

HOUSE BILL 1469

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2lr3279

By: **Delegate B. Barnes**

Introduced and read first time: February 26, 2022

Assigned to: Rules and Executive Nominations

A BILL ENTITLED

1 AN ACT concerning

2 **School Arts Fund – Established**

3 FOR the purpose of establishing the School Arts Fund as a special, nonlapsing fund;
4 requiring interest earnings of the Fund to be credited to the Fund; altering the
5 allocation of revenues from the State Lottery Fund after a certain date; and generally
6 relating to the School Arts Fund.

7 BY repealing and reenacting, without amendments,
8 Article – Education
9 Section 5–223(a)(1) and (4)
10 Annotated Code of Maryland
11 (2018 Replacement Volume and 2021 Supplement)

12 BY adding to
13 Article – Education
14 Section 5–243
15 Annotated Code of Maryland
16 (2018 Replacement Volume and 2021 Supplement)

17 BY repealing and reenacting, without amendments,
18 Article – State Finance and Procurement
19 Section 6–226(a)(2)(i)
20 Annotated Code of Maryland
21 (2021 Replacement Volume)

22 BY repealing and reenacting, with amendments,
23 Article – State Finance and Procurement
24 Section 6–226(a)(2)(ii)144. and 145.
25 Annotated Code of Maryland
26 (2021 Replacement Volume)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 BY adding to
2 Article – State Finance and Procurement
3 Section 6–226(a)(2)(ii)146.
4 Annotated Code of Maryland
5 (2021 Replacement Volume)

6 BY repealing and reenacting, with amendments,
7 Article – State Government
8 Section 9–120(b)(1)
9 Annotated Code of Maryland
10 (2021 Replacement Volume)

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

13 **Article – Education**

14 5–223.

15 (a) (1) In this section the following words have the meanings indicated.

16 (4) (i) “Eligible school” means:

17 1. For the personnel grant, a public school, including a public
18 charter school, with a concentration of poverty level of:

19 A. For fiscal year 2020, at least 80%;

20 B. For fiscal year 2021, at least 75%;

21 C. For fiscal year 2022, at least 70%;

22 D. For fiscal year 2023, at least 65%;

23 E. For fiscal year 2024, at least 60%; and

24 F. For fiscal year 2025, and each fiscal year thereafter, at
25 least 55%; and

26 2. For the per pupil grant, a public school, including a public
27 charter school, with a concentration of poverty level of:

28 A. For fiscal year 2022, at least 80%;

29 B. For fiscal year 2023, at least 75%;

30 C. For fiscal year 2024, at least 70%;

- 1 D. For fiscal year 2025, at least 65%;
- 2 E. For fiscal year 2026, at least 60%; and
- 3 F. For fiscal year 2027, and each fiscal year thereafter, at
4 least 55%.

5 (ii) “Eligible school” includes an alternative option program in the
6 local school system if the students in the program are not included in the count of eligible
7 students for another program or school to determine eligibility for the concentration of
8 poverty grant.

9 (iii) “Eligible school” does not include a school that is eligible to
10 receive funding under this section but has closed.

11 **5-243.**

12 (A) **IN THIS SECTION, “FUND” MEANS THE SCHOOL ARTS FUND.**

13 (B) **THERE IS A SCHOOL ARTS FUND.**

14 (C) **THE PURPOSE OF THE FUND IS TO PROVIDE GRANTS TO PUBLIC**
15 **SCHOOLS IN BALTIMORE CITY TO PURCHASE ART SUPPLIES FOR CLASSROOMS.**

16 (D) **ARTS EVERYDAY SHALL ADMINISTER THE FUND.**

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

19 (2) **THE STATE TREASURER SHALL HOLD THE FUND SEPARATELY,**
20 **AND THE COMPTROLLER SHALL ACCOUNT FOR THE FUND.**

21 (F) **THE FUND CONSISTS OF:**

22 (1) **REVENUE DISTRIBUTED TO THE FUND UNDER § 9-120(B)(1)(VIII)**
23 **OF THE STATE GOVERNMENT ARTICLE;**

24 (2) **MONEY APPROPRIATED IN THE STATE BUDGET TO THE FUND;**

25 (3) **INTEREST EARNINGS OR OTHER INCOME EARNED FROM THE**
26 **INVESTMENT OF ANY MONEY FROM THE FUND; AND**

27 (4) **ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED FOR**
28 **THE BENEFIT OF THE FUND.**

1 **(G) THE FUND SHALL BE USED TO EXPAND THE ARTS CURRICULUM FOR**
 2 **STUDENTS IN ELIGIBLE PUBLIC SCHOOLS UNDER THE CONCENTRATION OF**
 3 **POVERTY GRANT PROGRAM IN BALTIMORE CITY, AS DEFINED IN § 5-223 OF THIS**
 4 **SUBTITLE, WITH GRANTS TO:**

5 **(1) PURCHASE ART SUPPLIES FOR CLASSROOMS; AND**

6 **(2) PROVIDE ARTS EXPERIENCES.**

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

9 **(2) ANY INTEREST EARNINGS OF THE FUND SHALL BE CREDITED TO**
 10 **THE FUND.**

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

13 **Article – State Finance and Procurement**

14 6–226.

15 (a) (2) (i) Notwithstanding any other provision of law, and unless
 16 inconsistent with a federal law, grant agreement, or other federal requirement or with the
 17 terms of a gift or settlement agreement, net interest on all State money allocated by the
 18 State Treasurer under this section to special funds or accounts, and otherwise entitled to
 19 receive interest earnings, as accounted for by the Comptroller, shall accrue to the General
 20 Fund of the State.

21 (ii) The provisions of subparagraph (i) of this paragraph do not apply
 22 to the following funds:

23 144. the Health Equity Resource Community Reserve Fund;

24 [and]

25 145. the Access to Counsel in Evictions Special Fund; **AND**

26 **146. THE SCHOOL ARTS FUND.**

27 **Article – State Government**

28 9–120.

1 (b) (1) By the end of the month following collection, the Comptroller shall
2 deposit, cause to be deposited, or pay:

3 (i) into the Maryland Stadium Facilities Fund established under §
4 7-312 of the State Finance and Procurement Article from the money that remains in the
5 State Lottery Fund, after the distribution under subsection (a) of this section, an amount
6 not to exceed \$20,000,000 in any fiscal year;

7 (ii) after June 30, 2014, into the Maryland Veterans Trust Fund 10%
8 of the money that remains in the State Lottery Fund from the proceeds of sales of tickets
9 from instant ticket lottery machines by veterans' organizations under § 9-112(d) of this
10 subtitle, after the distribution under subsection (a) of this section;

11 (iii) after June 30, 2014, into the Baltimore City Public School
12 Construction Financing Fund established under § 10-656 of the Economic Development
13 Article the money that remains in the State Lottery Fund from the proceeds of all lotteries
14 after the distributions under subsection (a) of this section and items (i) and (ii) of this
15 paragraph, an amount equal to \$20,000,000 in each fiscal year that bonds are outstanding
16 and unpaid, to be paid in two installments with at least \$10,000,000 paid no later than
17 December 1 of each fiscal year;

18 (iv) after June 30, 2021, into the Racing and Community
19 Development Financing Fund established under § 10-657.2 of the Economic Development
20 Article from the money that remains in the State Lottery Fund, after the distribution under
21 subsection (a) of this section, an amount equal to \$17,000,000 in each fiscal year until the
22 bonds issued for a racing facility have matured;

23 (v) after June 30, 2020, into the Michael Erin Busch Sports Fund
24 established under § 10-612.2 of the Economic Development Article from the money that
25 remains in the State Lottery Fund from the proceeds of all lotteries after the distributions
26 under subsection (a) of this section and items (i) through (iv) of this paragraph, an amount
27 equal to \$1,000,000 in each fiscal year;

28 (vi) after June 30, 2021, a grant to the Maryland Humanities Council
29 for Maryland History Day and other programming from the money that remains in the
30 State Lottery Fund after the distributions under subsection (a) of this section and items (i)
31 through (v) of this paragraph, an amount equal to \$150,000 in each fiscal year;

32 (vii) after June 30, 2021, to Anne Arundel County or Baltimore City
33 each fiscal year the amount required to be distributed under § 9-1A-31(a)(7)(ii) of this title
34 to be used as required under § 9-1A-31 of this title; [and]

35 **(VIII) AFTER JUNE 30, 2022, INTO THE STATE ARTS FUND**
36 **ESTABLISHED UNDER § 5-243 OF THE EDUCATION ARTICLE FROM THE MONEY THAT**
37 **REMAINS IN THE STATE LOTTERY FUND FROM THE PROCEEDS OF ALL OTHER**
38 **LOTTERIES AFTER THE DISTRIBUTIONS UNDER SUBSECTION (A) OF THIS SECTION**

1 **AND ITEMS (I) THROUGH (VII) OF THIS PARAGRAPH, AN AMOUNT EQUAL TO \$250,000**
2 **IN EACH FISCAL YEAR; AND**

3 **[(viii)] (IX)** into the General Fund of the State the money that remains
4 in the State Lottery Fund from the proceeds of all lotteries after the distributions under
5 subsection (a) of this section and items (i) through **[(vi)] (VIII)** of this paragraph.

6 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
7 1, 2022.