
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

Introduced and read first time: February 2, 2006

Assigned to: Ways and Means

A BILL ENTITLED

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
6 colleges.

7 BY repealing and reenacting, with amendments,
8 Article - Education
9 Section 16-305(c) and 16-512(a)
10 Annotated Code of Maryland
11 (2004 Replacement Volume and 2005 Supplement)

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

14 **Article - Education**

15 16-305.

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

1 1. In [each of] fiscal [years 2003 and 2004] YEAR 2007, not
2 less than an amount equal to [23.1%] 25% of the State's General Fund appropriation
3 per full-time equivalent student to the 4-year public institutions of higher education
4 in 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. In fiscal year [2005] 2008, not less than an amount equal
7 to [24%] 26% of the State's General Fund appropriation per full-time equivalent
8 student to the 4-year public institutions of higher education in the State as
9 designated by the Commission for the purpose of administering the Joseph A.
10 Sellinger Program under Title 17 of this article in the previous fiscal year; [and]

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

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

23 5. IN FISCAL YEAR 2011, NOT LESS THAN AN AMOUNT EQUAL
24 TO 29% 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; AND

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

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

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

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

- 1 (i) The fixed costs component;
- 2 (ii) The marginal costs component;
- 3 (iii) The size factor component; and
- 4 (iv) A hold harmless component.
- 5 (4) (i) The funds available for the fixed costs component shall be a set
6 percentage of the year's total State operating fund as follows:
- 7 1. For fiscal year 1998, 36% of total funding;
- 8 2. For fiscal year 1999, 37% of total funding; and
- 9 3. For fiscal year 2000 and each fiscal year thereafter, 38% of
10 total funding.
- 11 (ii) The funds available for the fixed costs component shall be
12 divided and distributed to the community colleges in the same proportion in which
13 the direct grants were distributed in the prior fiscal year.
- 14 (5) (i) For each board, the marginal costs component shall be the
15 product of the dollar amount per full-time equivalent student multiplied by the
16 number of full-time equivalent students at the board's community college or colleges.
- 17 (ii) The dollar amount per full-time equivalent student shall be
18 calculated by dividing 60% of the total State operating fund for the fiscal year by the
19 total number of full-time equivalent students at community colleges statewide.
- 20 (iii) In determining the marginal costs component for a board, the
21 number of full-time equivalent students at all campuses and colleges operated by the
22 board shall be added together.
- 23 (6) (i) The size factor component shall be a set percentage of the year's
24 total State operating fund as follows:
- 25 1. For fiscal year 1998, 4% of total funding;
- 26 2. For fiscal year 1999, 3% of total funding; and
- 27 3. For fiscal year 2000 and each fiscal year thereafter, 2% of
28 total funding.
- 29 (ii) The funds available for the size factor component shall be
30 divided and distributed equally to each board that operates a community college or
31 colleges at which the total number of full-time equivalent students is less than or
32 equal to 80% of the statewide median.

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

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

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

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

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

17 16-512.

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

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

26 (ii) In fiscal year [2005] 2008, not less than an amount equal to
27 [63.4%] 67% of the State's General Fund appropriation per full-time equivalent
28 student to the 4-year public institutions of higher education in the State as
29 designated by the Commission for the purpose of administering the Joseph A.
30 Sellinger Program under Title 17 of this article in the previous fiscal year; [and]

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

36 (IV) IN FISCAL YEAR 2010, NOT LESS THAN AN AMOUNT EQUAL TO
37 69% OF THE STATE'S GENERAL FUND APPROPRIATION PER FULL-TIME EQUIVALENT
38 STUDENT TO THE 4-YEAR PUBLIC INSTITUTIONS OF HIGHER EDUCATION IN THE
39 STATE AS DESIGNATED BY THE COMMISSION FOR THE PURPOSE OF ADMINISTERING

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

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

9 (VI) IN FISCAL YEAR 2012 AND EACH FISCAL YEAR THEREAFTER,
10 NOT LESS THAN AN AMOUNT EQUAL TO 71% OF THE STATE'S GENERAL FUND
11 APPROPRIATION PER FULL-TIME EQUIVALENT STUDENT TO THE 4-YEAR PUBLIC
12 INSTITUTIONS OF HIGHER EDUCATION IN THE STATE AS DESIGNATED BY THE
13 COMMISSION FOR THE PURPOSE OF ADMINISTERING THE JOSEPH A. SELLINGER
14 PROGRAM UNDER TITLE 17 OF THIS ARTICLE IN THE PREVIOUS FISCAL YEAR.

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

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