

SENATE BILL 403

F1, F3

0lr1071

By: **Senators Pinsky, Exum, Harrington, Lenett, Madaleno, and Raskin**

Introduced and read first time: January 29, 2010

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Education – Maintenance of Effort – Penalty**

3 FOR the purpose of altering the penalty provisions for a county governing body that
4 fails to meet the maintenance of effort requirement for primary and secondary
5 education; and generally relating to the maintenance of effort requirement for
6 primary and secondary education.

7 BY repealing and reenacting, with amendments,
8 Article – Education
9 Section 5–213
10 Annotated Code of Maryland
11 (2008 Replacement Volume and 2009 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 5–213.

16 (a) After notification from the State Superintendent that a county is not
17 complying with the provisions of the State program of public education, the State
18 Comptroller shall withhold any installment due the county from the General State
19 School Fund.

20 (b) (1) If the Superintendent finds that a county [is not complying with
21 the maintenance of local effort provisions of § 5–202 of this subtitle or that a county]
22 fails to meet the requirements of Subtitle 4 of this title, the Superintendent shall
23 notify the county of such noncompliance.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (2) If a county disputes the finding within 30 days of the issuance of
2 such notice, the dispute shall be promptly referred to the State Board of Education
3 which shall make a final determination.

4 (3) Upon receipt of certification of noncompliance by the
5 Superintendent or the State Board, as the case may be, the Comptroller shall suspend,
6 until notification of compliance is received, payment of any funds due the county for
7 the current fiscal year, as provided under § 5-202 of this subtitle which are
8 appropriated in the General State School Fund, to the extent that the State's aid due
9 the county in the current fiscal year under that section in the Fund exceeds the
10 amount which the county received in the prior fiscal year.

11 **(C) (1) IF THE SUPERINTENDENT FINDS THAT A COUNTY GOVERNING**
12 **BODY IS NOT COMPLYING WITH THE MAINTENANCE OF LOCAL EFFORT**
13 **PROVISIONS OF § 5-202 OF THIS SUBTITLE, THE SUPERINTENDENT SHALL**
14 **NOTIFY THE COUNTY GOVERNING BODY AND THE COUNTY BOARD OF THE**
15 **NONCOMPLIANCE.**

16 **(2) IF A COUNTY GOVERNING BODY DISPUTES THE FINDING**
17 **WITHIN 30 DAYS AFTER THE ISSUANCE OF A NOTICE UNDER PARAGRAPH (1) OF**
18 **THIS SUBSECTION, THE DISPUTE SHALL BE PROMPTLY REFERRED TO THE**
19 **STATE BOARD OF EDUCATION, WHICH SHALL MAKE A FINAL DETERMINATION.**

20 **(3) (I) UPON RECEIPT OF CERTIFICATION OF**
21 **NONCOMPLIANCE BY THE SUPERINTENDENT OR THE STATE BOARD, AS THE**
22 **CASE MAY BE, AND SUBJECT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH, THE**
23 **COMPTROLLER SHALL SUSPEND, UNTIL NOTIFICATION OF COMPLIANCE IS**
24 **RECEIVED, PAYMENT OF ANY STATE FUNDS DUE THE COUNTY GOVERNING BODY**
25 **FOR THE CURRENT FISCAL YEAR IN AN AMOUNT EQUIVALENT TO THE STATE'S**
26 **AID DUE THE COUNTY BOARD UNDER § 5-202 OF THIS SUBTITLE WHICH ARE**
27 **APPROPRIATED IN THE GENERAL STATE SCHOOL FUND THAT EXCEEDS THE**
28 **AMOUNT WHICH THE COUNTY BOARD RECEIVED IN THE PRIOR FISCAL YEAR.**

29 **(II) THE COMPTROLLER AND THE COUNTY GOVERNING**
30 **BODY MAY NOT SUSPEND PAYMENT OF ANY FUNDS DUE THE COUNTY BOARD AS**
31 **PROVIDED UNDER § 5-202 OF THIS SUBTITLE AS A RESULT OF THE COUNTY**
32 **GOVERNING BODY NOT MEETING THE MAINTENANCE OF LOCAL EFFORT**
33 **REQUIREMENTS UNDER THAT SECTION.**

34 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
35 July 1, 2010.