

# HOUSE BILL 838

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HB 509/06 – W&M

71r0792

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By: **Delegates Ross, Barkley, Barnes, Bronrott, George, Heller, Hubbard, Hucker, Ivey, Kach, Kaiser, Levi, McDonough, Minnick, Niemann, Ramirez, Rice, Simmons, Stukes, Taylor, Vaughn, Waldstreicher, ~~and Walker~~ Walker, Cardin, Doory, Howard, N. King, Olszewski, and F. Turner**

Introduced and read first time: February 9, 2007  
Assigned to: Ways and Means

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Committee Report: Favorable with amendments  
House action: Adopted  
Read second time: March 18, 2007

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

1 AN ACT concerning

2 **Education – Character Education Fund**

3 FOR the purpose of establishing the Character Education Fund; requiring the  
4 Governor to include a certain amount in the State budget each fiscal year for  
5 the Fund; establishing the grant eligibility requirements for the Fund; requiring  
6 the State Department of Education to adopt criteria for approving character  
7 education programs, decide whether to approve a proposed character education  
8 program by certain dates, make certain grant awards to county boards of  
9 education with approved character education programs by certain dates and in  
10 certain amounts, ~~host a certain conference annually~~ devote a certain amount of  
11 the Fund to certain activities, and establish certain reporting requirements;  
12 requiring the Department to report to the Governor and the General Assembly  
13 on or before certain dates; ~~expressing the intent of the General Assembly that~~  
14 ~~the Department host a certain conference at a certain time~~; defining a certain  
15 term; and generally relating to the Character Education Fund.

16 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 7–426  
3 Annotated Code of Maryland  
4 (2006 Replacement Volume)

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

7 **Article – Education**

8 **7–426.**

9 (A) IN THIS SECTION, “FUND” MEANS THE CHARACTER EDUCATION  
10 FUND.

11 (B) THERE IS A CHARACTER EDUCATION FUND IN THE DEPARTMENT.

12 (C) THE PURPOSE OF THE FUND IS TO ENCOURAGE COUNTY BOARDS TO  
13 FUND AND IMPLEMENT CHARACTER EDUCATION PROGRAMS.

14 (D) THE DEPARTMENT SHALL ADMINISTER THE FUND.

15 (E) (1) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT  
16 SUBJECT TO § 7–302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

17 (2) THE TREASURER SHALL HOLD THE FUND SEPARATELY, AND  
18 THE COMPTROLLER SHALL ACCOUNT FOR THE FUND.

19 (F) (1) THE FUND CONSISTS OF:

20 (I) MONEY APPROPRIATED IN THE STATE BUDGET TO THE  
21 FUND;

22 (II) INVESTMENT EARNINGS OF THE FUND; AND

23 (III) ANY OTHER MONEY FROM ANY OTHER SOURCE  
24 ACCEPTED FOR THE BENEFIT OF THE FUND.

25 (2) THE GOVERNOR SHALL INCLUDE \$250,000 IN THE STATE  
26 BUDGET EACH FISCAL YEAR FOR THE FUND.

1           **(G) THE FUND MAY BE USED ONLY:**

2                   **(1) TO PROVIDE MATCHING GRANTS TO COUNTY BOARDS TO**  
3 **IMPLEMENT CHARACTER EDUCATION PROGRAMS APPROVED BY THE**  
4 **DEPARTMENT; AND**

5                   **(2) TO PAY UP TO \$25,000 ANNUALLY FOR ~~THE COSTS OF THE~~**  
6 **~~ANNUAL CONFERENCE ON CHARACTER EDUCATION BEST PRACTICES,~~**  
7 **~~INCLUDING GRANTS TO COUNTY BOARDS TO SEND INDIVIDUALS TO THE ANNUAL~~**  
8 **~~CONFERENCE PROGRAM ADMINISTRATION, PROFESSIONAL DEVELOPMENT, AND~~**  
9 **~~TECHNICAL ASSISTANCE TO LOCAL SCHOOL SYSTEMS WITH CHARACTER~~**  
10 **~~EDUCATION PROGRAMS THAT RECEIVED GRANTS FROM THE FUND.~~**

11           **(H) (1) THE TREASURER SHALL INVEST THE MONEY OF THE FUND IN**  
12 **THE SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.**

13                   **(2) ANY INVESTMENT EARNINGS OF THE FUND SHALL BE**  
14 **CREDITED TO THE FUND.**

15           **(I) EXPENDITURES FROM THE FUND MAY BE MADE ONLY IN**  
16 **ACCORDANCE WITH THE STATE BUDGET.**

17           **(J) TO BE ELIGIBLE TO RECEIVE A GRANT FROM THE FUND, A COUNTY**  
18 **BOARD SHALL SUBMIT A DESCRIPTION OF THE PROPOSED CHARACTER**  
19 **EDUCATION PROGRAM TO THE DEPARTMENT BY JUNE 1 PRECEDING THE**  
20 **SCHOOL YEAR IN WHICH THE CHARACTER EDUCATION PROGRAM WILL BE**  
21 **IMPLEMENTED.**

22           **(K) THE DEPARTMENT:**

23                   **(1) SHALL ADOPT CRITERIA FOR APPROVING CHARACTER**  
24 **EDUCATION PROGRAMS;**

25                   **(2) SHALL DECIDE WHETHER TO APPROVE A PROPOSED**  
26 **CHARACTER EDUCATION PROGRAM BY JULY 1 PRECEDING THE SCHOOL YEAR**  
27 **IN WHICH A CHARACTER EDUCATION PROGRAM WILL BE IMPLEMENTED;**

28                   **(3) SHALL AWARD, BY JULY 1 PRECEDING THE SCHOOL YEAR IN**  
29 **WHICH A CHARACTER EDUCATION PROGRAM WILL BE IMPLEMENTED, A GRANT**  
30 **TO THE FIVE COUNTY BOARDS WITH THE HIGHEST NUMBER OF STUDENT**

1 SUSPENSIONS DURING THE 2005 – 2006 SCHOOL YEAR AS REPORTED BY THE  
 2 DEPARTMENT OF EDUCATION WITH AN APPROVED CHARACTER EDUCATION  
 3 PROGRAM EQUAL TO THE LESSER OF:

4 (I) THE AMOUNT OF MONEY THE FIVE ELIGIBLE COUNTY  
 5 BOARDS HAVE APPROPRIATED FOR THE CHARACTER EDUCATION PROGRAM; OR

6 (II) THE PRODUCT OF THE AMOUNT OF MONEY IN THE  
 7 FUND AT THE START OF THE FISCAL YEAR AND THE PERCENTAGE OF THE  
 8 NUMBER OF STUDENTS ENROLLED IN THE PUBLIC SCHOOLS OF THE ELIGIBLE  
 9 FIVE COUNTIES IN THE STATE THAT ATTEND ELIGIBLE PUBLIC SCHOOLS IN THE  
 10 COUNTY; AND

11 (4) ~~SHALL ESTABLISH, BY REGULATION, REPORTING~~  
 12 ~~REQUIREMENTS FOR COUNTY BOARDS THAT RECEIVE GRANTS FROM THE FUND,~~  
 13 ~~INCLUDING A REQUIREMENT THAT THE REPORTS PROVIDE THE FOLLOWING~~  
 14 ~~INFORMATION REGARDING SCHOOLS IN THE REPORTING COUNTY;~~

15 (I) ~~ACADEMIC SUCCESS RATES, AS MEASURED BY~~  
 16 ~~STANDARDIZED TEST SCORES, COLLEGE ADMISSION RATES, AND OTHER INDICIA~~  
 17 ~~OF ACADEMIC ACHIEVEMENT;~~

18 (II) ~~TEACHER RETENTION RATES;~~

19 (III) ~~SCHOOL DROPOUT RATES;~~

20 (IV) ~~DISCIPLINARY REFERRAL RATES; AND~~

21 (V) ~~LEVELS OF PARENTAL INVOLVEMENT IN SCHOOL AND~~  
 22 ~~STUDENT ACTIVITIES; AND~~ REPORTING REQUIREMENTS THAT ARE ALIGNED  
 23 WITH THE CRITERIA TO BE ESTABLISHED FOR CHARACTER EDUCATION  
 24 PROGRAMS BY THE DEPARTMENT, INCLUDING, BUT NOT LIMITED TO, ACADEMIC  
 25 ACHIEVEMENT, SCHOOL CLIMATE, AND THE DEVELOPMENT OF IDENTIFIED  
 26 SOCIAL SKILLS.

27 (5) ~~SHALL ANNUALLY HOST THE CONFERENCE ON CHARACTER~~  
 28 ~~EDUCATION BEST PRACTICES.~~

29 (L) THE DEPARTMENT SHALL REPORT TO THE GOVERNOR AND TO THE  
 30 GENERAL ASSEMBLY ON OR BEFORE NOVEMBER 1 OF EACH YEAR, IN

1 **ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE, ON THE**  
2 **DISTRIBUTION OF GRANTS FROM THE FUND AND THE IMPACT OF THE GRANTS**  
3 **ON CHARACTER EDUCATION IN THE STATE FOR THE PRIOR SCHOOL YEAR.**

4 ~~SECTION 2. AND BE IT FURTHER ENACTED, That it is the intent of the~~  
5 ~~General Assembly that the State Department of Education host the first annual~~  
6 ~~Conference on Character Education Best Practices in the fall of 2007.~~

7 SECTION ~~2.~~ 2. AND BE IT FURTHER ENACTED, That this Act shall take  
8 effect July 1, 2007.

Approved:

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Governor.

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Speaker of the House of Delegates.

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President of the Senate.