

BY: Budget and Taxation Committee

AMENDMENTS TO SENATE BILL NO. 508

(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 2, after “Budget” insert “Reconciliation and”; in line 3, after the first “of” insert “altering certain provisions relating to State aid to local governments and State and local sharing of certain costs; altering the administration of certain State programs; codifying certain requirements that the Governor include certain funds in the State budget for certain purposes; altering certain grants and required appropriations, repealing certain grants and required appropriations, and altering certain requirements relating to certain grants and required appropriations; altering certain audit and reporting requirements; altering the authorized uses of certain funds and altering the required uses of certain funds; requiring the Governor to include certain appropriations in the State budget under certain circumstances for certain reimbursements to counties; requiring the Comptroller to withhold and remit to the Administrative Office of the Courts certain income tax revenue attributable to the county income tax under certain circumstances; delaying certain distributions to certain institutions of higher education; repealing certain requirements and altering certain requirements relating to certain required studies, reports, and evaluations; requiring certain recipients of certain grants to use certain funds for certain purposes; repealing certain accounts and special funds and altering certain accounts and special funds; requiring certain information regarding the financing and operation of State government to be provided to certain committees under certain circumstances and in certain reports under certain circumstances; prohibiting a member of the Board of Trustees for the State Retirement and Pension System from accepting political contributions from certain individuals; prohibiting certain individuals from engaging in certain political activities under certain circumstances; requiring the Governor to submit with the proposed budget each year certain bills necessary to submit a balanced budget; requiring the budget books for a fiscal year to include certain information relating to the Department of Transportation; clarifying the procedures and uses of amendments to the State budget; authorizing the expenditure of money from a special fund or the federal government that exceeds the estimate in the State budget under certain circumstances; clarifying certain requirements for appropriations to the Revenue Stabilization Account; altering certain requirements relating to

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legislative review of certain transfers from certain special accounts or certain modifications to certain guidelines; requiring the Capital Debt Affordability Committee to review and consider certain debt issued by the Department of Transportation for certain purposes; repealing certain authorization to use the proceeds of bond sale premiums to fund the costs of other capital projects; altering a certain exemption from certain requirements relating to State procurements; altering the distribution of certain revenues for certain years; providing that the State may not spend any funds from any source for certain purposes; requiring the Motor Vehicle Administration to alter certain fees under certain circumstances; requiring the Governor to transfer to the General Fund certain amounts from certain special funds for certain fiscal years; requiring the reversion of certain funds in a certain year;”; in the same line, after “products” insert “and services”; in line 8, after “Department;” insert “requiring the Department to adopt certain regulations;”; in line 9, after “certification;” insert “repealing a certain limitation on certain fees;”; in line 10, strike “establish” and substitute “adopt regulations establishing”; in line 14, strike “alter” and substitute “adopt regulations altering”; in line 17, after “Hearings;” insert “limiting the unified credit used for determining the Maryland estate tax to the applicable credit amount corresponding to a certain applicable exclusion amount under the federal estate tax; requiring a person responsible for paying the inheritance tax to file an estate tax return and pay the estate tax under certain circumstances;”; in line 19, after “revenue;” insert “providing certain modifications to federal adjusted gross income of an individual or federal taxable income of a corporation for Maryland income tax purposes for certain deductions for the cost of certain property treated as an expense for federal income tax purposes; providing certain modifications to federal adjusted gross income of an individual or federal taxable income of a corporation for Maryland income tax purposes for certain depreciation deductions with respect to certain vehicles;”; in line 20, after “tax;” insert “providing that a certain exemption under the sales and use tax for certain sales of food does not apply to certain snack food; repealing an exemption under the sales and use tax for certain snack food sold through vending machines;”; in line 23, after “regulations;” insert “requiring that a certain closing balance be maintained in the Annuity Bond Fund for a certain fiscal year; requiring that certain revenues in excess of certain estimates be distributed to Baltimore City for certain purposes; requiring certain proceeds from the sales of certain assets to be deposited to the General Fund; repealing certain provisions of law relating to the development and implementation of a certain educational program for a certain facility;”; strike beginning with “imposing” in line 24 down through “State;” in line 25; in line 25, strike “certain fees” and substitute “a certain fee”; and strike beginning with “requiring” in line 26 down through “Services;” in line 28.

AMENDMENT NO. 2

On page 1, after line 30, insert:

“BY repealing and reenacting, with amendments,

Article 41 - Governor - Executive and Administrative Departments
Section 4-403(a)(4) and (d) and 6-402(7)
Annotated Code of Maryland
(2003 Replacement Volume)

BY repealing and reenacting, without amendments,

Article 41 - Governor - Executive and Administrative Departments
Section 4-403(a)(5) and (a)(8)
Annotated Code of Maryland
(2003 Replacement Volume)

BY repealing and reenacting, with amendments,

Article 70B - Department of Aging
Section 34(c)
Annotated Code of Maryland
(2003 Replacement Volume)

BY repealing and reenacting, with amendments,

Article 83A - Department of Business and Economic Development
Section 4-208 and 5-212(d)
Annotated Code of Maryland
(2003 Replacement Volume)

BY repealing and reenacting, with amendments,

Article - Correctional Services
Section 3-507(b) and 9-404
Annotated Code of Maryland
(1999 Volume and 2003 Supplement)

BY repealing and reenacting, with amendments,

Article - Courts and Judicial Proceedings

Section 2-512(c)
Annotated Code of Maryland
(2002 Replacement Volume and 2003 Supplement)

BY repealing and reenacting, with amendments,

Article - Education
Section 5-205(c), 5-206(g), 8-415(d), 16-512(b), and 17-302(c)
Annotated Code of Maryland
(2001 Replacement Volume and 2003 Supplement)

BY repealing and reenacting, with amendments,

Article - Health - General
Section 10-406(c)(3), 10-409, 13-1004, 13-1015, and 15-139(c)(1)
Annotated Code of Maryland
(2000 Replacement Volume and 2003 Supplement)

BY adding to

Article - Health - General
Section 13-1107(e)
Annotated Code of Maryland
(2000 Replacement Volume and 2003 Supplement)

BY adding to

Article - Natural Resources
Section 1-104(k)
Annotated Code of Maryland
(2000 Replacement Volume and 2003 Supplement)

BY repealing and reenacting, with amendments,

Article - Natural Resources
Section 8-709(d)
Annotated Code of Maryland
(2000 Replacement Volume and 2003 Supplement)

BY repealing and reenacting, with amendments,

Article - Public Safety
Section 8-202, 8-204, 8-205, and 8-209
Annotated Code of Maryland
(2003 Volume and 2003 Supplement)

BY repealing and reenacting, with amendments,
Article - Public Utility Companies
Section 7-512.1(a)(2)
Annotated Code of Maryland
(1998 Replacement Volume and 2003 Supplement)

BY repealing and reenacting, with amendments,
Article - State Personnel and Pensions
Section 21-205
Annotated Code of Maryland
(1997 Replacement Volume and 2003 Supplement)

BY adding to
Article - State Finance and Procurement
Section 7-106
Annotated Code of Maryland
(2001 Volume and 2003 Supplement)

BY repealing and reenacting, with amendments,
Article - State Finance and Procurement
Section 7-110(b), 7-208(c), 7-208.1(b), 7-209(c), 7-217, 7-310(d)(2) and (f), 7-311(a),
7-314(d), (g)(1), (i), (j), (l), (m), (o), and (p), 7-324(d), 7-325(a), 8-112, 8-125(e), and
11-203(a)(2)
Annotated Code of Maryland
(2001 Replacement Volume and 2003 Supplement)

BY repealing and reenacting, without amendments,
Article - State Finance and Procurement

Section 7-310(a), 7-311(e) and (f), 7-314(a)(1) and (2), and 7-324(a)
Annotated Code of Maryland
(2001 Replacement Volume and 2003 Supplement)

BY repealing and reenacting, with amendments,
Article - Tax - General
Section 2-606(b)(1) and 2-614
Annotated Code of Maryland
(1997 Replacement Volume and 2003 Supplement)

BY repealing and reenacting, with amendments,
Article - Tax - Property
Section 13-209(c)
Annotated Code of Maryland
(2001 Replacement Volume and 2003 Supplement)

BY repealing and reenacting, with amendments,
Article - Transportation
Section 2-103.1(c)(1), 6-201.2(a), and 7-402
Annotated Code of Maryland
(2001 Replacement Volume and 2003 Supplement)

BY repealing and reenacting, with amendments,
Article - Transportation
Section 12-120(c) and 13-955
Annotated Code of Maryland
(2002 Replacement Volume and 2003 Supplement)

BY repealing and reenacting, with amendments,
Chapter 17 of the Acts of the General Assembly of 2000
Section 9

BY repealing and reenacting, with amendments,
Chapter 440 of the Acts of the General Assembly of 2002, as amended by Chapter 203 of the
Acts of the General Assembly of 2003

Section 25

BY repealing and reenacting, with amendments,

Chapter 203 of the Acts of the General Assembly of 2003

Section 16”.

On page 2, in line 4, strike “17-311” and substitute “14-12B-02(b), 17-311,”; in line 19, after “6-843” insert “and 9-1307(c)”; in line 24, strike the first comma and substitute “and”; and in the same line, strike “, and 19-1416”.

On page 3, after line 1, insert:

“BY repealing and reenacting, with amendments,

Article - Tax - General

Section 7-309, 10-210.1, and 11-206

Annotated Code of Maryland

(1997 Replacement Volume and 2003 Supplement)”;

after line 6, insert:

“BY repealing and reenacting, without amendments,

Article - Tax - General

Section 10-108 and 10-310

Annotated Code of Maryland

(1997 Replacement Volume and 2003 Supplement)”;

and after line 17, insert:

“BY repealing

Article 49D - Office for Children, Youth, and Families

Section 4.2

Annotated Code of Maryland

(2003 Replacement Volume)

BY repealing

Article - Education
Section 5-216
Annotated Code of Maryland
(2001 Replacement Volume and 2003 Supplement)

BY repealing

Article - Health-General
Section 24-810
Annotated Code of Maryland
(2000 Replacement Volume and 2003 Supplement)

BY repealing

Article - Public Safety
Section 8-206 and 8-207
Annotated Code of Maryland
(2003 Volume)

BY repealing

Chapter 177 of the Acts of the General Assembly of 1997
Section 2

BY repealing

Chapter 178 of the Acts of the General Assembly of 1997
Section 2

BY repealing

Chapter 53 of the Acts of the General Assembly of 2003
Section 3, 5, 11, 12, and 15”.

AMENDMENT NO. 3

On page 22, after line 23, insert:

“7-309.

(a) Notwithstanding an Act of Congress that repeals or reduces the federal credit under § 2011 of the Internal Revenue Code, the provisions of this subtitle in effect before the passage of the Act of Congress shall apply with respect to a decedent who dies after the effective date of the Act of Congress so as to continue the Maryland estate tax in force without reduction in the same manner as if the federal credit had not been repealed or reduced.

(b) (1) Except as provided in [paragraph (2)] PARAGRAPHS (2) AND (3) of this subsection, after the effective date of an Act of Congress described in subsection (a) of this section, the Maryland estate tax shall be determined using:

(i) the federal credit allowable by § 2011 of the Internal Revenue Code as in effect before the reduction or repeal of the federal credit pursuant to the Act of Congress; and

(ii) other provisions of federal estate tax law[, including the applicable unified credit allowed against the federal estate tax,] as in effect on the date of the decedent's death.

(2) [If] EXCEPT AS PROVIDED IN PARAGRAPH (3) OF THIS SUBSECTION, IF the federal estate tax is not in effect on the date of the decedent's death, the Maryland estate tax shall be determined using:

(i) the federal credit allowable by § 2011 of the Internal Revenue Code as in effect before the reduction or repeal of the federal credit pursuant to the Act of Congress; and

(ii) other provisions of federal estate tax law[, including the applicable unified credit allowed against the federal estate tax,] as in effect on the date immediately preceding the effective date of the repeal of the federal estate tax.

(3) NOTWITHSTANDING ANY INCREASE IN THE UNIFIED CREDIT ALLOWED AGAINST THE FEDERAL ESTATE TAX FOR DECEDENTS DYING AFTER 2003, THE UNIFIED CREDIT USED FOR DETERMINING THE MARYLAND ESTATE TAX MAY NOT EXCEED THE APPLICABLE CREDIT AMOUNT CORRESPONDING TO AN APPLICABLE EXCLUSION AMOUNT OF \$1,000,000 WITHIN THE MEANING OF § 2010(C) OF THE INTERNAL REVENUE CODE.

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(4) IF A FEDERAL ESTATE TAX RETURN IS NOT REQUIRED TO BE FILED, THE PERSON RESPONSIBLE FOR PAYING THE INHERITANCE TAX ON PROPERTY THAT PASSES FROM A DECEDENT UNDER SUBTITLE 2 OF THIS TITLE IS RESPONSIBLE FOR FILING A MARYLAND ESTATE TAX RETURN AND PAYING THE MARYLAND ESTATE TAX IMPOSED ON THE TRANSFER OF THE MARYLAND ESTATE OF THE DECEDENT.”.

AMENDMENT NO. 4

On page 22, after line 32, insert:

“10-108.

(a) Except as provided in subsection (c) of this section and unless expressly provided otherwise by law, an amendment of the Internal Revenue Code that, for a taxable year that begins in the calendar year in which the amendment is enacted, affects the determination of federal adjusted gross income or federal taxable income, does not affect the determination of Maryland taxable income under this title for any taxable year that begins in the calendar year in which the amendment is enacted.

(b) Within 60 days after an amendment of the Internal Revenue Code is enacted, the Comptroller shall prepare and submit to the Governor and, subject to § 2-1246 of the State Government Article, the President of the Senate and the Speaker of the House a report that outlines:

(1) the changes in the Internal Revenue Code; and

(2) the impact of those changes on State revenue and on various classes and types of taxpayers.

(c) Subsection (a) of this section does not apply to an amendment of the Internal Revenue Code if the Comptroller determines that the impact of the amendment on State income tax revenue for the fiscal year that begins during the calendar year in which the amendment is enacted will be less than \$5,000,000.

10-210.1.

(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(2) “DEPRECIATION” INCLUDES ANY DEDUCTION ALLOWED UNDER § 179 OF THE INTERNAL REVENUE CODE.

(3) “HEAVY DUTY SUV” MEANS A 4-WHEELED VEHICLE THAT:

(I) IS MANUFACTURED PRIMARILY FOR USE ON PUBLIC STREETS, ROADS, AND HIGHWAYS;

(II) IS RATED AT MORE THAN 6,000 BUT NOT MORE THAN 14,000 POUNDS GROSS VEHICLE WEIGHT; AND

(III) WOULD BE A PASSENGER AUTOMOBILE AS DEFINED IN § 280F OF THE INTERNAL REVENUE CODE IF IT WERE RATED AT 6,000 POUNDS GROSS VEHICLE WEIGHT OR LESS.

(B) In addition to the modifications under §§ 10-204 through 10-210 of this subtitle, to determine Maryland adjusted gross income of an individual:

(1) an amount is added to or subtracted from federal adjusted gross income to reflect the determination of the depreciation deduction provided under § 167(a) of the Internal Revenue Code and the adjusted basis of property without regard to the additional allowance under § 168(k) of the Internal Revenue Code; [and]

(2) an amount is added to or subtracted from federal adjusted gross income to determine the net operating loss deduction allowed under § 172 of the Internal Revenue Code without regard to the special 5-year carryback period provided under § 172(b)(1)(h) of the Internal Revenue Code;

(3) AN AMOUNT IS ADDED TO OR SUBTRACTED FROM FEDERAL

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ADJUSTED GROSS INCOME TO REFLECT THE DETERMINATION OF THE MAXIMUM AGGREGATE COSTS THAT THE TAXPAYER MAY TREAT AS AN EXPENSE UNDER § 179 OF THE INTERNAL REVENUE CODE FOR ANY TAXABLE YEAR WITHOUT REGARD TO THE CHANGES MADE TO THAT SECTION BY THE FEDERAL JOBS AND GROWTH TAX RELIEF RECONCILIATION ACT OF 2003 (P.L. 108-27); AND

(4) AN AMOUNT IS ADDED TO OR SUBTRACTED FROM FEDERAL ADJUSTED GROSS INCOME TO REFLECT THE DETERMINATION OF THE DEPRECIATION DEDUCTION WITH RESPECT TO ANY HEAVY DUTY SUV AS IF THE HEAVY DUTY SUV WERE SUBJECT TO THE LIMITATIONS OF § 280F OF THE INTERNAL REVENUE CODE IN THE SAME MANNER AS IT WOULD BE IF THE VEHICLE WERE RATED AT 6,000 POUNDS GROSS VEHICLE WEIGHT OR LESS.

10-310.

In addition to the modifications under §§ 10-305 through 10-309 of this subtitle, to determine Maryland modified income the federal taxable income of a corporation shall be adjusted as provided for an individual under § 10-210.1 of this title.”.

AMENDMENT NO. 5

On page 23, after line 14, insert:

“11-206.

- (a) (1) In this section the following words have the meanings indicated.
- (2) “Food for immediate consumption” means:
 - (i) food obtained from a salad, soup, or dessert bar;
 - (ii) party platters;
 - (iii) heated food;
 - (iv) sandwiches suitable for immediate consumption; or

(v) ice cream, frozen yogurt, and other frozen desserts, sold in containers of less than 1 pint.

(3) “Facility for food consumption” does not include parking spaces for vehicles as the sole accommodation.

(4) (i) “Food” means food for human consumption.

(ii) “Food” includes the following foods and their products:

1. beverages, including coffee, coffee substitutes, cocoa, fruit juices, and tea;

2. condiments;

3. eggs;

4. fish, meat, and poultry;

5. fruit, grain, and vegetables;

6. milk, including ice cream; and

7. sugar.

(iii) “Food” does not include:

1. an alcoholic beverage as defined in § 5-101 of this article;

2. a soft drink or carbonated beverage; or

3. candy or confectionery.

(5) “Premises” includes any building, grounds, parking lot, or other area that:

(i) a food vendor owns or controls; or

(ii) another person makes available primarily for the use of the patrons of 1 or more food vendors.

(6) “SNACK FOOD” MEANS:

(I) POTATO CHIPS AND STICKS;

(II) CORN CHIPS, INCLUDING TORTILLA CHIPS;

(III) PRETZELS;

(IV) CHEESE PUFFS AND CURLS;

(V) PORK RINDS;

(VI) EXTRUDED PRETZELS AND CHIPS;

(VII) POPPED POPCORN;

(VIII) NUTS AND EDIBLE SEEDS; OR

(IX) SNACK MIXTURES THAT CONTAIN ANY ONE OR MORE OF THE FOODS LISTED IN ITEMS (I) THROUGH (VIII) OF THIS PARAGRAPH.

(7) “Substantial grocery or market business” means a business at which at least 10% of all sales of food are sales of grocery or market food items, not including food normally consumed on the premises even though it is packaged to carry out.

(b) The sales and use tax does not apply to a sale of food stamp eligible food, as defined in 7 U.S.C. § 2012, bought with a food coupon issued in accordance with 7 U.S.C. § 2016.

(c) (1) Except as provided in paragraph (2) of this subsection, the sales and use tax does not apply to a sale of food for consumption off the premises by a food vendor who operates a substantial grocery or market business at the same location where the food is sold.

(2) The exemption under paragraph (1) of this subsection does not apply to:

(i) food that the vendor serves for consumption on the premises of the buyer or of a third party; [or]

(ii) food for immediate consumption; OR

(III) SNACK FOOD.

(d) The sales and use tax does not apply to:

(1) a sale of food:

(i) to patients in a hospital when the food charge is included in the regular room rate;

(ii) by a church or religious organization;

(iii) by a school other than an institution of postsecondary education, including sales at a school by a food concessionaire that is under contract with the school or with its designated contract agent, but not including sales at events that are not sponsored by the school or are not educationally related;

(iv) to students at an institution of postsecondary education if the food charge is for a meal plan or is included in the regular charge for room and board; or

(v) by a nonprofit food vendor if there are no facilities for food consumption on the premises, unless the food is sold within an enclosure for which a charge is made

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for admission;

(2) if the proceeds of the sale are used to support a bona fide nationally organized and recognized organization of veterans of the armed forces of the United States or auxiliary of the organization or 1 of its units, a sale of food or meals for consumption only on the premises, served by the organization or auxiliary; or

(3) if the proceeds of the sale are used to support a volunteer fire company or department or its auxiliary or a volunteer ambulance company or rescue squad or its auxiliary, a sale of food served by the company, department, squad, or auxiliary.

(e) The sales and use tax does not apply to a sale of food or any beverage in a vehicle that is being operated in the State while in the course of interstate commerce.

(f) The sales and use tax does not apply to a sale for consumption off the premises of:

(1) crabs; or

(2) seafood that is not prepared for immediate consumption.

[(g) (1) In this subsection, “snack food” means:

(i) potato chips and sticks;

(ii) corn chips;

(iii) pretzels;

(iv) cheese puffs and curls;

(v) pork rinds;

(vi) extruded pretzels and chips;

(vii) popped popcorn;

(viii) nuts and edible seeds; or
(ix) snack mixtures that contain any one or more of the foods listed in items (i) through (viii) of this paragraph.

(2) The sales and use tax does not apply to the sale of snack food through a vending machine.

(h)] (G) The sales and use tax does not apply to the sale through a vending machine of milk, fresh fruit, fresh vegetables, or yogurt.”.

AMENDMENT NO. 6

On page 6, after line 1, insert:

“14-12B-02.

(b) (1) Each person who registers under this subtitle shall pay a registration fee at the time of registration.

(2) On September 1 of each year following the initial registration, each registered person shall pay a renewal fee to the Division.

(3) The fees for registration and renewal required under this subsection shall be set by the Division:

(i) In an amount not exceeding [\$800] \$1,200 for a person who is required to purchase a surety bond or file an irrevocable letter of credit or cash under subsection (e) of this section;

(ii) In an amount not exceeding [\$150] \$300 for a person who:

1. Is exempt from the requirement to purchase a surety bond or file an irrevocable letter of credit or cash under subsection (e) of this section; and

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2. Does not meet the requirements of item (iii) of this paragraph;
and

(iii) In an amount not exceeding [\$50] \$75 for a person who:

1. Is exempt from the requirement to purchase a surety bond or file an irrevocable letter of credit or cash under subsection (e) of this section;

2. Does not charge an initiation fee or other fee that is not identified as a payment for specified future services;

3. Does not contractually obligate a buyer of health club services to pay in advance of the date the services are provided to the buyer; and

4. Does not collect from a buyer of health club services any payment in advance of the date the services are provided to the buyer.

(4) The fees collected under this subsection may only be used for the administration and enforcement of this subtitle.”.

AMENDMENT NO. 7

On page 7, in line 19, after “article,” insert “SUBJECT TO SUBSECTION (C) OF THIS SECTION,”; and in the same line, strike “following fees:” and substitute “THE FEES PROVIDED IN THIS SECTION.”.

On page 10, after line 7, insert:

“(C) FOR EACH FEE IDENTIFIED UNDER SUBSECTION (B) OF THIS SECTION AS NONREFUNDABLE, THE DEPARTMENT SHALL ADOPT REGULATIONS TO SPECIFY THE CONDITIONS UNDER WHICH THE FEE SHALL BE NONREFUNDABLE AND THE CONDITIONS UNDER WHICH THE FEE MAY BE APPLIED TO A RESUBMISSION OF A DOCUMENT FOR FILING, RECORDING, OR PROCESSING.”.

AMENDMENT NO. 8

On page 11, after line 32, insert:

“9-1307.

(c) A county board of health may establish a permit fee to defray county expenses in inspecting and testing wells. The fee may be charged before a permit required under § 9-1306 of this subtitle is issued. [The fee may not exceed \$80 per well or \$80 per cluster of wells to be used exclusively to transfer heat to or from the ground or groundwater.] A permit shall be valid for a period of 12 months from the date of issuance by the approved delegated permitting authority.”.

AMENDMENT NO. 9

On page 11, in line 35, strike “ESTABLISH” and substitute “ADOPT REGULATIONS ESTABLISHING”.

AMENDMENT NO. 10

On page 22, in line 13, strike “\$50; and” and substitute “:

A. \$125 FOR AN APPEAL OF A DRIVER’S LICENSE
SUSPENSION OR REVOCATION RELATED TO A VIOLATION OF THE MARYLAND
VEHICLE LAW; AND

B. \$50 FOR ALL OTHER TYPES OF APPEALS; AND”.

AMENDMENT NO. 11

On page 23, in line 6 and 12, in each instance, strike the bracket; in line 2, strike “subsection (b)” and substitute “SUBSECTIONS (B) AND (C)”; and strike in their entirety lines 13 and 14 and substitute:

“(C) FROM JULY 1, 2004 THROUGH JUNE 30, 2006:

(1) THE CREDIT ALLOWED UNDER SUBSECTION (A) OF THIS SECTION
IS 0.45% OF THE GROSS AMOUNT OF SALES AND USE TAX THAT THE PERSON IS TO
PAY TO THE COMPTROLLER; AND

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(2) THE CREDIT ALLOWED UNDER SUBSECTION (B) IS:

(I) 0.6% OF THE FIRST \$6,000 OF THE GROSS AMOUNT OF SALES AND USE TAX THAT THE PERSON IS TO PAY WITH EACH RETURN; OR

(II) FOR A VENDOR DESCRIBED IN SUBSECTION (B)(2) OF THIS SECTION, 0.6% OF THE FIRST \$6,000 OF THE GROSS AMOUNT OF SALES AND USE TAX THAT THE PERSON IS OR WOULD BE REQUIRED TO PAY WITH THE CONSOLIDATED RETURN.”.

AMENDMENT NO. 12

On pages 24 through 26, strike in their entirety the lines beginning with line 32 on page 24 through line 5 on page 26, inclusive.

AMENDMENT NO. 13

On page 10, in lines 27 and 29, in each instance, strike “Board” and substitute “DEPARTMENT”.

On page 24, after line 29, insert:

“(D) FOR FISCAL YEAR 2004, THE ASSESSMENT REQUIRED BY THIS SECTION SHALL BE PAID ON OR BEFORE JUNE 20, 2004, BASED ON THE ICF-MR INCOME RECEIVED DURING THE PERIOD FROM APRIL 1, 2003 THROUGH MARCH 31, 2004.”;

and in line 30, strike “(D)” and substitute “(E)”.

AMENDMENT NO. 14

On page 3, after line 19, insert:

“Article 41 - Governor - Executive and Administrative Departments

4-403.

(a) As used in this subtitle:

(4) “Adjusted assessed valuation of real property” means 100% of the assessed

valuation of the operating real property of public utilities, plus 40% of the assessed valuation of all other real property FOR STATE PURPOSES, AS reported by the State Department of Assessments and Taxation as of July 1 of the second fiscal year preceding the fiscal year for which the calculation of State aid is to be made, plus 20% of new property assessed between July 1 and December 31 of the second preceding fiscal year. "Real property" means all property classified as real property under § 8-101(b) of the Tax - Property Article.

(5) "Net taxable income" shall be the taxable income of individuals under Title 10 of the Tax - General Article, as certified by the Comptroller of the Treasury for the third completed calendar year preceding the fiscal year for which the calculation of State aid is to be made. Thus, State aid for the first year of this grant shall be based on taxable income in calendar year 1965, and State aid in succeeding years on taxable income in corresponding succeeding calendar years.

(8) "Wealth base" of a subdivision means the sum of the "adjusted assessed valuation of real property" and "net taxable income".

(d) (1) (i) In this subsection the following words have the meanings indicated.

(ii) "Crime assessment" means an amount obtained for each subdivision or Baltimore City by multiplying the percent of total Part I Crimes in the State that were committed in the subdivision or Baltimore City by [10 percent] 10% of the costs for the crime laboratory of the State Police as provided in the State budget for the fiscal year of the assessment.

(iii) "Part I Crimes" means the crimes reported by the State Police as Part I Crimes in the annual uniform crime report for the SECOND COMPLETED calendar year [that ended the fiscal year] preceding the fiscal year of the crime assessment.

(iv) "Wealth assessment" means an amount obtained for each subdivision or Baltimore City by multiplying the percent of the total wealth base of the State that is attributable to the wealth base of the subdivision or Baltimore City by [20 percent] 20% of the costs for the crime laboratory of the State Police as provided in the State budget for the fiscal year of the assessment.

(2) For the fiscal year beginning July 1, 2004, and for each fiscal year thereafter,

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the amount determined under subsection (b) of this section for each subdivision or Baltimore City shall be reduced by the sum of the crime assessment and the wealth assessment for the subdivision or Baltimore City.

6-402.

In this subtitle the following words have the meanings indicated:

(7) “Weatherization” means the [systematic application of insulation materials to a structure to retard the loss of the heated or cooled air within that structure] IMPLEMENTATION OF AN ENERGY CONSERVATION PROJECT, AS DEFINED UNDER ARTICLE 83B, § 2-203(K) OF THE CODE.

Article 70B - Department of Aging

34.

(c) (1) The Fund shall consist of appropriations that are made to the Fund in the State budget.

(2) FOR EACH FISCAL YEAR, THE GOVERNOR SHALL INCLUDE IN THE ANNUAL BUDGET BILL SUBMITTED TO THE GENERAL ASSEMBLY AN APPROPRIATION OF \$500,000 FOR THE FUND.

Article 83A - Department of Business and Economic Development

4-208.

(a) There is a Maryland Tourism Development Board Fund.

(b) The Fund is established to provide a continuing fund for the Board to fund programs relating to the planning, advertising, promotion, assistance, and development of the tourism industry in the State.

(c) The Fund is a special, continuous, nonlapsing fund that is not subject to § 7-302 of the

State Finance and Procurement Article.

(d) The Treasurer shall invest and reinvest the Fund in the same manner as other State funds and credit any investment earnings to the General Fund.

(e) The Fund consists of:

(1) Moneys appropriated in the State budget to the Fund; and

(2) All funds accepted by the Board in accordance with § 4-206 of this subtitle.

(f) Expenditures from the Fund may be made only by the Board in accordance with an appropriation.

(g) (1) In this subsection, "Governor's proposed General Fund appropriation" means the General Fund appropriation included by the Governor in the annual budget bill as submitted to the General Assembly, including any proposed supplemental budget, before any amendment by the General Assembly.

(2) The Governor shall include in the annual budget bill a proposed General Fund appropriation to the Fund in an amount not less than [:

(i) \$6,000,000, for fiscal year 2003;

(ii) \$6,000,000, for fiscal year 2004;

(iii) \$7,000,000, for fiscal year 2005 and fiscal year 2006, respectively; and

(iv) \$8,500,000, for fiscal year 2007] \$6,000,000 FOR FISCAL YEAR 2006 and each fiscal year thereafter.

[(3) For each fiscal year, in addition to any appropriation for tourism marketing from the Maryland Tourism Development Board Fund, the Governor shall include in the annual budget bill submitted to the General Assembly a General Fund appropriation for the Office of

(Over)

Tourism Development in an amount not less than the amount of the Governor's proposed General Fund appropriation for the Office of Tourism Development for fiscal year 2001.]

5-212.

(d) As soon as practical after the closing of the fiscal year, an audit shall be made of the financial books, records, and accounts of the Corporation. THE AUDIT SHALL INCLUDE REVENUE AND EXPENSE DETAIL FOR EACH OF THE CORPORATION'S OPERATING FACILITIES. The audit shall be made by independent certified public accountants, selected by the Corporation and licensed to practice in the State. The accountants may not have a personal interest either directly or indirectly in the fiscal affairs of the Corporation. They shall be experienced and qualified in the accounting and auditing of public bodies. On or before November 1 following the end of each fiscal year, the accountants shall report the results of their examination, including their unqualified opinion on the presentation of the financial position of the various funds, INDIVIDUAL FINANCIAL DETAIL FOR EACH OF THE CORPORATION'S OPERATING FACILITIES, and the results of the Corporation's financial operations. If they are unable to express an unqualified opinion they shall state and explain in detail the reasons for their qualifications, disclaimer, or opinion including recommendations necessary to make possible future unqualified opinions.

Article - Correctional Services

3-507.

(b) (1) State Use Industries may establish a revolving fund to contain an amount that the Treasurer approves.

(2) (I) BEGINNING IN FISCAL YEAR 2006, THE FIRST \$2,000,000 IN THE REVOLVING FUND IN EXCESS OF THE AMOUNT REQUIRED TO OPERATE STATE USE INDUSTRIES SHALL BE TRANSFERRED TO A SPECIAL FUND TO BE USED BY THE STATE DEPARTMENT OF EDUCATION FOR THE OPERATION OF EDUCATIONAL PROGRAMS IN CORRECTIONAL INSTITUTIONS.

(II) MONEY FROM THE REVOLVING FUND SHALL SUPPLEMENT AND MAY NOT SUPPLANT FUNDING FOR THE OPERATION OF EDUCATIONAL PROGRAMS IN CORRECTIONAL INSTITUTIONS.

(3) The revolving fund may be used for general operating expenses and the purchase of capital assets.

[(3)] (4) The revolving fund established under paragraph (1) of this subsection is not subject to § 7-302 of the State Finance and Procurement Article.

[(4)] (5) State Use Industries shall submit an annual statement to the Comptroller and the Treasurer that provides an accurate and detailed accounting of all receipts and disbursements from the revolving fund.

9-404.

(a) On or before September 30, December 31, March 31, and June 30 of each year, the Secretary shall certify to the Comptroller 25% of the amount estimated to be the amount due to a county under this subtitle.

(b) In the September payment, the State shall compensate a county for a discrepancy between the payments made and the actual required reimbursement for the previous fiscal year.

(c) Within 5 days after the Comptroller receives a certification under this section from the Secretary, the Comptroller shall draw a warrant on the Treasurer for the amount due to a county.

(d) The Treasurer shall immediately pay the amount due to the county.

(E) IF THE SEPTEMBER PAYMENT UNDER SUBSECTION (B) OF THIS SECTION DOES NOT FULLY COMPENSATE A COUNTY FOR THE ACTUAL REQUIRED REIMBURSEMENT FOR THE PRIOR FISCAL YEAR, OR IF THE SEPTEMBER PAYMENT UNDER SUBSECTION (B) OF THIS SECTION TOTALS MORE THAN ONE-FOURTH THE TOTAL APPROPRIATION FOR THE PREVIOUS FISCAL YEAR, THE GOVERNOR SHALL:

(1) INCLUDE IN THE BUDGET BILL FOR THE NEXT FISCAL YEAR A DEFICIENCY APPROPRIATION TO PROVIDE THE ADDITIONAL FUNDS NEEDED TO

(Over)

FULLY REIMBURSE THE COUNTIES FOR THE PREVIOUS FISCAL YEAR; AND
(2) REVIEW THE EXPENDITURE TRENDS AND OTHER FACTORS
AFFECTING THE REIMBURSEMENT PAYMENTS FOR THE 2 MOST RECENT FISCAL
YEARS AND INCLUDE IN THE ANNUAL BUDGET FOR THE NEXT FISCAL YEAR AN
APPROPRIATION SUFFICIENT TO COVER A GOOD FAITH ESTIMATE OF THE EXPECTED
COSTS FOR THE NEXT YEAR.

Article - Courts and Judicial Proceedings

2-512.

(c) (1) Each county and Baltimore City shall reimburse the Administrative Office of
the Courts for 25% of the salary and other expenses to employ one law clerk for each circuit court
judge in the county or Baltimore City.

(2) The amounts received under this subsection shall be credited to a special fund,
to be used only to provide funds to employ law clerks for each circuit court judge as provided in this
section.

(3) NOTWITHSTANDING TITLE 2, SUBTITLE 6 OF THE TAX - GENERAL
ARTICLE, IF THE ADMINISTRATIVE OFFICE OF THE COURTS CERTIFIES TO THE
COMPTROLLER THAT A COUNTY OR BALTIMORE CITY IS MORE THAN 90 DAYS IN
ARREARS IN PAYING THE AMOUNTS DUE UNDER THIS SUBSECTION, THE
COMPTROLLER SHALL WITHHOLD FROM THE COUNTY INCOME TAX OTHERWISE
DUE TO BE DISTRIBUTED TO THE COUNTY OR BALTIMORE CITY AND SHALL PAY TO
THE ADMINISTRATIVE OFFICE OF THE COURTS THE AMOUNT DUE.

Article - Education

5-205.

(c) (1) In this subsection, “full-time equivalent enrollment” has the meaning stated in
§ 5-202 of this subtitle.

(2) Subject to the limitations under paragraph (3) of this subsection, for fiscal year

2004 and every year thereafter the amount of a county's base grant for student transportation shall be equal to the amount of the county's base grant for student transportation for the previous year increased by the same percentage as the increase in the private transportation category of the Consumer Price Index for all urban consumers, for the Washington-Baltimore metropolitan area, as of July of the fiscal year preceding the year for which the amount is being calculated, plus an additional amount equal to the product of:

(i) The total amount of funds distributed by the State as base grants for student transportation for the previous fiscal year divided by the statewide full-time equivalent enrollment for the previous fiscal year; and

(ii) The difference between the full-time equivalent enrollment in a county for the current fiscal year and the full-time equivalent enrollment in the county for the previous fiscal year, or, if the full-time equivalent enrollment in a county for the current fiscal year is less than the full-time equivalent enrollment in the county for the previous fiscal year, zero.

(3) The increase in the amount of a base grant for student transportation that is based on the increase in the private transportation category of the Consumer Price Index may not be less than [3] 1 percent nor more than 8 percent of the amount of the grant for the previous year.

5-206.

(g) (1) In each of fiscal years [2004 through] 2006 AND 2007, the State shall distribute a grant to each county board that is equal to the amount received by the county board in fiscal year 2002 for the extended elementary education program.

(2) IN FISCAL YEAR 2005, THE STATE SHALL DISTRIBUTE A GRANT TO EACH COUNTY BOARD THAT IS EQUAL TO 87.5% OF THE AMOUNT RECEIVED BY THE COUNTY BOARD IN FISCAL YEAR 2002 FOR THE EXTENDED ELEMENTARY EDUCATION PROGRAM.

8-415.

(Over)

(d) (1) In this subsection, “basic cost” as to each county, means the average amount spent by the county from county, State, and federal sources for the public education of a nonhandicapped child. “Basic cost” does not include amounts specifically allocated and spent for identifiable compensatory programs for disadvantaged children.

(2) As provided in paragraphs (3) and (4) of this subsection, the State and the counties shall share collectively in the cost of educating children with disabilities in nonpublic programs under § 8-406 of this subtitle OR IN A REGIONAL INSTITUTE FOR CHILDREN AND ADOLESCENTS OPERATED BY THE MENTAL HYGIENE ADMINISTRATION UNDER § 10-406 OF THE HEALTH - GENERAL ARTICLE.

(3) (i) Subject to the limitation under subparagraph (ii) of this paragraph, for each of these children domiciled in the county, the county shall contribute for each placement the sum of:

1. The local share of the basic cost;

2. An additional amount equal to 200 percent of the basic cost;

and

3. An additional amount equal to [20] 25 percent of the approved cost or reimbursement in excess of the sum of items 1 and 2 of this subparagraph.

(ii) The amount that a county is required to contribute under subparagraph (i) of this paragraph may not exceed the total cost or reimbursement amount approved by the Department.

(4) For each of these children, the State shall contribute an amount equal to the amount of the approved cost or reimbursement in excess of the amount the county is required to contribute under paragraph (3) of this subsection.

16-512.

(b) Notwithstanding subsection (a) of this section, the State appropriation to Baltimore City Community College requested by the Governor may not be less than the State appropriation to

the College [requested by the Governor] in the previous fiscal year.
17-302.

(c) Payments shall be made by the State:

(1) Only with respect to pledged amounts that are paid by the eligible private donor to:

(i) Bowie State University, Coppin State College, Morgan State University, and University of Maryland Eastern Shore before January 1, 2006; and

(ii) All other eligible institutions before July 1, 2004; and

(2) (i) To Bowie State University, Coppin State College, Morgan State University, and the University of Maryland Eastern Shore, in the fiscal year following the fiscal year during which the amounts are paid by eligible private donors; and

(ii) To all other eligible institutions, in equal installments in fiscal years [2005,] 2006, 2007, [and 2008] 2008, AND 2009.

Article - Health - General

10-406.

(c) (3) The Department shall provide residential and day treatment programs for children and adolescents from Prince George's County.

(i) The Department shall offer to contract the education program to the local educational agency. [The costs of the contract shall be determined by using the same per pupil costs as is used in the contract of these services at the Regional Institute in Montgomery County.]

(ii) If the local educational agency declines to contract, the Department may operate an education program directly or contract with another qualified provider.

(Over)

10-409.

(a) [(1) The Department of Legislative Services shall prepare an estimate of the cost of laundry services at the Eastern Shore Hospital Center.

(2) The estimate shall include transportation costs, but not the cost of a driver.

(b) The administrative head of the Eastern Shore Hospital Center shall:

(1) Advertise for and receive bids for a contract to provide [the] laundry services;
and

(2) [If any bids are under the cost estimate, contract] CONTRACT for the services with the low bidder unless the administrative head finds that the bidder would not fulfill the contract satisfactorily.

13-1004.

(a) Beginning in fiscal year [2005] 2006 and in every second year thereafter, the Department shall conduct a Tobacco Study which shall measure the same factors that are set forth in § 13-1003(c) of this subtitle and use the same methodology or model that was used for the Baseline Tobacco Study.

(b) To carry out the evaluation and surveillance functions of this subtitle, the Department may conduct any other tobacco study measuring the factors set forth in § 13-1003(c) of this subtitle and using a methodology or model that is consistent with but need not be identical to that used to conduct the Baseline Tobacco Study.

(c) (1) Subject to paragraphs (2) through (4) of this subsection, the Department shall contract with a higher education institution or private entity to conduct the Biennial Tobacco Study.

(2) The Department shall issue a request for proposal to select the entity that will conduct the Biennial Tobacco Study.

(3) The Department may contract with an entity to conduct one or more biennial tobacco studies.

(4) The Department shall use the criteria established in § 13-1003(e)(5) of this subtitle as a guide in administering the request for proposal process.

(d) On or before September 1 of each [even numbered] ODD-NUMBERED fiscal year, beginning in fiscal year [2006] 2007, the Department shall submit a report to the Governor and, subject to § 2-1246 of the State Government Article, the General Assembly on the results of the Biennial Tobacco Study.

13-1015.

(A) For fiscal year [2005] 2006 and each fiscal year thereafter, the Governor shall include at least \$21,000,000 in the annual budget in appropriations for activities aimed at reducing tobacco use in Maryland as recommended by the Centers for Disease Control and Prevention, including:

(1) Media campaigns aimed at reducing smoking initiation and encouraging smokers to quit smoking;

(2) Media campaigns educating the public about the dangers of secondhand smoke exposure;

(3) Enforcement of existing laws banning the sale or distribution of tobacco products to minors;

(4) Promotion and implementation of smoking cessation programs; and

(5) Implementation of school-based tobacco education programs.

(B) FOR FISCAL YEAR 2005, THE GOVERNOR SHALL INCLUDE AT LEAST \$12,000,000 IN THE ANNUAL BUDGET IN APPROPRIATIONS FOR THE PURPOSES DESCRIBED IN SUBSECTION (A) OF THIS SECTION.

(Over)

13-1107.

(E) A COUNTY OR STATEWIDE ACADEMIC HEALTH CENTER THAT RECEIVES FUNDS UNDER A LOCAL PUBLIC HEALTH CANCER GRANT SHALL DEDICATE AT LEAST 60% OF THE FUNDS TO CANCER SCREENING, DIAGNOSIS, AND TREATMENT.

15-139.

(c) (1) For fiscal year 2004 and each subsequent fiscal year, the Governor shall provide funds in the budget for the Subcabinet [for the Children, Youth, and Families Resource] Fund established under Article 49D of the Code in an amount equal to:

(i) The amount of federal funds received under subsection (a) of this section during the most recently completed fiscal year;

(ii) Less any administrative costs incurred by the Department, the Department of Juvenile Services, and the Department of Human Resources in implementing the programs required under this section; and

(iii) Subject to adjustment in accordance with subsection (e) of this section.

Article - Natural Resources

1-104.

(K) AT LEAST 45 DAYS BEFORE THE DEPARTMENT SEEKS APPROVAL BY THE BOARD OF PUBLIC WORKS OF THE PURCHASE OF ANY INTEREST IN LAND FOR WHICH THE STATE CONTRIBUTION TO THE PURCHASE EXCEEDS \$2,000,000, THE SECRETARY SHALL PROVIDE THE SENATE BUDGET AND TAXATION COMMITTEE AND THE HOUSE APPROPRIATIONS COMMITTEE WITH:

(1) A DESCRIPTION OF THE PROPOSED PURCHASE;

(2) A DESCRIPTION OF THE INTEREST THE DEPARTMENT WILL HOLD IN THE PROPERTY; AND

(3) A LISTING OF THE PROPOSED SOURCES OF MONEY TO BE USED FOR THE PURCHASE.

8-709.

(d) Notwithstanding the provisions of subsection (a) of this section [, for]:

(1) FOR each of fiscal years 2003 [and 2004] THROUGH 2005, as provided in the State budget, the Department may use the moneys in the Waterway Improvement Fund for administrative expenses directly relating to implementing the purposes of the Waterway Improvement Fund; AND

(2) FOR FISCAL YEAR 2006 AND EACH FISCAL YEAR THEREAFTER, AS PROVIDED IN THE STATE BUDGET, THE DEPARTMENT MAY USE UP TO 5% OF THE MONEYS IN THE WATERWAY IMPROVEMENT FUND FOR ADMINISTRATIVE EXPENSES DIRECTLY RELATING TO IMPLEMENTING THE PURPOSES OF THE WATERWAY IMPROVEMENT FUND.

Article - Public Safety

8-202.

(a) There is a Volunteer Company Assistance Fund.

[(b) The Fund is composed of:

(1) the Emergency Assistance Trust Account; and

(2) the Low Interest Revolving Loan Account.]

(Over)

[(c)] (B) (1) The Fund is a special, nonlapsing fund that is not subject to § 7-302 of the State Finance and Procurement Article.

(2) The Treasurer shall hold the Fund separately and the Comptroller shall account for the Fund.

(C) AFTER CONSULTATION WITH THE ASSOCIATION, THE GOVERNOR MAY INCLUDE IN THE STATE BUDGET EACH YEAR AN APPROPRIATION TO THE FUND.

(d) (1) Any investment earnings of the Fund shall be credited to the Fund.

(2) Repayments on loans from the [Emergency Assistance Trust Account or the Low Interest Revolving Loan Account] FUND shall be placed in the [respective account] FUND and made available to fund GRANT OR LOAN requests [for money].

(e) With the approval of the Board of Public Works, the Department shall adopt regulations to administer the Fund.

(F) FOR THE PURPOSE OF MAKING LOANS UNDER THIS SUBTITLE, THE ASSOCIATION SHALL:

(1) DEVELOP LOAN CRITERIA;

(2) DEVELOP LOAN TERMS, INCLUDING INTEREST RATES; AND

(3) RECOMMEND TO THE BOARD OF PUBLIC WORKS THE APPROVAL OR DENIAL OF LOANS.

8-204.

[(a) In this section, “Account” means the Emergency Assistance Trust Account.

(b) There is an Emergency Assistance Trust Account.

(c)] (A) The purpose of the [Account] FUND is to ensure adequate fire protection and

rescue services in the State.

[(d) After consultation with the Association, the Governor may include in the State budget each year an amount for the purposes set forth in subsection (e) of this section.

(e)] (B) A grant or loan awarded under this section shall be used only for PURCHASING, REPLACING, OR IMPROVING:

(1) equipment, including elevated equipment, pumpers, tankers, ladder trucks, ambulances, rescue vehicles, or other large equipment used for fire fighting and emergency services;

(2) communications equipment;

(3) protective equipment, including helmets, turnout coats and pants, boots, eyeshields, gloves, and self-contained respiratory protection units;

(4) any other equipment necessary to carry out the ordinary functions of supporting fire fighting and rescue activities; or

(5) facilities used to house fire fighting equipment, ambulances, and rescue vehicles.

[(f)] (C) (1) (i) A volunteer company receiving money from the [Account] FUND shall provide at least a 30% match of the amount of the grant or loan.

(ii) If a volunteer company cannot reasonably provide the required match before the money is disbursed, the Board of Public Works may waive the requirement or may allow repayment of the match within a reasonable time not exceeding 18 months after the purchase, REPLACEMENT, OR IMPROVEMENT of the equipment or facilities.

(2) (i) Money to provide the required match may include contributions from local government.

(ii) A local government may not reduce the amount of money that the

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volunteer company would otherwise be entitled to receive from the local government because of State money provided under this section.

[(g)] (D) After a favorable recommendation from the Department, the Board of Public Works may award a grant, loan, or both from the [Account] FUND to a volunteer company if:

(1) (i) an act of God or other unforeseen event substantially impairs the ability of the volunteer company to provide adequate and safe service; or

(ii) the volunteer company is unable to maintain the minimum level of performance for adequate and safe service established by standards of the Association because of a demonstrated lack of financial resources; and

(2) the Department and the volunteer company have executed an agreement that:

(i) provides that money will be used as represented to the Board of Public Works in the request for approval; and

(ii) gives to the State security in the equipment or facilities purchased with the money and in the proceeds of that equipment or those facilities as determined by the Board of Public Works to be appropriate and adequate.

[(h)] (E) A grant or loan awarded under this section may not:

(1) be used to refinance a debt or other obligation of a volunteer company incurred before July 1, 1982; or

(2) be spent to replace or repair eligible items to the extent that insurance proceeds are available for those purposes.

[(i)] (F) The Board of Public Works may not approve a grant or loan from the [Account] FUND to a volunteer company if the volunteer company has not made a good faith effort to obtain money from its local government.

8-205.

(a) (1) A volunteer company shall submit each request for money from the [Emergency Assistance Trust Account] FUND to the Association for approval by a board of review in accordance with the Association's bylaws.

(2) Each request for money shall include:

(i) financial statements for the 2 fiscal years immediately preceding the fiscal year in which the request is made; [and]

(ii) any available audit of the financial statements; AND

(III) A DETAILED EXPLANATION OF THE REASONS FOR THE REQUEST.

(3) For each request for money from the [Emergency Assistance Trust Account] FUND, the volunteer company shall certify that the volunteer company applied for money from its local government and was denied, either wholly or partly.

(b) (1) If the Association disapproves a request or does not take action within 45 days after the request, the volunteer company requesting money may appeal to a panel composed of the president of the Association, the State Fire Marshal, and the chairman of the Fire and Rescue Education and Training Commission.

(2) The decision of the panel is final and is not subject to further review.

(c) On approval of a request for money, the Association or the panel shall transmit its recommendation to the Department with the request for money and any other supporting information required by the Department.

(d) (1) The Department shall forward each request for money from the [Emergency Assistance Trust Account] FUND to the Department of Legislative Services for review.

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(2) On review of the financial statements, the Department of Legislative Services may advise the Department if the request for money appears justified.

(e) The Board of Public Works may authorize the use of money from the [Emergency Assistance Trust Account] FUND on a recommendation by the Department in accordance with this section.

(f) As authorized by the Board of Public Works, the Treasurer shall disburse money from the Fund to a volunteer company for the purposes of this subtitle on warrant of the Comptroller.

8-209.

(a) On or before August 30 of each fiscal year, the Association shall submit to the Department and to the Board of Public Works a report that includes for the previous fiscal year:

(1) the number of GRANTS AND loans made;

(2) each volunteer company that received a GRANT OR A loan and the amount of the GRANT OR loan;

(3) the specific purpose for making each GRANT OR loan; and

(4) for each volunteer company that received a GRANT OR loan:

(i) the financial statement of the volunteer company for the fiscal year in which the money was received; and

(ii) documentation of the volunteer company's actual expenditures.

(b) The Department shall:

(1) review each financial statement and the documentation submitted in accordance with subsection (a) of this section to determine if the money was spent in accordance with the request for money approved by the Board of Public Works; and

(2) report the findings to the Senate Budget and Taxation Committee and the House Appropriations Committee.

Article - Public Utility Companies

7-512.1.

(a) (2) (I) [The] EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH, THE Department of Human Resources shall be responsible for administering the universal service program through the Office of Home Energy Programs.

(II) THE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT SHALL ADMINISTER ANY LOW-INCOME WEATHERIZATION PROGRAMS UNDER THE UNIVERSAL SERVICE PROGRAM IN ACCORDANCE WITH ANY APPLICABLE STATE OR FEDERAL REGULATIONS.

Article - State Personnel and Pensions

21-205.

(A) In exercising authority, control, or discretion with respect to the several systems, a fiduciary may not:

(1) use the assets of the several systems for the fiduciary's own interest or account;

(2) act in a transaction involving the several systems on behalf of a person, or represent a person, if the interests of the person are adverse to the interests of the several systems or the interests of participants;

(3) receive any consideration for the fiduciary's own account from a person dealing with the several systems in connection with a transaction involving the assets of the several systems; or

(Over)

(4) become an endorser or surety or, in any manner, an obligor, for money lent to or borrowed from the Board of Trustees.

(B) (1) IN THIS SUBSECTION, "CANDIDATE", "CONTRIBUTION", AND "POLITICAL COMMITTEE" HAVE THE MEANINGS STATED IN § 1-101 OF THE ELECTION LAW ARTICLE.

(2) THE RESTRICTIONS IN THIS SUBSECTION APPLY:

(I) FROM THE DATE AN INDIVIDUAL BECOMES A MEMBER OF THE BOARD OF TRUSTEES UNTIL THE DAY FOLLOWING THE DATE THE INDIVIDUAL CEASES TO BE A BOARD MEMBER; AND

(II) FROM THE DATE THE BOARD OF TRUSTEES DESIGNATES A PERSON TO CARRY OUT THE RESPONSIBILITIES OF A FIDUCIARY UNTIL THE DAY FOLLOWING THE DATE THE DESIGNATION CEASES.

(3) A MEMBER OF THE BOARD OF TRUSTEES MAY NOT ACCEPT A POLITICAL CONTRIBUTION FROM ANY PERSON WHO HAS BEEN DESIGNATED BY THE BOARD OF TRUSTEES TO CARRY OUT THE RESPONSIBILITIES OF A FIDUCIARY.

(4) A PERSON WHO HAS BEEN DESIGNATED BY THE BOARD OF TRUSTEES TO CARRY OUT THE RESPONSIBILITIES OF A FIDUCIARY MAY NOT, FOR THE BENEFIT OF ANY MEMBER OF THE BOARD OF TRUSTEES WHO IS AN ELECTED OFFICIAL OR A CANDIDATE FOR ELECTED OFFICE, ENGAGE IN THE FOLLOWING ACTIVITIES:

(I) SOLICITING OR TRANSMITTING A POLITICAL CONTRIBUTION FROM ANY PERSON, INCLUDING A POLITICAL COMMITTEE;

(II) SERVING ON A FUND-RAISING COMMITTEE OR A POLITICAL COMMITTEE;

(III) ACTING AS A TREASURER FOR A CANDIDATE OR OFFICIAL

OR AS TREASURER OR CHAIRMAN OF A POLITICAL COMMITTEE;

(IV) ORGANIZING OR ESTABLISHING A POLITICAL COMMITTEE FOR THE PURPOSE OF SOLICITING OR TRANSMITTING CONTRIBUTIONS FROM ANY PERSON; OR

(V) FORWARDING TICKETS FOR FUND-RAISING ACTIVITIES, OR OTHER SOLICITATIONS FOR POLITICAL CONTRIBUTIONS, TO A POTENTIAL CONTRIBUTOR.

(5) THIS SUBSECTION DOES NOT PROHIBIT A PERSON WHO HAS BEEN DESIGNATED BY THE BOARD OF TRUSTEES TO CARRY OUT THE RESPONSIBILITIES OF A FIDUCIARY FROM:

(I) MAKING A PERSONAL POLITICAL CONTRIBUTION;

(II) INFORMING ANY PERSON OF A POSITION TAKEN BY A CANDIDATE OR OFFICIAL; OR

(III) ENGAGING IN OTHER ACTIVITIES NOT SPECIFICALLY PROHIBITED UNDER PARAGRAPH (4) OF THIS SUBSECTION.

(6) THIS SUBSECTION DOES NOT APPLY TO A PERSON WHO HAS BEEN DESIGNATED BY THE BOARD OF TRUSTEES TO CARRY OUT THE RESPONSIBILITIES OF A FIDUCIARY AND WHO IS A CANDIDATE WITH RESPECT TO THAT PERSON'S OWN CAMPAIGN.

Article - State Finance and Procurement

7-106.

THE GOVERNOR SHALL SUBMIT TO THE GENERAL ASSEMBLY BY THE THIRD WEDNESDAY IN JANUARY EACH YEAR, EXCEPT IN THE CASE OF A NEWLY ELECTED GOVERNOR, AND THEN NOT LATER THAN 10 DAYS AFTER THE CONVENING OF THE

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GENERAL ASSEMBLY, EACH BOND OR REVENUE BILL NECESSARY TO SUBMIT A BALANCED BUDGET AND TO CARRY OUT THE PROPOSED BUDGET FOR THE NEXT FISCAL YEAR.

7-110.

(b) (1) Each budget bill shall set forth as part of the appropriation for the Office of the Secretary of Transportation and for each modal administration, separate items for:

(i) capital expenditures; and

(ii) operating expenditures.

(2) The budget books shall set forth, for information, a summary of the capital expenditures and operating expenditures, as defined by the Secretary of Transportation, for the Maryland Transportation Authority.

(3) THE BUDGET BOOKS FOR A FISCAL YEAR SHALL INCLUDE THE APPROPRIATION FOR THE PRECEDING FISCAL YEAR FOR EACH MODAL ADMINISTRATION, AS PROVIDED IN THE CONSOLIDATED TRANSPORTATION PROGRAM.

7-208.

(c) An amendment of an appropriation for a program of the Legislative Branch of State government:

(1) may not increase the sum of the appropriations FROM THE GENERAL FUND OF THE STATE for all the programs of the Legislative Branch; AND

(2) MAY AUTHORIZE THE EXPENDITURE OF MONEY FROM A SPECIAL FUND OR THE FEDERAL GOVERNMENT AS PROVIDED IN § 2-201 OR § 7-217(A) OF THIS ARTICLE.

7-208.1.

(b) An amendment of an appropriation for a program of the Judicial Branch:

(1) may not increase the sum of the appropriations FROM THE GENERAL FUND OF THE STATE for all the programs of the Judicial Branch; AND

(2) MAY AUTHORIZE THE EXPENDITURE OF MONEY FROM A SPECIAL FUND OR THE FEDERAL GOVERNMENT AS PROVIDED IN §§ 2-201 AND 7-217(A) OF THIS ARTICLE.

7-209.

(c) (1) An amendment of an appropriation for a program:

(I) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, may not increase the sum of the appropriations FROM THE GENERAL FUND OF THE STATE for all the programs of the officer or unit; AND

(II) MAY PERMIT THE EXPENDITURE OF MONEY FROM A SPECIAL FUND OR THE FEDERAL GOVERNMENT AS PROVIDED IN § 2-201 OR § 7-217(A) OF THIS ARTICLE.

(2) AN AMENDMENT OF AN APPROPRIATION FOR A PROGRAM OF THE EXECUTIVE BRANCH MAY INCREASE THE SUM OF THE APPROPRIATIONS FROM THE GENERAL FUND OF THE STATE FOR ALL PROGRAMS OF THE OFFICER OR UNIT IF MONEY FROM THE CONTINGENT FUND OF THE BOARD OF PUBLIC WORKS ARE TRANSFERRED TO THE PROGRAM.

7-217.

(a) An officer or unit of the State government may spend money [that is derived from a source] FROM A SPECIAL FUND OR THE FEDERAL GOVERNMENT THAT IS not estimated or included in the State budget OR EXCEEDS THE ESTIMATE IN THE STATE BUDGET and is

(Over)

paid into the State Treasury for a program after AN APPROVED amendment of [the] A SPECIAL OR FEDERAL FUND appropriation for the program:

(1) for the specific purpose to which the money is dedicated by State law or act of Congress; or

(2) if the money is not dedicated to a specific purpose, with the approval of the Governor AND AS AUTHORIZED IN AN APPROVED BUDGET AMENDMENT, for necessary current operations.

(b) Money that is derived from a source estimated and included in an appropriation act and that is in excess of the estimate shall remain in the General Fund of the State until appropriated by a subsequent appropriation act.

7-310.

(a) In this section “Account” means the Dedicated Purpose Account.

(d) For each appropriation to the Account, the Governor may:

(2) transfer the funds by budget amendment from the Account to the expenditure account of the appropriate unit of State government [only] NO EARLIER THAN 45 DAYS after the proposed budget amendment has been:

(I) submitted to the Senate Budget and Taxation Committee and the House Appropriations Committee of the General Assembly; and

(II) [approved by] SUBMITTED TO the Legislative Policy Committee FOR REVIEW AND COMMENT.

(f) (1) The unspent balance of an appropriation to the Account reverts to the Revenue Stabilization Account 4 years after the end of the fiscal year for which the appropriation was made.

(2) If the Governor determines that certain funds in the Account are no longer needed for the purpose for which they were originally appropriated, those funds may be transferred

by budget amendment to the Revenue Stabilization Account NO EARLIER THAN 45 DAYS after the proposed budget amendment has been:

(I) submitted to the Senate Budget and Taxation Committee and the House Appropriations Committee of the General Assembly; and

(II) [approved by] SUBMITTED TO the Legislative Policy Committee FOR REVIEW AND COMMENT.

7-311.

(a) (1) In this section[,] THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(2) “Account” means the Revenue Stabilization Account.

(3) “ESTIMATED GENERAL FUND REVENUES” MEANS THE ESTIMATED GENERAL FUND REVENUES STATED IN THE ANNUAL REPORT OF THE BOARD OF REVENUE ESTIMATES SUBMITTED TO THE GOVERNOR UNDER § 6-106 OF THIS ARTICLE.

(e) Except as provided in subsection (f) of this section, for each fiscal year:

(1) if the Account balance is below 3% of the estimated General Fund revenues for that fiscal year, the Governor shall include in the budget bill an appropriation to the Account equal to at least \$100,000,000; and

(2) if the Account balance is at least 3% but less than 5% of the estimated General Fund revenues for that fiscal year, the Governor shall include in the budget bill an appropriation to the Account equal to at least the lesser of \$50,000,000 or whatever amount is required for the Account balance to exceed 5% of the estimated General Fund revenues for that fiscal year.

(f) The appropriations required by subsection (e) of this section are not required when the

(Over)

Account balance exceeds 5% of the estimated General Fund revenues.
7-314.

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

(2) “Account” means the Economic Development Opportunities Program Account.

(d) [After notice to and approval by] NO EARLIER THAN 45 DAYS AFTER SUBMISSION OF A PROPOSED BUDGET AMENDMENT TO the Legislative Policy Committee FOR REVIEW AND COMMENT, the Governor may transfer funds by budget amendment from the Economic Development Opportunities Program Account to the expenditure account of the appropriate executive agency.

(g) (1) The Department of Business and Economic Development shall report to the Governor and, subject to § 2-1246 of the State Government Article, to the General Assembly before January 1 of each year:

(i) the financial status of the program and a summary of its operations for the preceding fiscal year;

(ii) for the previous 3 fiscal years, the status of Account disbursements for economic development projects [approved] REVIEWED by the Legislative Policy Committee under this section; and

(iii) for the previous 3 fiscal years, the status of job creation, capital investment, and other measures of economic development for each economic development project [approved] REVIEWED by the Legislative Policy Committee under this section.

(i) The Legislative Policy Committee may [approve] REVIEW AND COMMENT ON an economic development opportunity that is not an extraordinary economic development opportunity if the executive agency requesting the transfer of funds offers a detailed justification for the exception. The Legislative Policy Committee shall give particular consideration to an exception that would provide a significant economic development opportunity for an area of the State that has a relatively high unemployment rate or relatively low per capita income.

(j) (1) The Department of Business and Economic Development shall submit to the Legislative Policy Committee by January 1 of each year a list of guidelines for the kinds of performance requirements that may be negotiated with a loan or grant applicant.

(2) The Department of Business and Economic Development may modify these guidelines as needed, [upon approval of] NO EARLIER THAN 45 DAYS AFTER SUBMISSION TO the Legislative Policy Committee FOR REVIEW AND COMMENT.

(3) An executive agency may depart from these guidelines as needed, [upon approval of] NO EARLIER THAN 45 DAYS AFTER SUBMISSION OF A DESCRIPTION OF THE EXCEPTION TO THE GUIDELINES TO the Legislative Policy Committee FOR REVIEW AND COMMENT.

(l) Upon [request for approval for the transfer of funds by] SUBMISSION TO THE LEGISLATIVE POLICY COMMITTEE OF A PROPOSED budget amendment TO TRANSFER MONEY from the Account, the Governor shall provide, subject to § 2-1246 of the State Government Article, to the Legislative Policy Committee:

(1) a detailed description of:

(i) the proposed use of the funds;

(ii) the manner in which the proposed use meets the criteria as set forth in this section;

(iii) the degree to which the proposed use of funds will advance statewide or local economic development strategies and objectives; and

(iv) the degree to which available sources of federal, State, local, and private financial support has been sought and will be utilized;

(2) the terms, conditions, and performance requirements of any grant or loan for

(Over)

which the funds are to be used;

(3) a comprehensive economic analysis of the proposed use of the funds which estimates:

(i) the economic impact to the State and the local jurisdictions affected;

(ii) a minimum level of net economic benefits to the public sector;

(iii) the number of jobs expected to be created as a result of the proposed economic development project and the percentage of those jobs that are expected to be held by Maryland residents;

(iv) the wage rates and benefit packages for the jobs expected to be created as a result of the proposed economic development project; and

(v) any other appropriate financial or economic benefits;

(4) any other analysis or information that is requested by the Legislative Policy Committee; and

(5) the date on which the executive agency expects to disburse the funds to the proposed recipient.

(m) If an executive agency fails to disburse transferred funds to a recipient within 1 year after the expected disbursement date presented to the Legislative Policy Committee under subsection (l) of this section, the funds will revert back to the Account and the Governor shall:

(1) resubmit the [request] PROPOSED BUDGET AMENDMENT TO TRANSFER MONEY TO THE ACCOUNT to the Legislative Policy Committee [to transfer funds by budget amendment to the Account]; and

(2) provide the Legislative Policy Committee with the information required under subsection (l) of this section.

(o) In the case of an economic development opportunity located outside a priority funding

area as established under Title 5, Subtitle 7B of this article, the Department shall first comply with the provisions of that subtitle before [making a request for approval] SUBMITTING A PROPOSAL TO [by] the Legislative Policy Committee FOR REVIEW AND COMMENT under this section.

(p) An executive agency may approve changes to a transaction [approved] REVIEWED AND COMMENTED ON by the Legislative Policy Committee as long as the changes do not materially and adversely affect the overall position of the executive agency in the transaction or the economic development benefits to be derived by the State in the transaction.

7-324.

(a) In this section, “Account” means the Catastrophic Event Account.

(d) [After notice to and approval by] NO EARLIER THAN 45 DAYS AFTER THE SUBMISSION OF A PROPOSED BUDGET AMENDMENT TO the Legislative Policy Committee FOR REVIEW AND COMMENT, the Governor may transfer funds by budget amendment from the Account to the expenditure accounts of the appropriate unit of State government.

7-325.

(a) For each fiscal year, the Governor shall include in the annual budget bill submitted to the General Assembly [an] A GENERAL FUND appropriation for the Maryland State Arts Council in an amount not less than the amount of the GENERAL FUND appropriation for the Council as approved in the State budget as enacted by the General Assembly for the prior fiscal year, increased by not less than the percentage by which the projected total General Fund revenues for the upcoming fiscal year exceed the revised estimate of total General Fund revenues for the current fiscal year, as contained in the report of estimated State revenues submitted by the Board of Revenue Estimates to the Governor under § 6-106(b) of this article.

8-112.

(a) The Committee shall review on a continuing basis the size and condition of the State tax supported debt as well as:

(Over)

(1) DEBT ISSUED BY THE DEPARTMENT OF TRANSPORTATION UNDER TITLE 3, SUBTITLE 6 OF THE TRANSPORTATION ARTICLE; AND

(2) other debt of State units, including the University System of Maryland, Morgan State University, St. Mary's College of Maryland, and the Baltimore City Community College.

(b) On or before September 10 of each year, the Committee shall submit to the Governor and the General Assembly the Committee's estimate of the total amount of new State debt that prudently may be authorized for the next fiscal year.

(c) In making the estimate, the Committee shall consider:

(1) the amount of State bonds that, during the next fiscal year:

(i) will be outstanding; and

(ii) will be authorized but unissued;

(2) the capital program prepared by the Department of Budget and Management;

(3) capital improvement and school construction needs during the next 5 fiscal years, as projected by the Interagency Committee on School Construction;

(4) projections of debt service requirements during the next 10 fiscal years;

(5) the criteria that recognized bond rating agencies use to judge the quality of issues of State bonds;

(6) any other factor that is relevant to:

(i) the ability of the State to meet its projected debt service requirements for the next 5 fiscal years; or

(ii) the marketability of State bonds;
(7) the effect of authorizations of new State debt on each of the factors set out in this subsection; and

(8) the amount of issuances, debt outstanding, and debt service requirement of other classes of State tax supported debt as well as:

(I) DEBT ISSUED BY THE DEPARTMENT OF TRANSPORTATION UNDER TITLE 3, SUBTITLE 6 OF THE TRANSPORTATION ARTICLE; AND

(II) other debt of State units, including the University System of Maryland, Morgan State University, St. Mary's College of Maryland, and the Baltimore City Community College.

(d) The estimate of the Committee:

(1) is advisory; and

(2) does not bind the General Assembly, the Board, or the Governor.

(e) (1) In addition to its other duties under this section, the Committee shall review on a continuing basis the size and condition of any debt of the University System of Maryland, Morgan State University, St. Mary's College of Maryland, and the Baltimore City Community College.

(2) In preparing an estimate with respect to the authorization of any new State debt, the Committee shall take into account as part of the affordability analysis any debt for academic facilities to be issued by a System.

(3) At the same time that the Committee makes its report as required under paragraph (b) of this section, the Committee shall submit to the Governor and the General Assembly the Committee's estimate of the amount of new bonds for academic facilities that prudently may be authorized in the aggregate for the next fiscal year by the University System of Maryland, Morgan

(Over)

State University, and St. Mary's College of Maryland.

(4) For purposes of this subtitle, the terms "System" and "academic facilities" have the meanings stated in § 19-101 of the Education Article.

(5) The Committee may request any needed information from a System and shall consider the information in making its estimates, including any information submitted by a System at its own initiative.

(6) This estimate:

(i) is advisory; and

(ii) does not bind the General Assembly, the Board, or the Governor.

(F) (1) IN ADDITION TO THE OTHER DUTIES UNDER THIS SECTION, THE COMMITTEE SHALL REVIEW ON A CONTINUING BASIS THE SIZE AND CONDITION OF ANY DEBT ISSUED BY THE DEPARTMENT OF TRANSPORTATION UNDER TITLE 3, SUBTITLE 6 OF THE TRANSPORTATION ARTICLE.

(2) IN PREPARING AN ESTIMATE WITH RESPECT TO THE AUTHORIZATION OF ANY NEW STATE DEBT, THE COMMITTEE SHALL TAKE INTO ACCOUNT AS PART OF THE AFFORDABILITY ANALYSIS ANY DEBT ISSUED BY THE DEPARTMENT OF TRANSPORTATION UNDER TITLE 3, SUBTITLE 6 OF THE TRANSPORTATION ARTICLE.

(3) AT THE SAME TIME THAT THE COMMITTEE MAKES ITS REPORT AS REQUIRED UNDER SUBSECTION (B) OF THIS SECTION, THE COMMITTEE SHALL SUBMIT TO THE GOVERNOR AND THE GENERAL ASSEMBLY THE COMMITTEE'S ESTIMATE OF THE AMOUNT OF NEW BONDS THAT MAY PRUDENTLY BE ISSUED BY THE DEPARTMENT OF TRANSPORTATION UNDER TITLE 3, SUBTITLE 6 OF THE TRANSPORTATION ARTICLE.

(4) THE COMMITTEE MAY REQUEST ANY NEEDED INFORMATION FROM THE DEPARTMENT OF TRANSPORTATION AND SHALL CONSIDER THE INFORMATION IN MAKING ITS ESTIMATES, INCLUDING ANY INFORMATION

SUBMITTED BY THE DEPARTMENT OF TRANSPORTATION ON ITS OWN INITIATIVE.

(5) THIS ESTIMATE:

(I) IS ADVISORY; AND

(II) DOES NOT BIND THE GENERAL ASSEMBLY, THE BOARD, OR
THE GOVERNOR.

8-125.

(e) (1) Unless payment of expenses otherwise has been provided, the expenses of each bond sale shall be paid from the proceeds of that bond sale credited to the premium and expense account.

(2) After the expenses of each sale of State bonds have been paid, the remaining premium credited to the premium and expense account from that bond sale shall be transferred to the Annuity Bond Fund to pay[:

(i) debt service on State bonds[; and

(ii) if approved by the Board, the costs of other capital projects].

11-203.

(a) Except as provided in subsection (b) of this section, this Division II does not apply to:

(2) procurement by a unit from:

(i) EXCEPT FOR CONTRACTS WITH A VALUE THAT EXCEEDS
\$500,000, another unit;

(ii) a political subdivision of the State;

(Over)

(iii) an agency of a political subdivision of the State;

(iv) a government, including the government of another state, of the United States, or of another country;

(v) an agency or political subdivision of a government; or

(vi) a bistate, multistate, bicounty, or multicounty governmental agency; or

Article - Tax - General

2-606.

(b) (1) In June of each year, from current collections, the Comptroller shall RESERVE AN AMOUNT OF UNALLOCATED REVENUE THAT THE COMPTROLLER ESTIMATES WILL BE CLAIMED ON RETURNS AND REFUNDED TO TAXPAYERS WITHIN 3 YEARS OF THE DATE THE INCOME TAX RETURN WAS DUE TO BE FILED, AND distribute to each county, municipal corporation, and special taxing district a pro rata share of THE BALANCE OF THE unallocated individual income tax revenue[

(i) with respect to which an income tax return was not filed within 3 years after the date the income tax return was due to be filed; and

(ii) that was received during the calendar year ending 42 months before the distribution date].

2-614.

(A) After making the distribution required under § 2-613 of this subtitle, the Comptroller shall distribute monthly 24% of the remaining income tax revenue from corporations to A SPECIAL FUND TO BE DISTRIBUTED AS PROVIDED IN SUBSECTION (B) OF THIS SECTION.

(B) (1) FROM THE SPECIAL FUND, THE COMPTROLLER SHALL DISTRIBUTE AN AMOUNT EQUAL TO 24% OF THE COST TO ADMINISTER THE INCOME TAX ON CORPORATIONS TO AN ADMINISTRATIVE COST ACCOUNT.

(2) AFTER MAKING THE DISTRIBUTION REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION, THE COMPTROLLER SHALL DISTRIBUTE THE BALANCE IN THE SPECIAL FUND TO the Gasoline and Motor Vehicle Revenue Account in the Transportation Trust Fund.

Article - Tax - Property

13-209.

(c) (1) Subject to subsection (e) of this section, of the balance of the revenue in the special fund, not required under subsection (b) of this section:

(i) for the fiscal year beginning July 1, 2002, \$47,268,585 shall be allocated to the General Fund of the State and the remainder shall be allocated as provided in subsection (d) of this section;

(ii) for the fiscal year beginning July 1, 2003, \$102,833,869 shall be allocated to the General Fund of the State and the remainder shall be allocated as provided in the State budget; and

(iii) for the fiscal year beginning July 1, 2004, [an amount equal to 50% of the estimated fiscal year 2005 revenue for the special fund] \$147,374,444 shall be allocated to the General Fund of the State, and the remainder shall be allocated as provided in subsection (d) of this section.

(2) Subject to subsection (e) of this section, for the fiscal years beginning July 1, 2005 and each subsequent fiscal year, the balance of the revenue in the special fund, not required under subsection (b) of this section shall be allocated as provided in subsection (d) of this section.

Article - Transportation

2-103.1.

(Over)

- (c) (1) The Consolidated Transportation Program shall:
- (i) Be revised annually; and
 - (ii) Include:
 - 1. A list of Program priorities;
 - 2. A statement of the Department's projected annual operating costs, set forth separately for the Office of the Secretary and for each modal administration;
 - 3. Expanded descriptions of major capital projects;
 - 4. A list of major capital projects for the current year, the budget request year, and the 4 successive planning years;
 - 5. A list of anticipated minor capital projects, including a specific list of anticipated special projects for the current year and the budget request year and an estimate of the Program level for each of the 4 successive planning years;
 - 6. A list of major bridge work projects;
 - 7. A summary of the capital and operating programs, as defined by the Secretary, for the Maryland Transportation Authority;
 - 8. For each listed major capital project, an indication whether the revenue source anticipated to support that project consists of federal, special, general, or other funds;
 - 9. THE DEPARTMENT'S ESTIMATES OF THE LEVELS AND SOURCES OF REVENUES TO BE USED TO FUND THE PROJECTS IN THE PROGRAM;
 - 10. A glossary of terms; and
 - [10.] 11. A cross-reference table for the information contained in

the various parts of the State Report on Transportation.

6-201.2.

(a) (1) Subject to approval of the Administration's budget by the General Assembly as provided in § 3-216 of this article and subject to State fiscal procedures, including those governing budgeting, accounting, and auditing, the Commission may adopt regulations establishing procedures for the approval and control of Administration expenditures.

(2) The Commission shall present regulations proposed under this subsection to the Board of Public Works for approval. [Subject to the approval of the General Assembly, the Administration shall receive an appropriation as part of its annual operating budget for use as a contingency fund. No additional moneys may be transferred into the contingency fund by budget amendment. Disbursements from the contingency fund under \$500,000 shall be for those purposes that the Commission in its sole discretion determines are valid, provided that timely notice of the use is given to the budget committees of the General Assembly. Disbursements from the contingency fund exceeding \$500,000 shall be subject to the approval of the Board of Public Works and notice of these disbursements shall be provided to the budget committees of the General Assembly in a timely manner. The Commission shall include in its annual report to the General Assembly all uses of the contingency fund and the impacts of those uses. At the end of each fiscal year any unused sums in the contingency fund shall be credited to the Transportation Trust Fund and may not be retained by the Administration.]

7-402.

(a) The State may not enter into an agreement for construction or operation of a rail system based on magnetic levitation technology [except pursuant to an act of the General Assembly specifically authorizing the project].

(b) [State general or special funds may not be expended] THE STATE MAY NOT SPEND ANY FUNDS FROM ANY SOURCE for the purpose of studying, developing, or constructing a Maglev system in the State.

12-120.

(Over)

(c) (1) Subject to the limitations under subsection (d) of this section, before the start of any fiscal year the Administration by regulation may alter, effective beginning in the upcoming fiscal year, the levels of the miscellaneous fees that the Administration is authorized under this article to establish.

(2) THE ADMINISTRATION SHALL ALTER THE LEVELS OF MISCELLANEOUS FEES FOR THE UPCOMING FISCAL YEAR IF THE PROJECTED COST RECOVERY UNDER SUBSECTION (D) OF THIS SECTION EXCEEDS 100%.

13-955.

(a) In this section, "Fund" means the Maryland Emergency Medical System Operations Fund.

(b) (1) There is a Maryland Emergency Medical System Operations Fund.

(2) The Fund is a continuing, nonlapsing fund which is not subject to § 7-302 of the State Finance and Procurement Article.

(3) Interest and earnings on the Fund shall be separately accounted for and credited to the Fund, and are not subject to § 6-226(a) of the State Finance and Procurement Article.

(c) The Fund consists of:

(1) Registration surcharges collected under § 13-954 of this subtitle; and

(2) All funds, including charges for accident scene transports and interhospital transfers of patients, generated by an entity specified in subsection (e) of this section that is a unit of State government.

(d) Expenditures from the Fund shall be made pursuant to an appropriation approved by the General Assembly in the annual State budget or by the budget amendment procedure provided under § 7-209 of the State Finance and Procurement Article, provided that any budget amendment shall be submitted to and approved by the Legislative Policy Committee prior to the expenditure or

obligation of funds.

(e) The money in the Fund shall be used solely for:

(1) Medically oriented functions of the Department of State Police, Special Operations Bureau, Aviation Division;

(2) The Maryland Institute for Emergency Medical Services Systems;

(3) The R Adams Cowley Shock Trauma Center at the University of Maryland Medical System;

(4) The Maryland Fire and Rescue Institute;

(5) The provision of grants under the Senator William H. Amoss Fire, Rescue, and Ambulance Fund in accordance with the provisions of Title 8, Subtitle 1 of the Public Safety Article; and

(6) The [Low Interest Revolving Loan Account under the] Volunteer Company Assistance Fund in accordance with the provisions of Title 8, Subtitle 2 of the Public Safety Article.

Chapter 17 of the Acts of 2000

SECTION 9. AND BE IT FURTHER ENACTED, That a comprehensive evaluation of the Tobacco Use Prevention and Cessation Program and the Cancer Prevention, Education, Screening, and Treatment Program established in this Act shall be conducted at the end of fiscal year [2004] 2005. The comprehensive evaluation shall be conducted by a higher education institution or private entity. The Department shall issue a request for proposal to select the entity that will conduct the comprehensive evaluation. The comprehensive evaluation shall include an evaluation of: (1) the administration of the Programs; and (2) the effectiveness of the Programs, including an analysis of: (i) whether appropriate benchmarks based on objective performance measures have been met; and (ii) the extent to which the short-term and long-term goals established under §§ 13-1007 and 13-1109 of the Health - General Article have been met. No later than February 1, [2004] 2005, the

(Over)

Department shall submit a proposed request for proposal for the comprehensive evaluation to the Senate Budget and Taxation Committee, Senate Finance Committee, House Appropriations Committee, and House Environmental Matters Committee for review and comment. Based on the results of the comprehensive evaluation, the Department shall consider whether the Programs should be modified in any way. No later than November 1, [2004] 2005, the Department shall submit a report to the Governor and, subject to § 2-1246 of the State Government Article, the General Assembly that includes the results of the comprehensive evaluation and the Department's recommendations regarding modifications to the Programs.

Chapter 440 of the Acts of 2002, as amended by Chapter 203 of the Acts of 2003

SECTION 25. AND BE IT FURTHER ENACTED, That notwithstanding § 16-317 of the Education Article or any other provision of law, the portion of fiscal year 2002 and 2003 payments required under § 16-317 of the Education Article for private technology donation incentives that are not funded in the fiscal 2003 budget OR THE FISCAL YEAR 2005 BUDGET shall be deferred until fiscal year [2005] 2006.

Chapter 203 of the Acts of 2003

SECTION 16. AND BE IT FURTHER ENACTED, That, notwithstanding anything to the contrary in § 8-403 of the Transportation Article or any other provision of State law, for fiscal years 2003, 2004, and 2005, only:

(a) the amount to be distributed under § 8-403(b) of the Transportation Article shall be reduced by \$17,949,407 for fiscal year 2003[,] AND \$102,440,128 for FISCAL YEARS 2004 AND 2005 [fiscal year 2004, and \$51,220,064 for fiscal year 2005] and those amounts shall be distributed to the General Fund; and

(b) the amount to be distributed to Baltimore City under § 8-403(a) of the Transportation Article shall be limited to \$171,817,132 in fiscal year 2003 and \$170,000,000 in each of fiscal years 2004 and 2005.

SECTION 2. AND BE IT FURTHER ENACTED, That notwithstanding any other provision of law, on or before June 30, 2005, the Governor shall transfer to the General Fund:

\$3,000,000 of the funds in the Spinal Cord Injury Research Trust Fund established under

§ 13-1406 of the Health - General Article;

\$415,100 of the funds in the Special Fund established under § 11-401 of the Business Regulation Article;

\$2,000,000 of the funds in the account of the State Use Industries established under § 3-507 of the Correctional Services Article;

\$4,500,000 of the funds in the Central Collection Fund established under § 3-306 of the State Finance and Procurement Article;

\$163,000 of the funds in the State Board of Dental Examiners Fund established under § 4-207 of the Health Occupations Article;

\$251,000 of the funds in the State Board of Physical Therapy Examiners Fund established under § 13-207 of the Health Occupations Article;

\$107,000 of the funds in the State Board of Examiners for Psychologists Fund established under § 18-207 of the Health Occupations Article;

\$251,000 of the funds in the State Board of Social Work Examiners Fund established under § 19-206 of the Health Occupations Article;

\$628,000 of the funds in the State Board of Physicians Fund established under § 14-207 of the Health Occupations Article; and

\$41,886,000 of the funds in the special fund established under § 13-209 of the Tax - Property Article, representing excess actual transfer tax collections for fiscal year 2004 that would otherwise be allocated to the special fund for fiscal year 2006 as provided under § 13-209(f)(1) of the Tax - Property Article.

SECTION 3. AND BE IT FURTHER ENACTED, That the unexpended appropriations for the following purposes that were included in the fiscal year 2004 operating budget (Chapter 202,

(Over)

Acts of 2003) are reduced by the amounts indicated below and are hereby transferred to the State General Fund:

<u>Fiscal Year</u>	<u>Program</u>	<u>Entitled</u>	<u>Amount of Reduction General Funds</u>
<u>2004</u>	<u>D25E03.02</u>	<u>Board of Public Works - Interagency Committee for School Construction - Aging School Programs</u>	<u>2,923,440</u>
<u>2004</u>	<u>D38I01.02</u>	<u>State Board of Elections - Help America Vote Act</u>	<u>1,847,000</u>
<u>2004</u>	<u>M00Q01.03</u>	<u>Medical Care Programs Administration - Medical Care Provider Reimbursements</u>	<u>31,300,000</u>
<u>2004</u>	<u>W00A01.01</u>	<u>Maryland State Police - Office of the Superintendent</u>	<u>4,899,660</u>
<u>2004</u>	<u>W00A01.02</u>	<u>Maryland State Police - Field Operations Bureau</u>	<u>52,139,981</u>
<u>2004</u>	<u>W00A01.03</u>	<u>Maryland State Police - Support Services Bureau</u>	<u>20,917,560</u>
<u>2004</u>	<u>W00A01.04</u>	<u>Maryland State Police - Administrative Services Bureau</u>	<u>7,724,085</u>
<u>2004</u>	<u>W00A01.10</u>	<u>Maryland State Police - Information Technology and Communications Bureau</u>	<u>4,372,781</u>

SECTION 4. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:”.

On page 24, in line 9, strike “2.” and substitute “5.”.

AMENDMENT NO. 15

On page 26, after line 5, insert:

“SECTION 6. AND BE IT FURTHER ENACTED, That, notwithstanding any other

provision of law, the proceeds (net of the expenses directly related to the sale) obtained from the sale of the vessel known as Maryland Independence shall be deposited into the General Fund on or before June 30, 2004.

SECTION 7. AND BE IT FURTHER ENACTED, That, notwithstanding any other provision of law, if, between June 1, 2004 and June 30, 2005, executive branch agencies dispose of passenger vehicles that are not essential to core business functions, the proceeds of the sale (net of costs directly related to the sale) of excess vehicles shall be deposited into the General Fund unless otherwise required by federal law or regulation. This provision does not apply to vehicles that are necessary to operations and for which replacement vehicles are required.

SECTION 8. AND BE IT FURTHER ENACTED, That, notwithstanding the provisions of § 8-204 of the Public Safety Article or any other provision of law, in fiscal years 2005, 2006, and 2007, loan repayments from the Volunteer Company Assistance Fund may be used for the purpose of providing grants to the Maryland State Firemen's Association for administrative expenses and grants to widows and orphans.

SECTION 9. AND BE IT FURTHER ENACTED, That:

(a) In addition to the distributions provided by § 2-606 of the Tax - General Article, on or before August 30, 2004, the Comptroller shall distribute from the unallocated individual revenue account:

(1) \$81,000,000 to counties, municipalities, and special taxing districts, apportioned as described in § 2-606(c) of the Tax - General Article and based on the income tax collected for calendar year 2002; and

(2) \$81,000,000 to the General Fund of the State.

(b) The amount distributed to the General Fund of the State shall be subtracted from the State's liability to counties, municipalities, and special taxing districts for distributions of unallocated income tax revenue, and the State shall have no further liability for this amount.

SECTION 10. AND BE IT FURTHER ENACTED, That, notwithstanding the provisions of §

(Over)

16-317 of the Education Article or Chapter 440 of the Acts of 2002, as amended by Chapter 203 of the Acts of 2003, or any other provision of law, the payments for fiscal year 2005 to eligible institutions required under § 16-317 of the Education Article shall be as follows:

<u>Allegany</u>	<u>\$66,500</u>
<u>Anne Arundel</u>	<u>87,869</u>
<u>Baltimore City</u>	<u>57,120</u>
<u>Carroll</u>	<u>68,626</u>
<u>Cecil</u>	<u>96,713</u>
<u>Prince Frederick</u>	<u>81,464</u>
<u>La Plata</u>	<u>34,260</u>
<u>Leonardtown</u>	<u>54,983</u>
<u>Chesapeake</u>	<u>75,551</u>
<u>Catonsville</u>	<u>59,394</u>
<u>Dundalk</u>	<u>79,090</u>
<u>Essex</u>	<u>60,338</u>
<u>Frederick</u>	<u>97,846</u>
<u>Garrett</u>	<u>95,897</u>
<u>Hagerstown</u>	<u>85,460</u>
<u>Harford</u>	<u>100,542</u>
<u>Howard</u>	<u>100,816</u>
<u>Germantown</u>	<u>51,674</u>
<u>Rockville</u>	<u>57,286</u>
<u>Takoma Park</u>	<u>83,467</u>
<u>Prince George's</u>	<u>101,253</u>
<u>Wor-Wic</u>	<u>36,233</u>

SECTION 11. AND BE IT FURTHER ENACTED, That, notwithstanding the provisions of § 16-305 of the Education Article or any other provision of law, in fiscal year 2005, each Board that received funding under § 16-305(c)(6)(ii) of the Education Article in fiscal year 2004 shall receive the same share of the size factor in fiscal year 2005.

SECTION 12. AND BE IT FURTHER ENACTED, That a closing balance of at least \$62,000,000 shall be retained in the Annuity Bond Fund for fiscal year 2005.

SECTION 13. AND BE IT FURTHER ENACTED, That, notwithstanding § 13-1115 of the

Health - General Article, for fiscal year 2005 only the amount of each Statewide Academic Health Center Public Health Grant distributed to the University of Maryland Medical Group or The Johns Hopkins Institutions, respectively, shall be \$1,218,000.

SECTION 14. AND BE IT FURTHER ENACTED, That, notwithstanding § 13-209(e) of the Tax - Property Article or any other provision of law, if the actual transfer tax revenue collections for fiscal 2004 exceed the revenue estimates for fiscal 2004 by more than \$41,886,000, the first \$750,000 of the excess over \$41,886,000 shall be distributed to Baltimore City to be used for park operations in accordance with § 5-903(a)(2)(ii) of the Natural Resources Article. A distribution to Baltimore City under this section shall be implemented by budget amendment during fiscal 2005.

SECTION 15. AND BE IT FURTHER ENACTED, That Section(s) 4.2 of Article 49D - Office for Children, Youth, and Families of the Annotated Code of Maryland be repealed. Any balance remaining in the Subcabinet for Children, Youth, and Families Resource Fund on June 30, 2004 shall revert to the General Fund. On and after July 1, 2004, any moneys by law otherwise to be paid or credited to the Subcabinet for Children, Youth, and Families Resource Fund shall be paid or credited to the Subcabinet Fund established under Article 49D, § 4.3 of the Code.

SECTION 16. AND BE IT FURTHER ENACTED, That Section(s) 5-216 of Article - Education of the Annotated Code of Maryland be repealed.

SECTION 17. AND BE IT FURTHER ENACTED, That Section(s) 24-810 of Article - Health - General of the Annotated Code of Maryland be repealed.

SECTION 18. AND BE IT FURTHER ENACTED, That Section(s) 8-206 and 8-207 of Article - Public Safety of the Annotated Code of Maryland be repealed.

SECTION 19. AND BE IT FURTHER ENACTED, That Section(s) 2 of Chapter 177 of the Acts of the General Assembly of 1997 be repealed.

SECTION 20. AND BE IT FURTHER ENACTED, That Section(s) 2 of Chapter 178 of the Acts of the General Assembly of 1997 be repealed.

SECTION 21. AND BE IT FURTHER ENACTED, That Section(s) 3, 5, 11, 12, and 15 of

(Over)

Chapter 53 of the Acts of the General Assembly of 2003 be repealed.”.

AMENDMENT NO. 16

On page 26, in line 6, strike “4.” and substitute “22.”; after line 11, insert:

“SECTION 23. AND BE IT FURTHER ENACTED, That § 2-614 of the Tax - General Article, as enacted by Section 1 of this Act, shall take effect July 1, 2004.

SECTION 24. AND BE IT FURTHER ENACTED, That the changes to § 7-309 of the Tax - General Article, as enacted by Section 4 of this Act, shall be applicable to all decedents dying after December 31, 2003.”;

in line 12, strike “5.” and substitute “25.”; in lines 13 and 15, in each instance, strike “1” and substitute “4”; after line 14, insert:

“SECTION 26. AND BE IT FURTHER ENACTED, That:

(1) the modifications required under § 10-210.1(b)(3) of the Tax - General Article, as enacted by Section 4 of this Act, shall be applicable to all taxable years beginning after December 31, 2002; and

(2) the modifications required under § 10-201.1(b)(4) of the Tax - General Article, as enacted by Section 4 of this Act, shall be applicable to all vehicles placed in service after May 31, 2004.

SECTION 27. AND BE IT FURTHER ENACTED, That the fee required to be paid with an annual report of an insurance company or a business trust under § 1-203(b)(3) of the Corporations and Associations Article, as enacted by Section 4 of this Act, shall be applicable to all annual reports filed after December 31, 2004.”;

in line 15, strike “6.” and substitute “28.”; in line 17, strike “7.” and substitute “29.”; and in line 18, strike “Section 6” and substitute “Sections 23 through 28”.