CHAPTER 515

(Senate Bill 39)

AN ACT concerning

Maryland Port Administration - Transfer to Department of Business and Economic Development Strategic Plan and Membership

FOR the purpose of transferring the Maryland Port Administration from the Department of Transportation to the Department of Business and Economic Development; establishing the Maryland Port Administration Fund as a special, nonlapsing fund; specifying the contents, purpose, and permitted use of the Fund; providing that for each fiscal year, certain amounts of the Transportation Trust Fund shall be transferred and credited to a certain fund; altering the composition of the Maryland Port Commission; repealing certain powers of the Chairman of the Commission; specifying that all employees of the Administration are in the State Personnel Management System; providing for the transfer of certain employees in the Department of Transportation Human Resources Management System to the State Personnel Management System; providing that certain employees of the Maryland Port Administration of the Department of Transportation who are transferred under this Act to the Department of Business and Economic Development be transferred without any diminution of their rights, benefits, or employment status; requiring the publishers of the Annotated Code of Maryland, subject to the approval of the Department of Legislative Services, to propose certain corrections to the Code necessitated by this Act; making certain conforming and stylistic changes; requiring the Maryland Economic Development Commission to incorporate the Maryland Port Administration strategic plan when developing a strategic plan for economic development; increasing the membership of the Maryland Port Commission to include the Secretary of Business and Economic Development as a nonvoting ex officio member; clarifying language; and generally relating to the Maryland Port Administration.

BY repealing and reenacting, without amendments,

<u>Article 83A – Department of Business and Economic Development</u>

Section 1-201 and 1-202(a) and (b)

Annotated Code of Maryland

(2003 Replacement Volume and 2006 Supplement)

BY repealing and reenacting, with amendments,

<u>Article 83A – Department of Business and Economic Development</u>

Section 1–202(c)

<u>Annotated Code of Maryland</u>

(2003 Replacement Volume and 2006 Supplement)

BY repealing and reenacting, without amendments,

<u>Article – Transportation</u>

Section 6–201(a) and (b)

Annotated Code of Maryland

(2001 Replacement Volume and 2006 Supplement)

BY repealing and reenacting, with amendments,

Article – Transportation

Section 6-201(c) and (f)

Annotated Code of Maryland

(2001 Replacement Volume and 2006 Supplement)

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

Article 83A - Department of Business and Economic Development

1-201.

There is a Maryland Economic Development Commission in the Department of Business and Economic Development.

<u>1–202.</u>

- (a) The Commission shall have the general purpose of establishing economic development policy in the State and overseeing the Department's efforts to attract, retain, and support the creation of businesses and jobs.
 - (b) The Commission shall:
- (1) Develop and update a strategic plan for economic development in the State;
- (2) Recommend to the Governor program and spending priorities necessary to implement the strategic plan;

- (3) Approve Department regulations pertaining to financing programs prior to their adoption;
 - (4) Review the allocation of financing incentives;
- (5) <u>Participate in marketing the State and encouraging new</u> businesses to locate in Maryland;
- (6) Raise private sector contributions and funds to supplement economic development programs and financial incentives to business;
- (7) Carry out any other economic development activities at the request of the Governor; and
- (8) Exercise those powers granted to the Commission by this title or any other provision of law.
- (c) <u>In developing a strategic plan for economic development, the Commission shall [seek]:</u>
 - (1) SEEK ideas and advice from each region of the State; AND
- (2) INCORPORATE THE MARYLAND PORT ADMINISTRATION STRATEGIC PLAN DEVELOPED FOR THE HELEN DELICH BENTLEY PORT OF BALTIMORE.

Article - Transportation

6-201.

- (a) There is a Maryland Port Commission.
- (b) The Commission shall:
- (1) Establish policies directed toward improving the competitive position of the ports of Maryland within the international port industry;
- (2) Adopt regulations for the operation of the Administration in a competitive manner within the port industry;
- (3) Exercise those powers granted to the Commission and to the Maryland Port Administration by this title or by any other provision of law;

- (4) Unless otherwise directed by the Secretary, serve as the board of directors of any private operating company created under this title; and
- (5) <u>In carrying out the provisions of this subtitle, seek information and advice from port labor and management groups.</u>
- (c) (1) The Commission shall consist of 7 VOTING members, 6 of whom shall be appointed by the Governor with the advice and consent of the Senate and the 7th shall be the Secretary of Transportation who shall be the Chairman of the Commission.
- (2) THE SECRETARY OF BUSINESS AND ECONOMIC DEVELOPMENT SHALL SERVE AS A NONVOTING EX OFFICIO COMMISSION MEMBER.
- (f) The Commission shall meet at a time and place designated by the Chairman of the Commission. The Commission shall meet as often as its duties require, but not less than quarterly. Attendance by 4 VOTING members shall constitute a quorum.

BY transferring

Article - Transportation

Section 6-101 through 6-411 and 6-601 and 6-602, respectively, and the title "Title 6. Ports"

Annotated Code of Maryland

(2001 Replacement Volume and 2006 Supplement)

to be

Article 83A - Department of Business and Economic Development

Section 7-101 through 7-502, respectively, and the title "Title 7. Ports"

Annotated Code of Maryland

(2003 Replacement Volume and 2006 Supplement)

BY repealing and reenacting, with amendments,

Article 83A - Department of Business and Economic Development

Section 7-201, 7-201.1, and 7-201.2

Annotated Code of Maryland

(2003 Replacement Volume and 2006 Supplement)

(As enacted by Section 1 of this Act)

BY adding to

Article 83A - Department of Business and Economic Development

Section 7-201.3

Annotated Code of Maryland

(2003 Replacement Volume and 2006 Supplement)

BY repealing and reenacting, with amendments,

Article - State Finance and Procurement

Section 2-107(c)(2)

Annotated Code of Maryland

(2006 Replacement Volume and 2006 Supplement)

BY repealing and reenacting, with amendments,

Article - State Government

Section 2-10A-07(f) and 12-401

Annotated Code of Maryland

(2004 Replacement Volume and 2006 Supplement)

BY repealing and reenacting, with amendments,

Article - Transportation

Section 1-101(i), 2-102(c), 2-103(b), (f), and (g), 2-107(a), and 3-101(h)

Annotated Code of Maryland

(2001 Replacement Volume and 2006 Supplement)

BY repealing

Article - Transportation

Section 2-110

Annotated Code of Maryland

(2001 Replacement Volume and 2006 Supplement)

BY repealing and reenacting, without amendments,

Article - Transportation

Section 3-216(a) and (b)

Annotated Code of Maryland

(2001 Replacement Volume and 2006 Supplement)

BY adding to

Article - Transportation

Section 3-216(f)(3)

Annotated Code of Maryland

(2001 Replacement Volume and 2006 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That Section(s) 6-101 through 6-411 and 6-601 and 6-602, respectively, and the title "Title 6. Ports" of Article - Transportation of the Annotated

Code of Maryland be transferred to be Section(s) 7–101 through 7–502, respectively, and the title "Title 7. Ports" of Article 83A – Department of Business and Economic Development of the Annotated Code of Maryland.

SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:

Article 83A - Department of Business and Economic Development 7-201-

- (a) There is a Maryland Port Commission.
- (b) The Commission shall:
- (1) Establish policies directed toward improving the competitive position of the ports of Maryland within the international port industry;
- (2) Adopt regulations for the operation of the Administration in a competitive manner within the port industry;
- (3) Exercise those powers granted to the Commission and to the Maryland Port Administration by this title or by any other provision of law;
- (4) Unless otherwise directed by the Secretary, serve as the board of directors of any private operating company created under this title; and
- (5) In carrying out the provisions of this subtitle, seek information and advice from port labor and management groups.
- (c) The Commission shall consist of 7 members, 6 of whom shall be appointed by the Governor with the advice and consent of the Senate and the 7th shall be the Secretary [of Transportation] who shall be the Chairman of the Commission.
- (d) (1) Subject to the provisions of paragraph (3) of this subsection, the Governor may not appoint to the Commission:
 - (i) An officer or employee of the State;
- (ii) A representative of any entity whose principal activities are ports-related;

- (iii) A person employed by any entity whose principal activities are ports-related; or
 - (iv) A member of the General Assembly.
- (2) The Governor shall take into consideration geographic representation when appointing the 6 members of the Commission.
- (3) Notwithstanding paragraph (1) of this subsection, a member of the Maryland Transportation Authority or any other State board, commission, or authority may be appointed a member of the Maryland Port Commission. Any person so appointed who is compensated by the State is not entitled to any compensation or other emolument, except expenses incurred in connection with attendance at hearings, meetings, field trips, and working sessions, for any services rendered as a Commissioner.
- (e) (1) Each appointed member serves for a term of 3 years and until a successor is appointed and qualifies. The terms of appointed members shall be staggered as required by the original appointments to the Commission, 2 of which shall be for 3 years, 2 of which shall be for 2 years, and 2 of which shall be for 1 year.
- (2) A member appointed to fill a vacancy in an unexpired term serves only for the remainder of that term or until a replacement is appointed.
- (f) The Commission shall meet at a time and place designated by the Chairman of the Commission. The Commission shall meet as often as its duties require, but not less than quarterly. Attendance by 4 members shall constitute a quorum.
- (g) Except as provided under subsection (d)(3) of this section, members of the Commission appointed by the Governor are entitled to the compensation and expenses provided for in the State budget. Members of the Commission are subject to the provisions of § 8–501 of the State Government Article.

7-201.1.

- (a) [All actions of the Commission which, in the judgment of the Chairman, impact upon the Transportation Trust Fund are subject to the approval of the Chairman.
 - (b) The Chairman of the Commission shall:

- (1) Subject to the approval of the Governor, appoint the Executive Director of the Administration in accordance with § 15–501 of the State Government Article; and
- (2) Approve the Administration's budget before its submission to the General Assembly as part of the Governor's proposed budget.
 - (e) The Chairman of the Commission may:
 - (1) Remove the Executive Director of the Administration; and
- (2) While acting as Secretary of the Department, provide the Commission and the Administration with the personnel of the Department that the Secretary considers necessary to carry out the provisions of this title.

7-201.2

- (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.
- (b) The Commission may adopt any other regulations necessary to carry out the provisions of this title.
- (c) (1) Subject to § 2-1246 of the State Government Article, the Commission shall report by January 15 of each year to the General Assembly on the activities of the [Port] Commission during the previous year.
- (2) The report shall include a review of the port's competitive position during the previous year and any recommendations of the Commission for future changes in legislation, capital funding, or operational flexibility for consideration by the General Assembly.
- (3) The report shall also include any substantive changes in its regulations for procurement and personnel.

7-201.3

- (A) IN THIS SECTION, "FUND" MEANS THE MARYLAND PORT ADMINISTRATION FUND.
 - (B) THERE IS A MARYLAND PORT ADMINISTRATION FUND.
- (C) THE PURPOSE OF THE FUND IS TO PAY ALL ADMINISTRATIVE, OPERATIONAL, AND CAPITAL COSTS AND EXPENSES INCURRED BY THE ADMINISTRATION THAT RELATE TO THE IMPLEMENTATION OF THIS TITLE.
- (D) THE CHAIRMAN OF THE COMMISSION SHALL ADMINISTER THE FUND.
- (E) (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.
 - (F) THE FUND CONSISTS OF:
- (1) ALL FEES, CHARGES, RENTALS, OR OTHER REVENUES PAID TO OR COLLECTED OR RECEIVED BY THE ADMINISTRATION UNDER THIS TITLE:
- (2) Funds transferred and credited to the Fund under § 3–216(f)(3) of the Transportation Article:
- (3) INCOME FROM THE INVESTMENTS THAT THE TREASURER MAKES FOR THE FUND;
- (4) Money appropriated in the State budget to the Fund; and
- (5) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED FOR THE BENEFIT OF THE FUND.
- (G) THE FUND MAY BE USED ONLY FOR THE PURPOSE STATED IN SUBSECTION (C) OF THIS SECTION.

- (H) (1) THE TREASURER SHALL INVEST THE MONEY OF THE FUND IN THE SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.
- (2) ANY INVESTMENT EARNINGS OF THE FUND SHALL BE PAID INTO THE FUND.
- (I) EXPENDITURES FROM THE FUND MAY BE MADE ONLY IN ACCORDANCE WITH THE STATE BUDGET.

Article - State Finance and Procurement

2 - 107

- (c) (2) The regulations adopted by the Comptroller under paragraph (1) of this subsection shall specify:
- (i) that the data required for the Maryland Port Administration [of the Department of Transportation] shall be the data included in the port tariff;
- (ii) that the Maryland Aviation Administration and the Maryland Port Administration shall disclose aggregate information on fees and costs, provided that such disclosure does not include information that is proprietary in nature; and
- (iii) that any other department, agency, or governmental unit which collects fees or user charges that may contain privileged or proprietary information may aggregate or standardize the information submitted as needed to preserve the sensitive nature of the information.

Article - State Government

$\frac{2-10A-07}{}$

- (f) The Secretary of the Department of Labor, Licensing, and Regulation, the Secretary of the Department of [Transportation] BUSINESS AND ECONOMIC DEVELOPMENT, and the Executive Director of the Maryland Port Administration shall:
 - (1) cooperate fully with the Committee: and

(2) keep the Committee fully informed as to issues affecting the Port of Baltimore.

12 401.

In this subtitle, "State personnel" means:

- (1) a regular employee of the State whose compensation:
 - (i) is provided by a State appropriation; or
 - (ii) is paid wholly or partly from State funds;
- (2) an employee who is under the jurisdiction of the Department of Budget and Management;
- (3) an officer, warrant officer, or enlisted member of the organized militia;
- (4) an employee of the Maryland Port Administration, as described in [§ 6-204(n) of the Transportation Article] ARTICLE 83A, § 7-204(N) OF THE CODE;
- (5) a member or employee of a board of trustees for a community college;
- (6) except in Montgomery County, an employee of a county health department;
- (7) a member or employee of the Baltimore City Board of School Commissioners or of a county board of education;
- (8) a member of the Board of Visitors of the Maryland School for the Deaf;
- (9) a member or employee of a board of supervisors for a soil conservation district;
- (10) a person who, as a volunteer, is providing a service to or for the State;

- (11) a person who, for or under contract with a unit of the State or a local government, performs an emergency service during a state of emergency under Title 14 of the Public Safety Article:
- (12) any other individual who, with or without compensation, holds a position that requires the exercise of discretion and of a part of the sovereignty of the State:
 - (13) any other State officer or State employee; and
- (14) a Montgomery County employee who administers a State program under Article 88A, § 13A(b) of the Code.

Article - Transportation

1-101.

- (i) "Modal administration" means any of the following:
 - (1) The State Aviation Administration;
 - (2) [The Maryland Port Administration;
 - (3) The Maryland Transit Administration;
 - [(4)] (3) The State Highway Administration; or
 - [(5)] (4) The Motor Vehicle Administration.

2 102

- (e) (1) With the approval of the Governor, the Secretary shall appoint a deputy secretary who has the duties provided by law or delegated by the Secretary.
- (2) The deputy secretary is the acting secretary during periods when the Secretary is absent or disabled.
- (3) The deputy secretary serves at the pleasure of the Secretary and is entitled to the salary provided in the State budget.
- (4) The deputy secretary shall serve as acting chairman of the Maryland Transportation Authority[,] AND acting chairman of the Maryland Aviation

Commission[, and acting chairman of the Maryland Port Commission] during periods when the Secretary is absent or disabled.

$\frac{2-103}{}$

- (b) Except with respect to the Maryland Transportation Authority, [the Maryland Port Commission and the Maryland Port Administration,] the Secretary:
- (1) May adopt rules and regulations for the Department and any of its units to carry out those provisions of this article that are subject to the jurisdiction of the Department; and
- (2) Shall review and may approve, disapprove, or revise the rules and regulations of each unit in the Department.
- (f) (1) Except as provided in paragraph (2) of this subsection, the Secretary may transfer, assign, and reassign any staff, power, or duty from any unit in the Department to his office or to another unit in the Department. If a transfer, assignment, or reassignment occurs, the appropriation for the respective staff, power, or duty also shall be transferred.
 - (2) This subsection does not apply to:
- (i) The powers or duties of the State Roads Commission that are set forth in Article III. § 40B of the State Constitution; or
 - (ii) The powers or duties that are vested by law in:
 - 1. The Board of Airport Zoning Appeals;
 - 2. The Transportation Professional Services Selection

Board;

- 3. The Maryland Transportation Authority; OR
- 4. The Board of Review of the Department or
- 5. The Maryland Port Commission and Maryland Port

Administration 1.

- (g) (1) Except as provided in paragraph (2) of this subsection, the Secretary may exercise or perform any power or duty that any unit in the Department may exercise or perform.
 - (2) This subsection does not apply to:
- (i) The powers or duties that are set forth in Article III, § 40B of the State Constitution; or
- (ii) The powers or duties that do not require by law the approval or action of the Secretary and are vested by law in:
 - 1. The Board of Airport Zoning Appeals;
 - 2. The Transportation Professional Services Selection

Board;

- 3. The Maryland Transportation Authority; OR
- 4. The Board of Review of the Department[; or
- 5. The Maryland Port Commission and Maryland Port

Administration].

2-107.

- (a) The following units are in the Department:
 - (1) Maryland Aviation Administration;
 - (2) [Maryland Port Administration;
 - (3) Maryland Transit Administration;
 - [(4)] (3) State Highway Administration;
 - [(5)] (4) Motor Vehicle Administration;
 - [(6)] (5) Board of Airport Zoning Appeals;
 - (7) (6) State Roads Commission;

- [(8)] (7) Transportation Professional Services Selection Board; and
- (9) (8) Maryland Transportation Commission.

 $\frac{2-110}{}$

The Department may enter into contracts for the provision of waterborne marine fire protection and related waterborne emergency services to port facilities, as defined in § 6–101 of this article, and to vessels that are in any of the navigable waters of this State within the territorial jurisdiction of the Maryland Port Administration.]

3-101.

(h) "Port facility" has the meaning stated in [§ 6-101] ARTICLE 83A, § 7-101 of [this article] THE CODE.

3 216.

- (a) There is a Transportation Trust Fund for the Department.
- (b) Except as otherwise expressly provided by statute, there shall be credited to the Transportation Trust Fund for the account of the Department all taxes, fees, charges, and revenues collected or received by or paid, appropriated, or credited to the account of the Department or any of its units in the exercise of their rights, powers, duties, or obligations, including the cash proceeds of the sale of consolidated transportation bonds, notes, or other evidences of obligation issued by the Department, any General Fund appropriations, and the proceeds of any State loan or federal grant made for transportation purposes.
- (f) (3) (I) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, FOR EACH FISCAL YEAR, OF THE FUNDS IN THE TRANSPORTATION TRUST FUND THAT HAVE NOT BEEN PLEDGED OR OTHERWISE COMMITTED TO THE PAYMENT OF OR AS SECURITY FOR THE PAYMENT OF ANY BONDS OR DEBT ISSUED OR INCURRED UNDER THIS ARTICLE, THERE SHALL BE TRANSFERRED AND CREDITED TO THE MARYLAND PORT ADMINISTRATION FUND ESTABLISHED UNDER ARTICLE 83A, § 7-201.3 OF THE CODE, ON OR BEFORE JUNE 30 OF THAT FISCAL YEAR, AN AMOUNT EQUAL TO 5% OF THE REVENUE CREDITED FOR THAT FISCAL YEAR UNDER SUBSECTION (B) OF THIS SECTION.

(II) THE AMOUNTS TRANSFERRED AND CREDITED TO THE MARYLAND PORT ADMINISTRATION FUND UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH FOR ANY FISCAL YEAR SHALL BE AVAILABLE FOR APPROPRIATION TO THE MARYLAND PORT ADMINISTRATION IN THAT FISCAL YEAR.

SECTION 3. AND BE IT FURTHER ENACTED, That the functions and activities of the Maryland Port Administration are transferred from the Department of Transportation to the Department of Business and Economic Development.

SECTION 4. AND BE IT FURTHER ENACTED, That:

- (a) All employees of the Maryland Port Administration shall be in the State Personnel Management System.
- (b) Any employee transferred under this Act who was in the Department of Transportation Human Resources Management System before the effective date of this Act shall be transferred, without further examination or qualification, to a comparable position in the State Personnel Management System, as determined by the Secretary of the Department of Business and Economic Development.
- (c) An employee transferred to the State Personnel Management System in accordance with this section may not, solely as a result of the transfer, lose any compensation, accumulated leave, leave accrual rates, seniority, or any other rights, benefits, or privileges.

SECTION 5. AND BE IT FURTHER ENACTED, That all persons who are classified employees of the Maryland Port Administration of the Department of Transportation before July 1, 2007, and who are transferred to the Department of Business and Economic Development as part of the transfer of the Maryland Port Administration under this Act shall be transferred without any diminution of their rights, benefits, or employment status, including merit system and retirement status, if any.

SECTION 6. AND BE IT FURTHER ENACTED, That, except as otherwise provided in this Act, nothing in this Act shall be construed to affect the funding, employees, or property of the Maryland Port Administration.

SECTION 7. AND BE IT FURTHER ENACTED, That, except as otherwise provided in this Act, nothing in this Act affects the term of office of an appointed member of any board, commission, committee, or council. A person who is a member of such a unit before the effective date of this Act shall remain a member for the balance

of the term to which the person was appointed, unless the person before the end of the term dies, resigns, or is removed in accordance with law.

SECTION 8. AND BE IT FURTHER ENACTED, That all property, including real or personal property, records, fixtures, appropriations, credits, assets, liabilities, obligations, rights, and privileges held by the Maryland Port Administration of the Department of Transportation shall be transferred to the Department of Business and Economic Development on the effective date of this Act.

SECTION 9. AND BE IT FURTHER ENACTED, That, except as otherwise provided by law, all existing laws, rules and regulations, proposed rules and regulations, standards and guidelines, policies, orders and other directives, forms, plans, memberships, contracts, property, investigations, administrative and judicial responsibilities, rights to sue and be sued, and all other duties and responsibilities associated with the functions of the Maryland Port Administration of the Department of Transportation shall continue in effect under the Department of Business and Economic Development, until completed, withdrawn, canceled, modified, or otherwise changed in accordance with law.

SECTION 10. AND BE IT FURTHER ENACTED, That all contracts, agreements, grants, or other obligations entered into by the Maryland Port Administration of the Department of Transportation before July 1, 2007, are hereby declared to be valid, legal, and binding obligations of the Department of Business and Economic Development, enforceable in accordance with their terms.

SECTION 11. AND BE IT FURTHER ENACTED, That the publishers of the Annotated Code of Maryland, subject to the approval of the Department of Legislative Services, shall propose the correction of any agency names and titles throughout the Annotated Code that are rendered incorrect by this Act and any necessary corrections shall be ratified or validated in the Annual Corrective Bill of 2008.

SECTION 12. AND BE IT FURTHER ENACTED, That all appropriations including State and federal funds, held by the Maryland Port Administration shall be transferred to the Department of Business and Economic Development on the effective date of this Act.

SECTION <u>13.</u> <u>2.</u> AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2007.

Approved by the Governor, May 17, 2007.