

**ENROLLED BILL**

-- Budget and Taxation/Ways and Means --

Introduced by **Senators Hogan, Astle, Brinkley, Britt, Brochin, Colburn, Conway, Currie, DeGrange, Della, Dyson, Exum, Forehand, Frosh, Garagiola, Giannetti, Gladden, Green, Greenip, Grosfeld, Hafer, Haines, Harris, Hollinger, Hooper, Hughes, Jacobs, Jimeno, Jones, Kasemeyer, Kelley, Kittleman, Klausmeier, Kramer, Lawlah, McFadden, Middleton, Miller, Mooney, Munson, Pinsky, Pipkin, Ruben, Schrader, Stoltzfus, Stone, and Teitelbaum**

Read and Examined by Proofreaders:

\_\_\_\_\_  
Proofreader.

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Proofreader.

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

\_\_\_\_\_  
President.

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  
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

1 (2004 Replacement Volume and 2005 Supplement)

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

4 **Article - Education**

5 16-305.

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

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

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

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

24 4. IN FISCAL YEAR 2010, NOT LESS THAN AN AMOUNT EQUAL  
25 TO ~~28%~~ 26.5% 27% OF THE STATE'S GENERAL FUND APPROPRIATION PER FULL-TIME  
26 EQUIVALENT STUDENT TO THE 4-YEAR PUBLIC INSTITUTIONS OF HIGHER  
27 EDUCATION IN THE STATE AS DESIGNATED BY THE COMMISSION FOR THE PURPOSE  
28 OF ADMINISTERING THE JOSEPH A. SELLINGER PROGRAM UNDER TITLE 17 OF THIS  
29 ARTICLE IN THE PREVIOUS FISCAL YEAR;

30 5. IN FISCAL YEAR 2011, NOT LESS THAN AN AMOUNT EQUAL  
31 TO ~~29%~~ 27% 28% OF THE STATE'S GENERAL FUND APPROPRIATION PER FULL-TIME  
32 EQUIVALENT STUDENT TO THE 4-YEAR PUBLIC INSTITUTIONS OF HIGHER  
33 EDUCATION IN THE STATE AS DESIGNATED BY THE COMMISSION FOR THE PURPOSE  
34 OF ADMINISTERING THE JOSEPH A. SELLINGER PROGRAM UNDER TITLE 17 OF THIS  
35 ARTICLE IN THE PREVIOUS FISCAL YEAR; ~~AND~~

36 6. IN FISCAL YEAR 2012 ~~AND IN EACH FISCAL YEAR~~  
37 ~~THEREAFTER~~, NOT LESS THAN AN AMOUNT EQUAL TO ~~30%~~ 27.5% 29% OF THE STATE'S  
38 GENERAL FUND APPROPRIATION PER FULL-TIME EQUIVALENT STUDENT TO THE  
39 4-YEAR PUBLIC INSTITUTIONS OF HIGHER EDUCATION IN THE STATE AS  
40 DESIGNATED BY THE COMMISSION FOR THE PURPOSE OF ADMINISTERING THE

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

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

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

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

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

18 (i) The fixed costs component;

19 (ii) The marginal costs component;

20 (iii) The size factor component; and

21 (iv) A hold harmless component.

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

24 1. For fiscal year 1998, 36% of total funding;

25 2. For fiscal year 1999, 37% of total funding; and

26 3. For fiscal year 2000 and each fiscal year thereafter, 38% of  
27 total funding.

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

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

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

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

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

- 6 1. For fiscal year 1998, 4% of total funding;
- 7 2. For fiscal year 1999, 3% of total funding; and
- 8 3. For fiscal year 2000 and each fiscal year thereafter, 2% of  
9 total funding.

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

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

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

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

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

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

30 16-512.

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

34 (i) In [each of] fiscal [years 2003 and 2004] YEAR 2007, not less  
35 than an amount equal to [60.9%] 66% of the State's General Fund appropriation per  
36 full-time equivalent student to the 4-year public institutions of higher education in

1 the State as designated by the Commission for the purpose of administering the  
2 Joseph A. Sellinger Program under Title 17 of this article in the previous fiscal year;

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

8 (iii) In fiscal year [2006 and each fiscal year thereafter] 2009, not  
9 less than an amount equal to [66%] ~~68%~~ ~~67%~~ 67.25% of the State's General Fund  
10 appropriation per full-time equivalent student to the 4-year public institutions of  
11 higher education in the State as designated by the Commission for the purpose of  
12 administering the Joseph A. Sellinger Program under Title 17 of this article in the  
13 previous fiscal year;

14 (IV) IN FISCAL YEAR 2010, NOT LESS THAN AN AMOUNT EQUAL TO  
15 ~~69%~~ ~~67.5%~~ 68% OF THE STATE'S GENERAL FUND APPROPRIATION PER FULL-TIME  
16 EQUIVALENT STUDENT TO THE 4-YEAR PUBLIC INSTITUTIONS OF HIGHER  
17 EDUCATION IN THE STATE AS DESIGNATED BY THE COMMISSION FOR THE PURPOSE  
18 OF ADMINISTERING THE JOSEPH A. SELLINGER PROGRAM UNDER TITLE 17 OF THIS  
19 ARTICLE IN THE PREVIOUS FISCAL YEAR;

20 (V) IN FISCAL YEAR 2011, NOT LESS THAN AN AMOUNT EQUAL TO  
21 ~~70%~~ ~~68%~~ 69% OF THE STATE'S GENERAL FUND APPROPRIATION PER FULL-TIME  
22 EQUIVALENT STUDENT TO THE 4-YEAR PUBLIC INSTITUTIONS OF HIGHER  
23 EDUCATION IN THE STATE AS DESIGNATED BY THE COMMISSION FOR THE PURPOSE  
24 OF ADMINISTERING THE JOSEPH A. SELLINGER PROGRAM UNDER TITLE 17 OF THIS  
25 ARTICLE IN THE PREVIOUS FISCAL YEAR; ~~AND~~

26 (VI) IN FISCAL YEAR 2012 ~~AND EACH FISCAL YEAR THEREAFTER,~~  
27 NOT LESS THAN AN AMOUNT EQUAL TO ~~71%~~ ~~68.5%~~ 70% OF THE STATE'S GENERAL  
28 FUND APPROPRIATION PER FULL-TIME EQUIVALENT STUDENT TO THE 4-YEAR  
29 PUBLIC INSTITUTIONS OF HIGHER EDUCATION IN THE STATE AS DESIGNATED BY  
30 THE COMMISSION FOR THE PURPOSE OF ADMINISTERING THE JOSEPH A. SELLINGER  
31 PROGRAM UNDER TITLE 17 OF THIS ARTICLE IN THE PREVIOUS FISCAL YEAR; AND

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

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

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