
By: **Delegates Mitchell, Arnick, Bohanan, Eckardt, Frank, Jameson,
O'Donnell, Owings, and Wood**

Introduced and read first time: February 11, 2004

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Education - Bridge to Excellence in Public Schools Act - Extension of**
3 **Phase-In**

4 FOR the purpose of altering the Bridge to Excellence in Public Schools Act to extend
5 by a certain number of years the phase-in period required to reach the targeted
6 annual amount for certain additional State funding for elementary and
7 secondary education in the State; altering a certain definition relating to a
8 certain annual per pupil foundation amount; altering the dates and the amounts
9 of certain grants the State is required to distribute to the Baltimore City Board
10 of Commissioners; altering the amount of certain incremental increases of a
11 certain grant distributed to local boards of education to cover the costs
12 associated with transportation of disabled students; altering the dates and the
13 amounts of certain grants the State is required to distribute to local boards of
14 education for the extended elementary education program; altering a certain
15 definition relating to a certain State share of compensatory education funding;
16 extending the phase-in period for certain increases in State funding for
17 compensatory education, students with limited English proficiency, and
18 students with special needs; altering the amount of the State guaranteed tax
19 base grant for certain years; altering the date by which a certain evaluation be
20 conducted by the State Department of Education; altering the date by which a
21 certain evaluation be submitted to the General Assembly; altering the date by
22 which local boards of education are required to provide full-day kindergarten to
23 all kindergarten students; altering the date requiring that certain children be
24 admitted free of charge to certain publicly funded prekindergarten programs;
25 repealing a provision of law relating to the adoption of a certain resolution by
26 the General Assembly by a certain date during the 2004 legislative session;
27 repealing a provision of law that limits State funding for education for public
28 elementary and secondary schools to a certain percentage annual increase if the
29 General Assembly does not adopt a certain resolution by a certain date;
30 extending the termination of a certain provision relating to the hours and
31 operation of kindergarten programs; altering certain definitions; and generally
32 relating to altering the Bridge to Excellence in Public Schools Act to extend the
33 phase-in period for additional State funding for public elementary and
34 secondary schools in the State.

1 BY repealing and reenacting, with amendments,
2 Article - Education
3 Section 5-202, 5-205, 5-206(g), 5-207 through 5-210, 5-402, 7-101(e), and
4 7-101.1
5 Annotated Code of Maryland
6 (2001 Replacement Volume and 2003 Supplement)

7 BY repealing
8 Chapter 288 of the Acts of the General Assembly of 2002
9 Section 20(d) and (e)

10 BY repealing and reenacting, with amendments,
11 Chapter 288 of the Acts of the General Assembly of 2002
12 Section 25

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

15 **Article - Education**

16 5-202.

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

18 (2) "Annual per pupil foundation amount" means:

19 (i) For fiscal years 2004 through 2008, the sum, rounded to the
20 nearest dollar, of:

21 1. The fiscal year 2002 per pupil foundation amount of
22 \$4,124; and

23 2. The product of the difference between the target per pupil
24 foundation amount and \$4,124 and:

25 A. 0.40 in fiscal year 2004;

26 B. 0.52 in fiscal year 2005;

27 C. [0.71] 0.59 in fiscal year 2006; [and]

28 D. [0.83] 0.66 in fiscal year 2007; [and]

29 E. 0.73 IN FISCAL YEAR 2008;

30 F. 0.77 IN FISCAL YEAR 2009;

31 G. 0.84 IN FISCAL YEAR 2010; AND

1 H. 0.93 IN FISCAL YEAR 2011; AND

2 (ii) For fiscal year 2008 and each fiscal year thereafter, the target
3 per pupil foundation amount.

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

9 (4) "Assessed value of personal property" means the most recent
10 estimate by the State Department of Assessments and Taxation before the annual
11 State budget is submitted to the General Assembly of the assessed value for county
12 purposes of personal property as of July 1 of the first completed fiscal year before the
13 school year for which the calculation is made under this section.

14 (5) "Foundation program" means the product of the annual per pupil
15 foundation amount and a county's full-time equivalent enrollment.

16 (6) "Full-time equivalent enrollment" means the sum of:

17 (i) The number of students enrolled in grades 1 through 12 or their
18 equivalent in regular day school programs on September 30 of the previous school
19 year;

20 (ii) Except as provided in item (iii) of this paragraph, the product of
21 the number of students enrolled in kindergarten programs on September 30 of the
22 prior school year and:

23 1. 0.60 in fiscal year 2004;

24 2. 0.70 in fiscal year 2005;

25 3. 0.80 in fiscal year 2006;

26 4. 0.90 in fiscal year 2007; and

27 5. 1.00 in fiscal year 2008 and each fiscal year thereafter;

28 (iii) In Garrett County, the number of students enrolled in
29 kindergarten programs on September 30 of the prior school year; and

30 (iv) The number of full-time equivalent students, as determined by
31 a regulation of the Department, enrolled in evening high school programs during the
32 previous school year.

33 (7) "Local contribution rate" means the figure that is calculated as
34 follows:

1 (i) Multiply the statewide full-time equivalent enrollment by \$624,
2 and multiply this product by:

- 3 1. 0.46 in fiscal year 2004;
- 4 2. 0.47 in fiscal year 2005;
- 5 3. 0.48 in fiscal year 2006;
- 6 4. 0.49 in fiscal year 2007; and
- 7 5. 0.50 in fiscal year 2008 and each fiscal year thereafter;

8 (ii) Multiply the statewide full-time equivalent enrollment by the
9 amount that the annual per pupil foundation amount exceeds \$624, and multiply this
10 product by 0.50;

11 (iii) Add the two products calculated in items (i) and (ii) of this
12 paragraph, and divide the resulting sum by the sum of the wealth of all of the
13 counties in this State; and

14 (iv) Round the result obtained in item (iii) of this paragraph to
15 seven decimal places and express as a percent with five decimal places.

16 (8) "Local share of the foundation program" means the product of the
17 local contribution rate and a county's wealth.

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

22 (10) "Personal property" means all property classified as personal
23 property under § 8-101(c) of the Tax - Property Article.

24 (11) "Real property" means all property classified as real property under §
25 8-101(b) of the Tax - Property Article.

26 (12) "State share of the foundation program" means the greater of:

27 (i) The difference between the foundation program and the local
28 share of the foundation program; and

29 (ii) The result obtained by multiplying the annual per pupil
30 foundation amount by the county's full-time equivalent enrollment, and multiplying
31 this product by:

- 32 1. 0.25 in fiscal year 2004;
- 33 2. 0.24 in fiscal year 2005;

- 1 3. 0.22 in fiscal year 2006;
- 2 4. 0.19 in fiscal year 2007; and
- 3 5. 0.15 in fiscal year 2008 and each fiscal year thereafter.

4 (13) "Target per pupil foundation amount" means:

5 (i) In fiscal year 2004, \$5,730; and

6 (ii) In subsequent fiscal years:

7 1. The target per pupil foundation amount for the prior fiscal
8 year increased by the same percentage as the increase in the implicit price deflator for
9 State and local government expenditures for the second prior fiscal year; or

10 2. If there is no increase in the implicit price deflator for
11 State and local government expenditures for the second prior fiscal year, the target
12 per pupil foundation amount for the prior fiscal year.

13 (14) "Wealth" means the sum of:

14 (i) Net taxable income;

15 (ii) 100 percent of the assessed value of the operating real property
16 of public utilities;

17 (iii) 40 percent of the assessed valuation of all other real property;
18 and

19 (iv) 50 percent of assessed value of personal property.

20 (b) Subject to the other provisions of this section, each year the State shall
21 distribute the State share of the foundation program to each county board.

22 (c) (1) If State aid for public elementary and secondary education exceeds
23 31.5% of the projected general funds of the State in any fiscal year, then the amount
24 required for the annual per pupil foundation amount may not be implemented for the
25 next fiscal year unless the General Assembly, at the regular session immediately
26 preceding that next fiscal year, affirms by joint resolution that the additional State
27 aid required using the annual per pupil foundation amount is within the State's fiscal
28 resources.

29 (2) As provided under paragraph (1) of this subsection, if State aid for
30 public elementary and secondary education exceeds the percentage amount specified
31 and a joint resolution of affirmation is not enacted by the General Assembly, then the
32 annual per pupil foundation amount in which the State shall share for the next fiscal
33 year shall be the lesser of the annual per pupil foundation amount for the fiscal year
34 or an amount equal to 108 percent of the prior year's annual per pupil foundation
35 amount.

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

7 (d) (1) To be eligible to receive the State share of the foundation program:

8 (i) The county governing body shall levy an annual tax sufficient to
9 provide an amount of revenue for elementary and secondary public education
10 purposes equal to the local share of the foundation program; and

11 (ii) The county governing body shall appropriate local funds to the
12 school operating budget in an amount no less than the product of the county's
13 full-time equivalent enrollment for the current fiscal year and the local appropriation
14 on a per pupil basis for the prior fiscal year.

15 (2) Except as provided in paragraph (3) of this subsection, for purposes of
16 this subsection, the local appropriation on a per pupil basis for the prior fiscal year for
17 a county is derived by dividing the county's highest local appropriation to its school
18 operating budget for the prior fiscal year by the county's full-time equivalent
19 enrollment for the prior fiscal year. For example, the calculation of the foundation aid
20 for fiscal year 2003 shall be based on the highest local appropriation for the school
21 operating budget for a county for fiscal year 2002. Program shifts between a county
22 operating budget and a county school operating budget may not be used to artificially
23 satisfy the requirements of this paragraph.

24 (3) For purposes of this subsection, for fiscal year 1997 and each
25 subsequent fiscal year, the calculation of the county's highest local appropriation to
26 its school operating budget for the prior fiscal year shall exclude:

27 (i) A nonrecurring cost that is supplemental to the regular school
28 operating budget, if the exclusion qualifies under regulations adopted by the State
29 Board; and

30 (ii) A cost of a program that has been shifted from the county school
31 operating budget to the county operating budget.

32 (4) The county board must present satisfactory evidence to the county
33 government that any appropriation under paragraph (3)(i) of this subsection is used
34 only for the purpose designated by the county government in its request for approval.

35 (5) Any appropriation that is not excluded under paragraph (3)(i) of this
36 subsection as a qualifying nonrecurring cost shall be included in calculating the
37 county's highest local appropriation to its school operating budget.

38 (6) Qualifying nonrecurring costs, as defined in regulations adopted by
39 the State Board, shall include but are not limited to:

- 1 (i) Computer laboratories;
- 2 (ii) Technology enhancement;
- 3 (iii) New instructional program start-up costs; and
- 4 (iv) Books other than classroom textbooks.
- 5 (7) (i) The provisions of this subsection do not apply to a county if the
6 county is granted a temporary waiver or partial waiver from the provisions by the
7 State Board of Education based on a determination that the county's fiscal condition
8 significantly impedes the county's ability to fund the maintenance of effort
9 requirement.
- 10 (ii) After a public hearing, the State Board of Education may grant
11 a waiver under this paragraph in accordance with its regulations.
- 12 (iii) In order to qualify for the waiver under this paragraph for a
13 fiscal year, a county shall make a request for a waiver to the State Board of Education
14 by April 1 of the prior fiscal year.
- 15 (iv) The State Board of Education shall inform the county whether
16 the waiver for a fiscal year is approved or denied in whole or in part by May 15 of the
17 prior fiscal year.
- 18 (e) (1) In fiscal year 2004, the State shall distribute a partnership grant of
19 \$28,186,032 to the Baltimore City Board of School Commissioners.
- 20 (2) In fiscal [year] YEARS 2005 AND 2006, the State shall distribute a
21 partnership grant of \$21,139,524 to the Baltimore City Board of School
22 Commissioners.
- 23 (3) In fiscal year [2006] 2007, the State shall distribute a partnership
24 grant of [\$14,093,016] \$17,616,270 to the Baltimore City Board of School
25 Commissioners.
- 26 (4) IN FISCAL YEAR 2008, THE STATE SHALL DISTRIBUTE A
27 PARTNERSHIP GRANT OF \$14,093,016 TO THE BALTIMORE CITY BOARD OF SCHOOL
28 COMMISSIONERS.
- 29 (5) IN FISCAL YEAR 2009, THE STATE SHALL DISTRIBUTE A
30 PARTNERSHIP GRANT OF \$10,569,762 TO THE BALTIMORE CITY BOARD OF SCHOOL
31 COMMISSIONERS.
- 32 (6) IN FISCAL YEAR 2010, THE STATE SHALL DISTRIBUTE A
33 PARTNERSHIP GRANT OF \$7,046,508 TO THE BALTIMORE CITY BOARD OF SCHOOL
34 COMMISSIONERS.

1 (7) IN FISCAL YEAR 2011, THE STATE SHALL DISTRIBUTE A
2 PARTNERSHIP GRANT OF \$3,523,254 TO THE BALTIMORE CITY BOARD OF SCHOOL
3 COMMISSIONERS.

4 (f) (1) For fiscal year 2004, the State share of the foundation program shall
5 be adjusted to reflect regional differences in the cost of education that are due to
6 factors outside the control of local jurisdictions, by increasing the State share of the
7 foundation program otherwise determined for the following counties by:

8 (i) 1% for Anne Arundel County;

9 (ii) 3% for Baltimore City;

10 (iii) 3% for Howard County; and

11 (iv) 4% for Montgomery County.

12 (2) For fiscal year 2005 and each fiscal year thereafter, the State share
13 of the foundation program shall be adjusted to reflect regional differences in the cost
14 of education that are due to factors outside the control of local jurisdictions.

15 (3) The Department shall contract with a private entity to conduct a
16 study to:

17 (i) Develop a Maryland specific geographic cost of education index
18 to be implemented no later than fiscal year 2005; and

19 (ii) Provide recommendations as to how the index should be used to
20 adjust State education funding.

21 (g) Any employer Social Security contributions required by federal law for any
22 employee of a county board or local school system shall remain the obligation of the
23 employer.

24 (h) (1) The Montgomery County Board shall provide from the Montgomery
25 County Public Schools Employees' Pension System Trust the supplemental retirement
26 allowance required under paragraph (2) of this subsection.

27 (2) (i) The Montgomery County Board, through the Montgomery
28 County Public Schools Employees' Pension System Trust, shall pay a supplemental
29 retirement allowance to an employee of the County Board who retires on or after July
30 1, 1999, as a member of the Teachers' Pension System of the State of Maryland.

31 (ii) The supplemental retirement allowance shall equal the product
32 of the member's years of creditable service earned in the Montgomery County Public
33 Schools Employees' Pension System times the sum of:

34 1. 0.08% of the retiree's average final compensation that does
35 not exceed the Social Security integration level; and

1	(16)	Montgomery	.....	\$18,663,456
2	(17)	Prince George's	.....	\$21,018,217
3	(18)	Queen Anne's	.....	\$1,952,856
4	(19)	St. Mary's	.....	\$3,673,545
5	(20)	Somerset	.....	\$1,143,107
6	(21)	Talbot	.....	\$981,334
7	(22)	Washington	.....	\$3,784,100
8	(23)	Wicomico	.....	\$3,001,531
9	(24)	Worcester	.....	\$1,856,978

10 (c) (1) In this subsection, "full-time equivalent enrollment" has the
11 meaning stated in § 5-202 of this subtitle.

12 (2) Subject to the limitations under paragraph (3) of this subsection, for
13 fiscal year 2004 and every year thereafter the amount of a county's base grant for
14 student transportation shall be equal to the amount of the county's base grant for
15 student transportation for the previous year increased by the same percentage as the
16 increase in the private transportation category of the Consumer Price Index for all
17 urban consumers, for the Washington-Baltimore metropolitan area, as of July of the
18 fiscal year preceding the year for which the amount is being calculated, plus an
19 additional amount equal to the product of:

20 (i) The total amount of funds distributed by the State as base
21 grants for student transportation for the previous fiscal year divided by the statewide
22 full-time equivalent enrollment for the previous fiscal year; and

23 (ii) The difference between the full-time equivalent enrollment in a
24 county for the current fiscal year and the full-time equivalent enrollment in the
25 county for the previous fiscal year, or, if the full-time equivalent enrollment in a
26 county for the current fiscal year is less than the full-time equivalent enrollment in
27 the county for the previous fiscal year, zero.

28 (3) The increase in the amount of a base grant for student transportation
29 that is based on the increase in the private transportation category of the Consumer
30 Price Index may not be less than 3 percent nor more than 8 percent of the amount of
31 the grant for the previous year.

32 (d) For each fiscal year, in addition to the base grant for student
33 transportation provided under subsection (c) of this section, a disabled student
34 transportation grant shall be distributed to each county board. The amount of the
35 grant to each board shall be equal to the product of the number of disabled students

1 requiring special transportation services who are transported by the county board in
2 the second prior fiscal year and:

- 3 (1) \$600 in fiscal year 2004;
- 4 (2) \$700 in fiscal year 2005;
- 5 (3) [~~800~~] \$750 in fiscal year 2006;
- 6 (4) [~~900~~] \$800 in fiscal year 2007; [and]
- 7 (5) \$850 IN FISCAL YEAR 2008;
- 8 (6) \$900 IN FISCAL YEAR 2009;
- 9 (7) \$950 IN FISCAL YEAR 2010; AND
- 10 [(5)] (8) \$1,000 in fiscal year [2008] 2011 and each fiscal year thereafter.

11 (e) For the purposes of determining the amount of the grant provided under
12 subsection (d) of this section, the State Board shall develop a procedure and adopt
13 regulations for determining the number of disabled students transported in each
14 jurisdiction in the second prior fiscal year.

15 (f) The State Board shall adopt rules and regulations that provide for the safe
16 operation of the student transportation system of each county board of education.

17 5-206.

18 (g) (1) In each of fiscal years 2004 [through 2007] AND 2005, the State shall
19 distribute a grant to each county board that is equal to the amount received by the
20 county board in fiscal year 2002 for the extended elementary education program.

21 (2) IN FISCAL YEAR 2006, THE STATE SHALL DISTRIBUTE A GRANT TO
22 EACH COUNTY BOARD THAT IS EQUAL TO 75% OF THE AMOUNT RECEIVED BY THE
23 COUNTY BOARD IN FISCAL YEAR 2002 FOR THE EXTENDED ELEMENTARY EDUCATION
24 PROGRAM.

25 (3) IN FISCAL YEAR 2007, THE STATE SHALL DISTRIBUTE A GRANT TO
26 EACH COUNTY BOARD THAT IS EQUAL TO 50% OF THE AMOUNT RECEIVED BY THE
27 COUNTY BOARD IN FISCAL YEAR 2002 FOR THE EXTENDED ELEMENTARY EDUCATION
28 PROGRAM.

29 5-207.

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

31 (2) "Aggregate State funding level for the compensatory education
32 formula" means the product of the compensatory education per pupil amount and the
33 statewide compensatory education enrollment count.

1 (3) (i) Except as provided in subparagraph (ii) of this paragraph,
2 "compensatory education enrollment count" means the number of students eligible for
3 free or reduced price meals for the prior fiscal year.

4 (ii) For fiscal year 2004, "compensatory education enrollment
5 count" means the greater of:

6 1. The number of students eligible for free or reduced price
7 meals for the prior fiscal year; or

8 2. The number of students eligible for free or reduced price
9 meals for the second prior fiscal year.

10 (4) "Compensatory education per pupil amount" means 97% of the
11 annual per pupil foundation amount calculated under § 5-202 of this subtitle
12 multiplied by the State share of compensatory education funding.

13 (5) "Eligible for free or reduced price meals" means eligible for free or
14 reduced price meals based on eligibility requirements established by the United
15 States Department of Agriculture.

16 (6) "Full-time equivalent enrollment" has the meaning stated in § 5-202
17 of this subtitle.

18 (7) "Local wealth per pupil" means a county's wealth divided by the
19 county's full-time equivalent enrollment.

20 (8) "State share of compensatory education funding" means:

21 (i) 0.29 in fiscal year 2004;

22 (ii) 0.37 in fiscal year 2005;

23 (iii) [0.41] 0.40 in fiscal year 2006;

24 (iv) [0.46] 0.41 in fiscal year 2007; [and]

25 (v) 0.44 IN FISCAL YEAR 2008;

26 (vi) 0.48 IN FISCAL YEAR 2009; AND

27 [(v)] (vii) 0.50 in fiscal year [2008] 2010 and each fiscal year
28 thereafter.

29 (9) "Statewide wealth per pupil" means the sum of the wealth of all
30 counties divided by the statewide full-time equivalent enrollment.

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

32 (b) Each year the State shall distribute compensatory education grants to
33 county boards.

1 (c) (1) The amount of the compensatory education grant distributed to a
2 county board shall be calculated as provided in this subsection.

3 (2) For each county, multiply the compensatory education per pupil
4 amount by the county's compensatory education enrollment count.

5 (3) For each county, divide the result calculated under paragraph (2) of
6 this subsection by the ratio, rounded to seven decimal places, of local wealth per pupil
7 to statewide wealth per pupil.

8 (4) For each county, multiply the result calculated under paragraph (3) of
9 this subsection for the county by the result, rounded to seven decimal places, that
10 results from dividing the aggregate State funding level for the compensatory
11 education formula by the sum of all of the results calculated under paragraph (3) of
12 this subsection for all counties.

13 (d) (1) If the amount calculated under subsection (c)(4) of this section for any
14 county is less than the minimum compensatory education grant amount determined
15 under paragraph (2) of this subsection, the State shall distribute an additional grant
16 to the county in the amount by which the minimum compensatory education grant
17 amount exceeds the result calculated under subsection (c)(4) of this section.

18 (2) For purposes of paragraph (1) of this subsection, the minimum
19 compensatory education grant amount for each county is the result obtained by
20 multiplying the compensatory education per pupil amount by the county's
21 compensatory education enrollment count, and multiplying this product by:

22 (i) 0.50 for fiscal year 2004;

23 (ii) 0.66 for fiscal year 2005;

24 (iii) [0.70] 0.68 for fiscal year 2006;

25 (iv) [0.76] 0.70 for fiscal year 2007; [and]

26 (V) 0.72 FOR FISCAL YEAR 2008;

27 (VI) 0.74 FOR FISCAL YEAR 2009;

28 (VII) 0.76 FOR FISCAL YEAR 2010;

29 (VIII) 0.78 FOR FISCAL YEAR 2011; AND

30 [(v)] (IX) 0.80 for fiscal year [2008] 2012 and each fiscal year
31 thereafter.

32 5-208.

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

1 (2) "Aggregate State funding for the LEP formula" means the product of
2 the LEP per pupil amount and the statewide LEP enrollment count.

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

5 (4) "LEP" means limited English proficiency.

6 (5) (i) Except as provided in subparagraph (ii) of this paragraph, "LEP
7 enrollment count" means the number of students with limited English proficiency for
8 the prior fiscal year.

9 (ii) For fiscal year 2004, "LEP enrollment count" means the greater
10 of:

11 1. The number of students with limited English proficiency
12 for the prior fiscal year; or

13 2. The number of students with limited English proficiency
14 for the second prior fiscal year.

15 (6) "LEP per pupil amount" means 99% of the annual per pupil
16 foundation amount calculated under § 5-202 of this subtitle multiplied by the State
17 share of LEP funding.

18 (7) "Limited English proficiency" means non-English or limited English
19 proficiency under the reporting requirements established by the Department for the
20 Maryland School Performance Program.

21 (8) "Local wealth per pupil" means a county's wealth divided by the
22 county's full-time equivalent enrollment.

23 (9) "State share of LEP funding" means:

24 (i) 0.29 in fiscal year 2004;

25 (ii) 0.37 in fiscal year 2005;

26 (iii) [0.41] 0.38 in fiscal year 2006;

27 (iv) [0.46] 0.39 in fiscal year 2007; [and]

28 (V) 0.40 IN FISCAL YEAR 2008;

29 (VI) 0.42 IN FISCAL YEAR 2009;

30 (VII) 0.44 IN FISCAL YEAR 2010;

31 (VIII) 0.47 IN FISCAL YEAR 2011; AND

1 [(v)] (IX) 0.50 in fiscal year [2008] 2012 and each fiscal year
2 thereafter.

3 (10) "Statewide wealth per pupil" means the sum of the wealth of all
4 counties divided by the statewide full-time equivalent enrollment.

5 (11) "Tier I LEP funding" means:

6 (i) For fiscal year 2008 and each fiscal year thereafter, \$0; and

7 (ii) For fiscal years 2004 through 2007, the result obtained by
8 multiplying \$1,350 by the statewide LEP enrollment count, and multiplying this
9 product by:

- 10 1. 1.0 for fiscal year 2004;
- 11 2. 0.75 for fiscal year 2005;
- 12 3. 0.50 for fiscal year 2006; and
- 13 4. 0.25 for fiscal year 2007.

14 (12) "Tier II LEP funding" means the difference between aggregate State
15 funding for the LEP formula and Tier I LEP funding.

16 (13) "Tier II LEP per pupil amount" means the result obtained by dividing
17 Tier II LEP funding by the statewide LEP enrollment count.

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

19 (b) (1) For fiscal years 2004 through 2007, the State shall distribute Tier I
20 LEP grants and Tier II LEP grants to county boards.

21 (2) For fiscal year 2008 and each fiscal year thereafter, the State shall
22 distribute Tier II LEP grants to county boards.

23 (c) (1) For fiscal years 2004 through 2007, the amount of the Tier I LEP
24 grant distributed to a county board shall be equal to the result obtained by
25 multiplying \$1,350 by the county's LEP enrollment count, and multiplying this
26 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 State may
32 not make Tier I LEP grants to county boards.

1 (d) (1) The amount of the Tier II LEP grant distributed to a county board
2 shall be calculated as provided in this subsection.

3 (2) For each county, multiply the county's LEP enrollment count by the
4 Tier II LEP per pupil amount.

5 (3) For each county, divide the result calculated under paragraph (2) of
6 this subsection by the ratio, rounded to seven decimal places, of local wealth per pupil
7 to statewide wealth per pupil.

8 (4) For each county, multiply the result calculated under paragraph (3) of
9 this subsection for the county by the result, rounded to seven decimal places, that
10 results from dividing Tier II LEP funding by the sum of all of the results calculated
11 under paragraph (3) of this subsection for all counties.

12 (e) (1) If the amount calculated under subsection (d)(4) of this section for
13 any county is less than the minimum Tier II LEP grant amount determined under
14 paragraph (2) of this subsection, the State shall distribute an additional grant to the
15 county in the amount by which the minimum Tier II LEP grant amount exceeds the
16 result calculated under subsection (d)(4) of this section.

17 (2) For purposes of paragraph (1) of this subsection, the minimum Tier II
18 LEP grant amount for each county is the result obtained by multiplying the Tier II
19 LEP per pupil amount by the county's LEP enrollment count, and multiplying this
20 product by:

21 (i) 0.50 for fiscal year 2004;

22 (ii) 0.66 for fiscal year 2005;

23 (iii) ~~0.70~~ 0.68 for fiscal year 2006;

24 (iv) ~~0.76~~ 0.70 for fiscal year 2007; [and]

25 (V) 0.72 FOR FISCAL YEAR 2008;

26 (VI) 0.74 FOR FISCAL YEAR 2009;

27 (VII) 0.76 FOR FISCAL YEAR 2010;

28 (VIII) 0.78 FOR FISCAL YEAR 2011; AND

29 [(v)] (IX) 0.80 for fiscal year ~~2008~~ 2012 and each fiscal year
30 thereafter.

31 5-209.

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

1 (2) "Aggregate State funding for the special education formula" means
2 the product of the special education per pupil amount and the statewide special
3 education enrollment count.

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

6 (4) "Local wealth per pupil" means a county's wealth divided by the
7 county's full-time equivalent enrollment.

8 (5) (i) Except as provided in subparagraph (ii) of this paragraph,
9 "special education enrollment count" means the number of special education students
10 for the prior fiscal year in a public school operated by a county board other than those
11 students who are enrolled in or attend:

- 12 1. The Maryland School for the Blind;
13 2. The Maryland School for the Deaf; or
14 3. An educational program operated by the State.

15 (ii) For fiscal year 2004, "special education enrollment count"
16 means the greater of:

- 17 1. The number of special education students for the prior
18 fiscal year; or
19 2. The number of special education students for the second
20 prior fiscal year.

21 (6) "Special education student" means a student requiring special
22 education services as defined in the federal Individuals with Disabilities Education
23 Act.

24 (7) "Special education per pupil amount" means 74% of the annual per
25 pupil foundation amount calculated under § 5-202 of this subtitle multiplied by the
26 State share of special education funding.

27 (8) "State share of special education funding" means:

- 28 (i) 0.29 in fiscal year 2004;
29 (ii) 0.37 in fiscal year 2005;
30 (iii) [0.41] 0.38 in fiscal year 2006;
31 (iv) [0.46] 0.39 in fiscal year 2007; [and]
32 (V) 0.40 IN FISCAL YEAR 2008;
33 (VI) 0.42 IN FISCAL YEAR 2009;

1 (VII) 0.44 IN FISCAL YEAR 2010;
2 (VIII) 0.47 IN FISCAL YEAR 2011; AND
3 [(v)] (IX) 0.50 in fiscal year [2008] 2012 and each fiscal year
4 thereafter.

5 (9) "Statewide wealth per pupil" means the sum of the wealth of all
6 counties divided by the statewide full-time equivalent enrollment.

7 (10) "Tier I special education funding" means the funds that are
8 distributed under § 8-414 of this article.

9 (11) "Tier II special education funding" means the difference between the
10 aggregate State funding for the special education formula and Tier I special education
11 funding.

12 (12) "Tier II special education per pupil amount" means the result
13 obtained by dividing the Tier II special education funding by the statewide special
14 education enrollment count.

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

16 (b) Each year the State shall distribute Tier II special education grants to
17 county boards.

18 (c) (1) The amount of the Tier II special education grant distributed to a
19 county board shall be calculated as provided in this subsection.

20 (2) For each county, multiply the county's special education enrollment
21 count by the Tier II special education per pupil amount.

22 (3) For each county, divide the result calculated under paragraph (2) of
23 this subsection by the ratio, rounded to seven decimal places, of local wealth per pupil
24 to statewide wealth per pupil.

25 (4) For each county, multiply the result calculated under paragraph (3) of
26 this subsection by the result, rounded to seven decimal places, that results from
27 dividing Tier II special education funding by the sum of all of the results calculated
28 under paragraph (3) of this subsection for all counties.

29 (d) (1) If the amount calculated under subsection (c)(4) of this section for any
30 county is less than the minimum Tier II special education grant amount determined
31 under paragraph (2) of this subsection, the State shall distribute an additional grant
32 to the county in the amount by which the minimum Tier II special education grant
33 amount exceeds the result calculated under subsection (c)(4) of this section.

34 (2) For purposes of paragraph (1) of this subsection, the minimum Tier II
35 special education grant amount for each county is the result obtained by multiplying

1 the Tier II special education per pupil amount by the county's special education
2 enrollment count, and multiplying this product by:

- 3 (i) 0.50 for fiscal year 2004;
- 4 (ii) 0.66 for fiscal year 2005;
- 5 (iii) [0.70] 0.68 for fiscal year 2006;
- 6 (iv) [0.76] 0.70 for fiscal year 2007; [and]
- 7 (V) 0.72 FOR FISCAL YEAR 2008;
- 8 (VI) 0.74 FOR FISCAL YEAR 2009;
- 9 (VII) 0.76 FOR FISCAL YEAR 2010;
- 10 (VIII) 0.78 FOR FISCAL YEAR 2011; AND
- 11 [(v)] (IX) 0.80 for fiscal year [2008] 2012 and each fiscal year
12 thereafter.

13 5-210.

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

15 (2) "Additional education appropriation" means the difference between a
16 county's education appropriation for the prior fiscal year and the county's local share
17 of the foundation program calculated under § 5-202 of this subtitle.

18 (3) "Additional education effort" means a county's additional education
19 appropriation divided by the county's wealth, rounded to seven decimal places.

20 (4) "Full-time equivalent enrollment" has the meaning stated in § 5-202
21 of this subtitle.

22 (5) "Guaranteed wealth per pupil" means 80% of the statewide wealth
23 per pupil.

24 (6) "Guaranteed tax base program per pupil amount" means the lesser
25 of:

26 (i) 20% of the annual per pupil foundation amount calculated
27 under § 5-202 of this subtitle; and

28 (ii) The product of a county's additional education effort and the
29 difference between guaranteed wealth per pupil and local wealth per pupil.

30 (7) "Local wealth per pupil" means a county's wealth divided by the
31 county's full-time equivalent enrollment.

1 (8) "Statewide wealth per pupil" means the sum of the wealth of all
2 counties divided by the statewide full-time equivalent enrollment.

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

4 (b) For fiscal year 2005 and each fiscal year thereafter, the State shall
5 distribute guaranteed tax base grants to county boards as provided in this section.

6 (c) A county board is eligible to receive a guaranteed tax base grant if the
7 county's:

8 (1) Additional education effort is greater than zero; and

9 (2) Local wealth per pupil is less than the guaranteed wealth per pupil.

10 (d) The amount of the guaranteed tax base grant shall be equal to the product
11 of the county's guaranteed tax base program per pupil amount and the county's
12 full-time equivalent enrollment multiplied by:

13 (1) 0.25 in fiscal year 2005;

14 (2) 0.50 in fiscal year 2006;

15 (3) 0.75 in fiscal year 2007; [and]

16 (4) 0.85 IN FISCAL YEAR 2008; AND

17 [(4)] (5) 1.00 in fiscal year [2008] 2009 and each fiscal year thereafter.

18 5-402.

19 (a) (1) Subject to paragraph (2) of this subsection, the Department shall
20 evaluate the effect of increased State aid for education on student and school
21 performance in each local school system.

22 (2) The Department may contract with a public or private entity to
23 conduct or assist in conducting the evaluation required by this subsection.

24 (b) (1) The Department shall submit an initial report on the results of the
25 evaluation required by this section to the Governor and, subject to § 2-1246 of the
26 State Government Article, the General Assembly on or before December 31, [2006]
27 2008.

28 (2) The Department shall submit a final report on the results of the
29 evaluation required by this section to the Governor and, subject to § 2-1246 of the
30 State Government Article, the General Assembly on or before December 31, [2008]
31 2012.

32 (c) The reports required by this section shall include:

- 1 (1) A detailed description of how local school systems are using State
2 education aid;
- 3 (2) A comparison of school systems that show significant improvements
4 in student and school performance to school systems that do not show significant
5 improvements in student and school performance;
- 6 (3) An assessment of the extent to which county boards are successful in
7 implementing the comprehensive master plans required by § 5-401 of this subtitle;
- 8 (4) An analysis of the amount of funding that local governments provide
9 for education each year;
- 10 (5) A list of programs or factors that consistently produce positive results
11 for students, schools, and school systems; and
- 12 (6) Any other information that the State Superintendent determines to
13 be relevant to the evaluation of student and school performance in each local school
14 system.

15 (d) The Governor shall include an appropriation for the Department in the
16 State budget for each fiscal year sufficient to cover the costs associated with
17 implementing this section.

18 7-101.

19 (e) (1) By the [2007-2008] 2011-2012 school year, each county board shall
20 provide full-day kindergarten programs for all kindergarten students in that county.

21 (2) In the comprehensive master plan that is submitted under § 5-401 of
22 this article, a county board shall identify the strategies that will be used in that
23 county to ensure that full-day kindergarten programs are provided to all
24 kindergarten students in that county by the [2007-2008] 2011-2012 school year.

25 7-101.1.

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

27 (2) "Economically disadvantaged background" means a family whose
28 income would make a child eligible for free or reduced price meals if the child were in
29 kindergarten.

30 (3) "Eligible child" means a child:

31 (i) Who is from an economically disadvantaged background;

32 (ii) Whose parent or guardian seeks to enroll the child in a public
33 prekindergarten program; and

1 (iii) Who is 4 years old on September 1 of the school year in which
 2 the parent or legal guardian seeks to enroll the child in a public prekindergarten
 3 program.

4 (4) "Eligible for free or reduced price meals" means eligible for free or
 5 reduced price meals based on eligibility requirements established by the United
 6 States Department of Agriculture.

7 (b) By the [2007-2008] 2011-2012 school year, all eligible children shall be
 8 admitted free of charge to publicly funded prekindergarten programs established by
 9 each of the county boards.

10 (c) The requirements set forth in § 7-101(b) of this subtitle regarding the
 11 domicile of a child and the residency of the child's parent or guardian shall apply to
 12 prekindergarten programs established by county boards as required by this section.

13 (d) In the comprehensive master plan that is submitted under § 5-401 of this
 14 article, a county board shall identify the strategies that will be used in that county to
 15 ensure that publicly funded prekindergarten programs are available to all eligible
 16 children in that county by the [2007-2008] 2011-2012 school year.

17 **Chapter 288 of the Acts of 2002**

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

19 [(d) (1) For the additional State aid for education as enacted by Section 2 of
 20 this Act to be implemented in fiscal 2005, the General Assembly at the 2004 regular
 21 session shall affirm by joint resolution adopted no later than the fiftieth day of the
 22 session that the additional State aid for education is within the State's fiscal
 23 resources for fiscal 2005.

24 (2) If a joint resolution pursuant to paragraph (1) of this subsection is
 25 not adopted by the fiftieth day, then the additional State aid for education contained
 26 in Section 2 of this Act shall be funded in fiscal 2005 at 105 percent of the fiscal 2004
 27 level as enacted by Section 2 of this Act for each county from the appropriations
 28 proposed by the Governor for the additional State aid enacted by Section 2 of this Act.
 29 The balance of the appropriations proposed by the Governor for additional State aid
 30 for education shall revert to the General Fund.

31 (e) If subsection (d)(2) of this section is implemented, then the additional
 32 State aid for education contained in Section 2 of this Act shall be funded at the
 33 following percentage of the fiscal 2004 level as enacted by Section 2 of this Act for
 34 each county:

35 (1) 110.25 percent in fiscal 2006;

36 (2) 115.75 percent in fiscal 2007; and

37 (3) 121.50 percent in fiscal 2008.]

1 SECTION 25. AND BE IT FURTHER ENACTED, That Section 3 of this Act
2 shall take effect July 1, [2007] 2011.

3 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
4 July 1, 2004.