

SENATE BILL 623

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2003 Regular Session
3lr2306
CF 3lr0636

By: **Senators Kramer, Forehand, Hogan, Jones, Kittleman, Munson, Ruben,
and Stoltzfus**

Introduced and read first time: February 7, 2003

Assigned to: Rules

A BILL ENTITLED

1 AN ACT concerning

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

3 FOR the purpose of increasing certain State funding for certain community colleges in
4 a certain fiscal year and each fiscal year thereafter; and generally relating to
5 State funding for community colleges.

6 BY repealing and reenacting, with amendments,
7 Article - Education
8 Section 16-305(c) and 16-512(a)
9 Annotated Code of Maryland
10 (2001 Replacement Volume and 2002 Supplement)

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

13 **Article - Education**

14 16-305.

15 (c) (1) The total State operating fund per full-time equivalent student to the
16 community colleges for each fiscal year as requested by the Governor shall be:

17 (i) In each of fiscal years 2003 and 2004, not less than an amount
18 equal to 23.1% of the State's General Fund appropriation per full-time equivalent
19 student to the 4-year public institutions of higher education in the State as
20 designated by the Commission for the purpose of administering the Joseph A.
21 Sellinger Program under Title 17 of this article in the previous fiscal year; AND

22 (ii) [In fiscal year 2005, not less than an amount equal to 24% of
23 the State's General Fund appropriation per full-time equivalent student to the
24 4-year public institutions of higher education in the State as designated by the
25 Commission for the purpose of administering the Joseph A. Sellinger Program under
26 Title 17 of this article in the previous fiscal year; and

1 (iii)] In fiscal year [2006] 2005 and each fiscal year thereafter, not
2 less than an amount equal to 25% of the State's General Fund appropriation per
3 full-time equivalent student to the 4-year public institutions of higher education in
4 the State, as designated by the Commission for the purpose of administering the
5 Joseph A. Sellinger Program under Title 17 of this article in the previous fiscal year.

6 (2) The State share shall be distributed to each board and shall be
7 limited by the provisions of subsection (d) of this section.

8 (3) Subject to subsection (d) of this section, the total State share for each
9 board shall be the sum of:

10 (i) The fixed costs component;

11 (ii) The marginal costs component;

12 (iii) The size factor component; and

13 (iv) A hold harmless component.

14 (4) (i) The funds available for the fixed costs component shall be a set
15 percentage of the year's total State operating fund as follows:

16 1. For fiscal year 1998, 36% of total funding;

17 2. For fiscal year 1999, 37% of total funding; and

18 3. For fiscal year 2000 and each fiscal year thereafter, 38% of
19 total funding.

20 (ii) The funds available for the fixed costs component shall be
21 divided and distributed to the community colleges in the same proportion in which
22 the direct grants were distributed in the prior fiscal year.

23 (5) (i) For each board, the marginal costs component shall be the
24 product of the dollar amount per full-time equivalent student multiplied by the
25 number of full-time equivalent students at the board's community college or colleges.

26 (ii) The dollar amount per full-time equivalent student shall be
27 calculated by dividing 60% of the total State operating fund for the fiscal year by the
28 total number of full-time equivalent students at community colleges statewide.

29 (iii) In determining the marginal costs component for a board, the
30 number of full-time equivalent students at all campuses and colleges operated by the
31 board shall be added together.

32 (6) (i) The size factor component shall be a set percentage of the year's
33 total State operating fund as follows:

34 1. For fiscal year 1998, 4% of total funding;

1 2. For fiscal year 1999, 3% of total funding; and

2 3. For fiscal year 2000 and each fiscal year thereafter, 2% of

3 total funding.

4 (ii) The funds available for the size factor component shall be
5 divided and distributed equally to each board that operates a community college or
6 colleges at which the total number of full-time equivalent students is less than or
7 equal to 80% of the statewide median.

8 (iii) In determining the eligibility of a board for a size factor
9 component, the number of full-time equivalent students at all campuses and colleges
10 operated by the board shall be added together.

11 (7) (i) A board shall be eligible for a hold harmless component
12 beginning in fiscal year 1998 if the sum of the board's fixed costs, marginal costs, and
13 size factor components for the fiscal year is less than the board's total State share in
14 the prior fiscal year.

15 (ii) The hold harmless component amount shall be determined by
16 subtracting the sum of an eligible board's fixed costs, marginal costs, and size factor
17 components for the fiscal year from the board's total State share for the prior fiscal
18 year.

19 (8) Any employer Social Security contributions required by federal law
20 for any employee of a board of community college trustees shall remain the obligation
21 of the employer.

22 (9) The State contribution to retirement and fringe benefit costs is not
23 included in the calculations of amounts under this subsection.

24 16-512.

25 (a) The total State operating fund per full-time equivalent student
26 appropriated to Baltimore City Community College for each fiscal year as requested
27 by the Governor shall be:

(1) In each of fiscal years 2003 and 2004, not less than an amount equal to 60.9% of the State's General Fund appropriation per full-time equivalent student to the 4-year public institutions of higher education in the State as designated by the Commission for the purpose of administering the Joseph A. Sellinger Program under Title 17 of this article in the previous fiscal year; AND

(2) [In fiscal year 2005, not less than an amount equal to 63.4% of the State's General Fund appropriation per full-time equivalent student to the 4-year public institutions of higher education in the State as designated by the Commission for the purpose of administering the Joseph A. Sellinger Program under Title 17 of this article in the previous fiscal year; and

1 (3)] In fiscal year [2006] 2005 and each fiscal year thereafter, not less
2 than an amount equal to 66% of the State's General Fund appropriation per full-time
3 equivalent student to the 4-year public institutions of higher education in the State
4 as designated by the Commission for the purpose of administering the Joseph A.
5 Sellinger Program under Title 17 of this article in the previous fiscal year.

6 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take
7 effect July 1, 2003.