

Chapter 33

(House Bill 1450)

AN ACT concerning

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

FOR the purpose of expanding the uses for certain grants under the Concentration of Poverty Grant Program; requiring the State Department of Education to collect certain data and submit a certain report on or before a certain date; requiring the governing body of each county to appropriate a certain amount of funds to the school operating budgets for a certain fiscal year; requiring a certain adjustment to the highest local appropriation for certain counties for a certain fiscal year; altering certain dates for the development, adoption, and submission of certain plans to implement the Blueprint for Maryland's Future; altering the date by which criteria to evaluate certain implementation plans must be developed; requiring the Accountability and Implementation Board to release certain funds withheld from a local school system for a certain fiscal year if a certain condition is met; altering the distribution of certain sales and use tax revenues to the Blueprint for Maryland's Future Fund; requiring the Comptroller to make a certain distribution to the Blueprint for Maryland's Future Fund on or before a certain date; authorizing certain entities or programs to retain the unspent portion of a certain appropriation for a certain fiscal year; and generally relating to the Blueprint for Maryland's Future and maintenance of effort requirements.

BY repealing and reenacting, without amendments,

Article – Education

Section 5–206(a) and 5–405(a)

Annotated Code of Maryland

(2018 Replacement Volume and 2021 Supplement)

BY repealing and reenacting, with amendments,

Article – Education

Section 5–206(f)(1) and, 5–223(c)(4) and (9), 5–235(a) and (b), 5–404(a) and (b), 5–405(b) and (c), and 7–205.1(e)(1)(i)

Annotated Code of Maryland

(2018 Replacement Volume and 2021 Supplement)

BY adding toArticle – EducationSection 5–223(g)(3) and 5–235(a–1)Annotated Code of Maryland(2018 Replacement Volume and 2021 Supplement)

BY repealing and reenacting, with amendments,

Article – Education

Section 5–404(c)

Annotated Code of Maryland

(2018 Replacement Volume and 2021 Supplement)

(As enacted by Chapters 55 and 147 of the Acts of the General Assembly of 2021)

BY repealing and reenacting, with amendments,

Article – Tax – General

Section 2–1302.1

Annotated Code of Maryland

(2016 Replacement Volume and 2021 Supplement)

(As enacted by Chapter 9 of the Acts of the General Assembly of the 2021 Special Session)

BY repealing and reenacting, with amendments,

Article – Tax – General

Section 2–605.1 and 2–1303

Annotated Code of Maryland

(2016 Replacement Volume and 2021 Supplement)

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

Article – Education

5–206.

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

(f) The Fund consists of:

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

5–223.

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

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

(ii) Complete the needs assessment; and

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

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

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

(I) COLLECT THE DATA NECESSARY TO IMPLEMENT THE NEIGHBORHOOD POVERTY INDICATOR METHODOLOGY RECOMMENDED BY THE DEPARTMENT TO CALCULATE THE COMPENSATORY EDUCATION FORMULA UNDER § 5-222 OF THIS SUBTITLE AND THE CONCENTRATION OF POVERTY SCHOOL GRANTS UNDER THIS SECTION; AND

(II) SUBMIT A REPORT TO THE GENERAL ASSEMBLY, IN ACCORDANCE WITH § 2-1257 OF THE STATE GOVERNMENT ARTICLE, THE ACCOUNTABILITY AND IMPLEMENTATION BOARD, AND THE DEPARTMENT OF BUDGET AND MANAGEMENT.

5-235.

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

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

1. State appropriations;
2. Federal education aid payments; and
3. The amount of the expenditure authorized for debt service and capital outlay.

(2) [(i)] Subject to subsection (o) of this section and except as provided in [subparagraphs (ii), (iii), and (iv) of this paragraph] SUBSECTION (A-1) OF THIS SECTION, the county governing body shall appropriate local funds to the school operating budget in an amount no less than the product of the county's enrollment count for the current

fiscal year and the local appropriation on a per pupil basis for the prior fiscal year using enrollment count.

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

1. The county's increase in the local wealth per pupil using the September 2019 full-time equivalent enrollment;
2. The statewide average increase in local wealth per pupil using the September 2019 full-time equivalent enrollment; or
3. 2.5%.

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

1. The fiscal year 2021 local appropriation divided by the greater of:
 - A. The full-time equivalent enrollment in September 2019; or
 - B. The 3-year average of the full-time equivalent enrollment for September 2017, 2018, and 2019; multiplied by
2. The greater of:
 - A. The full-time equivalent enrollment in September 2021; or
 - B. The 3-year average of the full-time equivalent enrollment for September 2018, 2019, and 2021.

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

1. The fiscal year 2022 local appropriation divided by the greater of:
 - A. The full-time equivalent enrollment in September 2019; or

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

2. The greater of:

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

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

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

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

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

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

(II) FOR ANNE ARUNDEL COUNTY, \$784,741,000;

(III) FOR BALTIMORE CITY, \$275,513,758;

(IV) FOR BALTIMORE COUNTY, \$888,261,619;

(V) FOR CALVERT COUNTY, \$134,705,250;

(VI) FOR CAROLINE COUNTY, \$16,080,832;

(VII) FOR CARROLL COUNTY, \$204,617,860;

(VIII) FOR CECIL COUNTY, \$89,196,266;

(IX) FOR CHARLES COUNTY, \$200,686,400;

(X) FOR DORCHESTER COUNTY, \$20,937,715;

(XI) FOR FREDERICK COUNTY, \$316,348,012;

(XII) FOR GARRETT COUNTY, \$28,705,313;

(XIII) FOR HARFORD COUNTY, \$293,812,984;

- (XIV) FOR HOWARD COUNTY, \$628,300,000;**
- (XV) FOR KENT COUNTY, \$18,559,629;**
- (XVI) FOR MONTGOMERY COUNTY, \$1,752,662,235;**
- (XVII) FOR PRINCE GEORGE'S COUNTY, \$766,762,200;**
- (XVIII) FOR QUEEN ANNE'S COUNTY, \$62,559,389;**
- (XIX) FOR ST. MARY'S COUNTY, \$114,540,490;**
- (XX) FOR SOMERSET COUNTY, \$10,490,432;**
- (XXI) FOR TALBOT COUNTY, \$43,905,596;**
- (XXII) FOR WASHINGTON COUNTY, \$106,847,824;**
- (XXIII) FOR WICOMICO COUNTY, \$49,135,024; AND**
- (XXIV) FOR WORCESTER COUNTY, \$97,117,331.**

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

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

- (I) FOR ALLEGANY COUNTY, \$384,498;**
- (II) FOR ANNE ARUNDEL COUNTY, \$10,291,149;**
- (III) FOR BALTIMORE COUNTY, \$41,682,056;**
- (IV) FOR CALVERT COUNTY, \$2,109,359;**

- (V) FOR CARROLL COUNTY, \$7,549,762;**
- (VI) FOR CHARLES COUNTY, \$7,074,539;**
- (VII) FOR FREDERICK COUNTY, \$9,076,061;**
- (VIII) FOR GARRETT COUNTY, \$342,058;**
- (IX) FOR HARFORD COUNTY, \$19,512,731;**
- (X) FOR HOWARD COUNTY, \$23,479,884;**
- (XI) FOR KENT COUNTY, \$488,031;**
- (XII) FOR MONTGOMERY COUNTY, \$30,992,076;**
- (XIII) FOR QUEEN ANNE'S COUNTY, \$406,525; AND**
- (XIV) FOR ST. MARY'S COUNTY, \$6,110,337.**

5-404.

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

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

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

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

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

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

(2) State and local government units responsible for implementing an element of the Blueprint for Maryland's Future shall develop implementation plans

consistent with the Comprehensive Implementation Plan that describe the goals, objectives, and strategies that will be used to improve student achievement and meet the Blueprint for Maryland's Future recommendations for each segment of the student population.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

5–405.

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

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

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

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

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

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

7-205.1.

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

Article – Tax – General

2-605.1.

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

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

2-1302.1.

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

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

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

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

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

2–1303.

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

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

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

[(i) a marketplace facilitator; or

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

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

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

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

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

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

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

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

(1) a marketplace facilitator; or

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

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

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

Enacted under Article II, § 17(b) of the Maryland Constitution, April 9, 2022.