

# HOUSE BILL 1450

F5, Q4

(2lr3240)

## ENROLLED BILL

— Appropriations/Budget and Taxation —

Introduced by **Delegates McIntosh, Atterbeary, B. Barnes, and Washington**

Read and Examined by Proofreaders:

\_\_\_\_\_  
Proofreader.

\_\_\_\_\_  
Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this

\_\_\_\_\_ day of \_\_\_\_\_ at \_\_\_\_\_ o'clock, \_\_\_\_\_ M.

\_\_\_\_\_  
Speaker.

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

1 AN ACT concerning

2 **Blueprint for Maryland's Future – Implementation Plans and ~~Fund~~ Funds –**  
3 **Alterations**

4 FOR the purpose of expanding the uses for certain grants under the Concentration of  
5 Poverty Grant Program; requiring the State Department of Education to collect  
6 certain data and submit a certain report on or before a certain date; requiring the  
7 governing body of each county to appropriate a certain amount of funds to the school  
8 operating budgets for a certain fiscal year; requiring a certain adjustment to the  
9 highest local appropriation for certain counties for a certain fiscal year; altering  
10 certain dates for the development, adoption, and submission of certain plans to  
11 implement the Blueprint for Maryland's Future; altering the date by which criteria  
12 to evaluate certain implementation plans must be developed; requiring the  
13 Accountability and Implementation Board to release certain funds withheld from a  
14 local school system for a certain fiscal year if a certain condition is met; altering the  
15 distribution of certain sales and use tax revenues to the Blueprint for Maryland's

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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.

*Italics indicate opposite chamber/conference committee amendments.*



1 Future Fund; requiring the Comptroller to make a certain distribution to the  
2 Blueprint for Maryland's Future Fund on or before a certain date; authorizing certain  
3 entities or programs to retain the unspent portion of a certain appropriation for a  
4 certain fiscal year; and generally relating to the Blueprint for Maryland's Future and  
5 maintenance of effort requirements.

6 BY repealing and reenacting, without amendments,  
7 Article – Education  
8 Section 5–206(a) and 5–405(a)  
9 Annotated Code of Maryland  
10 (2018 Replacement Volume and 2021 Supplement)

11 BY repealing and reenacting, with amendments,  
12 Article – Education  
13 Section 5–206(f)(1) ~~and~~, 5–223(c)(4) and (9), 5–235(a) and (b), 5–404(a) and (b),  
14 5–405(b) and (c), and 7–205.1(e)(1)(i)  
15 Annotated Code of Maryland  
16 (2018 Replacement Volume and 2021 Supplement)

17 BY adding to  
18 Article – Education  
19 Section 5–223(g)(3) and 5–235(a–1)  
20 Annotated Code of Maryland  
21 (2018 Replacement Volume and 2021 Supplement)

22 BY repealing and reenacting, with amendments,  
23 Article – Education  
24 Section 5–404(c)  
25 Annotated Code of Maryland  
26 (2018 Replacement Volume and 2021 Supplement)  
27 (As enacted by Chapters 55 and 147 of the Acts of the General Assembly of 2021)

28 BY repealing and reenacting, with amendments,  
29 Article – Tax – General  
30 Section 2–1302.1  
31 Annotated Code of Maryland  
32 (2016 Replacement Volume and 2021 Supplement)  
33 (As enacted by Chapter 9 of the Acts of the General Assembly of the 2021 Special  
34 Session)

35 BY repealing and reenacting, with amendments,  
36 Article – Tax – General  
37 Section 2–605.1 and 2–1303  
38 Annotated Code of Maryland  
39 (2016 Replacement Volume and 2021 Supplement)

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

3 **Article – Education**

4 5–206.

5 (a) In this section, “Fund” means the Blueprint for Maryland’s Future Fund.

6 (f) The Fund consists of:

7 (1) Revenue distributed to the Fund under Title 9, Subtitles 1D and 1E of  
8 the State Government Article and §§ 2–4A–02, 2–605.1, ~~[2–1302.1,]~~ and 2–1303 of the Tax  
9 – General Article;

10 5–223.

11 (c) (4) If the personnel grant provided to an eligible school exceeds the cost to  
12 employ the positions and provide the coverage required under paragraph (2) of this  
13 subsection, the eligible school may only use the excess funds to:

14 (i) Provide wraparound services to the students enrolled in the  
15 eligible school;

16 (ii) Complete the needs assessment; and

17 (iii) In fiscal years 2021 [and 2022] THROUGH 2025, provide the  
18 requirements under COMAR TITLE 13A, SUBTITLE 04, INCLUDING 13A.04.16.01.

19 (9) The personnel and per pupil grant may be used through fiscal year  
20 [2025] 2027 to provide the programs required under COMAR TITLE 13A, SUBTITLE 04,  
21 INCLUDING 13A.04.16.01.

22 (g) (3) **ON OR BEFORE DECEMBER 1, 2022, THE DEPARTMENT SHALL:**

23 (i) **COLLECT THE DATA NECESSARY TO IMPLEMENT THE**  
24 **NEIGHBORHOOD POVERTY INDICATOR METHODOLOGY RECOMMENDED BY THE**  
25 **DEPARTMENT TO CALCULATE THE COMPENSATORY EDUCATION FORMULA UNDER §**  
26 **5–222 OF THIS SUBTITLE AND THE CONCENTRATION OF POVERTY SCHOOL GRANTS**  
27 **UNDER THIS SECTION; AND**

28 (ii) **SUBMIT A REPORT TO THE GENERAL ASSEMBLY, IN**  
29 **ACCORDANCE WITH § 2–1257 OF THE STATE GOVERNMENT ARTICLE, THE**  
30 **ACCOUNTABILITY AND IMPLEMENTATION BOARD, AND THE DEPARTMENT OF**  
31 **BUDGET AND MANAGEMENT.**

1 5-235.

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

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

11 1. State appropriations;

12 2. Federal education aid payments; and

13 3. The amount of the expenditure authorized for debt service  
14 and capital outlay.

15 (2) [(i)] Subject to subsection (o) of this section and except as provided in  
16 [subparagraphs (ii), (iii), and (iv) of this paragraph] SUBSECTION (A-1) OF THIS  
17 SECTION, the county governing body shall appropriate local funds to the school operating  
18 budget in an amount no less than the product of the county's enrollment count for the current  
19 fiscal year and the local appropriation on a per pupil basis for the prior fiscal year using  
20 enrollment count.

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

26 1. The county's increase in the local wealth per pupil using  
27 the September 2019 full-time equivalent enrollment;

28 2. The statewide average increase in local wealth per pupil  
29 using the September 2019 full-time equivalent enrollment; or

30 3. 2.5%.

31 (iii) Except as provided in subparagraph (iv) of this paragraph, for  
32 fiscal year 2023, the county governing body shall appropriate local funds to the school  
33 operating budget in an amount not less than:

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

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

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

6 2. The greater of:

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

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

10 (iv) If a county is required to make an adjustment under  
 11 subparagraph (ii) of this paragraph in fiscal year 2022, for fiscal year 2023, the county  
 12 governing body shall appropriate local funds to the school operating budget in an amount  
 13 not less than:

14 1. The fiscal year 2022 local appropriation divided by the  
 15 greater of:

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

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

19 2. The greater of:

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

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

23 3. The per pupil increase required under subparagraph (ii) of  
 24 this paragraph in fiscal year 2023.]

25 (A-1) FOR FISCAL YEAR 2023, THE COUNTY GOVERNING BODY SHALL  
 26 APPROPRIATE TO THE SCHOOL OPERATING BUDGET THE GREATER OF:

27 (1) THE LOCAL SHARE OF MAJOR EDUCATION AID UNDER  
 28 SUBSECTION (A)(1) OF THIS SECTION; OR

29 (2) (1) FOR ALLEGANY COUNTY, \$31,854,912;

- 1                    (II) FOR ANNE ARUNDEL COUNTY, \$784,741,000;
- 2                    (III) FOR BALTIMORE CITY, \$275,513,758;
- 3                    (IV) FOR BALTIMORE COUNTY, \$888,261,619;
- 4                    (V) FOR CALVERT COUNTY, \$134,705,250;
- 5                    (VI) FOR CAROLINE COUNTY, \$16,080,832;
- 6                    (VII) FOR CARROLL COUNTY, \$204,617,860;
- 7                    (VIII) FOR CECIL COUNTY, \$89,196,266;
- 8                    (IX) FOR CHARLES COUNTY, \$200,686,400;
- 9                    (X) FOR DORCHESTER COUNTY, \$20,937,715;
- 10                   (XI) FOR FREDERICK COUNTY, \$316,348,012;
- 11                   (XII) FOR GARRETT COUNTY, \$28,705,313;
- 12                   (XIII) FOR HARFORD COUNTY, \$293,812,984;
- 13                   (XIV) FOR HOWARD COUNTY, \$628,300,000;
- 14                   (XV) FOR KENT COUNTY, \$18,559,629;
- 15                   (XVI) FOR MONTGOMERY COUNTY, \$1,752,662,235;
- 16                   (XVII) FOR PRINCE GEORGE'S COUNTY, \$766,762,200;
- 17                   (XVIII) FOR QUEEN ANNE'S COUNTY, \$62,559,389;
- 18                   (XIX) FOR ST. MARY'S COUNTY, \$114,540,490;
- 19                   (XX) FOR SOMERSET COUNTY, \$10,490,432;
- 20                   (XXI) FOR TALBOT COUNTY, \$43,905,596;
- 21                   (XXII) FOR WASHINGTON COUNTY, \$106,847,824;
- 22                   (XXIII) FOR WICOMICO COUNTY, \$49,135,024; AND
- 23                   (XXIV) FOR WORCESTER COUNTY, \$97,117,331.

1       **(b) (1) Except as provided in PARAGRAPH (2) OF THIS SUBSECTION AND**  
2 **subsection (c) of this section, for purposes of this section, the local appropriation on a per**  
3 **pupil basis for the prior fiscal year for a county is derived by dividing the county's highest**  
4 **local appropriation to its school operating budget for the prior fiscal year by the county's**  
5 **enrollment count for the prior fiscal year. For example, the calculation of the foundation aid**  
6 **for fiscal year 2003 shall be based on the highest local appropriation for the school operating**  
7 **budget for a county for fiscal year 2002. Program shifts between a county operating budget**  
8 **and a county school operating budget may not be used to artificially satisfy the requirements**  
9 **of this paragraph.**

10       **(2) FOR FISCAL YEAR 2024, THE FOLLOWING AMOUNTS SHALL BE**  
11 **SUBTRACTED FROM THE COUNTY'S FISCAL YEAR 2023 HIGHEST LOCAL**  
12 **APPROPRIATION:**

13               **(I) FOR ALLEGANY COUNTY, \$384,498;**

14               **(II) FOR ANNE ARUNDEL COUNTY, \$10,291,149;**

15               **(III) FOR BALTIMORE COUNTY, \$41,682,056;**

16               **(IV) FOR CALVERT COUNTY, \$2,109,359;**

17               **(V) FOR CARROLL COUNTY, \$7,549,762;**

18               **(VI) FOR CHARLES COUNTY, \$7,074,539;**

19               **(VII) FOR FREDERICK COUNTY, \$9,076,061;**

20               **(VIII) FOR GARRETT COUNTY, \$342,058;**

21               **(IX) FOR HARFORD COUNTY, \$19,512,731;**

22               **(X) FOR HOWARD COUNTY, \$23,479,884;**

23               **(XI) FOR KENT COUNTY, \$488,031;**

24               **(XII) FOR MONTGOMERY COUNTY, \$30,992,076;**

25               **(XIII) FOR QUEEN ANNE'S COUNTY, \$406,525; AND**

26               **(XIV) FOR ST. MARY'S COUNTY, \$6,110,337.**

1 (a) (1) The Board shall develop a Comprehensive Implementation Plan to  
2 implement the Blueprint for Maryland's Future, considering any input provided by  
3 interested stakeholders in the State.

4 (2) The Comprehensive Implementation Plan shall include a timeline for  
5 implementation of the Blueprint for Maryland's Future with key milestones to be achieved  
6 by each State or local government unit required to implement an element of the Blueprint  
7 for Maryland's Future for each year of the implementation period.

8 (3) The Comprehensive Implementation Plan shall include the intended  
9 outcomes that the Blueprint for Maryland's Future will achieve.

10 (4) (i) The Comprehensive Implementation Plan shall be adopted by  
11 the Board no later than [February 15, 2022] **DECEMBER 1, 2022**.

12 (ii) Any changes to the Comprehensive Implementation Plan shall  
13 be adopted by the Board no later than August 1 of each year.

14 (b) (1) The Board shall adopt guidelines for entities required to submit and  
15 carry out implementation plans under this section that include establishing a maximum  
16 page length, including appendices, for implementation plans.

17 (2) State and local government units responsible for implementing an  
18 element of the Blueprint for Maryland's Future shall develop implementation plans  
19 consistent with the Comprehensive Implementation Plan that describe the goals,  
20 objectives, and strategies that will be used to improve student achievement and meet the  
21 Blueprint for Maryland's Future recommendations for each segment of the student  
22 population.

23 (3) (i) [After February 15, 2022, and no later than April 1, 2022] **ON**  
24 **OR BEFORE SEPTEMBER 1, 2022**, the Department shall develop criteria to be used to  
25 recommend approval or disapproval of local school system implementation plans and  
26 release of funds under this subtitle.

27 (ii) The criteria shall be submitted for approval to the Board.

28 (c) (1) (i) 1. Except as provided in subparagraph 2 of this  
29 subparagraph, each unit responsible for developing an implementation plan under this  
30 section shall submit the plan to the Board for approval on or before [June 15, 2022] **MARCH**  
31 **15, 2023**.

32 2. The Juvenile Services Education Program Superintendent  
33 shall submit the plan to the Board for approval on or before June 15, 2023.

34 (ii) Each local school system shall submit a copy of its plan to the  
35 Department for review and a recommendation of approval or disapproval.



1           (2) Governmental units shall submit implementation plans on elements of  
2 the Blueprint for Maryland's Future under this subsection, including:

3           (i) Plans from each local school system to implement each element  
4 of the Blueprint for Maryland's Future, including how to:

5                   1. Adapt curriculum, instruction, and the organization of the  
6 school day to enable more students to achieve college and career readiness by the end of  
7 10th grade, to provide students with needed services including community-partnered  
8 behavioral health services if appropriate, and to identify students who are falling behind  
9 and develop a plan to get them back on track;

10                   2. Close student achievement gaps listed under §  
11 5-408(a)(2)(i) of this subtitle within the local school system;

12                   3. Avoid the disproportionate placement of students with  
13 particular racial, ethnic, linguistic, economic, or disability status characteristics with  
14 novice teachers or teachers providing instruction in fields in which they lack expertise; and

15                   4. Use additional funds for teacher collaborative time in  
16 accordance with Title 6, Subtitle 10 of this article prioritized based on availability of a  
17 sufficient number of high-quality teachers;

18           (ii) The joint plan of the Department and the Maryland Higher  
19 Education Commission for teacher preparation and training that meets the requirements  
20 under Title 6 of this article;

21           (iii) A plan from the Department for the expansion and coordination  
22 of Judy Centers under § 5-230 of this title and a plan for the expansion of  
23 community-based family support centers under Title 9.5, Subtitle 10 of this article;

24           (iv) The Department's plan for selection, assembly, and deployment  
25 of expert review teams under § 5-411 of this subtitle;

26           (v) The Department's plan for implementing the teacher career  
27 ladder and training Maryland teachers, school leaders, and administrators under Title 6,  
28 Subtitle 10 of this article;

29           (vi) The Career and Technical Education Committee plan for  
30 developing rigorous CTE pathways under § 21-207 of this article;

31           (vii) Plans from each local school system on proposed memoranda of  
32 understanding for prekindergarten in accordance with § 7-1A-05 of this article;

1 (viii) A plan from the Juvenile Services Education Program  
2 Superintendent on the proposed education of juveniles under Title 9, Subtitle 6 of the  
3 Human Services Article; and

4 (ix) Any other implementation plans the Board determines are  
5 necessary.

6 (3) An implementation plan submitted to the Board for approval under this  
7 section shall be:

8 (i) Consistent with the developed guidelines and, if applicable, the  
9 approved criteria under subsection (b) of this section; and

10 (ii) Concise and focused on the measures taken and the measures to  
11 be taken to implement and achieve the Blueprint's goals.

12 (4) A responsible government unit shall amend the implementation plan  
13 until it is approved by the Board.

14 5-405.

15 (a) Subject to the judgment of the Board and in accordance with this section, each  
16 fiscal year a portion of the increase in the State share of major education aid, as defined in  
17 § 5-201 of this title, over the amount provided in the prior fiscal year shall be withheld  
18 from public schools and local school systems.

19 (b) Except as otherwise provided in this section, beginning in fiscal year 2023,  
20 25% of the increase in the State share of major education aid over the amount provided in  
21 the [current] PRIOR fiscal year shall be automatically withheld from a local school system  
22 for the next fiscal year.

23 (c) **(1) FOR FISCAL YEAR 2023, THE BOARD SHALL RELEASE FUNDS**  
24 **WITHHELD UNDER THIS SECTION IF THE BOARD FINDS THAT A LOCAL SCHOOL**  
25 **SYSTEM HAS MET THE MINIMUM GUIDELINES FOR THE SUBMISSION OF THE INITIAL**  
26 **IMPLEMENTATION PLAN UNDER § 5-404 OF THIS SUBTITLE.**

27 **(2) Beginning in fiscal year [2023] 2024 and ending in fiscal year 2025, the**  
28 **Board shall release funds withheld under this section each year if the Board finds that a**  
29 **local school system or public school:**

30 **[(1)] (I) Has developed an initial implementation plan under § 5-404 of**  
31 **this subtitle; and**

32 **[(2)] (II) Has received approval for its initial implementation plan and for**  
33 **any subsequent modifications.**

1 7-205.1.

2 (e) (1) (i) Each county board, in collaboration with the community colleges,  
 3 shall develop and implement by the [2022-2023] 2023-2024 school year a program of  
 4 study for students who have not met the CCR standard by the end of the 10th grade.

5 **Article – Tax – General**

6 2-605.1.

7 (A) After making the distributions required under §§ 2-604 and 2-605 of this  
 8 subtitle, on or before June 30, 2019, the Comptroller shall distribute \$200,000,000 of the  
 9 income tax revenue from individuals to the Blueprint for Maryland's Future Fund  
 10 established under [§ 5-219] § 5-206 of the Education Article.

11 (B) AFTER MAKING THE DISTRIBUTIONS REQUIRED UNDER §§ 2-604 AND  
 12 2-605 OF THIS SUBTITLE, ON OR BEFORE JUNE 30, 2023, THE COMPTROLLER SHALL  
 13 DISTRIBUTE \$800,000,000 OF THE INCOME TAX REVENUE FROM INDIVIDUALS TO  
 14 THE BLUEPRINT FOR MARYLAND'S FUTURE FUND ESTABLISHED UNDER § 5-206 OF  
 15 THE EDUCATION ARTICLE.

16 2-1302.1.

17 After making the distributions required under §§ 2-1301 and 2-1302 of this subtitle,  
 18 of the sales and use tax collected[:

19 (1)] under § 11-104(c) and (c-1) of this article on short-term vehicle rentals  
 20 and peer-to-peer car sharing, the Comptroller shall distribute:

21 [(i)] (1) 45% to the Transportation Trust Fund established under  
 22 § 3-216 of the Transportation Article; and

23 [(ii)] (2) the remainder to the Chesapeake and Atlantic Coastal  
 24 Bays 2010 Trust Fund[; and

25 (2) on the sale or use of a digital product or digital code under Title 11 of  
 26 this article the Comptroller shall distribute 100% to the Blueprint for Maryland's Future  
 27 Fund established under § 5-206 of the Education Article].

28 2-1303.

29 [(a)] After making the distributions required under §§ 2-1301 through 2-1302.1 of  
 30 this subtitle, the Comptroller shall pay:

1 (1) revenues from the hotel surcharge into the Dorchester County  
 2 Economic Development Fund established under § 10–130 of the Economic Development  
 3 Article;

4 (2) [subject to subsection (b) of this section,] to the Blueprint for  
 5 Maryland’s Future Fund established under [§ 5–219] **§ 5–206** of the Education Article,  
 6 [revenues collected and remitted by] **THE FOLLOWING PERCENTAGE OF THE**  
 7 **REMAINING SALES AND USE TAX REVENUES:**

8 (i) a marketplace facilitator; or

9 (ii) a person that engages in the business of an out-of-state vendor  
 10 and that is required to collect and remit sales and use tax as specified in COMAR  
 11 03.06.01.33B(5);]

12 (I) FOR FISCAL YEAR 2023, ~~12.3%~~ 9.2%;

13 (II) FOR FISCAL YEAR 2024, ~~12.5%~~ 11.0%;

14 (III) FOR FISCAL YEAR 2025, ~~12.9%~~ 11.3%;

15 (IV) FOR FISCAL YEAR 2026, ~~13.3%~~ 11.7%; AND

16 (V) FOR FISCAL YEAR 2027 AND EACH FISCAL YEAR  
 17 THEREAFTER, ~~13.8%~~ 12.1%; and

18 (3) the remaining sales and use tax revenue into the General Fund of the  
 19 State.

20 [(b) For each fiscal year, the Comptroller shall pay into the General Fund of the  
 21 State the first \$100,000,000 of revenues collected and remitted by:

22 (1) a marketplace facilitator; or

23 (2) a person that engages in the business of an out-of-state vendor and  
 24 that is required to collect and remit sales and use tax as specified in COMAR  
 25 03.06.01.33B(5).]

26 SECTION 2. AND BE IT FURTHER ENACTED, That any entity or program that  
 27 receives a supplementary appropriation under Section 6 of Chapter 356 of the Acts of the  
 28 General Assembly of 2021 may retain any special funds received for the implementation of  
 29 the Blueprint for Maryland’s Future, as defined in § 5–401 of the Education Article, that  
 30 were not spent in fiscal year 2022.

31 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect June  
 32 1, 2022.