

(PRE-FILED)

By: ~~Senator Currie~~ Senators Currie, Ruben, Hogan, DeGrange, Jones, Kramer, Lawlah, McFadden, Frosh, Middleton, Forehand, Astle, Britt, Conway, Della, Dyson, Exum, Garagiola, Giannetti, Green, Grosfeld, Hughes, Jimeno, Pinsky, and Teitelbaum

Requested: October 24, 2005  
Introduced and read first time: January 11, 2006  
Assigned to: Budget and Taxation

Committee Report: Favorable with amendments  
Senate action: Adopted  
Read second time: March 23, 2006

CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Education - Geographic Cost of Education Index - Funding**

3 FOR the purpose of requiring the State to provide certain grants to certain county  
4 boards of education to reflect regional differences in the cost of education that  
5 are due to factors outside the control of local jurisdictions; providing for the  
6 manner of calculation and distribution of certain grants in certain fiscal years;  
7 requiring the State Department of Education to update a certain geographic cost  
8 of education index (GCEI) at certain times; requiring the Department to submit  
9 a certain proposed GCEI adjustment to the Governor and General Assembly and  
10 to recommend certain legislation at certain times; and generally relating to the  
11 funding of a geographic cost of education index in the Bridge to Excellence in  
12 Public Schools Act.

13 BY repealing and reenacting, with amendments,  
14 Article - Education  
15 Section 5-202(f)  
16 Annotated Code of Maryland  
17 (2004 Replacement Volume and 2005 Supplement)

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

1

**Article - Education**

2 5-202.

3 (f) (1) In this subsection, "GCEI adjustment" means the foundation  
4 program for each county multiplied by:

- 5 (i) 0.000 in Allegany;
- 6 (ii) 0.018 in Anne Arundel;
- 7 (iii) 0.042 in Baltimore City;
- 8 (iv) 0.008 in Baltimore;
- 9 (v) 0.021 in Calvert;
- 10 (vi) 0.000 in Caroline;
- 11 (vii) 0.014 in Carroll;
- 12 (viii) 0.000 in Cecil;
- 13 (ix) 0.020 in Charles;
- 14 (x) 0.000 in Dorchester;
- 15 (xi) 0.024 in Frederick;
- 16 (xii) 0.000 in Garrett;
- 17 (xiii) 0.000 in Harford;
- 18 (xiv) 0.015 in Howard;
- 19 (xv) 0.010 in Kent;
- 20 (xvi) 0.034 in Montgomery;
- 21 (xvii) 0.048 in Prince George's;
- 22 (xviii) 0.011 in Queen Anne's;
- 23 (xix) 0.002 in St. Mary's;
- 24 (xx) 0.000 in Somerset;
- 25 (xxi) 0.000 in Talbot;
- 26 (xxii) 0.000 in Washington;
- 27 (xxiii) 0.000 in Wicomico; and

1 (xxiv) 0.000 in Worcester.

2 (2) [To the extent funds are provided in the State budget for the grants  
3 under this subsection,] EACH YEAR, in addition to the State share of the foundation  
4 program, each county board WITH A GCEI ADJUSTMENT GREATER THAN 0.000 [may]  
5 SHALL receive a grant to reflect regional differences in the cost of education that are  
6 due to factors outside of the control of the local jurisdiction.

7 (3) [Subject to paragraph (4) of this subsection, the] THE amount of the  
8 grant to each county board under this subsection shall equal the GCEI adjustment for  
9 the county board multiplied times:

10 (i) 0.50 in fiscal year [2006] ~~2008~~ 2009;

11 (ii) 0.62 in fiscal year [2007] ~~2009~~ 2010;

12 (iii) 0.74 in fiscal year [2008] ~~2010~~ 2011;

13 (iv) 0.86 in fiscal year [2009] ~~2011~~ 2012; and

14 (v) 1.00 in fiscal year [2010] ~~2012~~ 2013 and each fiscal year  
15 thereafter.

16 [(4) For any fiscal year, if sufficient funds are not provided in the State  
17 budget to fully fund the grants provided under this subsection, the grant to each  
18 county board under this subsection shall equal the amount determined under  
19 paragraph (3) of this subsection multiplied by a fraction:

20 (i) The numerator of which is the amount provided in the State  
21 budget to fund the grants; and

22 (ii) The denominator of which is the sum of the amounts calculated  
23 under paragraph (3) of this subsection for all the county boards.]

24 (4) (I) BY SEPTEMBER 1, 2009, AND EVERY 3 YEARS THEREAFTER, THE  
25 DEPARTMENT SHALL UPDATE THE GCEI ADJUSTMENT USING:

26 1. THE MOST CURRENT DATA AVAILABLE; AND

27 2. THE SAME METHODOLOGY SET FORTH IN THE REPORT  
28 ENTITLED "ADJUSTING FOR GEOGRAPHIC DIFFERENCES IN THE COST OF  
29 EDUCATIONAL PROVISION IN MARYLAND (DECEMBER 31, 2003)".

30 (II) 1. THE DEPARTMENT SHALL SUBMIT THE PROPOSED  
31 UPDATED GCEI ADJUSTMENT TO THE GOVERNOR AND GENERAL ASSEMBLY BY  
32 SEPTEMBER 1 OF THE YEAR IN WHICH IT IS UPDATED.

33 2. THE DEPARTMENT SHALL RECOMMEND LEGISLATION IN  
34 THE FIRST LEGISLATIVE SESSION FOLLOWING SUBMISSION OF THE UPDATED GCEI  
35 ADJUSTMENT THAT:

1                                   A.       CODIFIES THE UPDATED GCEI ADJUSTMENT; AND

2                                   B.       REQUIRES THAT THE GCEI ADJUSTMENT BE USED TO  
3 ADJUST STATE AID IN THE FISCAL YEAR THAT BEGINS ON JULY 1 OF THAT YEAR.

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