

HOUSE BILL 1426

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2lr3168
CF SB 640

By: **Delegate Luedtke**

Introduced and read first time: February 17, 2022

Assigned to: Rules and Executive Nominations

A BILL ENTITLED

1 AN ACT concerning

2 **Primary and Secondary Education – Maintenance of Effort Requirements –**
3 **Alterations**

4 FOR the purpose of requiring the governing body of each county to appropriate a certain
5 amount of funds to the school operating budgets for a certain fiscal year; and
6 generally relating to annual appropriations for primary and secondary education.

7 BY repealing and reenacting, with amendments,
8 Article – Education
9 Section 5–235(a)
10 Annotated Code of Maryland
11 (2018 Replacement Volume and 2021 Supplement)

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

14 **Article – Education**

15 5–235.

16 (a) (1) (i) Subject to subsection (o) of this section and beginning in fiscal
17 year 2023, the county governing body shall levy and appropriate an annual tax sufficient
18 to provide an amount of revenue for elementary and secondary public education purposes
19 equal to the local share of major education aid as adjusted under § 5–239 of this subtitle.

20 (ii) For the purposes of calculating the local share of major education
21 aid and regardless of the source of the funds, all funds that a county board, including the
22 Baltimore City Board of School Commissioners, is authorized to expend for schools may be
23 considered as levied by the county council, board of county commissioners, or the Mayor
24 and City Council of Baltimore except for:

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



- 1 1. State appropriations;
- 2 2. Federal education aid payments; and
- 3 3. The amount of the expenditure authorized for debt service
4 and capital outlay.

5 (2) (i) Subject to subsection (o) of this section and except as provided in
6 subparagraphs (ii), (iii), [and] (iv), **AND (V)** of this paragraph, the county governing body
7 shall appropriate local funds to the school operating budget in an amount no less than the
8 product of the county's enrollment count for the current fiscal year and the local
9 appropriation on a per pupil basis for the prior fiscal year using enrollment count.

10 (ii) Except as provided in subsection (c)(2) of this section, in fiscal
11 years 2022 and 2023, if a county's education effort, as defined in subsection (j) of this
12 section, is below 100% of the statewide 5-year moving average of education effort, the
13 required maintenance of effort amount for the county shall be adjusted by increasing the
14 per pupil amount by the lesser of:

- 15 1. The county's increase in the local wealth per pupil using
16 the September 2019 full-time equivalent enrollment;
- 17 2. The statewide average increase in local wealth per pupil
18 using the September 2019 full-time equivalent enrollment; or
- 19 3. 2.5%.

20 (iii) Except as provided in [subparagraph] **SUBPARAGRAPHS (iv)**
21 **AND (V)** of this paragraph, for fiscal year 2023, the county governing body shall appropriate
22 local funds to the school operating budget in an amount not less than:

23 1. The fiscal year 2021 local appropriation divided by the
24 greater of:

25 A. The full-time equivalent enrollment in September 2019;
26 or

27 B. The 3-year average of the full-time equivalent enrollment
28 for September 2017, 2018, and 2019; multiplied by

29 2. The greater of:

30 A. The full-time equivalent enrollment in September 2021;
31 or

32 B. The 3-year average of the full-time equivalent enrollment
33 for September 2018, 2019, and 2021.

1 (iv) [If] **EXCEPT AS PROVIDED IN SUBPARAGRAPH (V) OF THIS**
2 **PARAGRAPH, IF** a county is required to make an adjustment under subparagraph (ii) of
3 this paragraph in fiscal year 2022, for fiscal year 2023, the county governing body shall
4 appropriate local funds to the school operating budget in an amount not less than:

5 1. The fiscal year 2022 local appropriation divided by the
6 greater of:

7 A. The full-time equivalent enrollment in September 2019;
8 or

9 B. The 3-year average of the full-time equivalent enrollment
10 for September 2017, 2018, and 2019; multiplied by

11 2. The greater of:

12 A. The full-time equivalent enrollment in September 2021;
13 or

14 B. The 3-year average of the full-time equivalent enrollment
15 for September 2018, 2019, and 2021; multiplied by

16 3. The per pupil increase required under subparagraph (ii) of
17 this paragraph in fiscal year 2023.

18 **(V) FOR FISCAL YEAR 2023, THE COUNTY GOVERNING BODY**
19 **SHALL APPROPRIATE LOCAL FUNDS TO THE SCHOOL OPERATING BUDGET IN AN**
20 **AMOUNT NOT LESS THAN THE GREATER OF:**

21 **1. THE AMOUNT OF THE LOCAL APPROPRIATION**
22 **CALCULATED UNDER SUBPARAGRAPH (III) OR (IV) OF THIS PARAGRAPH,**
23 **WHICHEVER IS APPLICABLE; OR**

24 **2. A. THE COUNTY'S FISCAL YEAR 2022 LOCAL**
25 **APPROPRIATION; MINUS**

26 **B. IF APPLICABLE, ANY FEDERAL COVID-19 FUNDING**
27 **RECEIVED BY THE COUNTY THAT IS USED TO EXCEED THE REQUIRED MAINTENANCE**
28 **OF EFFORT AMOUNT IN FISCAL YEAR 2022.**

29 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June
30 1, 2022.