

SENATE BILL 89

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2000 Regular Session
0lr0380
CF 0lr0313

By: **Senator Baker**
Introduced and read first time: January 13, 2000
Assigned to: Budget and Taxation

Committee Report: Favorable with amendments
Senate action: Adopted
Read second time: March 16, 2000

CHAPTER _____

1 AN ACT concerning

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

3 FOR the purpose of ~~adding a certain component of State funding for certain~~
4 ~~community colleges for certain fiscal years; establishing a formula to determine~~
5 ~~the amount of a certain State funding component; providing for the division and~~
6 ~~distribution of the component~~ providing that certain unrestricted grants shall be
7 distributed to certain small community colleges in a certain fiscal year;
8 specifying the grant amounts; providing that the grant amounts shall increase
9 in subsequent fiscal years depending on the increase in the amount of certain
10 funding to certain public institutions of higher education; repealing a certain
11 termination provision; requiring the Maryland Higher Education Commission to
12 periodically review the unrestricted grants authorized by this Act and make a
13 certain determination; providing for a delayed effective date; and generally
14 relating to State funding for community colleges.

15 BY repealing and reenacting, without amendments,
16 Article - Education
17 Section 16-305(b)(1)
18 Annotated Code of Maryland
19 (1999 Replacement Volume)

20 BY repealing and reenacting, with amendments,
21 Article - Education
22 Section ~~16-305(e)(3), (8), and (9)~~ 16-305(b)(10) and (f)
23 Annotated Code of Maryland
24 (1999 Replacement Volume)

1 BY repealing and reenacting, with amendments,
 2 Chapter 570 of the Acts of the General Assembly of 1998
 3 Section 3

4 ~~BY adding to~~
 5 ~~Article - Education~~
 6 ~~Section 16-305(e)(8)~~
 7 ~~Annotated Code of Maryland~~
 8 ~~(1999 Replacement Volume)~~

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

11 **Article - Education**

12 16-305.

13 (e) (3) ~~Subject to subsection (d) of this section, the total State share for each~~
 14 ~~board shall be the sum of:~~

- 15 (i) ~~The fixed costs component;~~
- 16 (ii) ~~The marginal costs component;~~
- 17 (iii) ~~The size factor component; [and]~~
- 18 (iv) ~~A hold harmless component; AND~~
- 19 (v) ~~A SUPPLEMENTAL COMPONENT.~~
- 20 (8) (f) ~~THE SUPPLEMENTAL COMPONENT SHALL BE:~~

21 1. ~~CALCULATED AFTER THE HOLD HARMLESS COMPONENT~~
 22 ~~IS DETERMINED UNDER PARAGRAPH (7) OF THIS SUBSECTION; AND~~

23 2. ~~EQUAL TO 1.75% OF THE TOTAL STATE OPERATING FUND~~
 24 ~~BEGINNING IN FISCAL YEAR 2003 AND EACH FISCAL YEAR THEREAFTER.~~

25 (H) ~~THE FUNDS AVAILABLE FOR THE SUPPLEMENTAL COMPONENT~~
 26 ~~SHALL BE DIVIDED AND DISTRIBUTED AS FOLLOWS:~~

27 1. ~~20% EACH TO ALLEGANY COLLEGE OF MARYLAND,~~
 28 ~~GARRETT COMMUNITY COLLEGE, AND HAGERSTOWN COMMUNITY COLLEGE; AND~~

29 2. ~~10% EACH TO CARROLL COMMUNITY COLLEGE, CECIL~~
 30 ~~COMMUNITY COLLEGE, CHESAPEAKE COLLEGE, AND WOR-WIC COMMUNITY~~
 31 ~~COLLEGE.~~

1 ~~[(8)]~~ (9) Any employer Social Security contributions required by federal
2 law for any employee of a board of community college trustees shall remain the
3 obligation of the employer.

4 ~~[(9)]~~ (10) The State contribution to retirement and fringe benefit costs is
5 not included in the calculations of amounts under this subsection.

6 (b) (1) In this section the following words have the meanings indicated.

7 (10) "Small community college" means:

8 (i) Allegany College of Maryland;

9 (ii) Garrett Community College;

10 (iii) Hagerstown [Junior] COMMUNITY College;

11 (iv) Carroll Community College;

12 (v) Cecil Community College;

13 (vi) Chesapeake College; or

14 (vii) Wor-Wic Community College.

15 (f) (1) Beginning in fiscal year [1999] 2003, [an] unrestricted [grant]
16 GRANTS in the [amount] AMOUNTS [provided] SPECIFIED in paragraph (2) of this
17 subsection shall be distributed to the board of each small community college.

18 (2) [Except as otherwise provided by law, the total amount of the grant
19 shall be \$2,000,000 annually to be distributed as follows] SUBJECT TO PARAGRAPH (3)
20 OF THIS SUBSECTION, UNRESTRICTED GRANTS SHALL BE DISTRIBUTED AS
21 FOLLOWS:

22 (i) [\$400,000] \$500,000 to Allegany College of Maryland;

23 (ii) [\$400,000] \$500,000 to Garrett Community College;

24 (iii) [\$400,000] \$500,000 to Hagerstown [Junior] COMMUNITY
25 College;

26 (iv) [\$200,000] \$250,000 to Carroll Community College;

27 (v) [\$200,000] \$250,000 to Cecil Community College;

28 (vi) [\$200,000] \$250,000 to Chesapeake College; and

29 (vii) [\$200,000] \$250,000 to Wor-Wic Community College.

30 (3) THE GRANT AMOUNTS SPECIFIED IN PARAGRAPH (2) OF THIS
31 SUBSECTION SHALL INCREASE IN FISCAL YEAR 2004 AND EACH FISCAL YEAR

1 THEREAFTER BY THE SAME PERCENTAGE AS THE PERCENTAGE INCREASE IN
2 FUNDING PER FULL-TIME EQUIVALENT STUDENT TO THE 4-YEAR PUBLIC
3 INSTITUTIONS OF HIGHER EDUCATION IN THE STATE, AS DESIGNATED BY THE
4 COMMISSION FOR THE PURPOSE OF ADMINISTERING THE JOSEPH A. SELLINGER
5 PROGRAM UNDER TITLE 17 OF THIS ARTICLE IN THAT FISCAL YEAR.

6

Chapter 570 of the Acts of 1998

7 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take
8 effect July 1, 1998. [It shall remain effective for a period of 4 years and, at the end of
9 June 30, 2002, with no further action required by the General Assembly, this Act shall
10 be abrogated and of no further force and effect.]

11 SECTION 2. AND BE IT FURTHER ENACTED, That the Maryland Higher
12 Education Commission shall periodically review the unrestricted grants authorized
13 under this Act to determine whether the unrestricted grants are appropriate in light
14 of: (i) the amount of funding that each community college receives under the John A.
15 Cade Funding Formula established under § 16-305 of the Education Article; (ii) the
16 amount of funding that each community college receives from the county; (iii) the
17 amount of funding that each community college receives from any other source,
18 including tuition and fees; (iv) the number of full-time equivalent students attending
19 the community college; and (v) any other relevant factor, as determined by the
20 Commission.

21 SECTION ~~2.~~ 3. AND BE IT FURTHER ENACTED, That this Act shall take
22 effect ~~July 1, 2000~~ July 1, 2002.