

SENATE BILL 856

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2002 Regular Session
2r1902
CF 2r1903

By: **Senators Hoffman, Lawlah, and Neall (Commission on Education
Finance, Equity, and Excellence) and Senator Collins**

Introduced and read first time: February 20, 2002

Assigned to: Rules

A BILL ENTITLED

1 AN ACT concerning

2 **Adequate and Equitable Funding for Public Schools Act**

3 FOR the purpose of authorizing a county council in a charter county, under certain
4 circumstances, to set a property tax rate that is higher than the rate authorized
5 under the county's charter or collect more property tax revenues than are
6 authorized under the county's charter; requiring a county that takes this action
7 to appropriate to the local board of education all property tax revenues
8 exceeding the amount that would have been authorized if the property tax or
9 revenue limitation in the county charter had been applied; modifying a certain
10 basic current expense formula for State education funding to create a new
11 foundation program for State education funding; requiring that certain features
12 of the new foundation program be phased in over a certain number of years;
13 creating a compensatory education funding program under which the State
14 provides certain grants to local boards of education under certain circumstances;
15 creating a funding program for students with limited English proficiency under
16 which the State provides certain grants to local boards of education under
17 certain circumstances; creating a special education funding program under
18 which the State provides certain grants to local boards of education under
19 certain circumstances; creating a Guaranteed Tax Base program under which
20 the State provides grants to local boards of education under certain
21 circumstances; requiring the State to distribute certain grants to the New
22 Baltimore City Board of School Commissioners in certain fiscal years; requiring
23 that the State share of the foundation program be adjusted to reflect regional
24 differences in certain costs by a certain fiscal year; requiring the State to
25 contract with a private entity to conduct a certain study relating to regional
26 differences in certain costs; requiring the State to pay the retirement costs
27 associated with certain employees of local school systems; increasing certain
28 base grants for student transportation distributed to local boards of education;
29 increasing, incrementally over a certain period, the amount of a certain grant
30 distributed to local boards of education to cover the costs associated with
31 transportation of disabled students; requiring that the Management Oversight
32 Panel for the Prince George's County schools continue to monitor the
33 implementation of certain audit recommendations until the State
34 Superintendent of Schools determines that the audit recommendations have

1 been addressed; requiring the State to provide funding for the coordination
2 office for the Management Oversight Panel up to a certain maximum amount
3 each fiscal year; consolidating certain grants distributed under the Aging
4 Schools Program; clarifying that the State Superintendent of Schools shall
5 certify to the State Comptroller that certain funds are due to each local board of
6 education at least a certain number of days before the end of certain months;
7 extending certain parts of the Governor's Teacher Salary Challenge Program for
8 a certain period; modifying the amounts of certain grants received under the
9 Governor's Teacher Salary Challenge Program in certain fiscal years; requiring
10 the Transitional Education Fund to terminate on a certain date; requiring that
11 each local board of education submit a comprehensive master plan to the State
12 Department of Education on or before a certain date; establishing requirements
13 for the content of a plan; authorizing the State Superintendent of Schools to take
14 certain actions relating to a plan; requiring the State Superintendent of Schools
15 to take certain actions relating to a plan under certain circumstances;
16 authorizing the State Board of Education to withhold certain funds from local
17 boards of education under certain circumstances; requiring the Department to
18 conduct a certain evaluation; authorizing the Department to contract with a
19 public or private entity to conduct the evaluation; requiring that certain reports
20 relating to the evaluation be submitted to the Governor and General Assembly
21 on or before a certain date; requiring local boards of education to provide
22 full-day kindergarten to all kindergarten students by a certain date; requiring
23 that certain children be admitted free of charge to certain publicly funded
24 prekindergarten programs by a certain date; exempting publicly funded
25 prekindergarten programs from certain requirements regarding hours and days
26 of operation; establishing a phase-out period for certain funding for special
27 education students; repealing certain provisions relating to various education
28 funding programs; establishing a Task Force to Study Public School Facilities;
29 requiring the Task Force to submit findings and recommendations to the
30 Governor and General Assembly on or before a certain date; requiring the
31 Department to form a committee of stakeholders to study issues relating to
32 enrollment counts; requiring the committee to submit findings and
33 recommendations to the Governor and General Assembly on or before a certain
34 date; requiring the Department to conduct a certain study relating to adequacy
35 of education funding within a certain number of years; authorizing the
36 Department to contract with a public or private entity to conduct the study;
37 declaring that it is the intent of the General Assembly that funding for certain
38 discretionary education programs be included in certain State budgets;
39 declaring that it is the intent of the General Assembly that funding for certain
40 discretionary education programs be eliminated; providing that this Act
41 constitutes further action of the General Assembly for a certain purpose relating
42 to the appointment of members of the New Baltimore City Board of School
43 Commissioners; repealing a requirement that certain funds be included in the
44 State budget for a certain fiscal year for the Baltimore City Public school
45 system; establishing a new termination date for certain programs relating to
46 targeted poverty grants, students with limited English proficiency, extended
47 elementary education, teacher mentoring, gifted and talented students, and
48 magnet schools; repealing certain sunset provisions relating to the Management

1 Oversight Panel; extending for a certain period certain requirements relating to
2 the State and local share of costs for school construction projects in Prince
3 George's County; repealing a requirement that certain funds be included in the
4 State budget for a certain fiscal year to meet the State's existing legal
5 obligations for educational funding and avoid future litigation; extending the
6 termination date for provisions relating to the Governor's Teacher Salary
7 Challenge Program; extending for a certain period certain requirements relating
8 to the State and local share of costs for school construction projects in Baltimore
9 City; providing that a certain provision relating to the Aging Schools Program
10 shall terminate on a certain date; providing that a certain provision relating to
11 the hours and operations of kindergarten programs shall terminate on a certain
12 date; providing that a certain provision relating to special education funding
13 shall terminate on a certain date; making certain clarifying changes; correcting
14 certain cross-references; making certain stylistic changes; defining certain
15 terms; and generally relating to the State's public schools and the State's school
16 finance system.

17 BY renumbering

18 Article - Education
19 Section 5-208, 5-210, 5-211, 5-214, and 5-215, respectively
20 to be Section 5-211, 5-213, 5-214, 5-215, and 5-217, respectively
21 Annotated Code of Maryland
22 (2001 Replacement Volume)

23 BY repealing and reenacting, with amendments,

24 Article 83C - Juvenile Justice
25 Section 2-134(e)(2)
26 Annotated Code of Maryland
27 (1998 Replacement Volume and 2001 Supplement)

28 BY repealing and reenacting, without amendments,

29 Article - Education
30 Section 3-108.1 and 5-203(a)
31 Annotated Code of Maryland
32 (2001 Replacement Volume)

33 BY repealing and reenacting, with amendments,

34 Article - Education
35 Section 4-121(d)(2), 5-104, 5-201, 5-202, 5-203(b), 5-205, 5-206, 5-209, 5-213,
36 7-101, 7-103, 8-414, and 11-105(j)(6)
37 Annotated Code of Maryland
38 (2001 Replacement Volume)

39 BY repealing

40 Article - Education

1 Section 5-206.1, 5-207, 5-212, 5-216, 5-401, 5-402, 7-208, and 7-301(g); and
2 8-2A-01 through 8-2A-03 and the subtitle "Subtitle 2A. Excellence in
3 Education Incentive Grant Program"
4 Annotated Code of Maryland
5 (2001 Replacement Volume)

6 BY adding to
7 Article - Education
8 Section 5-207 through 5-210, 5-401, 5-402, and 7-101.1
9 Annotated Code of Maryland
10 (2001 Replacement Volume)

11 BY repealing and reenacting, with amendments,
12 Chapter 105 of the Acts of the General Assembly of 1997, as amended by
13 Chapter 420 of the Acts of the General Assembly of 2001
14 Section 7 and 29-2(a)

15 BY repealing and reenacting, without amendments,
16 Chapter 105 of the Acts of the General Assembly of 1997, as amended by
17 Chapter 420 of the Acts of the General Assembly of 2001
18 Section 29-3

19 BY repealing and reenacting, with amendments,
20 Chapter 565 of the Acts of the General Assembly of 1998, as amended by
21 Chapter 420 of the Acts of the General Assembly of 2001
22 Section 2 and 3

23 BY repealing and reenacting, with amendments,
24 Chapter 704 of the Acts of the General Assembly of 1998, as amended by
25 Chapter 420 of the Acts of the General Assembly of 2001
26 Section 2, 3, 4, and 5

27 BY repealing
28 Chapter 464 of the Acts of the General Assembly of 1999, as amended by
29 Chapter 420 of the Acts of the General Assembly of 2001
30 Section 4

31 BY repealing and reenacting, with amendments,
32 Chapter 493 of the Acts of the General Assembly of 2000, as amended by
33 Chapter 420 of the Acts of the General Assembly of 2001
34 Section 4 and 10

35 BY repealing and reenacting, with amendments,
36 Chapter 280 of the Acts of the General Assembly of 2001
37 Section 1, 2, and 3

1 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
2 MARYLAND, That Section(s) 5-208, 5-210, 5-211, 5-214, and 5-215, respectively, of
3 Article - Education of the Annotated Code of Maryland be renumbered to be
4 Section(s) 5-211, 5-213, 5-214, 5-215, and 5-217, respectively.

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

7 **Article 83C - Juvenile Justice**

8 2-134.

9 (e) (2) Appropriations made under this section for extending the contracts of
10 participating teachers may not be used to supplant the existing State share of [basic
11 current expenses] THE FOUNDATION PROGRAM under § 5-202 of the Education
12 Article.

13 **Article - Education**

14 3-108.1.

15 (a) In this section, "Board" means the New Baltimore City Board of School
16 Commissioners of the Baltimore City Public School System.

17 (b) There is a New Baltimore City Board of School Commissioners of the
18 Baltimore City Public School System.

19 (c) The Board consists of:

20 (1) Nine voting members jointly appointed by the Mayor of Baltimore
21 City and the Governor from a list of qualified individuals submitted to the Mayor and
22 the Governor by the State Board; and

23 (2) One voting student member appointed as provided in subsection (o) of
24 this section.

25 (d) Each member of the Board shall be a resident of Baltimore City.

26 (e) To the extent practicable, the membership of the Board shall reflect the
27 demographic composition of Baltimore City.

28 (f) At least four of the voting members shall possess a high level of knowledge
29 and expertise concerning the successful administration of a large business, nonprofit,
30 or governmental entity and shall have served in a high level management position
31 within such an entity.

32 (g) At least three of the voting members shall possess a high level of
33 knowledge and expertise concerning education.

1 (h) At least one voting member shall be a parent of a student enrolled in the
2 Baltimore City Public School System as of the date of appointment of the member.

3 (i) (1) Among the nine voting members, at least one member shall also
4 possess knowledge or experience in the education of children with disabilities.

5 (2) The knowledge or experience may be derived from being the parent of
6 a child with a disability.

7 (j) (1) The term of a voting member is 3 years.

8 (2) The terms of the voting members are staggered as required by the
9 terms provided for members of the Board on the effective date of this Act.

10 (3) At the end of a term, a voting member continues to serve until a
11 successor is appointed and qualifies.

12 (4) A voting member who is appointed after a term has begun serves only
13 for the remainder of the term and until a successor is appointed and qualifies.

14 (5) A voting member may not serve more than two consecutive full
15 terms.

16 (6) To the extent practicable, the Governor and the Mayor shall fill any
17 vacancy on the Board within 60 days of the date of the vacancy from a list of qualified
18 individuals submitted to the Mayor and the Governor by the State Board.

19 (k) On the joint approval of the Mayor of Baltimore City and the Governor, a
20 member may be removed only for cause in accordance with § 3-108 of this subtitle.

21 (l) Each member of the Board serves without compensation.

22 (m) On appointment of the Board, the Governor and the Mayor shall jointly
23 select one of the voting members to serve as the Chairman of the Board who shall
24 serve through June 30, 1999.

25 (n) Beginning on July 1, 1999 and every 2 years thereafter, from among its
26 voting members the Board shall elect a chairman.

27 (o) (1) One student member shall be a student enrolled in the Baltimore
28 City Public School System who shall be selected by the Associated Student Congress
29 of Baltimore City.

30 (2) The term of a student member is 1 year.

31 (3) A student member may not serve more than two consecutive full
32 terms.

33 (4) The student member may vote on all matters before the Board except
34 those relating to:

- 1 (i) Personnel;
- 2 (ii) Capital and operating budgets;
- 3 (iii) School closings, reopenings, and boundaries;
- 4 (iv) Collective bargaining decisions;
- 5 (v) Student disciplinary matters; and
- 6 (vi) Appeals to the Board as provided under §§ 4-205 and 6-202 of
7 this article.

8 (5) The student member may not attend or participate in an executive or
9 special session of the Board.

10 (p) Any action by the Board shall require:

11 (1) A quorum of a majority of the voting members then serving; and

12 (2) The affirmative vote of a majority of the voting members then
13 serving.

14 4-121.

15 (d) (2) If the local current expense per student for the sending county is less
16 than the local current expense per student for the receiving county, the difference,
17 plus the appropriate State share of [basic current expenses] THE FOUNDATION
18 PROGRAM, for each student who resides in a sending county who attends a public
19 school in the receiving county, shall be:

20 (i) Paid by the State to the receiving county; and

21 (ii) Provided for in the appropriation to the State Board.

22 5-104.

23 (a) Each county council or board of county commissioners shall levy and collect
24 a tax on the assessable property of the county which, together with other local
25 revenue available, including income tax revenues and bond money, and together with
26 estimated revenues and funds from all sources, will produce the amounts necessary to
27 meet the appropriations made in the approved annual budget of the county board.

28 (b) (1) Local funds provided for appropriations shall be paid in accordance
29 with the expenditure requirements, as certified by the county board, to the treasurer
30 of the county board on a monthly basis.

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

1 (c) (1) Notwithstanding any other provision in this article, this subsection
2 applies to Wicomico County.

3 (2) The Wicomico County Council annually shall pay to the Wicomico
4 County Board the amount of the budget of the County Board that has been approved
5 by the County Council:

6 (i) In 12 equal monthly installments; or

7 (ii) At the times on which the County Council and County Board
8 mutually agree.

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

11 (D) (1) THIS SUBSECTION APPLIES TO ANY COUNTY THAT HAS A CHARTER
12 THAT PLACES A LIMIT ON ITS PROPERTY TAX RATE OR REVENUES.

13 (2) NOTWITHSTANDING ANY PROVISION OF A COUNTY CHARTER AND
14 SUBJECT TO PARAGRAPH (3) OF THIS SUBSECTION, A COUNTY COUNCIL, BY A
15 TWO-THIRDS VOTE OF THE FULL MEMBERSHIP OF THE COUNCIL, MAY SET A
16 PROPERTY TAX RATE THAT IS HIGHER THAN THE RATE AUTHORIZED UNDER THE
17 COUNTY'S CHARTER OR COLLECT MORE PROPERTY TAX REVENUES THAN THE
18 REVENUES AUTHORIZED UNDER THE COUNTY'S CHARTER FOR THE SOLE PURPOSE
19 OF FUNDING THE APPROVED BUDGET OF THE COUNTY BOARD.

20 (3) IF THE COUNTY COUNCIL SETS A COUNTY PROPERTY TAX RATE THAT
21 IS GREATER THAN THE RATE AUTHORIZED UNDER THE COUNTY'S CHARTER OR
22 COLLECTS MORE PROPERTY TAX REVENUES THAN THE REVENUES AUTHORIZED
23 UNDER THE COUNTY'S CHARTER, THE COUNTY:

24 (I) MAY NOT REDUCE FUNDING PROVIDED TO THE COUNTY BOARD
25 FROM ANY OTHER LOCAL REVENUE SOURCE BELOW THE FUNDING LEVEL IN THE
26 CURRENT COUNTY BUDGET; AND

27 (II) SHALL APPROPRIATE TO THE COUNTY BOARD ALL PROPERTY
28 TAX REVENUES EXCEEDING THE AMOUNT THAT WOULD HAVE BEEN AVAILABLE IF
29 THE COUNTY CHARTER LIMITATION HAD APPLIED.

30 5-201.

31 (a) Except for money appropriated for the purposes of § 5-301(a), (b), and (d)
32 through (k) of this title, all money appropriated by the General Assembly to aid in
33 support of public schools constitutes the General State School Fund.

34 (b) Money in the General State School Fund may be appropriated by the
35 General Assembly to the Annuity Bond Fund, as provided in the State budget, and
36 shall be used for principal and interest payments on State debt incurred for public
37 school construction or public school capital improvements.

1 (c) The State Comptroller shall charge against and, as provided in this
2 section, pay from the General State School Fund the following annual appropriations
3 for:

4 (1) The support of the Department, including the expenses of the State
5 Board and the support and expenses of the office of the State Superintendent;

6 (2) The Maryland Teachers' Retirement System;

7 (3) The education of [handicapped] DISABLED children;

8 (4) Subsidized or free feeding programs;

9 (5) The administration and supervision of career and technology
10 education in public high schools and career and technology centers;

11 (6) Physical education and recreation;

12 (7) Case and guidance service for individuals with disabilities who need
13 vocational rehabilitation;

14 (8) Equivalence examinations;

15 (9) Public libraries;

16 (10) Adult education;

17 (11) The State share of [basic current expenses] THE FOUNDATION
18 PROGRAM as provided in § 5-202 of this subtitle;

19 (12) Student transportation, as provided in § 5-205 of this subtitle; [and]

20 (13) The school building construction aid as provided in § 5-301(c) of this
21 title;

22 (14) THE STATE SHARE OF FUNDING FOR COMPENSATORY EDUCATION
23 UNDER § 5-207 OF THIS SUBTITLE;

24 (15) THE STATE SHARE OF FUNDING FOR STUDENTS WITH LIMITED
25 ENGLISH PROFICIENCY UNDER § 5-208 OF THIS SUBTITLE;

26 (16) THE STATE SHARE OF FUNDING FOR SPECIAL EDUCATION UNDER §
27 5-209 OF THIS SUBTITLE; AND

28 (17) THE GUARANTEED TAX BASE PROGRAM UNDER § 5-210 OF THIS
29 SUBTITLE.

30 (d) Except as provided in this section, the Comptroller may not charge against
31 and pay from the General State School Fund any appropriations made to accomplish
32 the purposes of § 5-301(a), (b), or (d) of this title.

1 (e) (1) For the purposes of calculating the local share OF THE FOUNDATION
2 PROGRAM under § 5-202 of this subtitle and regardless of the source of the funds, all
3 funds that a county board or the Mayor and City Council of Baltimore City are
4 authorized to expend for schools may be considered as levied by the county council,
5 board of county commissioners, or the Mayor and City Council of Baltimore except for:

6 (i) State appropriations;

7 (ii) Federal education aid payments; and

8 (iii) The amount of the expenditure authorized for debt service and
9 capital outlay.

10 (2) Except as provided in this section, these appropriations to a county,
11 academy, college, or university may not be paid from the General State School Fund.
12 5-202.

13 (a) (1) In this section the following words have the meanings indicated.

14 (2) "ANNUAL PER PUPIL FOUNDATION AMOUNT" MEANS:

15 (I) FOR FISCAL YEARS 2003 THROUGH 2006, THE SUM, ROUNDED TO
16 THE NEAREST DOLLAR, OF:

17 1. THE FISCAL YEAR 2002 PER PUPIL FOUNDATION AMOUNT
18 OF \$4,124; AND

19 2. THE PRODUCT OF THE DIFFERENCE BETWEEN THE
20 TARGET PER PUPIL FOUNDATION AMOUNT AND \$4,124 AND:

21 A. 0.25 IN FISCAL YEAR 2003;

22 B. 0.45 IN FISCAL YEAR 2004;

23 C. 0.65 IN FISCAL YEAR 2005; AND

24 D. 0.85 IN FISCAL YEAR 2006; AND

25 (II) FOR FISCAL YEAR 2007 AND EACH FISCAL YEAR THEREAFTER,
26 THE TARGET PER PUPIL FOUNDATION AMOUNT.

27 (3) (i) "Assessed valuation of real property" means the most recent
28 estimate made by the State Department of Assessments and Taxation before the
29 annual State budget is submitted to the General Assembly, of the assessed value of
30 real property for State purposes as of July 1 of the first completed fiscal year before
31 the school year for which the calculation of State aid is made under this section.

32 (ii) In all assessable bases, for the purpose of this paragraph,
33 preferentially assessed agricultural land shall be included at 50 percent of farm use

1 valuation as determined in accordance with farm use assessment standards
2 established by the Department of Assessments and Taxation.

3 (3) (i) "Basic current expenses" means expenditures for elementary
4 and secondary education for a fiscal year calculated as follows:

5 1. Statewide aggregate expenditures from the current
6 expense fund for administration, instruction, public school special education
7 programs, student personnel services, health services, operation of plant, and
8 maintenance of plant;

9 2. Plus statewide aggregate expenditures from the current
10 expense fund for fixed charges (including employee benefits), additional equipment,
11 and replacement equipment, to the extent these expenditures relate to the
12 expenditure categories in item 1 of this subparagraph; and

13 3. Minus the statewide aggregate of all State and federal
14 funds for elementary and secondary education supporting the expenditures in items 1
15 and 2 of this subparagraph, except the State share of basic current expenses.

16 (ii) "Basic current expenses" does not include expenditures for
17 adult education, community services, pupil transportation, capital outlay, or outgoing
18 transfers, or expenditures reported in the Food Service Fund, the Student Body
19 Activities Fund, the School Construction Fund, or the Debt Service Fund.]

20 (5) "FOUNDATION PROGRAM" MEANS THE PRODUCT OF THE ANNUAL
21 PER PUPIL FOUNDATION AMOUNT AND A COUNTY'S FULL-TIME EQUIVALENT
22 ENROLLMENT.

23 (7) "LOCAL CONTRIBUTION RATE" MEANS THE FIGURE THAT IS
24 CALCULATED AS FOLLOWS:

25 (I) MULTIPLY THE STATEWIDE FULL-TIME EQUIVALENT
26 ENROLLMENT BY \$624, AND MULTIPLY THIS PRODUCT BY:

27 1. 0.46 IN FISCAL YEAR 2003;

28 2. 0.47 IN FISCAL YEAR 2004;

29 3. 0.48 IN FISCAL YEAR 2005;

30 4. 0.49 IN FISCAL YEAR 2006; AND

31 5. 0.50 IN FISCAL YEAR 2007 AND EACH FISCAL YEAR
32 THEREAFTER;

33 (II) MULTIPLY THE STATEWIDE FULL-TIME EQUIVALENT
34 ENROLLMENT BY \$1,750, WHICH IS EQUAL TO THE PRODUCT OF 0.50 AND THE
35 DIFFERENCE BETWEEN \$4,124 AND \$624;

1 (III) MULTIPLY THE STATEWIDE FULL-TIME EQUIVALENT
 2 ENROLLMENT BY THE AMOUNT THAT THE ANNUAL PER PUPIL FOUNDATION
 3 AMOUNT EXCEEDS \$4,124, AND MULTIPLY THIS PRODUCT BY:

- 4 1. 0.51 IN FISCAL YEAR 2003;
 5 2. 0.52 IN FISCAL YEAR 2004;
 6 3. 0.53 IN FISCAL YEAR 2005;
 7 4. 0.54 IN FISCAL YEAR 2006; AND
 8 5. 0.55 IN FISCAL YEAR 2007 AND EACH FISCAL YEAR
 9 THEREAFTER.

10 (IV) ADD THE THREE PRODUCTS CALCULATED IN ITEMS (I)
 11 THROUGH (III) OF THIS PARAGRAPH, AND DIVIDE THE RESULTING SUM BY THE SUM
 12 OF THE WEALTH OF ALL OF THE COUNTIES IN THIS STATE; AND

13 (V) ROUND THE RESULT OBTAINED IN ITEM (IV) OF THIS
 14 PARAGRAPH TO SEVEN DECIMAL PLACES AND EXPRESS AS A PERCENT WITH FIVE
 15 DECIMAL PLACES.

16 (8) "LOCAL SHARE OF THE FOUNDATION PROGRAM" MEANS THE
 17 PRODUCT OF THE LOCAL CONTRIBUTION RATE AND A COUNTY'S WEALTH.

18 [(4)] (9) "Net taxable income" means the amount certified by the State
 19 Comptroller for the second completed calendar year before the school year for which
 20 the calculation of State aid under this section is made, based on tax returns filed on
 21 or before September 1 after this calendar year.

22 (10) "PERSONAL PROPERTY" INCLUDES:

- 23 (I) TANGIBLE PERSONAL PROPERTY;
 24 (II) RAILROAD PROPERTY;
 25 (III) PUBLIC UTILITY PERSONAL PROPERTY; AND
 26 (IV) PUBLIC UTILITY SHARES.

27 [(5)] (11) "Real property" includes:

- 28 (i) Any interest in land or improvements to land;
 29 (ii) Land and nonoperating property of railroads and public
 30 utilities; and
 31 (iii) Operating property of public utilities classified as real property
 32 by the Department of Assessments and Taxation.

1 [(6)] (4) "Assessed value of personal property" means the [assessed
 2 valuation for county purposes of tangible personal property, railroad property, public
 3 utility personal property, and public utility shares] MOST RECENT ESTIMATE BY THE
 4 STATE DEPARTMENT OF ASSESSMENTS AND TAXATION BEFORE THE ANNUAL STATE
 5 BUDGET IS SUBMITTED TO THE GENERAL ASSEMBLY OF THE ASSESSED VALUE OF
 6 PERSONAL PROPERTY AS OF JULY 1 OF THE FIRST COMPLETED FISCAL YEAR BEFORE
 7 THE SCHOOL YEAR FOR WHICH THE CALCULATION IS MADE UNDER THIS SECTION.

8 [(7)] (6) "Full-time equivalent enrollment" means THE SUM OF:

9 (i) [All] THE NUMBER OF students enrolled in grades 1 through 12
 10 or their equivalent in regular day school programs on September 30 of the previous
 11 school year;

12 (ii) [One half of the number of students enrolled in kindergarten
 13 programs on September 30 of the previous school year, except that in Garrett County
 14 the full number of kindergarten students is included; and] EXCEPT AS PROVIDED IN
 15 ITEM (III) OF THIS PARAGRAPH, THE PRODUCT OF THE NUMBER OF STUDENTS
 16 ENROLLED IN KINDERGARTEN PROGRAMS ON SEPTEMBER 30 OF THE PRIOR SCHOOL
 17 YEAR AND:

18 1. 0.60 IN FISCAL YEAR 2003;

19 2. 0.70 IN FISCAL YEAR 2004;

20 3. 0.80 IN FISCAL YEAR 2005;

21 4. 0.90 IN FISCAL YEAR 2006; AND

22 5. 1.00 IN FISCAL YEAR 2007 AND EACH FISCAL YEAR

23 THEREAFTER;

24 (III) IN GARRETT COUNTY, THE NUMBER OF STUDENTS ENROLLED
 25 IN KINDERGARTEN PROGRAMS ON SEPTEMBER 30 OF THE PRIOR SCHOOL YEAR; AND

26 [(iii)] (IV) The number of full-time equivalent students, as
 27 determined by a regulation of the Department, enrolled in evening high school
 28 programs during the previous school year.

29 (12) "STATE SHARE OF THE FOUNDATION PROGRAM" MEANS THE
 30 GREATER OF:

31 (I) THE DIFFERENCE BETWEEN THE FOUNDATION PROGRAM AND
 32 THE LOCAL SHARE OF THE FOUNDATION PROGRAM; AND

33 (II) THE PRODUCT OF 15% OF THE ANNUAL PER PUPIL
 34 FOUNDATION AMOUNT AND THE COUNTY'S FULL-TIME EQUIVALENT ENROLLMENT.

35 (13) "TARGET PER PUPIL FOUNDATION AMOUNT" MEANS:

36 (I) IN FISCAL YEAR 2003, \$5,634; AND

1 (II) IN SUBSEQUENT FISCAL YEARS:

2 1. THE TARGET PER PUPIL FOUNDATION AMOUNT FOR THE
3 PRIOR FISCAL YEAR INCREASED BY THE SAME PERCENTAGE AS THE INCREASE IN
4 THE IMPLICIT PRICE DEFLATOR FOR STATE AND LOCAL GOVERNMENT
5 EXPENDITURES FOR THE SECOND PRIOR FISCAL YEAR; OR

6 2. IF THERE IS NO INCREASE IN THE IMPLICIT PRICE
7 DEFLATOR FOR STATE AND LOCAL GOVERNMENT EXPENDITURES FOR THE SECOND
8 PRIOR FISCAL YEAR, THE TARGET PER PUPIL FOUNDATION AMOUNT FOR THE PRIOR
9 FISCAL YEAR.

10 [(8)] (14) "Wealth" means the sum of:

11 (i) Net taxable income;

12 (ii) 40 percent of the assessed valuation of real property; and

13 (iii) 50 percent of assessed value of personal property.

14 [(9)] For calculation of State aid under this section, the percentage of
15 assessed value of personal property as of July 1 of the first completed fiscal year
16 before the school year for which the calculation is made shall be used.

17 (10) "Chapter 1 eligible count" means the number of children eligible to
18 receive services under the provisions of Chapter 1 of the Hawkins-Stafford
19 Elementary and Secondary School Improvement Amendments of 1988 as determined
20 by the U.S. Department of Education.

21 (11) "Dedicated compensatory funds" means funds allocated by subsection
22 (e)(3) of this section.

23 (12) "Basic current expenses per pupil" means the basic current expenses
24 for a fiscal year divided by the statewide full-time equivalent enrollment on
25 September 30 of the fiscal year.

26 (13) "Per pupil basic current expense figure" means:

27 (i) \$2,976 for fiscal year 1993; and

28 (ii) The average of the basic current expenses per pupil for the third
29 and fourth preceding fiscal years multiplied by 0.75 for fiscal year 1994 and for each
30 fiscal year thereafter, as calculated by the Department on or before July 1 prior to the
31 fiscal year.]

32 (b) [(1)] Each county board and the Mayor and City Council of Baltimore City
33 shall receive from the State, in the manner and subject to the limitations under this
34 section, an amount for each school year to be known as the "State share of basic
35 current expenses" for each county, which shall be calculated as indicated in this
36 subsection.

1 (2) (i) The basic current expenses to be shared shall equal the per
2 pupil basic current expense figure multiplied by full-time equivalent enrollment.]
3 SUBJECT TO THE OTHER PROVISIONS OF THIS SECTION, EACH YEAR THE STATE
4 SHALL DISTRIBUTE THE STATE SHARE OF THE FOUNDATION PROGRAM TO EACH
5 COUNTY BOARD.

6 [(ii) 1.] (C) (1) If State aid for public elementary and secondary
7 education exceeds 31.5% of the projected general funds of the State in any fiscal year,
8 then the amount required for the ANNUAL per pupil [basic current expense figure]
9 FOUNDATION AMOUNT may not be implemented for the next fiscal year unless the
10 General Assembly, at the regular session immediately preceding that next fiscal year,
11 affirms by joint resolution that the additional State aid required using the ANNUAL
12 per pupil [basic current expense figure] FOUNDATION AMOUNT is within the State's
13 fiscal resources.

14 [2.] (2) As provided under [item 1 of this subparagraph]
15 PARAGRAPH (1) OF THIS SUBSECTION, if State aid for public elementary and
16 secondary education exceeds the percentage amount specified and a joint resolution of
17 affirmation is not enacted by the General Assembly, then the ANNUAL per pupil
18 [basic current expense figure] FOUNDATION AMOUNT in which the State shall share
19 for the next fiscal year shall be the lesser of the ANNUAL per pupil [basic current
20 expense figure] FOUNDATION AMOUNT for the fiscal year or an amount equal to 108
21 percent of the prior year's ANNUAL per pupil [basic current expense figure]
22 FOUNDATION AMOUNT.

23 [3.] (3) By January 14 of each year, the Department of
24 Legislative Services shall calculate State aid as a percentage of the projected State
25 General Fund revenues for the current fiscal year. State aid shall include State funds
26 provided to the county boards whether pursuant to formula or on a grant basis and
27 State payments on behalf of the county boards such as retirement and debt service for
28 State bonds for school construction.

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

31 [(ii)] (D) (1) To be eligible to receive the State share of [basic
32 current expenses] THE FOUNDATION PROGRAM:

33 [1.] (I) The county governing body shall levy an annual tax
34 sufficient to provide an amount of revenue for elementary and secondary public
35 education purposes equal to the [product of the wealth of the county and a local
36 contribution rate determined for each fiscal year] LOCAL SHARE OF THE
37 FOUNDATION PROGRAM; and

38 [2.] (II) The county governing body shall appropriate local
39 funds to the school operating budget in an amount no less than the product of the
40 [enrollment] COUNTY'S FULL-TIME EQUIVALENT ENROLLMENT for the current fiscal
41 year and the local appropriation on a per pupil basis for the prior fiscal year.

1 [(iii) 1.] (2) Except as provided in [sub-subparagraph 2 of this
2 subparagraph] PARAGRAPH (3) OF THIS SUBSECTION, for purposes of this
3 [paragraph] SUBSECTION, the local appropriation on a per pupil basis for the prior
4 fiscal year for a county is derived by dividing the county's highest local appropriation
5 to its school operating budget for the prior fiscal year by the [enrollment for the prior
6 fiscal year] COUNTY'S FULL-TIME EQUIVALENT ENROLLMENT FOR THE PRIOR
7 FISCAL YEAR. For example, the calculation of the [current expense] FOUNDATION
8 aid for fiscal year [1985] 2003 shall be based on the highest local appropriation for
9 the school operating budget for a county for fiscal year [1984] 2002. Program shifts
10 between a county operating budget and a county school operating budget may not be
11 used to artificially satisfy the requirements of this paragraph.

12 [2.] (3) For purposes of this [paragraph] SUBSECTION, for
13 fiscal year 1997 and each subsequent fiscal year, the calculation of the county's
14 highest local appropriation to its school operating budget for the prior fiscal year shall
15 exclude:

16 [A.] (I) A nonrecurring cost that is supplemental to the
17 regular school operating budget, if the exclusion qualifies under regulations adopted
18 by the State Board; and

19 [B.] (II) A cost of a program that has been shifted from the
20 county school operating budget to the county operating budget.

21 [3.] (4) The county board must present satisfactory evidence
22 to the county government that any appropriation under [sub-subparagraph 2 A of
23 this subparagraph] PARAGRAPH (3)(I) OF THIS SUBSECTION is used only for the
24 purpose designated by the county government in its request for approval.

25 [4.] (5) Any appropriation that is not excluded under
26 [sub-subparagraph 2 A of this subparagraph] PARAGRAPH (3)(I) OF THIS
27 SUBSECTION as a qualifying nonrecurring cost shall be included in calculating the
28 county's highest local appropriation to its school operating budget.

29 [5.] (6) Qualifying nonrecurring costs, as defined in
30 regulations adopted by the State Board, shall include but are not limited to:

31 [A.] (I) Computer laboratories;

32 [B.] (II) Technology enhancement;

33 [C.] (III) New instructional program start-up costs; and

34 [D.] (IV) Books other than classroom textbooks.

35 [(iv) 1.] (7) (I) The provisions of this [paragraph] SUBSECTION do
36 not apply to a county if the county is granted a temporary waiver or partial waiver
37 from the provisions by the State Board of Education based on a determination that
38 the county's fiscal condition significantly impedes the county's ability to fund the
39 maintenance of effort requirement.

1 [2.] (II) After a public hearing, the State Board of Education
2 may grant a waiver under this [subparagraph] PARAGRAPH in accordance with its
3 regulations.

4 [3.] (III) In order to qualify for the waiver under this
5 [subparagraph] PARAGRAPH for a fiscal year, a county shall make a request for a
6 waiver to the State Board of Education by April 1 of the prior fiscal year.

7 [4.] (IV) The State Board of Education shall inform the
8 county whether the waiver for a fiscal year is approved or denied in whole or in part
9 by May 15 of the prior fiscal year.

10 [(4) The local contribution rate is calculated as follows:

11 (i) Multiply the full-time equivalent enrollment by \$624, and
12 multiply this product by 0.45.

13 (ii) Multiply the full-time equivalent enrollment by the amount
14 that the per pupil basic current expense figure exceeds \$624 and multiply this
15 product by 0.50.

16 (iii) Add the two products arrived at in subparagraphs (i) and (ii) of
17 this paragraph, and divide the resulting sum by the sum of the wealth of all of the
18 counties in this State.

19 (iv) The resulting quotient, rounded to 7 decimal places, and
20 expressed as a percent with 5 decimal places, is the local contribution rate.

21 (5) (i) Except as provided in subparagraph (ii) of this paragraph, the
22 State share of basic current expenses for each county is the difference between the
23 county share calculated under paragraph (3) of this subsection and the basic current
24 expense to be shared, as indicated in paragraph (2) of this subsection.

25 (ii) If the State share of basic current expenses, as calculated under
26 subparagraph (i) of this paragraph, is less than the product of \$60 and the county's
27 full-time equivalent enrollment, the State share of basic current expenses for the
28 county shall be the product of \$60 and the county's full-time equivalent enrollment.]

29 (E) (1) IN FISCAL YEAR 2003, THE STATE SHALL DISTRIBUTE A
30 PARTNERSHIP GRANT OF \$31,709,286 TO THE NEW BALTIMORE CITY BOARD OF
31 SCHOOL COMMISSIONERS.

32 (2) IN FISCAL YEAR 2004, THE STATE SHALL DISTRIBUTE A
33 PARTNERSHIP GRANT OF \$28,186,032 TO THE NEW BALTIMORE CITY BOARD OF
34 SCHOOL COMMISSIONERS.

35 (F) (1) FOR FISCAL YEAR 2005 AND EACH FISCAL YEAR THEREAFTER, THE
36 STATE SHARE OF THE FOUNDATION PROGRAM SHALL BE ADJUSTED TO REFLECT
37 REGIONAL DIFFERENCES IN THE COST OF EDUCATION THAT ARE DUE TO FACTORS
38 OUTSIDE THE CONTROL OF LOCAL JURISDICTIONS.

1 (2) THE STATE SHALL CONTRACT WITH A PRIVATE ENTITY NO LATER
2 THAN SEPTEMBER 30, 2002 TO CONDUCT A STUDY TO:

3 (I) DEVELOP A MARYLAND SPECIFIC GEOGRAPHIC COST OF
4 EDUCATION INDEX TO BE IMPLEMENTED NO LATER THAN FISCAL YEAR 2005; AND

5 (II) PROVIDE RECOMMENDATIONS AS TO HOW THE INDEX SHOULD
6 BE USED TO ADJUST STATE EDUCATION FUNDING.

7 [(d)] (G) Any employer Social Security contributions required by federal law
8 for any employee of a county board or local school system shall remain the obligation
9 of the employer.

10 [(e)] (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 "compensatory education
13 funds", which shall be calculated as indicated in this subsection.

14 (2) (i) For each fiscal year, the compensatory education funds program
15 level is the product of 25 percent of the per pupil basic current expense figure for the
16 current fiscal year, rounded down to the nearest dollar, and the statewide Chapter 1
17 eligible count for the prior fiscal year.

18 (ii) The amount to be provided to each county under this program is
19 determined as follows:

20 1. For each fiscal year, the product of the Chapter 1 eligible
21 count for the prior fiscal year for each county and the equivalent of 25 percent of the
22 per pupil basic current expense figure for the current fiscal year, rounded down to the
23 nearest dollar.

24 2. This product shall be divided by the ratio, rounded to 7
25 decimal places, of county wealth per county full-time equivalent enrollment to
26 statewide wealth per full-time equivalent enrollment.

27 3. These results shall be multiplied by a factor rounded to 7
28 decimal places and calculated by dividing the compensatory education funds program
29 level by the sum of the quotients determined in item 2 of this subparagraph.

30 (3) (i) The compensatory education funds shall be used for expenses of
31 instruction except that a county must expend no less than the amount provided in
32 subparagraph (ii) of this paragraph to provide dedicated compensatory programs for
33 children with special education needs that have resulted from educationally
34 disadvantaged environments.

35 (ii) For each fiscal year, the amount required to be expended by a
36 county under subparagraph (i) of this paragraph is the sum of:

37 1. The product of \$70 multiplied by its Chapter 1 eligible
38 count for the prior fiscal year; and

1 (v) Each county's unadjusted set-aside for career and technology
2 education as derived in (iii) is multiplied by the adjustment factor derived in (iv). The
3 resulting product is the set-aside from basic current expense aid for career and
4 technology education for the county.

5 (g)] (H) (1) The Montgomery County Board shall provide from the
6 Montgomery County Public Schools Employees' Pension System Trust the
7 supplemental retirement allowance required under paragraph (2) of this subsection.

8 (2) (i) The Montgomery County Board, through the Montgomery
9 County Public Schools Employees' Pension System Trust, shall pay a supplemental
10 retirement allowance to an employee of the County Board who retires on or after July
11 1, 1999, as a member of the Teachers' Pension System of the State of Maryland.

12 (ii) The supplemental retirement allowance shall equal the product
13 of the member's years of creditable service earned in the Montgomery County public
14 schools employees' pension system times the sum of:

15 1. 0.08% of the retiree's average final compensation that does
16 not exceed the Social Security integration level; and

17 2. 0.15% of the retiree's average final compensation that
18 exceeds the Social Security integration level.

19 5-203.

20 (a) In this section, "Agency" means the State Retirement Agency.

21 (b) (1) The Agency may at any time examine the records of local school
22 systems to determine whether the State's payments for retirement contributions for
23 employees of the school systems are in accordance with the provisions of Division II of
24 the State Personnel and Pensions Article.

25 (2) IN MAKING THE DETERMINATION UNDER PARAGRAPH (1) OF THIS
26 SUBSECTION, THE AGENCY SHALL INCLUDE AS EMPLOYEES ELIGIBLE FOR STATE
27 PAYMENT OF RETIREMENT CONTRIBUTIONS THOSE EMPLOYEES:

28 (I) WHOSE SALARIES ARE FUNDED BY STATE OR LOCAL AID,
29 WHETHER GENERAL OR CATEGORICAL IN NATURE; AND

30 (II) WHO ARE MEMBERS OF THE TEACHERS' PENSION SYSTEM OR
31 TEACHERS' RETIREMENT SYSTEM.

32 5-205.

33 (a) [For fiscal year 1993, grants in the following amounts shall be
34 distributed] THE STATE SHALL DISTRIBUTE GRANTS AS PROVIDED UNDER THIS
35 SECTION to the county boards to provide transportation services for public school
36 students and [handicapped] DISABLED children for whom transportation is to be
37 provided under § 8-410 of this article. Appropriations for student transportation shall

1 be budgeted in a separate budget category as provided in § 5-101 of this article. If the
 2 amount that is appropriated to a county under this section in a fiscal year is more
 3 than the actual cost of providing student transportation services in that county, a
 4 county board [or the Board of School Commissioners of Baltimore City] may apply
 5 any excess funds to costs of pupil transportation in subsequent years. None of these
 6 funds may be paid to or claimed by any subdivision, nor may any of these funds be
 7 reverted to any subdivision. A county board [or the Board of School Commissioners of
 8 Baltimore City] may not transfer State revenues from the student transportation
 9 category to any other category as a result of this section.

10 (B) IN FISCAL YEAR 2003, THE STATE SHALL DISTRIBUTE BASE GRANTS FOR
 11 STUDENT TRANSPORTATION TO COUNTY BOARDS IN THE FOLLOWING AMOUNTS:

12	(1)	Allegany.....	[\$ 1,980,822]	\$2,838,327
13	(2)	Anne Arundel	[8,425,949]	\$12,716,216
14	(3)	Baltimore City	[7,190,970]	\$10,303,967
15	(4)	Baltimore.....	[10,367,659]	\$15,715,504
16	(5)	Calvert.....	[1,416,467]	\$3,294,141
17	(6)	Caroline.....	[1,006,102]	\$1,580,176
18	(7)	Carroll	[3,187,617]	\$5,738,454
19	(8)	Cecil.....	[1,804,270]	\$2,997,774
20	(9)	Charles	[3,451,989]	\$5,813,595
21	(10)	Dorchester	[1,019,763]	\$1,465,299
22	(11)	Frederick	[3,190,417]	\$6,620,447
23	(12)	Garrett	[1,316,631]	\$1,886,605
24	(13)	Harford.....	[4,243,590]	\$7,277,627
25	(14)	Howard.....	[3,771,266]	\$8,460,292
26	(15)	Kent	[682,517]	\$985,359
27	(16)	Montgomery	[9,288,324]	\$18,663,456
28	(17)	Prince George's.....	[13,405,820]	\$21,018,217
29	(18)	Queen Anne's.....	[1,124,034]	\$1,952,856
30	(19)	St. Mary's	[2,281,410]	\$3,673,545

1	(20)	Somerset.....	[793,869]	\$1,143,107
2	(21)	Talbot.....	[639,498]	\$981,334
3	(22)	Washington.....	[2,592,124]	\$3,784,100
4	(23)	Wicomico.....	[1,905,063]	\$3,001,531
5	(24)	Worcester	[1,159,874]	\$1,856,978

6 [(b)] (C) (1) In this subsection, "full-time equivalent enrollment" [means
7 the full-time equivalent enrollment used to calculate the State share of basic current
8 expenses for a fiscal year under] HAS THE MEANING STATED IN § 5-202 of this
9 subtitle.

10 (2) Subject to the limitations under paragraph (3) of this subsection, for
11 fiscal year [2001] 2004 and every year thereafter the amount of [the] A COUNTY'S
12 BASE grant FOR STUDENT TRANSPORTATION shall be equal to the amount of the
13 COUNTY'S BASE grant FOR STUDENT TRANSPORTATION for the previous year
14 increased by the same percentage as the increase in the private transportation
15 category of the Consumer Price Index for all urban consumers, for the
16 Washington-Baltimore metropolitan area, as of July of the fiscal year preceding the
17 year for which the amount is being calculated, plus an additional amount equal to the
18 product of:

19 (i) The total [State grant for school] AMOUNT OF FUNDS
20 DISTRIBUTED BY THE STATE AS BASE GRANTS FOR STUDENT transportation for the
21 previous fiscal year divided by the STATEWIDE full-time equivalent enrollment for
22 the previous fiscal year; and

23 (ii) [For fiscal year 1999 and each fiscal year thereafter, the] THE
24 difference between the full-time equivalent enrollment in a county for the current
25 fiscal year and the full-time equivalent enrollment in the county for the previous
26 fiscal year, or, if the full-time equivalent enrollment in a county for the current fiscal
27 year is less than the full-time equivalent enrollment in the county for the previous
28 fiscal year, zero.

29 (3) The increase in the amount of [the] A BASE grant FOR STUDENT
30 TRANSPORTATION that is based on the increase in the private transportation category
31 of the Consumer Price Index may not be less than 3 percent nor more than 8 percent
32 of the amount of the grant for the previous year.

33 [(c)] (D) For each fiscal year, in addition to the BASE grant FOR STUDENT
34 TRANSPORTATION provided under subsections [(a) and] (b) AND (C) of this section, a
35 [handicapped] DISABLED student transportation grant shall be distributed to each
36 county board. The amount of the grant to each board shall be [\$500 times] EQUAL TO
37 THE PRODUCT OF the number of [handicapped] DISABLED students requiring special
38 transportation services who are transported by the county board [in excess of the
39 number transported during the 1980-1981 school year] IN THE SECOND PRIOR
40 FISCAL YEAR AND:

- 1 (1) \$600 IN FISCAL YEAR 2003;
- 2 (2) \$700 IN FISCAL YEAR 2004;
- 3 (3) \$800 IN FISCAL YEAR 2005;
- 4 (4) \$900 IN FISCAL YEAR 2006; AND
- 5 (5) \$1,000 IN FISCAL YEAR 2007 AND EACH FISCAL YEAR THEREAFTER.

6 [(d)] (E) For the purposes of determining the amount of the grant provided
7 under subsection [(c)] (D) of this section, the State Board shall develop a procedure
8 and adopt regulations for determining the number of [handicapped] DISABLED
9 students transported in each jurisdiction [in excess of the number transported in the
10 1980-1981 school year] IN THE SECOND PRIOR FISCAL YEAR.

11 [(e)] (F) The State Board shall adopt rules and regulations that provide for
12 the safe operation of the student transportation system of each county board of
13 education.

14 5-206.

15 (a) [This section may be cited as the School Accountability Funding for
16 Excellence Program.

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

18 (2) "Full-time equivalent enrollment" has the meaning provided in §
19 5-202 of this subtitle.

20 (3) "Non- and limited-English proficient student" means a student
21 identified as non- or limited-English proficient under the Maryland State
22 Department of Education's Maryland School Performance Program reporting
23 requirements. This definition should be consistent with federal guidelines for the
24 identification of students with limited English proficiency, as defined by the following
25 criteria: the student was born outside of the United States or whose native language
26 is not English; the student comes from an environment where a language other than
27 English is dominant; or the student is an American Indian or Alaskan native and
28 comes from an environment where a language other than English has had a
29 significant impact on his/her level of English language proficiency.

30 (4) "Non- and limited-English proficient student count" means the
31 number of non- and limited-English proficient students as of May 15 of a school year.

32 (5) "Wealth" has the meaning provided in § 5-202 of this subtitle.

33 (c) (1) Beginning in fiscal year 1995, the Department shall distribute
34 annually to each county board a grant for the purpose of providing instruction and
35 services to non- and limited-English proficient students.

1 (2) (i) In fiscal year 1995, the amount of the grant shall be distributed
2 on the basis of the non- and limited-English proficient student count for the school
3 year prior to the fiscal year for which the appropriation is provided.

4 (ii) For fiscal year 1996 through fiscal year 1998, the Governor
5 shall include in the State budget funding for the grant, in an amount at least equal to
6 \$500 times the non- and limited-English proficient student count for the second
7 preceding school year prior to the fiscal year for which the appropriation is provided.

8 (iii) For fiscal year 1999 and every fiscal year thereafter, the
9 Governor shall include in the State budget funding for the grant in an amount at least
10 equal to \$1,350 times the non- and limited-English proficient student count for the
11 second preceding school year prior to the fiscal year for which the appropriation is
12 provided.

13 (3) To be eligible to receive the grants provided under paragraph (2) of
14 this subsection, a county board shall:

15 (i) Have programs for providing instruction and services to non-
16 and limited-English proficient students that are approved by the Department; and

17 (ii) In accordance with Department guidelines, annually evaluate
18 non- and limited-English proficient students in listening, speaking, reading, and
19 writing English to determine eligibility.

20 (4) (i) The Department shall establish guidelines for programs and
21 grant eligibility for non- and limited-English proficient students.

22 (ii) The Department and the State Board shall report annually to
23 the General Assembly, subject to § 2-1246 of the State Government Article, on the
24 assessment process and effectiveness of programs for non- and limited-English
25 proficient students.

26 (5) A county board shall expend the State funds received under this
27 subsection for programs for non- and limited-English proficient students and shall
28 report annually to the Department on the actual expenditures of the State funds
29 received under this section.

30 (d) (1) Each county board shall receive from the State, in the manner and
31 subject to the limitations under this section, an amount for each school year to be
32 known as the "Targeted Improvement Grant", which shall be calculated as provided
33 in this subsection.

34 (2) For each fiscal year, the Targeted Improvement Grant funding level
35 shall be the product of 2.5 percent of the per pupil basic current expense figure for the
36 current fiscal year, rounded to the nearest dollar, and 85 percent of the statewide free
37 and reduced price meal eligible count for the second prior fiscal year.

38 (3) The amount to be provided under this Program to a county in a fiscal
39 year shall be:

1 (i) 1. The product of 85 percent of the free and reduced price
2 meal eligible count for the second prior fiscal year for each county and 2.5 percent of
3 the per pupil basic current expense figure for the current fiscal year rounded to the
4 nearest dollar; divided by

5 2. The ratio, rounded to seven decimal places, of county
6 wealth per county full-time equivalent enrollment to statewide wealth per full-time
7 equivalent enrollment; multiplied by

8 (ii) A factor, rounded to seven decimal places, calculated by dividing
9 the Targeted Improvement Grant funding level by the sum of quotients determined in
10 item (i)2 of this paragraph.

11 (4) (i) The Targeted Improvement Grant funds shall be used to
12 provide supplemental funds to schools or specific structured after-school or summer
13 activities in which 25 percent or more of the students receive free and reduced price
14 meals.

15 (ii) A local school system shall distribute funds to these priority
16 areas based on its local comprehensive plan described in subsection (i) of this section
17 to increase the performance of students at risk of academic failure.

18 (e) (1) For fiscal year 1999 and every fiscal year thereafter, each school with
19 a free or reduced price student meal count of 25 percent or more of its student
20 population shall receive an \$8,000 grant to enhance teacher development in dealing
21 with at-risk students.

22 (2) Beginning in fiscal year 1999, the Governor shall include in each
23 year's operating budget not less than the amount appropriated in fiscal year 1998 for
24 the Baltimore County Teacher Mentoring Program. In addition to that amount, the
25 Baltimore County Teacher Mentoring Program shall receive \$5,000,000 annually to
26 enhance its teacher mentoring program as a pilot to determine best practices for
27 mentoring teachers working with at-risk students and addressing teacher retention
28 in schools with high at-risk student populations.

29 (3) For fiscal year 1999 and every fiscal year thereafter, the Governor
30 shall include in each year's operating budget \$2 million to fund a teacher mentoring
31 program in Prince George's County which shall be modeled after the Baltimore
32 County Teacher Mentoring Program.

33 (4) To the extent funds are provided in the State budget or are available
34 from other sources for this purpose, the Department and each public school system
35 shall expand existing professional development programs for school-based
36 administrators and principals and develop new programs to assist these individuals
37 in dealing with at-risk students.

38 (f) (1) Beginning in fiscal year 1999, the Governor shall include in each
39 year's operating budget not less than the amount appropriated in fiscal year 1998 for
40 the extended elementary education program. In addition to that amount, the
41 following additional funds shall be provided annually to county boards as follows:

1	(i)	Allegany County	\$ 57,541
2	(ii)	Anne Arundel County.....	200,241
3	(iii)	Baltimore City.....	694,491
4	(iv)	Baltimore County.....	100,759
5	(v)	Calvert County	143,029
6	(vi)	Caroline County	51,770
7	(vii)	Carroll County	14,270
8	(viii)	Cecil County	162,011
9	(ix)	Charles County.....	144,439
10	(x)	Dorchester County	70,036
11	(xi)	Frederick County.....	180,082
12	(xii)	Garrett County	36,312
13	(xiii)	Harford County	174,311
14	(xiv)	Howard County.....	72,500
15	(xv)	Kent County.....	55,541
16	(xvi)	Montgomery County	313,759
17	(xvii)	Prince George's County	336,226
18	(xviii)	Queen Anne's County.....	59,426
19	(xix)	St. Mary's County.....	261,134
20	(xx)	Somerset County.....	39,729
21	(xxi)	Talbot County	20,541
22	(xxii)	Washington County	103,416
23	(xxiii)	Wicomico County	22,541
24	(xxiv)	Worcester County.....	51,656

25 (2) In addition to the funds provided in paragraph (1) of this subsection,
26 a total of \$1,000,000 shall be provided annually to local school systems to address
27 early intervention for targeted 4-year-old populations whose needs are not fully met
28 by the existing extended elementary education programs. The State Superintendent

1 shall release these funds to local school systems based on the submission and
 2 approval of comprehensive plans described in subsection (i) of this section. Funds
 3 shall be provided as follows:

4	(i)	Allegany	\$ 18,315
5	(ii)	Anne Arundel.....	67,765
6	(iii)	Baltimore City.....	219,779
7	(iv)	Baltimore	62,270
8	(v)	Calvert.....	23,810
9	(vi)	Caroline	16,484
10	(vii)	Carroll	9,158
11	(viii)	Cecil	42,125
12	(ix)	Charles.....	54,945
13	(x)	Dorchester.....	21,978
14	(xi)	Frederick.....	42,125
15	(xii)	Garrett	16,484
16	(xiii)	Harford	40,293
17	(xiv)	Howard.....	12,821
18	(xv)	Kent.....	14,652
19	(xvi)	Montgomery	65,933
20	(xvii)	Prince George's	91,575
21	(xviii)	Queen Anne's	18,315
22	(xix)	St. Mary's.....	45,788
23	(xx)	Somerset	14,652
24	(xxi)	Talbot	14,652
25	(xxii)	Washington.....	31,136
26	(xxiii)	Wicomico.....	40,293
27	(xxiv)	Worcester.....	14,652

1 (g) (1) For fiscal year 1999 and every fiscal year thereafter, the Governor
2 shall include in each year's operating budget funding for the following grants:

3 (i) Effective schools programs in Prince George's County -
4 \$2,000,000;

5 (ii) Pilot integrated student support services project in Prince
6 George's County - \$1,000,000;

7 (iii) Provisional teacher certification and teacher development
8 initiatives in Prince George's County - \$2,500,000; and

9 (iv) Provisional teacher certification and teacher development
10 initiatives statewide except in Prince George's County - \$500,000.

11 (2) The State Superintendent shall establish guidelines and criteria that
12 will be used to distribute funds provided in this subsection.

13 (3) (i) The Prince George's County Board of Education annually shall
14 submit to the Department a plan for the expenditure of funds provided in:

15 1. Paragraph (1) of this subsection for effective schools
16 programs; and

17 2. Chapter 105 of the Acts of the General Assembly of 1997
18 for the Magnet Schools Program, which, notwithstanding any other provision of law,
19 may be directed to support Magnet and other effective schools programs.

20 (ii) The plan shall include:

21 1. Funds for academic programs to support research-proven
22 strategies that enhance instruction and student performance; and

23 2. Strong monitoring and evaluation components.

24 (iii) The State Superintendent shall review the plan and approve it
25 before releasing the funds each year.

26 (4) (i) (1) There shall be a performance audit of the Prince George's
27 County public schools conducted by an independent audit firm.

28 [(ii)] (2) The Prince George's County Board shall provide the
29 Management Oversight Panel with prior notification of proposed personnel actions
30 related to senior positions and substantial procurement actions, allowing the
31 Management Oversight Panel the opportunity to assess whether the
32 recommendations of the performance audit have been considered.

33 [(iii)] (3) The State Superintendent of Schools shall determine
34 which personnel and procurement actions must be submitted to the Management
35 Oversight Panel as provided by [subparagraph (ii) of this paragraph] PARAGRAPH (2)
36 OF THIS SUBSECTION.

1 [(5)] (B) The fiscal 1998 financial audit of the Prince George's County
2 school system shall be performed by an independent auditor and shall include a
3 review of internal financial controls and proper classification of expenditures.

4 [(6)] (i) (C) (1) There shall be a Management Oversight Panel which
5 shall assist in developing the scope of the performance audit, meet periodically with
6 the auditors to monitor the progress of the performance audit and of the financial
7 audit, review the findings and recommendations of both audits, and monitor
8 implementation of the audits' recommendations [for a five-year period] UNTIL THE
9 STATE SUPERINTENDENT DETERMINES THAT ALL OF THE AUDITS'
10 RECOMMENDATIONS HAVE BEEN ADDRESSED.

11 [(ii)] (2) The Management Oversight Panel shall consist of nine
12 members jointly appointed by the Governor, the Prince George's County Executive,
13 and the Chairperson of the Prince George's County Board of Education from a list of
14 nominations submitted by the State Board of Education.

15 [(iii)] (3) The Management Oversight Panel shall be comprised of:

16 [1.] (I) Four individuals who have extensive expertise in
17 management or business enterprises;

18 [2.] (II) Three individuals who have extensive expertise in
19 the education field; and

20 [3.] (III) Two individuals who are parents of students in the
21 Prince George's County public schools, at least one of whom has a child in special
22 education.

23 [(iv)] (4) A majority of the members of the Management Oversight
24 Panel shall be residents of Prince George's County.

25 [(v)] (5) The Governor, the Prince George's County Executive, and
26 the Chairman of the Prince George's County Board of Education jointly shall
27 designate a Chairman of the Management Oversight Panel.

28 [(vi)] (6) The Management Oversight Panel shall assist in
29 developing the scope of a performance audit and shall meet periodically with the
30 Board Chairperson, the County Executive, and the County Council Chairperson to
31 monitor the progress of the audit.

32 [(vii)] (7) At the conclusion of the performance audit and the
33 financial audit, the Management Oversight Panel shall review the findings and
34 recommendations of the audits and report to the Governor, General Assembly, Prince
35 George's County Council, Prince George's County Executive, and Prince George's
36 County Board of Education:

37 [1.] (I) On the audits' findings and recommendations; and

1 [2.] (II) Annually on implementation of the audits'
2 recommendations.

3 [(viii)] (8) The Management Oversight Panel and the county board
4 shall promulgate and publish a protocol for joint communications with, and requests
5 for, information to the County Board and the County Superintendent and shall notify
6 the Prince George's County Senators and the Prince George's County Delegation, the
7 County Executive, the County Council and the State Superintendent of any breaches
8 of that protocol by the Management Oversight Panel, the County Board, or the
9 County Superintendent.

10 [(ix)] (9) The Management Oversight Panel may meet and
11 deliberate in executive session with the County Board, the County Superintendent,
12 and employees of the County Board to discuss any matter which the Management
13 Oversight Panel and the County Board may separately discuss in executive session.

14 [(x)] (10) The affirmative vote of the members of the Management
15 Oversight Panel for the passage of a motion by the Management Oversight Panel
16 shall be a majority of the members presently authorized to serve.

17 [(7)] (D) The State shall provide one-third of the total cost of the
18 performance audit up to \$200,000, with release of the funds contingent on
19 appointment of the Management Oversight Panel.

20 [(8) (i)] (E) (1) There shall be a coordination office with staff appointed
21 by the Management Oversight Panel.

22 [(ii)] (2) The coordination office shall provide support to the
23 Management Oversight Panel and serve as liaison between the State, Prince George's
24 County, and the Management Oversight Panel [for the duration of the five-year
25 period] UNTIL THE STATE SUPERINTENDENT DETERMINES THAT ALL OF THE
26 AUDITS' RECOMMENDATIONS HAVE BEEN ADDRESSED.

27 [(iii)] (3) The State shall fund the total operating costs of the
28 coordination office UP TO A MAXIMUM OF \$310,000 EACH FISCAL YEAR.

29 [(h) (1)] (1) In this subsection, "new local school board funds" means additional
30 funding provided by the local school boards for elementary, middle, and high school
31 libraries in excess of the fiscal 1998 funding provided by the local school boards for
32 elementary, middle, and high school libraries.

33 (2) For fiscal year 1999 and every fiscal year thereafter, the Governor
34 shall include in each year's operating budget a total of \$3,000,000 in grants to local
35 school systems for the purpose of enhancing elementary, middle, and high school
36 library programs.

37 (3) In order to receive funds under this subsection, each county board
38 shall match the State grant dollar for dollar with new local school board funds.

1 (4) To the extent that a local school board does not provide new local
2 school board funds to meet the local match required in paragraph (3) of this
3 subsection, the State grant shall revert to the General Fund.

4 (5) The State Superintendent shall establish guidelines and criteria for
5 the expenditure of funds under this subsection. In developing guidelines, priority
6 shall be given to updating library book and other resource collections.

7 (6) For fiscal year 1999 and every fiscal year thereafter, and subject to
8 the provisions of this subsection, school library grants shall be provided to county
9 boards as follows:

10	(i)	Allegany	\$ 40,266
11	(ii)	Anne Arundel.....	268,456
12	(iii)	Baltimore City.....	380,390
13	(iv)	Baltimore.....	376,316
14	(v)	Calvert.....	53,740
15	(vi)	Caroline	20,218
16	(vii)	Carroll	98,518
17	(viii)	Cecil	55,039
18	(ix)	Charles.....	78,281
19	(x)	Dorchester.....	18,382
20	(xi)	Frederick.....	125,881
21	(xii)	Garrett	19,170
22	(xiii)	Harford	139,416
23	(xiv)	Howard.....	147,977
24	(xv)	Kent.....	10,197
25	(xvi)	Montgomery	453,584
26	(xvii)	Prince George's	463,151
27	(xviii)	Queen Anne's.....	23,544
28	(xix)	St. Mary's.....	52,289
29	(xx)	Somerset	11,060

.....

1	(xxi)	Talbot	16,384
2	(xxii)	Washington.....	72,645
3	(xxiii)	Wicomico	50,492
4	(xxiv)	Worcester.....	24,604

5 (i) (1) In order to receive any of the funds described in subsections (c)
6 through (g) of this section, a local school system shall submit to the Department and
7 the Department shall have approved a comprehensive plan to increase the
8 performance of at-risk students based on the Department's criteria for measuring
9 student success.

10 (2) Each comprehensive plan shall integrate funding from State, federal,
11 and local programs targeting students at risk of academic failure in order to deliver a
12 more comprehensive and coordinated program.

13 (3) Each comprehensive plan shall include a description of the measures
14 that will be used and the process by which data will be collected and evaluated to
15 measure change in student learning and other educational performance attributable
16 to the school accountability funding for excellence program funds.

17 (4) The State Board shall adopt regulations regarding the information
18 requirements of and the approval process for the comprehensive plans. These
19 regulations shall include detailed time lines for approval of the comprehensive plans
20 by the Department.

21 (5) Each local school system shall submit to the Department semiannual
22 progress reports that include specific data about the nature and extent of changes in
23 student learning for students participating in the school accountability funding for
24 excellence program. The information gathered through the semiannual reporting
25 shall be used to modify and implement student performance strategies. Each progress
26 report submitted under this paragraph shall include an assessment of student
27 performance using the categories required by the Maryland School Performance
28 Program standards.

29 (6) The Department shall report annually to the General Assembly, in
30 accordance with § 2-1246 of the State Government Article, on the local
31 comprehensive plans and the effectiveness of the programs in increasing the
32 performance of at-risk students.

33 (j) (1) Funds appropriated under subsections (c) through (h) of this section
34 may not be used to supplant existing education funding for programs for students at
35 risk of academic failure.

36 (2) To the extent that a local school system achieves the intended
37 funding level in a particular targeted program for at-risk students, the local school
38 system may divert funds to other targeted programs if the programs are identified in
39 the school system's comprehensive plan and approved by the Department.

1 (k) Beginning with the fiscal year 1999 State budget, the Governor shall
 2 include not less than the amount appropriated in fiscal year 1998 for the Aging School
 3 Program, which shall be administered by the Interagency Committee on Public School
 4 Construction. In addition to that amount, the following additional funds shall be
 5 provided annually to county boards as follows:]

6 (F) IN FISCAL YEARS 2003 AND 2004, THE STATE SHALL DISTRIBUTE GRANTS
 7 TO COUNTY BOARDS UNDER THE AGING SCHOOLS PROGRAM ADMINISTERED BY THE
 8 INTERAGENCY COMMITTEE ON SCHOOL CONSTRUCTION IN THE FOLLOWING
 9 AMOUNTS:

10	(1)	Allegany County.....	[\$ 205,000]	\$355,000
11	(2)	Anne Arundel County	[330,000]	\$570,000
12	(3)	Baltimore City	[1,515,000]	\$1,635,000
13	(4)	Baltimore County.....	[1,190,000]	\$2,940,000
14	(5)	Calvert County.....	[40,000]	\$65,000
15	(6)	Caroline County.....	[50,000]	\$85,000
16	(7)	Carroll County	[205,000]	\$385,000
17	(8)	Cecil County.....	[205,000]	\$355,000
18	(9)	Charles County	[40,000]	\$65,000
19	(10)	Dorchester County	[40,000]	\$85,000
20	(11)	Frederick County	[50,000]	\$85,000
21	(12)	Garrett County	[50,000]	\$85,000
22	(13)	Harford County.....	[220,000]	\$400,000
23	(14)	Howard County.....	[40,000]	\$65,000
24	(15)	Kent County	[40,000]	\$65,000
25	(16)	Montgomery County.....	[660,000]	\$1,170,000
26	(17)	Prince George's County.....	[550,000]	\$970,000
27	(18)	Queen Anne's County.....	[50,000]	\$85,000
28	(19)	St. Mary's County	[50,000]	\$85,000
29	(20)	Somerset County.....	[40,000]	\$65,000
30	(21)	Talbot County.....	[95,000]	\$155,000

1	(22)	Washington County	[110,000]	\$200,000
2	(23)	Wicomico County	[205,000]	\$355,000
3	(24)	Worcester County	[40,000]	\$65,000

4 (G) IN FISCAL YEAR 2003, THE STATE SHALL DISTRIBUTE A GRANT TO EACH
5 COUNTY BOARD THAT IS EQUAL TO 75% OF THE AMOUNT RECEIVED BY THE COUNTY
6 BOARD IN FISCAL YEAR 2002 FOR THE EXTENDED ELEMENTARY EDUCATION
7 PROGRAM.

8 [5-206.1.

9 (a) It is the intent of this section to provide competitive grants to encourage
10 county boards to expand and develop mentoring programs.

11 (b) Subject to the appropriation of funds in the annual State budget, the State
12 Superintendent annually shall distribute in accordance with the criteria specified in
13 subsection (c) of this section competitive grants to county boards for expansion of
14 mentor programs.

15 (c) (1) A county board applying for a grant under this section shall submit a
16 plan for funding to the State Superintendent.

17 (2) The State Superintendent shall give priority to plans targeting funds
18 to schools in which 40% of the students receive free or reduced price meals.

19 (3) In addition to the criteria in paragraph (2) of this subsection, the
20 State Superintendent shall give priority to plans targeting funds to schools in which:

21 (i) 50% or more of the teachers have 5 years or less of teaching
22 experience; or

23 (ii) Student achievement scores on local, State, and national
24 assessments are at or below a satisfactory level.

25 (d) The total grants distributed under this section for any fiscal year may not
26 exceed \$5,000,000.]

27 [5-207.

28 (a) In this section, "student living in poverty" means a student who qualifies
29 for a free or reduced price lunch.

30 (b) The targeted poverty grants shall be distributed as follows:

31 (1) County boards shall submit to the State Board comprehensive plans
32 for specific schools to improve educational achievement for students living in poverty.

33 (2) Upon approval by the State Board of a county's plans under
34 paragraph (1) of this subsection, a county board shall receive a share of the funds

1 available for targeted poverty grants that is proportional to its share of the statewide
 2 number of students living in poverty for the school year prior to the fiscal year for
 3 which the appropriation is provided.

4 (3) Grants to individual schools may not exceed \$1,500 for each student
 5 living in poverty attending the school receiving the grant.

6 (4) In selecting the schools, the county board shall give priority to schools
 7 with the highest concentration of students living in poverty.

8 (c) Grants made under this appropriation may not be used to supplant
 9 existing funding for compensatory education programs, as defined in § 5-202(e) of
 10 this subtitle.

11 (d) For fiscal year 1996 and each fiscal year thereafter, the Governor shall
 12 include in the State budget at least \$8,000,000 for targeted poverty grants under this
 13 subsection.]

14 5-207.

15 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS
 16 INDICATED.

17 (2) "AGGREGATE STATE FUNDING LEVEL FOR THE COMPENSATORY
 18 EDUCATION FORMULA" MEANS THE PRODUCT OF THE COMPENSATORY EDUCATION
 19 PER PUPIL AMOUNT AND THE STATEWIDE COMPENSATORY EDUCATION
 20 ENROLLMENT COUNT.

21 (3) "COMPENSATORY EDUCATION ENROLLMENT COUNT" MEANS THE
 22 NUMBER OF STUDENTS ELIGIBLE FOR FREE OR REDUCED PRICE MEALS WHO WERE
 23 ENROLLED ON OCTOBER 31 OF THE SECOND PRIOR FISCAL YEAR.

24 (4) "COMPENSATORY EDUCATION PER PUPIL AMOUNT" MEANS 97% OF
 25 THE ANNUAL PER PUPIL FOUNDATION AMOUNT CALCULATED UNDER § 5-202 OF
 26 THIS SUBTITLE MULTIPLIED BY THE STATE SHARE OF COMPENSATORY EDUCATION
 27 FUNDING.

28 (5) "ELIGIBLE FOR FREE OR REDUCED PRICE MEALS" MEANS ELIGIBLE
 29 FOR FREE OR REDUCED PRICE MEALS BASED ON ELIGIBILITY REQUIREMENTS
 30 ESTABLISHED BY THE UNITED STATES DEPARTMENT OF AGRICULTURE.

31 (6) "FULL-TIME EQUIVALENT ENROLLMENT" HAS THE MEANING
 32 STATED IN § 5-202 OF THIS SUBTITLE.

33 (7) "LOCAL WEALTH PER PUPIL" MEANS A COUNTY'S WEALTH DIVIDED
 34 BY THE COUNTY'S FULL-TIME EQUIVALENT ENROLLMENT.

35 (8) "STATE SHARE OF COMPENSATORY EDUCATION FUNDING" MEANS :

36 (I) 0.33 IN FISCAL YEAR 2003;

- 1 (II) 0.35 IN FISCAL YEAR 2004;
2 (III) 0.40 IN FISCAL YEAR 2005;
3 (IV) 0.45 IN FISCAL YEAR 2006; AND
4 (V) 0.50 IN FISCAL YEAR 2007 AND EACH FISCAL YEAR
5 THEREAFTER.

6 (9) "STATEWIDE WEALTH PER PUPIL" MEANS THE SUM OF THE WEALTH
7 OF ALL COUNTIES DIVIDED BY THE STATEWIDE FULL-TIME EQUIVALENT
8 ENROLLMENT.

9 (10) "WEALTH" HAS THE MEANING STATED IN § 5-202 OF THIS SUBTITLE.

10 (B) EACH YEAR THE STATE SHALL DISTRIBUTE COMPENSATORY EDUCATION
11 GRANTS TO COUNTY BOARDS.

12 (C) (1) THE AMOUNT OF THE COMPENSATORY EDUCATION GRANT
13 DISTRIBUTED TO A COUNTY BOARD SHALL BE CALCULATED AS PROVIDED IN THIS
14 SUBSECTION.

15 (2) FOR EACH COUNTY, MULTIPLY THE COMPENSATORY EDUCATION
16 PER PUPIL AMOUNT BY THE COUNTY'S COMPENSATORY EDUCATION ENROLLMENT
17 COUNT.

18 (3) FOR EACH COUNTY, DIVIDE THE RESULT CALCULATED UNDER
19 PARAGRAPH (2) OF THIS SUBSECTION BY THE RATIO, ROUNDED TO SEVEN DECIMAL
20 PLACES, OF LOCAL WEALTH PER PUPIL TO STATEWIDE WEALTH PER PUPIL.

21 (4) FOR EACH COUNTY, MULTIPLY THE RESULT CALCULATED UNDER
22 PARAGRAPH (3) OF THIS SUBSECTION FOR THE COUNTY BY THE RESULT, ROUNDED
23 TO SEVEN DECIMAL PLACES, THAT RESULTS FROM DIVIDING THE AGGREGATE
24 STATE FUNDING LEVEL FOR THE COMPENSATORY EDUCATION FORMULA BY THE
25 SUM OF ALL OF THE RESULTS CALCULATED UNDER PARAGRAPH (3) OF THIS
26 SUBSECTION FOR ALL COUNTIES.

27 5-208.

28 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS
29 INDICATED.

30 (2) "AGGREGATE STATE FUNDING FOR THE LEP FORMULA" MEANS THE
31 PRODUCT OF THE LEP PER PUPIL AMOUNT AND THE STATEWIDE LEP ENROLLMENT
32 COUNT.

33 (3) "FULL-TIME EQUIVALENT ENROLLMENT" HAS THE MEANING
34 STATED IN § 5-202 OF THIS SUBTITLE.

35 (4) "LEP" MEANS LIMITED ENGLISH PROFICIENCY.

1 (5) "LEP ENROLLMENT COUNT" MEANS THE NUMBER OF STUDENTS
2 WITH LIMITED ENGLISH PROFICIENCY WHO WERE ENROLLED ON MAY 15 OF THE
3 SECOND PRIOR FISCAL YEAR.

4 (6) "LEP PER PUPIL AMOUNT" MEANS 99% OF THE ANNUAL PER PUPIL
5 FOUNDATION AMOUNT CALCULATED UNDER § 5-202 OF THIS SUBTITLE MULTIPLIED
6 BY THE STATE SHARE OF LEP FUNDING.

7 (7) "LIMITED ENGLISH PROFICIENCY" MEANS NON-ENGLISH OR
8 LIMITED ENGLISH PROFICIENCY UNDER THE REPORTING REQUIREMENTS
9 ESTABLISHED BY THE DEPARTMENT FOR THE MARYLAND SCHOOL PERFORMANCE
10 PROGRAM.

11 (8) "LOCAL WEALTH PER PUPIL" MEANS A COUNTY'S WEALTH DIVIDED
12 BY THE COUNTY'S FULL-TIME EQUIVALENT ENROLLMENT.

13 (9) "STATE SHARE OF LEP FUNDING" MEANS:

14 (I) 0.33 IN FISCAL YEAR 2003;

15 (II) 0.35 IN FISCAL YEAR 2004;

16 (III) 0.40 IN FISCAL YEAR 2005;

17 (IV) 0.45 IN FISCAL YEAR 2006; AND

18 (V) 0.50 IN FISCAL YEAR 2007 AND EACH FISCAL YEAR
19 THEREAFTER.

20 (10) "STATEWIDE WEALTH PER PUPIL" MEANS THE SUM OF THE WEALTH
21 OF ALL COUNTIES DIVIDED BY THE STATEWIDE FULL-TIME EQUIVALENT
22 ENROLLMENT.

23 (11) "TIER I LEP FUNDING" MEANS THE PRODUCT OF \$1,350 AND THE
24 STATEWIDE LEP ENROLLMENT COUNT.

25 (12) "TIER II LEP FUNDING" MEANS THE DIFFERENCE BETWEEN
26 AGGREGATE STATE FUNDING FOR THE LEP FORMULA AND TIER I LEP FUNDING.

27 (13) "TIER II LEP PER PUPIL AMOUNT" MEANS THE RESULT OBTAINED BY
28 DIVIDING TIER II LEP FUNDING BY THE STATEWIDE LEP ENROLLMENT COUNT.

29 (14) "WEALTH" HAS THE MEANING STATED IN § 5-202 OF THIS SUBTITLE.

30 (B) EACH YEAR, THE STATE SHALL DISTRIBUTE TIER I LEP GRANTS AND TIER
31 II LEP GRANTS TO COUNTY BOARDS.

32 (C) THE AMOUNT OF THE TIER I LEP GRANT DISTRIBUTED TO A COUNTY
33 BOARD SHALL BE EQUAL TO THE PRODUCT OF \$1,350 AND THE COUNTY'S LEP
34 ENROLLMENT COUNT.

1 (D) (1) THE AMOUNT OF THE TIER II LEP GRANT DISTRIBUTED TO A COUNTY
2 BOARD SHALL BE CALCULATED AS PROVIDED IN THIS SUBSECTION.

3 (2) FOR EACH COUNTY, MULTIPLY THE COUNTY'S LEP ENROLLMENT
4 COUNT BY THE TIER II LEP PER PUPIL AMOUNT.

5 (3) FOR EACH COUNTY, DIVIDE THE RESULT CALCULATED UNDER
6 PARAGRAPH (2) OF THIS SUBSECTION BY THE RATIO, ROUNDED TO SEVEN DECIMAL
7 PLACES, OF LOCAL WEALTH PER PUPIL TO STATEWIDE WEALTH PER PUPIL.

8 (4) FOR EACH COUNTY, MULTIPLY THE RESULT CALCULATED UNDER
9 PARAGRAPH (3) OF THIS SUBSECTION FOR THE COUNTY BY THE RESULT, ROUNDED
10 TO SEVEN DECIMAL PLACES, THAT RESULTS FROM DIVIDING TIER II LEP FUNDING
11 BY THE SUM OF ALL OF THE RESULTS CALCULATED UNDER PARAGRAPH (3) OF THIS
12 SUBSECTION FOR ALL COUNTIES.

13 5-209.

14 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS
15 INDICATED.

16 (2) "AGGREGATE STATE FUNDING FOR THE SPECIAL EDUCATION
17 FORMULA" MEANS THE PRODUCT OF THE SPECIAL EDUCATION PER PUPIL AMOUNT
18 AND THE STATEWIDE SPECIAL EDUCATION ENROLLMENT COUNT.

19 (3) "FULL-TIME EQUIVALENT ENROLLMENT" HAS THE MEANING
20 STATED IN § 5-202 OF THIS SUBTITLE.

21 (4) "LOCAL WEALTH PER PUPIL" MEANS A COUNTY'S WEALTH DIVIDED
22 BY THE COUNTY'S FULL-TIME EQUIVALENT ENROLLMENT.

23 (5) "SPECIAL EDUCATION ENROLLMENT COUNT" MEANS THE NUMBER
24 OF SPECIAL EDUCATION STUDENTS WHO WERE ENROLLED ON DECEMBER 1 OF THE
25 SECOND PRIOR FISCAL YEAR IN A PUBLIC SCHOOL OPERATED BY A COUNTY BOARD
26 OTHER THAN THOSE STUDENTS WHO ARE ENROLLED IN OR ATTEND:

27 (I) THE MARYLAND SCHOOL FOR THE BLIND;

28 (II) THE MARYLAND SCHOOL FOR THE DEAF; OR

29 (III) AN EDUCATIONAL PROGRAM OPERATED BY THE STATE.

30 (6) "SPECIAL EDUCATION STUDENT" MEANS A STUDENT REQUIRING
31 SPECIAL EDUCATION SERVICES AS DEFINED IN THE FEDERAL INDIVIDUALS WITH
32 DISABILITIES EDUCATION ACT.

33 (7) "SPECIAL EDUCATION PER PUPIL AMOUNT" MEANS 74% OF THE
34 ANNUAL PER PUPIL FOUNDATION AMOUNT CALCULATED UNDER § 5-202 OF THIS
35 SUBTITLE MULTIPLIED BY THE STATE SHARE OF SPECIAL EDUCATION FUNDING.

36 (8) "STATE SHARE OF SPECIAL EDUCATION FUNDING" MEANS:

- 1 (I) 0.25 IN FISCAL YEAR 2003;
2 (II) 0.35 IN FISCAL YEAR 2004;
3 (III) 0.40 IN FISCAL YEAR 2005;
4 (IV) 0.45 IN FISCAL YEAR 2006; AND
5 (V) 0.50 IN FISCAL YEAR 2007 AND EACH FISCAL YEAR
6 THEREAFTER.

7 (9) "STATEWIDE WEALTH PER PUPIL" MEANS THE SUM OF THE WEALTH
8 OF ALL COUNTIES DIVIDED BY THE STATEWIDE FULL-TIME EQUIVALENT
9 ENROLLMENT.

10 (10) "TIER I SPECIAL EDUCATION FUNDING" MEANS THE FUNDS THAT
11 ARE DISTRIBUTED UNDER § 8-414 OF THIS ARTICLE.

12 (11) "TIER II SPECIAL EDUCATION FUNDING" MEANS THE DIFFERENCE
13 BETWEEN THE AGGREGATE STATE FUNDING FOR THE SPECIAL EDUCATION
14 FORMULA AND TIER I SPECIAL EDUCATION FUNDING.

15 (12) "TIER II SPECIAL EDUCATION PER PUPIL AMOUNT" MEANS THE
16 RESULT OBTAINED BY DIVIDING THE TIER II SPECIAL EDUCATION FUNDING BY THE
17 STATEWIDE SPECIAL EDUCATION ENROLLMENT COUNT.

18 (13) "WEALTH" HAS THE MEANING STATED IN § 5-202 OF THIS SUBTITLE.

19 (B) EACH YEAR THE STATE SHALL DISTRIBUTE TIER II SPECIAL EDUCATION
20 GRANTS TO COUNTY BOARDS.

21 (C) (1) THE AMOUNT OF THE TIER II SPECIAL EDUCATION GRANT
22 DISTRIBUTED TO A COUNTY BOARD SHALL BE CALCULATED AS PROVIDED IN THIS
23 SUBSECTION.

24 (2) FOR EACH COUNTY, MULTIPLY THE COUNTY'S SPECIAL EDUCATION
25 ENROLLMENT COUNT BY THE TIER II SPECIAL EDUCATION PER PUPIL AMOUNT.

26 (3) FOR EACH COUNTY, DIVIDE THE RESULT CALCULATED UNDER
27 PARAGRAPH (2) OF THIS SUBSECTION BY THE RATIO, ROUNDED TO SEVEN DECIMAL
28 PLACES, OF LOCAL WEALTH PER PUPIL TO STATEWIDE WEALTH PER PUPIL.

29 (4) FOR EACH COUNTY, MULTIPLY THE RESULT CALCULATED UNDER
30 PARAGRAPH (3) OF THIS SUBSECTION BY THE RESULT, ROUNDED TO SEVEN DECIMAL
31 PLACES, THAT RESULTS FROM DIVIDING TIER II SPECIAL EDUCATION FUNDING BY
32 THE SUM OF ALL OF THE RESULTS CALCULATED UNDER PARAGRAPH (3) OF THIS
33 SUBSECTION FOR ALL COUNTIES.

1 5-210.

2 (A) (1) IN THIS SECTION THE FOLLOWING TERMS HAVE THE MEANINGS
3 INDICATED.

4 (2) "ADDITIONAL EDUCATION APPROPRIATION" MEANS THE
5 DIFFERENCE BETWEEN A COUNTY'S EDUCATION APPROPRIATION FOR THE PRIOR
6 FISCAL YEAR AND THE COUNTY'S LOCAL SHARE OF THE FOUNDATION PROGRAM
7 CALCULATED UNDER § 5-202 OF THIS SUBTITLE.

8 (3) "ADDITIONAL EDUCATION EFFORT" MEANS A COUNTY'S ADDITIONAL
9 EDUCATION APPROPRIATION DIVIDED BY THE COUNTY'S WEALTH, ROUNDED TO
10 SEVEN DECIMAL PLACES.

11 (4) "FULL-TIME EQUIVALENT ENROLLMENT" HAS THE MEANING
12 STATED IN § 5-202 OF THIS SUBTITLE.

13 (5) "GUARANTEED WEALTH PER PUPIL" MEANS 80% OF THE STATEWIDE
14 WEALTH PER PUPIL.

15 (6) "GUARANTEED TAX BASE PROGRAM PER PUPIL AMOUNT" MEANS
16 THE LESSER OF:

17 (I) 20% OF THE ANNUAL PER PUPIL FOUNDATION AMOUNT
18 CALCULATED UNDER § 5-202 OF THIS SUBTITLE; AND

19 (II) THE PRODUCT OF A COUNTY'S ADDITIONAL EDUCATION
20 EFFORT AND THE DIFFERENCE BETWEEN GUARANTEED WEALTH PER PUPIL AND
21 LOCAL WEALTH PER PUPIL.

22 (7) "LOCAL WEALTH PER PUPIL" MEANS A COUNTY'S WEALTH DIVIDED
23 BY THE COUNTY'S FULL-TIME EQUIVALENT ENROLLMENT.

24 (8) "STATEWIDE WEALTH PER PUPIL" MEANS THE SUM OF THE WEALTH
25 OF ALL COUNTIES DIVIDED BY THE STATEWIDE FULL-TIME EQUIVALENT
26 ENROLLMENT.

27 (9) "WEALTH" HAS THE MEANING STATED IN § 5-202 OF THIS SUBTITLE.

28 (B) EACH YEAR THE STATE SHALL DISTRIBUTE GUARANTEED TAX BASE
29 GRANTS TO COUNTY BOARDS AS PROVIDED IN THIS SECTION.

30 (C) A COUNTY BOARD IS ELIGIBLE TO RECEIVE A GUARANTEED TAX BASE
31 GRANT IF THE COUNTY'S:

32 (1) ADDITIONAL EDUCATION EFFORT IS GREATER THAN ZERO; AND

33 (2) LOCAL WEALTH PER PUPIL IS LESS THAN THE GUARANTEED
34 WEALTH PER PUPIL.

1 (D) THE AMOUNT OF THE GUARANTEED TAX BASE GRANT SHALL BE EQUAL
2 TO THE PRODUCT OF THE COUNTY'S GUARANTEED TAX BASE PROGRAM PER PUPIL
3 AMOUNT AND THE COUNTY'S FULL-TIME EQUIVALENT ENROLLMENT MULTIPLIED
4 BY:

5 (1) 0.20 IN FISCAL YEAR 2003;

6 (2) 0.40 IN FISCAL YEAR 2004;

7 (3) 0.60 IN FISCAL YEAR 2005;

8 (4) 0.80 IN FISCAL YEAR 2006; AND

9 (5) 1.00 IN FISCAL YEAR 2007 AND EACH FISCAL YEAR THEREAFTER.

10 [5-209.] 5-212.

11 (a) Ten days before the end of July, September, November, January, March,
12 and May, the State Superintendent shall certify to the State Comptroller the amount
13 due at the end of each of these months to each county board for the annual State
14 share of:

15 (1) [Basic current expenses as provided] FUNDING FOR THE
16 FOUNDATION PROGRAM under § 5-202 of this subtitle;

17 (2) Transportation aid [as provided] under § 5-205 of this subtitle;
18 [and]

19 (3) FUNDING FOR COMPENSATORY EDUCATION UNDER § 5-207 OF THIS
20 SUBTITLE;

21 (4) FUNDING FOR STUDENTS WITH LIMITED ENGLISH PROFICIENCY
22 UNDER § 5-208 OF THIS SUBTITLE;

23 (5) FUNDING FOR SPECIAL EDUCATION STUDENTS UNDER § 5-209 OF
24 THIS SUBTITLE;

25 (6) FUNDING FOR THE GUARANTEED TAX BASE PROGRAM UNDER §5-210
26 OF THIS SUBTITLE; AND

27 (7) Any money provided in the Department's budget for special education
28 services under § 8-414 of this article.

29 (b) Amounts due shall be made in equal payments once every 2 months.

30 (c) Within 5 days before the end of each of these months, the State
31 Comptroller shall draw the Comptroller's warrant on the State Treasurer for the
32 amount due to [Baltimore City and] the treasurer of each county board.

1 (d) On receipt of the warrant of the State Comptroller, the State Treasurer
2 immediately shall pay the amount due to [Baltimore City and] the treasurer of each
3 county board.

4 [5-212.

5 (a) (1) In this section the following terms have the meanings indicated.

6 (2) "FTE teacher amount" means for each local education agency, the
7 greater of:

8 (i) 130% of the standard salary for a 10-month, first-year teacher
9 with a bachelor's degree in the year preceding the year for which funds are provided
10 in that local education agency; or

11 (ii) \$39,000.

12 (3) "Reading factor" means the total enrollment in first grade and second
13 grade on September 30 of the previous fiscal year.

14 (4) "Professional development, materials, and facilities component"
15 means an amount intended to cover costs associated with class size reduction
16 expenses other than personnel costs.

17 (b) There is a Maryland Learning Success Program.

18 (c) The purpose of the Maryland Learning Success Program is to provide
19 grants that will assist local education agencies to reduce class sizes for reading
20 instruction in the first and second grades.

21 (d) (1) The maximum Maryland Learning Success Program grant to each
22 local education agency shall consist of:

23 (i) A reading component; and

24 (ii) For fiscal years 2001, 2002, and 2003 only, a professional
25 development, materials, and facilities component.

26 (2) For fiscal year 2003 and each subsequent fiscal year, the amount of
27 the maximum Maryland Learning Success Program grant shall be reduced 5 percent
28 for each 1 percent by which the percentage of total teachers in the local education
29 agency who are provisionally certified exceeds 2 percent as of December 1 of the
30 previous fiscal year.

31 (3) The reading component shall be calculated as follows:

32 (i) For fiscal year 2001, by dividing the reading factor for the local
33 education agency by 750 and multiplying the result by the FTE teacher amount for
34 the local education agency;

1 (ii) For fiscal year 2002, by dividing the reading factor for the local
2 education agency by 375 and multiplying the result by the FTE teacher amount for
3 the local education agency;

4 (iii) For fiscal year 2003, by dividing the reading factor for the local
5 education agency by 250 and multiplying the result by the FTE teacher amount for
6 the local education agency;

7 (iv) For fiscal year 2004, by dividing the reading factor for the local
8 education agency by 185 and multiplying the result by the FTE teacher amount for
9 the local education agency; and

10 (v) For fiscal year 2005 and each succeeding fiscal year, by dividing
11 the reading factor for the local education agency by 150 and multiplying the result by
12 the FTE teacher amount for the local education agency.

13 (4) (i) The professional development, materials, and facilities
14 component for each local education agency shall be determined each year by the State
15 Superintendent.

16 (ii) The total of the professional development, materials, and
17 facilities components may not exceed \$3,000,000 in any fiscal year.

18 (e) (1) On or before October 1, 1999, each local education agency shall
19 submit a Maryland Learning Success Program plan to the State Superintendent.

20 (2) The plan shall describe the local education agency's intended use of
21 funding from Maryland Learning Success Program grants, federal class size
22 reduction initiative grants provided in Public Law 105-277, and any other federal
23 funds provided specifically for the purpose of adding teachers.

24 (3) The plan shall specify the use of funds for:

25 (i) Class size reduction for reading instruction in the first and
26 second grades to a ratio no greater than 20 students per one teacher;

27 (ii) Professional development for new or existing teachers to
28 maximize the educational results of reduced class sizes;

29 (iii) Supplies and materials related to changes in curriculum and
30 instructional methods implemented to maximize the educational results of reduced
31 class sizes;

32 (iv) Reconfigurations and other minor alterations in facilities
33 required to maximize the educational results of reduced class sizes; or

34 (v) Other expenses directly related to items (i) through (iv) of this
35 paragraph.

1 (4) The plan shall specify how the funding shall be initially targeted
2 toward higher-risk schools and schools that serve disadvantaged populations.

3 (5) The plan shall specify performance indicators that shall be used to
4 evaluate the success of the local education agency's class size reduction programs.

5 (6) The plan shall include a statement of any funding increases provided
6 from local sources since fiscal year 1995 which can be documented to have been
7 provided specifically for the purposes described in paragraph (3) of this subsection.

8 (7) In local education agencies where the number of provisionally
9 certified teachers exceeds 2 percent of the total number of teachers, the plan shall
10 provide a detailed strategy for reducing the number of provisionally certified teachers
11 to no more than 2 percent of the total number of teachers.

12 (8) The plan shall include any other information required by guidelines
13 or regulations issued by the State Board.

14 (9) The plan shall be in a form and format specified by the State
15 Superintendent.

16 (f) Except as provided in paragraph (5) of this subsection, in fiscal year 2001
17 and each succeeding fiscal year, the State Superintendent shall evaluate each plan
18 and the local education agency's progress in achieving the goals of this section and
19 award to each local education agency a grant that does not exceed the maximum
20 Maryland Learning Success Program grant. The State Superintendent may grant an
21 award which is less than the maximum Maryland Learning Success Program grant:

22 (1) If the local education agency's Maryland Learning Success Program
23 plan does not require the full amount of the maximum Maryland Learning Success
24 Program grant;

25 (2) If in the judgment of the State Superintendent, the local education
26 agency's Maryland Learning Success Program plan will not effectively maximize the
27 educational results of reduced class sizes;

28 (3) If in the State Superintendent's judgment, the local education
29 agency's implementation of the Maryland Learning Success Program grants, federal
30 class size reduction initiative grants provided under Public Law 105-277, and any
31 other federal funds provided specifically for the purpose of adding teachers has not
32 been expended efficiently, effectively, and in accordance with the local education
33 agency's Maryland Learning Success Program plan;

34 (4) If the local education agency's Maryland Learning Success Program
35 plan or Maryland Learning Success Program report do not meet the criteria set forth
36 in this section and in any guidelines or regulations established pursuant to this
37 section; or

38 (5) For fiscal years 2001 and 2002, in local education agencies where the
39 number of provisionally certified teachers exceeds 2 percent of the total number of

1 teachers, if, in the judgment of the State Superintendent, the plan does not provide an
2 effective strategy for reducing the number of provisionally certified teachers to 2
3 percent of the total number of teachers.

4 (g) Notwithstanding the provisions of subsection (d)(2) of this section, the
5 State Superintendent may annually waive or modify the grant reduction penalty in
6 subsection (d)(2) of this section, if the local education agency has demonstrated in
7 writing that it has made:

8 (1) Substantial efforts towards reducing the number of provisionally
9 certified teachers;

10 (2) Significant attempts to recruit and hire certified teachers;

11 (3) Significant attempts to assist provisionally certified teachers in
12 becoming certified in this State; and

13 (4) Significant attempts to rehire retired certified teachers.

14 (h) The Board shall measure substantial efforts based on the change in the
15 number of provisionally certified teachers from the actual number of provisionally
16 certified teachers employed as of December 1, 1999.

17 (i) No local education agency may expend funds received from the Maryland
18 Learning Success Program to pay salary or benefits costs for provisionally certified
19 teachers.

20 (j) (1) Except as provided in paragraph (2) of this subsection, a local
21 education agency may not receive a Maryland Learning Success Program grant
22 unless the local education agency expends its federal class size reduction initiative
23 grants provided in Public Law 105-277 to reduce class sizes for reading instruction in
24 the first and second grades.

25 (2) If a local education agency has a ratio of no greater than 20 students
26 per one teacher for reading instruction in the first and second grades, paragraph (1) of
27 this subsection does not apply.

28 (k) (1) On or before October 1, in 2001 and each succeeding year, each local
29 education agency shall submit a Maryland Learning Success Program report to the
30 State Superintendent.

31 (2) The report shall describe the local education agency's actual use of
32 funding from Maryland Learning Success Program grants, federal class size initiative
33 grants provided in Public Law 105-277, and any other federal funds provided
34 specifically for the purpose of increasing the number of teachers.

35 (3) The report shall include the results of the performance indicators
36 specified in the local education agency's Maryland Learning Success Program plan.

1 (4) The report may propose changes to the local education agency's
2 Maryland Learning Success Program plan.

3 (5) The report shall include any other information required by guidelines
4 or regulations issued by the State Board.

5 (6) The report shall be in a form and format specified by the State
6 Superintendent.

7 (l) On or before December 31 of each year, the Superintendent shall report the
8 status of the Maryland Learning Success Program to the Governor and the General
9 Assembly.

10 (m) For fiscal year 2001 and each succeeding fiscal year, the Governor shall
11 include funds in the State budget to accomplish the purposes of this section.

12 (n) The State Board may establish any guidelines or regulations that it
13 determines are necessary to implement the purposes of this section.]

14 [5-213.] 5-216.

15 (a) (1) In this section the following words have the meanings indicated.

16 (2) (i) "Cost of living adjustment" means a percentage increase in
17 salaries that applies among all grades and steps.

18 (ii) "Cost of living adjustment" does not include salary increases for
19 promotions, increments, or step increases, or similar salary increases received by
20 employees as a regular part of the operation of a personnel system.

21 (3) "Full-time equivalent enrollment" has the meaning indicated in §
22 5-202 of this subtitle.

23 (4) "State share" means the State share of basic current expenses
24 provided under § 5-202 of this subtitle divided by the amount of the basic current
25 expenses to be shared for that county.

26 (5) "Teacher salary base" means the total salaries and wages of teachers
27 employed by a county board for the fiscal year preceding the fiscal year for which the
28 Governor's Challenge Grant is calculated, as determined by the Department of
29 Budget and Management and the State Superintendent.

30 (6) "Teacher" means any certificated professional public school employee
31 who is not an administrator.

32 (7) "Wealth" has the meaning stated in § 5-202 of this subtitle.

33 (8) "Wealth per pupil" means wealth divided by full-time equivalent
34 enrollment.

35 (b) There is a Governor's Teacher Salary Challenge Program.

1 (c) The Governor's Teacher Salary Challenge Program shall provide grants to
2 county boards for the purpose of increasing teacher salaries in order to improve
3 recruitment and retention of well qualified teachers.

4 (d) (1) Each grant made to a county board shall be calculated based on:

5 (i) A percentage component;

6 (ii) A wealth adjusted component;

7 (iii) A hold harmless component;

8 (iv) A targeted component; and

9 (v) A transitional component.

10 (2) The percentage component shall be calculated as follows:

11 (i) For fiscal year 2001, multiply the teacher salary base for the
12 county board by 0.01;

13 (ii) For fiscal year 2002:

14 1. If the county board meets the local match requirement
15 established under subsection (f)(2) of this section in fiscal year 2001 and meets the
16 local match requirement for fiscal year 2002, multiply the teacher salary base for the
17 county board by 0.02;

18 2. If the county board does not meet the local match
19 requirement established under subsection (f)(2) of this section in fiscal year 2001 and
20 meets the local match requirement in fiscal year 2002, multiply the teacher salary
21 base for the county board by 0.01; and

22 3. If the county board meets the local match requirement
23 established under subsection (f)(2) of this section in fiscal year 2001 and does not
24 meet the local match requirement in fiscal year 2002, multiply the teacher salary
25 base for the county board by 0.01; [and]

26 (iii) For fiscal year 2003, the county board shall receive an amount
27 that is equal to 75% OF THE AMOUNT OF the percentage component received by the
28 county board in fiscal year 2002;

29 (IV) FOR FISCAL YEAR 2004, THE COUNTY BOARD SHALL RECEIVE
30 AN AMOUNT THAT IS EQUAL TO 50% OF THE AMOUNT OF THE PERCENTAGE
31 COMPONENT RECEIVED BY THE COUNTY BOARD IN FISCAL YEAR 2002; AND

32 (V) FOR FISCAL YEAR 2005, THE COUNTY BOARD SHALL RECEIVE
33 AN AMOUNT THAT IS EQUAL TO 25% OF THE AMOUNT OF THE PERCENTAGE
34 COMPONENT RECEIVED BY THE COUNTY BOARD IN FISCAL YEAR 2002.

1 (3) (i) For fiscal years 2001 and 2002, the wealth adjusted component
2 shall be calculated as follows:

3 1. A. Multiply the percentage component for the county
4 board by 2; and

5 B. Multiply the product calculated in item 1 of this item for
6 that fiscal year by the State share for the county board; and

7 2. A. If the product calculated in item (i) of this paragraph
8 is greater than the percentage component for the county board, the wealth adjusted
9 component shall be the amount of the difference.

10 B. If the product calculated in item (i) of this paragraph is
11 less than the percentage component for the county board, the wealth adjusted
12 component shall be zero.

13 (ii) For fiscal year 2003, the county board shall receive an amount
14 that is equal to 75% OF THE AMOUNT OF the wealth adjusted component received by
15 the county board in fiscal year 2002.

16 (III) FOR FISCAL YEAR 2004, THE COUNTY BOARD SHALL RECEIVE
17 AN AMOUNT THAT IS EQUAL TO 50% OF THE AMOUNT OF THE WEALTH ADJUSTED
18 COMPONENT RECEIVED BY THE COUNTY BOARD IN FISCAL YEAR 2002.

19 (IV) FOR FISCAL YEAR 2005, THE COUNTY BOARD SHALL RECEIVE
20 AN AMOUNT THAT IS EQUAL TO 25% OF THE AMOUNT OF THE WEALTH ADJUSTED
21 COMPONENT RECEIVED BY THE COUNTY BOARD IN FISCAL YEAR 2002.

22 (4) (i) The Governor's Teacher Salary Challenge Grant to a county
23 board shall contain a hold harmless component equal to the amount, if any, by which
24 the county board's State share of [basic current expense] THE FOUNDATION
25 PROGRAM calculated under § 5-202 of this subtitle for the year of the Governor's
26 Teacher Salary Challenge Grant is less than the county board's State share of [basic
27 current expense] THE FOUNDATION PROGRAM calculated under § 5-202 of this
28 subtitle for the previous year.

29 (ii) A county board shall receive its hold harmless component
30 regardless of whether it meets the local match requirement established under
31 subsection (f)(2) of this section.

32 (5) (i) The Governor's Teacher Salary Challenge Grant to a county
33 board shall contain a targeted component as provided in subparagraphs (ii) through
34 (vi) of this paragraph.

35 (ii) For fiscal year 2001, the Governor shall include in the annual
36 budget bill an appropriation of at least \$5,300,000 for the targeted component.

37 (iii) For fiscal year 2002, the Governor shall include in the annual
38 budget bill an appropriation of at least \$10,600,000 for the targeted component.

1 (iv) For fiscal years 2001 and 2002, the county board in each county
2 that has a wealth per pupil that is less than 75 percent of the statewide wealth per
3 pupil shall receive a proportionate share of the targeted component that is equal to
4 the county board's proportionate share of the total full-time equivalent enrollment for
5 all counties with a wealth per pupil that is less than 75 percent of the statewide
6 wealth per pupil.

7 (v) For fiscal years 2001 and 2002, the county board shall receive
8 its proportionate share of the targeted component regardless of whether it meets the
9 local match requirement established under subsection (f)(2) of this section.

10 (vi) For fiscal year 2003, the county board shall receive an amount
11 that is equal to 75% OF THE AMOUNT OF the targeted component received by the
12 county board in fiscal year 2002.

13 (VII) FOR FISCAL YEAR 2004, THE COUNTY BOARD SHALL RECEIVE
14 AN AMOUNT THAT IS EQUAL TO 50% OF THE AMOUNT OF THE TARGETED
15 COMPONENT RECEIVED BY THE COUNTY BOARD IN FISCAL YEAR 2002.

16 (VIII) FOR FISCAL YEAR 2005, THE COUNTY BOARD SHALL RECEIVE
17 AN AMOUNT THAT IS EQUAL TO 25% OF THE AMOUNT OF THE TARGETED
18 COMPONENT RECEIVED BY THE COUNTY BOARD IN FISCAL YEAR 2002.

19 (6) (i) The Governor's Teacher Salary Challenge Grant shall contain a
20 transitional component as provided in subparagraphs (ii) and (iii) of this paragraph.

21 (ii) For fiscal year 2001, the Governor shall include in the State
22 budget an appropriation of at least \$9 million for the transitional component.

23 (iii) A county board shall receive a proportionate share of the
24 transitional component that is equal to the county board's proportionate share of all
25 reimbursements received by the State from the county board that:

26 1. Are for retirement contributions received after June 30,
27 1999 but before July 1, 2000; and

28 2. Are sought by the State Retirement Agency on the basis
29 that the salary of an eligible member of the Teachers' Retirement System or Teachers'
30 Pension System is paid in whole or in part from:

31 A. State aid, whether general or categorical in nature; or

32 B. Federal funds, whether the funds are paid directly to a
33 county board or are passed through from a unit of State government.

34 (iv) A county board shall receive its proportionate share of the
35 transitional component regardless of whether it meets the local match requirement
36 established under subsection (f)(2) of this section.

1 (e) (1) On or before June 1, 2000, and on or before June 1, 2001, each county
2 board may submit a Governor's Teacher Salary Challenge Grant application to the
3 Department of Budget and Management and the State Superintendent for the
4 percentage component and the wealth adjusted component of the Governor's Teacher
5 Salary Challenge Program.

6 (2) The application shall include:

7 (i) The estimated teacher salary base for the county board for the
8 current fiscal year;

9 (ii) For the next fiscal year, the negotiated and funded cost of living
10 adjustment for teachers and the aggregate cost of negotiated and funded changes to
11 the teacher salary schedules, to be funded from sources other than the percentage
12 component of the Governor's Teacher Salary Challenge Grant, expressed in total
13 dollars and as a percentage; and

14 (iii) Any other information necessary to determine eligibility for the
15 Governor's Teacher Salary Challenge Grant.

16 (3) The application shall be in a form and format specified by the
17 Department of Budget and Management and the State Superintendent.

18 (f) (1) For fiscal years 2001 and 2002, the percentage component and the
19 wealth adjusted component of a Governor's Teacher Salary Challenge Grant shall be
20 awarded to each county board that submits an application and that meets the
21 requirements of this section, as determined by the Department of Budget and
22 Management and the State Superintendent.

23 (2) (i) Subject to subparagraph (ii) of this paragraph and paragraph
24 (3) of this subsection, a county board that provides a negotiated and funded cost of
25 living adjustment for teachers of at least 4% or a negotiated and funded adjustment to
26 the teacher salary schedules that has an aggregate cost that is at least equivalent to
27 the cost of providing a 4% cost of living adjustment for teachers shall qualify for the
28 percentage component and the wealth adjusted component of the Governor's Teacher
29 Salary Challenge Program.

30 (ii) The funds provided by a county board for the purpose of
31 meeting the local match requirement established under subparagraph (i) of this
32 paragraph shall be:

33 1. In addition to any previously negotiated and funded step
34 increases and stipends; and

35 2. Obtained from sources other than the percentage
36 component of the Governor's Teacher Salary Challenge Program.

37 (3) If a county board meets the local match requirement established
38 under paragraph (2) of this subsection in fiscal year 2001 and does not meet the local
39 match requirement in fiscal year 2002, the county board shall receive:

1 (i) A percentage component in fiscal year 2002 as provided under
2 subsection (d)(2)(ii)3 of this section; and

3 (ii) A wealth adjusted component in fiscal year 2002 as provided
4 under subsection (d)(3) of this section.

5 (4) In fiscal years 2001 and 2002, the percentage component of the
6 Governor's Teacher Salary Challenge Grant shall be used to provide an additional 1%
7 cost of living adjustment for teachers.

8 (g) The Governor shall include funds in the State budget to accomplish the
9 purposes of this section.

10 (h) The Department of Budget and Management and the State
11 Superintendent may establish guidelines or regulations to implement the Governor's
12 Teacher Salary Challenge Program.

13 (i) (1) There is a Transitional Education Fund.

14 (2) The Fund consists of \$16,500,000 of reimbursements for fiscal year
15 2000 and all reimbursements for fiscal years [2001, 2002, and 2003] 2001 AND 2002
16 received by the State from the county boards that:

17 (i) Are for retirement contributions made after June 30, 1999 but
18 before [July 1, 2003] JULY 1, 2002; and

19 (ii) Are sought by the State on the basis that the salary of an
20 eligible member of the Teachers' Retirement System or Teachers' Pension System is
21 paid in part or in whole from:

22 1. State aid, whether general or categorical in nature; or

23 2. Federal funds, whether the funds are paid directly to a
24 local school system or are passed through from a unit of State government.

25 (3) Notwithstanding § 5-203(d) of this subtitle, all reimbursements
26 described in paragraph (2) of this subsection shall be credited to the Fund.

27 (4) (i) The State Treasurer shall hold the Fund and shall invest the
28 money in the Fund in the same manner as other State money may be invested.

29 (ii) All interest earned on the Fund shall accrue to the General
30 Fund.

31 (iii) The State Comptroller shall account for the Fund.

32 (5) The Fund shall be used to implement the Governor's Teacher Salary
33 Challenge Program established under this section.

1 (6) Expenditures from the Fund may only be made pursuant to an
2 appropriation approved by the General Assembly in the annual State budget or by
3 approved budget amendment.

4 (7) Except as provided in paragraph (8) of this subsection, any Fund
5 balance at the end of each fiscal year shall remain in the Fund and may not revert to
6 the General Fund.

7 (8) The Fund shall terminate at the end of [June 30, 2003] JUNE 30, 2002
8 and any Fund balance that remains at the end of [June 30, 2003] JUNE 30, 2002 shall
9 revert to the General Fund.

10 [5-216.

11 (a) In this section, "Pilot Program" means the Maryland Educational
12 Opportunity Summer Pilot Program.

13 (b) This section only applies to Baltimore County and Prince George's County.

14 (c) There is a Maryland Educational Opportunity Summer Pilot Program to
15 enrich students in kindergarten through grade 12 by the development and
16 implementation of educational curriculum and activities in the summer months.

17 (d) (1) The Pilot Program shall be administered as provided in this
18 subsection.

19 (2) (i) A county board may develop a proposal for educational
20 curriculum and activities during the summer months using existing faculty.

21 (ii) A county board may forward a proposal to the State Board by
22 August 15 of each year.

23 (3) The State Board:

24 (i) Shall review a proposal of a county board by October 15 of each
25 year;

26 (ii) May make recommendations that it deems necessary; and

27 (iii) Shall select a proposal for implementation by November 15 of
28 each year, giving priority to:

29 1. Proposals for diverse areas of the State; and

30 2. Proposals for schools that show the lowest levels of
31 improvement towards meeting the standards of the Maryland School Performance
32 Program.

33 (4) After the State Board selects a proposal of a county board, the State
34 Board shall distribute to a county board funds to cover the cost of extending the
35 contracts of participating teachers to implement and operate the Pilot Program.

- 1 (e) (1) A county board may include in a proposal:
- 2 (i) Curriculum and activities that are for the benefit of students in
3 any grade from kindergarten through grade 12;
- 4 (ii) Curriculum and activities that use school facilities, libraries, or
5 any other facilities at a location described in the proposal;
- 6 (iii) Curriculum and activities that are implemented for a school, for
7 a group of schools, for a school system, or countywide;
- 8 (iv) Curriculum and activities that are coordinated with an after
9 school opportunity program operating under Article 41, Title 6, Subtitle 8 of the Code;
- 10 (v) Tutoring in subjects specified in the proposal; or
- 11 (vi) Field trips to locations described in the proposal.
- 12 (2) A county board shall include in a proposal the estimated cost of
13 extending the contracts of participating teachers.
- 14 (f) (1) The Pilot Program shall be funded as provided in the State budget.
- 15 (2) The funding provided in the State budget for the Pilot Program is
16 intended to complement the funding received by the State from the U.S. Department
17 of Education for the Pilot Program through the fund for the improvement of
18 education.
- 19 (3) Appropriations made under this section for extending the contracts of
20 participating teachers may not be used to supplant the existing State share of basic
21 current expenses under § 5-202 of this subtitle.
- 22 (g) The State Board shall adopt regulations to:
- 23 (1) Establish criteria for approving a proposal; and
- 24 (2) Implement this section.
- 25 (h) (1) On or before June 30, 2002, the State Superintendent shall report to
26 the Governor and, subject to § 2-1246 of the State Government Article, the General
27 Assembly on the operation and performance of the Pilot Program.
- 28 (2) The report shall assess the effectiveness and success of the Pilot
29 Program in improving student achievement in the jurisdictions in which the Pilot
30 Program operated.]
- 31 [5-401.
- 32 (a) (1) It is State policy that local educational agencies should ensure that
33 additional State education aid results in demonstrated improvements in classroom
34 instruction and student performance.

1 (2) In order to effect demonstrated improvements in classroom
2 instruction and student performance, it is also State policy that expenditure of
3 increases in State public education aid in basic current expense, as provided under §
4 5-202(b) of this title, and in compensatory education funds, as provided under §
5 5-202(e) of this title, shall be limited to the following classifications:

6 (i) Salary enhancement expenditures for existing instructional
7 positions;

8 (ii) Salary expenditures for new positions which are designed to
9 reduce class size or reinstate or add or enhance special programs, such as art, music,
10 resource personnel, student guidance, and gifted and talented programs;

11 (iii) Instructional materials, supplies, and equipment;

12 (iv) A classroom teacher award program, subject to the provisions of
13 Title 6, Subtitle 4, of this article;

14 (v) A master teacher or career ladder program or any other
15 appropriate teacher incentive pay program subject to the provisions of Title 6,
16 Subtitle 4, of this article;

17 (vi) Teacher training and retraining, particularly in areas of critical
18 need, such as, mathematics and science; or

19 (vii) Expansion of programs for children with educational
20 deficiencies.

21 (b) (1) Annual accountability plans that are locally initiated shall be
22 reviewed for consistency with State policies by the State Board.

23 (2) In addition, reports on expenditure of funds shall be monitored by the
24 State Board.

25 (c) Monitoring of the accountability plans and reports for determination of
26 progress toward local goals and objectives by the State Board would serve to promote
27 efficient and effective use of the resources, while permitting local boards of education
28 to determine education policy and the local governing bodies to determine the overall
29 level of educational expenditures consistent with State requirements.]

30 5-401.

31 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS
32 INDICATED.

33 (2) "LOCAL PERFORMANCE STANDARDS" MEANS STANDARDS FOR
34 STUDENT AND SCHOOL PERFORMANCE DEVELOPED BY A COUNTY BOARD.

35 (3) "PLAN" MEANS A COMPREHENSIVE MASTER PLAN.

1 (4) "STATE PERFORMANCE STANDARDS" MEANS STANDARDS FOR
2 STUDENT AND SCHOOL PERFORMANCE APPROVED BY THE STATE BOARD.

3 (B) (1) EACH COUNTY BOARD SHALL DEVELOP AND IMPLEMENT A
4 COMPREHENSIVE MASTER PLAN THAT DESCRIBES THE GOALS, OBJECTIVES, AND
5 STRATEGIES THAT WILL BE USED TO IMPROVE STUDENT ACHIEVEMENT AND MEET
6 STATE PERFORMANCE STANDARDS AND LOCAL PERFORMANCE STANDARDS IN EACH
7 SEGMENT OF THE STUDENT POPULATION.

8 (2) (I) EACH COUNTY BOARD SHALL SUBMIT A PLAN TO THE
9 DEPARTMENT ON OR BEFORE OCTOBER 1, 2003.

10 (II) AT LEAST 60 DAYS BEFORE SUBMITTING A PLAN TO THE
11 DEPARTMENT, A COUNTY BOARD SHALL PROVIDE A COPY OF THE PLAN TO THE:

12 1. COUNTY COUNCIL AND IF APPLICABLE, COUNTY
13 EXECUTIVE; OR

14 2. COUNTY COMMISSIONERS.

15 (3) SUBJECT TO SUBSECTION (H) OF THIS SECTION, THE PLAN SHALL:

16 (I) EXTEND FOR A 5-YEAR PERIOD BEGINNING WITH THE
17 2003-2004 SCHOOL YEAR; AND

18 (II) BE UPDATED BY THE COUNTY BOARD ON OR BEFORE JULY 1 OF
19 EACH YEAR.

20 (C) THE PLAN SHALL INCLUDE:

21 (1) GOALS AND OBJECTIVES AS REQUIRED UNDER SUBSECTIONS (D)
22 THROUGH (F) OF THIS SECTION THAT ARE ALIGNED WITH STATE PERFORMANCE
23 STANDARDS AND LOCAL PERFORMANCE STANDARDS;

24 (2) IMPLEMENTATION STRATEGIES FOR MEETING GOALS AND
25 OBJECTIVES;

26 (3) METHODS FOR MEASURING PROGRESS TOWARD MEETING GOALS
27 AND OBJECTIVES;

28 (4) TIME LINES FOR IMPLEMENTATION OF THE STRATEGIES FOR
29 MEETING GOALS AND OBJECTIVES;

30 (5) TIME LINES FOR MEETING GOALS AND OBJECTIVES;

31 (6) A DESCRIPTION OF THE ALIGNMENT OF THE COUNTY BOARD'S
32 BUDGET WITH GOALS, OBJECTIVES, AND STRATEGIES FOR IMPROVING STUDENT
33 ACHIEVEMENT; AND

34 (7) ANY OTHER INFORMATION REQUIRED BY THE STATE
35 SUPERINTENDENT.

1 (D) THE PLAN SHALL INCLUDE GOALS, OBJECTIVES, AND STRATEGIES
2 REGARDING THE PERFORMANCE OF:

3 (1) STUDENTS REQUIRING SPECIAL EDUCATION, AS DEFINED IN § 5-209
4 OF THIS TITLE;

5 (2) STUDENTS WITH LIMITED-ENGLISH PROFICIENCY, AS DEFINED IN §
6 5-208 OF THIS TITLE;

7 (3) PREKINDERGARTEN STUDENTS;

8 (4) KINDERGARTEN STUDENTS;

9 (5) GIFTED AND TALENTED STUDENTS, AS DEFINED IN § 8-201 OF THIS
10 ARTICLE;

11 (6) STUDENTS ENROLLED IN CAREER AND TECHNOLOGY COURSES;

12 (7) STUDENTS FAILING TO MEET, OR FAILING TO MAKE PROGRESS
13 TOWARD MEETING, STATE PERFORMANCE STANDARDS, INCLUDING ANY SEGMENT
14 OF THE STUDENT POPULATION THAT IS, ON AVERAGE, PERFORMING AT A LOWER
15 ACHIEVEMENT LEVEL THAN THE STUDENT POPULATION AS A WHOLE; AND

16 (8) ANY OTHER SEGMENT OF THE STUDENT POPULATION IDENTIFIED
17 BY THE STATE SUPERINTENDENT.

18 (E) WITH REGARD TO SUBSECTION (D)(7) OF THIS SECTION, THE PLAN SHALL
19 INCLUDE STRATEGIES TO ADDRESS ANY DISPARITIES IN ACHIEVEMENT IDENTIFIED
20 FOR ANY SEGMENT OF THE STUDENT POPULATION.

21 (F) (1) (I) THE STATE SUPERINTENDENT SHALL REVIEW EACH PLAN TO
22 DETERMINE WHETHER THE PLAN COMPLIES WITH THE REQUIREMENTS OF
23 SUBSECTIONS (B) THROUGH (E) OF THIS SECTION.

24 (II) IF THE STATE SUPERINTENDENT DETERMINES THAT A PLAN
25 DOES NOT COMPLY WITH THE REQUIREMENTS OF SUBSECTIONS (B) THROUGH (E) OF
26 THIS SECTION, THE STATE SUPERINTENDENT MAY REQUIRE SPECIFIC REVISIONS TO
27 THE PLAN.

28 (2) (I) THE STATE SUPERINTENDENT MAY REVIEW THE CONTENT OF
29 EACH PLAN TO ASSESS WHETHER THE PLAN WILL HAVE THE EFFECT OF IMPROVING
30 STUDENT ACHIEVEMENT AND INCREASING PROGRESS TOWARD MEETING STATE
31 PERFORMANCE STANDARDS.

32 (II) IF THE STATE SUPERINTENDENT DETERMINES THAT A PLAN
33 WILL NOT HAVE THE EFFECT OF IMPROVING STUDENT ACHIEVEMENT AND
34 INCREASING PROGRESS TOWARD MEETING STATE PERFORMANCE STANDARDS, THE
35 STATE SUPERINTENDENT MAY REQUIRE SPECIFIC REVISIONS TO THE PLAN.

1 (3) A COUNTY BOARD MAY NOT IMPLEMENT A PLAN UNLESS IT HAS
2 BEEN APPROVED BY THE STATE SUPERINTENDENT.

3 (G) (1) A COUNTY BOARD MAY SUBMIT A PREEXISTING MANAGEMENT PLAN
4 TO THE DEPARTMENT AS THE COUNTY BOARD'S PLAN UNDER SUBSECTION (B) OF
5 THIS SECTION.

6 (2) IF THE STATE SUPERINTENDENT DETERMINES THAT THE
7 PREEXISTING MANAGEMENT PLAN MEETS THE REQUIREMENTS SET FORTH IN THIS
8 SECTION, THE STATE SUPERINTENDENT SHALL APPROVE THE PREEXISTING
9 MANAGEMENT PLAN AS THE COUNTY BOARD'S PLAN.

10 (H) (1) IF A SCHOOL SYSTEM FAILS TO DEMONSTRATE PROGRESS TOWARD
11 IMPROVING STUDENT ACHIEVEMENT AND MEETING STATE PERFORMANCE
12 STANDARDS IN EACH SEGMENT OF THE STUDENT POPULATION DURING A SCHOOL
13 YEAR, THE STATE SUPERINTENDENT SHALL REVIEW THE CONTENT OF THE PLAN
14 AND ANY UPDATES TO THE PLAN TO ASSESS WHETHER THE PLAN WILL HAVE THE
15 EFFECT OF IMPROVING STUDENT ACHIEVEMENT AND INCREASING PROGRESS
16 TOWARD MEETING STATE PERFORMANCE STANDARDS.

17 (2) IF THE STATE SUPERINTENDENT DETERMINES THAT A PLAN WILL
18 NOT HAVE THE EFFECT OF IMPROVING STUDENT ACHIEVEMENT AND INCREASING
19 PROGRESS TOWARD MEETING STATE PERFORMANCE STANDARDS, THE STATE
20 SUPERINTENDENT SHALL REQUIRE SPECIFIC REVISIONS TO THE PLAN.

21 (I) THE STATE SUPERINTENDENT SHALL ADVISE THE GOVERNOR AND THE
22 GENERAL ASSEMBLY CONCERNING THE DISTRIBUTION OF STATE FUNDS TO A
23 COUNTY THAT FAILS TO MAKE PROGRESS TOWARD IMPROVING STUDENT
24 ACHIEVEMENT AND MEETING STATE PERFORMANCE STANDARDS IN EACH SEGMENT
25 OF THE STUDENT POPULATION.

26 (J) THE STATE BOARD MAY WITHHOLD STATE FUNDS FROM A COUNTY BOARD
27 IF:

28 (1) A SCHOOL SYSTEM FAILS TO DEMONSTRATE ANNUAL PROGRESS
29 TOWARD IMPROVING STUDENT ACHIEVEMENT AND MEETING STATE PERFORMANCE
30 STANDARDS IN EACH SEGMENT OF THE STUDENT POPULATION; AND

31 (2) FAILS TO DEVELOP A PLAN THAT MEETS THE REQUIREMENTS OF
32 SUBSECTIONS (B) THROUGH (G) OF THIS SECTION OR TAKE ANY ACTION REQUIRED
33 BY THE STATE SUPERINTENDENT UNDER THIS SECTION.

34 (K) (1) THE STATE SUPERINTENDENT SHALL REVIEW ACADEMIC
35 INTERVENTION PROGRAMS AND BEHAVIOR MODIFICATION PROGRAMS TO IDENTIFY
36 BEST PRACTICES.

37 (2) THE STATE SUPERINTENDENT SHALL PERIODICALLY REPORT ON
38 THE BEST PRACTICES TO THE STATE BOARD, THE COUNTY BOARDS, THE GOVERNOR,
39 AND, SUBJECT TO § 2-1246 OF THE STATE GOVERNMENT ARTICLE, THE GENERAL
40 ASSEMBLY.

1 (L) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, THE
2 DEPARTMENT SHALL ADOPT REGULATIONS AS NECESSARY TO IMPLEMENT THIS
3 SECTION.

4 (2) THE DEPARTMENT SHALL CONSULT WITH COUNTY
5 SUPERINTENDENTS AND COUNTY BOARDS BEFORE PROMULGATING PROPOSED
6 REGULATIONS TO IMPLEMENT THIS SECTION.

7 (M) THE DEPARTMENT MAY PROVIDE TECHNICAL ASSISTANCE TO COUNTY
8 BOARDS IN DEVELOPING AND IMPLEMENTING A PLAN.

9 (N) THE GOVERNOR SHALL INCLUDE AN APPROPRIATION FOR THE
10 DEPARTMENT IN THE STATE BUDGET FOR EACH FISCAL YEAR IN AMOUNT
11 SUFFICIENT TO COVER THE COSTS ASSOCIATED WITH IMPLEMENTING THIS
12 SECTION.

13 [5-402.

14 The State Board shall:

15 (1) Require the submission of an annual accountability plan and report
16 from each county board.

17 (2) Not later than November 1 of each year provide each county board
18 with procedures to be followed in the preparation of the annual accountability plan
19 and report.

20 (3) Require:

21 (i) That the annual accountability plan and report shall relate to
22 the use of:

23 1. Any State share of basic current expense as provided
24 under § 5-202(b) of this title, which is in excess of the fiscal year 1984 State share of
25 basic current expenses; and

26 2. Any compensatory aid as provided under § 5-202(e) of this
27 title, except for dedicated compensatory funds, and 50 percent of funds received in
28 fiscal year 1984 under targeted aid, § 5-202(e) of this title; and

29 (ii) That the annual accountability report shall also relate to the
30 expenditure for the current fiscal year and 2 preceding fiscal years for the public
31 education categories provided under § 5-101(b) of this title, including salaries and
32 wages for net new positions and the expenditures for salaries and wages for existing
33 positions.

34 (4) For fiscal year 1985 only, require that an accountability plan be
35 submitted by October 1, 1984, which relates to the intended use of the funds described
36 in paragraph (3) of this section and which:

1 (i) Allows each county to determine its own needs and spending
2 priorities while providing that the funds not be directed solely toward salary
3 enhancement expenditures for existing instructional positions; and

4 (ii) Reports the amount of and percentage of projected expenditures
5 by the classifications provided under § 5-401(a)(2) of this subtitle.

6 (5) For the fiscal year 1986 and each fiscal year thereafter, require that
7 the accountability plan be submitted by July 1, 1985 and by each July 1 thereafter
8 and include:

9 (i) A description of the public education instructional needs of the
10 county;

11 (ii) A description of yearly county public education instructional
12 objectives as they relate to 5-year county education goals of improving classroom
13 instruction and student performance. These goals and objectives may include, but not
14 be limited to, teacher salaries, pupil-teacher ratios, instructional materials,
15 textbooks, teacher training and retraining, programs for educationally disadvantaged
16 students, prekindergarten programs, remedial programs, graduation rates, and
17 student test scores;

18 (iii) An expenditure plan and description of the intended use of the
19 funds described in paragraph (3) of this section which:

20 1. Specifies how those funds relate to instructional needs
21 and objectives; and

22 2. Reflects the amounts as requested by the county board
23 and as revised in accordance with the actual appropriation by the county; and

24 (iv) A method for evaluating in measurable terms the results of the
25 use of the funds described in paragraph (3) of this section and the overall progress
26 towards accomplishment of objectives and goals.

27 (6) Require the annual accountability plan to be amended within the
28 fiscal year if the local school board determines that a change is advisable.

29 (7) By October 1, 1985 and by each October 1 for each fiscal year
30 thereafter, require that the annual accountability report from each county board
31 include:

32 (i) A report which relates to the funds described in paragraph (3) of
33 this section and which reflects the actual amount of and the percentage of
34 expenditure in the classifications provided under § 5-401(a)(2) of this subtitle.

35 (ii) Any revisions to the intended use of the funds described in the
36 July 1 accountability plan.

1 (8) Determine if the accountability plans are consistent with the goals
2 and objectives and if the reports indicate that the expenditure plans have been
3 followed and if the goals and objectives are being achieved and determine if the
4 budgets of the county board comply with the maintenance of effort provisions of §
5 5-202(b)(3)(ii)2 and (iii)1 and the use provisions of § 5-202(e)(3) and § 5-401(a)(2) of
6 this article. If an accountability plan or any revision to a plan is inconsistent with
7 those provisions, it shall be returned to the county board for modification and
8 resubmission.

9 (9) Annually review the progress of the county board in implementation
10 of the accountability plan and achievement of the specified objectives and goals of
11 improving classroom instruction and student performance as required by this
12 subtitle.

13 (10) Report before the first day of the regular session of the General
14 Assembly each year, subject to § 2-1246 of the State Government Article, any
15 noncompliance and any notification for any action including the withholding of funds.

16 (11) Report to the Governor and, subject to § 2-1246 of the State
17 Government Article, the Legislative Policy Committee of the General Assembly before
18 the first day of the regular session of the General Assembly each year as to the
19 implementation and accomplishments under this subtitle.]

20 5-402.

21 (A) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, THE
22 DEPARTMENT SHALL EVALUATE THE EFFECT OF INCREASED STATE AID FOR
23 EDUCATION ON STUDENT AND SCHOOL PERFORMANCE IN EACH LOCAL SCHOOL
24 SYSTEM.

25 (2) THE DEPARTMENT MAY CONTRACT WITH A PUBLIC OR PRIVATE
26 ENTITY TO CONDUCT OR ASSIST IN CONDUCTING THE EVALUATION REQUIRED BY
27 THIS SUBSECTION.

28 (B) (1) THE DEPARTMENT SHALL SUBMIT AN INITIAL REPORT ON THE
29 RESULTS OF THE EVALUATION REQUIRED BY THIS SECTION TO THE GOVERNOR AND,
30 SUBJECT TO § 2-1246 OF THE STATE GOVERNMENT ARTICLE, THE GENERAL
31 ASSEMBLY ON OR BEFORE DECEMBER 31, 2005.

32 (2) THE DEPARTMENT SHALL SUBMIT A FINAL REPORT ON THE
33 RESULTS OF THE EVALUATION REQUIRED BY THIS SECTION TO THE GOVERNOR AND,
34 SUBJECT TO § 2-1246 OF THE STATE GOVERNMENT ARTICLE, THE GENERAL
35 ASSEMBLY ON OR BEFORE DECEMBER 31, 2007.

36 (C) THE REPORTS REQUIRED BY THIS SECTION SHALL INCLUDE:

37 (1) A DETAILED DESCRIPTION OF HOW LOCAL SCHOOL SYSTEMS ARE
38 USING STATE EDUCATION AID;

1 (2) A COMPARISON OF SCHOOL SYSTEMS THAT SHOW SIGNIFICANT
2 IMPROVEMENTS IN STUDENT AND SCHOOL PERFORMANCE TO SCHOOL SYSTEMS
3 THAT DO NOT SHOW SIGNIFICANT IMPROVEMENTS IN STUDENT AND SCHOOL
4 PERFORMANCE;

5 (3) AN ASSESSMENT OF THE EXTENT TO WHICH COUNTY BOARDS ARE
6 SUCCESSFUL IN IMPLEMENTING THE COMPREHENSIVE MASTER PLANS REQUIRED
7 BY § 5-401 OF THIS SUBTITLE;

8 (4) AN ANALYSIS OF THE AMOUNT OF FUNDING THAT LOCAL
9 GOVERNMENTS PROVIDE FOR EDUCATION EACH YEAR;

10 (5) A LIST OF PROGRAMS OR FACTORS THAT CONSISTENTLY PRODUCE
11 POSITIVE RESULTS FOR STUDENTS, SCHOOLS, AND SCHOOL SYSTEMS; AND

12 (6) ANY OTHER INFORMATION THAT THE STATE SUPERINTENDENT
13 DETERMINES TO BE RELEVANT TO THE EVALUATION OF STUDENT AND SCHOOL
14 PERFORMANCE IN EACH LOCAL SCHOOL SYSTEM.

15 (D) THE GOVERNOR SHALL INCLUDE AN APPROPRIATION FOR THE
16 DEPARTMENT IN THE STATE BUDGET FOR EACH FISCAL YEAR SUFFICIENT TO COVER
17 THE COSTS ASSOCIATED WITH IMPLEMENTING THIS SECTION.

18 7-101.

19 (a) All individuals who are 5 years old or older and under 21 shall be admitted
20 free of charge to the public schools of this State.

21 (b) (1) Except as provided in § 7-301 of this title and in paragraph (2) of this
22 subsection, each child shall attend a public school in the county where the child is
23 domiciled with the child's parent or guardian.

24 (2) Upon request and in accordance with a county board's policies
25 concerning residency, a county superintendent may allow a child to attend A school in
26 the county even if the child is not domiciled in that county with the child's parent or
27 guardian.

28 (3) If a child fraudulently attends a public school in a county where the
29 child is not domiciled with the child's parent or guardian, the child's parent or
30 guardian shall be subject to a penalty payable to the county for the pro rata share of
31 tuition for the time the child fraudulently attends a public school.

32 (4) Nothing in this section alters the requirements for out-of-county
33 placements contained in § 4-122 and Title 8, Subtitles 3 and 4 of this article or in any
34 other State or federal law.

35 (c) (1) [There shall be full kindergarten programs in each county of this
36 State.] BY THE 2006-2007 SCHOOL YEAR, EACH COUNTY BOARD SHALL PROVIDE
37 FULL-DAY KINDERGARTEN PROGRAMS FOR ALL KINDERGARTEN STUDENTS IN THAT
38 COUNTY.

1 (2) IN THE COMPREHENSIVE MASTER PLAN THAT IS SUBMITTED UNDER
2 § 5-401 OF THIS ARTICLE, A COUNTY BOARD SHALL IDENTIFY THE STRATEGIES THAT
3 WILL BE USED IN THAT COUNTY TO ENSURE THAT FULL-DAY KINDERGARTEN
4 PROGRAMS ARE PROVIDED TO ALL KINDERGARTEN STUDENTS IN THAT COUNTY BY
5 THE 2006-2007 SCHOOL YEAR.

6 7-101.1.

7 (A) (1) IN THIS SECTION THE FOLLOWING TERMS HAVE THE MEANINGS
8 INDICATED.

9 (2) "ECONOMICALLY DISADVANTAGED BACKGROUND" MEANS A FAMILY
10 WHOSE INCOME WOULD MAKE A CHILD ELIGIBLE FOR FREE OR REDUCED PRICE
11 MEALS IF THE CHILD WERE IN KINDERGARTEN.

12 (3) "ELIGIBLE CHILD" MEANS A CHILD:

13 (I) WHO IS FROM AN ECONOMICALLY DISADVANTAGED
14 BACKGROUND;

15 (II) WHOSE PARENT OR GUARDIAN SEEKS TO ENROLL THE CHILD
16 IN A PUBLIC PREKINDERGARTEN PROGRAM; AND

17 (III) WHO IS 4 YEARS OLD ON SEPTEMBER 1 OF THE SCHOOL YEAR
18 IN WHICH THE PARENT OR LEGAL GUARDIAN SEEKS TO ENROLL THE CHILD IN A
19 PUBLIC PREKINDERGARTEN PROGRAM.

20 (4) "ELIGIBLE FOR FREE OR REDUCED PRICE MEALS" MEANS ELIGIBLE
21 FOR FREE OR REDUCED PRICE MEALS BASED ON ELIGIBILITY REQUIREMENTS
22 ESTABLISHED BY THE UNITED STATES DEPARTMENT OF AGRICULTURE.

23 (B) BY THE 2006-2007 SCHOOL YEAR, ALL ELIGIBLE CHILDREN SHALL BE
24 ADMITTED FREE OF CHARGE TO PUBLICLY FUNDED PREKINDERGARTEN PROGRAMS
25 ESTABLISHED BY EACH OF THE COUNTY BOARDS.

26 (C) THE REQUIREMENTS SET FORTH IN § 7-101(B) OF THIS SUBTITLE
27 REGARDING THE DOMICILE OF A CHILD AND THE RESIDENCY OF THE CHILD'S
28 PARENT OR GUARDIAN SHALL APPLY TO PREKINDERGARTEN PROGRAMS
29 ESTABLISHED BY COUNTY BOARDS AS REQUIRED BY THIS SECTION.

30 (D) IN THE COMPREHENSIVE MASTER PLAN THAT IS SUBMITTED UNDER §
31 5-401 OF THIS ARTICLE, A COUNTY BOARD SHALL IDENTIFY THE STRATEGIES THAT
32 WILL BE USED IN THAT COUNTY TO ENSURE THAT PUBLICLY FUNDED
33 PREKINDERGARTEN PROGRAMS ARE AVAILABLE TO ALL ELIGIBLE CHILDREN IN
34 THAT COUNTY BY THE 2006-2007 SCHOOL YEAR.

35 7-103.

36 (a) Except as provided in subsections [(b) and (e)] (B), (E), AND (F) of this
37 section, each public school under the jurisdiction of a county board:

1 (1) (i) Shall be open for pupil attendance for at least 180 actual school
2 days and a minimum of 1,080 school hours during a 10-month period in each school
3 year; or

4 (ii) If normal school attendance is prevented because of conditions
5 described in subsection (b) of this section, shall be open for at least 1,080 hours during
6 a 10-month period; and

7 (2) Shall be open for pupil attendance a minimum of 3 hours during each
8 school day; and

9 (3) May not be open on Saturdays, Sundays, or holidays in order to meet
10 the 180 day or 1,080 hour requirement of this subsection.

11 (b) (1) If a county board submits a written application to the State Board
12 that describes a demonstrated effort by the county board to comply with subsection
13 (a) of this section, the State Board may permit:

14 (i) Adjustments in the length of the school year;

15 (ii) Exceptions from the requirement that the school year be
16 completed within a 10-month period;

17 (iii) Adjustments in the length of the school day; and

18 (iv) Schools to be open on holidays.

19 (2) These adjustments may be granted only if normal school attendance
20 is prevented because of:

21 (i) Natural disaster;

22 (ii) Civil disaster; or

23 (iii) Severe weather conditions.

24 (3) Education funding from State or local sources may not be reduced if
25 there are less than 180 school days in any year because of an approved application
26 under this subsection.

27 (4) In case of emergency, the State Board may open schools on holidays.

28 (c) (1) The following days are public school holidays:

29 (i) Thanksgiving Day and the day after;

30 (ii) Christmas Eve and from then through January 1;

31 (iii) Martin Luther King, Jr. Day;

32 (iv) Presidents' Day;

1 (v) The Friday before Easter and from then through the Monday
2 after Easter;

3 (vi) Memorial Day; and

4 (vii) Primary and general election days.

5 (2) If the federal and State observances of a holiday are on different
6 days, the board of education of each county shall determine which date shall be the
7 date of observance for the public schools within the county.

8 (3) The public schools shall devote a part of the day to appropriate
9 exercises for the following days:

10 (i) Washington's Birthday;

11 (ii) Lincoln's Birthday;

12 (iii) Veterans' Day;

13 (iv) Columbus Day;

14 (v) Arbor Day; and

15 (vi) Any other day of national significance.

16 (4) Notwithstanding any other provisions of this article, the public
17 schools, in the following counties, may remain open and in session on primary and
18 general election days:

19 (i) Calvert;

20 (ii) Caroline;

21 (iii) Dorchester;

22 (iv) Kent;

23 (v) Talbot; and

24 (vi) Worcester.

25 (d) Except as provided in subsection (e) of this section, the State Board shall
26 divide the school year into the terms it considers appropriate.

27 (e) (1) The county boards of Allegany, Anne Arundel, Calvert, Howard, and
28 Montgomery counties, and the Board of School Commissioners of Baltimore City, may
29 elect to operate one or more schools within the county or Baltimore City on a
30 year-round basis, provided that the 180 day and the minimum hour requirements
31 under this section are met.

1 (2) Nothing in this section precludes a county board from conducting a
2 year-round pilot study or program that is funded by the county board.

3 (F) PUBLICLY FUNDED PREKINDERGARTEN PROGRAMS ARE NOT SUBJECT TO
4 THE REQUIREMENTS OF SUBSECTION (A) OF THIS SECTION.

5 [7-208.

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

7 (2) "Academic intervention programs" means academic programs with
8 curriculum-based instruction that may take place:

9 (i) Before school starts each day and after school ends each day;

10 (ii) During the regular school day, provided there is no continual
11 conflict with curriculum-based instruction;

12 (iii) On weekends;

13 (iv) On holidays;

14 (v) During vacations; or

15 (vi) During summer break.

16 (3) "Amount per weighted pupil" means the total amount of funds in
17 excess of \$11,600,000 that are allocated for grants under subsection (b)(4)(ii) of this
18 section divided by the total weighted enrollment count.

19 (4) "Curriculum-based instruction" means instruction based on
20 curriculum guides and courses of study developed by each county in accordance with
21 § 4-111 of this article.

22 (5) "Intensity factor" means 70% divided by the average composite score
23 on the Maryland School Performance Assessment Program Test for eighth grade
24 students enrolled in a county's public schools during the second fiscal year prior to the
25 fiscal year for which the appropriation was made.

26 (6) "Program" means the Maryland Academic Intervention and Support
27 Program established under this section.

28 (7) "Total weighted enrollment count" means the sum of the weighted
29 enrollment counts for all counties in the State.

30 (8) "Weighted enrollment count" means the product of the number of
31 eighth grade students enrolled in a county's public schools on September 30 of the
32 second fiscal year prior to the fiscal year for which the appropriation was made and
33 the county's intensity factor.

- 1 (b) (1) There is a Maryland Academic Intervention and Support Program in
2 the Department.
- 3 (2) The purpose of the Program is to provide academic intervention
4 programs for students who have demonstrated deficiencies in reading or
5 mathematics.
- 6 (3) The Program shall be funded as provided in the State budget.
- 7 (4) The funds that are allocated to the Program in the State budget shall
8 be used to:
- 9 (i) Cover the costs incurred by the Department in implementing
10 and administering the Program; and
- 11 (ii) Provide grants to county boards as authorized under subsection
12 (g) of this section.
- 13 (c) (1) The State Board shall develop criteria by which county boards may
14 submit plans for approval that address goals and strategies for intervening with
15 students who have demonstrated deficiencies in reading or mathematics, including:
- 16 (i) State approved best practices for academic intervention;
- 17 (ii) A catalog of promising State approved practices that would
18 qualify for a county board's implementation of academic intervention programs; and
- 19 (iii) A list of approved persons that may provide academic
20 intervention programs, in accordance with paragraph (2)(ii) of this subsection.
- 21 (2) (i) Except as provided in subparagraph (ii) of this paragraph, a
22 school shall provide instruction using school staff and materials.
- 23 (ii) If a county board is unable to provide the curriculum-based
24 instruction of the academic intervention program with school staff and materials, a
25 county board may select a person approved by the State Board to provide extended
26 academic instruction.
- 27 (d) The schools shall determine a student's eligibility for the Program based
28 on the student's performance on Maryland School Performance Assessment Program
29 Tests, standardized tests, classroom tests, and any other criteria the State Board
30 deems appropriate.
- 31 (e) (1) The county boards shall develop or appropriately adapt an existing
32 parental consent form for the provision of academic intervention instruction.
- 33 (2) A parent or guardian of a student selected for the Program shall
34 provide written consent for the student's participation in the Program to the student's
35 school prior to the student's participation in the Program.
- 36 (f) (1) The State Board shall establish criteria for evaluating the Program.

1 (2) On or before June 30 of each year, each county board shall submit a
2 report to the State Board that includes an evaluation of the status and success of the
3 Program in that county.

4 (3) The report submitted by a county board under paragraph (2) of this
5 subsection shall:

6 (i) Identify the number of students in the county who were eligible
7 to participate in the Program during the prior school year;

8 (ii) Identify the number of students in the county who were selected
9 to participate in the Program during the prior school year;

10 (iii) Include, for each grade, aggregate student performance results,
11 before the students began participation in the Program, on any tests or measurement
12 tools that were used to determine the students' eligibility for the Program;

13 (iv) Include for each grade, aggregate student performance results,
14 after the students began participation in the Program, on any tests or measurement
15 tools that were used to determine the students' eligibility for the Program; and

16 (v) Include an evaluation of the success of the Program based on
17 the data described in items (iii) and (iv) of this paragraph and any other criteria
18 established by the State Board for evaluating the Program.

19 (4) (i) The State Board shall evaluate a report submitted by a county
20 board under paragraph (2) of this subsection to determine whether the Program has
21 been successfully implemented in the county.

22 (ii) If the State Board determines that the Program has not been
23 successfully implemented in a county, the State Board may withhold grant money
24 that a county board is authorized to receive under subsection (g) of this section.

25 (5) On or before September 1 of each year, the State Board shall submit
26 a report to the Governor and, subject to § 2-1246 of the State Government Article, the
27 General Assembly that includes an evaluation of the status and success of the
28 Program in each county and on a statewide basis.

29 (g) (1) Of the first \$11,600,000 that is used for grants under subsection
30 (b)(4)(ii) of this section, each county board shall receive a:

31 (i) Base grant of \$70,000; and

32 (ii) Foundation grant that is equal to a fraction of \$9,920,000:

33 1. The numerator of which is the number of students in the
34 county scoring less than satisfactory on the reading or mathematics portion of the
35 Maryland School Performance Assessment Program Test; and

1 8-414.

2 (A) [Beginning in fiscal year 1982] SUBJECT TO SUBSECTIONS (B) AND (C) OF
3 THIS SECTION, the funding level provided by this State and its counties for special
4 education and related services for children with disabilities may not be less than the
5 funding level for these services in fiscal year 1981 required under §§ 8-417 through
6 8-417.6 of this subtitle, as those sections were codified on June 30, 1981.

7 (B) THE STATE FUNDING REQUIRED BY THIS SECTION SHALL BE PHASED OUT
8 BETWEEN FISCAL YEARS 2003 AND 2006 AS PROVIDED IN SUBSECTION (C) OF THIS
9 SECTION.

10 (C) IN FISCAL YEARS 2003 THROUGH 2006, A COUNTY BOARD SHALL RECEIVE
11 STATE FUNDING IN AN AMOUNT THAT IS EQUAL TO THE AMOUNT OF STATE
12 FUNDING RECEIVED UNDER THIS SECTION IN FISCAL YEAR 2002 MULTIPLIED BY:

13 (1) 0.80 IN FISCAL YEAR 2003;

14 (2) 0.60 IN FISCAL YEAR 2004;

15 (3) 0.40 IN FISCAL YEAR 2005; AND

16 (4) 0.20 IN FISCAL YEAR 2006.

17 11-105.

18 (j) (6) The amount of the grant shall be a percentage of total design and
19 construction costs, including site acquisition and development costs, as follows:

20 (i) For a regional community college established under § 16-202 of
21 this article, 75 percent; or

22 (ii) For a public junior or community college that is not a regional
23 community college, the greater of:

24 1. A percentage equal to that percentage of the[expenditure
25 for basic current expenses] THE FOUNDATION PROGRAM that the State pays to the
26 petitioning jurisdiction under § 5-202(b) of this article up to a maximum of 70
27 percent; or

28 2. 50 percent.

29 SECTION 3. AND BE IT FURTHER ENACTED, That the Laws of Maryland
30 read as follows:

31 **Article - Education**

32 7-301.

33 [(g) Kindergarten programs are not subject to the requirements of § 7-103(a) of
34 this title relating to minimum days or hours of operation.]

1 SECTION 4. AND BE IT FURTHER ENACTED, That the Laws of Maryland
2 read as follows:

3 **Chapter 105 of the Acts of 1997, as amended by Chapter 420 of the Acts of**
4 **2001**

5 SECTION 7. AND BE IT FURTHER ENACTED, That the provisions of this Act
6 reflect the terms of the consent decrees entered in the cases "Bradford, et al v.
7 Maryland State Board of Education, et al", case no. 94340058/CE189672; "Board of
8 School Commissioners, et al v. Maryland State Board of Education, et al", case no.
9 9528055/CL2002151, Baltimore City Circuit Court; and "Vaughn G., et al v. Mayor
10 and City Council, et al", case no. MJG-84-1911, United States District Court for the
11 District of Maryland and reflect a commitment to appropriate additional funds for the
12 Baltimore City public schools in the following amounts: \$30 million in Fiscal Year
13 1998 and \$50 million in each of Fiscal Years 1999 through 2002, inclusive. [For fiscal
14 year 2003, the Governor shall continue the commitment to appropriate \$50 million in
15 additional funds for the Baltimore City public schools.]

16 SECTION 29. AND BE IT FURTHER ENACTED, That:

17 29-2. Abrogation Provisions.

18 (a) [(1) Subsection (e) of this section] SECTION 29 OF THIS ACT shall remain
19 in effect until June 30, 2002, after which it shall be abrogated and of no further force
20 and effect without further action by the General Assembly.

21 [(2) Except as provided in paragraph (1) of this subsection, this section
22 shall remain in effect until June 30, 2003, after which it shall be abrogated and of no
23 further force and effect with no further action required by the General Assembly.]

24 29-3. Additional funding.

25 (a) New Targeted Poverty Program.

26 The following funds shall be provided for the New Targeted Poverty Program
27 beginning with the Fiscal Year 1998 State budget:

- 28 (1) Allegany County.....\$ 484,128;
- 29 (2) Anne Arundel County.....1,038,816;
- 30 (3) Baltimore County.....2,446,368;
- 31 (4) Calvert County..... 184,032;
- 32 (5) Caroline County..... 212,448;
- 33 (6) Carroll County..... 215,040;
- 34 (7) Cecil County..... 301,056;

.....

1	(8)	Charles County	455,424;
2	(9)	Dorchester County	220,800;
3	(10)	Frederick County	445,728;
4	(11)	Garrett County	216,192;
5	(12)	Harford County.....	612,960;
6	(13)	Howard County.....	326,880;
7	(14)	Kent County	95,616;
8	(15)	Montgomery County.....	2,469,216;
9	(16)	Prince George's County.....	4,840,416;
10	(17)	Queen Anne's County.....	117,216;
11	(18)	St. Mary's County	361,632;
12	(19)	Somerset County.....	168,192;
13	(20)	Talbot County.....	110,016;
14	(21)	Washington County	571,200;
15	(22)	Wicomico County.....	443,808;
16	(23)	Worcester County	226,176.

17 The total additional grant under this subsection is \$16,563,360.

18 (b) Limited English Proficiency Program.

19 The following additional funds shall be provided in addition to any funds
20 appropriated for a county board of education pursuant to the Limited English
21 Proficiency Program established in § 5-206 of the Education Article:

22	(1)	Anne Arundel County	\$ 40,500;
23	(2)	Baltimore City	81,000;
24	(3)	Baltimore County.....	45,000;
25	(4)	Caroline County.....	4,000;
26	(5)	Carroll County	11,000;
27	(6)	Cecil County.....	2,500;

.....

1	(7)	Charles County	5,000;
2	(8)	Dorchester County	5,500;
3	(9)	Frederick County	2,500;
4	(10)	Harford County.....	16,500;
5	(11)	Howard County.....	37,500;
6	(12)	Kent County	3,500;
7	(13)	Montgomery County.....	1,129,000;
8	(14)	Prince George's County.....	465,500;
9	(15)	Queen Anne's County.....	1,000;
10	(16)	St. Mary's County	6,000;
11	(17)	Somerset County.....	4,000;
12	(18)	Talbot County.....	3,000;
13	(19)	Washington County	15,000;
14	(20)	Wicomico County.....	19,500;
15	(21)	Worcester County	6,000.

16 The total additional grant under this subsection is \$1,903,500.

17 (c) Aging School Program.

18 The following funds shall be provided for the Aging School Program, which shall
19 be administered by the Interagency Committee on Public School Construction,
20 beginning with the Fiscal Year 1998 State budget:

21	(1)	Allegany County.....	\$ 150,000;
22	(2)	Anne Arundel County	240,000;
23	(3)	Baltimore City	120,000;
24	(4)	Baltimore County.....	1,750,000;
25	(5)	Calvert County.....	25,000;
26	(6)	Caroline County.....	35,000;
27	(7)	Carroll County	180,000;

1	(8)	Cecil County.....	150,000;
2	(9)	Charles County.....	25,000;
3	(10)	Dorchester County.....	25,000;
4	(11)	Frederick County.....	35,000;
5	(12)	Garrett County.....	35,000;
6	(13)	Harford County.....	180,000;
7	(14)	Howard County.....	25,000;
8	(15)	Kent County.....	25,000;
9	(16)	Montgomery County.....	510,000;
10	(17)	Prince George's County.....	420,000;
11	(18)	Queen Anne's County.....	35,000;
12	(19)	St. Mary's County.....	35,000;
13	(20)	Somerset County.....	25,000;
14	(21)	Talbot County.....	60,000;
15	(22)	Washington County.....	90,000;
16	(23)	Wicomico County.....	150,000;
17	(24)	Worcester County.....	25,000.

18 The total grant under this subsection is \$4,350,000.

19 (d) Extended Elementary Education Program.

20 Beginning with Fiscal Year 1998, the Governor shall include in each year's
21 operating budget no less than the amount appropriated in Fiscal Year 1997 for the
22 Extended Elementary Education Program. In addition to that amount, the following
23 additional funds shall be provided to each county board of education.

24	(1)	Allegany County.....	\$ 35,000;
25	(2)	Anne Arundel County.....	245,000;
26	(3)	Baltimore City.....	105,000;
27	(4)	Baltimore County.....	210,000;
28	(5)	Caroline County.....	105,000;

.....

1	(6)	Cecil County.....	175,000;
2	(7)	Charles County.....	490,000;
3	(8)	Frederick County.....	175,000;
4	(9)	Garrett County.....	35,000;
5	(10)	Harford County.....	280,000;
6	(11)	Howard County.....	140,000;
7	(12)	Kent County.....	35,000;
8	(13)	Montgomery County.....	210,000;
9	(14)	Queen Anne's County.....	70,000;
10	(15)	St. Mary's County.....	140,000;
11	(16)	Somerset County.....	35,000;
12	(17)	Talbot County.....	105,000;
13	(18)	Washington County.....	140,000;
14	(19)	Wicomico County.....	490,000;
15	(20)	Worcester County.....	70,000.

16 The total additional grant under this subsection is \$3,290,000.

17 (e) State Aid for Community Colleges.

18 The following additional funds shall be provided in addition to any funds
19 appropriated for a community college board pursuant to the State Aid for Community
20 Colleges Program established in § 16-305 of the Education Article:

21	(1)	Allegany Community College.....	\$ 160,861;
22	(2)	Cecil Community College.....	74,121;
23	(3)	Chesapeake Community College.....	4,909;
24	(4)	Frederick Community College.....	97,133;
25	(5)	Garrett Community College.....	91,445;
26	(6)	Harford Community College.....	145,848;
27	(7)	Hagerstown Community College.....	165,181.

1 The total additional grant under this subsection is \$739,498.

2 (f) Mentoring Program Grants - Baltimore County.

3 Beginning with Fiscal Year 1998, the Baltimore County Board of Education
4 shall receive a grant for the Teacher Mentoring Program in an amount not less than
5 the amount received in Fiscal Year 1997, increased by \$2,400,000.

6 (g) Gifted and Talented Programs - Montgomery County.

7 Beginning with Fiscal Year 1998, the Montgomery County Board of Education
8 shall receive a grant to support Gifted and Talented Programs in the amount of
9 \$2,000,000.

10 (h) Magnet Schools Program - Prince George's County.

11 Beginning with Fiscal Year 1998, the Prince George's County Board of
12 Education shall receive a grant for the Magnet Schools Program in an amount not
13 less than the amount received in Fiscal Year 1997, increased by \$1,100,000.

14 **Chapter 565 of the Acts of 1998, as amended by Chapter 420 of the Acts of**
15 **2001**

16 SECTION 2. AND BE IT FURTHER ENACTED, That it is the intent of the
17 General Assembly that the Governor provide a maximum of \$310,000 [annually in
18 Fiscal Years 1999 through 2003] EACH FISCAL YEAR for the operating expenses of the
19 Coordination Office established by this Act UNTIL THE STATE SUPERINTENDENT OF
20 SCHOOLS DETERMINES THAT ALL OF THE RECOMMENDATIONS SET FORTH IN THE
21 FINANCIAL AND PERFORMANCE AUDITS REQUIRED UNDER § 5-206 OF THE
22 EDUCATION ARTICLE HAVE BEEN ADDRESSED.

23 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
24 July 1, 1998. [It shall remain effective for a period of 5 years and, at the end of June
25 30, 2003, with no further action required by the General Assembly, this Act shall be
26 abrogated and of no further force and effect.]

27 **Chapter 704 of the Acts of 1998, as amended by Chapter 420 of the Acts of**
28 **2001**

29 SECTION 2. AND BE IT FURTHER ENACTED, That for fiscal years 1999
30 through [2003] 2004, in each year, the State shall provide \$35 million for public
31 school construction projects in Prince George's County and the Prince George's
32 County government shall provide a minimum of \$32 million for public school
33 construction projects, and such additional funds as may be necessary to match the
34 annual State appropriation for public school construction projects in Prince George's
35 County. For fiscal years 2000 through [2003] 2004, the full level of State funding shall
36 be contingent on future economic conditions and review and approval by the State
37 Superintendent of Schools of the Prince George's County Board of Education's
38 Comprehensive Plan described in the 1998 Memorandum of Understanding signed by

1 the parties to Vaughns, et al. v. Board of Education of Prince George's County, et al.
2 and submitted to the United States District Court.

3 SECTION 3. AND BE IT FURTHER ENACTED, That for fiscal years 1999
4 through [2003] 2004, in each year, the State shall provide 75 percent of the eligible
5 costs for up to \$35 million in public school construction costs in Prince George's
6 County. At least \$20 million of the State funds must be spent each year on
7 neighborhood school projects. For funding above \$35 million, the State shall provide
8 60 percent of the eligible costs. Neighborhood school projects shall be identified by the
9 Interagency Committee on Public School Construction and shall include new public
10 schools and additions or improvements to existing public schools which serve students
11 reassigned to their local communities based upon the Community Schools Education
12 Plan developed by the Prince George's County Board of Education.

13 SECTION 4. AND BE IT FURTHER ENACTED, That prior to any school
14 construction projects being released for bidding as a result of State funding in fiscal
15 years 1999 through [2003] 2004, the Prince George's County Board of Education, the
16 County Executive, and the County Council shall submit to the Interagency
17 Committee on School Construction the most recent Community Schools Education
18 Plan and the Prince George's County Board of Education Capital Improvement
19 Program and a letter of endorsement of the plan and program. The Interagency
20 Committee shall review the information submitted and determine which projects or
21 portions thereof are justified and which qualify as neighborhood school projects. Prior
22 to any approval from the Interagency Committee to release any projects for bidding,
23 the educational programs and services proposed for each project shall be reviewed
24 and approved by the State Superintendent of Schools for consistency with practices
25 and strategies that result in improved student achievement and academic and social
26 success.

27 SECTION 5. AND BE IT FURTHER ENACTED, That:

28 (a) Except as provided in subsection (b) of this section and Section 6 of this
29 Act, this Act shall remain effective until [June 30, 2003] JUNE 30, 2004, and, at the
30 end of [June 30, 2003] JUNE 30, 2004, with no further action required by the General
31 Assembly, this Act shall be abrogated and of no further force and effect.

32 (b) Notwithstanding any other provision of this Act, § 5-307(d) of the
33 Education Article as enacted by this Act shall remain in effect and shall not terminate
34 without further action by the General Assembly.

35 **Chapter 464 of the Acts of 1999, as amended by Chapter 420 of the Acts of**
36 **2001**

37 [SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall remain
38 effective until June 30, 2003, and, at the end of June 30, 2003, with no further action
39 required by the General Assembly, this Act shall be abrogated and of no further force
40 and effect.]

1 **Chapter 493 of the Acts of 2000, as amended by Chapter 420 of the Acts of**
2 **2001**

3 SECTION 4. AND BE IT FURTHER ENACTED, That the Governor shall
4 include in the State budget for each of fiscal years 2001[, 2002, and 2003] AND 2002
5 an appropriation of at least \$20,465,079 to meet the State's existing legal obligations
6 for educational funding and avoid future litigation.

7 SECTION 10. AND BE IT FURTHER ENACTED, That this Act shall take effect
8 June 1, 2000. Section 1 of this Act shall remain effective for a period of [3] 5 years
9 and 1 month and, at the end of [June 30, 2003] JUNE 30, 2005, with no further action
10 required by the General Assembly, Section 1 of this Act shall be abrogated and of no
11 further force and effect.

12 **Chapter 280 of the Acts of 2001**

13 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
14 MARYLAND, That, notwithstanding any other provision of law, for fiscal years [2002
15 and 2003] 2002 THROUGH 2004, in each year, the State shall provide 90 percent of the
16 eligible costs for up to and including \$20 million in public school construction projects
17 in Baltimore City, and for funding above \$20 million, the State shall provide 75
18 percent of the eligible costs.

19 SECTION 2. AND BE IT FURTHER ENACTED, That, notwithstanding the
20 provisions of Section 1 of this Act, Baltimore City shall appropriate for school
21 construction in fiscal [2002 and 2003] YEARS 2002 THROUGH 2004, in each year, at
22 least \$12.4 million, the amount that Baltimore City appropriated in fiscal 2001 to
23 match the State funds provided in fiscal 2001 for school construction in Baltimore
24 City.

25 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
26 July 1, 2001. It shall remain effective for a period of [2] 3 years and, at the end of
27 [June 30, 2003] JUNE 30, 2004, with no further action required by the General
28 Assembly, this Act shall be abrogated and of no further force and effect.

29 SECTION 5. AND BE IT FURTHER ENACTED, That:

30 (a) There is a Task Force to Study Public School Facilities.

31 (b) The Task Force shall review, evaluate, and make findings and
32 recommendations regarding the following issues relating to the State's school
33 construction program:

34 (1) whether public school facilities are adequate to support programs
35 funded through an adequate operating budget as proposed by the Commission on
36 Education Finance, Equity, and Excellence in its January 2002 Final Report;

37 (2) the equity of the State's school construction program, particularly the
38 equity of the State and local cost shares for school construction projects;

1 (3) whether the Aging Schools Program should be continued as a
2 permanent program; and

3 (4) any other matter that the Task Force determines to be relevant to an
4 evaluation of the adequacy and equity of the State's school construction program.

5 (c) The Commission shall be composed of 21 members as follows:

6 (1) a chairman appointed by the Governor;

7 (2) two members of the Senate of Maryland, appointed by the President
8 of the Senate;

9 (3) two members of the House of Delegates of Maryland, appointed by
10 the Speaker of the House;

11 (4) the Executive Director of the Interagency Committee on School
12 Construction;

13 (5) the State Superintendent of Schools, or the State Superintendent's
14 designee;

15 (6) the Secretary of the Department of Budget and Management, or the
16 Secretary's designee;

17 (7) the Secretary of the Department of General Services, or the
18 Secretary's designee;

19 (8) a member of the State Board of Education;

20 (9) three representatives of county governments, appointed by the
21 Governor;

22 (10) three representatives of local boards of education, appointed by the
23 Governor;

24 (11) three educators who work in public schools in the State, appointed by
25 the Governor; and

26 (12) two members of the public, appointed by the Governor.

27 (d) To the extent practicable, the Governor shall attempt to ensure regional,
28 ethnic, economic, and gender diversity on the Task Force.

29 (e) The Interagency Committee on School Construction, the Maryland State
30 Department of Education, the Department of Budget and Management, and the
31 Department of Legislative Services, jointly, shall provide staff support to the Task
32 Force.

33 (f) The Task Force shall:

1 (1) be appointed and begin its deliberations no later than June 1, 2002;
2 and

3 (2) submit a report of its findings and recommendations to the Governor
4 and, in accordance with § 2-1246 of the State Government Article, the General
5 Assembly on or before December 31, 2002.

6 (g) The Task Force shall terminate on December 31, 2002.

7 SECTION 6. AND BE IT FURTHER ENACTED, That:

8 (a) The Maryland State Department of Education shall form a committee of
9 interested stakeholders to study issues relating to enrollment counts in order to
10 ensure that the school finance system reflected in this Act, which is based on the
11 number of students enrolled by each school system, accurately reflects the workload
12 of each school system at the time education funding is distributed.

13 (b) The committee shall make findings regarding:

14 (1) the impact of the school finance system established in this Act on
15 school systems with declining or growing enrollments;

16 (2) the costs and benefits of alternative ways of addressing problems
17 that relate to declining or growing enrollments; and

18 (3) the costs and benefits of changing the dates on which enrollment
19 counts are taken for different segments of the student population in order to make
20 this date consistent for all enrollment counts.

21 (c) The committee shall make recommendations regarding ways in which the
22 school finance system should be modified in order to address problems relating to:

23 (1) school systems with declining or growing enrollments; and

24 (2) the dates on which the State should take enrollment counts for
25 different segments of the student population.

26 (d) The committee shall submit a final report of its findings and
27 recommendations, including an analysis of the fiscal impact of its recommendations,
28 to the Governor and, subject to § 2-1246 of the State Government Article, the General
29 Assembly on or before December 30, 2003.

30 SECTION 7. AND BE IT FURTHER ENACTED, That, within the next 10 years,
31 and no later than June 30, 2012, the Maryland State Department of Education, in
32 consultation with the Department of Budget and Management and the Department of
33 Legislative Services, shall contract with a public or private entity to conduct a study
34 of the adequacy of education funding in the State. At a minimum, the adequacy study
35 shall: (1) identify a base funding level for students without special needs; (2) per pupil
36 weights for students with special needs to be applied to the base funding level; and (3)
37 an analysis of the effect of concentrations of poverty on adequacy targets. The

1 Governor shall include sufficient funds in the State budget for the appropriate fiscal
2 years for the Maryland State Department of Education to cover the costs of
3 conducting the adequacy study.

4 SECTION 8. AND BE IT FURTHER ENACTED, That, since the school finance
5 system reflected in this Act is based on the assumption that the following programs,
6 which received funding in the fiscal 2002 State budget under the budget codes listed
7 below, will continue in future years, it is the intent of the General Assembly that
8 funding for these programs be included in future State budgets:

- 9 (1) Gifted and Talented Summer Center - RA.02.09;
- 10 (2) Destination ImagiNation - RA.02.09;
- 11 (3) Disruptive Youth (Annapolis Roads Middle School) - RA.02.11;
- 12 (4) Center for Educational Progress - RA.02.13;
- 13 (5) Food Services - RA.02.27;
- 14 (6) Science and Mathematics Initiative - RA.02.52;
- 15 (7) Maryland Technology Academy - RA.02.53;
- 16 (8) Education Modernization Initiative - RA.02.53;
- 17 (9) Challenge Grants - RA.02.54;
- 18 (10) Reconstitution - RA.02.54;
- 19 (11) School Performance Recognition - RA.02.54;
- 20 (12) Staff Development Centers - RA.02.55; and
- 21 (13) Judith P. Hoyer Early Child Care and Education Enhancement -
22 RA.02.57.

23 SECTION 9. AND BE IT FURTHER ENACTED, That, since the school finance
24 system reflected in this Act is based on the assumption that the following
25 discretionary programs, which received funding in the fiscal 2002 State budget under
26 the budget codes listed below, will be consolidated into either the foundation program
27 established by this Act or one of the three programs for special needs students
28 established by this Act, it is the intent of the General Assembly that no funding for
29 these programs be included in future State budgets:

- 30 (1) Environmental Education - RA.02.10;
- 31 (2) Maryland Student Service Alliance - RA.02.13;
- 32 (3) Pre-K through Third Grade Initiative - RA.02.13;

- 1 (4) Allegany County Resource Deficiencies - RA.02.13;
- 2 (5) High School Assessment Fees - RA.02.55;
- 3 (6) Foster Care Assessment - RA.02.07;
- 4 (7) Rural Schools Performance - RA.02.13;
- 5 (8) Rural Schools Nurses - RA.02.13;
- 6 (9) Potomac High School - RA.02.13;
- 7 (10) Pilot Summer Program - RA.02.54; and
- 8 (11) Baltimore City Teacher Certification - RA.02.55.

9 SECTION 10. AND BE IT FURTHER ENACTED, That this Act constitutes
10 further action of the General Assembly regarding consideration of the provisions of §
11 3-108.1 of the Education Article for the purpose of meeting the requirements of
12 Section 28 of Chapter 105 of the Acts of 1997.

13 SECTION 11. AND BE IT FURTHER ENACTED, That § 5-206(g) of the
14 Education Article as enacted by Section 2 of this Act, shall be abrogated and of no
15 further force and effect July 1, 2003.

16 SECTION 12. AND BE IT FURTHER ENACTED, That § 5-206(f) of the
17 Education Article as enacted by Section 2 of this Act, shall be abrogated and of no
18 further force and effect July 1, 2004.

19 SECTION 13. AND BE IT FURTHER ENACTED, That Section 3 of this Act
20 shall take effect July 1, 2006.

21 SECTION 14. AND BE IT FURTHER ENACTED, That § 8-414 of the
22 Education Article as enacted by Section 2 of this Act, shall be abrogated and of no
23 further force and effect July 1, 2006.

24 SECTION 15. AND BE IT FURTHER ENACTED, That, except as provided in
25 Section 13 of this Act, this Act shall take effect June 1, 2002.