

HOUSE BILL 1101

P1, Q7

1lr2337

By: **Delegate Acevero**

Introduced and read first time: February 5, 2021

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 the State Treasurer to administer the Fund; requiring the State Treasurer
5 to hold the Fund and the Comptroller to account for the Fund; specifying the contents
6 of the Fund; providing for the investment of money in and expenditures from the
7 Fund; requiring interest earnings of the Fund to be credited to the Fund; exempting
8 the Fund from a certain provision of law requiring interest earnings on State money
9 to accrue to the General Fund of the State; requiring the Comptroller to distribute a
10 certain percentage of Maryland estate tax revenue to the Fund; making conforming
11 changes; defining a certain term; providing for a delayed effective date; and generally
12 relating to the Maryland People's Fund.

13 BY repealing and reenacting, without amendments,
14 Article – State Finance and Procurement
15 Section 6–226(a)(2)(i)
16 Annotated Code of Maryland
17 (2015 Replacement Volume and 2020 Supplement)

18 BY repealing and reenacting, with amendments,
19 Article – State Finance and Procurement
20 Section 6–226(a)(2)(ii)122. and 123.
21 Annotated Code of Maryland
22 (2015 Replacement Volume and 2020 Supplement)

23 BY adding to
24 Article – State Finance and Procurement
25 Section 6–226(a)(2)(ii)124.
26 Annotated Code of Maryland
27 (2015 Replacement Volume and 2020 Supplement)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 BY adding to
 2 Article – State Government
 3 Section 5–108
 4 Annotated Code of Maryland
 5 (2014 Replacement Volume and 2020 Supplement)

6 BY repealing and reenacting, with amendments,
 7 Article – Tax – General
 8 Section 2–801
 9 Annotated Code of Maryland
 10 (2016 Replacement Volume and 2020 Supplement)

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

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:

23 122. the Racing and Community Development Financing Fund;

24 [and]

25 123. the Racing and Community Development Facilities Fund;

26 AND

27 124. THE MARYLAND PEOPLE’S FUND.

28 **Article – State Government**

29 5–108.

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

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

32 (C) THE STATE TREASURER SHALL ADMINISTER THE FUND.

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

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

5 (E) THE FUND CONSISTS OF:

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

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

9 (3) INTEREST EARNINGS OF THE FUND; AND

10 (4) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED FOR
11 THE BENEFIT OF THE FUND.

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

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

15 (2) ANY INTEREST EARNINGS OF THE FUND SHALL BE CREDITED TO
16 THE FUND.

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

19 Article - Tax - General

20 2-801.

21 (A) THE COMPTROLLER SHALL DISTRIBUTE 25% OF THE MARYLAND
22 ESTATE TAX REVENUE TO THE MARYLAND PEOPLE'S FUND ESTABLISHED UNDER §
23 5-108 OF THE STATE GOVERNMENT ARTICLE.

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

27 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
28 January 1, 2022.

