

Department of Legislative Services
 Maryland General Assembly
 2002 Session

FISCAL NOTE

House Bill 1196 (Delegate Heller, *et al.*)
 Appropriations and Ways and Means

Higher Education - Community Colleges - Students with Disabilities

This bill establishes a \$2.5 million annual State grant for community colleges beginning in fiscal 2004. Grant funding is distributed based on the proportion of community college students with disabilities attending each college, and the funding must be used to meet the special services and equipment needs of students with disabilities who are attending community colleges. Grant funding that is not used by the end of a fiscal year does not revert to the general fund. Instead, it must be used in subsequent fiscal years to make awards to students with disabilities who are attending community colleges.

The bill is effective July 1, 2002.

Fiscal Summary

State Effect: General fund expenditures would increase by \$2.5 million annually beginning in FY 2004. Revenues would not be affected.

(\$ in millions)	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	0	2.5	2.5	2.5	2.5
Net Effect	\$0	(\$2.5)	(\$2.5)	(\$2.5)	(\$2.5)

Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate effect

Local Effect: Community college revenues from State aid would increase by \$2.5 million annually beginning in FY 2004.

Small Business Effect: None.

Analysis

Current Law: Community colleges receive State aid through the Senator John A. Cade funding formula on the basis of enrollment at the colleges. There is a separate funding formula for Baltimore City Community College. No community college aid is provided based on the enrollment of students with disabilities.

Background: Mandated fiscal 2003 funding through the Cade formula was calculated at \$175 million. However, the Budget Reconciliation Act of 2002 proposed by the Administration (SB 323) includes a reduction of \$15.4 million in fiscal 2003 formula funding.

State Expenditures: Mandated general fund expenditures would increase by \$2.5 million annually beginning in fiscal 2004 to provide additional State aid for community colleges.

Local Revenues: Community college revenues would increase by \$2.5 million annually. Each community college would receive funding based on the proportion of community college students with disabilities that it enrolls. **Exhibit 1** shows the number of students with disabilities reported by each of the community colleges for fiscal 2001 and shows what the distribution of State aid would be if this distribution of students with disabilities remains relatively stable.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Maryland Higher Education Commission, Maryland Association of Community Colleges, Department of Legislative Services

Fiscal Note History: First Reader - March 4, 2002
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Exhibit 1
Distribution of Students with Disabilities Among Community Colleges
Fiscal 2001

	Number of Students w/Disabilities FY 2001¹	Proportion of CC Students w/Disabilities	Distribution of \$2.5 Million
Allegany	40	0.7%	\$17,825
Anne Arundel	386	6.9%	172,014
Baltimore City	704	12.5%	313,725
Baltimore County	323	5.8%	143,939
Carroll	135	2.4%	60,160
Cecil	20	0.4%	8,913
Chesapeake	50	0.9%	22,282
College of Southern MD	213	3.8%	94,920
Frederick	162	2.9%	72,193
Garrett	15	0.3%	6,684
Hagerstown	50	0.9%	22,282
Harford ²	0	0.0%	0
Howard	312	5.6%	139,037
Montgomery	2,653	47.3%	1,182,264
Prince George's	396	7.1%	176,471
Wor-Wic	151	2.7%	67,291
State	5,610		\$2,500,000

¹ Source: Maryland Association of Community Colleges

² Harford Community College did not report the number of students with disabilities.