

HOUSE BILL 945

F1

7lr3123

By: **Delegate Conaway**

Introduced and read first time: February 6, 2017

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Baltimore City Public Schools Vendor Contribution to Education Trust Fund**

3 FOR the purpose of establishing the Baltimore City Public Schools Vendor Contribution to
4 Education Trust Fund; providing for the purpose of the Fund; establishing the
5 Baltimore City Public Schools Vender Contribution to Education Trust Fund
6 program; authorizing certain vendors to participate in the program; requiring that
7 vendors participating in the program accumulate certain money and transmit the
8 money to the Comptroller at certain times; specifying that a purchaser who “rounds
9 up” the amount paid for a purchase from a participating vendor is entitled to a
10 charitable contribution in accordance with certain regulations; requiring the
11 Comptroller to credit certain money to the Fund and transmit certain money to the
12 Baltimore City Public School System at certain times and that the money be used
13 for certain purposes; requiring the Treasurer to invest the money in the Fund;
14 requiring interest earnings of the Fund to be credited to the Fund; exempting the
15 Fund from a certain provision of law requiring interest earnings on State money to
16 accrue to the General Fund of the State; requiring that expenditures from that the
17 Fund be appropriated by the General Assembly in a certain manner; providing that
18 the Fund is a continuing, nonlapsing fund; providing that the Fund is subject to audit
19 by the Legislative Auditor; requiring the State Board of Education to adopt certain
20 regulations; and generally relating to the Baltimore City Public Schools Vendor
21 Contribution to Education Trust Fund.

22 BY adding to
23 Article – Education
24 Section 2–208
25 Annotated Code of Maryland
26 (2014 Replacement Volume and 2016 Supplement)

27 BY repealing and reenacting, without amendments,
28 Article – State Finance and Procurement
29 Section 6–226(a)(2)(i)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



Annotated Code of Maryland
(2015 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,
Article – State Finance and Procurement
Section 6–226(a)(2)(ii)94. and 95.
Annotated Code of Maryland
(2015 Replacement Volume and 2016 Supplement)

BY adding to
Article – State Finance and Procurement
Section 6–226(a)(2)(ii)96.
Annotated Code of Maryland
(2015 Replacement Volume and 2016 Supplement)

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

Article – Education

2–208.

**(A) (1) THERE IS A BALTIMORE CITY PUBLIC SCHOOLS VENDOR
CONTRIBUTION TO EDUCATION TRUST FUND.**

(2) THE PURPOSE OF THE FUND IS TO:

**(I) ENHANCE COOPERATION BETWEEN STATE AND
BALTIMORE CITY VENDORS AND THE BALTIMORE CITY PUBLIC SCHOOL SYSTEM;**

**(II) ENCOURAGE THE DONATION OF PRIVATE MONEY TO
EXPAND THE OUTREACH CAPACITY OF THE BALTIMORE CITY PUBLIC SCHOOL
SYSTEM; AND**

**(III) STRENGTHEN THE DEVELOPMENT OF COMMUNITY
INVOLVEMENT IN PUBLIC EDUCATION IN THE BALTIMORE CITY PUBLIC SCHOOL
SYSTEM.**

**(B) THE DEPARTMENT, IN COLLABORATION WITH THE BALTIMORE CITY
PUBLIC SCHOOL SYSTEM, SHALL ESTABLISH AND ADMINISTER THE BALTIMORE
CITY PUBLIC SCHOOLS VENDOR CONTRIBUTION TO EDUCATION TRUST FUND
PROGRAM BY WHICH VENDORS UNDER STATE CONTRACTS IN BALTIMORE CITY OR
VENDORS UNDER CONTRACTS WITH BALTIMORE CITY:**

1 **(1) ALLOW PURCHASERS TO “ROUND UP” TO A HIGHER AMOUNT THE**
2 **AMOUNT THAT THE PURCHASER PAYS FOR A PRODUCT OR SERVICE OFFERED FOR**
3 **SALE BY THE VENDOR; AND**

4 **(2) (I) TALLY AND ACCUMULATE IN A SEPARATE ACCOUNT THE**
5 **“ROUND UP” AMOUNT THE VENDOR COLLECTS FROM PURCHASERS; AND**

6 **(II) TRANSMIT EACH QUARTER THE MONEY ACCUMULATED IN**
7 **THE “ROUND UP” ACCOUNT TO THE COMPTROLLER TO BE CREDITED TO THE**
8 **BALTIMORE PUBLIC SCHOOLS VENDOR CONTRIBUTION TO EDUCATION TRUST**
9 **FUND.**

10 **(C) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT SUBJECT TO**
11 **§ 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.**

12 **(D) A PURCHASER THAT MAKES A “ROUND UP” CONTRIBUTION TO THE**
13 **BALTIMORE CITY VENDOR CONTRIBUTION TO EDUCATION TRUST FUND THROUGH**
14 **A PURCHASE FROM A VENDOR UNDER THIS SECTION IS ENTITLED TO A CHARITABLE**
15 **DEDUCTION IN ACCORDANCE WITH THE REGULATIONS OF THE INTERNAL REVENUE**
16 **SERVICE.**

17 **(E) THE COMPTROLLER SHALL:**

18 **(1) CREDIT TO THE BALTIMORE CITY PUBLIC SCHOOLS VENDOR**
19 **CONTRIBUTION TO EDUCATION TRUST FUND:**

20 **(I) ANY MONEY THAT IT RECEIVES FROM VENDORS UNDER**
21 **THIS SECTION; AND**

22 **(II) INTEREST EARNINGS OF THE FUND; AND**

23 **(2) NO LATER THAN 30 DAYS AFTER THE END OF EACH QUARTER,**
24 **TRANSMIT THE MONEY RECEIVED FROM VENDORS AND ANY INTEREST EARNED**
25 **DURING THE IMMEDIATELY PRECEDING QUARTER TO THE BALTIMORE CITY**
26 **SCHOOL SYSTEM FOR THE PURPOSES OF THE FUND.**

27 **(F) (1) THE TREASURER SHALL INVEST MONEY FROM THE BALTIMORE**
28 **CITY PUBLIC SCHOOLS VENDOR CONTRIBUTION TO EDUCATION TRUST FUND FOR**
29 **THE PURPOSES OF THE FUND.**

30 **(2) ANY INTEREST EARNINGS OF THE FUND SHALL BE CREDITED TO**
31 **THE FUND.**

(G) THE BALTIMORE PUBLIC SCHOOL SYSTEM MAY USE MONEY THAT IS CREDITED TO THE BALTIMORE CITY PUBLIC SCHOOLS VENDOR CONTRIBUTION TO EDUCATION TRUST FUND FOR:

(1) STUDENT SUPPLIES;

(2) SCHOOL LIBRARIES; AND

(3) TEACHER SALARIES.

(H) EXPENDITURES FROM THE FUND SHALL BE MADE IN ACCORDANCE WITH AN APPROPRIATION APPROVED BY THE GENERAL ASSEMBLY IN THE ANNUAL STATE BUDGET OR BY THE BUDGET AMENDMENT PROCEDURE PROVIDED FOR IN § 7-209 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

(I) THE FUND IS A CONTINUING, NONLAPSING FUND THAT:

(1) IS NOT SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE; AND

(2) MAY NOT BE USED AS A SUBSTITUTE FOR STATE GENERAL FUND APPROPRIATIONS.

(J) THE BALTIMORE CITY PUBLIC SCHOOLS VENDOR CONTRIBUTION TO EDUCATION TRUST FUND IS SUBJECT TO AUDIT BY THE LEGISLATIVE AUDITOR AS PROVIDED UNDER § 2-1220 OF THE STATE GOVERNMENT ARTICLE.

(K) THE STATE BOARD SHALL ADOPT REGULATIONS TO IMPLEMENT THIS SECTION.

Article – State Finance and Procurement

6-226.

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

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

1 94. the Community Program Fund; [and]

2 95. the Maryland Corps Program Fund; AND

3 **96. THE BALTIMORE CITY PUBLIC SCHOOLS VENDOR**
4 **CONTRIBUTION TO EDUCATION TRUST FUND.**

5 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
6 1, 2017.