

ENROLLED BILL

-- *Ways and Means/Budget and Taxation* --

Introduced by **Delegates Heller, Hixson, Busch, Anderson, Aumann, Barkley, Bartlett, Barve, Benson, Bobo, Bohanan, Boschert, Boteler, Bozman, Bronrott, Brown, Cadden, Cane, Cardin, G. Clagett, V. Clagett, Cluster, Conroy, Conway, Cryor, C. Davis, D. Davis, Donoghue, Doory, Dumais, Edwards, Elliott, Elmore, Feldman, Franchot, Frush, Gilleland, Glassman, Goldwater, Goodwin, Gordon, Griffith, Gutierrez, Harrison, Healey, Hogan, Howard, Hubbard, James, Jennings, Jones, Kaiser, King, Kohl, Lawton, Lee, Levy, Love, Madaleno, Mandel, Marriott, McDonough, McHale, McKee, Menes, Moe, Montgomery, Murray, Myers, O'Donnell, Parker, Parrott, Patterson, Pendergrass, Petzold, Proctor, Pugh, Ramirez, Ross, Rudolph, Shewell, Simmons, Sophocleus, Sossi, Stern, Stocksdale, Stull, Taylor, Trueschler, F. Turner, Vaughn, and ~~Wood~~ Wood, Costa, Kullen, and Leopold**

Read and Examined by Proofreaders:

Proofreader.

Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this _____ day of _____ at _____ o'clock, _____ M.

Speaker.

CHAPTER _____

1 AN ACT concerning

2 **Community Colleges - Funding Formulas - Adjustment**

3 FOR the purpose of altering certain formulas for the computation of certain State aid

4 to certain community colleges and the Baltimore City Community College for

5 certain fiscal years; and generally relating to State funding for community

1 colleges.

2 BY repealing and reenacting, with amendments,

3 Article - Education

4 Section 16-305(c) and 16-512(a)

5 Annotated Code of Maryland

6 (2004 Replacement Volume and 2005 Supplement)

7 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF

8 MARYLAND, That the Laws of Maryland read as follows:

9 **Article - Education**

10 16-305.

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

13 1. In [each of] fiscal [years 2003 and 2004] YEAR 2007, not
14 less than an amount equal to [23.1%] 25% of the State's General Fund appropriation
15 per full-time equivalent student to the 4-year public institutions of higher education
16 in the State as designated by the Commission for the purpose of administering the
17 Joseph A. Sellinger Program under Title 17 of this article in the previous fiscal year;

18 2. In fiscal year [2005] 2008, not less than an amount equal
19 to [24%] ~~26%~~ 25.5% of the State's General Fund appropriation per full-time
20 equivalent student to the 4-year public institutions of higher education in the State
21 as designated by the Commission for the purpose of administering the Joseph A.
22 Sellinger Program under Title 17 of this article in the previous fiscal year; [and]

23 3. In fiscal year [2006] 2009, [and each fiscal year
24 thereafter,] not less than an amount equal to [25%] ~~27%~~ 26.25% of the State's General
25 Fund appropriation per full-time equivalent student to the 4-year public institutions
26 of higher education in the State[,] as designated by the Commission for the purpose
27 of administering the Joseph A. Sellinger Program under Title 17 of this article in the
28 previous fiscal year;

29 4. IN FISCAL YEAR 2010, NOT LESS THAN AN AMOUNT EQUAL
30 TO ~~28%~~ 27% OF THE STATE'S GENERAL FUND APPROPRIATION PER FULL-TIME
31 EQUIVALENT STUDENT TO THE 4-YEAR PUBLIC INSTITUTIONS OF HIGHER
32 EDUCATION IN THE STATE AS DESIGNATED BY THE COMMISSION FOR THE PURPOSE
33 OF ADMINISTERING THE JOSEPH A. SELLINGER PROGRAM UNDER TITLE 17 OF THIS
34 ARTICLE IN THE PREVIOUS FISCAL YEAR;

35 5. IN FISCAL YEAR 2011, NOT LESS THAN AN AMOUNT EQUAL
36 TO ~~29%~~ 28% OF THE STATE'S GENERAL FUND APPROPRIATION PER FULL-TIME
37 EQUIVALENT STUDENT TO THE 4-YEAR PUBLIC INSTITUTIONS OF HIGHER
38 EDUCATION IN THE STATE AS DESIGNATED BY THE COMMISSION FOR THE PURPOSE

1 OF ADMINISTERING THE JOSEPH A. SELLINGER PROGRAM UNDER TITLE 17 OF THIS
2 ARTICLE IN THE PREVIOUS FISCAL YEAR; ~~AND~~

3 6. ~~IN FISCAL YEAR 2012 AND IN EACH FISCAL YEAR~~
4 ~~THEREAFTER~~, NOT LESS THAN AN AMOUNT EQUAL TO ~~30%~~ 29% OF THE STATE'S
5 GENERAL FUND APPROPRIATION PER FULL-TIME EQUIVALENT STUDENT TO THE
6 4-YEAR PUBLIC INSTITUTIONS OF HIGHER EDUCATION IN THE STATE AS
7 DESIGNATED BY THE COMMISSION FOR THE PURPOSE OF ADMINISTERING THE
8 JOSEPH A. SELLINGER PROGRAM UNDER TITLE 17 OF THIS ARTICLE IN THE
9 PREVIOUS FISCAL YEAR; AND

10 7. IN FISCAL YEAR 2013 AND IN EACH FISCAL YEAR
11 THEREAFTER, NOT LESS THAN AN AMOUNT EQUAL TO 30% OF THE STATE'S GENERAL
12 FUND APPROPRIATION PER FULL-TIME EQUIVALENT STUDENT TO THE 4-YEAR
13 PUBLIC INSTITUTIONS OF HIGHER EDUCATION IN THE STATE AS DESIGNATED BY
14 THE COMMISSION FOR THE PURPOSE OF ADMINISTERING THE JOSEPH A.
15 SELLINGER PROGRAM UNDER TITLE 17 OF THIS ARTICLE IN THE PREVIOUS FISCAL
16 YEAR.

17 (ii) For purposes of this subsection, the State's General Fund
18 appropriation per full-time equivalent student to the 4-year public institutions of
19 higher education in the State for the previous fiscal year shall reflect any
20 amendments or reductions to the appropriation for the previous fiscal year.

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

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

- 25 (i) The fixed costs component;
- 26 (ii) The marginal costs component;
- 27 (iii) The size factor component; and
- 28 (iv) A hold harmless component.

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

- 31 1. For fiscal year 1998, 36% of total funding;
- 32 2. For fiscal year 1999, 37% of total funding; and
- 33 3. For fiscal year 2000 and each fiscal year thereafter, 38% of
34 total funding.

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

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

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

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

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

- 15 1. For fiscal year 1998, 4% of total funding;
16 2. For fiscal year 1999, 3% of total funding; and
17 3. For fiscal year 2000 and each fiscal year thereafter, 2% of
18 total funding.

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

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

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

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

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

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

3 16-512.

4 (a) (1) The total State operating fund per full-time equivalent student
5 appropriated to Baltimore City Community College for each fiscal year as requested
6 by the Governor shall be:

7 (i) In [each of] fiscal [years 2003 and 2004] YEAR 2007, not less
8 than an amount equal to [60.9%] 66% of the State's General Fund appropriation per
9 full-time equivalent student to the 4-year public institutions of higher education in
10 the State as designated by the Commission for the purpose of administering the
11 Joseph A. Sellinger Program under Title 17 of this article in the previous fiscal year;

12 (ii) In fiscal year [2005] 2008, not less than an amount equal to
13 [63.4%] ~~67%~~ 66.5% of the State's General Fund appropriation per full-time equivalent
14 student to the 4-year public institutions of higher education in the State as
15 designated by the Commission for the purpose of administering the Joseph A.
16 Sellinger Program under Title 17 of this article in the previous fiscal year; [and]

17 (iii) In fiscal year [2006 and each fiscal year thereafter] 2009, not
18 less than an amount equal to [66%] ~~68%~~ 67.25% of the State's General Fund
19 appropriation per full-time equivalent student to the 4-year public institutions of
20 higher education in the State as designated by the Commission for the purpose of
21 administering the Joseph A. Sellinger Program under Title 17 of this article in the
22 previous fiscal year;

23 (IV) IN FISCAL YEAR 2010, NOT LESS THAN AN AMOUNT EQUAL TO
24 ~~69%~~ 68% OF THE STATE'S GENERAL FUND APPROPRIATION PER FULL-TIME
25 EQUIVALENT STUDENT TO THE 4-YEAR PUBLIC INSTITUTIONS OF HIGHER
26 EDUCATION IN THE STATE AS DESIGNATED BY THE COMMISSION FOR THE PURPOSE
27 OF ADMINISTERING THE JOSEPH A. SELLINGER PROGRAM UNDER TITLE 17 OF THIS
28 ARTICLE IN THE PREVIOUS FISCAL YEAR;

29 (V) IN FISCAL YEAR 2011, NOT LESS THAN AN AMOUNT EQUAL TO
30 ~~70%~~ 69% OF THE STATE'S GENERAL FUND APPROPRIATION PER FULL-TIME
31 EQUIVALENT STUDENT TO THE 4-YEAR PUBLIC INSTITUTIONS OF HIGHER
32 EDUCATION IN THE STATE AS DESIGNATED BY THE COMMISSION FOR THE PURPOSE
33 OF ADMINISTERING THE JOSEPH A. SELLINGER PROGRAM UNDER TITLE 17 OF THIS
34 ARTICLE IN THE PREVIOUS FISCAL YEAR; ~~AND~~

35 (VI) IN FISCAL YEAR 2012 ~~AND EACH FISCAL YEAR THEREAFTER,~~
36 NOT LESS THAN AN AMOUNT EQUAL TO ~~71%~~ 70% OF THE STATE'S GENERAL FUND
37 APPROPRIATION PER FULL-TIME EQUIVALENT STUDENT TO THE 4-YEAR PUBLIC
38 INSTITUTIONS OF HIGHER EDUCATION IN THE STATE AS DESIGNATED BY THE
39 COMMISSION FOR THE PURPOSE OF ADMINISTERING THE JOSEPH A. SELLINGER
40 PROGRAM UNDER TITLE 17 OF THIS ARTICLE IN THE PREVIOUS FISCAL YEAR; AND

1 (VII) IN FISCAL YEAR 2013 AND IN EACH FISCAL YEAR THEREAFTER,
2 NOT LESS THAN AN AMOUNT EQUAL TO 71% OF THE STATE'S GENERAL FUND
3 APPROPRIATION PER FULL-TIME EQUIVALENT STUDENT TO THE 4-YEAR PUBLIC
4 INSTITUTIONS OF HIGHER EDUCATION IN THE STATE AS DESIGNATED BY THE
5 COMMISSION FOR THE PURPOSE OF ADMINISTERING THE JOSEPH A. SELLINGER
6 PROGRAM UNDER TITLE 17 OF THIS ARTICLE IN THE PREVIOUS FISCAL YEAR.

7 (2) For purposes of this subsection, the State's General Fund
8 appropriation per full-time equivalent student to the 4-year public institutions of
9 higher education in the State for the previous fiscal year shall reflect any
10 amendments or reductions to the appropriation for the previous fiscal year.

11 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
12 July 1, 2006.