESTABLISHED UNDER THIS SECTION.".

On page 10, in line 1, strike "(5)" and substitute "(6)"; in the same line, strike "AN EXPENDITURE" and substitute "EXPENDITURES"; in line 2, after "ASSEMBLY" insert "IN THE ANNUAL STATE BUDGET"; in the same line, after "OR" insert "BY APPROVED"; strike in their entirety lines 4 through 11, inclusive; and in lines 15 and 16, in each instance, strike "DECEMBER 31" and substitute "JUNE 30".

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On page 12, after line 12, insert:

"SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:".

AMENDMENT NO. 4

On page 15, in line 11, strike "<u>FOR PERSONAL PROPERTY</u>"; in the same line, after "<u>SUBSECTION</u>" insert "<u>FOR MACHINERY AND EQUIPMENT USED IN MANUFACTURING</u>, <u>ASSEMBLING</u>, <u>PROCESSING</u>, <u>OR REFINING PRODUCTS FOR SALE</u>"; in the same line, strike "<u>PERSONAL</u>"; after line 16, insert:

"(3) TO THE EXTENT THAT A TAX CREDIT OR EXEMPTION IS GRANTED UNDER THIS SUBSECTION FOR MACHINERY AND EQUIPMENT THAT IS USED IN THE GENERATION OF ELECTRICITY FOR A FACILITY THAT STARTED GENERATING ELECTRICITY PRIOR TO JUNE 1, 2000, THE PROPERTY MAY NOT BE TREATED AS TAXABLE PERSONAL PROPERTY FOR THE PURPOSE OF COMPUTING ANY PAYMENTS OF STATE AID TO EDUCATION UNDER § 5-202 OF THE EDUCATION ARTICLE OR OTHER PAYMENTS OF STATE AID TO COUNTIES OR MUNICIPAL CORPORATIONS THAT BY LAW ARE BASED ON THE ASSESSMENT OF PROPERTY.";

in line 17, strike "(3)" and substitute "(4)"; in the same line, strike "PARAGRAPH (2)" and substitute "PARAGRAPHS (2) AND (3)"; in the same line, strike "DOES" and substitute "DO"; in the same line, after "TO" insert "ANY PERSONAL"; and in line 19, after "CREDIT" insert "OR EXEMPTION".

AMENDMENT NO. 5

On pages 15 and 16, strike in their entirety the lines beginning with line 36 on page 15 through line 17 on page 16, inclusive, and substitute:

"SECTION 4. AND BE IT FURTHER ENACTED, That the Governor shall include in the State budget for each of fiscal years 2001 and 2002 an appropriation of at least \$8,000,000 to meet the State's existing legal obligations for educational funding and avoid future litigation.

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SECTION 5. AND BE IT FURTHER ENACTED, That, notwithstanding § 7-317(d) and (g) of the State Finance and Procurement Article, in fiscal year 2001, the Cigarette Restitution Fund established under § 7-317 of the State Finance and Procurement Article may be used to fund the implementation of: (i) the Governor's Teacher Salary Challenge Program established under § 5-213 of the Education Article; and (2) Section 4 of this Act. In fiscal year 2001, the Governor may transfer funds by budget amendment from the Cigarette Restitution Fund to the Transitional Education Fund created under this Act as necessary to fund the Governor's Teacher Salary Challenge Program in fiscal year 2001.

SECTION 6. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2000. Section 1 of this Act shall remain effective for a period of 2 years and 1 month and, at the end of June 30, 2002, with no further action required by the General Assembly, Section 1 of this Act shall be abrogated and of no further force and effect."