

SENATE BILL 856

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2002 Regular Session
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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

Re-referred to: Budget and Taxation and Education, Health, and Environmental Affairs, February 26, 2002

Committee Report: Favorable with amendments

Senate action: Adopted with floor amendments

Read second time: March 31, 2002

CHAPTER _____

1 AN ACT concerning

2 ~~**Adequate and Equitable Funding for Public Schools Act**~~
3 **Bridge to Excellence in Public Schools Act**

4 FOR the purpose of ~~authorizing a county council in a charter county, under certain~~
5 ~~circumstances, to set a property tax rate that is higher than the rate authorized~~
6 ~~under the county's charter or collect more property tax revenues than are~~
7 ~~authorized under the county's charter; requiring a county that takes this action~~
8 ~~to appropriate to the local board of education all property tax revenues~~
9 ~~exceeding the amount that would have been authorized if the property tax or~~
10 ~~revenue limitation in the county charter had been applied; requiring the results~~
11 ~~of certain audits of county boards of education to report to certain committees of~~
12 ~~the General Assembly;~~ modifying a certain basic current expense formula for
13 State education funding to create a new foundation program for State education
14 funding; requiring that certain features of the new foundation program be
15 phased in over a certain number of years; creating a compensatory education
16 funding program under which the State provides certain grants to local boards
17 of education under certain circumstances; creating a funding program for
18 students with limited English proficiency under which the State provides
19 certain grants to local boards of education under certain circumstances; creating
20 a special education funding program under which the State provides certain
21 grants to local boards of education under certain circumstances; creating a
22 Guaranteed Tax Base program under which the State provides grants to local
23 boards of education under certain circumstances; requiring the State to
24 distribute certain grants to the New Baltimore City Board of School
25 Commissioners in certain fiscal years; requiring that the State share of the

1 foundation program be adjusted to reflect regional differences in certain costs by
2 a certain fiscal year; requiring the State to contract with a private entity to
3 conduct a certain study relating to regional differences in certain costs;
4 requiring the State to pay the retirement costs associated with certain
5 employees of local school systems; increasing certain base grants for student
6 transportation distributed to local boards of education; increasing,
7 incrementally over a certain period, the amount of a certain grant distributed to
8 local boards of education to cover the costs associated with transportation of
9 disabled students; requiring that the Management Oversight Panel for the
10 Prince George's County schools continue to monitor the implementation of
11 certain audit recommendations until the State Superintendent of Schools
12 determines that the audit recommendations have been addressed; requiring the
13 State to provide funding for the coordination office for the Management
14 Oversight Panel up to a certain maximum amount each fiscal year;
15 consolidating certain grants distributed under the Aging Schools Program;
16 clarifying that the State Superintendent of Schools shall certify to the State
17 Comptroller that certain funds are due to each local board of education at least
18 a certain number of days before the end of certain months; extending certain
19 parts of the Governor's Teacher Salary Challenge Program for a certain period;
20 modifying the amounts of certain grants received under the Governor's Teacher
21 Salary Challenge Program in certain fiscal years; ~~requiring the Transitional~~
22 ~~Education Fund to terminate on a certain date~~; requiring that each local board
23 of education submit a comprehensive master plan to the State Department of
24 Education on or before a certain date; establishing requirements for the content
25 of a plan; authorizing the State Superintendent of Schools to take certain
26 actions relating to a plan; requiring the State Superintendent of Schools to take
27 certain actions relating to a plan under certain circumstances; authorizing the
28 State Board of Education to withhold certain funds from local boards of
29 education under certain circumstances; requiring the Department to conduct a
30 certain evaluation; authorizing the Department to contract with a public or
31 private entity to conduct the evaluation; requiring that certain reports relating
32 to the evaluation be submitted to the Governor and General Assembly on or
33 before a certain date; requiring local boards of education to provide full-day
34 kindergarten to all kindergarten students by a certain date; requiring that
35 certain children be admitted free of charge to certain publicly funded
36 prekindergarten programs by a certain date; exempting publicly funded
37 prekindergarten programs from certain requirements regarding hours and days
38 of operation; establishing a phase-out period for certain funding for special
39 education students; repealing certain provisions relating to various education
40 funding programs; establishing a Task Force to Study Public School Facilities;
41 requiring the Task Force to submit findings and recommendations to the
42 Governor and General Assembly on or before a certain date; requiring the
43 Department to form a committee of stakeholders to study issues relating to
44 enrollment counts; requiring the committee to submit findings and
45 recommendations to the Governor and General Assembly on or before a certain
46 date; requiring the Department to conduct a certain study relating to adequacy
47 of education funding within a certain number of years; authorizing the
48 Department to contract with a public or private entity to conduct the study;

1 declaring that it is the intent of the General Assembly that funding for certain
2 discretionary education programs be included in certain State budgets;
3 declaring that it is the intent of the General Assembly that funding for certain
4 discretionary education programs be eliminated; providing that this Act
5 constitutes further action of the General Assembly for a certain purpose relating
6 to the appointment of members of the New Baltimore City Board of School
7 Commissioners; ~~repealing a requirement that certain funds be included in the~~
8 ~~State budget for a certain fiscal year for the Baltimore City Public school~~
9 ~~system; establishing a new termination date for certain programs relating to~~
10 ~~targeted poverty grants, students with limited English proficiency, extended~~
11 ~~elementary education, teacher mentoring, gifted and talented students, and~~
12 ~~magnet schools; repealing certain sunset provisions relating to the Management~~
13 ~~Oversight Panel; extending for a certain period certain requirements relating to~~
14 ~~the State and local share of costs for school construction projects in Prince~~
15 ~~George's County; repealing a requirement that certain funds be included in the~~
16 ~~State budget for a certain fiscal year to meet the State's existing legal~~
17 ~~obligations for educational funding and avoid future litigation; extending the~~
18 ~~termination date for provisions relating to the Governor's Teacher Salary~~
19 ~~Challenge Program; extending for a certain period certain requirements relating~~
20 ~~to the State and local share of costs for school construction projects in Baltimore~~
21 ~~City; providing for certain State grants for a certain fiscal year to the county~~
22 ~~boards of education and the New Baltimore City Board of School~~
23 ~~Commissioners; providing that certain provisions of this Act shall be null and~~
24 ~~void under certain circumstances; providing for a certain State grant for a~~
25 ~~certain fiscal year to the Prince George's County Board of Education under~~
26 ~~certain circumstances; providing for certain State grants for a certain fiscal year~~
27 ~~under certain circumstances to certain local agencies for certain services for~~
28 ~~eligible infants and toddlers and their families; providing for certain State~~
29 ~~grants for a certain fiscal year under certain circumstances to certain eligible~~
30 ~~recipients for certain adult education and literacy services; providing that~~
31 ~~certain provisions of another Act regarding certain funding in the State budget~~
32 ~~for the Baltimore City Public Schools shall be null and void under certain~~
33 ~~circumstances; altering the tobacco tax rate for cigarettes; providing for the~~
34 ~~distribution of certain tobacco tax revenues for a certain fiscal year to a special~~
35 ~~fund, to be used only for certain purposes; requiring certain counties and~~
36 ~~Baltimore City to appropriate certain amounts received from the State under a~~
37 ~~certain grant for the school operating budget in addition to a certain minimum~~
38 ~~required local appropriation for education; providing for the effective dates of~~
39 ~~this Act; providing that a certain provision relating to the Aging Schools~~
40 ~~Program shall terminate on a certain date; providing that a certain provision~~
41 ~~relating to the hours and operations of kindergarten programs shall terminate~~
42 ~~on a certain date; providing that a certain provision relating to special education~~
43 ~~funding shall terminate on a certain date; making certain clarifying changes;~~
44 ~~correcting certain cross-references; making certain stylistic changes; defining~~
45 ~~certain terms; requiring the Comptroller to make and submit a certain report;~~
46 ~~and generally relating to the State's public schools and the State's school finance~~
47 ~~system.~~

48 BY renumbering

1 Article - Education
 2 Section 5-208, 5-210, 5-211, 5-214, and 5-215, respectively
 3 to be Section 5-211, 5-213, 5-214, 5-215, and 5-217, respectively
 4 Annotated Code of Maryland
 5 (2001 Replacement Volume)

6 BY repealing and reenacting, with amendments,
 7 Article 83C - Juvenile Justice
 8 Section 2-134(e)(2)
 9 Annotated Code of Maryland
 10 (1998 Replacement Volume and 2001 Supplement)

11 BY repealing and reenacting, without amendments,
 12 Article - Education
 13 Section ~~3-108.1~~ and 5-203(a)
 14 Annotated Code of Maryland
 15 (2001 Replacement Volume)

16 BY repealing and reenacting, with amendments,
 17 Article - Education
 18 Section 4-121(d)(2), ~~5-104~~, ~~5-109~~, 5-201, 5-202, 5-203(b), 5-205, 5-206, 5-209,
 19 5-213, 7-101, 7-103, 8-414, and 11-105(j)(6)
 20 Annotated Code of Maryland
 21 (2001 Replacement Volume)

22 BY repealing
 23 Article - Education
 24 Section 5-206.1, 5-207, 5-212, 5-216, 5-401, 5-402, 7-208, and 7-301(g); and
 25 8-2A-01 through 8-2A-03 and the subtitle "Subtitle 2A. Excellence in
 26 Education Incentive Grant Program"
 27 Annotated Code of Maryland
 28 (2001 Replacement Volume)

29 BY adding to
 30 Article - Education
 31 Section 5-207 through 5-210, 5-401, 5-402, and 7-101.1
 32 Annotated Code of Maryland
 33 (2001 Replacement Volume)

34 ~~BY repealing and reenacting, with amendments,~~
 35 ~~Chapter 105 of the Acts of the General Assembly of 1997, as amended by~~
 36 ~~Chapter 420 of the Acts of the General Assembly of 2001~~
 37 ~~Section 7 and 29-2(a)~~

1 ~~BY repealing and reenacting, without amendments,~~
 2 ~~Chapter 105 of the Acts of the General Assembly of 1997, as amended by~~
 3 ~~Chapter 420 of the Acts of the General Assembly of 2001~~
 4 ~~Section 29-3~~

5 BY repealing and reenacting, with amendments,
 6 Chapter 565 of the Acts of the General Assembly of 1998, as amended by
 7 Chapter 420 of the Acts of the General Assembly of 2001
 8 Section 2 and 3

9 BY repealing and reenacting, with amendments,
 10 Chapter 704 of the Acts of the General Assembly of 1998, as amended by
 11 Chapter 420 of the Acts of the General Assembly of 2001
 12 Section 2, 3, 4, and 5

13 BY repealing
 14 Chapter 464 of the Acts of the General Assembly of 1999, as amended by
 15 Chapter 420 of the Acts of the General Assembly of 2001
 16 Section 4

17 BY repealing and reenacting, with amendments,
 18 Chapter 493 of the Acts of the General Assembly of 2000, as amended by
 19 Chapter 420 of the Acts of the General Assembly of 2001
 20 Section 4 and 10

21 BY repealing and reenacting, with amendments,
 22 Chapter 280 of the Acts of the General Assembly of 2001
 23 Section 1, 2, and 3

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

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

30 **Article 83C - Juvenile Justice**

31 2-134.

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

Article - Education

1 ~~3-108.1.~~

2
3 (a) ~~In this section, "Board" means the New Baltimore City Board of School~~
4 ~~Commissioners of the Baltimore City Public School System.~~

5 (b) ~~There is a New Baltimore City Board of School Commissioners of the~~
6 ~~Baltimore City Public School System.~~

7 (c) ~~The Board consists of:~~

8 (1) ~~Nine voting members jointly appointed by the Mayor of Baltimore~~
9 ~~City and the Governor from a list of qualified individuals submitted to the Mayor and~~
10 ~~the Governor by the State Board; and~~

11 (2) ~~One voting student member appointed as provided in subsection (c) of~~
12 ~~this section.~~

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

14 (e) ~~To the extent practicable, the membership of the Board shall reflect the~~
15 ~~demographic composition of Baltimore City.~~

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

14 ~~(o) (1) One student member shall be a student enrolled in the Baltimore
15 City Public School System who shall be selected by the Associated Student Congress
16 of Baltimore City.~~

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

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

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

22 (i) Personnel;

23 (ii) Capital and operating budgets;

24 (iii) School closings, reopenings, and boundaries;

25 (iv) Collective bargaining decisions;

26 (v) Student disciplinary matters; and

27 (vi) Appeals to the Board as provided under §§ 4-205 and 6-202 of
28 this article.

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

31 ~~(p) Any action by the Board shall require:~~

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

1 (2) The affirmative vote of a majority of the voting members then
2 ~~serving.~~

3 4-121.

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

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

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

11 ~~5-104.~~

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

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

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

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

26 (2) The Wicomico County Council annually shall pay to the Wicomico
27 County Board the amount of the budget of the County Board that has been approved
28 by the County Council:

29 (i) In 12 equal monthly installments; or

30 (ii) At the times on which the County Council and County Board
31 mutually agree.

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

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

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

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

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

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

18 5-109.

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

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

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

24 (ii) Approved by the State Superintendent.

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

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

28 (2) The results shall be reported within 3 months after the close of the
29 fiscal year for the county board [to the State Superintendent and the county fiscal
30 authority] on the form and in the manner required by the State Board TO:

31 (I) THE STATE SUPERINTENDENT;

32 (II) THE COUNTY FISCAL AUTHORITY;

33 (III) THE JOINT AUDIT COMMITTEE OF THE GENERAL ASSEMBLY;

34 (IV) THE SENATE BUDGET AND TAXATION COMMITTEE;

1 (V) THE SENATE EDUCATION, HEALTH, AND ENVIRONMENTAL
 2 AFFAIRS COMMITTEE;

3 (VI) THE HOUSE APPROPRIATIONS COMMITTEE; AND

4 (VII) THE HOUSE COMMITTEE ON WAYS AND MEANS.

5 (d) In addition to the audit required by this section, the county commissioners
 6 or county council may conduct an audit using auditors employed by the county.

7 5-201.

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

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

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

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

20 (2) The Maryland Teachers' Retirement System;

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

22 (4) Subsidized or free feeding programs;

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

25 (6) Physical education and recreation;

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

28 (8) Equivalence examinations;

29 (9) Public libraries;

30 (10) Adult education;

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

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

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

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

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

8 (16) THE STATE ~~SHARE OF~~ FUNDING FOR SPECIAL EDUCATION UNDER §
9 5-209 OF THIS SUBTITLE; AND

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

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

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

20 (i) State appropriations;

21 (ii) Federal education aid payments; and

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

24 (2) Except as provided in this section, these appropriations to a county,
25 academy, college, or university may not be paid from the General State School Fund.

26 5-202.

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

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

29 (I) FOR FISCAL YEARS ~~2003~~ 2004 THROUGH ~~2006~~ 2008, THE SUM,
30 ROUNDED TO THE NEAREST DOLLAR, OF:

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

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

- 1 A. ~~0.25~~ 0.40 IN FISCAL YEAR ~~2003~~ 2004;
- 2 B. ~~0.45~~ 0.52 IN FISCAL YEAR ~~2004~~ 2005;
- 3 C. ~~0.65~~ 0.71 IN FISCAL YEAR ~~2005~~ 2006; AND
- 4 D. ~~0.85~~ 0.83 IN FISCAL YEAR ~~2006~~ 2007; AND

5 (II) FOR FISCAL YEAR ~~2007~~ 2008 AND EACH FISCAL YEAR

6 THEREAFTER, THE TARGET PER PUPIL FOUNDATION AMOUNT.

7 (3) (⊕) "Assessed valuation of real property" means the most recent

8 estimate made by the State Department of Assessments and Taxation before the

9 annual State budget is submitted to the General Assembly, of the assessed value of

10 real property for State purposes as of July 1 of the first completed fiscal year before

11 the school year for which the calculation of State aid is made under this section.

12 (ii) ~~In all assessable bases, for the purpose of this paragraph,~~

13 ~~preferentially assessed agricultural land shall be included at 50 percent of farm use~~

14 ~~valuation as determined in accordance with farm use assessment standards~~

15 ~~established by the Department of Assessments and Taxation.~~

16 [(3) (i) "Basic current expenses" means expenditures for elementary

17 and secondary education for a fiscal year calculated as follows:

18 1. Statewide aggregate expenditures from the current

19 expense fund for administration, instruction, public school special education

20 programs, student personnel services, health services, operation of plant, and

21 maintenance of plant;

22 2. Plus statewide aggregate expenditures from the current

23 expense fund for fixed charges (including employee benefits), additional equipment,

24 and replacement equipment, to the extent these expenditures relate to the

25 expenditure categories in item 1 of this subparagraph; and

26 3. Minus the statewide aggregate of all State and federal

27 funds for elementary and secondary education supporting the expenditures in items 1

28 and 2 of this subparagraph, except the State share of basic current expenses.

29 (ii) "Basic current expenses" does not include expenditures for

30 adult education, community services, pupil transportation, capital outlay, or outgoing

31 transfers, or expenditures reported in the Food Service Fund, the Student Body

32 Activities Fund, the School Construction Fund, or the Debt Service Fund.]

33 (5) "FOUNDATION PROGRAM" MEANS THE PRODUCT OF THE ANNUAL

34 PER PUPIL FOUNDATION AMOUNT AND A COUNTY'S FULL-TIME EQUIVALENT

35 ENROLLMENT.

36 (7) "LOCAL CONTRIBUTION RATE" MEANS THE FIGURE THAT IS

37 CALCULATED AS FOLLOWS:

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

- 3 1. 0.46 IN FISCAL YEAR ~~2003~~ 2004;
- 4 2. 0.47 IN FISCAL YEAR ~~2004~~ 2005;
- 5 3. 0.48 IN FISCAL YEAR ~~2005~~ 2006;
- 6 4. 0.49 IN FISCAL YEAR ~~2006~~ 2007; AND
- 7 5. 0.50 IN FISCAL YEAR ~~2007~~ 2008 AND EACH FISCAL YEAR
8 THEREAFTER;

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

12 ~~(III)~~ (II) MULTIPLY THE STATEWIDE FULL-TIME EQUIVALENT
13 ENROLLMENT BY THE AMOUNT THAT THE ANNUAL PER PUPIL FOUNDATION
14 AMOUNT EXCEEDS \$4,124 ~~\$624~~, AND MULTIPLY THIS PRODUCT BY: 0.50.

- 15 ~~1. 0.51 IN FISCAL YEAR 2003;~~
- 16 ~~2. 0.52 IN FISCAL YEAR 2004;~~
- 17 ~~3. 0.53 IN FISCAL YEAR 2005;~~
- 18 ~~4. 0.54 IN FISCAL YEAR 2006; AND~~
- 19 ~~5. 0.55 IN FISCAL YEAR 2007 AND EACH FISCAL YEAR~~
20 ~~THEREAFTER.~~

21 ~~(IV)~~ (III) ADD THE ~~THREE~~ TWO PRODUCTS CALCULATED IN ITEMS
22 (I) ~~THROUGH (III)~~ AND (II) OF THIS PARAGRAPH, AND DIVIDE THE RESULTING SUM BY
23 THE SUM OF THE WEALTH OF ALL OF THE COUNTIES IN THIS STATE; AND

24 ~~(V)~~ (IV) ROUND THE RESULT OBTAINED IN ITEM ~~(IV)~~ (III) OF THIS
25 PARAGRAPH TO SEVEN DECIMAL PLACES AND EXPRESS AS A PERCENT WITH FIVE
26 DECIMAL PLACES.

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

29 [(4)] (9) "Net taxable income" means the amount certified by the State
30 Comptroller for the second completed calendar year before the school year for which
31 the calculation of State aid under this section is made, based on tax returns filed on
32 or before September 1 after this calendar year.

33 (10) "PERSONAL PROPERTY" INCLUDES:

- 1 (I) TANGIBLE PERSONAL PROPERTY;
- 2 (II) RAILROAD PROPERTY;
- 3 (III) PUBLIC UTILITY PERSONAL PROPERTY; AND
- 4 (IV) PUBLIC UTILITY SHARES MEANS ALL PROPERTY CLASSIFIED AS
- 5 PERSONAL PROPERTY UNDER § 8-101(C) OF THE TAX - PROPERTY ARTICLE.

- 6 [(5)] (11) "Real property" includes:
- 7 (i) Any interest in land or improvements to land;
- 8 (ii) Land and nonoperating property of railroads and public
- 9 utilities; and
- 10 (iii) Operating property of public utilities classified as real property
- 11 ~~by the Department of Assessments and Taxation~~ MEANS ALL PROPERTY CLASSIFIED
- 12 AS REAL PROPERTY UNDER § 8-101(B) OF THE TAX - PROPERTY ARTICLE.

13 [(6)] (4) "Assessed value of personal property" means the [assessed

14 valuation for county purposes of tangible personal property, railroad property, public

15 utility personal property, and public utility shares] MOST RECENT ESTIMATE BY THE

16 STATE DEPARTMENT OF ASSESSMENTS AND TAXATION BEFORE THE ANNUAL STATE

17 BUDGET IS SUBMITTED TO THE GENERAL ASSEMBLY OF THE ASSESSED VALUE FOR

18 COUNTY PURPOSES OF PERSONAL PROPERTY AS OF JULY 1 OF THE FIRST

19 COMPLETED FISCAL YEAR BEFORE THE SCHOOL YEAR FOR WHICH THE

20 CALCULATION IS MADE UNDER THIS SECTION.

- 21 [(7)] (6) "Full-time equivalent enrollment" means THE SUM OF:
- 22 (i) [All] THE NUMBER OF students enrolled in grades 1 through 12
- 23 or their equivalent in regular day school programs on September 30 of the previous
- 24 school year;
- 25 (ii) [One half of the number of students enrolled in kindergarten
- 26 programs on September 30 of the previous school year, except that in Garrett County
- 27 the full number of kindergarten students is included; and] EXCEPT AS PROVIDED IN
- 28 ITEM (III) OF THIS PARAGRAPH, THE PRODUCT OF THE NUMBER OF STUDENTS
- 29 ENROLLED IN KINDERGARTEN PROGRAMS ON SEPTEMBER 30 OF THE PRIOR SCHOOL
- 30 YEAR AND:

- 31 1. 0.60 IN FISCAL YEAR ~~2003~~ 2004;
- 32 2. 0.70 IN FISCAL YEAR ~~2004~~ 2005;
- 33 3. 0.80 IN FISCAL YEAR ~~2005~~ 2006;
- 34 4. 0.90 IN FISCAL YEAR ~~2006~~ 2007; AND

1 5. 1.00 IN FISCAL YEAR ~~2007~~ 2008 AND EACH FISCAL YEAR
2 THEREAFTER;

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

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

8 (12) "STATE SHARE OF THE FOUNDATION PROGRAM" MEANS THE
9 GREATER OF:

10 (I) THE DIFFERENCE BETWEEN THE FOUNDATION PROGRAM AND
11 THE LOCAL SHARE OF THE FOUNDATION PROGRAM; AND

12 (II) ~~THE PRODUCT OF 15% OF RESULT OBTAINED BY MULTIPLYING~~
13 ~~THE ANNUAL PER PUPIL FOUNDATION AMOUNT AND BY THE COUNTY'S FULL-TIME~~
14 ~~EQUIVALENT ENROLLMENT, AND MULTIPLYING THIS PRODUCT BY:~~

- 15 1. 0.25 IN FISCAL YEAR 2004;
- 16 2. 0.24 IN FISCAL YEAR 2005;
- 17 3. 0.22 IN FISCAL YEAR 2006;
- 18 4. 0.19 IN FISCAL YEAR 2007; AND
- 19 5. 0.15 IN FISCAL YEAR 2008 AND EACH FISCAL YEAR
20 THEREAFTER.

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

22 (I) IN FISCAL YEAR ~~2003, \$5,634~~ 2004, \$5,730; AND

23 (II) IN SUBSEQUENT FISCAL YEARS:

24 1. THE TARGET PER PUPIL FOUNDATION AMOUNT FOR THE
25 PRIOR FISCAL YEAR INCREASED BY THE SAME PERCENTAGE AS THE INCREASE IN
26 THE IMPLICIT PRICE DEFLATOR FOR STATE AND LOCAL GOVERNMENT
27 EXPENDITURES FOR THE SECOND PRIOR FISCAL YEAR; OR

28 2. IF THERE IS NO INCREASE IN THE IMPLICIT PRICE
29 DEFLATOR FOR STATE AND LOCAL GOVERNMENT EXPENDITURES FOR THE SECOND
30 PRIOR FISCAL YEAR, THE TARGET PER PUPIL FOUNDATION AMOUNT FOR THE PRIOR
31 FISCAL YEAR.

32 [(8)] (14) "Wealth" means the sum of:

33 (i) Net taxable income;

1 (II) 100 PERCENT OF THE ASSESSED VALUE OF THE OPERATING
 2 REAL PROPERTY OF PUBLIC UTILITIES;

3 (††) (III) 40 percent of the assessed valuation of real property; and

4 (†††) (IV) 50 percent of assessed value of personal property.

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

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

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

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

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

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

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

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

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

33 [(ii) 1.] (C) (1) If State aid for public elementary and secondary
 34 education exceeds 31.5% of the projected general funds of the State in any fiscal year,
 35 then the amount required for the ANNUAL per pupil [basic current expense figure]
 36 FOUNDATION AMOUNT may not be implemented for the next fiscal year unless the
 37 General Assembly, at the regular session immediately preceding that next fiscal year,
 38 affirms by joint resolution that the additional State aid required using the ANNUAL

1 per pupil [basic current expense figure] FOUNDATION AMOUNT is within the State's
2 fiscal resources.

3 [2.] (2) As provided under [item 1 of this subparagraph]
4 PARAGRAPH (1) OF THIS SUBSECTION, if State aid for public elementary and
5 secondary education exceeds the percentage amount specified and a joint resolution of
6 affirmation is not enacted by the General Assembly, then the ANNUAL per pupil
7 [basic current expense figure] FOUNDATION AMOUNT in which the State shall share
8 for the next fiscal year shall be the lesser of the ANNUAL per pupil [basic current
9 expense figure] FOUNDATION AMOUNT for the fiscal year or an amount equal to 108
10 percent of the prior year's ANNUAL per pupil [basic current expense figure]
11 FOUNDATION AMOUNT.

12 [3.] (3) By January 14 of each year, the Department of
13 Legislative Services shall calculate State aid as a percentage of the projected State
14 General Fund revenues for the current fiscal year. State aid shall include State funds
15 provided to the county boards whether pursuant to formula or on a grant basis and
16 State payments on behalf of the county boards such as retirement and debt service for
17 State bonds for school construction.

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

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

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

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

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

1 [2.] (3) For purposes of this [paragraph] SUBSECTION, for
2 fiscal year 1997 and each subsequent fiscal year, the calculation of the county's
3 highest local appropriation to its school operating budget for the prior fiscal year shall
4 exclude:

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

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

10 [3.] (4) The county board must present satisfactory evidence
11 to the county government that any appropriation under [sub-subparagraph 2 A of
12 this subparagraph] PARAGRAPH (3)(I) OF THIS SUBSECTION is used only for the
13 purpose designated by the county government in its request for approval.

14 [4.] (5) Any appropriation that is not excluded under
15 [sub-subparagraph 2 A of this subparagraph] PARAGRAPH (3)(I) OF THIS
16 SUBSECTION as a qualifying nonrecurring cost shall be included in calculating the
17 county's highest local appropriation to its school operating budget.

18 [5.] (6) Qualifying nonrecurring costs, as defined in
19 regulations adopted by the State Board, shall include but are not limited to:

20 [A.] (I) Computer laboratories;

21 [B.] (II) Technology enhancement;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

26 (2) IN FISCAL YEAR 2005, THE STATE SHALL DISTRIBUTE A
27 PARTNERSHIP GRANT OF \$21,139,524 TO THE NEW BALTIMORE CITY BOARD OF
28 SCHOOL COMMISSIONERS.

29 (3) IN FISCAL YEAR 2006, THE STATE SHALL DISTRIBUTE A
30 PARTNERSHIP GRANT OF \$14,093,016 TO THE NEW BALTIMORE CITY BOARD OF
31 SCHOOL COMMISSIONERS.

32 (F) (1) FOR FISCAL YEAR 2004, THE STATE SHARE OF THE FOUNDATION
33 PROGRAM SHALL BE ADJUSTED TO REFLECT REGIONAL DIFFERENCES IN THE COST
34 OF EDUCATION THAT ARE DUE TO FACTORS OUTSIDE THE CONTROL OF LOCAL
35 JURISDICTIONS, BY INCREASING THE STATE SHARE OF THE FOUNDATION PROGRAM
36 OTHERWISE DETERMINED FOR THE FOLLOWING COUNTIES BY:

37 (I) 1% FOR ANNE ARUNDEL COUNTY;

1 (II) 3% FOR BALTIMORE CITY;

2 (III) 3% FOR HOWARD COUNTY; AND

3 (IV) 4% FOR MONTGOMERY COUNTY.

4 (2) FOR FISCAL YEAR 2005 AND EACH FISCAL YEAR THEREAFTER, THE
5 STATE SHARE OF THE FOUNDATION PROGRAM SHALL BE ADJUSTED TO REFLECT
6 REGIONAL DIFFERENCES IN THE COST OF EDUCATION THAT ARE DUE TO FACTORS
7 OUTSIDE THE CONTROL OF LOCAL JURISDICTIONS.

8 (2) (3) THE STATE DEPARTMENT SHALL CONTRACT WITH A PRIVATE
9 ENTITY ~~NO LATER THAN SEPTEMBER 30, 2002~~ TO CONDUCT A STUDY TO:

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

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

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

17 [(e)] (1) Each county board and the Mayor and City Council of Baltimore City
18 shall receive from the State, in the manner and subject to the limitations under this
19 section, an amount for each school year to be known as the "compensatory education
20 funds", which shall be calculated as indicated in this subsection.

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

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

27 1. For each fiscal year, the product of the Chapter 1 eligible
28 count for the prior fiscal year for each county and the equivalent of 25 percent of the
29 per pupil basic current expense figure for the current fiscal year, rounded down to the
30 nearest dollar.

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

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

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

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

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

10 2. The product of 25 percent of a county's increased State aid
11 for the current fiscal year over the fiscal year 1985 level under this program.

12 (4) (i) The county superintendent for any county qualifying for
13 compensatory education funds under this subsection shall secure the approval of the
14 State Superintendent for plans that outline the use of the dedicated compensatory
15 funds and shall meet any other requirements established by the State Board of
16 Education for use of these funds.

17 (ii) The State Board shall advise the Accountability Task Force as
18 to any county that does not comply with the requirements established by the State
19 Board for the use of the funds.

20 (5) If, because of changes from one fiscal year to the next in the
21 statewide full-time equivalent enrollment or the statewide Chapter 1 eligible count,
22 the compensatory education funds allocated to a county under this section is
23 calculated to be less than 85 percent of the allocation to the county in the prior fiscal
24 year, the funds for the county shall be increased to 85 percent of the prior fiscal year
25 amount.

26 (f) (1) An amount as determined in paragraph (2) of this subsection shall
27 annually be set aside from the State shares of basic current expense aid to each
28 county; these amounts are to be utilized for career and technology education
29 programs in accordance with guidelines adopted by the State Board of Education.
30 These funds shall not be used to supplant local contributions for career and
31 technology education programs. A county board of education shall maintain its fiscal
32 effort on either a per student basis or on an aggregate basis for career and technology
33 education, compared with the amount expended in the previous fiscal year, to be
34 eligible to receive its career and technology set-aside from basic current expense aid.

35 (2) The career and technology set-asides from basic current expense aid
36 for each subdivision are calculated as follows for each county:

37 (i) The number of full-time equivalent students in grades 10
38 through 12 enrolled in career and technology education programs in each county on
39 September 30 of the previous year is divided by the statewide number of full-time
40 equivalent students in grades 10 through 12 enrolled in career and technology
41 education programs on September 30 of the previous school year.

1 (ii) The quotient derived in (i) is multiplied by \$3.9 million.

2 (iii) As determined under subsection (b) of this section, the State per
3 pupil current expense aid in each county is divided by the statewide average per pupil
4 basic current expense aid to determine an equalizing factor. The equalizing factor for
5 each county is multiplied by the product derived in (ii) to determine the unadjusted
6 set-aside for career and technology education.

7 (iv) \$3.9 million is divided by the sum of the unadjusted set-asides
8 for all counties derived in (iii) and this quotient is rounded to 7 decimal places to
9 determine the adjustment factor.

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

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

17 (2) (i) The Montgomery County Board, through the Montgomery
18 County Public Schools Employees' Pension System Trust, shall pay a supplemental
19 retirement allowance to an employee of the County Board who retires on or after July
20 1, 1999, as a member of the Teachers' Pension System of the State of Maryland.

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

24 1. 0.08% of the retiree's average final compensation that does
25 not exceed the Social Security integration level; and

26 2. 0.15% of the retiree's average final compensation that
27 exceeds the Social Security integration level.

28 5-203.

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

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

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

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

3 (II) WHO ARE MEMBERS OF THE TEACHERS' PENSION SYSTEM OR
4 TEACHERS' RETIREMENT SYSTEM.

5 5-205.

6 (a) [For fiscal year 1993, grants in the following amounts shall be
7 distributed] THE STATE SHALL DISTRIBUTE GRANTS AS PROVIDED UNDER THIS
8 SECTION to the county boards to provide transportation services for public school
9 students and [handicapped] DISABLED children for whom transportation is to be
10 provided under § 8-410 of this article. Appropriations for student transportation shall
11 be budgeted in a separate budget category as provided in § 5-101 of this article. If the
12 amount that is appropriated to a county under this section in a fiscal year is more
13 than the actual cost of providing student transportation services in that county, a
14 county board [or the Board of School Commissioners of Baltimore City] may apply
15 any excess funds to costs of pupil transportation in subsequent years. None of these
16 funds may be paid to or claimed by any subdivision, nor may any of these funds be
17 reverted to any subdivision. A county board [or the Board of School Commissioners of
18 Baltimore City] may not transfer State revenues from the student transportation
19 category to any other category as a result of this section.

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

22 (B) FOR THE PURPOSE OF CALCULATING THE 2004 BASE GRANTS FOR
23 STUDENT TRANSPORTATION TO COUNTY BOARDS, THE FOLLOWING AMOUNTS SHALL
24 BE USED AS THE FISCAL YEAR 2003 BASE GRANT AMOUNTS:

25	(1)	Allegany.....	[\$ 1,980,822]	\$2,838,327
26	(2)	Anne Arundel	[8,425,949]	\$12,716,216
27	(3)	Baltimore City	[7,190,970]	\$10,303,967
28	(4)	Baltimore.....	[10,367,659]	\$15,715,504
29	(5)	Calvert.....	[1,416,467]	\$3,294,141
30	(6)	Caroline.....	[1,006,102]	\$1,580,176
31	(7)	Carroll	[3,187,617]	\$5,738,454
32	(8)	Cecil.....	[1,804,270]	\$2,997,774
33	(9)	Charles	[3,451,989]	\$5,813,595
34	(10)	Dorchester	[1,019,763]	\$1,465,299
35	(11)	Frederick	[3,190,417]	\$6,620,447

1	(12)	Garrett.....	[1,316,631]	\$1,886,605
2	(13)	Harford.....	[4,243,590]	\$7,277,627
3	(14)	Howard.....	[3,771,266]	\$8,460,292
4	(15)	Kent	[682,517]	\$985,359
5	(16)	Montgomery	[9,288,324]	\$18,663,456
6	(17)	Prince George's.....	[13,405,820]	\$21,018,217
7	(18)	Queen Anne's.....	[1,124,034]	\$1,952,856
8	(19)	St. Mary's	[2,281,410]	\$3,673,545
9	(20)	Somerset.....	[793,869]	\$1,143,107
10	(21)	Talbot.....	[639,498]	\$981,334
11	(22)	Washington.....	[2,592,124]	\$3,784,100
12	(23)	Wicomico	[1,905,063]	\$3,001,531
13	(24)	Worcester	[1,159,874]	\$1,856,978

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

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

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

31 (ii) [For fiscal year 1999 and each fiscal year thereafter, the] THE
32 difference between the full-time equivalent enrollment in a county for the current
33 fiscal year and the full-time equivalent enrollment in the county for the previous
34 fiscal year, or, if the full-time equivalent enrollment in a county for the current fiscal

1 year is less than the full-time equivalent enrollment in the county for the previous
2 fiscal year, zero.

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

7 [(c)] (D) For each fiscal year, in addition to the BASE grant FOR STUDENT
8 TRANSPORTATION provided under ~~subsections (a) and (b) AND~~ SUBSECTION(C) of
9 this section, a [handicapped] DISABLED student transportation grant shall be
10 distributed to each county board. The amount of the grant to each board shall be
11 [\$500 times] EQUAL TO THE PRODUCT OF the number of [handicapped] DISABLED
12 students requiring special transportation services who are transported by the county
13 board [in excess of the number transported during the 1980-1981 school year] IN
14 THE SECOND PRIOR FISCAL YEAR AND:

15 (1) \$600 IN FISCAL YEAR ~~2003~~ 2004;

16 (2) \$700 IN FISCAL YEAR ~~2004~~ 2005;

17 (3) \$800 IN FISCAL YEAR ~~2005~~ 2006;

18 (4) \$900 IN FISCAL YEAR ~~2006~~ 2007; AND

19 (5) \$1,000 IN FISCAL YEAR ~~2007~~ 2008 AND EACH FISCAL YEAR
20 THEREAFTER.

21 [(d)] (E) For the purposes of determining the amount of the grant provided
22 under subsection [(c)] (D) of this section, the State Board shall develop a procedure
23 and adopt regulations for determining the number of [handicapped] DISABLED
24 students transported in each jurisdiction [in excess of the number transported in the
25 1980-1981 school year] IN THE SECOND PRIOR FISCAL YEAR.

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

29 5-206.

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

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

33 (2) "Full-time equivalent enrollment" has the meaning provided in §
34 5-202 of this subtitle.

35 (3) "Non- and limited-English proficient student" means a student
36 identified as non- or limited-English proficient under the Maryland State

1 Department of Education's Maryland School Performance Program reporting
2 requirements. This definition should be consistent with federal guidelines for the
3 identification of students with limited English proficiency, as defined by the following
4 criteria: the student was born outside of the United States or whose native language
5 is not English; the student comes from an environment where a language other than
6 English is dominant; or the student is an American Indian or Alaskan native and
7 comes from an environment where a language other than English has had a
8 significant impact on his/her level of English language proficiency.

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

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

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

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

18 (ii) For fiscal year 1996 through fiscal year 1998, the Governor
19 shall include in the State budget funding for the grant, in an amount at least equal to
20 \$500 times the non- and limited-English proficient student count for the second
21 preceding school year prior to the fiscal year for which the appropriation is provided.

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

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

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

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

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

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

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

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

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

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

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

19 2. The ratio, rounded to seven decimal places, of county
20 wealth per county full-time equivalent enrollment to statewide wealth per full-time
21 equivalent enrollment; multiplied by

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

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

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

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

36 (2) Beginning in fiscal year 1999, the Governor shall include in each
37 year's operating budget not less than the amount appropriated in fiscal year 1998 for
38 the Baltimore County Teacher Mentoring Program. In addition to that amount, the
39 Baltimore County Teacher Mentoring Program shall receive \$5,000,000 annually to
40 enhance its teacher mentoring program as a pilot to determine best practices for

1 mentoring teachers working with at-risk students and addressing teacher retention
2 in schools with high at-risk student populations.

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

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

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

16	(i)	Allegany County	\$ 57,541
17	(ii)	Anne Arundel County.....	200,241
18	(iii)	Baltimore City.....	694,491
19	(iv)	Baltimore County.....	100,759
20	(v)	Calvert County.....	143,029
21	(vi)	Caroline County.....	51,770
22	(vii)	Carroll County	14,270
23	(viii)	Cecil County.....	162,011
24	(ix)	Charles County.....	144,439
25	(x)	Dorchester County	70,036
26	(xi)	Frederick County.....	180,082
27	(xii)	Garrett County	36,312
28	(xiii)	Harford County	174,311
29	(xiv)	Howard County.....	72,500
30	(xv)	Kent County.....	55,541
31	(xvi)	Montgomery County	313,759

.....

1 (xvii) Prince George's County 336,226
2 (xviii) Queen Anne's County 59,426
3 (xix) St. Mary's County..... 261,134
4 (xx) Somerset County 39,729
5 (xxi) Talbot County 20,541
6 (xxii) Washington County 103,416
7 (xxiii) Wicomico County 22,541
8 (xxiv) Worcester County..... 51,656

9 (2) In addition to the funds provided in paragraph (1) of this subsection,
10 a total of \$1,000,000 shall be provided annually to local school systems to address
11 early intervention for targeted 4-year-old populations whose needs are not fully met
12 by the existing extended elementary education programs. The State Superintendent
13 shall release these funds to local school systems based on the submission and
14 approval of comprehensive plans described in subsection (i) of this section. Funds
15 shall be provided as follows:

16 (i) Allegany \$ 18,315
17 (ii) Anne Arundel..... 67,765
18 (iii) Baltimore City..... 219,779
19 (iv) Baltimore 62,270
20 (v) Calvert..... 23,810
21 (vi) Caroline 16,484
22 (vii) Carroll 9,158
23 (viii) Cecil 42,125
24 (ix) Charles..... 54,945
25 (x) Dorchester..... 21,978
26 (xi) Frederick..... 42,125
27 (xii) Garrett 16,484
28 (xiii) Harford 40,293
29 (xiv) Howard..... 12,821

.....

1	(xv)	Kent.....	14,652
2	(xvi)	Montgomery	65,933
3	(xvii)	Prince George's	91,575
4	(xviii)	Queen Anne's.....	18,315
5	(xix)	St. Mary's.....	45,788
6	(xx)	Somerset	14,652
7	(xxi)	Talbot	14,652
8	(xxii)	Washington.....	31,136
9	(xxiii)	Wicomico.....	40,293
10	(xxiv)	Worcester.....	14,652

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

13 (i) Effective schools programs in Prince George's County -
 14 \$2,000,000;

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

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

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

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

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

25 1. Paragraph (1) of this subsection for effective schools
 26 programs; and

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

30 (ii) The plan shall include:

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

3 2. Strong monitoring and evaluation components.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

10 [(vii)] (7) At the conclusion of the performance audit and the
11 financial audit, the Management Oversight Panel shall review the findings and
12 recommendations of the audits and report to the Governor, General Assembly, Prince
13 George's County Council, Prince George's County Executive, and Prince George's
14 County Board of Education:

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

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

18 [(viii)] (8) The Management Oversight Panel and the county board
19 shall promulgate and publish a protocol for joint communications with, and requests
20 for, information to the County Board and the County Superintendent and shall notify
21 the Prince George's County Senators and the Prince George's County Delegation, the
22 County Executive, the County Council and the State Superintendent of any breaches
23 of that protocol by the Management Oversight Panel, the County Board, or the
24 County Superintendent.

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

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

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

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

37 [(ii)] (2) The coordination office shall provide support to the
38 Management Oversight Panel and serve as liaison between the State, Prince George's
39 County, and the Management Oversight Panel [for the duration of the five-year

1 period] UNTIL THE STATE SUPERINTENDENT DETERMINES THAT ALL OF THE
2 AUDITS' RECOMMENDATIONS HAVE BEEN ADDRESSED.

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

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

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

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

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

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

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

24	(i)	Allegany	\$ 40,266
25	(ii)	Anne Arundel.....	268,456
26	(iii)	Baltimore City.....	380,390
27	(iv)	Baltimore	376,316
28	(v)	Calvert.....	53,740
29	(vi)	Caroline.....	20,218
30	(vii)	Carroll	98,518
31	(viii)	Cecil	55,039
32	(ix)	Charles.....	78,281
33	(x)	Dorchester.....	18,382

.....

1	(xi)	Frederick.....	125,881
2	(xii)	Garrett	19,170
3	(xiii)	Harford	139,416
4	(xiv)	Howard.....	147,977
5	(xv)	Kent.....	10,197
6	(xvi)	Montgomery	453,584
7	(xvii)	Prince George's	463,151
8	(xviii)	Queen Anne's.....	23,544
9	(xix)	St. Mary's.....	52,289
10	(xx)	Somerset	11,060
11	(xxi)	Talbot	16,384
12	(xxii)	Washington.....	72,645
13	(xxiii)	Wicomico	50,492
14	(xxiv)	Worcester.....	24,604

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

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

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

27 (4) The State Board shall adopt regulations regarding the information
 28 requirements of and the approval process for the comprehensive plans. These
 29 regulations shall include detailed time lines for approval of the comprehensive plans
 30 by the Department.

31 (5) Each local school system shall submit to the Department semiannual
 32 progress reports that include specific data about the nature and extent of changes in
 33 student learning for students participating in the school accountability funding for

1 excellence program. The information gathered through the semiannual reporting
2 shall be used to modify and implement student performance strategies. Each progress
3 report submitted under this paragraph shall include an assessment of student
4 performance using the categories required by the Maryland School Performance
5 Program standards.

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

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

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

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

22 (F) ~~IN FISCAL YEARS 2003 AND YEAR 2004, THE STATE SHALL DISTRIBUTE~~
23 ~~GRANTS TO COUNTY BOARDS UNDER THE AGING SCHOOLS PROGRAM ADMINISTERED~~
24 ~~BY THE INTERAGENCY COMMITTEE ON SCHOOL CONSTRUCTION IN THE FOLLOWING~~
25 ~~AMOUNTS:~~

26	(1)	Allegany County.....	[\$ 205,000]	\$355,000
27	(2)	Anne Arundel County.....	[330,000]	\$570,000
28	(3)	Baltimore City.....	[1,515,000]	\$1,635,000
29	(4)	Baltimore County.....	[1,190,000]	\$2,940,000
30	(5)	Calvert County.....	[40,000]	\$65,000
31	(6)	Caroline County.....	[50,000]	\$85,000
32	(7)	Carroll County.....	[205,000]	\$385,000
33	(8)	Cecil County.....	[205,000]	\$355,000
34	(9)	Charles County.....	[40,000]	\$65,000
35	(10)	Dorchester County.....	[40,000]	\$85,000 <u>\$65,000</u>

1	(11)	Frederick County	[50,000]	\$85,000
2	(12)	Garrett County	[50,000]	\$85,000
3	(13)	Harford County	[220,000]	\$400,000
4	(14)	Howard County	[40,000]	\$65,000
5	(15)	Kent County	[40,000]	\$65,000
6	(16)	Montgomery County	[660,000]	\$1,170,000
7	(17)	Prince George's County	[550,000]	\$970,000
8	(18)	Queen Anne's County	[50,000]	\$85,000
9	(19)	St. Mary's County	[50,000]	\$85,000
10	(20)	Somerset County	[40,000]	\$65,000
11	(21)	Talbot County	[95,000]	\$155,000
12	(22)	Washington County	[110,000]	\$200,000
13	(23)	Wicomico County	[205,000]	\$355,000
14	(24)	Worcester County	[40,000]	\$65,000

15 (G) ~~IN FISCAL YEAR 2003 EACH OF FISCAL YEARS 2004 THROUGH 2007, THE~~
 16 STATE SHALL DISTRIBUTE A GRANT TO EACH COUNTY BOARD THAT IS EQUAL TO 75%
 17 ~~OF THE AMOUNT RECEIVED BY THE COUNTY BOARD IN FISCAL YEAR 2002 FOR THE~~
 18 EXTENDED ELEMENTARY EDUCATION PROGRAM.

19 [5-206.1.

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

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

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

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

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

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

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

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

7 [5-207.

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

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

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

13 (2) Upon approval by the State Board of a county's plans under
14 paragraph (1) of this subsection, a county board shall receive a share of the funds
15 available for targeted poverty grants that is proportional to its share of the statewide
16 number of students living in poverty for the school year prior to the fiscal year for
17 which the appropriation is provided.

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

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

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

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

28 5-207.

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

31 (2) "AGGREGATE STATE FUNDING LEVEL FOR THE COMPENSATORY
32 EDUCATION FORMULA" MEANS THE PRODUCT OF THE COMPENSATORY EDUCATION
33 PER PUPIL AMOUNT AND THE STATEWIDE COMPENSATORY EDUCATION
34 ENROLLMENT COUNT.

35 (3) (I) EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS
36 PARAGRAPH, "COMPENSATORY EDUCATION ENROLLMENT COUNT" MEANS THE

1 NUMBER OF STUDENTS ELIGIBLE FOR FREE OR REDUCED PRICE MEALS ~~WHO WERE~~
 2 ~~ENROLLED ON OCTOBER 31 OF THE SECOND~~ FOR THE PRIOR FISCAL YEAR.

3 (II) FOR FISCAL YEAR 2004, "COMPENSATORY EDUCATION
 4 ENROLLMENT COUNT" MEANS THE GREATER OF:

5 1. THE NUMBER OF STUDENTS ELIGIBLE FOR FREE OR
 6 REDUCED PRICE MEALS FOR THE PRIOR FISCAL YEAR; OR

7 2. THE NUMBER OF STUDENTS ELIGIBLE FOR FREE OR
 8 REDUCED PRICE MEALS FOR THE SECOND PRIOR FISCAL YEAR.

9 (4) "COMPENSATORY EDUCATION PER PUPIL AMOUNT" MEANS 97% OF
 10 THE ANNUAL PER PUPIL FOUNDATION AMOUNT CALCULATED UNDER § 5-202 OF
 11 THIS SUBTITLE MULTIPLIED BY THE STATE SHARE OF COMPENSATORY EDUCATION
 12 FUNDING.

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

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

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

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

21 (I) ~~0.33~~ 0.29 IN FISCAL YEAR ~~2003~~ 2004;

22 (II) ~~0.35~~ 0.37 IN FISCAL YEAR ~~2004~~ 2005;

23 (III) ~~0.40~~ 0.41 IN FISCAL YEAR ~~2005~~ 2006;

24 (IV) ~~0.45~~ 0.46 IN FISCAL YEAR ~~2006~~ 2007; AND

25 (V) 0.50 IN FISCAL YEAR ~~2007~~ 2008 AND EACH FISCAL YEAR
 26 THEREAFTER.

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

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

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

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

4 (2) FOR EACH COUNTY, MULTIPLY THE COMPENSATORY EDUCATION
5 PER PUPIL AMOUNT BY THE COUNTY'S COMPENSATORY EDUCATION ENROLLMENT
6 COUNT.

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

10 (4) FOR EACH COUNTY, MULTIPLY THE RESULT CALCULATED UNDER
11 PARAGRAPH (3) OF THIS SUBSECTION FOR THE COUNTY BY THE RESULT, ROUNDED
12 TO SEVEN DECIMAL PLACES, THAT RESULTS FROM DIVIDING THE AGGREGATE
13 STATE FUNDING LEVEL FOR THE COMPENSATORY EDUCATION FORMULA BY THE
14 SUM OF ALL OF THE RESULTS CALCULATED UNDER PARAGRAPH (3) OF THIS
15 SUBSECTION FOR ALL COUNTIES.

16 (D) (1) IF THE AMOUNT CALCULATED UNDER SUBSECTION (C)(4) OF THIS
17 SECTION FOR ANY COUNTY IS LESS THAN THE MINIMUM COMPENSATORY
18 EDUCATION GRANT AMOUNT DETERMINED UNDER PARAGRAPH (2) OF THIS
19 SUBSECTION, THE STATE SHALL DISTRIBUTE AN ADDITIONAL GRANT TO THE
20 COUNTY IN THE AMOUNT BY WHICH THE MINIMUM COMPENSATORY EDUCATION
21 GRANT AMOUNT EXCEEDS THE RESULT CALCULATED UNDER SUBSECTION (C)(4) OF
22 THIS SECTION.

23 (2) FOR PURPOSES OF PARAGRAPH (1) OF THIS SUBSECTION, THE
24 MINIMUM COMPENSATORY EDUCATION GRANT AMOUNT FOR EACH COUNTY IS THE
25 RESULT OBTAINED BY MULTIPLYING THE COMPENSATORY EDUCATION PER PUPIL
26 AMOUNT BY THE COUNTY'S COMPENSATORY EDUCATION ENROLLMENT COUNT, AND
27 MULTIPLYING THIS PRODUCT BY:

28 (I) 0.50 FOR FISCAL YEAR 2004;

29 (II) 0.66 FOR FISCAL YEAR 2005;

30 (III) 0.70 FOR FISCAL YEAR 2006;

31 (IV) 0.76 FOR FISCAL YEAR 2007; AND

32 (V) 0.80 FOR FISCAL YEAR 2008 AND EACH FISCAL YEAR

33 THEREAFTER.

34 5-208.

35 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS
36 INDICATED.

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

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

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

7 (5) (I) EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS
8 PARAGRAPH, "LEP ENROLLMENT COUNT" MEANS THE NUMBER OF STUDENTS WITH
9 LIMITED ENGLISH PROFICIENCY ~~WHO WERE ENROLLED ON MAY 15 OF THE SECOND~~
10 FOR THE PRIOR FISCAL YEAR.

11 (II) FOR FISCAL YEAR 2004, "LEP ENROLLMENT COUNT" MEANS THE
12 GREATER OF:

13 1. THE NUMBER OF STUDENTS WITH LIMITED ENGLISH
14 PROFICIENCY FOR THE PRIOR FISCAL YEAR; OR

15 2. THE NUMBER OF STUDENTS WITH LIMITED ENGLISH
16 PROFICIENCY FOR THE SECOND PRIOR FISCAL YEAR.

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

20 (7) "LIMITED ENGLISH PROFICIENCY" MEANS NON-ENGLISH OR
21 LIMITED ENGLISH PROFICIENCY UNDER THE REPORTING REQUIREMENTS
22 ESTABLISHED BY THE DEPARTMENT FOR THE MARYLAND SCHOOL PERFORMANCE
23 PROGRAM.

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

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

27 (I) ~~0.33~~ 0.29 IN FISCAL YEAR ~~2003~~ 2004;

28 (II) ~~0.35~~ 0.37 IN FISCAL YEAR ~~2004~~ 2005;

29 (III) ~~0.40~~ 0.41 IN FISCAL YEAR ~~2005~~ 2006;

30 (IV) ~~0.45~~ 0.46 IN FISCAL YEAR ~~2006~~ 2007; AND

31 (V) 0.50 IN FISCAL YEAR ~~2007~~ 2008 AND EACH FISCAL YEAR

32 THEREAFTER.

33 (10) "STATEWIDE WEALTH PER PUPIL" MEANS THE SUM OF THE WEALTH
34 OF ALL COUNTIES DIVIDED BY THE STATEWIDE FULL-TIME EQUIVALENT
35 ENROLLMENT.

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

3 (11) "TIER I LEP FUNDING" MEANS:

4 (I) FOR FISCAL YEAR 2008 AND EACH FISCAL YEAR THEREAFTER,
5 \$0; AND

6 (II) FOR FISCAL YEARS 2004 THROUGH 2007, THE RESULT
7 OBTAINED BY MULTIPLYING \$1,350 BY THE STATEWIDE LEP ENROLLMENT COUNT,
8 AND MULTIPLYING THIS PRODUCT BY:

9 1. 1.0 FOR FISCAL YEAR 2004;

10 2. 0.75 FOR FISCAL YEAR 2005;

11 3. 0.50 FOR FISCAL YEAR 2006; AND

12 4. 0.25 FOR FISCAL YEAR 2007.

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

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

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

18 (B) (1) EACH YEAR FOR FISCAL YEARS 2004 THROUGH 2007, THE STATE
19 SHALL DISTRIBUTE TIER I LEP GRANTS AND TIER II LEP GRANTS TO COUNTY
20 BOARDS.

21 (2) FOR FISCAL YEAR 2008 AND EACH FISCAL YEAR THEREAFTER, THE
22 STATE SHALL DISTRIBUTE TIER II LEP GRANTS TO COUNTY BOARDS.

23 (C) (1) FOR FISCAL YEARS 2004 THROUGH 2007, THE AMOUNT OF THE TIER I
24 LEP GRANT DISTRIBUTED TO A COUNTY BOARD SHALL BE EQUAL TO THE ~~PRODUCT~~
25 OF RESULT OBTAINED BY MULTIPLYING \$1,350 AND BY THE COUNTY'S LEP
26 ENROLLMENT COUNT, AND MULTIPLYING THIS PRODUCT BY:

27 (I) 1.0 FOR FISCAL YEAR 2004;

28 (II) 0.75 FOR FISCAL YEAR 2005;

29 (III) 0.50 FOR FISCAL YEAR 2006; AND

30 (IV) 0.25 FOR FISCAL YEAR 2007.

31 (2) FOR FISCAL YEAR 2008 AND EACH FISCAL YEAR THEREAFTER, THE
32 STATE MAY NOT MAKE TIER I LEP GRANTS TO COUNTY BOARDS.

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 (E) (1) IF THE AMOUNT CALCULATED UNDER SUBSECTION (D)(4) OF THIS
14 SECTION FOR ANY COUNTY IS LESS THAN THE MINIMUM TIER II LEP GRANT AMOUNT
15 DETERMINED UNDER PARAGRAPH (2) OF THIS SUBSECTION, THE STATE SHALL
16 DISTRIBUTE AN ADDITIONAL GRANT TO THE COUNTY IN THE AMOUNT BY WHICH
17 THE MINIMUM TIER II LEP GRANT AMOUNT EXCEEDS THE RESULT CALCULATED
18 UNDER SUBSECTION (D)(4) OF THIS SECTION.

19 (2) FOR PURPOSES OF PARAGRAPH (1) OF THIS SUBSECTION, THE
20 MINIMUM TIER II LEP GRANT AMOUNT FOR EACH COUNTY IS THE RESULT OBTAINED
21 BY MULTIPLYING THE TIER II LEP PER PUPIL AMOUNT BY THE COUNTY'S LEP
22 ENROLLMENT COUNT, AND MULTIPLYING THIS PRODUCT BY:

23 (I) 0.50 FOR FISCAL YEAR 2004;

24 (II) 0.66 FOR FISCAL YEAR 2005;

25 (III) 0.70 FOR FISCAL YEAR 2006;

26 (IV) 0.76 FOR FISCAL YEAR 2007; AND

27 (V) 0.80 FOR FISCAL YEAR 2008 AND EACH FISCAL YEAR

28 THEREAFTER.

29 5-209.

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

32 (2) "AGGREGATE STATE FUNDING FOR THE SPECIAL EDUCATION
33 FORMULA" MEANS THE PRODUCT OF THE SPECIAL EDUCATION PER PUPIL AMOUNT
34 AND THE STATEWIDE SPECIAL EDUCATION ENROLLMENT COUNT.

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

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

3 (5) (I) EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS
4 PARAGRAPH, "SPECIAL EDUCATION ENROLLMENT COUNT" MEANS THE NUMBER OF
5 SPECIAL EDUCATION STUDENTS WHO WERE ENROLLED ON DECEMBER 1 OF THE
6 SECOND FOR THE PRIOR FISCAL YEAR IN A PUBLIC SCHOOL OPERATED BY A COUNTY
7 BOARD OTHER THAN THOSE STUDENTS WHO ARE ENROLLED IN OR ATTEND:

- 8 (⊕) 1. THE MARYLAND SCHOOL FOR THE BLIND;
9 (⊕) 2. THE MARYLAND SCHOOL FOR THE DEAF; OR
10 (⊕) 3. AN EDUCATIONAL PROGRAM OPERATED BY THE STATE.

11 (II) FOR FISCAL YEAR 2004, "SPECIAL EDUCATION ENROLLMENT
12 COUNT" MEANS THE GREATER OF:

13 1. THE NUMBER OF SPECIAL EDUCATION STUDENTS FOR
14 THE PRIOR FISCAL YEAR; OR

15 2. THE NUMBER OF SPECIAL EDUCATION STUDENTS FOR
16 THE SECOND PRIOR FISCAL YEAR.

17 (6) "SPECIAL EDUCATION STUDENT" MEANS A STUDENT REQUIRING
18 SPECIAL EDUCATION SERVICES AS DEFINED IN THE FEDERAL INDIVIDUALS WITH
19 DISABILITIES EDUCATION ACT.

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

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

24 (I) ~~0.25~~ 0.29 IN FISCAL YEAR ~~2003~~ 2004;

25 (II) ~~0.35~~ 0.37 IN FISCAL YEAR ~~2004~~ 2005;

26 (III) ~~0.40~~ 0.41 IN FISCAL YEAR ~~2005~~ 2006;

27 (IV) ~~0.45~~ 0.46 IN FISCAL YEAR ~~2006~~ 2007; AND

28 (V) 0.50 IN FISCAL YEAR ~~2007~~ 2008 AND EACH FISCAL YEAR
29 THEREAFTER.

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

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

1 (11) "TIER II SPECIAL EDUCATION FUNDING" MEANS THE DIFFERENCE
 2 BETWEEN THE AGGREGATE STATE FUNDING FOR THE SPECIAL EDUCATION
 3 FORMULA AND TIER I SPECIAL EDUCATION FUNDING.

4 (12) "TIER II SPECIAL EDUCATION PER PUPIL AMOUNT" MEANS THE
 5 RESULT OBTAINED BY DIVIDING THE TIER II SPECIAL EDUCATION FUNDING BY THE
 6 STATEWIDE SPECIAL EDUCATION ENROLLMENT COUNT.

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

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

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

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

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

18 (4) FOR EACH COUNTY, MULTIPLY THE RESULT CALCULATED UNDER
 19 PARAGRAPH (3) OF THIS SUBSECTION BY THE RESULT, ROUNDED TO SEVEN DECIMAL
 20 PLACES, THAT RESULTS FROM DIVIDING TIER II SPECIAL EDUCATION FUNDING BY
 21 THE SUM OF ALL OF THE RESULTS CALCULATED UNDER PARAGRAPH (3) OF THIS
 22 SUBSECTION FOR ALL COUNTIES.

23 (D) (1) IF THE AMOUNT CALCULATED UNDER SUBSECTION (C)(4) OF THIS
 24 SECTION FOR ANY COUNTY IS LESS THAN THE MINIMUM TIER II SPECIAL EDUCATION
 25 GRANT AMOUNT DETERMINED UNDER PARAGRAPH (2) OF THIS SUBSECTION, THE
 26 STATE SHALL DISTRIBUTE AN ADDITIONAL GRANT TO THE COUNTY IN THE AMOUNT
 27 BY WHICH THE MINIMUM TIER II SPECIAL EDUCATION GRANT AMOUNT EXCEEDS
 28 THE RESULT CALCULATED UNDER SUBSECTION (C)(4) OF THIS SECTION.

29 (2) FOR PURPOSES OF PARAGRAPH (1) OF THIS SUBSECTION, THE
 30 MINIMUM TIER II SPECIAL EDUCATION GRANT AMOUNT FOR EACH COUNTY IS THE
 31 RESULT OBTAINED BY MULTIPLYING THE TIER II SPECIAL EDUCATION PER PUPIL
 32 AMOUNT BY THE COUNTY'S COMPENSATORY EDUCATION ENROLLMENT COUNT, AND
 33 MULTIPLYING THIS PRODUCT BY:

34 (I) 0.50 FOR FISCAL YEAR 2004;

35 (II) 0.66 FOR FISCAL YEAR 2005;

36 (III) 0.70 FOR FISCAL YEAR 2006;

37 (IV) 0.76 FOR FISCAL YEAR 2007; AND

1 (V) 0.80 FOR FISCAL YEAR 2008 AND EACH FISCAL YEAR
2 THEREAFTER.

3 5-210.

4 (A) (1) IN THIS SECTION THE FOLLOWING TERMS HAVE THE MEANINGS
5 INDICATED.

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

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

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

15 (5) "GUARANTEED WEALTH PER PUPIL" MEANS 80% OF THE STATEWIDE
16 WEALTH PER PUPIL.

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

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

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

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

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

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

30 (B) ~~EACH YEAR FOR FISCAL YEAR 2005 AND EACH FISCAL YEAR THEREAFTER.~~
31 THE STATE SHALL DISTRIBUTE GUARANTEED TAX BASE GRANTS TO COUNTY BOARDS
32 AS PROVIDED IN THIS SECTION.

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

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

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

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

7 (1) ~~0.20 IN FISCAL YEAR 2003;~~

8 (2) (1) ~~0.40~~ 0.25 IN FISCAL YEAR ~~2004~~ 2005;

9 (3) (2) ~~0.60~~ 0.50 IN FISCAL YEAR ~~2005~~ 2006;

10 (4) (3) ~~0.80~~ 0.75 IN FISCAL YEAR ~~2006~~ 2007; AND

11 (5) (4) 1.00 IN FISCAL YEAR ~~2007~~ 2008 AND EACH FISCAL YEAR
12 THEREAFTER.

13 [5-209.] 5-212.

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

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

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

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

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

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

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

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

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

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

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

7 [5-212.

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

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

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

14 (ii) \$39,000.

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

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

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

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

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

26 (i) A reading component; and

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

32 (iii) Supplies and materials related to changes in curriculum and
33 instructional methods implemented to maximize the educational results of reduced
34 class sizes;

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

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

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

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

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

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

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

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

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

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

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

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

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

1 (5) For fiscal years 2001 and 2002, in local education agencies where the
2 number of provisionally certified teachers exceeds 2 percent of the total number of
3 teachers, if, in the judgment of the State Superintendent, the plan does not provide an
4 effective strategy for reducing the number of provisionally certified teachers to 2
5 percent of the total number of teachers.

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

10 (1) Substantial efforts towards reducing the number of provisionally
11 certified teachers;

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

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

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

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

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

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

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

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

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

37 (3) The report shall include the results of the performance indicators
38 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~~ 2006.

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~~ 2008.

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~~ 2007-2008 SCHOOL YEAR, EACH COUNTY BOARD SHALL
37 PROVIDE FULL-DAY KINDERGARTEN PROGRAMS FOR ALL KINDERGARTEN
38 STUDENTS IN THAT 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~~ 2007-2008 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~~ 2007-2008 SCHOOL YEAR, ALL ELIGIBLE CHILDREN
24 SHALL BE ADMITTED FREE OF CHARGE TO PUBLICLY FUNDED PREKINDERGARTEN
25 PROGRAMS 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~~ 2007-2008 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~~ 2004 AND ~~2006~~ 2007 AS PROVIDED IN SUBSECTION (C) OF
 9 THIS SECTION.

10 (C) IN FISCAL YEARS ~~2003~~ 2004 THROUGH ~~2006~~ 2007, A COUNTY BOARD SHALL
 11 RECEIVE 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~~ 2004;
- 14 (2) 0.60 IN FISCAL YEAR ~~2004~~ 2005;
- 15 (3) 0.40 IN FISCAL YEAR ~~2005~~ 2006; AND
- 16 (4) 0.20 IN FISCAL YEAR ~~2006~~ 2007.

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 (e) 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 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.]

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

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

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

Chapter 280 of the Acts of 2001

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

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

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

SECTION 5. AND BE IT FURTHER ENACTED, That:

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

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

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

(2) the equity of the State's school construction program, particularly the 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~~ 2003 State budget under the budget codes
7 listed below, will continue in future years, it is the intent of the General Assembly
8 that 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~~ 2003 State budget
26 under the budget codes listed below, will be consolidated into either the foundation
27 program established by this Act or one of the three programs for special needs
28 students established by this Act, it is the intent of the General Assembly that no
29 funding for 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, in addition to any other
 14 State aid to local public education, the State shall provide unrestricted grants for
 15 public education for fiscal year 2003 to the county boards of education and the New
 16 Baltimore City Board of School Commissioners in the following amounts:

17	Allegany.....	\$2,890,661
18	Anne Arundel.....	1,368,568
19	Baltimore City.....	18,684,668
20	Baltimore.....	2,087,705
21	Calvert.....	793,974
22	Caroline.....	929,352
23	Carroll.....	936,689
24	Cecil.....	900,472
25	Charles.....	1,278,854
26	Dorchester.....	408,720
27	Frederick.....	1,912,848
28	Garrett.....	312,282
29	Harford.....	1,811,353
30	Howard.....	1,849,594
31	Kent.....	120,310
32	Montgomery.....	7,586,129
33	Prince George's.....	12,527,220
34	Queen Anne's.....	105,717
35	St. Mary's.....	496,593

1	Somerset	556,384
2	Talbot	1,009,900
3	Washington	1,181,006
4	Wicomico.....	1,410,573
5	Worcester.....	1,497,263

6 SECTION 12. AND BE IT FURTHER ENACTED, That:

7 (a) If Chapter _____ (H.B. 949) of the Acts of the General Assembly of 2002 is
8 enacted:

9 (1) Any provisions of this Act that are in conflict with the provisions of
10 Chapter _____ (H.B. 949) shall be null and void without the necessity of further action
11 by the General Assembly; and

12 (2) In addition to any other State aid to local public education, the State
13 shall provide, subject to subsection (b) of this section, an unrestricted grant for public
14 education for fiscal year 2003 only to the Prince George's County Board of Education
15 in an amount equal to \$10,000,000.

16 (b) The State Superintendent of Schools may not release the supplemental
17 grant under this section to the Prince George's County Board of Education until:

18 (1) The Prince George's County Board of Education develops and submits
19 to the State Department of Education a comprehensive master plan that meets the
20 requirements of § 5-401 of the Education Article as enacted under Section 2 of this
21 Act; and

22 (2) The State Superintendent has determined that the comprehensive
23 master plan will have the effect of improving student achievement and increasing
24 progress toward meeting State performance standards.

25 SECTION 13. AND BE IT FURTHER ENACTED, That, if Chapter _____
26 (S.B. 419/H.B. 371) of the Acts of the General Assembly of 2002 is enacted, the State
27 shall provide grants for fiscal year 2003 to local lead agencies in the counties and
28 Baltimore City under the Maryland Infants and Toddlers Program as follows:

29	Allegany.....	\$ 75,618
30	Anne Arundel.....	479,666
31	Baltimore City.....	747,150
32	Baltimore	636,238 638,238
33	Calvert	45,709
34	Caroline	24,265
35	Carroll	116,813
36	Cecil	53,045
37	Charles	69,410

1	Dorchester.....	38,373
2	Frederick.....	207,667
3	Garrett	15,236
4	Harford	291,750
5	Howard	264,663
6	Kent	4,515
7	Montgomery.....	838,183 835,183
8	Prince George's.....	536,661
9	Queen Anne's.....	23,701
10	St. Mary's.....	71,668
11	Somerset	7,336
12	Talbot	15,236
13	Washington.....	104,398
14	Wicomico.....	82,954
15	Worcester.....	17,494

16 SECTION 14. AND BE IT FURTHER ENACTED, That, if Chapter _____
 17 (S.B. 737/H.B. 910) of the Acts of the General Assembly of 2002 is enacted, the State
 18 shall provide grants for fiscal year 2003 for adult education and literacy services for
 19 eligible recipients, to be allocated among the counties and Baltimore City as follows:

20	Allegany.....	\$ 25,387
21	Anne Arundel.....	89,383
22	Baltimore City.....	152,492
23	Baltimore	172,578
24	Calvert	22,930
25	Caroline	4,330
26	Carroll	35,782
27	Cecil	14,410
28	Charles	61,921
29	Dorchester.....	7,319
30	Frederick.....	35,170
31	Garrett	6,028
32	Harford	35,584
33	Howard	57,182
34	Kent	3,871
35	Montgomery.....	134,114
36	Prince George's.....	143,579
37	Queen Anne's.....	8,956
38	St. Mary's.....	10,388

1	<u>Somerset</u>	<u>8,414</u>
2	<u>Talbot</u>	<u>4,031</u>
3	<u>Washington</u>	<u>36,038</u>
4	<u>Wicomico.....</u>	<u>19,662</u>
5	<u>Worcester.....</u>	<u>10,471</u>

6 SECTION 15. AND BE IT FURTHER ENACTED, That, if Chapter _____ (S.B.
7 687/H.B. 853) of the Acts of the General Assembly of 2002 is enacted, Sections 2
8 through 4 of Chapter _____ (S.B. 687/H.B. 853) shall be null and void without the
9 necessity of further action by the General Assembly.

10 SECTION 16. AND BE IT FURTHER ENACTED, That the Laws of Maryland
11 read as follows:

12 **Article - Tax - General**

13 12-105.

14 (a) The tobacco tax rate for cigarettes is:

15 (1) [33] 50 cents for each package of 10 or fewer cigarettes;

16 (2) [66 cents] \$1.00 for each package of at least 11 and not more than 20
17 cigarettes;

18 (3) [3.3] 5.0 cents for each cigarette in a package of more than 20
19 cigarettes; and

20 (4) [3.3] 5.0 cents for each cigarette in a package of free sample
21 cigarettes.

22 SECTION 17. AND BE IT FURTHER ENACTED, That all cigarettes used,
23 possessed, or held in the State on or after June 1, 2002 by any person for sale or use
24 in the State shall be subject to the full tobacco tax of \$1.00 on cigarettes imposed by
25 this Act. This requirement includes: (1) cigarettes in vending machines or other
26 mechanical dispensers; and (2) cigarettes (generally referred to as "floor stock") in
27 packages which already bear stamps issued by the Comptroller under the State
28 Tobacco Tax Act but for an amount less than the full tax imposed of 50 cents for each
29 10 cigarettes or fractional part thereof; all cigarettes held for sale by any person in
30 the State on or after June 1, 2002 that bear a tax stamp issued by the Comptroller of
31 a value less than \$1.00 for each pack of 20 cigarettes must be stamped with the
32 additional stamps necessary to make the aggregate value equal to \$1.00. In lieu of the
33 additional stamps necessary to make the aggregate tax value equal to \$1.00 the
34 Comptroller may provide an alternate method of collecting the additional tax. The
35 revenue attributable to this requirement shall be remitted to the Comptroller by
36 September 30, 2002. Except as provided above, on and after June 1, 2002, no
37 Maryland stamp shall be used except the stamp issued by the Comptroller to evidence
38 the tobacco tax on cigarettes of \$1.00 imposed by this Act.

1 SECTION 18. AND BE IT FURTHER ENACTED, That:

2 (a) In this section, "Special Fund" means the special fund established under
3 this section.

4 (b) (1) A Special Fund is established to dedicate certain tobacco tax
5 revenues for education aid purposes as provided in this section.

6 (2) The Special Fund is a continuing, nonlapsing fund which is not
7 subject to § 7-302 of the State Finance and Procurement Article.

8 (3) The Special Fund consists of the tobacco tax revenues distributed to
9 the Fund under subsection (c) of this section.

10 (4) The Treasurer shall separately hold, and the Comptroller shall
11 account for, the Special Fund.

12 (5) (i) The Special Fund shall be invested and reinvested in the same
13 manner as other State funds.

14 (ii) Any investment earnings shall be credited to the General Fund
15 of the State.

16 (c) Notwithstanding § 2-1603 of the Tax - General Article or any other
17 provision of law, for fiscal year 2003 only, after making the distributions required
18 under §§ 2-1601 and 2-1602 of the Tax - General Article, from the remaining tobacco
19 tax revenue, the Comptroller shall distribute:

20 (1) ~~\$78,524,611~~ \$78,523,604 to the Special Fund; and

21 (2) The remaining balance to the General Fund of the State.

22 (d) (1) Except as otherwise provided in this Act, moneys in the Special Fund
23 shall be retained in the Special Fund and may not be spent for any purpose.

24 (2) Of the moneys credited to the Special Fund, subject to the budget
25 amendment procedure provided for in § 7-209 of the State Finance and Procurement
26 Article:

27 (i) \$62,656,835 may be used to make grants for fiscal year 2003 to
28 county boards of education and the New Baltimore City Board of School
29 Commissioners as provided under Section 11 of this Act;

30 (ii) If Chapter _____ (H.B. 949) of the Acts of the General Assembly
31 of 2002 is enacted, \$10,000,000 may be used to make a grant for fiscal year 2003 to
32 the Prince George's County Board of Education as provided under Section 12 of this
33 Act;

34 (iii) If Chapter _____ (S.B. 419/H.B. 371) of the Acts of the General
35 Assembly of 2002 is enacted, ~~\$4,767,749~~ \$4,766,749 may be used to make grants for

1 fiscal year 2003 to local lead agencies in the counties and Baltimore City under the
 2 Maryland Infants and Toddlers Program as provided under Section 13 of this Act; and

3 (iv) If Chapter _____ (S.B. 737/H.B. 910) of the Acts of the General
 4 Assembly of 2002 is enacted, \$1,100,020 may be used to make grants for fiscal year
 5 2003 for adult education and literacy services as provided under Section 14 of this
 6 Act.

7 (3) (i) If Chapter _____ (H.B. 949) of the Acts of the General Assembly
 8 of 2002 is not enacted, \$10,000,000 from the Special Fund shall be transferred to the
 9 General Fund of the State.

10 (ii) If Chapter _____ (S.B. 419/H.B. 371) of the Acts of the General
 11 Assembly of 2002 is not enacted, \$4,767,749 \$4,766,749 from the Special Fund shall
 12 be transferred to the General Fund of the State.

13 (iii) If Chapter _____ (S.B. 737/H.B. 910) of the Acts of the General
 14 Assembly of 2002 is not enacted, \$1,100,020 from the Special Fund shall be
 15 transferred to the General Fund of the State.

16 SECTION 19. AND BE IT FURTHER ENACTED, That, in addition to the local
 17 appropriation to the school operating budget that the county governing body is
 18 required to make under § 5-202(b)(3) of the Education Article, of the amounts
 19 received from the State as a county income tax disparity grant under Article 24, §
 20 9-1101 of the Code, for fiscal year 2003 the following counties and Baltimore City
 21 shall appropriate at least the following amounts to the school operating budget:

22	<u>Allegany.....</u>	<u>\$ 497,884</u>
23	<u>Baltimore City.....</u>	<u>4,326,695</u>
24	<u>Caroline</u>	<u>140,125</u>
25	<u>Garrett</u>	<u>10,626</u>
26	<u>Prince George's.....</u>	<u>5,325,793</u>
27	<u>Somerset</u>	<u>164,435</u>
28	<u>Washington</u>	<u>876,584</u>
29	<u>Wicomico.....</u>	<u>562,430</u>

30 SECTION 20. AND BE IT FURTHER ENACTED, That:

31 (a) Except as provided in subsection (b) of otherwise provided in this section,
 32 Sections 1 and 2 of this Act shall take effect July 1, 2003.

33 ~~(b) The changes to § 5-104 of the Education Article as enacted under Section~~
 34 ~~2 of this Act shall take effect July 1, 2002 and shall be applicable to all taxable years~~
 35 ~~beginning after June 30, 2003.~~

36 ~~(c)~~ (b) On or before September 30, 2002, the Prince George's County Board
 37 of Education shall develop and submit to the State Department of Education a

1 comprehensive master plan that meets the requirements of § 5-401 of the Education
2 Article as enacted under Section 2 of this Act.

3 ~~(d)~~ (c) On or before September 30, 2002, the State Department of Education
4 shall contract with a private entity to conduct the study required under § 5-202(f)(2)
5 of the Education Article as enacted under Section 2 of this Act.

6 SECTION 21. AND BE IT FURTHER ENACTED, That the Comptroller of the
7 Treasury shall report to the General Assembly on or before January 15, 2003, in
8 accordance with § 2-1246 of the State Government Article, on the loss, as a result of
9 this Act, of gross sales revenue of retail establishments that sell cigarettes within 30
10 miles of the State's border with a contiguous state or the District of Columbia.

11 SECTION ~~11~~ ~~21~~, 22. AND BE IT FURTHER ENACTED, That § 5-206(g) of
12 the Education Article as enacted by Section 2 of this Act, shall be abrogated and of no
13 further force and effect July 1, ~~2003~~ 2007.

14 SECTION ~~12~~ ~~22~~, 23. AND BE IT FURTHER ENACTED, That § 5-206(f) of
15 the Education Article as enacted by Section 2 of this Act, shall be abrogated and of no
16 further force and effect July 1, 2004.

17 SECTION ~~13~~ ~~23~~, 24. AND BE IT FURTHER ENACTED, That Section 3 of
18 this Act shall take effect July 1, ~~2006~~ 2007.

19 SECTION ~~14~~ ~~24~~, 25. AND BE IT FURTHER ENACTED, That § 8-414 of the
20 Education Article as enacted by Section 2 of this Act, shall be abrogated and of no
21 further force and effect July 1, ~~2006~~ 2007.

22 SECTION ~~15~~ ~~25~~, 26. AND BE IT FURTHER ENACTED, That, except as
23 provided in ~~Section 13~~ Sections 20 and ~~23~~ 24 of this Act, this Act shall take effect June
24 1, 2002.