

# HOUSE BILL 684

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CF SB 1024

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By: **Delegates Krebs, Anderson, Beitzel, Ciliberti, Conaway, Glenn, Hayes, Jacobs, Kittleman, Lierman, McCray, McIntosh, Oaks, Rose, Rosenberg, and ~~Shoemaker~~ Shoemaker, and M. Washington**

Introduced and read first time: February 1, 2017  
Assigned to: Appropriations

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Committee Report: Favorable with amendments  
House action: Adopted with floor amendments  
Read second time: March 11, 2017

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Education – ~~Grant~~ State Grants for Declining Education Aid**

3 FOR the purpose of establishing the criteria for a county board of education to be eligible  
4 to receive ~~a certain State grant in a certain fiscal year; specifying the calculation of~~  
5 ~~a certain amount in a certain year for a certain purpose~~ certain State grants in  
6 certain fiscal years; specifying the calculation of certain amounts in certain fiscal  
7 years for certain State grants; requiring certain State grants to be distributed at the  
8 same time as certain other State funding; stating the intent of the General Assembly;  
9 requiring certain State grants in a certain fiscal year to include a certain amount  
10 under a certain circumstance; making certain grants to Baltimore City Public  
11 Schools subject to Baltimore City providing certain local contributions in certain  
12 fiscal years; requiring a certain calculation to include a certain amount in a certain  
13 fiscal year; prohibiting a certain amount from being included in a certain calculation  
14 in a certain fiscal year; defining certain terms; and generally relating to State  
15 education aid.

16 BY repealing and reenacting, with amendments,  
17 Article – Education  
18 Section 5–202(i)  
19 Annotated Code of Maryland  
20 (2014 Replacement Volume and 2016 Supplement)

21 BY adding to

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 Article – Education  
2 Section 5–218  
3 Annotated Code of Maryland  
4 (2014 Replacement Volume and 2016 Supplement)

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

7 **Article – Education**

8 5–202.

9 (i) (1) In this subsection, “total direct education aid” means the total financial  
10 assistance provided by the State to a county board under the following programs:

11 (i) Funding for the foundation program including funds for the  
12 Geographic Cost of Education under this section;

13 (ii) Transportation aid under § 5–205 of this subtitle;

14 (iii) Funding for compensatory education under § 5–207 of this  
15 subtitle;

16 (iv) Funding for students with limited English proficiency under §  
17 5–208 of this subtitle;

18 (v) Funding for special education students under § 5–209 of this  
19 subtitle;

20 (vi) Funding for the guaranteed tax base program under § 5–210 of  
21 this subtitle; and

22 (vii) Funding for grants provided under this subsection.

23 (2) For fiscal year 2012 only, if a county board’s total direct education aid  
24 in the current fiscal year is less than the prior fiscal year by more than 6.5%, then the State  
25 shall provide a grant to the county board in an amount necessary to ensure that a decrease  
26 in total direct education aid is not more than 6.5%.

27 (3) For fiscal year 2013 only, if a county board’s total direct education aid  
28 in the current fiscal year is less than the prior fiscal year by more than 5%, then the State  
29 shall provide a grant to the county board in an amount necessary to ensure that a decrease  
30 in total direct education aid is not more than 5%.

31 (4) For fiscal year 2014 only, if a county board’s total direct education aid  
32 in the current fiscal year is less than the prior fiscal year by more than 1%, then the State

1 shall provide a grant to the county board equal to 25% of the decrease in total direct  
2 education aid from the prior fiscal year to the current fiscal year.

3 (5) (i) For fiscal years 2015 through 2017, a county board is eligible for  
4 a State grant under this paragraph if a county board's:

5 1. Full-time equivalent enrollment is less than 5,000;

6 2. Full-time equivalent enrollment in the current fiscal year  
7 is less than the prior fiscal year; and

8 3. Total direct education aid in the current fiscal year is less  
9 than the prior fiscal year by more than 1%.

10 (ii) The State shall provide a grant to a county board that is eligible  
11 under subparagraph (i) of this paragraph.

12 (iii) The grant shall be equal to 50% of the decrease in total direct  
13 education aid from the prior fiscal year to the current fiscal year.

14 ~~(6) (i) FOR FISCAL YEAR 2018, A COUNTY BOARD IS ELIGIBLE FOR~~  
15 ~~A STATE GRANT UNDER THIS PARAGRAPH IF A COUNTY BOARD'S:~~

16 ~~1. FULL-TIME EQUIVALENT ENROLLMENT IN THE~~  
17 ~~CURRENT FISCAL YEAR IS LESS THAN THE PRIOR FISCAL YEAR; AND~~

18 ~~2. TOTAL DIRECT EDUCATION AID IN THE CURRENT~~  
19 ~~FISCAL YEAR IS LESS THAN THE PRIOR FISCAL YEAR BY MORE THAN 1%.~~

20 ~~(ii) THE STATE SHALL PROVIDE A GRANT TO A COUNTY BOARD~~  
21 ~~THAT IS ELIGIBLE UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH.~~

22 ~~(iii) THE GRANT SHALL BE EQUAL TO 50% OF THE DECREASE IN~~  
23 ~~TOTAL DIRECT EDUCATION AID FROM THE PRIOR FISCAL YEAR TO THE CURRENT~~  
24 ~~FISCAL YEAR.~~

25 ~~SECTION 2. AND BE IT FURTHER ENACTED, That the following amounts shall~~  
26 ~~be included in the fiscal year 2017 total direct education aid calculation under § 5-202(i) of~~  
27 ~~the Education Article to determine eligibility for and amount of the grant for fiscal 2018:~~

28 ~~(1) Baltimore City—\$12,674,305;~~

29 ~~(2) Calvert County—\$1,090,580;~~

30 ~~(3) Carroll County—\$4,000,000;~~

1           ~~(4)   Carrett County — \$1,300,000; and~~

2           ~~(5)   Kent County — \$300,000.~~

3                   **(6) (I) 1.   IN THIS PARAGRAPH THE FOLLOWING WORDS HAVE**  
4 **THE MEANINGS INDICATED.**

5                                   **2.   “3-YEAR MOVING AVERAGE FULL-TIME EQUIVALENT**  
6 **ENROLLMENT” MEANS THE AVERAGE OF THE FULL-TIME EQUIVALENT**  
7 **ENROLLMENT IN THE 3 PREVIOUS SCHOOL YEARS.**

8                                   **3.   “TOTAL DIRECT EDUCATION AID” MEANS THE SUM OF**  
9 **THE AMOUNTS LISTED IN PARAGRAPH (1)(I) THROUGH (VI) OF THIS SUBSECTION.**

10                                   **(II)   A COUNTY BOARD IS ELIGIBLE FOR A SUPPLEMENTAL**  
11 **STATE GRANT UNDER THIS PARAGRAPH IF A COUNTY’S 3-YEAR MOVING AVERAGE**  
12 **FULL-TIME EQUIVALENT ENROLLMENT IS GREATER THAN THE FULL-TIME**  
13 **EQUIVALENT ENROLLMENT IN THE PREVIOUS SCHOOL YEAR.**

14                                   **(III)   FOR EACH OF FISCAL YEARS 2018 THROUGH 2020, THE**  
15 **STATE SHALL PROVIDE A SUPPLEMENTAL GRANT TO AN ELIGIBLE COUNTY BOARD**  
16 **THAT EQUALS:**

17   **1.   THE QUOTIENT OF THE TOTAL DIRECT EDUCATION**  
18 **AID OF A COUNTY BOARD DIVIDED BY THE FULL-TIME EQUIVALENT ENROLLMENT**  
19 **OF THE COUNTY IN THE PREVIOUS SCHOOL YEAR; MULTIPLIED BY**

20   **2.   THE DIFFERENCE BETWEEN THE 3-YEAR MOVING**  
21 **AVERAGE FULL-TIME EQUIVALENT ENROLLMENT IN THE COUNTY AND THE**  
22 **FULL-TIME EQUIVALENT ENROLLMENT IN THE COUNTY IN THE PREVIOUS SCHOOL**  
23 **YEAR.**

24   **(IV)   THE STATE SHALL DISTRIBUTE THE SUPPLEMENTAL**  
25 **GRANT AT THE SAME TIME THE STATE DISTRIBUTES FUNDS TO COUNTY BOARDS**  
26 **UNDER THIS SUBTITLE.**

27 **5-218.**

28                   **(A) (1)   IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS**  
29 **INDICATED.**

30                                   **(2)   “ELIGIBLE CHILD” MEANS A CHILD:**

1           (I) WHOSE PARENT OR GUARDIAN SEEKS TO ENROLL THE  
2 CHILD IN A PUBLIC PREKINDERGARTEN PROGRAM; AND

3           (II) WHO IS 4 YEARS OLD ON SEPTEMBER 1 OF THE SCHOOL  
4 YEAR IN WHICH THE PARENT OR LEGAL GUARDIAN SEEKS TO ENROLL THE CHILD IN  
5 A PUBLIC PREKINDERGARTEN PROGRAM.

6           (3) "ELIGIBLE COUNTY BOARD" MEANS A COUNTY BOARD THAT  
7 MAKES A FULL-DAY PUBLIC PREKINDERGARTEN PROGRAM AVAILABLE FOR ALL  
8 ELIGIBLE CHILDREN.

9           (4) "STATE SHARE OF THE PER PUPIL FOUNDATION AMOUNT" MEANS  
10 THE QUOTIENT OF THE STATE SHARE OF THE FOUNDATION PROGRAM FOR A  
11 COUNTY DIVIDED BY THE FULL-TIME EQUIVALENT ENROLLMENT OF THE COUNTY.

12           (B) FOR EACH OF FISCAL YEARS 2018 THROUGH 2020, THE STATE SHALL  
13 PROVIDE A SUPPLEMENTAL PREKINDERGARTEN GRANT TO AN ELIGIBLE COUNTY  
14 BOARD THAT EQUALS THE STATE SHARE OF THE PER PUPIL FOUNDATION AMOUNT  
15 MULTIPLIED BY THE NUMBER OF FULL-TIME EQUIVALENT ELIGIBLE CHILDREN  
16 ENROLLED IN A PUBLIC FULL-DAY PREKINDERGARTEN PROGRAM ON SEPTEMBER  
17 30 OF THE PREVIOUS SCHOOL YEAR.

18           (C) THE STATE SHALL DISTRIBUTE THE SUPPLEMENTAL  
19 PREKINDERGARTEN GRANT AT THE SAME TIME THE STATE DISTRIBUTES FUNDS TO  
20 COUNTY BOARDS UNDER THIS SUBTITLE.

21           SECTION 2. AND BE IT FURTHER ENACTED, That it is the intent of the General  
22 Assembly that the Governor provide funds in a supplemental budget appropriation or a  
23 deficiency appropriation to a county board of education for fiscal year 2018 in accordance  
24 with this Act. If funds are not provided in fiscal year 2018, the total grants owed to a county  
25 board in fiscal year 2019 shall be equal to the fiscal year 2019 amount calculated under this  
26 Act plus the fiscal year 2018 amount calculated under this Act.

27           SECTION 3. AND BE IT FURTHER ENACTED, That:

28           (a) In this section, "local contribution" means the Baltimore City appropriation to  
29 Baltimore City Public Schools and services provided by Baltimore City for the benefit of  
30 Baltimore City Public Schools.

31           (b) State funds provided to Baltimore City Public Schools under this Act may not  
32 be distributed until Baltimore City provides:

33           (1) in fiscal year 2018, a \$22,000,000 local contribution to the Baltimore  
34 City Public Schools above the local appropriation provided in fiscal year 2017; and

1                   (2)    in each of fiscal years 2019 and 2020, a \$20,000,000 local contribution  
2 to the Baltimore City Public Schools above the local appropriation provided in fiscal year  
3 2017.

4           (c)    (1)    For fiscal year 2019, the maintenance of effort amount calculated under  
5 § 5-202 of the Education Article shall be based on the total per pupil appropriation for fiscal  
6 year 2018 including \$10,000,000 of the local contribution required under this section.

7                   (2)    The remaining local contributions required under this section may not  
8 be included in the calculation of the required maintenance of effort amount.

9           SECTION ~~3~~ 4. AND BE IT FURTHER ENACTED, That this Act shall take effect  
10 June 1, 2017.

Approved:

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Governor.

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Speaker of the House of Delegates.

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President of the Senate.