

HOUSE BILL 470

P1, Q7
HB 1101/21 – APP

2lr1950

By: **Delegate Acevero**

Introduced and read first time: January 21, 2022

Assigned to: Appropriations

A BILL ENTITLED

1 AN ACT concerning

2 **Maryland People’s Fund – Establishment**

3 FOR the purpose of establishing the Maryland People’s Fund as a special, nonlapsing fund;
4 requiring interest earnings of the Fund to be credited to the Fund; exempting the
5 Fund from a certain provision of law requiring interest earnings on State money to
6 accrue to the General Fund of the State; requiring the Comptroller to distribute a
7 certain percentage of Maryland estate tax revenue to the Fund; and generally
8 relating to the Maryland People’s Fund.

9 BY repealing and reenacting, without amendments,
10 Article – State Finance and Procurement
11 Section 6–226(a)(2)(i)
12 Annotated Code of Maryland
13 (2021 Replacement Volume)

14 BY repealing and reenacting, with amendments,
15 Article – State Finance and Procurement
16 Section 6–226(a)(2)(ii)144. and 145.
17 Annotated Code of Maryland
18 (2021 Replacement Volume)

19 BY adding to
20 Article – State Finance and Procurement
21 Section 6–226(a)(2)(ii)146.
22 Annotated Code of Maryland
23 (2021 Replacement Volume)

24 BY adding to
25 Article – State Government
26 Section 5–108
27 Annotated Code of Maryland

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (2021 Replacement Volume

2 BY repealing and reenacting, with amendments,
3 Article – Tax – General
4 Section 2–801
5 Annotated Code of Maryland
6 (2016 Replacement Volume and 2021 Supplement)

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

9 **Article – State Finance and Procurement**

10 6–226.

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

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

19 144. the Health Equity Resource Community Reserve Fund;
20 [and]

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

22 **146. THE MARYLAND PEOPLE’S FUND.**

23 **Article – State Government**

24 **5–108.**

25 **(A) IN THIS SECTION, “FUND” MEANS THE MARYLAND PEOPLE’S FUND.**

26 **(B) THERE IS A MARYLAND PEOPLE’S FUND.**

27 **(C) THE STATE TREASURER SHALL ADMINISTER THE FUND.**

28 **(D) (1) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT**
29 **SUBJECT TO § 7–302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.**

30 **(2) THE STATE TREASURER SHALL HOLD THE FUND SEPARATELY,**

1 AND THE COMPTROLLER SHALL ACCOUNT FOR THE FUND.

2 (E) THE FUND CONSISTS OF:

3 (1) REVENUE DISTRIBUTED TO THE FUND UNDER § 2-801 OF THE TAX
4 - GENERAL ARTICLE;

5 (2) MONEY APPROPRIATED IN THE STATE BUDGET FOR THE FUND;

6 (3) INTEREST EARNINGS OF THE FUND; AND

7 (4) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED FOR
8 THE BENEFIT OF THE FUND.

9 (F) THE FUND MAY NOT BE USED FOR ADMINISTRATIVE EXPENSES.

10 (G) (1) THE STATE TREASURER SHALL INVEST THE MONEY OF THE FUND
11 IN THE SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.

12 (2) ANY INTEREST EARNINGS OF THE FUND SHALL BE CREDITED TO
13 THE FUND.

14 (H) EXPENDITURES FROM THE FUND MAY BE MADE ONLY IN ACCORDANCE
15 WITH THE STATE BUDGET.

16 Article - Tax - General

17 2-801.

18 (A) THE COMPTROLLER SHALL DISTRIBUTE 25% OF THE MARYLAND
19 ESTATE TAX REVENUE TO THE MARYLAND PEOPLE'S FUND ESTABLISHED UNDER §
20 5-108 OF THE STATE GOVERNMENT ARTICLE.

21 (B) [The] AFTER MAKING THE DISTRIBUTION REQUIRED UNDER
22 SUBSECTION (A) OF THIS SECTION, THE Comptroller shall distribute the REMAINING
23 Maryland estate tax revenue to the General Fund of the State.

24 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
25 January 1, 2023.