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By: **Delegates Owings, Mitchell, and Wood**  
Introduced and read first time: February 12, 2004  
Assigned to: Ways and Means

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A BILL ENTITLED

1 AN ACT concerning

2 **Education - Bridge to Excellence in Public Schools Act - Funding Increases**

3 FOR the purpose of tying the growth in State aid to public elementary and secondary  
4 school education to the growth in annual State resources; providing that, in a  
5 fiscal year, certain additional State aid for education provided under a certain  
6 Act may not be provided if the growth in State revenues does not equal or exceed  
7 a certain percentage; specifying the amount and manner for the allocation to  
8 counties of State aid to education in a fiscal year in which State revenues do not  
9 grow by at least a certain amount; defining a term; repealing a provision that  
10 requires the General Assembly to adopt a certain resolution by a certain date  
11 and that stipulates certain increases in State aid for education for certain fiscal  
12 years; and generally relating to funding increases for State aid to education  
13 under the Bridge to Excellence in Public Schools Act.

14 BY repealing and reenacting, without amendments,  
15 Article - Education  
16 Section 5-201  
17 Annotated Code of Maryland  
18 (2001 Replacement Volume and 2003 Supplement)

19 BY adding to  
20 Article - Education  
21 Section 5-219  
22 Annotated Code of Maryland  
23 (2001 Replacement Volume and 2003 Supplement)

24 BY repealing and reenacting, without amendments,  
25 Article - State Finance and Procurement  
26 Section 6-104(a)  
27 Annotated Code of Maryland  
28 (2001 Replacement Volume and 2003 Supplement)

29 BY repealing

1 Chapter 288 of the Acts of the General Assembly of 2002  
2 Section 20(d) and (e)

3 Preamble

4 WHEREAS, It is projected that the State will be faced with substantial cost  
5 increases under the State's Medicaid program and unmet transportation needs,  
6 prison reform, social workers, and other necessary or desirable State programs in the  
7 coming years; and

8 WHEREAS, Given the many competing calls on State revenues, the projected  
9 growth in State resources under existing funding streams is not likely to be sufficient  
10 to fully implement the programs commonly known as the "Bridge to Excellence in  
11 Public Schools Act", first enacted by Chapter 288 of the Acts of the General Assembly  
12 of 2002, in the time frame proposed under the Act; and

13 WHEREAS, It is important and desirable to provide additional State resources  
14 as practicable each fiscal year and adhere to the funding premise that underlies the  
15 "Bridge to Excellence in Public Schools Act"; and

16 WHEREAS, An orderly process that specifies the manner and the amount by  
17 which additional State resources will be used to support elementary and secondary  
18 education is critical in assisting local governments to plan for educational services;  
19 now, therefore,

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

22 **Article - Education**

23 5-201.

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

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

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

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

36 (2) The Maryland Teachers' Retirement System;

- 1 (3) The education of disabled children;
- 2 (4) Subsidized or free feeding programs;
- 3 (5) The administration and supervision of career and technology  
4 education in public high schools and career and technology centers;
- 5 (6) Physical education and recreation;
- 6 (7) Case and guidance service for individuals with disabilities who need  
7 vocational rehabilitation;
- 8 (8) Equivalence examinations;
- 9 (9) Public libraries;
- 10 (10) Adult education;
- 11 (11) The State share of the foundation program as provided in § 5-202 of  
12 this subtitle;
- 13 (12) Student transportation, as provided in § 5-205 of this subtitle;
- 14 (13) The school building construction aid as provided in § 5-301(c) of this  
15 title;
- 16 (14) The State funding for compensatory education under § 5-207 of this  
17 subtitle;
- 18 (15) The State funding for students with limited English proficiency  
19 under § 5-208 of this subtitle;
- 20 (16) The State funding for special education under § 5-209 of this subtitle;  
21 and
- 22 (17) The Guaranteed Tax Base program under § 5-210 of this subtitle.
- 23 (d) Except as provided in this section, the Comptroller may not charge against  
24 and pay from the General State School Fund any appropriations made to accomplish  
25 the purposes of § 5-301(a), (b), or (d) of this title.
- 26 (e) (1) For the purposes of calculating the local share of the foundation  
27 program under § 5-202 of this subtitle and regardless of the source of the funds, all  
28 funds that a county board or the Mayor and City Council of Baltimore City are  
29 authorized to expend for schools may be considered as levied by the county council,  
30 board of county commissioners, or the Mayor and City Council of Baltimore except for:
- 31 (i) State appropriations;
- 32 (ii) Federal education aid payments; and

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

3 (2) Except as provided in this section, these appropriations to a county,  
4 academy, college, or university may not be paid from the General State School Fund.  
5 5-219.

6 (A) IN THIS SECTION, "ESTIMATED STATE RESOURCES FROM ALL SOURCES"  
7 MEANS THE REPORT PREPARED BEFORE EACH REGULAR SESSION OF THE GENERAL  
8 ASSEMBLY BY THE BUREAU OF REVENUE ESTIMATES IN THE OFFICE OF THE  
9 COMPTROLLER, IN ACCORDANCE WITH § 6-104(A)(2) OF THE STATE FINANCE AND  
10 PROCUREMENT ARTICLE, THAT CONTAINS AN ITEMIZED STATEMENT OF THE  
11 ESTIMATED STATE REVENUES FROM ALL SOURCES FOR THE FISCAL YEAR  
12 FOLLOWING THE SESSION.

13 (B) FOR FISCAL YEAR 2005 AND EACH FISCAL YEAR THEREAFTER, IF THE  
14 PERCENTAGE GROWTH IN ESTIMATED STATE RESOURCES FROM ALL SOURCES FOR  
15 THAT FISCAL YEAR:

16 (1) EQUALS OR EXCEEDS THE PERCENTAGE GROWTH FOR ADDITIONAL  
17 STATE AID FOR EDUCATION FOR CHILDREN ATTENDING PUBLIC SCHOOLS IN THE  
18 STATE IN PREKINDERGARTEN THROUGH GRADE 12 CALLED-FOR THROUGH  
19 IMPLEMENTATION OF THE PROGRAMS COMMONLY KNOWN AS THE "BRIDGE TO  
20 EXCELLENCE IN PUBLIC SCHOOLS ACT", FIRST ENACTED BY CHAPTER 288 OF THE  
21 ACTS OF THE GENERAL ASSEMBLY OF 2002, THEN STATE AID FOR EDUCATION SHALL  
22 BE FUNDED AND ALLOCATED FOR EACH COUNTY IN THE AMOUNT AND IN THE  
23 MANNER CALLED-FOR UNDER THE "BRIDGE TO EXCELLENCE IN PUBLIC SCHOOLS  
24 ACT"; OR

25 (2) IS LESS THAN THE PERCENTAGE GROWTH FOR ADDITIONAL STATE  
26 AID FOR EDUCATION FOR CHILDREN ATTENDING PUBLIC SCHOOLS IN THE STATE IN  
27 PREKINDERGARTEN THROUGH GRADE 12 CALLED- FOR THROUGH IMPLEMENTATION  
28 OF THE PROGRAMS COMMONLY KNOWN AS THE "BRIDGE TO EXCELLENCE IN PUBLIC  
29 SCHOOLS ACT", FIRST ENACTED BY CHAPTER 288 OF THE ACTS OF THE GENERAL  
30 ASSEMBLY OF 2002, THEN STATE AID FOR EDUCATION SHALL BE ALLOCATED:

31 (I) IN THE AGGREGATE, IN THE AMOUNT OF THE PERCENTAGE  
32 GROWTH IN ESTIMATED STATE RESOURCES FROM ALL SOURCES FOR THAT FISCAL  
33 YEAR; AND

34 (II) FOR EACH COUNTY IN THE MANNER AND PROPORTION AS  
35 PROVIDED UNDER THE "BRIDGE TO EXCELLENCE IN PUBLIC SCHOOLS ACT".

36 (C) IN A FISCAL YEAR FOLLOWING A FISCAL YEAR IN WHICH STATE AID FOR  
37 EDUCATION IS FUNDED AND ALLOCATED FOR EACH COUNTY AT THE REDUCED  
38 AMOUNT SPECIFIED UNDER SUBSECTION (A)(2) OF THIS SECTION, THE INCREASE IN  
39 STATE AID FOR EDUCATION FOR THAT FISCAL YEAR SHALL BE:

1 (1) CALCULATED ON THE REDUCED BASE FUNDING AMOUNT RECEIVED  
2 BY THE COUNTIES IN THAT PRIOR FISCAL YEAR UNDER SUBSECTION (B)(2) OF THIS  
3 SECTION; AND

4 (2) INCREASED IN ACCORDANCE WITH SUBSECTION (B) OF THIS  
5 SECTION, DEPENDING ON THE PERCENTAGE GROWTH IN ESTIMATED STATE  
6 RESOURCES FROM ALL SOURCES.

7 **Article - State Finance and Procurement**

8 6-104.

9 (a) (1) After the end of each fiscal year, the Bureau shall submit to the  
10 Board a report that:

11 (i) contains an itemized statement of the State revenues from all  
12 sources for that fiscal year; and

13 (ii) includes any recommendations of the Bureau.

14 (2) Before each regular session of the General Assembly, the Bureau  
15 shall submit to the Board a report that contains an itemized statement of the  
16 estimated State revenues from all sources for the fiscal year following the session.

17 (3) The Bureau shall provide to the Board any other information that the  
18 Board requests.

19 **Chapter 288 of the Acts of 2002**

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

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

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

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

- 1           (1)     110.25 percent in fiscal 2006;
- 2           (2)     115.75 percent in fiscal 2007; and
- 3           (3)     121.50 percent in fiscal 2008.]

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