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By: **Delegate Ross**

Introduced and read first time: January 30, 2006

Assigned to: Ways and Means

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A BILL ENTITLED

1 AN ACT concerning

2 **Education - Character Education Fund**

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

14 BY adding to

15 Article - Education

16 Section 7-425

17 Annotated Code of Maryland

18 (2004 Replacement Volume and 2005 Supplement)

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

21 **Article - Education**

22 7-425.

23 (A) IN THIS SECTION, "FUND" MEANS THE CHARACTER EDUCATION FUND.

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

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

27 (D) THE DEPARTMENT SHALL ADMINISTER THE FUND.

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

3 (2) THE TREASURER SHALL HOLD THE FUND SEPARATELY, AND THE  
4 COMPTROLLER SHALL ACCOUNT FOR THE FUND.

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

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

7 (II) INVESTMENT EARNINGS OF THE FUND; AND

8 (III) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED FOR  
9 THE BENEFIT OF THE FUND.

10 (2) THE GOVERNOR SHALL INCLUDE \$550,000 IN THE STATE BUDGET  
11 EACH FISCAL YEAR FOR THE FUND.

12 (G) THE FUND MAY BE USED ONLY:

13 (1) TO PROVIDE MATCHING GRANTS TO COUNTY BOARDS TO  
14 IMPLEMENT CHARACTER EDUCATION PROGRAMS CERTIFIED BY THE DEPARTMENT;  
15 AND

16 (2) TO PAY UP TO \$50,000 ANNUALLY FOR THE COSTS OF THE ANNUAL  
17 CONFERENCE ON CHARACTER EDUCATION BEST PRACTICES, INCLUDING GRANTS TO  
18 COUNTY BOARDS TO SEND INDIVIDUALS TO THE ANNUAL CONFERENCE.

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

21 (2) ANY INVESTMENT EARNINGS OF THE FUND SHALL BE CREDITED TO  
22 THE FUND.

23 (I) EXPENDITURES FROM THE FUND MAY BE MADE ONLY IN ACCORDANCE  
24 WITH THE STATE BUDGET.

25 (J) TO BE ELIGIBLE TO RECEIVE A GRANT FROM THE FUND, A COUNTY BOARD  
26 SHALL SUBMIT A DESCRIPTION OF THE PROPOSED CHARACTER EDUCATION  
27 PROGRAM TO THE DEPARTMENT BY JUNE 1 PRECEDING THE SCHOOL YEAR IN WHICH  
28 THE CHARACTER EDUCATION PROGRAM WILL BE IMPLEMENTED.

29 (K) THE DEPARTMENT:

30 (1) SHALL ADOPT CRITERIA FOR CERTIFYING CHARACTER EDUCATION  
31 PROGRAMS;

32 (2) SHALL DECIDE WHETHER TO CERTIFY A PROPOSED CHARACTER  
33 EDUCATION PROGRAM BY JULY 1 PRECEDING THE SCHOOL YEAR IN WHICH A  
34 CHARACTER EDUCATION PROGRAM WILL BE IMPLEMENTED;

1           (3)     SHALL AWARD, BY JULY 1 PRECEDING THE SCHOOL YEAR IN WHICH  
2 A CHARACTER EDUCATION PROGRAM WILL BE IMPLEMENTED, A GRANT TO EACH  
3 COUNTY BOARD WITH A CERTIFIED CHARACTER EDUCATION PROGRAM EQUAL TO  
4 THE LESSER OF:

5                   (I)     THE AMOUNT OF MONEY THE COUNTY BOARD HAS  
6 APPROPRIATED FOR THE CHARACTER EDUCATION PROGRAM; OR

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

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

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

23           (5)     SHALL ANNUALLY HOST A CONFERENCE ON CHARACTER  
24 EDUCATION BEST PRACTICES.

25   (L)     THE DEPARTMENT SHALL REPORT TO THE GOVERNOR AND TO THE  
26 GENERAL ASSEMBLY ON OR BEFORE SEPTEMBER 1 OF EACH YEAR, IN ACCORDANCE  
27 WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE, ON THE DISTRIBUTION OF  
28 GRANTS FROM THE FUND AND THE IMPACT OF THE GRANTS ON CHARACTER  
29 EDUCATION IN THE STATE FOR THE PRIOR SCHOOL YEAR.

30   SECTION 2. AND BE IT FURTHER ENACTED, That it is the intent of the  
31 General Assembly that the State Department of Education host the first annual  
32 conference on character education best practices in the fall of 2006.

33   SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take  
34 effect July 1, 2006.