

# SENATE BILL 480

B1, F5, J1

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By: **Senator Pipkin**

Introduced and read first time: February 4, 2009

Assigned to: Budget and Taxation

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## A BILL ENTITLED

1 AN ACT concerning

2 **Operating Budget – Elimination of Inflation Adjustments**

3 FOR the purpose of repealing the inflation calculation for the target per pupil  
4 foundation amount for the calculation of education aid; repealing the inflation  
5 calculation for transportation aid for local school systems; modifying the  
6 calculation for the Aging School Program; repealing the inflation calculation for  
7 the funding grant to St. Mary's College of Maryland; repealing the inflation  
8 calculation for State funding for the local health services; repealing the inflation  
9 calculation for the Child Abuse Medical Providers Initiative; repealing the  
10 inflation calculation for the Maryland State Arts Council; and generally relating  
11 to automatic inflation adjustments for State aid.

12 BY repealing and reenacting, with amendments,  
13 Article – Education  
14 Section 5–202(a)(13), 5–205(c), 5–206(f), and 14–405(b)(2)  
15 Annotated Code of Maryland  
16 (2008 Replacement Volume)

17 BY repealing and reenacting, without amendments,  
18 Article – Education  
19 Section 5–207(a)(4), 5–208(a)(6), 5–209(a)(7), 8–310.3(a)(4) and (b), and  
20 8–317(a)(4), (b), and (c)  
21 Annotated Code of Maryland  
22 (2008 Replacement Volume)

23 BY repealing and reenacting, with amendments,  
24 Article – Health – General  
25 Section 2–301, 2–302, and 13–2206(b)  
26 Annotated Code of Maryland  
27 (2005 Replacement Volume and 2008 Supplement)

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 BY repealing and reenacting, without amendments,  
2 Article – Health – General  
3 Section 13–2206(a)  
4 Annotated Code of Maryland  
5 (2005 Replacement Volume and 2008 Supplement)

6 BY repealing and reenacting, with amendments,  
7 Article – State Finance and Procurement  
8 Section 7–325(a)  
9 Annotated Code of Maryland  
10 (2006 Replacement Volume and 2008 Supplement)

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

13 **Article – Education**

14 5–202.

15 (a) (13) “Target per pupil foundation amount” means[:

16 (i) In fiscal years 2008, 2009, and 2010,] \$6,694[; and

17 (ii) In subsequent fiscal years:

18 1. The target per pupil foundation amount for the prior  
19 fiscal year increased by the same percentage as the lesser of:

20 A. The increase in the implicit price deflator for State  
21 and local government expenditures for the second prior fiscal year;

22 B. The Consumer Price Index for all urban consumers for  
23 the Washington–Baltimore metropolitan area, or any successor index, for the second  
24 previous fiscal year; or

25 C. 5%; or

26 2. If there is no increase in the implicit price deflator for  
27 State and local government expenditures for the second prior fiscal year or in the  
28 Consumer Price Index for all urban consumers for the Washington–Baltimore  
29 metropolitan area, or any successor index, for the second previous fiscal year, the  
30 target per pupil foundation amount for the prior fiscal year].

31 5–205.

32 (c) (1) In this subsection, “full–time equivalent enrollment” has the  
33 meaning stated in § 5–202 of this subtitle.

1           (2)   [Subject to the limitations under paragraph (3) of this subsection,  
 2 for] **FOR** fiscal year [2004] **2010** and every year thereafter the amount of a county’s  
 3 base grant for student transportation shall be equal to the amount of the county’s base  
 4 grant for student transportation for the previous year [increased by the same  
 5 percentage as the increase in the private transportation category of the Consumer  
 6 Price Index for all urban consumers, for the Washington–Baltimore metropolitan area,  
 7 as of July of the fiscal year preceding the year for which the amount is being  
 8 calculated,] plus an additional amount equal to the product of:

9                   (i)   The total amount of funds distributed by the State as base  
 10 grants for student transportation for the previous fiscal year divided by the statewide  
 11 full–time equivalent enrollment for the previous fiscal year; and

12                   (ii)   The difference between the full–time equivalent enrollment  
 13 in a county for the current fiscal year and the full–time equivalent enrollment in the  
 14 county for the previous fiscal year, or, if the full–time equivalent enrollment in a  
 15 county for the current fiscal year is less than the full–time equivalent enrollment in  
 16 the county for the previous fiscal year, zero.

17                   [(3)   The increase in the amount of a base grant for student  
 18 transportation that is based on the increase in the private transportation category of  
 19 the Consumer Price Index may not be less than 3 percent nor more than 8 percent of  
 20 the amount of the grant for the previous year.]

21   5–206.

22           (f)   (1)   In fiscal year 2006 and in each fiscal year thereafter, the State  
 23 shall distribute grants to county boards under the Aging Schools Program  
 24 administered by the Interagency Committee on School Construction in amounts equal  
 25 to the funding level calculated under paragraph (2) of this subsection.

26                   (2)   The funding level for a county is:

27                   (i)   In fiscal year 2007, the following amounts for the following  
 28 counties:

- 29                   1.   Allegany County..... \$166,000;
- 30                   2.   Anne Arundel County ..... \$859,000;
- 31                   3.   Baltimore City .....\$2,356,000;
- 32                   4.   Baltimore County .....\$1,484,000;
- 33                   5.   Calvert County ..... \$65,000;

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- 1    6.     Caroline County ..... \$85,000;
- 2    7.     Carroll County..... \$233,000;
- 3    8.     Cecil County ..... \$163,000;
- 4    9.     Charles County..... \$85,000;
- 5    10.    Dorchester County ..... \$65,000;
- 6    11.    Frederick County ..... \$310,000;
- 7    12.    Garrett County ..... \$65,000;
- 8    13.    Harford County ..... \$369,000;
- 9    14.    Howard County ..... \$149,000;
- 10                                         15.    Kent County ..... \$65,000;
- 11                                         16.    Montgomery County.....\$1,023,000;
- 12                                         17.    Prince George’s County.....\$2,053,000;
- 13                                         18.    Queen Anne’s County..... \$85,000;
- 14                                         19.    St. Mary’s County..... \$85,000;
- 15                                         20.    Somerset County ..... \$65,000;
- 16                                         21.    Talbot County..... \$65,000;
- 17                                         22.    Washington County..... \$229,000;
- 18                                         23.    Wicomico County..... \$181,000; and
- 19                                         24.    Worcester County..... \$65,000; [and]

20    (ii)    Except as provided in paragraph (3) of this subsection, in  
 21 fiscal [year] **YEARS** 2008 and [in each fiscal year thereafter] **2009**, the funding level  
 22 for the county for the prior fiscal year increased by the product of the funding level for  
 23 the county for the prior fiscal year and the percentage change in the Consumer Price  
 24 Index – All Urban Consumers – All Items, as published by the Bureau of Labor  
 25 Statistics of the United States Department of Labor, for the second prior fiscal year;  
 26 **AND**

1                                   **(III) BEGINNING IN FISCAL YEAR 2010 AND IN EACH FISCAL**  
2 **YEAR THEREAFTER, THE FUNDING LEVEL FOR THE COUNTY FOR THE PRIOR**  
3 **FISCAL YEAR.**

4                   (3) If the funding level calculated under paragraph (2)(ii) of this  
5 subsection is less than the funding level for the prior fiscal year, the funding level for  
6 the county shall be the funding level for the prior fiscal year.

7 5-207.

8           (a) (4) “Compensatory education per pupil amount” means 97% of the  
9 annual per pupil foundation amount calculated under § 5-202 of this subtitle  
10 multiplied by the State share of compensatory education funding.

11 5-208.

12           (a) (6) “LEP per pupil amount” means 99% of the annual per pupil  
13 foundation amount calculated under § 5-202 of this subtitle multiplied by the State  
14 share of LEP funding.

15 5-209.

16           (a) (7) “Special education per pupil amount” means 74% of the annual per  
17 pupil foundation amount calculated under § 5-202 of this subtitle multiplied by the  
18 State share of special education funding.

19 8-310.3.

20           (a) (4) “Per pupil basic current expense figure” means the figure  
21 calculated for each fiscal year by the Department in accordance with § 5-202 of this  
22 article.

23           (b) (1) Except as provided in paragraph (2) of this subsection, the  
24 Maryland School for the Deaf shall receive an appropriation equal to or greater than  
25 the sum of:

26                                   (i) 75% of the prior year appropriation multiplied by the  
27 product of:

28   1. The sum of the weighted enrollment growth plus one;  
29 and

30   2. The sum of the growth in the per pupil basic current  
31 expense figure plus one; and

32                                   (ii) 25% of the prior year appropriation multiplied by the sum of  
33 the weighted enrollment growth plus one.

1           (2) The minimum appropriation required under paragraph (1) of this  
2 subsection may be reduced to the extent reductions are made to the administrative  
3 expenses of the Maryland School for the Deaf.

4 8–317.

5           (a) (4) “Per pupil basic current expense figure” means the figure  
6 calculated for each fiscal year by the Department in accordance with § 5–202 of this  
7 article.

8           (b) (1) Except as provided in paragraph (2) of this subsection and  
9 subsection (c) of this section, the Maryland School for the Blind shall receive an  
10 appropriation equal to or greater than the sum of:

11                   (i) 75% of the prior year appropriation multiplied by the  
12 product of:

13                           1. The sum of the weighted enrollment growth plus one;  
14 and

15                           2. The sum of the growth in the per pupil basic current  
16 expense figure plus one; and

17                   (ii) 25% of the prior year appropriation multiplied by the sum of  
18 the weighted enrollment growth plus one.

19           (2) The minimum appropriation required under paragraph (1) of this  
20 subsection may be reduced to the extent reductions are made to the administrative  
21 expenses of the Maryland School for the Blind.

22           (c) The “prior year appropriation” used to calculate the fiscal year 2000  
23 appropriation to the Maryland School for the Blind shall be \$11,585,436.

24 14–405.

25           (b) (2) (i) For fiscal year 1993, the grant shall be as provided for in the  
26 State fiscal year 1993 appropriation.

27                           [(ii) For fiscal year 1994 and each year thereafter, the proposed  
28 grant shall be equal to the grant of the prior year augmented by funds required to  
29 offset inflation as indicated by the implicit price deflator for State and local  
30 government.]

31                           **(II) IN EACH FISCAL YEAR BEGINNING WITH FISCAL YEAR**  
32 **2010, THE PROPOSED GRANT SHALL BE EQUAL TO THE GRANT OF THE PRIOR**  
33 **YEAR.**

1 **Article – Health – General**

2 2–301.

3 The Governor shall include in the State budget, beginning with fiscal year 1997,  
4 [at a minimum, sufficient] funds for local health services as required by this subtitle.

5 2–302.

6 (a) The funding required in the State budget for local health services,  
7 exclusive of special fund and federal appropriations, shall be at least the amount set  
8 forth in subsection (b) of this section.

9 (b) The funding shall be:

10 (1) \$41.0 million for fiscal year 1997; and

11 (2) For fiscal year 1998 and each subsequent fiscal year, the amount of  
12 funding for fiscal year 1997 adjusted for[:

13 (i) Inflation, as measured by the Consumer Price Index — all  
14 urban consumers for the second preceding fiscal year, calculated by the U.S.  
15 Department of Commerce; and

16 (ii) Population] **POPULATION** growth, as measured by the  
17 growth in the total population of the State of Maryland for the second preceding fiscal  
18 year, according to the most recent statistics available through the Department of  
19 Health and Mental Hygiene.

20 (c) (1) For fiscal year 1997, no subdivision may receive less State funding  
21 for local health services under this section than that subdivision received in fiscal year  
22 1996.

23 (2) For fiscal year 1998 and each subsequent fiscal year, no  
24 subdivision may receive less State funding for local health services under this section  
25 than that subdivision received in fiscal year 1997.

26 (3) The Secretary shall, in consultation with local health department  
27 directors, adopt regulations to guide the distribution of the funding required under  
28 this section. The regulations shall give consideration to appropriate measures of  
29 community health need, local funding effort, and other relevant factors.

30 13–2206.

1 (a) In fiscal year 2007, the Governor shall include in the State budget an  
2 appropriation in the amount of \$225,000 for the Child Abuse Medical Providers  
3 (Maryland CHAMP) Initiative.

4 (b) In each fiscal year beginning with fiscal [2008] **2010**, the Governor shall  
5 include in the annual budget bill submitted to the General Assembly a General Fund  
6 appropriation for the Child Abuse Medical Providers (Maryland CHAMP) Initiative in  
7 an amount not less than the amount of the General Fund appropriation for the  
8 Initiative as approved in the State budget as enacted by the General Assembly for the  
9 prior fiscal year[, increased by not less than the percentage by which the projected  
10 total General Fund revenues for the upcoming fiscal year exceed the revised estimate  
11 of total General Fund revenues for the current fiscal year, as contained in the report of  
12 the estimated State revenues submitted by the Board of Revenue Estimates to the  
13 Governor under § 6–106(b) of the State Finance and Procurement Article].

14 **Article – State Finance and Procurement**

15 7–325.

16 (a) For each fiscal year, the Governor shall include in the annual budget bill  
17 submitted to the General Assembly a General Fund appropriation for the Maryland  
18 State Arts Council in an amount not less than the amount of the General Fund  
19 appropriation for the Council as approved in the State budget as enacted by the  
20 General Assembly for the prior fiscal year[, increased by not less than the percentage  
21 by which the projected total General Fund revenues for the upcoming fiscal year  
22 exceed the revised estimate of total General Fund revenues for the current fiscal year,  
23 as contained in the report of estimated State revenues submitted by the Board of  
24 Revenue Estimates to the Governor under § 6–106(b) of this article].

25 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
26 July 1, 2009.