

# HOUSE BILL 557

F1, B1

8lr1203

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By: **Delegates M. Washington, Ali, D. Barnes, Ebersole, C. Howard, Mosby, Patterson, Tarlau, Walker, A. Washington, and Wilkins**

Introduced and read first time: January 29, 2018

Assigned to: Appropriations and Ways and Means

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## A BILL ENTITLED

1 AN ACT concerning

2 **Primary and Secondary Education – Education Trust Fund – Use of Fund**

3 FOR the purpose of altering the allowable uses of the Education Trust Fund; requiring the  
4 Governor to provide a certain annual appropriation to county boards of education  
5 from the Education Trust Fund beginning in a certain fiscal year; prohibiting money  
6 in the Education Trust Fund from being used to supplant certain funding for certain  
7 programs and formulas; defining a certain term; and generally relating to the use of  
8 the Education Trust Fund for education.

9 BY repealing and reenacting, with amendments,  
10 Article – State Government  
11 Section 9–1A–30  
12 Annotated Code of Maryland  
13 (2014 Replacement Volume and 2017 Supplement)

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

16 **Article – State Government**

17 9–1A–30.

18 **(A) IN THIS SECTION, “DIRECT EDUCATION AID” MEANS THE TOTAL**  
19 **FINANCIAL ASSISTANCE PROVIDED BY THE STATE TO A COUNTY BOARD OF**  
20 **EDUCATION UNDER THE FOLLOWING PROGRAMS:**

21 **(1) FUNDING FOR THE FOUNDATION PROGRAM, INCLUDING FUNDS**  
22 **FOR THE GEOGRAPHIC COST OF EDUCATION UNDER § 5–202 OF THE EDUCATION**  
23 **ARTICLE;**

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1           **(2) TRANSPORTATION AID UNDER § 5-205 OF THE EDUCATION**  
2 **ARTICLE;**

3           **(3) FUNDING FOR COMPENSATORY EDUCATION UNDER § 5-207 OF**  
4 **THE EDUCATION ARTICLE;**

5           **(4) FUNDING FOR STUDENTS WITH LIMITED ENGLISH PROFICIENCY**  
6 **UNDER § 5-208 OF THE EDUCATION ARTICLE;**

7           **(5) FUNDING FOR SPECIAL EDUCATION STUDENTS UNDER § 5-209 OF**  
8 **THE EDUCATION ARTICLE; AND**

9           **(6) FUNDING FOR THE GUARANTEED TAX BASE PROGRAM UNDER §**  
10 **5-210 OF THE EDUCATION ARTICLE.**

11           **[(a) (B)]** There is an Education Trust Fund which is a special, nonlapsing fund  
12 that is not subject to § 7-302 of the State Finance and Procurement Article.

13           **[(b) (C)] (1)** There shall be credited to the Education Trust Fund all proceeds  
14 allocated to the Fund under § 9-1A-27 of this subtitle.

15           **(2)** Money in the Education Trust Fund shall be invested and reinvested  
16 by the Treasurer, and interest and earnings shall accrue to the Fund.

17           **[(c) (D)]** Money in the Education Trust Fund shall be used to:

18           **(1)** provide funding for public elementary and secondary education[,  
19 through continuation of the funding and formulas established under the programs  
20 commonly known as the Bridge to Excellence in Public Schools Act, first enacted by Chapter  
21 288 of the Acts of the General Assembly of 2002, including the funding for regional  
22 differences in the cost of education under § 5-202(f) of the Education Article];

23           **(2)** provide funds to construct public school buildings and provide public  
24 school capital improvements in accordance with §§ 5-301 through 5-303 of the Education  
25 Article; **AND**

26           **(3)** [provide funds for capital projects at community colleges and public  
27 senior higher education institutions; and

28           **(4)]** provide funds to expand public early childhood education programs in  
29 the State.

30           **[(d)]** Expenditures from the Education Trust Fund shall be made each fiscal year  
31 in accordance with the State budget.]

1           **(E) (1) BEGINNING IN FISCAL YEAR 2020 AND IN EACH FISCAL YEAR**  
2 **THEREAFTER, THE GOVERNOR SHALL APPROPRIATE FROM THE EDUCATION TRUST**  
3 **FUND TO EACH COUNTY BOARD OF EDUCATION AN AMOUNT EQUAL TO THE TOTAL**  
4 **AMOUNT OF MONEY IN THE EDUCATION TRUST FUND MULTIPLIED BY THE RATIO OF**  
5 **THE DIRECT EDUCATION AID PROVIDED TO A COUNTY BOARD OF EDUCATION**  
6 **DIVIDED BY THE TOTAL DIRECT EDUCATION AID PROVIDED TO ALL COUNTY BOARDS**  
7 **OF EDUCATION.**

8           **(2) MONEY FROM THE EDUCATION TRUST FUND MAY NOT BE USED**  
9 **TO SUPPLANT REQUIRED FUNDING FOR PROGRAMS OR FORMULAS ESTABLISHED**  
10 **UNDER THE EDUCATION ARTICLE.**

11           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
12 1, 2018.