

HOUSE BILL 72

B1

(11r0143)

ENROLLED BILL

— Appropriations/Budget and Taxation —

Introduced by **The Speaker (By Request – Administration)**

Read and Examined by Proofreaders:

Proofreader.

Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this

_____ day of _____ at _____ o'clock, _____ M.

Speaker.

CHAPTER _____

1 AN ACT concerning

2 **Budget Reconciliation and Financing Act of 2011**

3 FOR the purpose of altering or repealing certain required appropriations; altering the
4 distribution of certain revenues; altering or repealing certain funding
5 requirements; altering the authorized use of certain funds; altering or repealing
6 certain grant programs; *altering for a certain fiscal year a certain percentage*
7 *used to determine eligibility for and the amount of certain State grants to certain*
8 *counties and Baltimore City based on per capita yield of county income taxes;*
9 authorizing certain units of government to charge a certain fee for certain
10 purposes; ~~repealing altering certain requirements for a certain notice relating to~~
11 ~~abandoned property to be published in certain newspapers; requiring the~~
12 ~~Comptroller to maintain, or cause to be maintained, an abandoned property~~
13 ~~database containing the names and last known addresses, if any, of persons~~
14 ~~listed in certain reports; requiring the Comptroller to maintain, or cause to be~~
15 ~~maintained, a certain Internet website relating to the abandoned property~~

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.

Italics indicate opposite chamber/conference committee amendments.



1 ~~database; requiring the Comptroller to publish certain notices of a certain~~
2 ~~Internet website;~~ altering the distribution of certain moving violation
3 surcharges; altering the amount of a certain surcharge imposed for recording
4 certain instruments for certain fiscal years; ~~altering a certain fee~~ certain fees
5 imposed on persons supervised by the Division of Parole and Probation; altering
6 certain provisions relating to the annual budgets of county boards of education;
7 altering certain State education funding for a certain fiscal year; certain fiscal
8 years; requiring the State to provide a certain grant to a county board of
9 education if certain funding provided to a county board decreases by a certain
10 amount; providing that certain grants to county boards of education may be
11 funded from the proceeds of certain bonds; requiring certain counties to
12 reimburse the State for certain nonpublic education costs; authorizing the
13 Maryland Higher Education Commission to impose certain fees; altering the
14 calculation of certain State aid to community colleges; authorizing certain
15 community college boards of trustees to charge out-of-county fees to certain
16 students enrolled in certain programs; altering the calculation of certain State
17 aid to certain nonpublic institutions of higher education; prohibiting new
18 awards under a certain scholarship program and abolishing the program by a
19 certain date; ~~altering the payment schedule for certain developmental~~
20 ~~disabilities providers;~~ providing for the accreditation of certain youth camps by
21 nationally recognized organizations; ~~altering certain youth camp regulatory~~
22 ~~responsibilities of the Department of Health and Mental Hygiene;~~ ~~repealing~~
23 ~~certain youth camp inspection requirements;~~ ~~abolishing the Youth Camp Safety~~
24 ~~Advisory Council;~~ ~~altering certain hospital assessments for certain purposes~~
25 establishing a Need-based Student Financial Assistance Fund as a special,
26 non-lapsing fund to be administered by the Commission; altering the amount of
27 the fee collected by the Department of Health and Mental Hygiene for certain
28 certificates and reports; altering the amount of certain fees collected by local
29 health departments required to be transferred to the General Fund of the State;
30 requiring the Department of Health and Mental Hygiene to ensure that certain
31 publicly operated hospitals pay certain assessments comparable to certain
32 assessments imposed on certain hospitals; requiring the Developmental
33 Disabilities Administration to ensure that certain providers do not have an
34 overall funding reduction for a certain year as a result of certain changes in
35 reimbursement policies for certain absence days; altering certain provisions
36 relating to certain hospital assessments; requiring the Health Services Cost
37 Review Commission for a certain fiscal year to approve a combination of
38 hospital assessments and remittances in a certain amount for certain purposes;
39 requiring the Commission and the Department to adopt certain policies that
40 will provide at least a certain amount from certain revenues and certain
41 savings; altering a certain quality assessment on certain nursing facilities;
42 repealing the sunset date for the quality assessment paid by certain nursing
43 facilities; removing a certain limitation applicable to certain counties on the
44 amount of certain license fees authorized to be imposed by the counties for
45 certain licenses for food establishments; making the Injured Workers' Insurance
46 Fund subject to the premium tax; altering certain provisions relating to certain
47 requirements that certain nonprofit health service plans use certain funds for

1 certain purposes under certain circumstances; requiring that certain
2 information be included in a certain plan prior to approval by the Department of
3 Information Technology; providing that certain proceeds derived from certain
4 sales by the Department of State Police be allocated to the State Annuity Bond
5 Fund; authorizing the Maryland Environmental Service to establish certain
6 project reserve funds; *authorizing the Service to credit to certain project reserve*
7 *funds only moneys that are reimbursable to the State;* prohibiting the Service
8 from retaining more than certain amounts in ~~the~~ *certain* project reserve funds;
9 requiring the reversion of certain excesses to certain funds; requiring the
10 transfer of certain interest from certain funds into the General Fund;
11 authorizing the State to establish separate health insurance benefit options for
12 retirees that differ from those for active employees; requiring that the health
13 insurance benefit option for retirees include a certain prescription drug benefit;
14 altering eligibility in the State Employees and Retirees Health and Welfare
15 Benefits Program for certain retirees who begin State service on or after a
16 certain date and their surviving spouses or dependent children; ~~authorizing~~
17 requiring the State to discontinue certain health benefits for certain retirees in
18 a certain year; altering certain requirements that certain subsidies be deposited
19 in the State Employees and Retirees Health and Welfare Benefits Program;
20 ~~setting a certain limit on a certain amount paid by the State to certain funds of~~
21 ~~the State Retirement and Pension System;~~ requiring the Board of Trustees for
22 the State Retirement and Pension System to certify certain information to the
23 Governor and the Secretary of Budget and Management on or before certain
24 dates; requiring the Governor to include certain amounts in the budget bill for
25 payment to the State Retirement and Pension System; establishing a certain
26 reformed contributory pension benefit for new and certain returning members of
27 the Employees' Pension System and the Teachers' Pension System on or after a
28 certain date; altering for certain members of the ~~Employees' Pension System~~
29 ~~and the Teachers' Pension System~~ State Retirement and Pension System the
30 method for calculating the average final compensation that is used to determine
31 certain retirement allowances; requiring the adjustment of a certain employer
32 contribution rate for certain State retirement and pension systems to reflect the
33 cost of legislative changes under certain circumstances; ~~requiring certain~~
34 ~~members of the Employees' Pension System and the Teachers' Pension System~~
35 ~~to make a certain selection that affects the rate of member contributions and~~
36 ~~the rate used to calculate certain benefits; providing for a certain selection if an~~
37 ~~individual fails to make a selection on or before a certain date or within a~~
38 ~~certain time period; making the selections irrevocable and not subject to change;~~
39 altering the rate of member contributions ~~and the method for calculating~~
40 ~~certain benefits~~ for certain members of the Employees' Pension System and the
41 Teachers' Pension System; *providing that certain members of the Employees'*
42 *Pension System or Teachers' Pension System who separate from service and*
43 *return to service under certain circumstances are subject to a certain benefit;*
44 *requiring the Board of Trustees of the State Retirement and Pension System to*
45 *submit a certain annual report to the Joint Committee on Pensions on or before a*
46 *certain date for a certain period of time;* providing that employees of certain
47 participating governmental units participating in the State Retirement and

1 Pension System are not subject to a certain reformed contributory pension
2 benefit; altering eligibility for, and the method of calculating, an early service
3 retirement allowance for certain members of the Employees' Pension System
4 and the Teachers' Pension System; altering the number of years of eligibility
5 service required for certain members of the State Police Retirement System to
6 become eligible to receive certain retirement benefits; altering certain eligibility
7 requirements for participation in certain deferred retirement option programs
8 for members of the State Police Retirement System and the Law Enforcement
9 Officers' Pension System; altering the rate of member contributions for certain
10 members of the Law Enforcement Officers' Pension System; altering the
11 interest rate that certain benefits earn in certain deferred retirement option
12 programs for members of the State Police Retirement System and the Law
13 Enforcement Officers' Pension System; altering the rate of member
14 contributions for certain members of the Judges' Retirement System; altering
15 certain eligibility requirements for a certain vested allowance for certain
16 members of the Employees' Pension System and the Teachers' Pension System
17 State Retirement and Pension System; providing for altering a certain
18 cost-of-living adjustment for members of the Employees' Pension System and
19 the Teachers' Pension System State Retirement and Pension System who are
20 subject to the reformed contributory pension benefit; altering the method for
21 applying service credit for military service so as to use the accrual rate in effect
22 at the time of application for the military service credit; clarifying that certain
23 members of the State Reformed Contributory Employees' Pension System or the
24 State Reformed Contributory Teachers' Pension System may transfer certain
25 service credit in a certain manner; requiring the Governor's Salary Commission,
26 the Judicial Compensation Commission, and the General Assembly Salary
27 Commission to make certain recommendations concerning benefit and
28 contribution levels; requiring the Board of Trustees for the State Retirement
29 and Pension System to provide certain reports to the Governor and the Joint
30 Committee on Pensions; providing that certain administrative and operational
31 expenses of the Board of Trustees of the State Retirement and Pension System
32 and the State Retirement Agency shall be paid by certain employers in a certain
33 manner and may not be transferred from certain funds, except under certain
34 circumstances; requiring certain amounts transferred from certain funds to be
35 reimbursed from certain payments for administrative and operational expenses;
36 reducing certain amounts required to be included annually in the budget bill by
37 the amount of certain administrative and operational expenses required to be
38 paid by certain employers; requiring the Board of Trustees to certify certain
39 amounts to the Governor and the Secretary of Budget and Management relating
40 to the State's contribution to the State Retirement and Pension System; requiring
41 the Governor to include certain amounts in the budget bill in addition to certain
42 required contributions; requiring the State to pay a certain share of the
43 administrative and operational expenses for certain libraries; requiring the
44 Board of Trustees to determine and certify to the State and certain employers
45 certain amounts payable certify to the Secretary of Budget and Management
46 certain percentages of membership employed by certain employers as of a certain
47 date and certify to certain local employers certain amounts payable to the Board

1 of Trustees; requiring the Board of Trustees to provide certain notifications;
2 requiring the Governor to include a certain ~~amount certified by the Board of~~
3 ~~Trustees~~ appropriation for administrative and operational expenses in the
4 annual budget bill; providing for the manner of payment of certain
5 administrative and operational expenses of the Board of Trustees by certain
6 employers; authorizing certain employers to deduct certain amounts from certain
7 required employer contributions; requiring the Comptroller to exercise the right
8 of setoff against any money due or becoming due to certain employers under
9 certain circumstances; authorizing the payment of certain grants for a certain
10 fiscal year; altering certain provisions relating to a certain credit allowed to
11 vendors for collecting and paying the sales and use tax; requiring the counties
12 and Baltimore City to share certain costs of administering the Department of
13 Assessments and Taxation; authorizing the Comptroller to withhold the
14 distribution of certain local income tax revenue to a county or Baltimore City
15 under certain circumstances; ~~altering the calculation of a certain mandatory~~
16 ~~property tax credit for certain property located in certain enterprise zones;~~
17 ~~authorizing the governing body of a county or of a municipal corporation to~~
18 ~~grant, by law, a local supplement to a certain mandatory property tax credit for~~
19 ~~certain property located in certain enterprise zones; providing that a county or~~
20 ~~municipal corporation may not obtain reimbursement from the State for the~~
21 ~~revenues that would have been collected if a certain local supplement had not~~
22 ~~been granted;~~ prohibiting the transfer or diversion of funds in the
23 Transportation Trust Fund unless certain legislation is enacted prior to the
24 transfer or diversion; altering certain provisions relating to the funding of a
25 certain highway; altering the pledging of certain revenues for certain purposes;
26 providing that certain altered distributions of certain revenues do not apply
27 until certain bonds are no longer outstanding and unpaid, except under certain
28 circumstances; requiring the Maryland Transit Administration to include
29 certain information in a certain report; requiring the Administration to set
30 certain fares and collect other operating revenues for certain transit services at
31 an amount sufficient to achieve a certain farebox recovery requirement;
32 prohibiting the Administration from reducing the level of services provided for
33 the purpose of achieving a certain farebox recovery requirement; ~~requiring the~~
34 ~~Maryland Aviation Administration Fire Rescue Service to charge a certain~~
35 ~~ambulance transport fee;~~ altering the distribution of certain highway user
36 revenues for a certain fiscal year; ~~requiring certain tax clearance verification~~
37 ~~before registration or renewal of;~~ altering certain limitations and requirements
38 relating to certain miscellaneous fees that the Motor Vehicle Administration is
39 authorized to set; altering the amount of certain fees related to motor vehicles;
40 ~~altering certain provisions relating to a certain fee for certain vehicle emissions~~
41 ~~inspections;~~ altering the amount a vehicle dealer may retain for collecting and
42 remitting the vehicle excise tax; altering a certain limitation on the amount that
43 a vehicle dealer may charge as a dealer processing charge; prohibiting the Motor
44 Vehicle Administration from renewing or transferring the registration of a
45 motor vehicle; ~~requiring certain tax clearance verification before issuance or~~
46 ~~renewal of~~ under certain circumstances; prohibiting the Administration from
47 renewing a driver's license under certain circumstances; requiring the

1 Administration to cooperate with the Comptroller and the Department of Labor,
2 Licensing, and Regulation to develop certain procedures and adopt certain
3 regulations; ~~repealing certain prohibitions on the State entering into certain~~
4 ~~agreements or spending funds for certain purposes; requiring the Motor Vehicle~~
5 ~~Administration to assess certain fees against certain licensees under certain~~
6 ~~circumstances; requiring the Administration to send a notice to an individual~~
7 ~~subject to a certain fee; requiring the suspension of an individual's driver's~~
8 ~~license unless the individual pays a certain fee; providing for the distribution of~~
9 ~~certain fees assessed by the Administration; requiring a court to provide a~~
10 ~~certain notice to a certain defendant; repealing certain credits allowed against~~
11 ~~certain taxes for the purchase of Maryland mined coal; delaying a certain~~
12 requirement for the State Department of Education to conduct a certain study
13 of the adequacy of education funding in the State; requiring the study to
14 incorporate certain standards and certain results from certain assessments;
15 authorizing certain funds in the Fair Campaign Financing Fund to be used to
16 implement an online campaign finance reporting system in a certain fiscal year;
17 authorizing the transfer of certain funds for certain purposes; ~~providing that the~~
18 ~~Governor is not required to include certain appropriations in the budget for~~
19 ~~certain fiscal years under certain circumstances; providing that certain retirees~~
20 ~~of the State Retirement Agency may be exempt from a certain earnings offset~~
21 ~~for a certain period of time if they are reemployed by the State Retirement~~
22 ~~Agency in a certain manner; authorizing the Governor to include in the budget~~
23 bill for a certain fiscal year a certain amount for the State's contributions to the
24 State Retirement and Pension System; prohibiting certain payments for certain
25 rate increases for certain providers for a certain fiscal year; prohibiting the
26 payment of certain merit increases for certain State employees for a certain
27 period; authorizing the prefunding of certain education funding obligations;
28 ~~providing that if certain institutions of higher education create a certain~~
29 ~~voluntary separation program, the institutions shall provide that certain~~
30 ~~positions be abolished and may not recreate certain positions and certain funds~~
31 ~~appropriated for a certain fiscal year shall be transferred to the General Fund;~~
32 ~~requiring the transfer of certain funds to the General Fund to reimburse the~~
33 ~~State for certain State administrative expenses, subject to certain contingencies;~~
34 allowing a county under certain circumstances to deduct any reduction in certain
35 costs from the amount the county is required to appropriate to the county board
36 of education for a certain fiscal year; stating the intent of the General Assembly
37 that certain funds shifted by Baltimore City to the Baltimore City Board of
38 School Commissioners be included in the calculation of certain State education
39 aid for a certain fiscal year; requiring that a penalty imposed on a county or
40 Baltimore City for not meeting a certain local maintenance of funding effort
41 requirement be calculated in a certain manner; ~~requiring the Maryland~~
42 ~~Insurance Administration to work with the Health Services Cost Review~~
43 ~~Commission and the Maryland Health Care Commission to develop a~~
44 ~~mechanism for identifying hospital rate adjustments and assessments as~~
45 ~~components in a certain process, take into account in its work certain items, and~~
46 ~~report its findings and recommendations to the Governor and the General~~
47 ~~Assembly on or before a certain date; providing that a certain memorandum of~~

1 understanding negotiated and ratified within a certain period complies with
 2 certain provisions of law governing collective bargaining; defining certain terms;
 3 altering certain definitions; making the provisions of this Act severable;
 4 providing for the effective dates and application of this Act; making certain
 5 provisions of this Act subject to certain contingencies; and generally relating to
 6 the financing of State government.

7 BY repealing and reenacting, with amendments,
 8 Article 24 – Political Subdivisions – Miscellaneous Provisions
 9 Section 9–1101(b)(2)
 10 Annotated Code of Maryland
 11 (2005 Replacement Volume and 2010 Supplement)

12 BY repealing and reenacting, with amendments,
 13 Article – Commercial Law
 14 Section 15–607 ~~and, 17–311, and 17–317(a)~~
 15 Annotated Code of Maryland
 16 (2005 Replacement Volume and 2010 Supplement)

17 BY repealing and reenacting, with amendments,
 18 Article – Correctional Services
 19 Section 7–702(b)
 20 Annotated Code of Maryland
 21 (2008 Replacement Volume and 2010 Supplement)

22 BY repealing and reenacting, with amendments,
 23 Article – Courts and Judicial Proceedings
 24 Section 7–301(f) and 13–604(a)
 25 Annotated Code of Maryland
 26 (2006 Replacement Volume and 2010 Supplement)

27 BY repealing and reenacting, with amendments,
 28 Article – Criminal Procedure
 29 Section 6–226(b)
 30 Annotated Code of Maryland
 31 (2008 Replacement Volume and 2010 Supplement)

32 ~~BY repealing and reenacting, with amendments,~~
 33 ~~Article – Economic Development~~
 34 ~~Section 10–523(a)(3)(i)~~
 35 ~~Annotated Code of Maryland~~
 36 ~~(2008 Volume and 2010 Supplement)~~

37 BY repealing and reenacting, with amendments,
 38 Article – Economic Development
 39 Section 10–523(a)(3)(i)
 40 Annotated Code of Maryland

1 (2008 Volume and 2010 Supplement)

2 BY repealing and reenacting, with amendments,
 3 Article – Education
 4 Section 5–103, 5–202(a)(13), 5–206(f)(1), 11–105(o), 16–305(c)(1)(i), 16–310(d)(1),
 5 16–512(a)(1), 17–104(a)(1) and (b), 18–107, 23–205(c) and (d), and
 6 23–503(b)(1)
 7 Annotated Code of Maryland
 8 (2008 Replacement Volume and 2010 Supplement)

9 BY adding to
 10 Article – Education
 11 Section 5–202(i), 8–507 ~~and~~, 18–1107, and 22–306.1
 12 Annotated Code of Maryland
 13 (2008 Replacement Volume and 2010 Supplement)

14 BY repealing and reenacting, with amendments,
 15 Article – Financial Institutions
 16 Section 13–1114(g)(3)
 17 Annotated Code of Maryland
 18 (2003 Replacement Volume and 2010 Supplement)

19 ~~BY repealing~~
 20 ~~Article – Health – General~~
 21 ~~Section 14–401(b), (d), and (e), 14–402(b), (c), and (d), and 14–403 through~~
 22 ~~14–410~~
 23 ~~Annotated Code of Maryland~~
 24 ~~(2009 Replacement Volume and 2010 Supplement)~~

25 BY repealing and reenacting, with amendments,
 26 Article – Health – General
 27 ~~Section 7–306.1(d), 14–402(a), 14–411, 19–214(b) through (c), and 19–310.1(b)~~
 28 Section 4–217(c)(1) and (3), 19–214(d)(2)(i) and (e), 19–310.1(b), and 21–308(b)
 29 Annotated Code of Maryland
 30 (2009 Replacement Volume and 2010 Supplement)

31 BY adding to
 32 Article – Health – General
 33 ~~Section 14–401(b), 14–402(b), and 14–403 through 14–405~~
 34 Section 15–702
 35 Annotated Code of Maryland
 36 (2009 Replacement Volume and 2010 Supplement)

37 BY repealing and reenacting, with amendments,
 38 Article – Insurance
 39 Section 6–101(a)
 40 Annotated Code of Maryland

- 1 (2003 Replacement Volume and 2010 Supplement)
- 2 BY repealing and reenacting, with amendments,
3 Article – Insurance
4 Section 14–106(d)(1)(iv) and (2) and 14–106.1
5 Annotated Code of Maryland
6 (2006 Replacement Volume and 2010 Supplement)
- 7 BY repealing and reenacting, with amendments,
8 Article – Labor and Employment
9 Section 10–105(a)
10 Annotated Code of Maryland
11 (2008 Replacement Volume and 2010 Supplement)
- 12 BY repealing and reenacting, with amendments,
13 Article – Natural Resources
14 ~~Section 5–212(g), 5–212.1(g), and 5–215(b) and (e)~~
15 Section 3–103(h), 5–212(g), 5–212.1(g)(2), and 5–903(a)(2)(v)
16 Annotated Code of Maryland
17 (2005 Replacement Volume and 2010 Supplement)
- 18 BY repealing and reenacting, with amendments,
19 Article – State Finance and Procurement
20 Section 3A–308(g), 3A–309(e) and, 6–226(a), and 10–306(c)
21 Annotated Code of Maryland
22 (2009 Replacement Volume and 2010 Supplement)
- 23 BY adding to
24 Article – State Personnel and Pensions
25 ~~Section 2–508(b)(3) 2–508(c) and (d), 20–101(hh–1), 20–205.1, 23–212(d) and (e),~~
26 ~~23–221(d) 21–316, 23–212(d), 23–215.1; 23–225 and 23–226 to be under~~
27 ~~the new part “Part IV. Reformed Contributory Pension Benefit”;~~
28 ~~23–401(f) and (g), 29–303(h) 29–302(b–1), 29–303(b–1); 29–430 through~~
29 ~~29–432 to be under the new part “Part VII. Three/One Two and~~
30 ~~One-Half/One Percent Compound Adjustment”; and 31–116.2 29–435~~
31 ~~and 29–436 to be under the new part “Part VIII. Three/One Percent~~
32 ~~Compound Combination Adjustment”; 31–116.2, and 31–116.2, and~~
33 ~~37–101(r–1) and (r–2)~~
34 Annotated Code of Maryland
35 (2009 Replacement Volume and 2010 Supplement)
- 36 BY repealing and reenacting, with amendments,
37 Article – State Personnel and Pensions
38 Section ~~2–508(b) and (c), 2–509, 2–509.1, 2–516, 20–101(g) and (bb), 20–205(a),~~
39 ~~21–304(e) and (f), 20–204, 20–205(a), 21–302(b) 21–302(a) and (b),~~
40 ~~21–303(d), 21–304(a)(2), (b), (e), and (f), 21–308(a), 23–212(e), 23–221(a),~~
41 ~~23–222, 23–401(a), (b), and (d), 23–402, 24–401.1(e), 26–401.1(e), 27–202,~~

1 ~~29-303(b), (c), and (e), 34-101(d), and 38-104(d)~~ 23-212(c), 23-215,
 2 23-401(a) and (b), 23-402, 24-401(a), 24-401.1(c), (d), and (h)(2),
 3 26-204(a), 26-401.1(h)(2), ~~27-202,~~ 29-302(b), 29-303(b), ~~29-404,~~ 29-410,
 4 29-425, 34-101(d), 37-101(j), 37-203(a), 37-203.1(a), (b)(1) and (3)(i)1.,
 5 (c)(1), and (d)(1), and 38-104(d)

6 Annotated Code of Maryland
 7 (2009 Replacement Volume and 2010 Supplement)

8 BY repealing and reenacting, without amendments,

9 Article – State Personnel and Pensions
 10 Section 29-302(a) and 29-303(a)
 11 Annotated Code of Maryland
 12 (2009 Replacement Volume and 2010 Supplement)

13 BY repealing and reenacting, with amendments,

14 Article – Tax – General
 15 Section 2-202(b) *and (c)*, 2-614, 2-1104, 2-1302.1, 2-1303, and 11-105(c)
 16 Annotated Code of Maryland
 17 (2010 Replacement Volume)

18 BY repealing

19 Article – Tax – General
 20 Section 2-1302.2
 21 Annotated Code of Maryland
 22 (2010 Replacement Volume)

23 BY repealing and reenacting, with amendments,

24 Article – Tax – Property
 25 Section 2-106 ~~and 9-103(d)(1) and (4)~~
 26 Annotated Code of Maryland
 27 (2007 Replacement Volume and 2010 Supplement)

28 ~~BY adding to~~

29 ~~Article – Tax – Property~~
 30 ~~Section 9-255~~
 31 ~~Annotated Code of Maryland~~
 32 ~~(2007 Replacement Volume and 2010 Supplement)~~

33 BY repealing

34 Article – Transportation
 35 Section 1-103(c)
 36 Annotated Code of Maryland
 37 (2008 Replacement Volume and 2010 Supplement)

38 BY repealing and reenacting, with amendments,

39 Article – Transportation

1 Section ~~3-215(b), 4-321(e) and 8-402(e)(2), 7-208(b), 8-402(c), and 8-403~~
 2 8-403, 13-812(a), and 15-311.1(b)(1)
 3 Annotated Code of Maryland
 4 (2008 Replacement Volume and 2010 Supplement)

5 BY adding to
 6 Article – Transportation
 7 Section 3-217, ~~5-415~~, and 7-208(b-1)
 8 Annotated Code of Maryland
 9 (2008 Replacement Volume and 2010 Supplement)

10 ~~BY repealing and reenacting, with amendments,~~
 11 ~~Article – Transportation~~
 12 ~~Section 12-120(a), 13-406(9) and (10), and 16-103.1(11) and (12)~~
 13 ~~Annotated Code of Maryland~~
 14 ~~(2009 Replacement Volume and 2010 Supplement)~~

15 BY repealing and reenacting, with amendments,
 16 Article – Transportation
 17 Section 12-120, 13-613(b), 13-802, and 23-205
 18 Section 12-118(e)(1), 12-120(a), 13-613(b), 13-802, and 13-955(c)
 19 Annotated Code of Maryland
 20 (2009 Replacement Volume and 2010 Supplement)

21 BY adding to
 22 Article – Transportation
 23 ~~Section 13-406(11), 16-115(j); and 16-1001 through 16-1003 to be under the~~
 24 ~~new subtitle “Subtitle 10. Assessment of Fees”~~
 25 Section 13-406.2 and 16-115(j)
 26 Annotated Code of Maryland
 27 (2009 Replacement Volume and 2010 Supplement)

28 BY repealing and reenacting, with amendments,
 29 Chapter 288 of the Acts of the General Assembly of 2002
 30 Section 7

31 BY repealing and reenacting, with amendments,
 32 Chapter 503 of the Acts of the General Assembly of 2007
 33 Section 6

34 BY repealing and reenacting, with amendments,
 35 Chapter 487 of the Acts of the General Assembly of 2009, as amended by Chapter
 36 484 of the Acts of the General Assembly of 2010
 37 Section 38(j)

38 BY repealing
 39 Article – Education

1 Section 18–1101 through 18–1107 and the subtitle “Subtitle 11. Distinguished
 2 Scholar Programs”
 3 Annotated Code of Maryland
 4 (2008 Replacement Volume and 2010 Supplement)

5 BY repealing

6 Article – Transportation
 7 Section 7–402
 8 Annotated Code of Maryland
 9 (2008 Replacement Volume and 2010 Supplement)

10 ~~BY repealing~~

11 ~~Article – Education~~
 12 ~~Section 18–1201 through 18–1207 and the subtitle “Subtitle 12. Private Career~~
 13 ~~School Student Grant Program”~~
 14 ~~Annotated Code of Maryland~~
 15 ~~(2008 Replacement Volume and 2010 Supplement)~~

16 ~~BY repealing~~

17 ~~Article – Tax – General~~
 18 ~~Section 8–406(b) and 10–704.1~~
 19 ~~Annotated Code of Maryland~~
 20 ~~(2010 Replacement Volume)~~

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

23 *Article 24 – Political Subdivisions – Miscellaneous Provisions*

24 *9–1101.*

25 *(b) (2) (I) [If] SUBJECT TO SUBPARAGRAPH (II) OF THIS*
 26 *PARAGRAPH, IF the per capita yield of the county income tax for a county determined*
 27 *under paragraph (1)(i) of this subsection is less than 75% of the per capita statewide*
 28 *yield of the county income tax determined under paragraph (1)(ii) of this subsection, the*
 29 *Comptroller shall determine the amount that would increase the county per capita yield*
 30 *to equal 75% of the statewide per capita yield, as rounded to the nearest dollar.*

31 *(II) FOR FISCAL YEAR 2012 ONLY, IF THE PER CAPITA YIELD*
 32 *OF THE COUNTY INCOME TAX FOR A COUNTY DETERMINED UNDER PARAGRAPH*
 33 *(1)(I) OF THIS SUBSECTION IS LESS THAN 77% OF THE PER CAPITA STATEWIDE*
 34 *YIELD OF THE COUNTY INCOME TAX DETERMINED UNDER PARAGRAPH (1)(II) OF*
 35 *THIS SUBSECTION, THE COMPTROLLER SHALL DETERMINE THE AMOUNT THAT*
 36 *WOULD INCREASE THE COUNTY PER CAPITA YIELD TO EQUAL 77% OF THE*
 37 *STATEWIDE PER CAPITA YIELD, AS ROUNDED TO THE NEAREST DOLLAR.*

Article – Commercial Law

15-607.

(A) Wages, due from or payable by the State, or a county, municipal corporation, or other political subdivision, and the public officers of the State or a county, municipal corporation, or other political subdivision to an individual, are subject to attachment process brought for the enforcement of the private legal obligations of the individual in the same manner and to the same extent as if the State, county, municipal corporation, or other political subdivision, and their respective public officers, were a private person.

(B) THE STATE, OR A COUNTY, MUNICIPAL CORPORATION, OR OTHER POLITICAL SUBDIVISION, AND THEIR RESPECTIVE PUBLIC OFFICERS, MAY DEDUCT AND RETAIN FROM THE INDIVIDUAL'S WAGES AN ADDITIONAL \$2 FOR EACH DEDUCTION MADE UNDER THE ATTACHMENT PROCESS OF THIS SUBTITLE OR UNDER TITLE 31, U.S.C. § 3720D.

~~17-311.~~

~~(a) (1) Within 365 days from the filing of the report required by § 17-310 of this subtitle, the Administrator shall cause notice to be published in a newspaper of general circulation in the county in the State within which is located the last known address of any person to be named in the notice.~~

~~(2) If an address is not listed or if the address is outside the State, the notice shall be published in the county within which the person who held the abandoned property has the principal place of business in this State.~~

~~(b) The published notice shall be entitled "Notice of Names of Persons Appearing to Be Owners of Abandoned Property" and shall contain:~~

~~(1) The names in alphabetical order and last known addresses, if any, of persons listed in the report and entitled to notice in the county specified in this section;~~

~~(2) A statement that information concerning the amount or description of the property and the name and address of the person who held the property may be obtained by any person who possesses an interest in the property, by addressing an inquiry to the Administrator; and~~

~~(3) A statement that a proof of claim may be presented by the owner to the Administrator.~~

1 ~~(e) The Administrator is not required to publish in the notice any item~~
2 ~~valued at less than \$100 unless the Administrator considers the publication to be in~~
3 ~~the public interest.]~~

4 ~~(A) IN THIS SECTION, "ABANDONED PROPERTY DATABASE" MEANS AN~~
5 ~~ELECTRONIC DATABASE CONTAINING THE NAMES AND LAST KNOWN~~
6 ~~ADDRESSES, IF ANY, OF PERSONS WHO APPEAR TO BE OWNERS OF ABANDONED~~
7 ~~PROPERTY.~~

8 ~~(B) (1) THE ADMINISTRATOR SHALL MAINTAIN, OR CAUSE TO BE~~
9 ~~MAINTAINED, AN ABANDONED PROPERTY DATABASE.~~

10 ~~(2) WITHIN 365 DAYS AFTER THE FILING OF THE REPORT~~
11 ~~REQUIRED BY § 17-310 OF THIS SUBTITLE, THE ADMINISTRATOR SHALL ADD TO~~
12 ~~THE ABANDONED PROPERTY DATABASE THE NAMES AND LAST KNOWN~~
13 ~~ADDRESSES, IF ANY, OF PERSONS LISTED IN THE REPORT.~~

14 ~~(3) THE ADMINISTRATOR SHALL MAINTAIN, OR CAUSE TO BE~~
15 ~~MAINTAINED, AN INTERNET WEBSITE THAT:~~

16 ~~(I) PROVIDES REASONABLE MEANS BY WHICH A PERSON~~
17 ~~MAY SEARCH THE ABANDONED PROPERTY DATABASE REQUIRED BY THIS~~
18 ~~SUBSECTION;~~

19 ~~(II) CONTAINS A STATEMENT THAT INFORMATION~~
20 ~~CONCERNING THE AMOUNT OR DESCRIPTION OF THE PROPERTY AND THE NAME~~
21 ~~AND ADDRESS OF THE PERSON WHO HELD THE PROPERTY MAY BE OBTAINED BY~~
22 ~~ANY PERSON WHO POSSESSES AN INTEREST IN THE PROPERTY, BY ADDRESSING~~
23 ~~AN INQUIRY TO THE ADMINISTRATOR;~~

24 ~~(III) CONTAINS A STATEMENT THAT A PROOF OF CLAIM MAY~~
25 ~~BE PRESENTED BY THE OWNER TO THE ADMINISTRATOR; AND~~

26 ~~(IV) INCLUDES A LINK TO AN ABANDONED PROPERTY CLAIM~~
27 ~~FORM.~~

28 ~~(C) (1) THE ADMINISTRATOR SHALL PUBLISH NOTICE OF THE~~
29 ~~INTERNET WEBSITE REQUIRED BY SUBSECTION (B)(3) OF THIS SECTION.~~

30 ~~(2) THE NOTICE SHALL:~~

31 ~~(I) BE PUBLISHED AT LEAST ONCE EACH CALENDAR~~
32 ~~QUARTER IN ONE OR MORE NEWSPAPERS OF GENERAL CIRCULATION IN EACH~~
33 ~~COUNTY OF THE STATE; AND~~

1 ~~(H) CONTAIN:~~

2 ~~1. A STATEMENT THAT THE ADMINISTRATOR~~
3 ~~MAINTAINS RECORDS OF THE NAMES AND LAST KNOWN ADDRESSES, IF ANY, OF~~
4 ~~PERSONS WHO APPEAR TO BE OWNERS OF ABANDONED PROPERTY;~~

5 ~~2. A STATEMENT THAT ANY PERSON MAY SEARCH~~
6 ~~THE ADMINISTRATOR'S ABANDONED PROPERTY RECORDS THROUGH THE~~
7 ~~ADMINISTRATOR'S INTERNET WEBSITE; AND~~

8 ~~3. THE ADDRESS OF THE INTERNET WEBSITE.~~

9 ~~[(a)] (D) (1) Within 365 days from the filing of the report required by §~~
10 ~~17-310 of this subtitle, the Administrator shall cause notice to be published in a~~
11 ~~newspaper of general circulation in [the county] THE COUNTIES in the State~~
12 ~~IDENTIFIED AS FEDERALLY DESIGNATED RURAL COUNTIES BY THE RURAL~~
13 ~~MARYLAND COUNCIL within which is located the last known address of any person~~
14 ~~to be named in the notice.~~

15 ~~(2) If an address is not listed or if the address is outside the State, the~~
16 ~~notice shall be published in the county within which the person who held the~~
17 ~~abandoned property has the principal place of business in this State, IF THE COUNTY~~
18 ~~IS IDENTIFIED AS A FEDERALLY DESIGNATED RURAL COUNTY BY THE RURAL~~
19 ~~MARYLAND COUNCIL.~~

20 ~~[(b)] (E) The published notice REQUIRED UNDER SUBSECTION (D) OF~~
21 ~~THIS SECTION shall be entitled "Notice of Names of Persons Appearing to Be Owners~~
22 ~~of Abandoned Property" and shall contain:~~

23 ~~(1) The names in alphabetical order and last known addresses, if any,~~
24 ~~of persons listed in the report and entitled to notice in the county specified in~~
25 ~~SUBSECTION (D) OF this section;~~

26 ~~(2) A statement that information concerning the amount or description~~
27 ~~of the property and the name and address of the person who held the property may be~~
28 ~~obtained by any person who possesses an interest in the property, by addressing an~~
29 ~~inquiry to the Administrator; and~~

30 ~~(3) A statement that a proof of claim may be presented by the owner to~~
31 ~~the Administrator.~~

32 ~~[(c)] (F) The Administrator is not required to publish in the notice~~
33 ~~REQUIRED UNDER SUBSECTION (D) OF THIS SECTION any item valued at less than~~
34 ~~\$100 unless the Administrator considers the publication to be in the public interest.~~

1 ~~(d) (G) Within 120 days from the receipt of the report required by §~~
2 ~~17-310 of this subtitle, the Administrator shall mail a notice to each person who has~~
3 ~~an address listed in the report who appears entitled to property valued at \$100 or~~
4 ~~more and presumed abandoned under this subtitle.~~

5 ~~(e) (H) The mailed notice shall contain:~~

6 ~~(1) A statement that, according to a report filed with the~~
7 ~~Administrator, property is being held to which the addressee appears entitled;~~

8 ~~(2) The name and address of the person who held the property and~~
9 ~~any necessary information regarding any change of the name or address of the holder;~~
10 ~~and~~

11 ~~(3) A statement that a proof of claim may be presented by the owner to~~
12 ~~the Administrator.~~

13 ~~17-317.~~

14 ~~(a) (1) All funds received under this title, including the proceeds of the~~
15 ~~sale of abandoned property under § 17-316 of this subtitle, shall be credited by the~~
16 ~~Administrator to a special fund. The Administrator shall retain in the special fund at~~
17 ~~the end of each fiscal year, from the proceeds received, an amount not to exceed~~
18 ~~\$50,000, from which sum the Administrator shall pay any claim allowed under this~~
19 ~~title.~~

20 ~~[(2) After deducting all costs incurred in administering this title from~~
21 ~~the remaining net funds the Administrator shall distribute \$500,000 to the Maryland~~
22 ~~Legal Services Corporation to support the activities of the corporation.]~~

23 ~~[(3) (2) (i) Subject to subparagraph (ii) of this paragraph, the~~
24 ~~Administrator shall distribute all unclaimed money from judgments of restitution~~
25 ~~under Title 11, Subtitle 6 of the Criminal Procedure Article to the State Victims of~~
26 ~~Crime Fund established under § 11-916 of the Criminal Procedure Article to assist~~
27 ~~victims of crimes and delinquent acts to protect the victims' rights as provided by law.~~

28 ~~(ii) If a victim entitled to restitution that has been treated as~~
29 ~~abandoned property under § 11-614 of the Criminal Procedure Article is located after~~
30 ~~the money has been distributed under this paragraph, the Administrator shall reduce~~
31 ~~the next distribution to the State Victims of Crime Fund by the amount recovered by~~
32 ~~the victim.~~

33 ~~[(4) (3) After making the distributions required under [paragraphs~~
34 ~~(2) and (3)] PARAGRAPH (2) of this subsection, the Administrator shall distribute the~~

~~1 remaining net funds not retained under paragraph (1) of this subsection to the~~
~~2 General Fund of the State.~~

3 Article – Correctional Services

4 7-702.

5 (b) Unless a supervisee is exempted by the Commission under subsection (d)
6 of this section, the Commission shall assess a monthly fee of [\$40] \$50 as a condition
7 of supervision for each supervisee.

8 Article – Courts and Judicial Proceedings

9 7-301.

10 (f) (1) This subsection does not apply to a traffic case under § 21-202.1, §
11 21-809, or § 21-810 of the Transportation Article or to a parking or impounding case.

12 (2) In a traffic case under subsection (a)(1) of this section the court
13 shall add a \$7.50 surcharge to the court costs imposed by the court.

14 (3) (I) The Comptroller annually shall credit the surcharges
15 collected under this subsection [to:

16 (i) The Volunteer Company Assistance Fund to be used in
17 accordance with the provisions of Title 8, Subtitle 2 of the Public Safety Article; and

18 (ii) The General Fund after \$20,000,000 is credited to the
19 Volunteer Company Assistance Fund in accordance with item (i) of this paragraph.

20 (4) Notwithstanding any other provision of this subsection, for fiscal
21 year 2010 only, the surcharges collected under this subsection shall be credited as
22 follows:

23 (i) 25% to the Volunteer Company Assistance Fund to be used
24 in accordance with the provisions of Title 8, Subtitle 2 of the Public Safety Article; and

25 (ii) 75% to the General Fund] **AS PROVIDED IN THIS**
26 **PARAGRAPH.**

27 (II) **AN AMOUNT ANNUALLY AS SET FORTH IN THE STATE**
28 **BUDGET SHALL BE DISTRIBUTED FOR THE CHARLES W. RILEY FIRE AND**
29 **EMERGENCY MEDICAL SERVICES TUITION REIMBURSEMENT PROGRAM AS**
30 **ESTABLISHED IN § 18-603 OF THE EDUCATION ARTICLE.**

1 (III) AFTER THE DISTRIBUTION UNDER SUBPARAGRAPH (II)
2 OF THIS PARAGRAPH:

3 ~~1. SUBJECT, SUBJECT TO SUBPARAGRAPH (IV) OF~~
4 ~~THIS PARAGRAPH, 50% 100% OF THE REMAINDER SHALL BE CREDITED TO THE~~
5 ~~VOLUNTEER COMPANY ASSISTANCE FUND TO BE USED IN ACCORDANCE WITH~~
6 ~~THE PROVISIONS OF TITLE 8, SUBTITLE 2 OF THE PUBLIC SAFETY ARTICLE~~
7 ~~MARYLAND EMERGENCY MEDICAL SYSTEMS OPERATION FUND ESTABLISHED~~
8 ~~UNDER § 13-955 OF THE TRANSPORTATION ARTICLE, AND~~

9 ~~2. 50% SHALL BE CREDITED TO THE GENERAL~~
10 ~~FUND.~~

11 ~~(IV) AFTER A TOTAL OF \$20,000,000 IS CREDITED TO THE~~
12 ~~VOLUNTEER COMPANY ASSISTANCE FUND UNDER SUBPARAGRAPH (III)1 (III)~~
13 ~~OF THIS PARAGRAPH, 100% OF THE REMAINDER AFTER THE DISTRIBUTION~~
14 ~~UNDER SUBPARAGRAPH (II) OF THIS PARAGRAPH SHALL BE DISTRIBUTED TO~~
15 ~~THE GENERAL FUND.~~

16 ~~(IV) FOR FISCAL YEARS 2012 AND 2013 ONLY, BEFORE THE~~
17 ~~DISTRIBUTION TO THE MARYLAND EMERGENCY MEDICAL SYSTEMS OPERATION~~
18 ~~FUND UNDER SUBPARAGRAPH (III) OF THIS PARAGRAPH, FROM THE~~
19 ~~SURCHARGES COLLECTED UNDER THIS SUBSECTION, AN AMOUNT EQUAL TO~~
20 ~~\$8,201,311 FOR FISCAL YEAR 2012 AND \$2,114,000 FOR FISCAL YEAR 2013~~
21 ~~SHALL BE CREDITED TO THE VOLUNTEER COMPANY ASSISTANCE FUND TO BE~~
22 ~~USED IN ACCORDANCE WITH THE PROVISIONS OF TITLE 8, SUBTITLE 2 OF THE~~
23 ~~PUBLIC SAFETY ARTICLE.~~

24 13-604.

25 (a) (1) [The] EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS
26 SUBSECTION, THE Administrator shall establish a surcharge of \$20 for each type of
27 recordable instrument to be recorded among the land records and the financing
28 statement records.

29 (2) FOR EACH OF FISCAL YEARS 2012 THROUGH 2016
30 RECORDABLE INSTRUMENTS EXECUTED ON OR AFTER JULY 1, 2011, BUT
31 BEFORE JULY 1, 2015, THE SURCHARGE ESTABLISHED UNDER THIS
32 SUBSECTION SHALL BE \$40 FOR EACH TYPE OF RECORDABLE INSTRUMENT TO
33 BE RECORDED AMONG THE LAND RECORDS AND THE FINANCING STATEMENT
34 RECORDS.

1 6-226.

2 (b) [(1)] Unless the supervisee is exempt under subsection (d) of this
 3 section, ~~except as provided in paragraph (2) of this subsection,~~ the court shall impose a
 4 monthly fee of ~~[\$25]~~ **\$50** on a supervisee.

5 [(2) For fiscal years 2006 through 2010 only, the monthly fee imposed
 6 under this subsection shall be \$40.]

7 ~~Article – Economic Development~~

8 ~~10-523.~~

9 ~~(a) (3) (i) To assist the Corporation in complying with subsection (c) of~~
 10 ~~this section, the Governor shall include each year in the State budget bill an~~
 11 ~~appropriation to the Corporation for rural business development and assistance [for~~
 12 ~~each of fiscal years 2010 and 2011 in the amount of \$2,750,000 and for each of fiscal~~
 13 ~~years 2012 through 2020, in the amount of \$4,000,000] AS FOLLOWS:~~

- 14 ~~1. FOR FISCAL YEAR 2011, \$2,750,000;~~
 15 ~~2. FOR FISCAL YEAR 2012, \$1,000,000;~~
 16 ~~3. FOR FISCAL YEAR 2013, \$2,000,000;~~
 17 ~~4. FOR FISCAL YEAR 2014, \$3,000,000; AND~~
 18 ~~5. FOR EACH OF FISCAL YEARS 2015 THROUGH 2020,~~
 19 ~~\$4,000,000.~~

20 ~~Article – Economic Development~~

21 ~~10-523.~~

22 ~~(a) (3) (i) To assist the Corporation in complying with subsection (c) of~~
 23 ~~this section, the Governor shall include each year in the State budget bill an~~
 24 ~~appropriation to the Corporation for rural business development and assistance [for~~
 25 ~~each of fiscal years 2010 and 2011 in the amount of \$2,750,000 and for each of fiscal~~
 26 ~~years 2012 through 2020, in the amount of \$4,000,000] AS FOLLOWS:~~

- 27 ~~1. FOR FISCAL YEAR 2011, \$2,750,000;~~
 28 ~~2. FOR FISCAL YEAR 2012, \$2,750,000;~~
 29 ~~3. FOR FISCAL YEAR 2013, \$3,000,000; AND~~

1 **4. FOR EACH OF FISCAL YEARS 2014 THROUGH 2020,**
2 \$4,000,000.

3 **Article – Education**

4 5-103.

5 (a) The amount requested in the annual budget of each county board for
6 current expenses for the next school year and that is to be raised by revenue from local
7 sources may not be less than the minimum amount required to be levied under
8 [\$ 5-202] § 5-202(D)(1)(I) of this title.

9 (b) The county commissioners or county council may provide funds that are
10 more than the amount required by § [5-202] 5-202(D)(1)(I) of this title to support
11 improved and additional programs.

12 (c) If a county council or board of county commissioners does not approve the
13 amount requested in the budget that is more than the amount required by [§ 5-202] §
14 5-202(D)(1)(I) of this title:

15 (1) The county council or board of county commissioners shall indicate
16 in writing, within 15 days after the adoption of the budget, which major categories of
17 the annual budget have been reduced and the reason for the reduction; and

18 (2) The county board shall submit to the county governing body, within
19 30 days after the adoption of the budget, a report indicating how the alterations to the
20 budget will be implemented, accompanied by reasonable supporting detail and
21 analysis.

22 5-202.

23 (a) (13) “Target per pupil foundation amount” means:

24 (i) In fiscal years 2008, 2009, and 2010, \$6,694;

25 (ii) Except as provided in [item (iii)] **ITEMS (III) AND (IV)** of
26 this paragraph, in subsequent fiscal years:

27 1. The target per pupil foundation amount for the prior
28 fiscal year increased by the same percentage as the lesser of:

29 A. The increase in the implicit price deflator for State
30 and local government expenditures for the second prior fiscal year;

1 B. The Consumer Price Index for all urban consumers for
 2 the Washington–Baltimore metropolitan area, or any successor index, for the second
 3 prior fiscal year; or

4 C. 5%; or

5 2. If there is no increase in the implicit price deflator for
 6 State and local government expenditures for the second prior fiscal year or in the
 7 Consumer Price Index for all urban consumers for the Washington–Baltimore
 8 metropolitan area, or any successor index, for the second prior fiscal year, the target
 9 per pupil foundation amount for the prior fiscal year;

10 (III) IN FISCAL YEAR 2012, ~~\$6,599~~ \$6,694; and

11 [(iii)] (IV) In each of fiscal years [2012] 2013 through 2015:

12 1. The target per pupil foundation amount for the prior
 13 fiscal year increased by the same percentage as the lesser of:

14 A. The increase in the implicit price deflator for State
 15 and local government expenditures for the second prior fiscal year;

16 B. The Consumer Price Index for all urban consumers for
 17 the Washington–Baltimore metropolitan area, or any successor index, for the second
 18 prior fiscal year; or

19 C. 1%; or

20 2. If there is no increase in the implicit price deflator for
 21 State and local government expenditures for the second prior fiscal year or in the
 22 Consumer Price Index for all urban consumers for the Washington–Baltimore
 23 metropolitan area, or any successor index, for the second prior fiscal year, the target
 24 per pupil foundation amount for the prior fiscal year.

25 (I) (1) IN THIS SUBSECTION, “TOTAL DIRECT EDUCATION AID”
 26 MEANS THE TOTAL FINANCIAL ASSISTANCE PROVIDED BY THE STATE TO A
 27 COUNTY BOARD UNDER THE FOLLOWING PROGRAMS:

28 (I) FUNDING FOR THE FOUNDATION PROGRAM INCLUDING
 29 FUNDS FOR THE GEOGRAPHIC COST OF EDUCATION UNDER THIS SECTION;

30 (II) TRANSPORTATION AID UNDER § 5-205 OF THIS
 31 SUBTITLE;

32 (III) FUNDING FOR COMPENSATORY EDUCATION UNDER §
 33 5-207 OF THIS SUBTITLE;

1 (IV) FUNDING FOR STUDENTS WITH LIMITED ENGLISH
 2 PROFICIENCY UNDER § 5-208 OF THIS SUBTITLE;

3 (V) FUNDING FOR SPECIAL EDUCATION STUDENTS UNDER §
 4 5-209 OF THIS SUBTITLE;

5 (VI) FUNDING FOR THE GUARANTEED TAX BASE PROGRAM
 6 UNDER § 5-210 OF THIS SUBTITLE; AND

7 (VII) FUNDING FOR GRANTS PROVIDED UNDER THIS
 8 SUBSECTION.

9 (2) FOR FISCAL YEAR 2012 ONLY, IF A COUNTY BOARD'S TOTAL
 10 DIRECT EDUCATION AID IN THE CURRENT FISCAL YEAR IS LESS THAN THE PRIOR
 11 FISCAL YEAR BY MORE THAN 6.5%, THEN THE STATE SHALL PROVIDE A GRANT
 12 TO THE COUNTY BOARD IN AN AMOUNT NECESSARY TO ENSURE THAT A
 13 DECREASE IN TOTAL DIRECT EDUCATION AID IS NOT MORE THAN 6.5%.

14 5-206.

15 (f) (1) In fiscal year 2006 and in each fiscal year thereafter, the State
 16 shall distribute grants FROM AN APPROPRIATION IN THE STATE BUDGET OR
 17 GENERAL OBLIGATION BONDS to county boards under the Aging Schools Program
 18 administered by the Interagency Committee on School Construction in amounts equal
 19 to the funding level calculated under paragraph (2) of this subsection.

20 8-507.

21 (A) IN THIS SECTION, "BASIC COST" MEANS THE AVERAGE AMOUNT
 22 SPENT BY A COUNTY BOARD FROM COUNTY AND STATE ~~DOLLARS~~ FUNDS FOR
 23 THE PUBLIC EDUCATION OF A NONDISABLED CHILD.

24 (B) A COUNTY BOARD SHALL REIMBURSE THE DEPARTMENT OF
 25 JUVENILE SERVICES OR THE DEPARTMENT OF HUMAN RESOURCES THE
 26 AMOUNT OF THE BASIC COST CALCULATED UNDER SUBSECTION (A) OF THIS
 27 SECTION FOR EACH CHILD WHO WAS DOMICILED IN THE COUNTY PRIOR TO THE
 28 PLACEMENT IF:

29 (1) THE DEPARTMENT OF JUVENILE SERVICES OR THE
 30 DEPARTMENT OF HUMAN RESOURCES PLACES A CHILD WHO IS IN
 31 STATE-SUPERVISED CARE IN A NONPUBLIC RESIDENTIAL PLACEMENT THAT
 32 ALSO PROVIDES THE EDUCATION PROGRAM FOR THE CHILD; ~~AND~~

1 **(2) THE CHILD DOES NOT MEET THE CRITERIA FOR SHARED**
2 **STATE AND LOCAL PAYMENT OF EDUCATIONAL COSTS AS PROVIDED IN §§ 8-406**
3 **AND 8-415 OF THIS TITLE; AND**

4 **(3) THE CHILD WAS INCLUDED IN THE FULL-TIME EQUIVALENT**
5 **ENROLLMENT OF THE COUNTY AS CALCULATED UNDER § 5-202 OF THIS**
6 **ARTICLE.**

7 11-105.

8 (o) (1) The Commission may require an application fee from an institution
9 of postsecondary education seeking [certification]:

10 **(I) CERTIFICATION to operate in the State; OR**

11 **(II) APPROVAL EXCEPT FOR ACTIONS RELATING TO**
12 **PROGRAMS OFFERED AT A REGIONAL HIGHER EDUCATION CENTER, APPROVAL**
13 **OF ANY ACADEMIC PROGRAM ACTION TAKEN UNDER SUBTITLE 2 OF THIS TITLE.**

14 **(2) (I) THE REVENUES FROM APPLICATION FEES SHALL BE**
15 **DISTRIBUTED TO A SPECIAL, NONLAPSING FUND THAT IS NOT SUBJECT TO §**
16 **7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.**

17 **(II) SUBJECT TO SUBPARAGRAPH (III) OF THIS PARAGRAPH,**
18 **THE SPECIAL FUND MAY BE USED ONLY TO CARRY OUT THE PROVISIONS OF**
19 **SUBTITLE 2 OF THIS TITLE.**

20 **(III) AT THE END OF EACH FISCAL YEAR, ANY AMOUNT IN**
21 **EXCESS OF \$100,000 SHALL REVERT TO THE GENERAL FUND.**

22 **(IV) ANY INVESTMENT EARNINGS OF THE FUND SHALL BE**
23 **CREDITED TO THE GENERAL FUND.**

24 **(3) Subject to the provisions of § 11-203 of this title, the Commission**
25 **may require bonds or other financial guaranties from institutions of postsecondary**
26 **education seeking certification or recertification to operate in the State.**

27 16-305.

28 (c) (1) (i) The total State operating fund per full-time equivalent
29 student to the community colleges for each fiscal year as requested by the Governor
30 shall be:

31 1. In fiscal year 2009, not less than an amount equal to
32 26.25% of the State's General Fund appropriation per full-time equivalent student to

1 the 4-year public institutions of higher education in the State as designated by the
2 Commission for the purpose of administering the Joseph A. Sellinger Program under
3 Title 17 of this article in the previous fiscal year;

4 2. In fiscal year 2010, not less than an amount equal to
5 23.6% of the State's General Fund appropriation per full-time equivalent student to
6 the 4-year public institutions of higher education in the State as designated by the
7 Commission for the purpose of administering the Joseph A. Sellinger Program under
8 Title 17 of this article in the same fiscal year;

9 3. In fiscal year 2011, not less than an amount equal to
10 21.8% of the State's General Fund appropriation per full-time equivalent student to
11 the 4-year public institutions of higher education in the State as designated by the
12 Commission for the purpose of administering the Joseph A. Sellinger Program under
13 Title 17 of this article in the same fiscal year;

14 4. In fiscal year 2012, not less than an amount equal to
15 20% of the State's General Fund appropriation per full-time equivalent student to the
16 4-year public institutions of higher education in the State as designated by the
17 Commission for the purpose of administering the Joseph A. Sellinger Program under
18 Title 17 of this article in the same fiscal year;

19 5. In fiscal year 2013, not less than an amount equal to
20 [21%] ~~18.5%~~ 19% of the State's General Fund appropriation per full-time equivalent
21 student to the 4-year public institutions of higher education in the State as designated
22 by the Commission for the purpose of administering the Joseph A. Sellinger Program
23 under Title 17 of this article in the same fiscal year;

24 6. In fiscal year 2014, not less than an amount equal to
25 [22%] ~~18.5%~~ 19% of the State's General Fund appropriation per full-time equivalent
26 student to the 4-year public institutions of higher education in the State as designated
27 by the Commission for the purpose of administering the Joseph A. Sellinger Program
28 under Title 17 of this article in the same fiscal year;

29 7. In fiscal year 2015, not less than an amount equal to
30 [23%] 19.5% of the State's General Fund appropriation per full-time equivalent
31 student to the 4-year public institutions of higher education in the State as designated
32 by the Commission for the purpose of administering the Joseph A. Sellinger Program
33 under Title 17 of this article in the same fiscal year;

34 8. In fiscal year 2016, not less than an amount equal to
35 [24%] ~~20.5%~~ 21% of the State's General Fund appropriation per full-time equivalent
36 student to the 4-year public institutions of higher education in the State as designated
37 by the Commission for the purpose of administering the Joseph A. Sellinger Program
38 under Title 17 of this article in the same fiscal year;

1 9. In fiscal year 2017, not less than an amount equal to
2 [25%] ~~21.5%~~ 22% of the State's General Fund appropriation per full-time equivalent
3 student to the 4-year public institutions of higher education in the State as designated
4 by the Commission for the purpose of administering the Joseph A. Sellinger Program
5 under Title 17 of this article in the same fiscal year;

6 10. In fiscal year 2018, not less than an amount equal to
7 [26%] ~~22.5%~~ 23% of the State's General Fund appropriation per full-time equivalent
8 student to the 4-year public institutions of higher education in the State as designated
9 by the Commission for the purpose of administering the Joseph A. Sellinger Program
10 under Title 17 of this article in the same fiscal year;

11 11. In fiscal year 2019, not less than an amount equal to
12 [27%] ~~23.5%~~ 24% of the State's General Fund appropriation per full-time equivalent
13 student to the 4-year public institutions of higher education in the State as designated
14 by the Commission for the purpose of administering the Joseph A. Sellinger Program
15 under Title 17 of this article in the same fiscal year;

16 12. In fiscal year 2020, not less than an amount equal to
17 [28%] 25% of the State's General Fund appropriation per full-time equivalent student
18 to the 4-year public institutions of higher education in the State as designated by the
19 Commission for the purpose of administering the Joseph A. Sellinger Program under
20 Title 17 of this article in the same fiscal year; [and]

21 **13. IN FISCAL YEAR 2021, NOT LESS THAN AN**
22 **AMOUNT EQUAL TO ~~26.5%~~ 26% OF THE STATE'S GENERAL FUND**
23 **APPROPRIATION PER FULL-TIME EQUIVALENT STUDENT TO THE 4-YEAR**
24 **PUBLIC INSTITUTIONS OF HIGHER EDUCATION IN THE STATE AS DESIGNATED**
25 **BY THE COMMISSION FOR THE PURPOSE OF ADMINISTERING THE JOSEPH A.**
26 **SELLINGER PROGRAM UNDER TITLE 17 OF THIS ARTICLE IN THE SAME FISCAL**
27 **YEAR;**

28 **14. IN FISCAL YEAR 2022, NOT LESS THAN AN**
29 **AMOUNT EQUAL TO ~~28%~~ 27.5% OF THE STATE'S GENERAL FUND**
30 **APPROPRIATION PER FULL-TIME EQUIVALENT STUDENT TO THE 4-YEAR**
31 **PUBLIC INSTITUTIONS OF HIGHER EDUCATION IN THE STATE AS DESIGNATED**
32 **BY THE COMMISSION FOR THE PURPOSE OF ADMINISTERING THE JOSEPH A.**
33 **SELLINGER PROGRAM UNDER TITLE 17 OF THIS ARTICLE IN THE SAME FISCAL**
34 **YEAR; AND**

35 **[13.] 15. In fiscal year [2021] 2023 and each fiscal year**
36 **thereafter, not less than an amount equal to 29% of the State's General Fund**
37 **appropriation per full-time equivalent student to the 4-year public institutions of**
38 **higher education in the State as designated by the Commission for the purpose of**

1 administering the Joseph A. Sellinger Program under Title 17 of this article in the
 2 same fiscal year.

3 ~~16-310.~~ 16-310.

4 (d) (1) **(I) 1.** Notwithstanding subsection (b) of this section,
 5 **SUBJECT TO SUBSUBPARAGRAPH 2 OF THIS SUBPARAGRAPH,** if any student is a
 6 resident of this State and enrolls in an instructional program that the Commission
 7 designates as a health manpower shortage program or a statewide or regional
 8 program, ~~the~~

9 **A. THE** student shall pay only the student tuition and
 10 fees payable by a resident of a county that supports the community college ~~and;~~ **AND**

11 **B. SUBJECT TO SUBPARAGRAPH (II) OF THIS**
 12 **PARAGRAPH,** the Commission shall pay any applicable out-of-county fee ~~;~~ **TO THE**
 13 **COMMUNITY COLLEGE.**

14 **2. FOR A STUDENT WHO ATTENDS A COMMUNITY**
 15 **COLLEGE NOT SUPPORTED BY THE COUNTY IN WHICH THE STUDENT RESIDES, AT**
 16 **THE DISCRETION OF THE BOARD OF COMMUNITY COLLEGE TRUSTEES:**

17 **A. THE COMMUNITY COLLEGE MAY CHARGE THE**
 18 **STUDENT ANY APPLICABLE OUT-OF-COUNTY FEE;**

19 **B. SUBJECT TO SUBPARAGRAPH (II) OF THIS**
 20 **PARAGRAPH, THE COMMISSION SHALL PAY THE AMOUNT OF ANY APPLICABLE**
 21 **OUT-OF-COUNTY FEE TO THE COMMUNITY COLLEGE; AND**

22 **C. THE COMMUNITY COLLEGE SHALL REIMBURSE**
 23 **THE STUDENT THE AMOUNT RECEIVED FROM THE COMMISSION UNDER ITEM B**
 24 **OF THIS SUBSUBPARAGRAPH.**

25 **(II)** For any fiscal year BEGINNING ON OR AFTER JULY 1,
 26 **2011,** if State appropriations to the Commission for payment of any applicable
 27 out-of-county fee under this paragraph do not provide sufficient funds to fully
 28 reimburse applicable out-of-county fees, [the Governor shall include in the budget bill
 29 for the next fiscal year a deficiency appropriation to provide the additional funds to
 30 fully reimburse the out-of-county fees] **THE COMMISSION SHALL PRORATE THE**
 31 **REIMBURSEMENT FOR THE OUT-OF-COUNTY FEES.**

32 16-512.

1 (a) (1) The total State operating fund per full-time equivalent student
2 appropriated to Baltimore City Community College for each fiscal year as requested by
3 the Governor shall be:

4 (i) In fiscal year 2009, not less than an amount equal to 67.25%
5 of the State's General Fund appropriation per full-time equivalent student to the 4-year
6 public institutions of higher education in the State as designated by the Commission for
7 the purpose of administering the Joseph A. Sellinger Program under Title 17 of this
8 article in the previous fiscal year;

9 (ii) In fiscal year 2010, not less than an amount equal to 65.1%
10 of the State's General Fund appropriation per full-time equivalent student to the 4-year
11 public institutions of higher education in the State as designated by the Commission for
12 the purpose of administering the Joseph A. Sellinger Program under Title 17 of this
13 article in the same fiscal year;

14 (iii) In fiscal year 2011, not less than an amount equal to 65.5%
15 of the State's General Fund appropriation per full-time equivalent student to the 4-year
16 public institutions of higher education in the State as designated by the Commission for
17 the purpose of administering the Joseph A. Sellinger Program under Title 17 of this
18 article in the same fiscal year;

19 (iv) In fiscal year 2012, not less than an amount equal to 63% of
20 the State's General Fund appropriation per full-time equivalent student to the 4-year
21 public institutions of higher education in the State as designated by the Commission for
22 the purpose of administering the Joseph A. Sellinger Program under Title 17 of this
23 article in the same fiscal year;

24 (v) In fiscal year 2013, not less than an amount equal to 63.5%
25 of the State's General Fund appropriation per full-time equivalent student to the 4-year
26 public institutions of higher education in the State as designated by the Commission for
27 the purpose of administering the Joseph A. Sellinger Program under Title 17 of this
28 article in the same fiscal year;

29 (vi) In fiscal year 2014, not less than an amount equal to 64% of
30 the State's General Fund appropriation per full-time equivalent student to the 4-year
31 public institutions of higher education in the State as designated by the Commission for
32 the purpose of administering the Joseph A. Sellinger Program under Title 17 of this
33 article in the same fiscal year;

34 (vii) In fiscal year 2015, not less than an amount equal to 64.5%
35 of the State's General Fund appropriation per full-time equivalent student to the 4-year
36 public institutions of higher education in the State as designated by the Commission for
37 the purpose of administering the Joseph A. Sellinger Program under Title 17 of this
38 article in the same fiscal year;

1 (viii) In fiscal year 2016, not less than an amount equal to [65%]
2 64.75% of the State's General Fund appropriation per full-time equivalent student to
3 the 4-year public institutions of higher education in the State as designated by the
4 Commission for the purpose of administering the Joseph A. Sellinger Program under
5 Title 17 of this article in the same fiscal year;

6 (ix) In fiscal year 2017, not less than an amount equal to [65.5%]
7 65.25% of the State's General Fund appropriation per full-time equivalent student to
8 the 4-year public institutions of higher education in the State as designated by the
9 Commission for the purpose of administering the Joseph A. Sellinger Program under
10 Title 17 of this article in the same fiscal year;

11 (x) In fiscal year 2018, not less than an amount equal to [66%]
12 65.75% of the State's General Fund appropriation per full-time equivalent student to
13 the 4-year public institutions of higher education in the State as designated by the
14 Commission for the purpose of administering the Joseph A. Sellinger Program under
15 Title 17 of this article in the same fiscal year;

16 (xi) In fiscal year 2019, not less than an amount equal to [66.5%]
17 66.25% of the State's General Fund appropriation per full-time equivalent student to
18 the 4-year public institutions of higher education in the State as designated by the
19 Commission for the purpose of administering the Joseph A. Sellinger Program under
20 Title 17 of this article in the same fiscal year;

21 (xii) In fiscal year 2020, not less than an amount equal to [67.5%]
22 67% of the State's General Fund appropriation per full-time equivalent student to the
23 4-year public institutions of higher education in the State as designated by the
24 Commission for the purpose of administering the Joseph A. Sellinger Program under
25 Title 17 of this article in the same fiscal year;

26 (XIII) IN FISCAL YEAR 2021, NOT LESS THAN AN AMOUNT
27 EQUAL TO 67.5% OF THE STATE'S GENERAL FUND APPROPRIATION PER
28 FULL-TIME EQUIVALENT STUDENT TO THE 4-YEAR PUBLIC INSTITUTIONS OF
29 HIGHER EDUCATION IN THE STATE AS DESIGNATED BY THE COMMISSION FOR
30 THE PURPOSE OF ADMINISTERING THE JOSEPH A. SELLINGER PROGRAM
31 UNDER TITLE 17 OF THIS ARTICLE IN THE SAME FISCAL YEAR;

32 (XIV) IN FISCAL YEAR 2022, NOT LESS THAN AN AMOUNT
33 EQUAL TO 68% OF THE STATE'S GENERAL FUND APPROPRIATION PER
34 FULL-TIME EQUIVALENT STUDENT TO THE 4-YEAR PUBLIC INSTITUTIONS OF
35 HIGHER EDUCATION IN THE STATE AS DESIGNATED BY THE COMMISSION FOR
36 THE PURPOSE OF ADMINISTERING THE JOSEPH A. SELLINGER PROGRAM
37 UNDER TITLE 17 OF THIS ARTICLE IN THE SAME FISCAL YEAR; and

1 *[(xiii)] (XV) In fiscal year [2021] 2023 and each fiscal year*
2 *thereafter, not less than an amount equal to 68.5% of the State's General Fund*
3 *appropriation per full-time equivalent student to the 4-year public institutions of*
4 *higher education in the State as designated by the Commission for the purpose of*
5 *administering the Joseph A. Sellinger Program under Title 17 of this article in the*
6 *same fiscal year.*

7 17-104.

8 (a) (1) Except as provided in paragraph (2) of this subsection, the
9 Maryland Higher Education Commission shall compute the amount of the annual
10 apportionment for each institution that qualifies under this subtitle by multiplying the
11 number of full-time equivalent students enrolled at the institution during the fall
12 semester of the fiscal year preceding the fiscal year for which the aid apportionment is
13 made, as determined by the Maryland Higher Education Commission by:

14 (i) In fiscal year 2009, an amount not less than 16% of the
15 State's General Fund per full-time equivalent student appropriation to the 4-year
16 public institutions of higher education in this State for the preceding fiscal year;

17 (ii) In fiscal year 2010, an amount not less than 12.85% of the
18 State's General Fund per full-time equivalent student appropriation to the 4-year
19 public institutions of higher education in the State for the same fiscal year;

20 (iii) In fiscal year 2011, an amount not less than 9.8% of the
21 State's General Fund per full-time equivalent student appropriation to the 4-year
22 public institutions of higher education in this State for the same fiscal year;

23 (iv) In fiscal year 2012, an amount not less than 9.2% of the
24 State's General Fund per full-time equivalent student appropriation to the 4-year
25 public institutions of higher education in this State for the same fiscal year;

26 (v) In fiscal year 2013, an amount not less than [10%] ~~9.5%~~
27 9.7% of the State's General Fund per full-time equivalent student appropriation to
28 the 4-year public institutions of higher education in this State for the same fiscal year;

29 (vi) In fiscal year 2014, an amount not less than [10.5%] 10% of
30 the State's General Fund per full-time equivalent student appropriation to the 4-year
31 public institutions of higher education in this State for the same fiscal year;

32 (vii) In fiscal year 2015, an amount not less than [11%] ~~10.5%~~
33 10.6% of the State's General Fund per full-time equivalent student appropriation to
34 the 4-year public institutions of higher education in this State for the same fiscal year;

1 (viii) In fiscal year 2016, an amount not less than [11.5%] ~~11%~~
2 11.1% of the State's General Fund per full-time equivalent student appropriation to
3 the 4-year public institutions of higher education in this State for the same fiscal year;

4 (ix) In fiscal year 2017, an amount not less than 12% of the
5 State's General Fund per full-time equivalent student appropriation to the 4-year
6 public institutions of higher education in this State for the same fiscal year;

7 (x) In fiscal year 2018, an amount not less than 13% of the
8 State's General Fund per full-time equivalent student appropriation to the 4-year
9 public institutions of higher education in this State for the same fiscal year;

10 (xi) In fiscal year 2019, an amount not less than 14% of the
11 State's General Fund per full-time equivalent student appropriation to the 4-year
12 public institutions of higher education in this State for the same fiscal year;

13 (xii) In fiscal year 2020, an amount not less than 15% of the
14 State's General Fund per full-time equivalent student appropriation to the 4-year
15 public institutions of higher education in this State for the same fiscal year; and

16 (xiii) In fiscal year 2021 and each fiscal year thereafter, an
17 amount not less than 15.5% of the State's General Fund per full-time equivalent
18 student appropriation to the 4-year public institutions of higher education in this
19 State for the same fiscal year.

20 (b) (1) Full-time equivalent students enrolled in seminarian or theological
21 programs shall be excluded from the computation required by subsection (a) of this
22 section.

23 (2) FULL-TIME EQUIVALENT STUDENTS ENROLLED IN PROGRAMS
24 THAT ARE PART OF AN AGREEMENT OR CONTRACT WITH FOR-PROFIT
25 EDUCATIONAL SERVICES ENTITIES SHALL BE EXCLUDED FROM THE
26 COMPUTATION REQUIRED BY SUBSECTION (A) OF THIS SECTION.

27 18-107.

28 (a) (1) Each year, money for each student financial assistance program
29 administered by the Office shall be included in the State budget.

30 (2) Each year, the Governor shall include in the State budget at least
31 80 percent of the funds appropriated in the prior fiscal year for need-based programs
32 as provided in §§ 18-301, 18-706(f), 18-1401, 18-1501, and 18-2601 of this title.

33 (b) [(1)] Except as otherwise provided in this title, money appropriated
34 under this title that is not used by the end of the fiscal year [may not revert to the

1 State Treasury] SHALL BE DEPOSITED IN THE NEED-BASED STUDENT
2 FINANCIAL ASSISTANCE FUND.

3 [(2) All money retained under paragraph (1) of this subsection shall be
4 used to make awards to students during subsequent fiscal years as provided in §§
5 18-301, 18-601, 18-604, 18-706(f), 18-1401, 18-14A-01, 18-1501, and 18-2601 of
6 this title and may not be used for administrative expenses.]

7 (C) (1) IN THIS SUBSECTION, "FUND" MEANS THE NEED-BASED
8 STUDENT FINANCIAL ASSISTANCE FUND.

9 (2) THERE IS A NEED-BASED STUDENT FINANCIAL ASSISTANCE
10 FUND.

11 (3) THE PURPOSE OF THE FUND IS TO ALLOW MONEY
12 APPROPRIATED FOR STUDENT FINANCIAL ASSISTANCE PROGRAMS THAT IS NOT
13 USED IN A FISCAL YEAR TO BE RETAINED FOR NEED-BASED AWARDS IN FUTURE
14 FISCAL YEARS.

15 (4) THE COMMISSION SHALL ADMINISTER THE FUND.

16 (5) (I) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS
17 NOT SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT
18 ARTICLE.

19 (II) THE STATE TREASURER SHALL HOLD THE FUND AND
20 THE COMPTROLLER SHALL ACCOUNT FOR THE FUND.

21 (6) THE FUND CONSISTS OF:

22 (I) MONEY DISTRIBUTED TO THE FUND UNDER
23 SUBSECTION (B) OF THIS SECTION; AND

24 (II) ANY OTHER MONEY FROM ANY OTHER SOURCE
25 ACCEPTED FOR THE BENEFIT OF THE FUND.

26 (7) (I) THE FUND MAY BE USED ONLY FOR MAKING
27 NEED-BASED FINANCIAL ASSISTANCE AWARDS TO STUDENTS AS PROVIDED IN §§
28 18-301, 18-601, 18-604, 18-706(F), 18-1401, 18-14A-01, 18-1501, AND
29 18-2601 OF THIS TITLE.

30 (II) THE FUND MAY NOT BE USED FOR ADMINISTRATIVE
31 EXPENSES.

1 **(8) (i) THE STATE TREASURER SHALL INVEST THE MONEY OF**
2 **THE FUND IN THE SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.**

3 **(ii) ANY INVESTMENT EARNINGS ON THE FUNDS IN THE**
4 **ACCOUNT SHALL BE PAID INTO THE GENERAL FUND OF THE STATE.**

5 **(9) EXPENDITURES FROM THE FUND MAY BE MADE ONLY IN**
6 **ACCORDANCE WITH THE STATE BUDGET.**

7 18-1107.

8 NOTWITHSTANDING ANY OTHER PROVISION OF LAW, THE COMMISSION
9 MAY NOT AWARD ANY NEW SCHOLARSHIPS UNDER THIS SUBTITLE FOR THE
10 2011-2012 ACADEMIC YEAR OR FOR ANY SUBSEQUENT ACADEMIC YEAR.

11 **22-306.1.**

12 **(A) IN THIS SECTION, "BASIC COST" MEANS THE AVERAGE AMOUNT**
13 **SPENT BY A COUNTY BOARD FROM COUNTY AND STATE FUNDS FOR THE PUBLIC**
14 **EDUCATION OF A NONDISABLED CHILD.**

15 **(B) A COUNTY BOARD SHALL REIMBURSE THE DEPARTMENT OF**
16 **JUVENILE SERVICES THE AMOUNT OF THE BASIC COST CALCULATED UNDER**
17 **SUBSECTION (A) OF THIS SECTION FOR EACH CHILD WHO WAS DOMICILED IN**
18 **THE COUNTY PRIOR TO THE PLACEMENT IF THE CHILD:**

19 **(1) IS COMMITTED TO THE DEPARTMENT OF JUVENILE SERVICES**
20 **AND IS IN A PROGRAM AT A FACILITY OR A RESIDENTIAL FACILITY;**

21 **(2) IS NOT IN DETENTION OR AWAITING PLACEMENT AFTER**
22 **DISPOSITION; ~~AND~~**

23 **(3) DOES NOT MEET THE CRITERIA FOR SHARED STATE AND**
24 **LOCAL PAYMENT OF EDUCATIONAL COSTS AS PROVIDED IN §§ 8-406 AND 8-415**
25 **OF THIS ARTICLE; AND**

26 **(4) WAS INCLUDED IN THE FULL-TIME EQUIVALENT ENROLLMENT**
27 **OF THE COUNTY AS CALCULATED UNDER § 5-202 OF THIS ARTICLE.**

28 23-205.

29 (c) (1) Each year each participating regional resource center shall receive
30 a minimum amount of funding for each resident of the area served, to be used for
31 operating and capital expenses.

1 (2) The allocation shall be calculated as follows:

2 (i) [For fiscal year 2009.....\$6.50 per each resident of the
3 area served;

4 (ii) For fiscal year 2010.....\$6.75 per each resident of the
5 area served;

6 (iii) For EACH OF fiscal [year] YEARS 2011 THROUGH
7 2016.....\$6.75 per each resident of the area served; [and]

8 (II) FOR FISCAL YEAR 2017.....\$7.00 PER EACH
9 RESIDENT OF THE AREA SERVED;

10 (III) FOR FISCAL YEAR 2018.....\$7.25 PER EACH
11 RESIDENT OF THE AREA SERVED; AND

12 (iv) For fiscal year [2012] 2019 and each fiscal year
13 thereafter.....\$7.50 per each resident of the area served.

14 (d) (1) Each year the State Library Resource Center shall receive a
15 minimum amount of funding for each State resident in the previous fiscal year, to be
16 used for operating and capital expenses.

17 (2) The allocation shall be calculated as follows:

18 (i) [For fiscal year 2009.....\$1.85 per State resident;

19 (ii) For each of fiscal years 2010 [and 2011] THROUGH
20 2016.....\$1.67 per State resident; [and]

21 (II) FOR FISCAL YEAR 2017.....\$1.73 PER STATE
22 RESIDENT;

23 (III) FOR FISCAL YEAR 2018.....\$1.79 PER STATE
24 RESIDENT; AND

25 [(iii)] (IV) For fiscal year [2012] 2019 and each fiscal year
26 thereafter.....\$1.85 per State resident.

1 (b) (1) Each county public library system that participates in the
 2 minimum library program shall be provided for each resident of the county, to be used
 3 for operating and capital expenses:

4 (i) [For fiscal year 2009 – \$14.00;

5 (ii) For fiscal year 2010 – \$14.00;

6 (iii)] For EACH OF fiscal [year] YEARS 2011 THROUGH 2016 –
 7 \$14.00; [and]

8 (II) FOR FISCAL YEAR 2017 – \$14.30;

9 (III) FOR FISCAL YEAR 2018 – \$14.60; AND

10 (iv) For fiscal year [2012] 2019 and each fiscal year thereafter –
 11 \$15.00.

12 Article – Financial Institutions

13 13–1114.

14 (g) (3) (i) Up to 10% of Program Open Space funds transferred to the
 15 Authority may be used to pay the operating expenses of the Authority.

16 (ii) Up to 50% of Program Open Space funds transferred to the
 17 Authority may be expended for debt service on bonds issued by the Authority.

18 (III) FOR FISCAL YEAR 2012 ONLY, AN ADDITIONAL ~~\$500,000~~
 19 ~~\$140,000~~ \$500,000 OF PROGRAM OPEN SPACE FUNDS TRANSFERRED TO THE
 20 AUTHORITY MAY BE USED TO PAY OPERATING EXPENSES IN THE DEPARTMENT
 21 OF PLANNING.

22 ~~SECTION 2. AND BE IT FURTHER ENACTED, That Section(c) 14-401(b), (d),~~
 23 ~~and (e), 14-402(b), (c), and (d), and 14-403 through 14-410 of Article Health~~
 24 ~~General of the Annotated Code of Maryland be repealed.~~

25 ~~SECTION 3. AND BE IT FURTHER ENACTED, That the Laws of Maryland~~
 26 ~~read as follows:~~

27 Article – Health – General

28 4-217.

29 (c) (1) Except as otherwise provided by law[, the]:

1 **(I) THE Department shall collect a \$12 fee:**

2 **[(i)] 1. For each certified or abridged copy of a [birth,] death,**
3 **fetal death, marriage, or divorce verification certificate;**

4 **[(ii)] 2. For a report that a search of the DEATH, FETAL**
5 **DEATH, MARRIAGE, OR DIVORCE VERIFICATION CERTIFICATE files was made and**
6 **the requested record is not on file;**

7 **[(iii)] 3. For each change to a DEATH, FETAL DEATH,**
8 **MARRIAGE, OR DIVORCE VERIFICATION certificate made later than one year after**
9 **the certificate has been registered with the Department; or**

10 **[(iv)] 4. To process an adoption, foreign adoption, or**
11 **legitimation; AND**

12 **(II) THE DEPARTMENT SHALL COLLECT A \$24 FEE:**

13 **1. FOR EACH CERTIFIED OR ABRIDGED COPY OF A**
14 **BIRTH CERTIFICATE;**

15 **2. FOR A REPORT THAT A SEARCH OF THE BIRTH**
16 **CERTIFICATE FILES WAS MADE AND THE REQUESTED RECORD IS NOT ON FILE;**
17 **OR**

18 **3. FOR EACH CHANGE TO A BIRTH CERTIFICATE**
19 **MADE LATER THAN 1 YEAR AFTER THE CERTIFICATE HAS BEEN REGISTERED**
20 **WITH THE DEPARTMENT.**

21 **(3) (i) Any local health department may set and collect a fee for**
22 **processing and issuing a birth certificate, or for a report that a search of the files was**
23 **made and the requested record is not on file, that covers:**

24 **1. The administrative costs of providing this service; and**

25 **2. The requirements of subparagraph (iii) of this**
26 **paragraph.**

27 **(ii) The fee set by the local health department for processing**
28 **and issuing a birth certificate or for a report under subparagraph (i) of this paragraph**
29 **may not exceed the actual costs to the local health department for processing and**
30 **issuing a birth certificate or a report.**

1 (iii) From the fee the local health department collects under
2 subparagraph (i) of this paragraph, ~~[\$10]~~ \$20 shall be transferred to the General
3 Fund.

4 (iv) Prior to setting and collecting a fee for processing and
5 issuing a birth certificate or for a report under subparagraph (i) of this paragraph, the
6 local health department shall enter into a memorandum of understanding with the
7 Department of Health and Mental Hygiene that outlines the local health department's
8 fee structure.

9 ~~7-306.1.~~

10 ~~(d) (1) Subject to the provisions of subsections (e), (f), and (g) of this~~
11 ~~section, the Administration shall provide payment to private providers for the services~~
12 ~~provided from the funds designated in subsection (e) of this section in accordance with~~
13 ~~the following payment schedule:~~

14 ~~[(1)] (I) On or before the third business day of the fiscal quarter~~
15 ~~beginning July 1, ~~[33%]~~ 17% of the total annual amount to be paid to the provider;~~

16 ~~[(2)] On or before the third business day of the fiscal quarter beginning~~
17 ~~October 1, 25% of the total annual amount to be paid to the provider;~~

18 ~~(3) On or before the third business day of the fiscal quarter beginning~~
19 ~~January 1, 25% of the total annual amount to be paid to the provider; and~~

20 ~~(4) On or before the third business day of the fiscal quarter beginning~~
21 ~~April 1, 17% of the total annual amount to be paid to the provider.]AND~~

22 ~~(H) THEREAFTER, MONTHLY FOR SERVICES THAT HAVE~~
23 ~~BEEN PROVIDED DURING THE PREVIOUS MONTH, IN AN AMOUNT AS~~
24 ~~DETERMINED BY THE ADMINISTRATION.~~

25 ~~(2) TOTAL PAYMENTS UNDER PARAGRAPH (1)(I) AND (H) OF THIS~~
26 ~~SUBSECTION MAY NOT EXCEED THE TOTAL AMOUNT TO BE PAID TO THE~~
27 ~~PROVIDER.~~

28 ~~14-401.~~

29 ~~(B) "ACCREDITATION ORGANIZATION" MEANS A PRIVATE ENTITY THAT~~
30 ~~CONDUCTS INSPECTIONS AND SURVEYS OF YOUTH CAMPS BASED ON~~
31 ~~NATIONALLY RECOGNIZED AND DEVELOPED STANDARDS.~~

32 ~~14-402.~~

1 ~~(a) This subtitle and the regulations issued under this subtitle do not apply~~
2 ~~to:~~

3 ~~(1) Purely social activities of a family or the guests of a family;~~

4 ~~(2) [Subject to subsection (b) of this section, programs] PROGRAMS or~~
5 ~~activities directed or operated by a board of recreation, recreation department, or~~
6 ~~similar public unit of a county, a municipal corporation, as defined by Article 23A of~~
7 ~~the Code, or the Maryland National Capital Park and Planning Commission, that~~
8 ~~involve use of neighborhood facilities, including:~~

9 ~~(i) Schools;~~

10 ~~(ii) Playgrounds;~~

11 ~~(iii) Parks; or~~

12 ~~(iv) Recreation centers;~~

13 ~~(3) [Subject to subsection (e) of this section, programs] PROGRAMS or~~
14 ~~activities directed or operated by an agency of the State that involve occasional use of~~
15 ~~public facilities including:~~

16 ~~(i) Schools;~~

17 ~~(ii) Playgrounds;~~

18 ~~(iii) Parks; or~~

19 ~~(iv) Recreation centers; or~~

20 ~~(4) Youth overnight programs sponsored by religious or community~~
21 ~~organizations operating or conducted for not more than 5 consecutive days during any~~
22 ~~1 calendar year, such as a vacation bible school, youth bike trip, and similar activities.~~

23 ~~(B) EACH LOCAL GOVERNMENT SHALL ADOPT HEALTH AND SAFETY~~
24 ~~STANDARDS PERTAINING TO THE OPERATION OF YOUTH CAMPS.~~

25 ~~14-403.~~

26 ~~THE SECRETARY MAY ADOPT REGULATIONS TO IMPLEMENT THE~~
27 ~~REQUIREMENTS OF THIS SUBTITLE.~~

28 ~~14-404.~~

1 ~~(A) EACH YOUTH CAMP OPERATED IN THIS STATE SHALL BE~~
2 ~~ACCREDITED BY AN ACCREDITATION ORGANIZATION.~~

3 ~~(B) THE SECRETARY SHALL MAINTAIN A LIST OF ACCREDITED YOUTH~~
4 ~~CAMPS.~~

5 ~~14-405.~~

6 ~~(A) AN ACCREDITATION ORGANIZATION SHALL APPLY TO THE~~
7 ~~SECRETARY FOR APPROVAL.~~

8 ~~(B) PRIOR TO APPROVAL OF AN ACCREDITATION ORGANIZATION, THE~~
9 ~~SECRETARY SHALL:~~

10 ~~(1) DETERMINE THAT THE STANDARDS OF THE ACCREDITATION~~
11 ~~ORGANIZATION ARE EQUAL TO OR MORE STRINGENT THAN EXISTING STATE~~
12 ~~REQUIREMENTS;~~

13 ~~(2) EVALUATE THE SURVEY OR INSPECTION PROCESS OF THE~~
14 ~~ACCREDITATION ORGANIZATION TO ENSURE THE INTEGRITY OF THE SURVEY OR~~
15 ~~INSPECTION PROCESS; AND~~

16 ~~(3) ENTER INTO A FORMAL WRITTEN AGREEMENT WITH THE~~
17 ~~ACCREDITATION ORGANIZATION THAT INCLUDES REQUIREMENTS FOR:~~

18 ~~(I) NOTICE OF ALL SURVEYS AND INSPECTIONS;~~

19 ~~(II) SHARING OF COMPLAINTS AND OTHER RELEVANT~~
20 ~~INFORMATION;~~

21 ~~(III) PARTICIPATION OF THE DEPARTMENT IN~~
22 ~~ACCREDITATION ORGANIZATION ACTIVITIES; AND~~

23 ~~(IV) ANY OTHER PROVISION NECESSARY TO ENSURE THE~~
24 ~~INTEGRITY OF THE ACCREDITATION PROCESS.~~

25 ~~(C) (1) WHEN AN APPROVED ACCREDITATION ORGANIZATION HAS~~
26 ~~ISSUED A FINAL REPORT FINDING A YOUTH CAMP TO BE IN SUBSTANTIAL~~
27 ~~COMPLIANCE WITH THE ACCREDITATION ORGANIZATION'S STANDARDS, THE~~
28 ~~SECRETARY SHALL ADD THE YOUTH CAMP TO THE LIST OF ACCREDITED YOUTH~~
29 ~~CAMPS.~~

1 ~~(2) A YOUTH CAMP THAT FAILS TO ACHIEVE SUBSTANTIAL~~
2 ~~COMPLIANCE WITH THE STANDARDS OF AN APPROVED ACCREDITATION~~
3 ~~ORGANIZATION MAY NOT OPERATE IN THIS STATE.~~

4 ~~(D) (1) AN APPROVED ACCREDITATION ORGANIZATION SHALL SEND~~
5 ~~THE DEPARTMENT ANY PRELIMINARY AND FINAL REPORT OF EACH INSPECTION~~
6 ~~AND SURVEY AT THE TIME IT IS SENT TO THE YOUTH CAMP.~~

7 ~~(2) A FINAL REPORT OF AN APPROVED ACCREDITATION~~
8 ~~ORGANIZATION SHALL BE MADE IMMEDIATELY AVAILABLE TO THE PUBLIC ON~~
9 ~~REQUEST.~~

10 ~~(3) A PRELIMINARY OR FINAL REPORT OF AN APPROVED~~
11 ~~ACCREDITATION ORGANIZATION IS NOT ADMISSIBLE IN EVIDENCE IN ANY CIVIL~~
12 ~~ACTION OR PROCEEDING.~~

13 ~~(E) THE DEPARTMENT MAY PARTICIPATE IN OR OBSERVE A SURVEY OR~~
14 ~~INSPECTION OF A YOUTH CAMP CONDUCTED BY AN APPROVED ACCREDITATION~~
15 ~~ORGANIZATION.~~

16 ~~(F) ON A DETERMINATION BY THE SECRETARY THAT AN APPROVED~~
17 ~~ACCREDITATION ORGANIZATION HAS FAILED TO MEET ITS OBLIGATIONS UNDER~~
18 ~~THIS SECTION, THE SECRETARY MAY WITHDRAW THE APPROVAL FROM THE~~
19 ~~ACCREDITATION ORGANIZATION.~~

20 ~~[14 411.] 14 406.~~

21 ~~This subtitle may be cited as the "Maryland Youth Camp Act".~~

22 15-702.

23 (A) THE DEPARTMENT SHALL ENSURE THAT PUBLICLY OWNED
24 SPECIALTY HOSPITALS PAY AN ASSESSMENT THAT IS COMPARABLE TO ANY
25 UNIFORM ASSESSMENTS IMPOSED BY THE HEALTH SERVICES COST REVIEW
26 COMMISSION ON SPECIALTY HOSPITALS UNDER § 19-214(D) OF THIS ARTICLE
27 OR UNDER SECTION 16 OF CHAPTER (H.B. 72) OF THE ACTS OF THE
28 GENERAL ASSEMBLY OF 2011.

29 (B) REVENUES GENERATED FROM ANY ASSESSMENTS AUTHORIZED
30 UNDER SUBSECTION (A) OF THIS SECTION SHALL BE USED FOR THE GENERAL
31 OPERATIONS OF THE MEDICAID PROGRAM.

32 19-214.

1 ~~(b) The Commission may adopt regulations establishing alternative methods~~
 2 ~~for financing the reasonable total costs of hospital uncompensated care AND~~
 3 ~~HOSPITAL GRADUATE MEDICAL EDUCATION provided that the alternative methods:~~

4 ~~(1) Are in the public interest;~~

5 ~~(2) Will equitably distribute the reasonable costs of uncompensated~~
 6 ~~care AND GRADUATE MEDICAL EDUCATION;~~

7 ~~(3) Will fairly determine the cost of reasonable uncompensated care~~
 8 ~~AND GRADUATE MEDICAL EDUCATION included in hospital rates;~~

9 ~~(4) Will continue incentives for hospitals to adopt fair, efficient, and~~
 10 ~~effective credit and collection policies; and~~

11 ~~(5) Will not result in significantly increasing costs to Medicare or the~~
 12 ~~loss of Maryland's Medicare Waiver under § 1814(b) of the Social Security Act.~~

13 ~~(c) Any funds generated through hospital rates under an alternative method~~
 14 ~~adopted by the Commission in accordance with subsection (b) of this section may only~~
 15 ~~be used to finance the delivery of hospital uncompensated care AND HOSPITAL~~
 16 ~~GRADUATE MEDICAL EDUCATION.~~

17 ~~(d) (1) Each year, the Commission shall assess a uniform, broad-based,~~
 18 ~~and reasonable amount in hospital rates to:~~

19 ~~(i) Reflect the aggregate reduction in hospital uncompensated~~
 20 ~~care realized from the expansion of health care coverage under Chapter 7 of the Acts of~~
 21 ~~the 2007 Special Session of the General Assembly; [and]~~

22 ~~(H) SUPPORT THE GENERAL OPERATIONS OF THE~~
 23 ~~MEDICAID PROGRAM; AND~~

24 ~~[(i)] (III) Operate and administer the Maryland Health~~
 25 ~~Insurance Plan established under Title 14, Subtitle 5 of the Insurance Article.~~

26 ~~(2) (i) For the portion of the assessment under paragraph (1)(i) of~~
 27 ~~this subsection:~~

28 ~~1. The Commission shall ensure that the assessment~~
 29 ~~amount does not exceed the GREATER OF:~~

30 ~~A. THE TOTAL savings realized in averted hospital~~
 31 ~~uncompensated care from the health care coverage expansion; OR~~

32 ~~B. 1.5% OF HOSPITAL NET PATIENT REVENUE; [and]~~

1 ~~2. EXCEPT AS PROVIDED IN SUBPARAGRAPH (H) OF~~
2 ~~THIS PARAGRAPH, THE COMMISSION SHALL REQUIRE THAT ASSESSMENTS ARE~~
3 ~~PAID BY ALL ACUTE CARE AND SPECIALTY HOSPITALS LICENSED BY THE~~
4 ~~DEPARTMENT, INCLUDING PUBLICLY OPERATED HOSPITALS; AND~~

5 ~~3. Each hospital shall remit its assessment amount to~~
6 ~~the Health Care Coverage Fund established under § 15-701 of this article.~~

7 ~~(H) EXCEPT AS PROHIBITED BY FEDERAL LAW OR~~
8 ~~REGULATION, THE COMMISSION MAY EXEMPT SPECIALTY HOSPITALS NOT~~
9 ~~SUBJECT TO RATE REGULATION BY THE COMMISSION FROM THE PORTION OF~~
10 ~~THE ASSESSMENT UNDER PARAGRAPH (1)(I) OF THIS SUBSECTION.~~

11 ~~[(ii)] (III) Any savings realized in averted uncompensated care~~
12 ~~as a result of the expansion of health care coverage under Chapter 7 of the Acts of the~~
13 ~~2007 Special Session of the General Assembly that are not subject to the assessment~~
14 ~~under paragraph (1)(i) of this subsection shall be shared among purchasers of hospital~~
15 ~~services in a manner that the Commission determines is most equitable.~~

16 ~~(3) (I) FOR THE PORTION OF THE ASSESSMENT UNDER~~
17 ~~PARAGRAPH (1)(I) OF THIS SUBSECTION:~~

18 ~~1. THE COMMISSION SHALL ENSURE THAT THE~~
19 ~~ASSESSMENT AMOUNT EQUALS 2.5% OF NET PATIENT REVENUE AND THAT~~
20 ~~ASSESSMENT COSTS ARE SHARED AMONG HOSPITALS AND PURCHASERS OF~~
21 ~~HOSPITAL SERVICES IN A MANNER THAT THE COMMISSION DETERMINES IS~~
22 ~~MOST EQUITABLE;~~

23 ~~2. EXCEPT AS PROVIDED IN SUBPARAGRAPH (H) OF~~
24 ~~THIS PARAGRAPH, THE COMMISSION SHALL ENSURE THAT ASSESSMENTS ARE~~
25 ~~PAID BY ALL ACUTE CARE AND SPECIALTY HOSPITALS OPERATING IN THE~~
26 ~~STATE, INCLUDING PUBLICLY OPERATED HOSPITALS; AND~~

27 ~~3. EACH HOSPITAL SHALL REMIT ITS ASSESSMENT~~
28 ~~AMOUNT TO THE DEPARTMENT.~~

29 ~~(H) EXCEPT AS PROHIBITED BY FEDERAL LAW OR~~
30 ~~REGULATION, THE COMMISSION MAY EXEMPT SPECIALTY HOSPITALS NOT~~
31 ~~SUBJECT TO RATE REGULATION BY THE COMMISSION FROM THE PORTION OF~~
32 ~~THE ASSESSMENT UNDER PARAGRAPH (1)(H) OF THIS SUBSECTION.~~

33 ~~(4) For the portion of the assessment under paragraph (1)(ii) of this~~
34 ~~subsection:~~

- 1 (i) ~~The Commission shall ensure that the assessment:~~
- 2 ~~1. Shall be included in the reasonable costs of each~~
3 ~~hospital when establishing the hospital's rates;~~
- 4 ~~2. May not be considered in determining the~~
5 ~~reasonableness of rates or hospital financial performance under Commission~~
6 ~~methodologies; and~~
- 7 ~~3. May not be less as a percentage of net patient revenue~~
8 ~~than the assessment of 0.8128% that was in existence on July 1, 2007; and~~

9 (ii) ~~Each hospital shall remit monthly one twelfth of the~~
10 ~~amount assessed under paragraph (1)(ii) of this subsection to the Maryland Health~~
11 ~~Insurance Plan Fund established under Title 14, Subtitle 5 of the Insurance Article,~~
12 ~~for the purpose of operating and administering the Maryland Health Insurance Plan.~~

13 ~~[(4)] (5) The assessment authorized under paragraph (1) of this~~
14 ~~subsection may not exceed [3%] 6% in the aggregate of any hospital's total net~~
15 ~~[regulated] patient revenue.~~

16 ~~[(5)] (6) Funds generated from the assessment under this subsection~~
17 ~~may be used only as follows:~~

18 ~~(i) To supplement coverage under the Medical Assistance~~
19 ~~Program beyond the eligibility requirements in existence on January 1, 2008;~~

20 ~~(ii) To provide funding for the operation and administration of~~
21 ~~the Maryland Health Insurance Plan, including reimbursing the Department for~~
22 ~~subsidizing the plan costs of members of the Maryland Health Insurance Plan under a~~
23 ~~Medicaid waiver program; and~~

24 ~~(iii) Any funds remaining after expenditures under items (i) and~~
25 ~~(ii) of this paragraph have been made may be used for the general operations of the~~
26 ~~Medicaid program.~~

27 (d) (2) (i) For the portion of the assessment under paragraph (1)(i) of
28 this subsection:

29 1. The Commission shall ensure that the assessment
30 amount [does not exceed the savings realized in averted hospital uncompensated care
31 from the health care coverage expansion] **EQUALS 1.25% OF PROJECTED**
32 REGULATED NET PATIENT REVENUE; and

1 2. Each hospital shall remit its assessment amount to
2 the Health Care Coverage Fund established under § 15–701 of this article.

3 (e) On or before January 1 each year, the Commission shall report to the
4 Governor and, in accordance with § 2–1246 of the State Government Article, the
5 General Assembly the following information:

6 (1) The aggregate reduction in hospital uncompensated care realized
7 from the expansion of health care coverage under Chapter 7 of the Acts of the General
8 Assembly of the 2007 Special Session **AND PUBLIC LAW NO. 111–148 (THE**
9 **PATIENT PROTECTION AND AFFORDABLE CARE ACT)**; and

10 (2) The number of individuals who enrolled in Medicaid as a result of
11 the change in eligibility standards under § 15–103(a)(2)(ix) and (x) of this article and
12 the expenses associated with the utilization of hospital inpatient care by these
13 individuals.

14 19–310.1.

15 (b) (1) The Department may impose a quality assessment on each
16 freestanding nursing facility subject to this section.

17 (2) The amount assessed in the aggregate on all nursing facilities may
18 not exceed [4%] **5.5%** of the operating revenue for all nursing facilities subject to this
19 section for the previous fiscal quarter.

20 (3) The assessment authorized by this section shall be paid by each
21 nursing facility in accordance with this section.

22 21–308.

23 (b) (1) For any license issued for which the authority to conduct a
24 program under this subtitle has been delegated to a county health department:

25 (i) A county governing body or the Mayor and City Council of
26 Baltimore City may and the Anne Arundel County Council shall provide for a license
27 fee schedule based on the anticipated cost of licensing, inspecting, and regulating food
28 establishments and may provide for exemptions from the license fee schedule; and

29 (ii) All license fees shall be paid to the local health department
30 or chief financial officer of the county governing body or Baltimore City.

31 (2) Except in Anne Arundel County, Baltimore City, Montgomery
32 County, and Prince George’s County, a license fee under this subsection may not
33 exceed[:

- 1 (i) \$300; or
- 2 (ii) \$70 for a seasonal food processing operation that:
- 3 [1.] (I) Uses only food that is grown on the property of
4 the licensee; and
- 5 [2.] (II) Is in operation for not more than a 3-month
6 continuous period in the calendar year.
- 7 (3) A seasonal food processing operation may obtain a food
8 establishment license for a fee of \$70 under paragraph [(2)(ii)] (2) of this subsection
9 only twice in a calendar year.

Article – Insurance

10 6–101.

11 (a) The following persons are subject to taxation under this subtitle:

- 12 (1) a person engaged as principal in the business of writing insurance
13 contracts, surety contracts, guaranty contracts, or annuity contracts;
- 14 (2) a managed care organization authorized by Title 15, Subtitle 1 of
15 the Health – General Article;
- 16 (3) a for–profit health maintenance organization authorized by Title
17 19, Subtitle 7 of the Health – General Article;
- 18 (4) an attorney in fact for a reciprocal insurer;
- 19 (5) the Maryland Automobile Insurance Fund; [and]
- 20 (6) a credit indemnity company; AND
- 21 (7) **THE INJURED WORKERS’ INSURANCE FUND.**

22 14–106.

23 (d) (1) Notwithstanding subsection (c) of this section, a nonprofit health
24 service plan that is subject to this section and issues comprehensive health care
25 benefits in the State shall:

- 26 (iv) subsidize the [Maryland Pharmacy Discount Program under
27 § 15–124.1] **KIDNEY DISEASE PROGRAM UNDER TITLE 13, SUBTITLE 3** of the
28 Health – General Article; and
29

1 (2) (i) [The] **EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF**
 2 **THIS PARAGRAPH, THE** support provided under [paragraph (1)(v)1, 3, and 4 of]
 3 **PARAGRAPH (1)(IV) AND (V) OF** this subsection to the ~~DEPARTMENT OF HEALTH~~
 4 ~~AND MENTAL HYGIENE FOR THE~~ Community Health Resources Commission **AND**
 5 **THE KIDNEY DISEASE PROGRAM** shall be [limited to:

6 1. \$2,000,000 in fiscal year 2006; and

7 2. in fiscal year 2007 and annually thereafter,] the value
 8 of the premium tax exemption less[:

9 A.] the subsidy required under this subsection for the
 10 Senior Prescription Drug Assistance Program[;

11 B. the subsidy required under this subsection for the
 12 Maryland Pharmacy Discount Program; and

13 C. the funding required under this subsection for the
 14 unified data information system.

15 (ii) The subsidy provided under paragraph (1)(iv) of this
 16 subsection for the Maryland Pharmacy Discount Program shall be limited to:

17 1. \$500,000 in fiscal year 2006; and

18 2. \$300,000 in fiscal year 2007 and annually thereafter.

19 (iii) The amount provided under paragraph (1)(v)2 of this
 20 subsection to fund a unified data information system shall be limited to:

21 1. \$500,000 in fiscal year 2006; and

22 2. \$1,700,000 in fiscal year 2007 and annually
 23 thereafter].

24 **(II) ~~FOR EACH OF FISCAL YEARS 2012 AND 2013, THE~~ THE**
 25 **SUBSIDY PROVIDED UNDER THIS SUBSECTION TO ~~THE DEPARTMENT OF~~**
 26 **~~HEALTH AND MENTAL HYGIENE FOR THE~~ COMMUNITY HEALTH RESOURCES**
 27 **COMMISSION MAY NOT BE LESS THAN:**

28 **1. \$3,000,000 FOR EACH OF FISCAL YEARS 2012 AND**
 29 **2013; AND**

1 **2. \$8,000,000 FOR FISCAL YEAR 2014 AND EACH**
 2 **FISCAL YEAR THEREAFTER.**

3 14-106.1.

4 Beginning in fiscal year 2006, a nonprofit health service plan shall transfer
 5 funds in the amounts provided under § 14-106(d)(2) of this subtitle to ~~THE~~
 6 ~~DEPARTMENT OF HEALTH AND MENTAL HYGIENE FOR:~~

7 (1) the Community Health Resources Commission Fund established
 8 under § 19-2201 of the Health – General Article to support the costs of the
 9 Community Health Resources Commission as provided in § 14-106(d)(1)(v) of this
 10 subtitle; and

11 (2) [the Department of Health and Mental Hygiene to subsidize the
 12 Maryland Pharmacy Discount Program under § 15-124.1 of the Health – General
 13 Article] **THE DEPARTMENT OF HEALTH AND MENTAL HYGIENE FOR THE**
 14 **KIDNEY DISEASE PROGRAM UNDER TITLE 13, SUBTITLE 3 OF THE HEALTH –**
 15 **GENERAL ARTICLE.**

16 **Article – Labor and Employment**

17 10-105.

18 (a) Except for Title 3, Subtitle 1, [Title 6, Subtitle 1,] Title 8, Subtitle 3, and
 19 Title 11 of the Insurance Article and as otherwise provided by law, the Fund is subject
 20 to the Insurance Article to the same extent as an authorized domestic workers'
 21 compensation insurer.

22 **Article – Natural Resources**

23 3-103.

24 (h) (1) The Service [may]:

25 (i) MAY create and establish 1 or more project reserve funds in
 26 such amounts as the Board considers appropriate, INCLUDING THE FOLLOWING
 27 PROJECT RESERVE FUNDS:

28 **1. AN EASTERN CORRECTIONAL INSTITUTION**
 29 **STEAM TURBINE CONTINGENCY FUND;**

30 **2. A DEPARTMENT OF NATURAL RESOURCES**
 31 **PROJECT CONTINGENCY FUND; AND**

1 **3. A REIMBURSABLE PROJECT CONTINGENCY**

2 **FUND; and**

3 **(II) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, may**
4 **pay into such funds:**

5 **[(i)] 1. Any moneys appropriated and made available by the**
6 **State for the purposes of such funds;**

7 **[(ii)] 2. Any proceeds from the sale of bonds or notes, to the**
8 **extent provided in the resolution authorizing the issuance of the bonds or notes;**

9 **[(iii)] 3. Revenues derived from a project of the Service; and**

10 **[(iv)] 4. Any other moneys which may be received by or**
11 **otherwise made available to the Service from any other source or sources which the**
12 **Service has designated for deposit into such funds.**

13 **(2) Moneys held in or credited to a project reserve fund established**
14 **under this subsection shall be used solely to accomplish the purposes of this subtitle,**
15 **as determined by the Board and, SUBJECT TO PARAGRAPH (3) OF THIS**
16 **SUBSECTION, may be retained by the Service in [any such fund from year to year as**
17 **determined by the Service] THE APPROPRIATE PROJECT RESERVE FUND BASED**
18 **ON THE PROJECT FOR WHICH THE MONEY WAS ~~APPROPRIATED~~ RECEIVED BY**
19 **THE SERVICE.**

20 **(3) (I) THE SERVICE MAY CREDIT TO A PROJECT RESERVE**
21 **FUND ESTABLISHED UNDER PARAGRAPH (1)(I)1 THROUGH 3 OF THIS**
22 **SUBSECTION ONLY MONEYS THAT ARE REIMBURSABLE TO THE STATE.**

23 **(II) THE SERVICE MAY NOT RETAIN MORE THAN:**

24 **1. \$1,500,000 IN THE EASTERN CORRECTIONAL**
25 **INSTITUTION TURBINE PROJECT CONTINGENCY FUND;**

26 **2. \$500,000 IN THE DEPARTMENT OF NATURAL**
27 **RESOURCES PROJECT CONTINGENCY FUND; OR**

28 **3. \$1,000,000 IN THE REIMBURSABLE PROJECT**
29 **CONTINGENCY FUND.**

30 **~~(II)~~ (III) IF AT THE END OF A FISCAL YEAR THE BALANCE IN**
31 **A PROJECT RESERVE FUND EXCEEDS THE LIMITS STATED IN SUBPARAGRAPH ~~(I)~~**
32 **(II) OF THIS PARAGRAPH, THE SERVICE SHALL REVERT THE EXCESS TO THE**

1 STATE FUND FROM WHICH THE APPROPRIATION TO THE SERVICE WAS MADE
 2 MONEYS IN THE PROJECT RESERVE FUND WERE ORIGINALLY APPROPRIATED.

3 ~~[(3)]~~ (4) Moneys appropriated or made available to the Service by the
 4 State shall be expended in accordance with the provisions of this subtitle.

5 5-212.

6 ~~(g) The Fund may be used only for:~~

7 ~~(1) [(i)] Purchasing and managing in the name of the State lands~~
 8 ~~suitable for forest culture, reserves, watershed protection, State parks, scenic~~
 9 ~~preserves, historic monuments, parkways, and State recreational reserves; [and]~~

10 ~~[(ii)] (2) Helping to offset the costs to the Forest and Park~~
 11 ~~Service for developing and implementing a forest health emergency contingency~~
 12 ~~program under § 5-307 of this title; AND~~

13 ~~[(2) Annual payments to counties in the amount of:~~

14 ~~(i) If the State forest or park reserve comprises less than 10% of~~
 15 ~~the total land area of the county, a sum equal to 15% of the revenue derived from the~~
 16 ~~State forest or park reserve located in that county; and~~

17 ~~(ii) If the State forest or park reserve comprises 10% or more of~~
 18 ~~the total land area of the county, a sum equal to 25% of the revenue derived from the~~
 19 ~~State forest or park reserve located in that county; and]~~

20 ~~(3) Administrative costs calculated in accordance with § 1-103(b)(2) of~~
 21 ~~this article.~~

22 (g) (1) The Fund may be used only for:

23 [(1)] (i) 1. Purchasing and managing in the name of the State
 24 lands suitable for forest culture, reserves, watershed protection, State parks, scenic
 25 preserves, historic monuments, parkways, and State recreational reserves; and

26 [(ii)] 2. Helping to offset the costs to the Forest and Park
 27 Service for developing and implementing a forest health emergency contingency
 28 program under § 5-307 of this title;

29 [(2)] (II) [Annual] SUBJECT TO PARAGRAPH (2) OF THIS
 30 SUBSECTION, payments to counties in the amount of:

1 ~~[(i)]~~ **1.** If the State forest or park reserve comprises less than
 2 10% of the total land area of the county, a sum equal to 15% of the revenue derived
 3 from the State forest or park reserve located in that county; and

4 ~~[(ii)]~~ **2.** If the State forest or park reserve comprises 10% or
 5 more of the total land area of the county, a sum equal to 25% of the revenue derived
 6 from the State forest or park reserve located in that county; and

7 ~~[(3)]~~ **(III)** Administrative costs calculated in accordance with §
 8 1-103(b)(2) of this article.

9 **(2)** FOR FISCAL YEARS 2012 AND 2013 ONLY, THE PAYMENTS
 10 UNDER PARAGRAPH (1)(II) OF THIS SUBSECTION SHALL BE BASED ONLY ON THE
 11 REVENUE DERIVED FROM SALES OF TIMBER.

12 5-212.1.

13 ~~(g) [(1)]~~ ~~Except as provided in paragraph (2) of this subsection, the~~ **THE**
 14 ~~Account shall be used only for:~~

15 ~~[(i)] (1)~~ ~~The maintenance and operation of concession~~
 16 ~~operations;~~

17 ~~[(ii)] (2)~~ ~~The function of State forests and parks to the extent~~
 18 ~~of the projected balance of the Account from the prior fiscal year; and~~

19 ~~[(iii)] (3)~~ ~~Administrative costs calculated in accordance with §~~
 20 ~~1-103(b)(2) of this article.~~

21 ~~(g) [(2)]~~ **(I)** Each SUBJECT TO SUBPARAGRAPH (II) OF THIS
 22 PARAGRAPH, EACH county in which any State forest or park is located shall be paid
 23 annually out of the Account:

24 ~~(i)~~ **1.** If the State forest or park reserve comprises less than
 25 10% of the total land area of the county, a sum equal to 15% of the net revenue derived
 26 from concession operations within a State forest or park located in that county; or

27 ~~(ii)~~ **2.** If the State forest or park reserve comprises 10% or
 28 more of the total land area of the county, a sum equal to 25% of the net revenue
 29 derived from concession operations within a State forest or park located in that
 30 county.†

31 **(II)** FOR FISCAL YEARS 2012 AND 2013 ONLY, THE
 32 PAYMENTS UNDER SUBPARAGRAPH (I) OF THIS SUBSECTION MAY NOT BE MADE.

1 ~~5-215.~~

2 (b) ~~(1) There is a Deep Creek Lake Recreation Maintenance and~~
 3 ~~Management Fund in the Department [for the maintenance and management of the~~
 4 ~~land, recreational facilities, and services that are related to Deep Creek Lake in~~
 5 ~~Garrett County].~~

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

8 (e) ~~(1) [Except as provided in paragraphs (2) and (4) of this subsection,~~
 9 ~~the] THE Department shall pay INTO THE FUND:~~

10 ~~(I) [all] ALL fees collected for boat launching at Deep Creek~~
 11 ~~Lake State Park[, all]~~

12 ~~(II) ALL funds collected from lake and buffer use permits[.];~~

13 ~~AND~~

14 ~~(III) ALL contracts, grants, and gifts as a result of the Deep~~
 15 ~~Creek Lake management program[, and any investment earnings of the Fund, into the~~
 16 ~~Fund].~~

17 ~~(2) [At the end of each quarter of the fiscal year, the Department shall~~
 18 ~~pay 25% of the total revenue collected during the quarter under paragraph (1) of this~~
 19 ~~subsection to the Board of County Commissioners of Garrett County.~~

20 ~~(3) (i) The Fund is a special, nonlapsing fund that is not subject to~~
 21 ~~§ 7-302 of the State Finance and Procurement Article.~~

22 ~~(ii) Any investment earnings of the Fund may not be~~
 23 ~~transferred or revert to the General Fund of the State, but shall remain in the Fund.~~

24 ~~(4)] Moneys in the Fund may be used for:~~

25 ~~(I) THE MAINTENANCE AND MANAGEMENT OF THE LAND~~
 26 ~~AND RECREATIONAL FACILITIES;~~

27 ~~(II) SERVICES THAT ARE RELATED TO DEEP CREEK LAKE~~
 28 ~~IN GARRETT COUNTY; AND~~

29 ~~(III) [administrative] ADMINISTRATIVE costs calculated in~~
 30 ~~accordance with § 1-103(b)(2) of this article.~~

31 5-903.

1 (a) (2) (v) For each of fiscal years 2010 [and 2011] THROUGH 2013,
 2 \$1,217,000 of the State's share of funds available under subparagraph (i)1A of this
 3 paragraph may be appropriated in the budgets of the Department, the Department of
 4 General Services, and the Department of Planning for expenses necessary to
 5 administer this Program.

6 **Article – State Finance and Procurement**

7 3A-308.

8 (g) (1) The Secretary shall approve funding for major information
 9 technology development projects only when those projects are supported by an
 10 approved systems development life cycle plan.

11 **(2) AN APPROVED SYSTEMS DEVELOPMENT LIFE CYCLE PLAN**
 12 **SHALL INCLUDE SUBMISSION OF:**

13 **(i) A PROJECT PLANNING REQUEST THAT DETAILS INITIAL**
 14 **PLANNING FOR THE PROJECT, INCLUDING:**

15 **1. THE PROJECT TITLE, APPROPRIATION CODE, AND**
 16 **SUMMARY;**

17 **2. A DESCRIPTION OF:**

18 **A. THE NEEDS ADDRESSED BY THE PROJECT;**

19 **B. THE POTENTIAL RISKS ASSOCIATED WITH THE**
 20 **PROJECT;**

21 **C. POSSIBLE ALTERNATIVES; AND**

22 **D. THE SCOPE AND COMPLEXITY OF THE PROJECT;**
 23 **AND**

24 **3. AN ESTIMATE OF:**

25 **A. THE TOTAL COSTS REQUIRED TO COMPLETE**
 26 **THROUGH PLANNING; AND**

27 **B. THE FUND SOURCES AVAILABLE TO SUPPORT**
 28 **PLANNING COSTS; AND**

1 **(II) A PROJECT IMPLEMENTATION REQUEST TO BEGIN FULL**
 2 **DESIGN, DEVELOPMENT, AND IMPLEMENTATION OF THE PROJECT AFTER THE**
 3 **COMPLETION OF PLANNING, INCLUDING:**

4 **1. THE PROJECT TITLE, APPROPRIATION CODE, AND**
 5 **SUMMARY;**

6 **2. A DESCRIPTION OF:**

7 **A. THE NEEDS ADDRESSED BY THE PROJECT;**

8 **B. THE POTENTIAL RISKS ASSOCIATED WITH THE**
 9 **PROJECT;**

10 **C. POSSIBLE ALTERNATIVES;**

11 **D. THE SCOPE AND COMPLEXITY OF THE PROJECT;**
 12 **AND**

13 **E. HOW THE PROJECT MEETS THE GOALS OF THE**
 14 **STATEWIDE MASTER PLAN; AND**

15 **3. AN ESTIMATE OF:**

16 **A. THE TOTAL PROJECT COST; AND**

17 **B. THE FUND SOURCES AVAILABLE.**

18 **[(2)] (3) The Secretary may approve funding incrementally,**
 19 **consistent with the systems development life cycle plan.**

20 3A-309.

21 (e) Except as provided in subsection (f) of this section, the Fund consists of:

22 (1) money appropriated in the State budget to the Fund;

23 (2) money received from the sale, lease, or exchange of communication
 24 sites or communication frequencies for information technology purposes as approved
 25 by the Secretary;

26 (3) [money received as commissions, rebates, refunds, rate reductions,
 27 or telecommunication bypass agreements resulting from information technology
 28 services or purchases;

- 1 3. SUBSEQUENT INJURY FUND;
- 2 4. UNINSURED EMPLOYERS' FUND;
- 3 5. STATE AGENCY LOAN PROGRAM FUND;
- 4 6. JANE E. LAWTON CONSERVATION LOAN
5 PROGRAM;
- 6 7. ENERGY OVERCHARGE RESTITUTION FUND;
- 7 8. PEPCO/CONNECTIV SETTLEMENT FUND;
- 8 9. BASEBALL CAPITAL IMPROVEMENTS FUND;
- 9 10. STATE VICTIMS OF CRIME FUND;
- 10 11. JUVENILE ACCOUNTABILITY INCENTIVE BLOCK
11 GRANT FUND;
- 12 12. VICTIM AND WITNESS PROTECTION AND
13 RELOCATION FUND;
- 14 13. UNCLAIMED RESTITUTION – VICTIMS OF CRIME;
- 15 14. JUSTICE ASSISTANCE GRANT;
- 16 15. BYRNE JUSTICE ASSISTANCE GRANT;
- 17 16. MARYLAND ELECTION MODERNIZATION FUND;
- 18 17. SCRIVEN ESTATE FUND;
- 19 18. VOLUNTEER COMPANY ASSISTANCE FUND;
- 20 19. RADOFF MEMORIAL FUND;
- 21 20. ARCHIVES ENDOWMENT ACCOUNT WITHIN THE
22 ARCHIVES FUND;
- 23 21. ELLEFSON ENDOWMENT FUND;
- 24 22. ALBERT C. RITCHIE MEMORIAL FUND;

- 1 **23. RATE STABILIZATION FUND;**
- 2 **24. MARYLAND HEALTH INSURANCE PLAN FUND;**
- 3 **25. FAIR CAMPAIGN FINANCING FUND;**
- 4 **26. STATE EMPLOYEES AND RETIREES HEALTH AND**
5 **WELFARE BENEFITS FUND;**
- 6 **27. MAJOR INFORMATION TECHNOLOGY**
7 **DEVELOPMENT PROJECT FUND;**
- 8 **28. STATE RETIREMENT AGENCY FUNDS;**
- 9 **29. POSTRETIREMENT HEALTH BENEFITS TRUST**
10 **FUND;**
- 11 **30. MARYLAND EMERGENCY MEDICAL SYSTEM**
12 **OPERATIONS FUND;**
- 13 **31. STATE WILDLIFE MANAGEMENT AND**
14 **PROTECTION FUND;**
- 15 **32. FISHERIES MANAGEMENT AND PROTECTION**
16 **FUND;**
- 17 **33. OCEAN BEACH REPLENISHMENT FUND;**
- 18 **34. COMMUNITY SERVICES TRUST FUND;**
- 19 **35. WAITING LIST EQUITY FUND;**
- 20 **36. HEALTH CARE COVERAGE FUND;**
- 21 **37. HEALTH SERVICES COST REVIEW COMMISSION**
22 **FUND;**
- 23 **38. HOSPITAL UNCOMPENSATED CARE FUND;**
- 24 **39. FUNDS IN THE ACCOUNTS OF MORGAN STATE**
25 **UNIVERSITY;**
- 26 **40. FUNDS IN THE ACCOUNTS OF ST. MARY'S**
27 **COLLEGE OF MARYLAND;**

1 **58. 50% OF THE INTEREST FROM THE 9-1-1 TRUST**
 2 **FUND;**

3 **59. ALL ACCOUNTS WITHIN THE STATE RESERVE**
 4 **FUND;**

5 **60. LOCAL REVENUE ACCOUNTS COLLECTED BY THE**
 6 **JUDICIARY;**

7 **61. ASSISTIVE TECHNOLOGY LOAN FUND; ~~AND~~**

8 **62. VETERANS TRUST FUND; AND**

9 **63. TRANSPORTATION TRUST FUND.**

10 10-306.

11 (c) (1) Except as provided in paragraph (2) of this subsection, if cash is
 12 received as consideration for the disposition of a capital asset of the State or any unit
 13 of the State government, the cash shall be applied to the State Annuity Bond Fund
 14 Account for the payment of the principal of and interest on the bonded indebtedness of
 15 the State.

16 (2) (I) If cash is received as consideration for the disposition of a
 17 capital asset, and if the capital asset was originally purchased with special funds, the
 18 cash shall be applied to the special fund.

19 **(II) NOTWITHSTANDING SUBPARAGRAPH (I) OF THIS**
 20 **PARAGRAPH, CASH RECEIVED AS CONSIDERATION FOR THE DISPOSITION OF**
 21 **HELICOPTERS, AUXILIARY HELICOPTER EQUIPMENT, GROUND SUPPORT**
 22 **EQUIPMENT, OR OTHER CAPITAL EQUIPMENT RELATED TO HELICOPTERS SHALL**
 23 **BE APPLIED TO THE STATE ANNUITY BOND FUND ACCOUNT FOR THE PAYMENT**
 24 **OF THE PRINCIPAL OF AND INTEREST ON THE BONDED INDEBTEDNESS OF THE**
 25 **STATE.**

26 (3) If cash is received as consideration for the disposition of any real or
 27 personal property of the State or any unit of the State government, other than a
 28 capital asset, the cash shall be accounted for and paid into the State Treasury.

29 **Article – State Personnel and Pensions**

30 2-508.

31 (b) (1) **THIS SUBSECTION APPLIES TO A RETIREE WHO:**

1 (I) **BEGAN STATE SERVICE ON OR BEFORE JUNE 30, 2011;**
 2 **OR**

3 (II) 1. **BEGAN STATE SERVICE ON OR AFTER JULY 1,**
 4 **2011; AND**

5 2. **IS A RETIREE OF THE JUDGES' RETIREMENT**
 6 **SYSTEM.**

7 [(1)] (2) A retiree may enroll and participate in the health insurance
 8 benefit options established under the Program if the retiree:

9 (i) ended State service with at least 10 years of creditable
 10 service and within 5 years before the age at which a vested retirement allowance
 11 normally would begin;

12 (ii) ended State service with at least 16 years of creditable
 13 service;

14 (iii) ended State service on or before June 30, 1984;

15 (iv) retired directly from State service with a State retirement
 16 allowance on or after July 1, 1984, and had at least 5 years of creditable service; or

17 (v) retired directly from State service with a State disability
 18 retirement allowance on or after July 1, 1984.

19 [(2)] (3) (i) The surviving spouse or dependent child of a deceased
 20 retiree who was eligible to enroll may enroll and participate in the health insurance
 21 benefit options established under the Program as long as the spouse or child is
 22 receiving a periodic allowance under Division II of this article or the Maryland Transit
 23 Administration Retirement Plan under § 7-206 of the Transportation Article.

24 (ii) Subparagraph (i) of this paragraph does not apply to a
 25 deceased retiree's spouse or dependent child who receives an Option 1, Option 4, or
 26 Option 7 benefit under Division II of this article or a lump-sum payment of benefits
 27 under the Maryland Transit Administration Retirement Plan under § 7-206 of the
 28 Transportation Article.

29 [(c)] (4) [(1)] (I) If a retiree receives a State disability retirement
 30 allowance or has 16 or more years of creditable service, the retiree or the retiree's
 31 surviving spouse or dependent child is entitled to the same State subsidy allowed a
 32 State employee.

33 [(2)] (II) In all other cases, if a retiree has at least 5 years of
 34 creditible service, the retiree or the retiree's surviving spouse or dependent child is

1 entitled to 1/16 of the State subsidy allowed a State employee for each year of the
2 retiree's creditable service up to 16 years.

3 [(3)] (III) Notwithstanding [paragraph (2)] SUBPARAGRAPH (II) of
4 this [subsection] PARAGRAPH and subsection (a)(4)(i) of this section, if a retiree is an
5 additional employee or agent of the State Racing Commission, for the purposes of
6 determining a retiree's State subsidy, creditable service shall be determined with
7 respect to service as an additional employee or agent beginning from the initial date of
8 employment or January 1, 1986, whichever is later.

9 (C) (1) (I) ~~THIS~~ EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF
10 THIS PARAGRAPH, THIS SUBSECTION APPLIES TO A RETIREE WHO BEGINS
11 STATE SERVICE ON OR AFTER JULY 1, 2011.

12 (II) THIS SUBSECTION DOES NOT APPLY TO A RETIREE OF
13 THE JUDGES' RETIREMENT SYSTEM.

14 (2) A RETIREE MAY ENROLL AND PARTICIPATE IN THE HEALTH
15 INSURANCE BENEFIT OPTIONS ESTABLISHED UNDER THE PROGRAM IF THE
16 RETIREE ~~ENDES~~:

17 (I) ENDS STATE SERVICE WITH AT LEAST 25 YEARS OF
18 CREDITABLE SERVICE;

19 (II) ENDS STATE SERVICE WITH A LEAST 10 YEARS OF
20 CREDITABLE SERVICE WITHIN 5 YEARS BEFORE THE AGE AT WHICH A VESTED
21 RETIREMENT ALLOWANCE NORMALLY WOULD BEGIN;

22 (III) RETIRES DIRECTLY FROM STATE SERVICE WITH A STATE
23 RETIREMENT ALLOWANCE AND HAS 10 YEARS OF CREDITABLE SERVICE; OR

24 (IV) RETIRES DIRECTLY FROM STATE SERVICE WITH A STATE
25 DISABILITY RETIREMENT ALLOWANCE.

26 (3) (I) THE SURVIVING SPOUSE OR DEPENDENT CHILD OF A
27 DECEASED RETIREE WHO WAS ELIGIBLE TO ENROLL MAY ENROLL AND
28 PARTICIPATE IN THE HEALTH INSURANCE BENEFIT OPTIONS ESTABLISHED
29 UNDER THE PROGRAM AS LONG AS THE SPOUSE OR CHILD IS RECEIVING A
30 PERIODIC ALLOWANCE UNDER DIVISION II OF THIS ARTICLE OR THE
31 MARYLAND TRANSIT ADMINISTRATION RETIREMENT PLAN UNDER § 7-206 OF
32 THE TRANSPORTATION ARTICLE.

33 (II) SUBPARAGRAPH (I) OF THIS PARAGRAPH DOES NOT
34 APPLY TO A DECEASED RETIREE'S SPOUSE OR DEPENDENT CHILD WHO

1 RECEIVES AN OPTION 1, OPTION 4, OR OPTION 7 BENEFIT UNDER DIVISION II
 2 OF THIS ARTICLE OR A LUMP-SUM PAYMENT OF BENEFITS UNDER THE
 3 MARYLAND TRANSIT ADMINISTRATION RETIREMENT PLAN UNDER § 7-206 OF
 4 THE TRANSPORTATION ARTICLE.

5 (4) (I) IF A RETIREE RECEIVES A STATE DISABILITY
 6 RETIREMENT ALLOWANCE OR HAS 25 OR MORE YEARS OF CREDITABLE
 7 SERVICE, THE RETIREE OR THE RETIREE'S SURVIVING SPOUSE OR DEPENDENT
 8 CHILD IS ENTITLED TO THE SAME STATE SUBSIDY ALLOWED A STATE
 9 EMPLOYEE.

10 (II) IN ALL OTHER CASES, IF A RETIREE HAS AT LEAST 10
 11 YEARS OF CREDITABLE SERVICE, THE RETIREE OR THE RETIREE'S SURVIVING
 12 SPOUSE OR DEPENDENT CHILD IS ENTITLED TO 1/25 OF THE STATE SUBSIDY
 13 ALLOWED A STATE EMPLOYEE FOR EACH YEAR OF THE RETIREE'S CREDITABLE
 14 SERVICE UP TO 25 YEARS.

15 (III) NOTWITHSTANDING SUBPARAGRAPH (II) OF THIS
 16 PARAGRAPH AND SUBSECTION (A)(4)(I) OF THIS SECTION, IF A RETIREE IS AN
 17 ADDITIONAL EMPLOYEE OR AGENT OF THE STATE RACING COMMISSION, FOR
 18 THE PURPOSES OF DETERMINING A RETIREE'S STATE SUBSIDY, CREDITABLE
 19 SERVICE SHALL BE DETERMINED WITH RESPECT TO SERVICE AS AN ADDITIONAL
 20 EMPLOYEE OR AGENT BEGINNING FROM THE INITIAL DATE OF EMPLOYMENT.

21 ~~(D) (3) (1)~~ NOTWITHSTANDING PARAGRAPH (1) OF THIS
 22 SUBSECTION SUBSECTIONS (B) AND (C) OF THIS SECTION AND §§ 2-509 AND
 23 2-509.1 OF THIS SUBTITLE, THE STATE MAY ESTABLISH SEPARATE HEALTH
 24 INSURANCE BENEFIT OPTIONS FOR RETIREES THAT DIFFER FROM THOSE FOR
 25 ACTIVE STATE EMPLOYEES.

26 (2) ~~THE~~ SUBJECT TO § 2-509.1 OF THIS SUBTITLE, ON OR AFTER
 27 JULY 1, 2011, THE HEALTH INSURANCE BENEFIT OPTION FOR RETIREES SHALL
 28 INCLUDE A PRESCRIPTION DRUG BENEFIT THAT:

29 (I) HAS THE SAME CO-PAYMENTS, COINSURANCE, AND
 30 DEDUCTIBLE, ~~AND OUT-OF-POCKET LIMITS~~ THAT APPLY TO THE PRESCRIPTION
 31 DRUG BENEFIT FOR ACTIVE STATE EMPLOYEES; ~~AND~~

32 (II) REQUIRES RETIREES:

33 1. RETIREES WHO QUALIFY FOR THE MAXIMUM
 34 STATE SUBSIDY TO PAY 25% OF THE PREMIUM FOR THE PRESCRIPTION DRUG
 35 BENEFIT; AND

1 **2. RETIREES WHO QUALIFY FOR A PARTIAL STATE**
 2 **SUBSIDY TO PAY 25% OF THE PREMIUM FOR THE PRESCRIPTION DRUG BENEFIT**
 3 **PLUS THE PROPORTIONAL ADDITIONAL AMOUNT REQUIRED UNDER**
 4 **SUBSECTIONS (B)(4)(II) AND (C)(4)(II) OF THIS SECTION; AND**

5 **(III) REQUIRES RETIREES TO PAY OUT-OF-POCKET LIMITS**
 6 **EQUAL TO:**

7 **1. \$1,500 FOR THE RETIREE ONLY; AND**

8 **2. \$2,000 FOR THE RETIREE AND THE RETIREE'S**
 9 **FAMILY.**

10 **2-509.**

11 **(a) (1) THIS SUBSECTION APPLIES TO A RETIREE OF AN OPTIONAL**
 12 **RETIREMENT PROGRAM UNDER TITLE 30 OF THIS ARTICLE WHO BEGAN SERVICE**
 13 **WITH A STATE INSTITUTION OF HIGHER EDUCATION AS AN EMPLOYEE OF THE**
 14 **STATE IN THE EXECUTIVE, LEGISLATIVE, OR JUDICIAL BRANCH OF**
 15 **GOVERNMENT ON OR BEFORE JUNE 30, 2011.**

16 **[(1)] (2) (I) Subject to [paragraph (2)] SUBPARAGRAPH (II) of**
 17 **this [subsection] PARAGRAPH, an individual may enroll and participate in the health**
 18 **insurance benefit options established under the Program if the individual retired**
 19 **under an optional program under Title 30 of this article and:**

20 **[(i)] 1. ended service with a State institution of higher**
 21 **education with at least 10 years of service and was at least age 57;**

22 **[(ii)] 2. ended service with a State institution of higher**
 23 **education with at least 16 years of service; or**

24 **[(iii)] 3. retired directly from and had at least 5 years of**
 25 **service with a State institution of higher education with a periodic distribution of**
 26 **benefits on or after July 1, 1984.**

27 **[(2) (i)] (II) 1. For purposes of this subsection only, years of**
 28 **service shall be calculated as follows:**

29 **[1.] A. except as provided in [subparagraph (ii) of this**
 30 **paragraph] SUBSUBPARAGRAPH 2 OF THIS SUBPARAGRAPH, a year of service**
 31 **means a period of 12 months during which an employee was a participant in an**
 32 **optional retirement program under Title 30 of this article and the participant's**
 33 **employer made contributions to the participant's account in the Program; or**

1 [2.] B. if an employee's work year is an academic year
 2 of at least 9 but less than 12 months, a year of service means a period equal to the
 3 academic year during which an employee was a participant in an optional retirement
 4 program under Title 30 of this article and the participant's employer made
 5 contributions to the participant's account in the Program.

6 [(ii)] 2. To determine eligibility for health insurance benefits
 7 under this section, each year of service shall be multiplied by the participant's
 8 percentage of full-time employment for that year of service.

9 [(3)] (III) The surviving spouse or dependent child of a deceased
 10 individual who was eligible to enroll may enroll and participate in the health
 11 insurance benefit options established under the Program as long as the spouse or child
 12 is receiving a periodic distribution of benefits under an optional retirement program
 13 under Title 30 of this article.

14 [(b) (1)] (3) (I) An enrollee under this section who was in service with
 15 a State institution of higher education at the time of the retirement is entitled to the
 16 same State subsidy allowed a retiree under ~~§ 2-508~~ § 2-508(B)(4) of this subtitle.
 17 However, except as provided in [paragraph (2) of this subsection] SUBPARAGRAPH
 18 (II) OF THIS PARAGRAPH, the subsidy shall apply only to the costs of coverage for the
 19 enrollee and may not apply to any additional costs of coverage for the enrollee's spouse
 20 or children.

21 [(2)] (II) If the enrollee has 25 or more years of service as an
 22 employee of the State in the Executive, Legislative, or Judicial Branch of government,
 23 the enrollee or the enrollee's surviving spouse or dependent child is entitled to the
 24 same State subsidy allowed a retiree with 16 or more years of creditable service under
 25 ~~§ 2-508(e)(1)~~ § 2-508(B)(4)(I) of this subtitle.

26 (B) (1) THIS SUBSECTION APPLIES TO A RETIREE ~~WHO~~ OF AN
 27 OPTIONAL RETIREMENT PROGRAM UNDER TITLE 30 OF THIS ARTICLE WHO
 28 BEGINS SERVICE WITH A STATE INSTITUTION OF HIGHER EDUCATION AS AN
 29 EMPLOYEE OF THE STATE IN THE EXECUTIVE, LEGISLATIVE, OR JUDICIAL
 30 BRANCH OF GOVERNMENT ON OR AFTER JULY 1, 2011.

31 (2) (I) SUBJECT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH,
 32 AN INDIVIDUAL MAY ENROLL AND PARTICIPATE IN THE HEALTH INSURANCE
 33 BENEFIT OPTIONS ESTABLISHED UNDER THE PROGRAM IF THE INDIVIDUAL
 34 RETIRED UNDER AN OPTIONAL PROGRAM UNDER TITLE 30 OF THIS ARTICLE
 35 AND:

36 1. ENDED SERVICE WITH A STATE INSTITUTION OF
 37 HIGHER EDUCATION WITH AT LEAST 10 YEARS OF SERVICE AND WAS AT LEAST
 38 AGE 57;

1 **2. ENDED SERVICE WITH A STATE INSTITUTION OF**
2 **HIGHER EDUCATION WITH AT LEAST 25 YEARS OF SERVICE; OR**

3 **3. RETIRED DIRECTLY FROM AND HAD AT LEAST 10**
4 **YEARS OF SERVICE WITH A STATE INSTITUTION OF HIGHER EDUCATION WITH A**
5 **PERIODIC DISTRIBUTION OF BENEFITS ON OR AFTER JULY 1, 2011.**

6 **(II) 1. FOR PURPOSES OF THIS PARAGRAPH ONLY,**
7 **YEARS OF SERVICE SHALL BE CALCULATED AS FOLLOWS:**

8 **A. EXCEPT AS PROVIDED IN SUBSUBPARAGRAPH 2**
9 **OF THIS SUBPARAGRAPH, A YEAR OF SERVICE MEANS A PERIOD OF 12 MONTHS**
10 **DURING WHICH AN EMPLOYEE WAS A PARTICIPANT IN AN OPTIONAL**
11 **RETIREMENT PROGRAM UNDER TITLE 30 OF THIS ARTICLE AND THE**
12 **PARTICIPANT'S EMPLOYER MADE CONTRIBUTIONS TO THE PARTICIPANT'S**
13 **ACCOUNT IN THE PROGRAM; OR**

14 **B. IF AN EMPLOYEE'S WORK YEAR IS AN ACADEMIC**
15 **YEAR OF AT LEAST 9 BUT LESS THAN 12 MONTHS, A YEAR OF SERVICE MEANS A**
16 **PERIOD EQUAL TO THE ACADEMIC YEAR DURING WHICH AN EMPLOYEE WAS A**
17 **PARTICIPANT IN AN OPTIONAL RETIREMENT PROGRAM UNDER TITLE 30 OF**
18 **THIS ARTICLE AND THE PARTICIPANT'S EMPLOYER MADE CONTRIBUTIONS TO**
19 **THE PARTICIPANT'S ACCOUNT IN THE PROGRAM.**

20 **2. TO DETERMINE ELIGIBILITY FOR HEALTH**
21 **INSURANCE BENEFITS UNDER THIS SECTION, EACH YEAR OF SERVICE SHALL BE**
22 **MULTIPLIED BY THE PARTICIPANT'S PERCENTAGE OF FULL-TIME EMPLOYMENT**
23 **FOR THAT YEAR OF SERVICE.**

24 **(III) THE SURVIVING SPOUSE OR DEPENDENT CHILD OF A**
25 **DECEASED INDIVIDUAL WHO WAS ELIGIBLE TO ENROLL MAY ENROLL AND**
26 **PARTICIPATE IN THE HEALTH INSURANCE BENEFIT OPTIONS ESTABLISHED**
27 **UNDER THE PROGRAM AS LONG AS THE SPOUSE OR CHILD IS RECEIVING A**
28 **PERIODIC DISTRIBUTION OF BENEFITS UNDER AN OPTIONAL RETIREMENT**
29 **PROGRAM UNDER TITLE 30 OF THIS ARTICLE.**

30 **(3) (I) AN ENROLLEE UNDER THIS SUBSECTION WHO WAS IN**
31 **SERVICE WITH A STATE INSTITUTION OF HIGHER EDUCATION AT THE TIME OF**
32 **THE RETIREMENT IS ENTITLED TO THE SAME STATE SUBSIDY ALLOWED A**
33 **RETIREE UNDER ~~§ 2-508(C)~~ § 2-508(C)(4) OF THIS SUBTITLE. HOWEVER,**
34 **EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH, THE**
35 **SUBSIDY SHALL APPLY ONLY TO THE COSTS OF COVERAGE FOR THE ENROLLEE**

1 AND MAY NOT APPLY TO ANY ADDITIONAL COSTS OF COVERAGE FOR THE
2 ENROLLEE'S SPOUSE OR CHILDREN.

3 (II) IF THE ENROLLEE HAS 25 OR MORE YEARS OF SERVICE
4 AS AN EMPLOYEE OF THE STATE IN THE EXECUTIVE, LEGISLATIVE, OR
5 JUDICIAL BRANCH OF GOVERNMENT, THE ENROLLEE OR THE ENROLLEE'S
6 SURVIVING SPOUSE OR DEPENDENT CHILD IS ENTITLED TO THE SAME STATE
7 SUBSIDY ALLOWED A RETIREE WITH 25 OR MORE YEARS OF CREDITABLE
8 SERVICE UNDER ~~§ 2-508(B)(4)(I)~~ § 2-508(C)(4)(I) OF THIS SUBTITLE.

9 2-509.1.

10 (A) [The] EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION,
11 THE State shall continue to include a prescription drug benefit plan in the health
12 insurance benefit options established under the Program and available to retirees
13 under §§ 2-508 and 2-509 of this subtitle notwithstanding the enactment of the
14 federal Medicare Prescription Drug, Improvement, and Modernization Act of 2003 or
15 any other federal law permitting states to discontinue prescription drug benefit plans
16 to retirees of a state.

17 (B) THE STATE ~~MAY~~ SHALL DISCONTINUE PRESCRIPTION DRUG
18 BENEFITS FOR MEDICARE-ELIGIBLE RETIREES IN FISCAL YEAR 2020.

19 2-516.

20 (a) In this section, "Fund" means the State Employees and Retirees Health
21 and Welfare Benefits Fund established under this section.

22 (b) (1) A special reserve fund is established to retain certain State
23 revenues and State general and special funds for the purpose of funding the State
24 Employee and Retiree Health and Welfare Benefits Program established under this
25 subtitle.

26 (2) The Fund is a continuing, nonlapsing fund that is not subject to §
27 7-302 of the State Finance and Procurement Article.

28 (3) [The Fund consists of the moneys distributed to the Fund under
29 subsection (c) of this section.

30 (4) The Treasurer shall separately hold and the Comptroller shall
31 account for the Fund.

32 [(5)] (4) (i) The Fund shall be invested and reinvested in the
33 same manner as other State funds.

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

2 (c) [(1) Notwithstanding any other provision of law, for fiscal years 2010
3 through 2012 only, there shall be credited to the Fund any subsidy received by the
4 State that is provided to employers as a result of the federal Medicare Prescription
5 Drug, Improvement, and Modernization Act of 2003, or similar federal subsidy
6 received as a result of the State's prescription drug program.

7 (2)] The Fund [also] consists of moneys appropriated for State
8 Employee and Retiree Health Insurance or authorized to be transferred to that
9 purpose in the State budget.

10 (d) (1) Except as otherwise provided in this section, the Fund shall be
11 retained in reserve and may not be spent for any purpose.

12 (2) Subject to the budget amendment procedure provided for in §
13 7-209 of the State Finance and Procurement Article, moneys credited to the Fund may
14 be used only for the purpose of funding the State costs of the State Employee and
15 Retiree Health and Welfare Benefits Program.

16 20-101.

17 (g) "Average final compensation" means the average annual earnable
18 compensation that is computed as provided in § 20-204 [or], § 20-205, **OR § 20-205.1**
19 of this title.

20 (bb) "Normal retirement age" means:

21 (1) 50 years old, for a member of:

22 (i) the State Police Retirement System; or

23 (ii) the Law Enforcement Officers' Pension System;

24 (2) 60 years old, for a member of:

25 (i) the Correctional Officers' Retirement System, for the
26 purpose of disability retirement only;

27 (ii) the Employees' Retirement System;

28 (iii) the Judges' Retirement System;

29 (iv) the Local Fire and Police System, who transferred from the
30 Employees' Retirement System; or

1 (v) the Teachers' Retirement System; [or]

2 (3) 62 years old, for a member of:

3 (i) the Employees' Pension System ~~WHO IS NOT SUBJECT TO~~
 4 ~~THE REFORMED CONTRIBUTORY PENSION BENEFIT UNDER TITLE 23, SUBTITLE~~
 5 ~~2, PART IV OF THIS ARTICLE~~ A MEMBER ON OR BEFORE JUNE 30, 2011;

6 (ii) the Local Fire and Police System, who has not transferred
 7 from the Employees' Retirement System; or

8 (iii) the Teachers' Pension System ~~WHO IS NOT SUBJECT TO~~
 9 ~~THE REFORMED CONTRIBUTORY PENSION BENEFIT UNDER TITLE 23, SUBTITLE~~
 10 ~~2, PART IV OF THIS ARTICLE~~ A MEMBER ON OR BEFORE JUNE 30, 2011; OR

11 (4) 65 YEARS OLD, FOR A MEMBER OF THE EMPLOYEES' PENSION
 12 SYSTEM OR TEACHERS' PENSION SYSTEM WHO IS SUBJECT TO THE REFORMED
 13 CONTRIBUTORY PENSION BENEFIT UNDER TITLE 23, SUBTITLE 2, PART IV OF
 14 THIS ARTICLE BEGINS MEMBERSHIP ON OR AFTER JULY 1, 2011.

15 (HH-1) "REFORMED CONTRIBUTORY PENSION BENEFIT" MEANS THE
 16 PART OF THE EMPLOYEES' PENSION SYSTEM AND THE TEACHERS' PENSION
 17 SYSTEM THAT PROVIDES THE REFORMED CONTRIBUTORY PENSION BENEFIT
 18 UNDER TITLE 23, SUBTITLE 2, PART IV OF THIS ARTICLE.

19 20-204.

20 (a) (1) This [section]SUBSECTION applies only to AN INDIVIDUAL WHO
 21 IS A MEMBER OF:

22 [(1) the Correctional Officers' Retirement System;

23 (2)] (I) the Employees' Retirement System; OR

24 [(3) the State Police Retirement System; or

25 (4)] (II) the Teachers' Retirement System.

26 [(b)] (2) Except as provided in [subsection (c) of this section]PARAGRAPH
 27 (3) OF THIS SUBSECTION, the average final compensation of a member equals the
 28 average annual earnable compensation of the member for:

29 [(1)] (I) the 3 years of employment as a member during which the
 30 member's earnable compensation was highest, if the member was employed at least 3
 31 years as a member; or

1 [(2)] (II) the member's total period of employment, if the member was
2 employed less than 3 years as a member.

3 [(c) (1)] (3) Except for a salary increase because of a member's
4 promotion, the member's average final compensation does not include a salary
5 increase in the last 3 years of employment if it is an extraordinary salary increase
6 according to regulations that the Board of Trustees adopts.

7 [(2) (i) This paragraph applies only to a member of the State Police
8 Retirement System.

9 (ii) If a member of the State Police Retirement System who
10 transferred from another actuarial retirement system in the State retires after less
11 than 3 years of employment as a member of the State Police Retirement System, the
12 earnable compensation as a member in the other system shall be used in the
13 determination of average final compensation.]

14 **(B) (1) THIS SUBSECTION APPLIES ONLY TO AN INDIVIDUAL WHO ON**
15 **OR BEFORE JUNE 30, 2011, IS A MEMBER OF:**

16 **(I) THE CORRECTIONAL OFFICERS' RETIREMENT SYSTEM;**
17 **OR**

18 **(II) THE STATE POLICE RETIREMENT SYSTEM.**

19 **(2) EXCEPT AS PROVIDED IN PARAGRAPH (3) OF THIS**
20 **SUBSECTION, THE AVERAGE FINAL COMPENSATION OF A MEMBER EQUALS THE**
21 **AVERAGE ANNUAL EARNABLE COMPENSATION OF THE MEMBER FOR:**

22 **(I) THE 3 YEARS OF EMPLOYMENT AS A MEMBER DURING**
23 **WHICH THE MEMBER'S EARNABLE COMPENSATION WAS HIGHEST, IF THE**
24 **MEMBER WAS EMPLOYED AT LEAST 3 YEARS AS A MEMBER; OR**

25 **(II) THE MEMBER'S TOTAL PERIOD OF EMPLOYMENT, IF THE**
26 **MEMBER WAS EMPLOYED LESS THAN 3 YEARS AS A MEMBER.**

27 **(3) (I) EXCEPT FOR A SALARY INCREASE BECAUSE OF A**
28 **MEMBER'S PROMOTION, THE MEMBER'S AVERAGE FINAL COMPENSATION DOES**
29 **NOT INCLUDE A SALARY INCREASE IN THE LAST 3 YEARS OF EMPLOYMENT IF IT**
30 **IS AN EXTRAORDINARY SALARY INCREASE ACCORDING TO REGULATIONS THAT**
31 **THE BOARD OF TRUSTEES ADOPTS.**

32 **(II) 1. THIS SUBPARAGRAPH APPLIES ONLY TO A**
33 **MEMBER OF THE STATE POLICE RETIREMENT SYSTEM.**

1 **2. IF A MEMBER OF THE STATE POLICE**
2 **RETIREMENT SYSTEM WHO TRANSFERRED FROM ANOTHER ACTUARIAL**
3 **RETIREMENT SYSTEM IN THE STATE RETIRES AFTER LESS THAN 3 YEARS OF**
4 **EMPLOYMENT AS A MEMBER OF THE STATE POLICE RETIREMENT SYSTEM, THE**
5 **EARNABLE COMPENSATION AS A MEMBER IN THE OTHER SYSTEM SHALL BE**
6 **USED IN THE DETERMINATION OF AVERAGE FINAL COMPENSATION.**

7 **(C) (1) THIS SUBSECTION APPLIES ONLY TO AN INDIVIDUAL WHO ON**
8 **OR AFTER JULY 1, 2011, BECOMES A MEMBER OF:**

9 **(I) THE CORRECTIONAL OFFICERS' RETIREMENT SYSTEM;**
10 **OR**

11 **(II) THE STATE POLICE RETIREMENT SYSTEM.**

12 **(2) EXCEPT AS PROVIDED IN PARAGRAPH (3) OF THIS**
13 **SUBSECTION, THE AVERAGE FINAL COMPENSATION OF A MEMBER EQUALS THE**
14 **AVERAGE ANNUAL EARNABLE COMPENSATION OF THE MEMBER FOR:**

15 **(I) THE 5 YEARS OF EMPLOYMENT AS A MEMBER DURING**
16 **WHICH THE MEMBER'S EARNABLE COMPENSATION WAS HIGHEST, IF THE**
17 **MEMBER WAS EMPLOYED AT LEAST ~~3~~ 5 YEARS AS A MEMBER; OR**

18 **(II) THE MEMBER'S TOTAL PERIOD OF EMPLOYMENT, IF THE**
19 **MEMBER WAS EMPLOYED LESS THAN 5 YEARS AS A MEMBER.**

20 **(3) (I) EXCEPT FOR A SALARY INCREASE BECAUSE OF A**
21 **MEMBER'S PROMOTION, THE MEMBER'S AVERAGE FINAL COMPENSATION DOES**
22 **NOT INCLUDE A SALARY INCREASE IN THE LAST 5 YEARS OF EMPLOYMENT IF IT**
23 **IS AN EXTRAORDINARY SALARY INCREASE ACCORDING TO REGULATIONS THAT**
24 **THE BOARD OF TRUSTEES ADOPTS.**

25 **(II) 1. THIS SUBPARAGRAPH APPLIES ONLY TO A**
26 **MEMBER OF THE STATE POLICE RETIREMENT SYSTEM.**

27 **2. IF A MEMBER OF THE STATE POLICE**
28 **RETIREMENT SYSTEM WHO TRANSFERRED FROM ANOTHER ACTUARIAL**
29 **RETIREMENT SYSTEM IN THE STATE RETIRES AFTER LESS THAN 5 YEARS OF**
30 **EMPLOYMENT AS A MEMBER OF THE STATE POLICE RETIREMENT SYSTEM, THE**
31 **EARNABLE COMPENSATION AS A MEMBER IN THE OTHER SYSTEM SHALL BE**
32 **USED IN THE DETERMINATION OF AVERAGE FINAL COMPENSATION.**

1 (a) ~~(1) [This] EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS~~
 2 ~~SUBSECTION, THIS~~ THIS section applies only to AN INDIVIDUAL WHO ON OR
 3 BEFORE JUNE 30, 2011, IS A MEMBER OF:

4 ~~[(1)] (I)~~ the Employees' Pension System;

5 ~~[(2)] (II)~~ the Local Fire and Police System;

6 ~~[(3)] (III)~~ the Law Enforcement Officers' Pension System; ~~and~~ OR

7 ~~[(4)] (IV)~~ the Teachers' Pension System.

8 ~~(2) THIS SECTION DOES NOT APPLY TO:~~

9 ~~(I) A MEMBER OF THE EMPLOYEES' PENSION SYSTEM OR~~
 10 ~~TEACHERS' PENSION SYSTEM WHO IS SUBJECT TO THE REFORMED~~
 11 ~~CONTRIBUTORY PENSION BENEFIT UNDER TITLE 23, SUBTITLE 2, PART IV OF~~
 12 ~~THIS ARTICLE; OR~~

13 ~~(II) A MEMBER OF THE EMPLOYEES' PENSION SYSTEM OR~~
 14 ~~TEACHERS' PENSION SYSTEM WHO HAS FEWER THAN 5 YEARS OF ELIGIBILITY~~
 15 ~~SERVICE IN THE EMPLOYEES' PENSION SYSTEM OR TEACHERS' PENSION SYSTEM~~
 16 ~~AS OF JULY 1, 2011.~~

17 20-205.1.

18 (A) THIS SECTION APPLIES TO ONLY TO AN INDIVIDUAL WHO ON OR
 19 AFTER JULY 1, 2011, BECOMES A MEMBER OF:

20 (1) THE EMPLOYEES' PENSION SYSTEM;

21 (2) THE LAW ENFORCEMENT OFFICERS' PENSION SYSTEM; OR

22 (3) THE TEACHERS' PENSION SYSTEM.

23 ~~(1) A MEMBER OF THE EMPLOYEES' PENSION SYSTEM OR~~
 24 ~~TEACHERS' PENSION SYSTEM WHO IS SUBJECT TO THE REFORMED~~
 25 ~~CONTRIBUTORY PENSION BENEFIT UNDER TITLE 23, SUBTITLE 2, PART IV OF~~
 26 ~~THIS ARTICLE; AND~~

27 ~~(2) A MEMBER OF THE EMPLOYEES' PENSION SYSTEM OR~~
 28 ~~TEACHERS' PENSION SYSTEM WHO HAS FEWER THAN 5 YEARS OF ELIGIBILITY~~

~~1 SERVICE IN THE EMPLOYEES' PENSION SYSTEM OR TEACHERS' PENSION~~
~~2 SYSTEM AS OF JULY 1, 2011.~~

3 (B) (1) IN THIS SUBSECTION, "BREAK IN SERVICE" MEANS A PERIOD
4 OF EMPLOYMENT IN WHICH THE MEMBER'S EMPLOYER DID NOT:

5 (I) DEDUCT THE MEMBER CONTRIBUTIONS FROM THE
6 COMPENSATION OF THE MEMBER; OR

7 (II) REPORT THE HOURS WORKED BY THE MEMBER.

8 (2) (I) FOR THE PURPOSE OF COMPUTING BENEFITS UNDER
9 THIS DIVISION II, THE AVERAGE FINAL COMPENSATION OF A MEMBER EQUALS
10 THE AVERAGE ANNUAL EARNABLE COMPENSATION OF THE MEMBER, ADJUSTED
11 AS PROVIDED IN THIS SECTION, DURING THE 5 CONSECUTIVE YEARS THAT
12 PROVIDE THE HIGHEST AVERAGE EARNABLE COMPENSATION.

13 (II) IF THE MEMBER EXPERIENCED ANY BREAK IN SERVICE
14 DURING THE 5 CONSECUTIVE YEARS THAT PROVIDE THE MEMBER'S HIGHEST
15 AVERAGE EARNABLE COMPENSATION, THE BOARD OF TRUSTEES:

16 1. MAY NOT INCLUDE IN THE COMPUTATION OF
17 AVERAGE FINAL COMPENSATION THE PERIOD OF MONTHS OF THE BREAKS IN
18 SERVICE THAT OTHERWISE WOULD BE INCLUDED IN THE COMPUTATION; AND

19 2. IN ORDER TO GENERATE THE HIGHEST AVERAGE
20 EARNABLE COMPENSATION FOR THE MEMBER, SHALL EXTEND THE 5-YEAR
21 PERIOD BY AN EQUAL NUMBER OF MONTHS IMMEDIATELY PRECEDING OR
22 FOLLOWING THAT PERIOD.

23 (C) (1) THIS SUBSECTION APPLIES TO A MEMBER WHOSE ELIGIBILITY
24 SERVICE HAS BEEN ADJUSTED UNDER THIS DIVISION II TO COMPUTE
25 CREDITABLE SERVICE, ON THE BASIS OF THE MEMBER HAVING COMPLETED
26 LESS THAN THE NORMAL HOURS OF SERVICE FOR THE MEMBER'S POSITION.

27 (2) A MEMBER'S EARNABLE COMPENSATION SHALL BE ADJUSTED
28 TO A FULL-TIME BASIS FOR ANY PERIOD INCLUDED IN THE COMPUTATION OF
29 AVERAGE FINAL COMPENSATION.

30 (D) EXCEPT FOR A SALARY INCREASE BECAUSE OF A MEMBER'S
31 PROMOTION, THE MEMBER'S AVERAGE FINAL COMPENSATION DOES NOT
32 INCLUDE A SALARY INCREASE IN THE LAST 5 YEARS OF EMPLOYMENT IF IT IS AN
33 EXTRAORDINARY SALARY INCREASE ACCORDING TO REGULATIONS THAT THE
34 BOARD OF TRUSTEES ADOPTS.

1 21-302.

2 (a) The following are obligations of the State:

3 (1) the payment of all allowances and other benefits payable under this
4 Division II;

5 (2) the creation and maintenance of reserves in the accumulation funds
6 of the several systems;

7 (3) the crediting of regular interest to the annuity savings funds of the
8 several systems; and

9 (4) EXCEPT AS PROVIDED IN § 21-316 OF THIS SUBTITLE, the
10 payment of the expenses for administration and operation of the several systems.

11 (b) [The] SUBJECT TO § 21-316 OF THIS SUBTITLE, THE assets of the
12 several systems shall be used to pay the obligations of the State specified in this
13 section.

14 21-303.

15 (d) (1) [Each] EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS
16 SUBSECTION, EACH year, the Board of Trustees shall transfer from the accumulation
17 fund of each State system to the expense fund of that system the amounts required by
18 § 21-315 of this subtitle.

19 (2) ~~WITH RESPECT TO MEMBERS OTHER THAN MEMBERS WHO~~
20 ~~ARE EMPLOYEES OF A PARTICIPATING GOVERNMENTAL UNIT OR ON WHOSE~~
21 ~~BEHALF AN EMPLOYER IS REQUIRED TO MAKE CONTRIBUTIONS UNDER § 21-307~~
22 ~~OF THIS SUBTITLE, THE~~ THE ADMINISTRATIVE AND OPERATIONAL EXPENSES OF
23 THE BOARD OF TRUSTEES AND THE STATE RETIREMENT AGENCY, NOT
24 INCLUDING AMOUNTS AS AUTHORIZED BY THE BOARD OF TRUSTEES
25 NECESSARY FOR INVESTMENT MANAGEMENT SERVICES, SHALL BE PAID BY
26 PARTICIPATING EMPLOYERS AS PROVIDED IN § 21-316 OF THIS SUBTITLE AND
27 MAY NOT BE TRANSFERRED FROM THE ACCUMULATION FUND OF EACH SYSTEM.

28 (3) (1) NOTWITHSTANDING PARAGRAPH (2) OF THIS
29 SUBSECTION, IF A BUDGET AMENDMENT IS APPROVED IN ANY FISCAL YEAR FOR
30 ADMINISTRATIVE AND OPERATIONAL EXPENSES FOR THE BOARD OF TRUSTEES
31 AND THE STATE RETIREMENT AGENCY, THE BOARD OF TRUSTEES MAY
32 TRANSFER THE AMOUNT APPROVED BY BUDGET AMENDMENT FROM THE
33 ACCUMULATION FUNDS OF THE STATE RETIREMENT AND PENSION SYSTEM TO
34 THE EXPENSE FUNDS OF THE STATE RETIREMENT AND PENSION SYSTEM.

1 (II) ANY FUNDS TRANSFERRED FROM THE ACCUMULATION
 2 FUNDS UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH SHALL BE REIMBURSED
 3 TO THE ACCUMULATION FUNDS ON OR BEFORE JUNE 30 OF THE FOLLOWING
 4 FISCAL YEAR FROM PAYMENTS FOR ADMINISTRATIVE AND OPERATIONAL
 5 EXPENSES RECEIVED BY THE BOARD OF TRUSTEES UNDER § 21-316 OF THIS
 6 SUBTITLE.

7 21-304.

8 (a) (2) “[Full] **PRELIMINARY** funding rate” means the sum of:

9 (i) the aggregate normal rate that is based on the normal
 10 contribution rate calculated under subsection (c) of this section [and adjusted to
 11 incorporate legislative changes in benefits to reflect changes to the normal cost]; and

12 (ii) the aggregate unfunded accrued liability contribution rate
 13 that is based on the unfunded accrued liability contribution rate under subsection
 14 [(d)(1) and (2)] (D)(1)(I) AND (II)1 AND 2 AND (2) of this section.

15 ~~(b) (1) [Each] EXCEPT AS PROVIDED IN PARAGRAPH (4) OF THIS~~
 16 ~~SUBSECTION, EACH~~ fiscal year, on behalf of the State members of each State system,
 17 the State shall pay to the appropriate accumulation fund an amount equal to or
 18 greater than the sum of the amount, if any, required to be included in the budget bill
 19 under § 3-501(e)(2)(ii) of this article and the product of multiplying:

20 ~~(i) the aggregate annual earnable compensation of the State~~
 21 ~~members of that State system; and~~

22 ~~(ii) 1. for State members of the Law Enforcement Officers’~~
 23 ~~Retirement System, State Police Retirement System, and the Judges’ Retirement~~
 24 ~~System, the sum of the normal contribution rate and the accrued liability contribution~~
 25 ~~rate, as determined under this section;~~

26 ~~2. for State members of the Employees’ Pension System,~~
 27 ~~Employees’ Retirement System, Correctional Officers’ Retirement System, and~~
 28 ~~Legislative Pension Plan, the employees’ systems contribution rate determined under~~
 29 ~~subsection (c) of this section; or~~

30 ~~3. for State members of the Teachers’ Pension System~~
 31 ~~and Teachers’ Retirement System, the teachers’ systems contribution rate determined~~
 32 ~~under subsection (f) of this section.~~

33 ~~(2) The amount determined under paragraph (1) of this subsection for~~
 34 ~~each State system shall be based on an actuarial determination of the amounts that~~
 35 ~~are required to preserve the integrity of the funds of the several systems using:~~

1 (i) ~~the entry-age actuarial cost method; and~~
 2 (ii) ~~actuarial assumptions adopted by the Board of Trustees.~~
 3 (3) ~~For the purpose of making the determinations required under this~~
 4 ~~section:~~

5 (i) ~~the Employees' Retirement System, the Employees' Pension~~
 6 ~~System, the Correctional Officers' Retirement System, and the Legislative Pension~~
 7 ~~Plan shall be considered together as one State system; and~~

8 (ii) ~~the Teachers' Retirement System and the Teachers' Pension~~
 9 ~~System shall be considered together as one State system.~~

10 (4) (i) ~~THE TOTAL AMOUNT PAID UNDER PARAGRAPH (1) OF~~
 11 ~~THIS SUBSECTION MAY NOT BE GREATER THAN 20% OF THE AGGREGATE~~
 12 ~~ANNUAL EARNABLE COMPENSATION OF ALL STATE MEMBERS.~~

13 (ii) ~~IF THE AMOUNT REQUIRED TO BE PAID UNDER~~
 14 ~~PARAGRAPH (1) OF THIS SUBSECTION IS GREATER THAN 20% OF THE~~
 15 ~~AGGREGATE ANNUAL EARNABLE COMPENSATION OF ALL STATE MEMBERS, THE~~
 16 ~~AMOUNT PAID TO THE APPROPRIATE ACCUMULATION FUND OF EACH STATE~~
 17 ~~SYSTEM SHALL BE REDUCED ON A PRORATED BASIS BASED ON THE TOTAL~~
 18 ~~AGGREGATE ANNUAL EARNABLE COMPENSATION FOR EACH STATE SYSTEM.~~

19 (e) (1) When the funding ratio for the employees' systems is between 90%
 20 and 110%, inclusive, the employees' system contribution rate is the rate for the
 21 previous fiscal year, adjusted to reflect legislative changes that result in changes in
 22 normal cost and to amortize over 25 years any actuarial liabilities of the employees'
 23 systems.

24 (2) [When] ~~EXCEPT AS PROVIDED IN~~ SUBJECT TO PARAGRAPH (4)
 25 OF THIS SUBSECTION, WHEN the funding ratio for the employees' systems is below
 26 90%, the employees' system contribution rate shall be the sum of:

27 (i) the employees' system contribution rate for the previous
 28 fiscal year; and

29 (ii) 20% of the difference between the ~~full~~ PRELIMINARY
 30 funding rate for the current fiscal year and the employees' system contribution rate for
 31 the previous fiscal year.

32 (3) [When] ~~EXCEPT AS PROVIDED IN~~ SUBJECT TO PARAGRAPH (4)
 33 OF THIS SUBSECTION, WHEN the funding ratio for the employees' systems is above
 34 110%, the employees' system contribution rate shall be the difference between:

1 (i) the employees' system contribution rate for the previous
2 fiscal year; and

3 (ii) 20% of the difference between the employees' system
4 contribution rate for the previous fiscal year and the ~~full~~ PRELIMINARY funding rate
5 for the current fiscal year.

6 (4) **THE CONTRIBUTION RATE FOR THE EMPLOYEES' SYSTEMS**
7 **UNDER PARAGRAPH (2) OR (3) OF THIS SUBSECTION SHALL BE ADJUSTED TO**
8 **REFLECT THE COST OF ~~LEGISLATIVE CHANGES~~ OR SAVINGS OF LEGISLATIVE**
9 **CHANGES THAT RESULT IN CHANGES IN NORMAL CONTRIBUTIONS OR ACCRUED**
10 **LIABILITIES AND TO AMORTIZE OVER 25 YEARS ANY CHANGES IN ACCRUED**
11 **LIABILITIES OF THE EMPLOYEES' SYSTEMS.**

12 (f) (1) When the funding ratio for the teachers' systems is between 90%
13 and 110%, the teachers' system contribution rate is the rate for the previous fiscal
14 year, adjusted to reflect legislative changes that result in changes in normal cost and
15 to amortize over 25 years any actuarial liabilities of the teachers' systems.

16 (2) [When] ~~EXCEPT AS PROVIDED IN~~ SUBJECT TO PARAGRAPH (4)
17 **OF THIS SUBSECTION, WHEN** the funding ratio for the teachers' systems is below
18 90%, the teachers' system contribution rate shall be the sum of:

19 (i) the teachers' system contribution rate for the previous fiscal
20 year; and

21 (ii) 20% of the difference between the ~~full~~ PRELIMINARY
22 funding rate for the current fiscal year and the teachers' system contribution rate for
23 the previous fiscal year.

24 (3) [When] ~~EXCEPT AS PROVIDED IN~~ SUBJECT TO PARAGRAPH (4)
25 **OF THIS SUBSECTION, WHEN** the funding ratio for the teachers' systems is above
26 110%, the teachers' system contribution rate shall be the difference between:

27 (i) the teachers' system contribution rate for the previous fiscal
28 year; and

29 (ii) 20% of the difference between the teachers' system
30 contribution rate for the previous fiscal year and the ~~full~~ PRELIMINARY funding rate
31 for the current fiscal year.

32 (4) **THE CONTRIBUTION RATE FOR THE TEACHERS' SYSTEMS**
33 **UNDER PARAGRAPH (2) OR (3) OF THIS SUBSECTION SHALL BE ADJUSTED TO**
34 **REFLECT THE COST OF ~~LEGISLATIVE CHANGES~~ OR SAVINGS OF LEGISLATIVE**

1 CHANGES THAT RESULT IN CHANGES IN NORMAL CONTRIBUTIONS OR ACCRUED
 2 LIABILITIES AND TO AMORTIZE OVER 25 YEARS ANY CHANGES IN ACCRUED
 3 LIABILITIES OF THE TEACHERS' SYSTEMS.

4 21-308.

5 (a) (1) On or before December 1 of each year, the Board of Trustees shall:

6 (i) certify to the Governor and the Secretary of Budget and
 7 Management the rates to be used to determine the amounts to be paid by the State to
 8 the accumulation fund of each of the several systems during the next fiscal year; and

9 (ii) provide to the Secretary of Budget and Management a
 10 statement of the total amount to be paid to the Teachers' Retirement System and the
 11 Teachers' Pension System expressed as a percentage of the payroll of all members of
 12 those State systems.

13 (2) The Governor shall include in the budget bill:

14 (i) the total amount of the State's contribution to each State
 15 system as ascertained based on the rates certified by the Board of Trustees under
 16 paragraph (1) of this subsection;

17 (ii) the additional amounts as ascertained under subsection (d)
 18 of this section for the State's payment to the professional and clerical employees of the
 19 Department of Public Libraries of Montgomery County who are members of the
 20 Employees' Retirement System of Montgomery County and are excluded from
 21 membership in the Teachers' Retirement System or the Teachers' Pension System;
 22 and

23 (iii) any additional amount required to be in the budget bill
 24 under § 3-501(c)(2)(ii) of this article.

25 **(3) THE AMOUNTS THAT THE GOVERNOR IS REQUIRED TO**
 26 **INCLUDE IN THE BUDGET BILL UNDER PARAGRAPH (2) OF THIS SUBSECTION**
 27 **SHALL BE REDUCED BY THE AMOUNT OF ADMINISTRATIVE AND OPERATIONAL**
 28 **EXPENSES FOR THE BOARD OF TRUSTEES AND THE STATE RETIREMENT**
 29 **AGENCY THAT ARE TO BE PAID BY LOCAL EMPLOYERS UNDER § 21-316 OF THIS**
 30 **SUBTITLE OTHER THAN PARTICIPATING GOVERNMENTAL UNITS OR EMPLOYERS**
 31 **WHO ARE REQUIRED TO MAKE CONTRIBUTIONS UNDER § 21-307 OF THIS**
 32 **SUBTITLE.**

33 ~~(3)~~ (4) (1) **ON OR BEFORE DECEMBER 1, 2012, AND EACH**
 34 **DECEMBER 1 THEREAFTER, THE BOARD OF TRUSTEES SHALL CERTIFY TO THE**
 35 **GOVERNOR AND THE SECRETARY OF BUDGET AND MANAGEMENT THE AMOUNT**

1 OF THE DIFFERENCE BETWEEN THE TOTAL AMOUNT OF THE STATE'S
 2 CONTRIBUTION REQUIRED UNDER PARAGRAPH (2) OF THIS SUBSECTION AND
 3 THE AMOUNT THAT THE BOARD DETERMINES WOULD HAVE BEEN REQUIRED
 4 HAD LEGISLATION INCREASING EMPLOYEE CONTRIBUTIONS TO, AND REDUCING
 5 THE LIABILITIES OF, THE STATE RETIREMENT AND PENSION SYSTEM NOT BEEN
 6 ENACTED IN 2011.

7 (II) FOR FISCAL YEAR 2014 AND EACH FISCAL YEAR
 8 THEREAFTER, IN ADDITION TO THE AMOUNTS REQUIRED UNDER PARAGRAPH
 9 (2) OF THIS SUBSECTION, THE GOVERNOR SHALL INCLUDE IN THE BUDGET BILL
 10 THE LESSER OF:

11 1. \$300,000,000; AND
 12 2. THE AMOUNT CERTIFIED UNDER SUBPARAGRAPH
 13 (I) OF THIS PARAGRAPH.

14 21-316.

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

17 (2) "LOCAL EMPLOYER" MEANS A PARTICIPATING EMPLOYER
 18 OTHER THAN:

19 (1) THE STATE;

20 (2) A PARTICIPATING GOVERNMENTAL UNIT; OR

21 (3) AN EMPLOYER REQUIRED TO MAKE CONTRIBUTIONS UNDER §
 22 21-307 OF THIS SUBTITLE. THE STATE.

23 (3) "LIBRARY" MEANS A LIBRARY THAT IS ESTABLISHED OR
 24 OPERATES UNDER THE EDUCATION ARTICLE.

25 (B) (1) FOR SUBJECT TO PARAGRAPH (3) OF THIS SUBSECTION, FOR
 26 EACH FISCAL YEAR, THE STATE AND EACH LOCAL EMPLOYER SHALL PAY TO THE
 27 BOARD OF TRUSTEES THEIR PRO RATA SHARES OF THE AMOUNT ESTIMATED BY
 28 THE BOARD OF TRUSTEES UNDER § 21-315(C) OF THIS SUBTITLE TO BE
 29 NECESSARY FOR THE ADMINISTRATIVE AND OPERATIONAL EXPENSES OF THE
 30 BOARD OF TRUSTEES AND THE STATE RETIREMENT AGENCY.

31 (2) THE PRO RATA SHARE OF THE STATE AND OF EACH LOCAL
 32 EMPLOYER FOR EACH FISCAL YEAR SHALL BE BASED ON THE NUMBER OF

1 MEMBERS OF THE SEVERAL SYSTEMS EMPLOYED BY THE STATE OR LOCAL
 2 EMPLOYER AS OF JUNE 30 OF THE SECOND PRIOR FISCAL YEAR COMPARED TO
 3 THE TOTAL MEMBERSHIP OF THE SEVERAL SYSTEMS ~~WHO ARE EMPLOYED BY~~
 4 ~~THE STATE OR A LOCAL EMPLOYER AS OF THAT DATE.~~

5 (3) THE STATE SHALL PAY THE PRO RATA SHARE UNDER THIS
 6 SECTION OF EACH LIBRARY.

7 ~~(C) ON OR BEFORE DECEMBER 1 OF EACH YEAR, THE BOARD OF~~
 8 ~~TRUSTEES SHALL:~~

9 ~~(1) DETERMINE THE PER MEMBER CONTRIBUTION AMOUNT AND~~
 10 ~~THE AMOUNTS PAYABLE BY THE STATE AND EACH LOCAL EMPLOYER UNDER~~
 11 ~~THIS SECTION FOR THE NEXT FISCAL YEAR; AND~~

12 ~~(2) CERTIFY THE PER MEMBER CONTRIBUTION AND THE~~
 13 ~~AMOUNTS PAYABLE;~~

14 ~~(I) TO THE SECRETARY OF BUDGET AND MANAGEMENT,~~
 15 ~~FOR MEMBERS WHOSE COMPENSATION IS PAID BY THE STATE; AND~~

16 ~~(II) TO EACH LOCAL EMPLOYER.~~

17 (C) AS PART OF ITS ANNUAL BUDGET SUBMISSION FOR A FISCAL YEAR,
 18 THE BOARD OF TRUSTEES SHALL CERTIFY TO THE SECRETARY OF BUDGET AND
 19 MANAGEMENT THE PERCENTAGE OF THE TOTAL MEMBERSHIP OF THE SEVERAL
 20 SYSTEMS THAT IS EMPLOYED BY THE STATE, THE LIBRARIES, AND EACH LOCAL
 21 EMPLOYER AS OF JUNE 30 OF THE SECOND PRIOR FISCAL YEAR.

22 (D) (1) THE GOVERNOR SHALL INCLUDE IN THE BUDGET BILL ~~THE~~
 23 ~~AMOUNT CERTIFIED UNDER SUBSECTION (C)(2)(I) OF THIS SECTION AN~~
 24 ~~APPROPRIATION TO THE EXPENSE FUNDS OF THE STATE RETIREMENT AND~~
 25 ~~PENSION SYSTEM THAT EQUALS THE AUTHORIZED ADMINISTRATIVE AND~~
 26 ~~OPERATIONAL EXPENSES OF THE BOARD OF TRUSTEES AND THE STATE~~
 27 ~~RETIREMENT AGENCY FOR THE FISCAL YEAR.~~

28 (2) THE AMOUNTS PAYABLE BY THE STATE UNDER THIS SECTION
 29 WITH RESPECT TO MEMBERS EMPLOYED BY EACH STATE UNIT SHALL BE
 30 CHARGED AGAINST THE BUDGET OF THAT UNIT.

31 (3) THE STATE SHALL PAY ITS PRO RATA SHARE OF THE AMOUNT
 32 OF ADMINISTRATIVE AND OPERATIONAL EXPENSES AUTHORIZED IN THE STATE
 33 BUDGET TO THE BOARD OF TRUSTEES ON JULY 1 OF THE APPLICABLE FISCAL
 34 YEAR.

1 (E) (1) ON OR BEFORE MAY 1 OF EACH YEAR, THE BOARD OF
2 TRUSTEES SHALL:

3 (I) CERTIFY TO EACH LOCAL EMPLOYER OTHER THAN A
4 LIBRARY THE AMOUNT PAYABLE BY THE LOCAL EMPLOYER THAT IS EQUAL TO
5 THE PERCENTAGE CERTIFIED UNDER SUBSECTION (C) OF THIS SECTION
6 MULTIPLIED BY THE AMOUNT OF ADMINISTRATIVE AND OPERATIONAL
7 EXPENSES AUTHORIZED IN THE STATE BUDGET FOR THE NEXT FISCAL YEAR;
8 AND

9 (II) NOTIFY THE SECRETARY OF BUDGET AND
10 MANAGEMENT AND THE DEPARTMENT OF LEGISLATIVE SERVICES OF THE
11 CERTIFICATIONS SENT UNDER ITEM (I) OF THIS PARAGRAPH.

12 (2) ON OR BEFORE OCTOBER 1, JANUARY 1, APRIL 16, AND JUNE
13 1 OF EACH FISCAL YEAR, EACH LOCAL EMPLOYER SHALL PAY TO THE BOARD OF
14 TRUSTEES 25% OF THE AMOUNT CERTIFIED TO THE LOCAL EMPLOYER BY THE
15 BOARD OF TRUSTEES UNDER SUBSECTION (C)(2)(II) OF THIS SECTION
16 PARAGRAPH (1) OF THIS SUBSECTION.

17 ~~(2) A LOCAL EMPLOYER MAY ELECT TO HAVE THE AMOUNTS~~
18 ~~REQUIRED UNDER THIS SECTION DEDUCTED FROM STATE AID DISTRIBUTIONS~~
19 ~~UNDER THE EDUCATION ARTICLE.~~

20 (3) IF A LOCAL EMPLOYER DOES NOT PAY THE AMOUNTS
21 REQUIRED UNDER THIS SECTION WITHIN THE TIME REQUIRED, THE LOCAL
22 EMPLOYER IS LIABLE FOR INTEREST ON DELINQUENT AMOUNTS AT A RATE OF
23 4% A YEAR UNTIL PAYMENT.

24 (4) THE SECRETARY OF THE BOARD OF TRUSTEES MAY ALLOW A
25 GRACE PERIOD NOT TO EXCEED 10 CALENDAR DAYS FOR PAYMENT OF THE
26 AMOUNTS CERTIFIED UNDER THIS SECTION.

27 (5) ON NOTIFICATION BY THE SECRETARY OF THE BOARD OF
28 TRUSTEES THAT A DELINQUENCY EXISTS, THE STATE COMPTROLLER
29 IMMEDIATELY SHALL EXERCISE THE RIGHT OF SETOFF AGAINST ANY MONEY
30 DUE OR COMING DUE TO THAT LOCAL EMPLOYER FROM THE STATE.

31 (6) A PARTICIPATING GOVERNMENTAL UNIT OR EMPLOYER
32 REQUIRED TO MAKE EMPLOYER CONTRIBUTIONS UNDER § 21-307 OF THIS
33 SUBTITLE MAY DEDUCT THE PAYMENTS REQUIRED UNDER THIS SECTION FROM
34 PAYMENTS FOR EMPLOYER CONTRIBUTIONS REQUIRED UNDER §§ 21-305
35 THROUGH 21-307 OF THIS SUBTITLE.

1 (F) ON RECEIPT OF PAYMENTS UNDER THIS SECTION, THE BOARD OF
 2 TRUSTEES SHALL CREDIT THESE AMOUNTS TO THE EXPENSE FUND OF THE
 3 APPROPRIATE STATE SYSTEM.

4 23-212.

5 (c) ~~{The} EXCEPT AS PROVIDED IN SUBSECTION (D) OF THIS SECTION,~~
 6 ~~THE~~ contribution rate of a member who is subject to the Alternate Contributory
 7 Pension Selection under Part III of this subtitle is:

8 (1) 3% of the member's earnable compensation received from July 1,
 9 2006 to June 30, 2007, both inclusive;

10 (2) 4% of the member's earnable compensation received from July 1,
 11 2007 to June 30, 2008, both inclusive; ~~and~~

12 (3) 5% of the member's earnable compensation received ~~on or after~~
 13 FROM July 1, 2008, TO JUNE 30, 2011, BOTH INCLUSIVE; AND

14 (4) 7% OF THE MEMBER'S EARNABLE COMPENSATION RECEIVED
 15 ON OR AFTER JULY 1, 2011.

16 ~~(D) THE CONTRIBUTION RATE OF A MEMBER WHO IS SUBJECT TO~~
 17 ~~SELECTION TWO (SEVEN PERCENT MEMBER CONTRIBUTIONS) UNDER § 23-221~~
 18 ~~OF THIS SUBTITLE IS:~~

19 ~~(1) 3% OF THE MEMBER'S EARNABLE COMPENSATION RECEIVED~~
 20 ~~FROM JULY 1, 2006, TO JUNE 30, 2007, BOTH INCLUSIVE;~~

21 ~~(2) 4% OF THE MEMBER'S EARNABLE COMPENSATION RECEIVED~~
 22 ~~FROM JULY 1, 2007, TO JUNE 30, 2008, BOTH INCLUSIVE;~~

23 ~~(3) 5% OF THE MEMBER'S EARNABLE COMPENSATION RECEIVED~~
 24 ~~FROM JULY 1, 2008, TO JUNE 30, 2011, BOTH INCLUSIVE; AND~~

25 ~~(4) 7% OF THE MEMBER'S EARNABLE COMPENSATION RECEIVED~~
 26 ~~ON OR AFTER JULY 1, 2011.~~

27 ~~(E) (D)~~ (D) THE CONTRIBUTION RATE OF A MEMBER WHO IS SUBJECT TO
 28 THE REFORMED CONTRIBUTORY PENSION BENEFIT UNDER PART IV OF THIS
 29 SUBTITLE IS 7% OF THE MEMBER'S EARNABLE COMPENSATION.

30 23-215.

1 (a) [Membership] EXCEPT AS PROVIDED IN § 23-215.1 OF THIS
 2 SUBTITLE, MEMBERSHIP ends if the member:

3 (1) is separated from employment for more than 4 years;

4 (2) is separated from employment, and rehired into a position that
 5 requires enrollment in a part of the Employees' Pension System or the Teachers'
 6 Pension System that is subject to a different rate of member contributions and benefit
 7 accrual;

8 (3) withdraws the member's accumulated contributions;

9 (4) becomes a retiree; or

10 (5) dies.

11 (b) Subsection (a)(2) of this section does not apply for purposes of determining
 12 eligibility for a disability retirement benefit under § 29-104(a) of this article.

13 **23-215.1.**

14 **(A) THIS SECTION APPLIES TO A MEMBER WHO:**

15 **(1) ON OR BEFORE JUNE 30, 2011, IS SUBJECT TO THE**
 16 **ALTERNATE CONTRIBUTORY PENSION SELECTION;**

17 **(2) (I) IS SEPARATED FROM EMPLOYMENT FOR 4 YEARS OR**
 18 **LESS; OR**

19 **(II) 1. IS SEPARATED FROM EMPLOYMENT FOR MORE**
 20 **THAN 4 YEARS FOR MILITARY SERVICE THAT MEETS THE REQUIREMENTS OF THE**
 21 **FEDERAL UNIFORMED SERVICES EMPLOYMENT AND REEMPLOYMENT RIGHTS**
 22 **ACT; AND**

23 **2. RESUMES EMPLOYMENT WITHIN 1 YEAR OF**
 24 **LEAVING MILITARY SERVICE IN A POSITION THAT IS INCLUDED IN THE**
 25 **EMPLOYEES' PENSION SYSTEM OR TEACHERS' PENSION SYSTEM;**

26 **(3) DOES NOT WITHDRAW THE MEMBER'S ACCUMULATED**
 27 **CONTRIBUTIONS; AND**

28 **(4) DOES NOT BECOME A RETIREE.**

29 **(B) A MEMBER DESCRIBED IN SUBSECTION (A) OF THIS SECTION WHO**
 30 **ON OR BEFORE JUNE 30, 2016, RESUMES EMPLOYMENT AND IS REHIRED INTO A**

1 POSITION THAT IS INCLUDED IN THE EMPLOYEES' PENSION SYSTEM OR
 2 TEACHERS' PENSION SYSTEM, SHALL RESUME PARTICIPATION IN THE
 3 ALTERNATE CONTRIBUTORY PENSION SELECTION.

4 (C) ON OR BEFORE OCTOBER 1, 2012, AND EACH OCTOBER 1 THROUGH
 5 OCTOBER 1, 2016, THE BOARD OF TRUSTEES SHALL SUBMIT A REPORT IN
 6 ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE TO THE
 7 JOINT COMMITTEE ON PENSIONS THAT PROVIDES THE NUMBER OF MEMBERS
 8 DESCRIBED UNDER SUBSECTION (A) OF THIS SECTION WHO WERE:

9 (1) REHIRED IN THE PRECEDING FISCAL YEAR INTO A POSITION
 10 INCLUDED IN THE EMPLOYEES' PENSION SYSTEM OR TEACHERS' PENSION
 11 SYSTEM; AND

12 (2) PARTICIPATING IN THE ALTERNATE CONTRIBUTORY PENSION
 13 SELECTION.

14 ~~23-221.~~

15 ~~(a) (1) In this section[, "active"] THE FOLLOWING WORDS HAVE THE~~
 16 ~~MEANINGS INDICATED.~~

17 ~~(2) "ACTIVE member" means a member who is not separated from~~
 18 ~~employment with the State or a participating employer of the State.~~

19 ~~(3) "SELECTION ONE (FIVE PERCENT MEMBER~~
 20 ~~CONTRIBUTIONS)" MEANS THE SELECTION AVAILABLE UNDER SUBSECTION~~
 21 ~~(D)(1)(I) OF THIS SECTION.~~

22 ~~(4) "SELECTION TWO (SEVEN PERCENT MEMBER~~
 23 ~~CONTRIBUTIONS)" MEANS THE SELECTION AVAILABLE UNDER SUBSECTION~~
 24 ~~(D)(1)(II) OF THIS SECTION.~~

25 ~~(D) (1) AN INDIVIDUAL WHO IS AN ACTIVE MEMBER SUBJECT TO THE~~
 26 ~~ALTERNATE CONTRIBUTORY PENSION SELECTION UNDER THIS PART III~~
 27 ~~SHALL SELECT ONE OF THE FOLLOWING:~~

28 ~~(i) SELECTION ONE (FIVE PERCENT MEMBER~~
 29 ~~CONTRIBUTIONS) THAT PROVIDES FOR MEMBER CONTRIBUTIONS OF 5% OF~~
 30 ~~SALARY AND A BENEFIT ACCRUAL RATE OF 1.5% OF A MEMBER'S AVERAGE~~
 31 ~~FINAL COMPENSATION FOR CREDITABLE SERVICE ON OR AFTER JULY 1, 2011;~~
 32 ~~OR~~

~~(H) SELECTION TWO (SEVEN PERCENT MEMBER CONTRIBUTIONS) THAT PROVIDES FOR MEMBER CONTRIBUTIONS OF 7% OF SALARY ON OR AFTER JULY 1, 2011, AND A BENEFIT ACCRUAL RATE OF 1.8% OF A MEMBER'S AVERAGE FINAL COMPENSATION.~~

~~(2) (I) AN INDIVIDUAL WHO, ON JUNE 1, 2011, IS AN ACTIVE MEMBER SUBJECT TO THE ALTERNATE CONTRIBUTORY PENSION SELECTION UNDER THIS PART III SHALL MAKE A SELECTION IN THE MANNER PRESCRIBED BY THE STATE RETIREMENT AGENCY ON OR BEFORE JUNE 15, 2011.~~

~~(H) AN INDIVIDUAL WHO BECOMES A MEMBER OF THE EMPLOYEES' PENSION SYSTEM OR TEACHERS' PENSION SYSTEM BETWEEN JUNE 2, 2011, AND JUNE 30, 2011, SHALL MAKE A SELECTION IN THE MANNER PRESCRIBED BY THE STATE RETIREMENT AGENCY WITHIN 15 DAYS AFTER THE INDIVIDUAL'S FIRST DAY OF EMPLOYMENT.~~

~~(3) AN INDIVIDUAL WHO FAILS TO MAKE A SELECTION AS REQUIRED UNDER PARAGRAPH (2) OF THIS SUBSECTION SHALL BE DEEMED TO HAVE MADE SELECTION TWO (SEVEN PERCENT MEMBER CONTRIBUTIONS).~~

~~(4) THE SELECTION OF AN INDIVIDUAL UNDER PARAGRAPH (2) OR (3) OF THIS SUBSECTION IS IRREVOCABLE AND NOT SUBJECT TO CHANGE.~~

~~23-222~~

~~(A) A member who is subject to this part shall:~~

~~(1) receive an allowance for all creditable service as follows:~~

~~(i) EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION, for normal service retirement as provided in § 23-401(d) of this title;~~

~~(ii) for early service retirement as provided in § 23-402 of this title;~~

~~(iii) for ordinary disability retirement as provided in § 29-108 of this article; and~~

~~(iv) for accidental disability retirement as provided in § 29-110 of this article;~~

~~(2) have the allowance adjusted as provided in Title 29, Subtitle 4 of this article; and~~

1 ~~(3) EXCEPT AS PROVIDED IN SUBSECTION (C) OF THIS SECTION,~~
2 ~~make the member contributions at the rate specified in § 23-212(e) of this subtitle.~~

3 ~~(B) A MEMBER WHO IS SUBJECT TO SELECTION ONE (FIVE PERCENT~~
4 ~~MEMBER CONTRIBUTIONS), AS DEFINED IN § 23-221(A) OF THIS SUBTITLE,~~
5 ~~SHALL RECEIVE AN ALLOWANCE FOR NORMAL SERVICE RETIREMENT AS~~
6 ~~PROVIDED IN § 23-401(F) OF THIS TITLE.~~

7 ~~(C) A MEMBER WHO IS SUBJECT TO SELECTION TWO (SEVEN PERCENT~~
8 ~~MEMBER CONTRIBUTIONS), AS DEFINED IN § 23-221(A) OF THIS SUBTITLE,~~
9 ~~SHALL MAKE MEMBER CONTRIBUTIONS AT THE RATE SPECIFIED IN § 23-212(D)~~
10 ~~OF THIS SUBTITLE.~~

11 23-223. RESERVED.

12 23-224. RESERVED.

13 PART IV. REFORMED CONTRIBUTORY PENSION BENEFIT.

14 23-225.

15 (A) THIS PART IV OF THIS SUBTITLE (REFORMED CONTRIBUTORY
16 PENSION BENEFIT) APPLIES TO:

17 (1) AN INDIVIDUAL WHO BECOMES A MEMBER OF THE
18 EMPLOYEES' PENSION SYSTEM OR THE TEACHERS' PENSION SYSTEM ON OR
19 AFTER JULY 1, 2011; AND

20 (2) EXCEPT AS PROVIDED IN § 23-215.1 OF THIS SUBTITLE, A
21 MEMBER OF THE EMPLOYEES' PENSION SYSTEM OR TEACHERS' PENSION
22 SYSTEM WHO SEPARATED FROM EMPLOYMENT ON OR BEFORE JUNE 30, 2011,
23 AND SUBSEQUENTLY BECOMES EMPLOYED IN A POSITION ELIGIBLE FOR
24 MEMBERSHIP IN THE EMPLOYEES' PENSION SYSTEM OR THE TEACHERS'
25 PENSION SYSTEM ON OR AFTER JULY 1, 2011.

26 (B) THIS PART IV DOES NOT APPLY TO AN EMPLOYEE OF A
27 PARTICIPATING GOVERNMENTAL UNIT PARTICIPATING IN THE EMPLOYEES'
28 PENSION SYSTEM THAT HAS NOT ELECTED TO PARTICIPATE IN THE ALTERNATE
29 CONTRIBUTORY PENSION SELECTION UNDER § 31-116.1 OF THIS ARTICLE OR A
30 FORMER PARTICIPATING GOVERNMENTAL UNIT, OTHER THAN FREDERICK
31 COUNTY, THAT HAS WITHDRAWN FROM THE EMPLOYEES' PENSION SYSTEM.

32 23-226.

1 **(A) ~~A~~ EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION, A**
 2 **MEMBER WHO IS SUBJECT TO THIS PART IV OF THIS SUBTITLE SHALL:**

3 **(1) RECEIVE AN ALLOWANCE FOR ALL CREDITABLE SERVICE AS**
 4 **FOLLOWS:**

5 **(I) FOR NORMAL SERVICE RETIREMENT AS PROVIDED IN §**
 6 **23-401~~(G)~~(F) OF THIS TITLE;**

7 **(II) FOR EARLY SERVICE RETIREMENT AS PROVIDED IN §**
 8 **23-402(C) OF THIS TITLE;**

9 **(III) FOR A VESTED ALLOWANCE AS PROVIDED IN §**
 10 **29-303~~(H)~~(B-1) OF THIS ARTICLE;**

11 **(IV) FOR ORDINARY DISABILITY RETIREMENT AS PROVIDED**
 12 **IN § 29-108 OF THIS ARTICLE; AND**

13 **(V) FOR ACCIDENTAL DISABILITY RETIREMENT AS**
 14 **PROVIDED IN § 29-110 OF THIS ARTICLE;**

15 **(2) HAVE THE ALLOWANCE ADJUSTED AS PROVIDED IN TITLE 29,**
 16 **SUBTITLE 4, PART VII OF THIS ARTICLE; AND**

17 **(3) MAKE THE MEMBER CONTRIBUTIONS AT THE RATE SPECIFIED**
 18 **IN § 23-212~~(E)~~(D) OF THIS SUBTITLE.**

19 **(B) A MEMBER DESCRIBED IN § 23-225(A)(2) OF THIS SUBTITLE IS NOT**
 20 **SUBJECT TO THIS PART IV OF THIS SUBTITLE WITH RESPECT TO THE SERVICE**
 21 **CREDIT EARNED IN THE MEMBER'S PREVIOUS MEMBERSHIP.**

22 23-401.

23 **(a) [A] EXCEPT AS PROVIDED IN SUBSECTION ~~(G)~~ (F) OF THIS SECTION,**
 24 **A member may retire with a normal service retirement allowance if:**

25 **(1) the member completes and submits a written application to the**
 26 **Board of Trustees stating the date when the member desires to retire; and**

27 **(2) on or before the date of retirement, the member:**

28 **(i) has at least 30 years of eligibility service;**

(ii) has a combined total of at least 30 years of eligibility service from the Employees' Pension System, the Teachers' Pension System, the Employees' Retirement System, or the Teachers' Retirement System; or

(iii) has attained the age and the years of eligibility service as follows:

Age	Years of Eligibility Service
62 with	5
63 with	4
64 with	3
65 or more with	2

(b) Except as provided in subsections (c), (d), [and] (e), AND (F), ~~AND (G)~~ of this section, on retirement under this section, a member is entitled to receive a normal service retirement allowance that equals the number of years of the member's creditable service multiplied by:

(1) 0.8% of the member's average final compensation that is not in excess of the Social Security integration level; and

(2) 1.5% of the member's average final compensation that exceeds the Social Security integration level.

~~(d) Except as provided in [subsection] SUBSECTIONS (e) AND (F) of this section, a member who is subject to the Alternate Contributory Pension Selection under Subtitle 2, Part III of this title is entitled to receive a normal service retirement allowance that equals the sum of:~~

~~(1) the greater of:~~

~~(i) the number of years of the member's creditable service on or before June 30, 1998 multiplied by 1.2% of the member's average final compensation; or~~

~~(ii) the number of years of the member's creditable service on or before June 30, 1998 multiplied by:~~

~~1. 0.8% of the member's average final compensation that is not in excess of the Social Security integration level; and~~

~~2. 1.5% of the member's average final compensation that exceeds the Social Security integration level; and~~

~~(2) the number of years of the member's creditable service on or after July 1, 1998 multiplied by 1.8% of the member's average final compensation.~~

~~(F) EXCEPT AS PROVIDED IN SUBSECTION (E) OF THIS SECTION, A MEMBER WHO IS SUBJECT TO SELECTION ONE (FIVE PERCENT MEMBER CONTRIBUTIONS) UNDER § 23 221 OF THIS SUBTITLE IS ENTITLED TO RECEIVE A NORMAL SERVICE RETIREMENT ALLOWANCE THAT EQUALS THE SUM OF:~~

~~(1) THE GREATER OF:~~

~~(I) THE NUMBER OF YEARS OF THE MEMBER'S CREDITABLE SERVICE ON OR BEFORE JUNE 30, 1998, MULTIPLIED BY 1.2% OF THE MEMBER'S AVERAGE FINAL COMPENSATION; OR~~

~~(II) THE NUMBER OF YEARS OF THE MEMBER'S CREDITABLE SERVICE ON OR BEFORE JUNE 30, 1998, MULTIPLIED BY:~~

~~1. 0.8% OF THE MEMBER'S AVERAGE FINAL COMPENSATION THAT IS NOT IN EXCESS OF THE SOCIAL SECURITY INTEGRATION LEVEL; AND~~

~~2. 1.5% OF THE MEMBER'S AVERAGE FINAL COMPENSATION THAT EXCEEDS THE SOCIAL SECURITY INTEGRATION LEVEL;~~

~~(2) THE NUMBER OF YEARS OF THE MEMBER'S CREDITABLE SERVICE FROM JULY 1, 1998, TO JUNE 30, 2011, MULTIPLIED BY 1.8% OF THE MEMBER'S AVERAGE FINAL COMPENSATION; AND~~

~~(3) THE NUMBER OF YEARS OF THE MEMBER'S CREDITABLE SERVICE ON OR AFTER JULY 1, 2011, MULTIPLIED BY 1.5% OF THE MEMBER'S AVERAGE FINAL COMPENSATION.~~

~~(G) (F) (1) A MEMBER WHO IS SUBJECT TO THE REFORMED CONTRIBUTORY PENSION BENEFIT UNDER SUBTITLE 2, PART IV OF THIS TITLE BEGINS MEMBERSHIP ON OR AFTER JULY 1, 2011, MAY RETIRE WITH A NORMAL SERVICE RETIREMENT ALLOWANCE IF:~~

~~(I) THE MEMBER COMPLETES AND SUBMITS A WRITTEN APPLICATION TO THE BOARD OF TRUSTEES STATING THE DATE WHEN THE MEMBER DESIRES TO RETIRE; AND~~

~~(II) ON OR BEFORE THE DATE OF RETIREMENT, THE MEMBER:~~

~~1. HAS AT LEAST ~~30~~ 90 YEARS OF COMBINED AGE AND YEARS OF ELIGIBILITY SERVICE; OR~~

1 **2. IS AT LEAST 65 YEARS OLD AND HAS AT LEAST 10**
 2 **YEARS OF ELIGIBILITY SERVICE.**

3 **(2) ~~ON RETIREMENT UNDER THIS SUBSECTION, A~~ A MEMBER**
 4 **WHO IS SUBJECT TO THE REFORMED CONTRIBUTORY PENSION BENEFIT UNDER**
 5 **SUBTITLE 2, PART IV OF THIS TITLE IS ENTITLED TO RECEIVE A NORMAL**
 6 **SERVICE RETIREMENT THAT EQUALS THE NUMBER OF YEARS OF THE MEMBER'S**
 7 **CREDITABLE SERVICE MULTIPLIED BY 1.5% OF THE MEMBER'S AVERAGE FINAL**
 8 **COMPENSATION.**

9 23-402.

10 (a) **[A] EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION, A**
 11 **member may retire with an early service retirement allowance if:**

12 (1) the member completes and submits a written application to the
 13 Board of Trustees stating the date when the member desires to retire; and

14 (2) on or before the date of retirement, the member:

15 (i) has at least 15 years but less than 30 years of eligibility
 16 service; and

17 (ii) is at least 55 but less than 62 years old.

18 (b) **~~A MEMBER WHO IS SUBJECT TO THE REFORMED CONTRIBUTORY~~**
 19 **~~PENSION BENEFIT UNDER SUBTITLE 2, PART IV OF THIS TITLE~~ BEGINS**
 20 **MEMBERSHIP ON OR AFTER JULY 1, 2011, MAY RETIRE WITH AN EARLY SERVICE**
 21 **RETIREMENT ALLOWANCE IF:**

22 (1) **THE MEMBER COMPLETES AND SUBMITS A WRITTEN**
 23 **APPLICATION TO THE BOARD OF TRUSTEES STATING THE DATE WHEN THE**
 24 **MEMBER DESIRES TO RETIRE; AND**

25 (2) **ON OR BEFORE THE DATE OF RETIREMENT, THE MEMBER:**

26 (I) **HAS AT LEAST 15 YEARS OF ELIGIBILITY SERVICE; AND**

27 (II) **IS AT LEAST 60 BUT LESS THAN 65 YEARS OLD.**

28 (c) (1) **[On] EXCEPT ~~AS~~ AS PROVIDED IN PARAGRAPH (2) OF THIS**
 29 **SUBSECTION, ON retirement under this section, a member is entitled to receive an**
 30 **early service retirement allowance that equals the normal service retirement**

1 allowance under § 23–401 of this subtitle, reduced by 0.5% for each month that the
2 member's early retirement date precedes the date the member will be 62 years old.

3 (2) ON RETIREMENT UNDER THIS SECTION, A MEMBER WHO ~~IS~~
4 ~~SUBJECT TO THE REFORMED CONTRIBUTORY PENSION BENEFIT UNDER~~
5 ~~SUBTITLE 2, PART IV OF THIS TITLE~~ BEGINS MEMBERSHIP ON OR AFTER JULY
6 1, 2011, IS ENTITLED TO RECEIVE AN EARLY SERVICE RETIREMENT ALLOWANCE
7 THAT EQUALS THE NORMAL SERVICE RETIREMENT ALLOWANCE TO WHICH THE
8 MEMBER WOULD OTHERWISE BE ENTITLED TO UNDER § 23–401(~~G~~) OF THIS
9 SUBTITLE, REDUCED BY 0.5% FOR EACH MONTH THAT THE MEMBER'S EARLY
10 RETIREMENT DATE PRECEDES THE DATE THE MEMBER WILL BE 65 YEARS OLD.

11 24–401.

12 (a) (1) (I) THIS PARAGRAPH APPLIES TO AN INDIVIDUAL WHO IS A
13 MEMBER ON OR BEFORE JUNE 30, 2011.

14 (II) A member may retire with a normal service retirement
15 allowance if:

16 [(1)] 1. on or before the date of retirement, the member:

17 [(i)] A. has at least 22 years of eligibility service; or

18 [(ii)] B. is at least 50 years old; and

19 [(2)] 2. the member completes and submits a written
20 application to the Board of Trustees, on the form that the Board of Trustees provides,
21 stating the date when the member desires to retire.

22 (2) (I) THIS PARAGRAPH APPLIES TO AN INDIVIDUAL WHO
23 BECOMES A MEMBER ON OR AFTER JULY 1, 2011.

24 (II) A MEMBER MAY RETIRE WITH A NORMAL SERVICE
25 RETIREMENT ALLOWANCE IF:

26 1. ON OR BEFORE THE DATE OF RETIREMENT, THE
27 MEMBER:

28 A. HAS AT LEAST 25 YEARS OF ELIGIBILITY SERVICE;

29 OR

30 B. IS AT LEAST 50 YEARS OLD; AND

1 **2. THE MEMBER COMPLETES AND SUBMITS A**
 2 **WRITTEN APPLICATION TO THE BOARD OF TRUSTEES, ON THE FORM THAT THE**
 3 **BOARD OF TRUSTEES PROVIDES, STATING THE DATE WHEN THE MEMBER**
 4 **DESIRES TO RETIRE.**

5 24-401.1.

6 (c) (1) **(I) THIS PARAGRAPH APPLIES TO AN INDIVIDUAL WHO IS A**
 7 **MEMBER OF THE STATE POLICE RETIREMENT SYSTEM ON OR BEFORE JUNE 30,**
 8 **2011.**

9 **(II)** Except for the Secretary of State Police, a member of the
 10 State Police Retirement System is eligible to participate in the DROP if the member:

11 ~~(i)~~ **1.** has at least 22 and less than 28 years of eligibility
 12 service; ~~and~~

13 ~~(ii)~~ **2.** is less than 60 years old; ~~AND~~

14 ~~(iii)~~ ~~**HAS AT LEAST 5 YEARS OF ELIGIBILITY SERVICE AS OF**~~
 15 ~~**JULY 1, 2011.**~~

16 ~~(2)~~ **(III)** The Secretary of State Police is eligible to participate in the
 17 DROP if the Secretary has at least 22 years of eligibility service ~~AND HAS AT LEAST 5~~
 18 ~~**YEARS OF ELIGIBILITY SERVICE AS OF JULY 1, 2011.**~~

19 **(2) (I) THIS PARAGRAPH APPLIES TO AN INDIVIDUAL WHO**
 20 **BECOMES A MEMBER OF THE STATE POLICE RETIREMENT SYSTEM ON OR**
 21 **AFTER JULY 1, 2011.**

22 **(II) EXCEPT FOR THE SECRETARY OF STATE POLICE, A**
 23 **MEMBER OF THE STATE POLICE RETIREMENT SYSTEM IS ELIGIBLE TO**
 24 **PARTICIPATE IN THE DROP IF THE MEMBER:**

25 **1. HAS AT LEAST 25 YEARS AND NOT LESS THAN 29**
 26 **YEARS OF ELIGIBILITY SERVICE; AND**

27 **2. IS LESS THAN 60 YEARS OLD.**

28 **(III) THE SECRETARY OF STATE POLICE IS ELIGIBLE TO**
 29 **PARTICIPATE IN THE DROP IF THE SECRETARY HAS AT LEAST 25 YEARS OF**
 30 **ELIGIBILITY SERVICE.**

1 (d) An eligible member may elect to participate in the DROP for a period not
2 to exceed the lesser of:

3 (1) 4 years;

4 (2) **(I) the difference between 28 years and the member's eligibility**
5 **service as of the date of the member's election to participate in the DROP and retire**
6 **from the State Police Retirement System, IF THE MEMBER IS A MEMBER OF THE**
7 **STATE POLICE RETIREMENT SYSTEM ON OR BEFORE JUNE 30, 2011; OR**

8 **(II) THE DIFFERENCE BETWEEN 29 YEARS AND THE**
9 **MEMBER'S ELIGIBILITY SERVICE AS OF THE DATE OF THE MEMBER'S ELECTION**
10 **TO PARTICIPATE IN THE DROP AND RETIRE FROM THE STATE POLICE**
11 **RETIREMENT SYSTEM, IF THE MEMBER BECOMES A MEMBER OF THE STATE**
12 **POLICE RETIREMENT SYSTEM ON OR AFTER JULY 1, 2011;**

13 (3) the difference between age 60 and the member's age as of the date
14 of the member's election to participate in the DROP and retire from the State Police
15 Retirement System; or

16 (4) a term selected by the member.

17 (h) (2) During the period that a DROP member participates in the DROP,
18 the Board of Trustees shall:

19 (i) deposit the DROP member's normal service retirement
20 allowance in the DROP for the DROP member's benefit;

21 (ii) adjust the DROP member's normal service retirement
22 allowance each fiscal year as provided in Title 29, Subtitle 4, Part III of this article;
23 and

24 (iii) accrue interest on the amounts calculated under items (i)
25 and (ii) of this paragraph for the DROP member into the DROP at the rate of:

26 **1. 6% a year, compounded monthly IF THE INDIVIDUAL**
27 **IS A DROP MEMBER ON OR BEFORE JUNE 30, 2011; OR**

28 **2. 4% A YEAR, COMPOUNDED ANNUALLY, IF THE**
29 **INDIVIDUAL BECOMES A DROP MEMBER ON OR AFTER JULY 1, 2011.**

30 26-204.

31 (a) Except as provided in subsection (b) of this section, a member's
32 contribution rate is:

1 **(1) 4% of the member's earnable compensation RECEIVED BEFORE**
 2 **JULY 1, 2011;**

3 **(2) 6% OF THE MEMBER'S EARNABLE COMPENSATION RECEIVED**
 4 **FROM JULY 1, 2011 TO JUNE 30, 2012, BOTH INCLUSIVE; AND**

5 **(3) 7% OF THE MEMBER'S EARNABLE COMPENSATION RECEIVED**
 6 **ON OR AFTER JULY 1, 2012.**

7 26-401.1.

8 ~~(e) (1) In this subsection, "creditable service" does not include credit for~~
 9 ~~unused sick leave as provided in § 20-206 of this article.~~

10 ~~(2) A member of the Law Enforcement Officers' Pension System is~~
 11 ~~eligible to participate in the DROP if the member has at least 25 and less than 30~~
 12 ~~years of creditable service AND HAS AT LEAST 5 YEARS OF CREDITABLE SERVICE~~
 13 ~~ON OR BEFORE JULY 1, 2011.~~

14 (h) (2) During the period that a DROP member participates in the DROP,
 15 the Board of Trustees shall:

16 (i) deposit the DROP member's normal service retirement
 17 allowance in the DROP for the DROP member's benefit;

18 (ii) adjust the DROP member's normal service retirement
 19 allowance each fiscal year as provided in Title 29, Subtitle 4, Part VI of this article;
 20 and

21 (iii) accrue interest on the amounts calculated under
 22 subparagraphs (i) and (ii) of this paragraph for the DROP member into the DROP at
 23 the rate of:

24 **1. 6% a year, compounded monthly IF THE INDIVIDUAL**
 25 **IS A DROP MEMBER ON OR BEFORE JUNE 30, 2011; OR**

26 **2. 4% A YEAR, COMPOUNDED ANNUALLY, IF THE**
 27 **INDIVIDUAL BECOMES A DROP MEMBER ON OR AFTER JULY 1, 2011.**

28 ~~27-202.~~

29 ~~(a) Except as provided in [subsection] SUBSECTIONS (b) AND (c) of this~~
 30 ~~section, a member's contribution rate is:~~

1 ~~(1) 6% of the member's earnable compensation RECEIVED BEFORE~~
2 ~~JULY 1, 2011; AND~~

3 ~~(2) 8% OF THE MEMBER'S EARNABLE COMPENSATION RECEIVED~~
4 ~~ON OR AFTER JULY 1, 2011.~~

5 ~~(b) THE CONTRIBUTION RATE FOR AN INDIVIDUAL WHO BECOMES A~~
6 ~~MEMBER ON OR AFTER JULY 1, 2011, IS 8% OF THE MEMBER'S EARNABLE~~
7 ~~COMPENSATION.~~

8 ~~(c) After 16 years of service as a member, a member does not make any~~
9 ~~further contributions.~~

10 29-302.

11 (a) This section applies only to members of:

12 (1) the Correctional Officers' Retirement System;

13 (2) the Employees' Retirement System;

14 (3) the State Police Retirement System; and

15 (4) the Teachers' Retirement System.

16 (b) (1) THIS SUBSECTION APPLIES TO AN INDIVIDUAL WHO IS A
17 MEMBER ON OR BEFORE JUNE 30, 2011.

18 (2) A member may elect to receive a vested allowance if:

19 (i) the member is separated from employment other than by
20 death or retirement; and

21 (ii) subject to paragraph [(2)] (3) of this subsection, the member
22 has at least 5 years of eligibility service.

23 [(2)] (3) A former member of the State Police Retirement System
24 who separated from employment on or before June 30, 1989, must have at least 15
25 years of eligibility service to elect a vested allowance.

26 [(3)] (4) A member is deemed to have elected a vested allowance,
27 unless the member requests the return of the accumulated contributions before
28 membership ends.

1 **(B-1) (1) THIS SUBSECTION APPLIES TO AN INDIVIDUAL WHO BECOMES**
 2 **A MEMBER ON OR AFTER JULY 1, 2011.**

3 **(2) A MEMBER IS ELIGIBLE TO RECEIVE A VESTED ALLOWANCE**
 4 **IF:**

5 **(I) THE MEMBER SEPARATED FROM EMPLOYMENT OTHER**
 6 **THAN BY DEATH OR RETIREMENT; AND**

7 **(II) THE MEMBER HAS AT LEAST 10 YEARS OF ELIGIBILITY**
 8 **SERVICE.**

9 29-303.

10 (a) This section applies only to members of:

11 (1) the Employees' Pension System;

12 (2) the Local Fire and Police System;

13 (3) the Law Enforcement Officers' Pension System; or

14 (4) the Teachers' Pension System.

15 (b) **(1) [A] ~~EXCEPT AS PROVIDED IN SUBSECTION (H) OF THIS~~**
 16 **~~SECTION, A THIS SUBSECTION APPLIES TO AN INDIVIDUAL WHO IS A MEMBER~~**
 17 **ON OR BEFORE JUNE 30, 2011.**

18 **(2) A** member is eligible to receive a vested allowance if:

19 ~~(1)~~ **(I)** the member separated from employment other than by
 20 death or retirement; and

21 ~~(2)~~ **(II)** the member has at least 5 years of eligibility service.

22 **(B-1) (1) THIS SUBSECTION APPLIES TO AN INDIVIDUAL WHO BECOMES**
 23 **A MEMBER ON OR AFTER JULY 1, 2011.**

24 **(2) A MEMBER IS ELIGIBLE TO RECEIVE A VESTED ALLOWANCE**
 25 **IF:**

26 **(I) THE MEMBER SEPARATED FROM EMPLOYMENT OTHER**
 27 **THAN BY DEATH OR RETIREMENT; AND**

1 (II) THE MEMBER HAS AT LEAST 10 YEARS OF ELIGIBILITY
 2 SERVICE.

3 ~~(e) Except as provided in subsections (c), (f), [and] (g), AND (H) of this~~
 4 ~~section, a vested allowance:~~

5 (1) ~~is a deferred allowance that begins at normal retirement age;~~

6 (2) ~~is computed as a normal service retirement allowance on the basis~~
 7 ~~of the member's average final compensation and eligibility service at separation from~~
 8 ~~employment; and~~

9 (3) ~~may be paid in one of the optional forms of allowances under §~~
 10 ~~21-403 of this article.~~

11 ~~(e) Except as provided in [subsection] SUBSECTIONS (f) AND (H) of this~~
 12 ~~section, a former member of the Employees' Pension System or the Teachers' Pension~~
 13 ~~System who has separated from employment before the age of 55 with at least 15~~
 14 ~~years of eligibility service is eligible to receive a vested allowance that:~~

15 (1) ~~begins on the first day of the month following the member's 55th~~
 16 ~~birthday; and~~

17 (2) ~~equals the reduced allowance computed under § 23-402 of this~~
 18 ~~article.~~

19 ~~(H) (1) A MEMBER WHO IS SUBJECT TO THE REFORMED~~
 20 ~~CONTRIBUTORY PENSION BENEFIT UNDER TITLE 23, SUBTITLE 2, PART IV OF~~
 21 ~~THIS ARTICLE IS ELIGIBLE TO RECEIVE A VESTED ALLOWANCE IF:~~

22 ~~(I) THE MEMBER SEPARATED FROM EMPLOYMENT OTHER~~
 23 ~~THAN BY DEATH OR RETIREMENT; AND~~

24 ~~(II) THE MEMBER HAS AT LEAST 10 YEARS OF ELIGIBILITY~~
 25 ~~SERVICE.~~

26 (2) ~~A VESTED ALLOWANCE UNDER THIS SUBSECTION:~~

27 (I) ~~IS A DEFERRED ALLOWANCE THAT MAY BEGIN NO~~
 28 ~~EARLIER THAN NORMAL RETIREMENT AGE;~~

29 (II) ~~IS COMPUTED AS A NORMAL SERVICE RETIREMENT~~
 30 ~~ALLOWANCE ON THE BASIS OF THE MEMBER'S AVERAGE FINAL COMPENSATION~~
 31 ~~AND ELIGIBILITY SERVICE AT SEPARATION FROM EMPLOYMENT; AND~~

~~(H) MAY BE PAID IN ONE OF THE OPTIONAL FORMS OF ALLOWANCES UNDER § 21-403 OF THIS ARTICLE.~~

~~(3) TO COMMENCE RECEIVING A VESTED ALLOWANCE UNDER THIS SUBSECTION, AN INDIVIDUAL SHALL COMPLETE AND SUBMIT A WRITTEN APPLICATION TO THE BOARD OF TRUSTEES.~~

~~(4) AN INDIVIDUAL MAY NOT RECEIVE A VESTED ALLOWANCE FOR THE PERIOD BEFORE THE INDIVIDUAL SUBMITTED A COMPLETED APPLICATION TO THE BOARD OF TRUSTEES.~~

29-404.

(a) Except as provided in subsection (b) of this section, this Part II of this subtitle applies only to an allowance received by a former member, retiree, or surviving beneficiary of a deceased member, former member, or retiree of:

(1) the Employees' Pension System if the deceased member, former member, or retiree was an employee of a participating governmental unit or a former participating governmental unit, other than Frederick County, that has withdrawn while a member; or

(2) the Local Fire and Police System.

*(b) This Part II of this subtitle does not apply to an allowance **OR PORTION OF AN ALLOWANCE** that is:*

*(1) subject to adjustment under Part II, Part IV, Part V, [or] Part VI, **OR PART VII** of this subtitle; **OR***

*(2) **BASED ON CREDITABLE SERVICE EARNED ON OR AFTER JULY 1, 2011.***

29-410.

(a) (1) [This] EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, THIS Part III applies only to an allowance received by:

[(1)] (I) a former member, retiree, or surviving spouse of a member:

[(i)] 1. of the Correctional Officers' Retirement System;

[(ii)] 2. of the Employees' Retirement System or the Teachers' Retirement System who elected Selection A (Additional member contributions);

1 [(iii)] 3. of the State Police Retirement System;

2 [(iv)] 4. who transferred to the Local Fire and Police System
3 from the Employees' Retirement System; or

4 [(v)] 5. who transferred to the Law Enforcement Officers'
5 Pension System from the Employees' Retirement System and had elected Selection A
6 (Additional member contributions); or

7 [(2)] (II) a surviving beneficiary of a deceased former member or
8 retiree described in item [(1)](I) of this [subsection] PARAGRAPH.

9 **(2) THIS PART III APPLIES ONLY TO AN ALLOWANCE BASED ON**
10 **CREDITABLE SERVICE EARNED BEFORE JULY 1, 2011, FOR A FORMER MEMBER,**
11 **RETIREE, SURVIVING SPOUSE OF A MEMBER, OR A SURVIVING BENEFICIARY OF**
12 **A DECEASED FORMER MEMBER OR RETIREE:**

13 **(I) OF THE CORRECTIONAL OFFICERS' RETIREMENT**
14 **SYSTEM; OR**

15 **(II) OF THE STATE POLICE RETIREMENT SYSTEM.**

16 (b) This Part III does not apply to:

17 (1) benefits paid in a single payment;

18 (2) the return of accumulated contributions; or

19 (3) benefits attributable to additional contributions.

20 29-425.

21 (a) This Part VI of this subtitle applies:

22 (1) on or after July 1, 1998 only to an allowance **BASED ON**
23 **CREDITABLE SERVICE EARNED BEFORE JULY 1, 2011, AND** received by a former
24 member, retiree, or surviving beneficiary of a deceased member, former member, or
25 retiree of the Employees' Pension System or the Teachers' Pension System; and

26 (2) on or after December 31, 2000, to an allowance **BASED ON**
27 **CREDITABLE SERVICE EARNED BEFORE JULY 1, 2011, AND** received by a former
28 member, retiree, or surviving beneficiary of a deceased member, former member, or
29 retiree of the Law Enforcement Officers' Pension System.

30 (b) This Part VI of this subtitle does not apply if:

1 (1) the member, former member, or retiree was an employee of:

2 (i) a participating governmental unit that has not elected the
3 contributory pension benefit or the Alternate Contributory Pension Selection of its
4 employees under § 31–116 of this article; or

5 (ii) a former participating governmental unit, other than
6 Frederick County, that has withdrawn before July 1, 1998, while a member; or

7 (2) the member, former member, or retiree:

8 (i) transferred to the Law Enforcement Officers' Pension
9 System from the Employees' Retirement System; and

10 (ii) did not elect to participate in the Law Enforcement Officers'
11 Modified Pension Benefit on or before December 31, 2000 as provided in § 26–211 of
12 this article.

13 **29–428. RESERVED.**

14 **29–429. RESERVED.**

15 **PART VII. ~~THREE/ONE~~ TWO AND ONE-HALF/ONE PERCENT COMPOUND**
16 **ADJUSTMENT.**

17 **29–430.**

18 **THIS PART VII OF THIS SUBTITLE ~~(THREE/ONE~~ (TWO AND**
19 **ONE-HALF/ONE PERCENT COMPOUND ADJUSTMENT) APPLIES TO AN**
20 **ALLOWANCE ~~RECEIVED BY A FORMER MEMBER, RETIREE, OR SURVIVING~~**
21 **~~BENEFICIARY OF A DECEASED MEMBER, FORMER MEMBER, OR RETIREE OF THE~~**
22 **~~EMPLOYEES' PENSION SYSTEM OR THE TEACHERS' PENSION SYSTEM WHO IS~~**
23 **~~SUBJECT TO THE REFORMED CONTRIBUTORY PENSION BENEFIT UNDER TITLE~~**
24 **~~23, SUBTITLE 2, PART IV OF THIS ARTICLE~~ BASED ON CREDITABLE SERVICE**
25 **EARNED ON OR AFTER JULY 1, 2011, FOR:**

26 (1) A FORMER MEMBER, RETIREE, OR SURVIVING SPOUSE OF A
27 MEMBER OF:

28 (I) THE CORRECTIONAL OFFICERS' RETIREMENT SYSTEM;

29 (II) THE EMPLOYEES' PENSION SYSTEM;

30 (III) THE LAW ENFORCEMENT OFFICERS' PENSION SYSTEM;

1 (IV) THE STATE POLICE RETIREMENT SYSTEM; OR

2 (V) THE TEACHERS' PENSION SYSTEM; OR

3 (2) A BENEFICIARY OF THE RETIREE OR FORMER MEMBER
4 DESCRIBED IN ITEM (1) OF THIS SUBSECTION.

5 29-431.

6 EACH FISCAL YEAR, THE BOARD OF TRUSTEES SHALL ADJUST EACH
7 ALLOWANCE AS PROVIDED IN THIS PART VII OF THIS SUBTITLE.

8 29-432.

9 (A) EACH FISCAL YEAR, THE BOARD OF TRUSTEES SHALL ADJUST AN
10 ALLOWANCE BY MULTIPLYING THE ALLOWANCE FOR THE PRECEDING FISCAL
11 YEAR, EXCLUSIVE OF ANY ADDITIONAL VOLUNTARY ANNUITY, BY A RATE THAT:

12 (1) IS OBTAINED BY DIVIDING THE CONSUMER PRICE INDEX FOR
13 THE CALENDAR YEAR ENDING DECEMBER 31 IN THE PRECEDING FISCAL YEAR
14 BY THE CONSUMER PRICE INDEX FOR THE CALENDAR YEAR ENDING DECEMBER
15 31 IN THE SECOND PRECEDING FISCAL YEAR; AND

16 (2) DOES NOT EXCEED:

17 (I) ~~3%~~ 2.5%, IF FOR THE CALENDAR YEAR ENDING
18 DECEMBER 31 IN THE PRECEDING FISCAL YEAR, THE TOTAL INVESTMENT
19 PERFORMANCE OF THE SEVERAL SYSTEMS EQUALS OR EXCEEDS THE ASSUMED
20 RATE OF INVESTMENT RETURN ESTABLISHED BY THE BOARD OF TRUSTEES IN
21 ACCORDANCE WITH § 21-125(C) OF THIS ARTICLE; OR

22 (II) 1%, IF FOR THE CALENDAR YEAR ENDING DECEMBER 31
23 IN THE PRECEDING FISCAL YEAR, THE TOTAL INVESTMENT PERFORMANCE OF
24 THE SEVERAL SYSTEMS DOES NOT EQUAL OR EXCEED THE ASSUMED RATE OF
25 INVESTMENT RETURN ESTABLISHED BY THE BOARD OF TRUSTEES IN
26 ACCORDANCE WITH § 21-125(C) OF THIS ARTICLE.

27 (B) THE ADJUSTMENT UNDER SUBSECTION (A) OF THIS SECTION SHALL
28 BEGIN THE SECOND JULY 1 AFTER THE DAY PRECEDING THE RETIREE'S DATE
29 OF RETIREMENT OR THE FORMER MEMBER'S EFFECTIVE DATE FOR RECEIPT OF
30 A VESTED ALLOWANCE.

1 (c) (1) ~~THE~~ EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS
2 SUBSECTION, THE TOTAL ALLOWANCE PAYABLE IN EACH FISCAL YEAR SHALL
3 BE THE SUM OF:

4 ~~(1)~~ (I) THE ANNUAL RATE OF ALLOWANCE PAID DURING THE
5 PRECEDING FISCAL YEAR;

6 ~~(2)~~ (II) THE ADJUSTMENT IN ALLOWANCE PROVIDED FOR
7 UNDER THIS SECTION; AND

8 ~~(3)~~ (III) ANY ADDITIONAL ANNUITY.

9 (2) (I) IN THIS PARAGRAPH, “ZERO-ADJUSTMENT FISCAL
10 YEAR” MEANS ANY FISCAL YEAR WHEN THE ALLOWANCE ADJUSTED AS
11 PROVIDED IN SUBSECTION (A) OF THIS SECTION IS LESS THAN THE ALLOWANCE
12 PAID FOR THE PRECEDING FISCAL YEAR.

13 (II) FOR ANY FISCAL YEAR, THE ALLOWANCE PAYABLE MAY
14 NOT BE LESS THAN THE ALLOWANCE PAID FOR THE PRECEDING FISCAL YEAR.

15 (III) 1. THIS SUBPARAGRAPH APPLIES ONLY TO A FISCAL
16 YEAR THAT IS NOT A ZERO-ADJUSTMENT FISCAL YEAR.

17 2. SUBJECT TO SUBSUBPARAGRAPH 3 OF THIS
18 SUBPARAGRAPH:

19 A. FOR A FISCAL YEAR THAT FOLLOWS IMMEDIATELY
20 AFTER A ZERO-ADJUSTMENT FISCAL YEAR, THE ALLOWANCE PAYABLE AS
21 PROVIDED IN PARAGRAPH (1) OF THIS SUBSECTION SHALL BE REDUCED BY THE
22 DIFFERENCE BETWEEN THE ALLOWANCE PAID IN THE PRECEDING FISCAL YEAR
23 AND THE ALLOWANCE THAT WOULD HAVE BEEN PAYABLE FOR THE PRECEDING
24 FISCAL YEAR IF THE ALLOWANCE FOR THAT FISCAL YEAR HAD BEEN
25 CALCULATED WITHOUT REGARD TO SUBPARAGRAPH (II) OF THIS PARAGRAPH;
26 AND

27 B. FOR A FISCAL YEAR THAT FOLLOWS IMMEDIATELY
28 AFTER 2 OR MORE CONSECUTIVE ZERO-ADJUSTMENT FISCAL YEARS, THE
29 ALLOWANCE PAYABLE AS PROVIDED IN PARAGRAPH (1) OF THIS SUBSECTION
30 SHALL BE REDUCED BY THE DIFFERENCE BETWEEN THE TOTAL OF THE
31 ALLOWANCES PAID IN EACH CONSECUTIVE ZERO-ADJUSTMENT FISCAL YEAR
32 PRECEDING THE FISCAL YEAR AND THE TOTAL ALLOWANCES THAT WOULD
33 HAVE BEEN PAYABLE FOR EACH OF THOSE FISCAL YEARS IF THE ALLOWANCE
34 FOR EACH OF THOSE FISCAL YEARS HAD BEEN CALCULATED WITHOUT REGARD
35 TO SUBPARAGRAPH (II) OF THIS PARAGRAPH.

1 **3. IF THE AMOUNT OF THE REDUCTION REQUIRED**
 2 **FOR ANY FISCAL YEAR UNDER SUBSUBPARAGRAPH 2 OF THIS SUBPARAGRAPH**
 3 **EXCEEDS THE DIFFERENCE BETWEEN THE ALLOWANCE AS PROVIDED IN**
 4 **PARAGRAPH (1) OF THIS SUBSECTION FOR THE FISCAL YEAR AND THE**
 5 **ALLOWANCE PAID IN THE PRECEDING FISCAL YEAR, THE EXCESS SHALL BE**
 6 **DEDUCTED IN FUTURE YEARS, SUBJECT TO SUBPARAGRAPH (II) OF THIS**
 7 **PARAGRAPH, UNTIL THE DIFFERENCE IS FULLY RECOVERED.**

8 ~~**29-433. RESERVED.**~~

9 ~~**29-434. RESERVED.**~~

10 ~~**PART VIII. THREE/ONE PERCENT COMPOUND COMBINATION ADJUSTMENT.**~~

11 ~~**29-435.**~~

12 ~~**(A) THIS PART VIII APPLIES ONLY TO AN ALLOWANCE BASED ON**~~
 13 ~~**CREDITABLE SERVICE EARNED ON OR AFTER JULY 1, 2011, FOR:**~~

14 ~~**(1) A FORMER MEMBER, RETIREE, OR SURVIVING SPOUSE OF A**~~
 15 ~~**MEMBER OF:**~~

16 ~~**(I) THE CORRECTIONAL OFFICERS' RETIREMENT SYSTEM;**~~

17 ~~**(II) THE EMPLOYEES' PENSION SYSTEM;**~~

18 ~~**(III) THE LAW ENFORCEMENT OFFICERS' PENSION SYSTEM;**~~

19 ~~**(IV) THE STATE POLICE RETIREMENT SYSTEM; OR**~~

20 ~~**(V) THE TEACHERS' PENSION SYSTEM; OR**~~

21 ~~**(2) A BENEFICIARY OF THE RETIREE OR FORMER MEMBER**~~
 22 ~~**DESCRIBED IN ITEM (1) OF THIS SUBSECTION.**~~

23 ~~**(B) THIS PART VIII OF THIS SUBTITLE DOES NOT APPLY IF:**~~

24 ~~**(1) THE MEMBER, FORMER MEMBER, OR RETIREE WAS:**~~

25 ~~**(I) SUBJECT TO THE REFORMED CONTRIBUTORY PENSION**~~
 26 ~~**BENEFIT;**~~

~~(H) AN EMPLOYEE OF A PARTICIPATING GOVERNMENTAL UNIT THAT HAS NOT ELECTED THE CONTRIBUTORY PENSION BENEFIT OR THE ALTERNATE CONTRIBUTORY PENSION SELECTION OF ITS EMPLOYEES UNDER § 31-116 OF THIS ARTICLE; OR~~

~~(III) AN EMPLOYEE OF A FORMER PARTICIPATING GOVERNMENTAL UNIT, OTHER THAN FREDERICK COUNTY, THAT HAS WITHDRAWN BEFORE JULY 1, 1998, WHILE A MEMBER; OR~~

~~(2) THE MEMBER, FORMER MEMBER, OR RETIREE:~~

~~(I) TRANSFERRED TO THE LAW ENFORCEMENT OFFICERS' PENSION SYSTEM FROM THE EMPLOYEES' RETIREMENT SYSTEM; AND~~

~~(II) DID NOT ELECT TO PARTICIPATE IN THE LAW ENFORCEMENT OFFICERS' MODIFIED PENSION BENEFIT ON OR BEFORE DECEMBER 31, 2000, AS PROVIDED IN § 26-211 OF THIS ARTICLE.~~

~~29-436.~~

~~EXCEPT AS PROVIDED IN SUBSECTIONS (B) AND (C) OF THIS SECTION, THE BOARD OF TRUSTEES SHALL ADJUST AN ALLOWANCE DESCRIBED IN § 29-435 OF THIS SUBTITLE:~~

~~(1) FOR CREDITABLE SERVICE EARNED BEFORE JULY 1, 2011, AS PROVIDED BY PART VI OF THIS SUBTITLE; AND~~

~~(2) FOR CREDITABLE SERVICE ON OR AFTER JULY 1, 2011, AS PROVIDED BY PART VII OF THIS SUBTITLE.~~

~~31-116.2.~~

(A) (1) ~~THIS~~ EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, THIS SECTION APPLIES TO AN INDIVIDUAL WHO BECOMES AN EMPLOYEE OF A PARTICIPATING GOVERNMENTAL UNIT ON OR AFTER JULY 1, 2011.

(2) THIS SECTION DOES NOT APPLY TO AN INDIVIDUAL WHO BECOMES AN EMPLOYEE OF:

(I) A PARTICIPATING GOVERNMENTAL UNIT THAT ON JULY 1, 2011, IS PARTICIPATING IN THE EMPLOYEES' PENSION SYSTEM AND HAS NOT ELECTED TO PARTICIPATE IN THE ALTERNATE CONTRIBUTORY PENSION SELECTION UNDER § 31-116.1 OF THIS ARTICLE; OR

1 **(II) A FORMER PARTICIPATING GOVERNMENTAL UNIT,**
2 **OTHER THAN FREDERICK COUNTY, THAT HAS WITHDRAWN FROM THE**
3 **EMPLOYEES' PENSION SYSTEM ON OR BEFORE JUNE 30, 2011.**

4 **(B) AN INDIVIDUAL DESCRIBED IN SUBSECTION (A) OF THIS SECTION IS**
5 **SUBJECT TO THE REFORMED CONTRIBUTORY PENSION BENEFIT UNDER TITLE**
6 **23, SUBTITLE 2, PART IV OF THIS ARTICLE.**

7 34–101.

8 (d) [For fiscal year 2013 and each fiscal year thereafter, the following funds
9 shall be deposited into the Postretirement Health Benefits Trust Fund:

10 (1) any subsidy received by the State that is provided to employers as
11 a result of the federal Medicare Prescription Drug, Improvement, and Modernization
12 Act of 2003, or similar federal subsidy received as a result of the State's prescription
13 drug program; and

14 **(2)] THE POSTRETIREMENT HEALTH BENEFITS TRUST FUND**
15 **SHALL CONSIST OF** any funds appropriated to the Postretirement Health Benefits
16 Trust Fund, whether directly or through the budgets of any State agency.

17 37–101.

18 (j) (1) “Noncontributory system” means a State or local retirement or
19 pension system under which member contributions are not deducted from all
20 compensation.

21 (2) “Noncontributory system” includes the part of the Employees’
22 Pension System of the State of Maryland and the part of the Teachers’ Pension System
23 of the State of Maryland that does not provide a contributory pension benefit under
24 Title 23, Subtitle 2, Part II of this article or the Alternate Contributory Pension
25 Selection under Title 23, Subtitle 2, Part III of this article **OR THE REFORMED**
26 **CONTRIBUTORY PENSION BENEFIT UNDER TITLE 23, SUBTITLE 2, PART IV OF**
27 **THIS ARTICLE.**

28 **(R-1) “STATE REFORMED CONTRIBUTORY EMPLOYEES’ PENSION**
29 **SYSTEM” MEANS THE PART OF THE EMPLOYEES’ PENSION SYSTEM OF THE**
30 **STATE OF MARYLAND THAT PROVIDES THE REFORMED CONTRIBUTORY**
31 **PENSION BENEFIT UNDER TITLE 23, SUBTITLE 2, PART IV OF THIS ARTICLE.**

32 **(R-2) “STATE REFORMED CONTRIBUTORY TEACHERS’ PENSION SYSTEM”**
33 **MEANS THE PART OF THE TEACHERS’ PENSION SYSTEM OF THE STATE OF**

1 MARYLAND THAT PROVIDES THE REFORMED CONTRIBUTORY PENSION BENEFIT
2 UNDER TITLE 23, SUBTITLE 2, PART IV OF THIS ARTICLE.

3 37-203.

4 (a) This section does not apply to a transfer of service credit to or from the
5 State Alternate Contributory Employees' Pension System, the State Alternate
6 Contributory Teachers' Pension System, the State Contributory Employees' Pension
7 System, the State Contributory Law Enforcement Officers' Pension System, [or] the
8 State Contributory Teachers' Pension System, THE STATE REFORMED
9 CONTRIBUTORY EMPLOYEES' PENSION SYSTEM, OR THE STATE REFORMED
10 CONTRIBUTORY TEACHERS' PENSION SYSTEM.

11 37-203.1.

12 (a) (1) An individual may transfer service credit from a contributory
13 system to the State Alternate Contributory Employees' Pension System, the State
14 Alternate Contributory Teachers' Pension System, the State Contributory Employees'
15 Pension System, the State Contributory Law Enforcement Officers' Pension System,
16 [or] the State Contributory Teachers' Pension System, THE STATE REFORMED
17 CONTRIBUTORY EMPLOYEES' PENSION SYSTEM, OR THE STATE REFORMED
18 CONTRIBUTORY TEACHERS' PENSION SYSTEM if, within 1 year after becoming a
19 member of the pension system, the individual:

20 (i) completes a claim for the service credit and files it with the
21 Board of Trustees of the State Retirement and Pension System on a form that the
22 Board of Trustees provides; and

23 (ii) deposits in the annuity savings fund of:

24 1. the Employees' Pension System or Teachers' Pension
25 System member contributions at the rate applicable for the period of service if the
26 member had earned the transferred service credit in the new system, including
27 regular interest on the contributions at the rate of 5% per year compounded annually;
28 or

29 2. the Law Enforcement Officers' Pension System
30 member contributions at the rate of 4% of the individual's earnable compensation
31 while a member of the contributory system after June 30, 2000, including regular
32 interest on the contributions at the rate of 5% per year compounded annually.

33 (2) Subject to § 414(h) of the Internal Revenue Code, the contributory
34 system shall refund the individual's accumulated contributions in excess of the
35 amount determined under paragraph (1) of this subsection on request.

1 **(b) (1)** Subject to paragraph (2) of this subsection, an individual may
2 transfer service credit from a noncontributory system to the State Alternate
3 Contributory Employees' Pension System, the State Alternate Contributory Teachers'
4 Pension System, the State Contributory Employees' Pension System, the State
5 Contributory Law Enforcement Officers' Pension System, [or] the State Contributory
6 Teachers' Pension System, **THE STATE REFORMED CONTRIBUTORY EMPLOYEES'**
7 **PENSION SYSTEM, OR THE STATE REFORMED CONTRIBUTORY TEACHERS'**
8 **PENSION SYSTEM** if, within 1 year after becoming a member of the pension system,
9 the individual completes a claim for the service credit and files it with the Board of
10 Trustees for the State Retirement and Pension System on a form that the Board of
11 Trustees provides.

12 **(3) (i) 1.** This subparagraph applies only to an individual who
13 transferred service credit from a noncontributory system to the State Alternate
14 Contributory Employees' Pension System, the State Alternate Contributory Teachers'
15 Pension System, the State Contributory Employees' Pension System, [or] the State
16 Contributory Teachers' Pension System, **THE STATE REFORMED CONTRIBUTORY**
17 **EMPLOYEES' PENSION SYSTEM, OR THE STATE REFORMED CONTRIBUTORY**
18 **TEACHERS' PENSION SYSTEM** and earned any portion of the transferred service
19 credit in a noncontributory system after June 30, 1998.

20 **(c) (1)** An individual may transfer service credit from the State Alternate
21 Contributory Employees' Pension System, the State Alternate Contributory Teachers'
22 Pension System, the State Contributory Employees' Pension System, the State
23 Contributory Law Enforcement Officers' Pension System, [or] the State Contributory
24 Teachers' Pension System, **THE STATE REFORMED CONTRIBUTORY EMPLOYEES'**
25 **PENSION SYSTEM, OR THE STATE REFORMED CONTRIBUTORY TEACHERS'**
26 **PENSION SYSTEM** to a noncontributory system if, within 1 year after becoming a
27 member of the noncontributory system, the individual completes a claim for the
28 service credit and files it with the administrator of the noncontributory system on a
29 form that the administrator provides.

30 **(d) (1)** An individual may transfer service credit from the State Alternate
31 Contributory Employees' Pension System, the State Alternate Contributory Teachers'
32 Pension System, the State Contributory Employees' Pension System, the State
33 Contributory Law Enforcement Officers' Pension System, [or] the State Contributory
34 Teachers' Pension System, **THE STATE REFORMED CONTRIBUTORY EMPLOYEES'**
35 **PENSION SYSTEM, OR THE STATE REFORMED CONTRIBUTORY TEACHERS'**
36 **PENSION SYSTEM** to a contributory system if, within 1 year after becoming a member
37 of the contributory system, the individual:

38 **(i)** completes a claim for the service credit and files it with the
39 administrator of the contributory system on a form that the administrator provides;
40 and

1 (ii) deposits in the annuity savings fund or other corresponding
2 fund of the contributory system the sum of:

3 1. the total accumulated contributions to the individual's
4 credit in the annuity savings fund of the previous system;

5 2. the difference, if any, between the member
6 contributions at the rate provided for in the contributory system, including interest on
7 those contributions, and the total accumulated contributions to the individual's credit
8 in the annuity savings fund of the previous system; and

9 3. the accumulated contributions that would have been
10 deducted during the period the individual was a member of the State system while it
11 was a noncontributory system if the individual had earned the transferred service
12 credit under the contributory system, including interest on those contributions.

13 38–104.

14 (d) **(1) [The] EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS**
15 **SUBSECTION, THE** service credit for military service that an individual receives under
16 this section shall be applied to the individual's retirement allowance using the accrual
17 rate in effect at the time the individual retires from a State system.

18 **(2) IF AN INDIVIDUAL APPLIES FOR MILITARY SERVICE CREDIT**
19 **ON OR AFTER JULY 1, 2011, THE SERVICE CREDIT FOR MILITARY SERVICE THAT**
20 **THE INDIVIDUAL RECEIVES UNDER THIS SECTION SHALL BE APPLIED TO THE**
21 **INDIVIDUAL'S RETIREMENT ALLOWANCE USING THE ACCRUAL RATE IN EFFECT**
22 **AT THE TIME THE INDIVIDUAL SUBMITS AN APPLICATION FOR MILITARY**
23 **SERVICE CREDIT TO THE STATE RETIREMENT AGENCY.**

24 **Article – Tax – General**

25 2–202.

26 (b) The revenue to be distributed in accordance with subsection (a)(1) of this
27 section:

28 (1) for fiscal year 2010 only, shall be distributed to the General Fund
29 of the State; **[and]**

30 (2) for fiscal year 2011 only, shall be distributed as follows:

31 (i) \$500,000 to the Special Fund for Preservation of Cultural
32 Arts in Maryland, as provided in § 4–801 of the Economic Development Article;

1 (ii) \$500,000 to a special fund, to be used only as provided in
2 subsection (c) of this section; and

3 (iii) the balance to the General Fund of the State; AND

4 (3) FOR FISCAL YEAR 2012 ONLY, SHALL BE DISTRIBUTED AS
5 FOLLOWS:

6 (I) \$500,000 TO A SPECIAL FUND, TO BE USED ONLY AS
7 PROVIDED IN SUBSECTION (C) OF THIS SECTION; AND

8 (II) THE BALANCE AS FOLLOWS:

9 ~~(I) \$1,000,000 TO THE SPECIAL FUND FOR PRESERVATION~~
10 ~~OF CULTURAL ARTS IN MARYLAND, AS PROVIDED IN § 4-801 OF THE ECONOMIC~~
11 ~~DEVELOPMENT ARTICLE; AND~~

12 ~~(II) THE BALANCE TO THE GENERAL FUND OF THE STATE.~~

13 (c) (1) (I) For fiscal year 2011, the Comptroller shall pay from the
14 special fund established under subsection (b)(2)(ii) of this section a grant to the local
15 jurisdictions where the electronic bingo machines or electronic tip jar machines that are
16 the source of the revenue are located, to be used by the local jurisdictions only for
17 one-time capital expenditures.

18 [(2)] (II) A grant under this [subsection] PARAGRAPH shall be paid to
19 a municipal corporation if the machines are located in a municipal corporation or to a
20 county if the machines are not located in a municipal corporation.

21 [(3)] (III) The grants under this [subsection] PARAGRAPH shall be
22 paid to each local jurisdiction in proportion to the amount of tax revenue derived from
23 machines in each jurisdiction.

24 (2) FOR FISCAL YEAR 2012, THE SPECIAL FUND ESTABLISHED
25 UNDER SUBSECTION (B)(3)(I) OF THIS SECTION MAY BE USED ONLY AS
26 FOLLOWS:

27 (I) \$150,000 AS AN APPROPRIATION TO THE STATE
28 ARCHIVES, TO BE USED ONLY FOR THE OPERATING COSTS ASSOCIATED WITH
29 THE DEVELOPMENT AND IMPLEMENTATION OF THE STATE HOUSE MASTER
30 PLAN AS APPROVED BY THE STATE HOUSE TRUST;

31 (II) \$50,000 AS A GRANT TO BE PAID BY THE COMPTROLLER
32 TO THE MARYLAND HUMANITIES COUNCIL; AND

1 (III) IMPACT GRANTS TO BE PAID BY THE COMPTROLLER IN
 2 THE LOCAL JURISDICTIONS WHERE THE ELECTRONIC BINGO MACHINES OR
 3 ELECTRONIC TIP JAR MACHINES ARE LOCATED, AS FOLLOWS:

4 1. \$150,000 IN ANNE ARUNDEL COUNTY TO THE
 5 ANNE ARUNDEL COUNTY VOLUNTEER FIREFIGHTERS ASSOCIATION FOR
 6 CAPITAL EXPENDITURES AND REPLACEMENT OF EQUIPMENT; AND

7 2. \$150,000 IN CALVERT COUNTY AS FOLLOWS:

8 A. \$125,000 TO BE DIVIDED EQUALLY BETWEEN THE
 9 TOWN OF CHESAPEAKE BEACH AND THE TOWN OF NORTH BEACH, TO BE USED
 10 ONLY FOR ONE-TIME CAPITAL EXPENDITURES; AND

11 B. \$25,000 TO THE BEACH TROLLEY ASSOCIATION
 12 OF CHESAPEAKE BEACH AND NORTH BEACH.

13 2-614.

14 (a) (1) [After] EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS
 15 SUBSECTION, AFTER making the distributions required under §§ 2-613 and 2-613.1
 16 of this subtitle, the Comptroller shall distribute monthly [24%] ~~19.5%~~ 17.2% of the
 17 remaining income tax revenue from corporations to a special fund to be distributed as
 18 provided in subsection (b) of this section.

19 (2) THE PERCENT OF THE REMAINING INCOME TAX REVENUE
 20 FROM CORPORATIONS DISTRIBUTED TO A SPECIAL FUND TO BE DISTRIBUTED
 21 AS PROVIDED IN SUBSECTION (B) OF THIS SECTION SHALL BE:

22 (I) 24% FOR THE FISCAL YEAR BEGINNING JULY 1, 2011;

23 AND

24 (II) 9.5% FOR THE FISCAL YEAR BEGINNING JULY 1, 2012;

25 AND

26 (III) 19.5% FOR EACH FISCAL YEAR BEGINNING ON OR AFTER
 27 JULY 1, 2013, BUT BEFORE JULY 1, 2016.

28 (b) (1) (I) [From] EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF
 29 THIS PARAGRAPH, FROM the special fund, the Comptroller shall distribute an
 30 amount equal to [24%] ~~19.5%~~ 17.2% of the cost to administer the income tax on
 31 corporations to an administrative cost account.

1 **(II) THE PERCENT OF THE COST TO ADMINISTER THE**
2 **INCOME TAX ON CORPORATIONS THAT IS DISTRIBUTED TO AN ADMINISTRATIVE**
3 **COST ACCOUNT SHALL BE:**

4 **1. 24% FOR THE FISCAL YEAR BEGINNING JULY 1,**
5 **2011; AND**

6 **2. 9.5% FOR THE FISCAL YEAR BEGINNING JULY 1,**
7 **2012; AND**

8 **(III) 19.5% FOR EACH FISCAL YEAR BEGINNING ON OR AFTER**
9 **JULY 1, 2013, BUT BEFORE JULY 1, 2016.**

10 **(2) After making the distribution required under paragraph (1) of this**
11 **subsection, the Comptroller shall distribute the balance in the special fund to the**
12 **Gasoline and Motor Vehicle Revenue Account in the Transportation Trust Fund.**

13 2-1104.

14 (a) Except as **OTHERWISE** provided in [subsections (b), (c), and (d) of] this
15 section, after making the distributions required under §§ 2-1101 through 2-1103 of
16 this subtitle, from the remaining motor fuel tax revenue, the Comptroller shall
17 distribute:

18 (1) 2.3% to the Chesapeake Bay 2010 Trust Fund; and

19 (2) any remaining balance to the Gasoline and Motor Vehicle Revenue
20 Account of the Transportation Trust Fund.

21 (b) For [the] **EACH** fiscal year beginning **ON OR BEFORE** July 1, [2008]
22 **2015**, instead of the distribution required under subsection (a)(1) of this section, the
23 Comptroller shall distribute 2.3% of the remaining motor fuel tax revenue as follows:

24 (1) **[\$6,500,000]** to the General Fund of the State:

25 **(I) \$5,000,000 FOR EACH FISCAL YEAR BEGINNING ON OR**
26 **BEFORE JULY 1, 2014; AND**

27 **(II) \$4,624,687 FOR THE FISCAL YEAR BEGINNING JULY 1,**
28 **2015; and**

29 (2) the balance to the Chesapeake Bay 2010 Trust Fund.

1 [(c) For the fiscal year beginning July 1, 2009, instead of the distribution
2 required under subsection (a)(1) of this section, the Comptroller shall distribute 2.3%
3 of the remaining motor fuel tax revenue as follows:

4 (1) \$8,385,845 to the General Fund of the State; and

5 (2) the balance to the Chesapeake Bay 2010 Trust Fund.

6 (d) For the fiscal year beginning July 1, 2010, instead of the distribution
7 required under subsection (a)(1) of this section, the Comptroller shall distribute 2.3%
8 of the remaining motor fuel tax revenue as follows:

9 (1) \$5,000,000 to the General Fund of the State; and

10 (2) the balance to the Chesapeake Bay 2010 Trust Fund.]

11 2-1302.1.

12 (a) Except as **OTHERWISE** provided in [subsections (b), (c), and (d) of] this
13 section, after making the distributions required under §§ 2-1301 and 2-1302 of this
14 subtitle, of the sales and use tax collected on short-term vehicle rentals under §
15 11-104(c) of this article the Comptroller shall distribute:

16 (1) 45% to the Transportation Trust Fund established under § 3-216
17 of the Transportation Article; and

18 (2) the remainder to the Chesapeake Bay 2010 Trust Fund.

19 (b) For [the] **EACH** fiscal year beginning **ON OR BEFORE** July 1, [2008]
20 **2014**, after the distribution required under subsection (a)(1) of this section, the
21 Comptroller shall distribute the remainder of the sales and use tax collected on
22 short-term vehicle rentals under § 11-104(c) of this article as follows:

23 (1) [**\$18,500,000**] to the General Fund of the State:

24 (I) ~~\$13,669,444~~ ~~\$16,669,444~~ **\$15,169,444** FOR THE FISCAL
25 YEAR BEGINNING **JULY 1, 2011;**

26 (II) **\$10,076,582** FOR THE FISCAL YEAR BEGINNING **JULY 1,**
27 **2012;**

28 (III) **\$6,535,845** FOR THE FISCAL YEAR BEGINNING **JULY 1,**
29 **2013; AND**

30 (IV) **\$3,049,199** FOR THE FISCAL YEAR BEGINNING **JULY 1,**
31 **2014; and**

1 (2) the remainder to the Chesapeake Bay 2010 Trust Fund.

2 [(c) For the fiscal year beginning July 1, 2009, after the distribution required
3 under subsection (a)(1) of this section, the Comptroller shall distribute the remainder
4 of the sales and use tax collected on short-term vehicle rentals under § 11-104(c) of
5 this article as follows:

6 (1) \$21,100,711 to the General Fund of the State; and

7 (2) the remainder to the Chesapeake Bay 2010 Trust Fund.

8 (d) For the fiscal year beginning July 1, 2010, after the distribution required
9 under subsection (a)(1) of this section, the Comptroller shall distribute the remainder
10 of the sales and use tax collected on short-term vehicle rentals under § 11-104(c) of
11 this article as follows:

12 (1) \$17,101,428 to the General Fund of the State; and

13 (2) the remainder to the Chesapeake Bay 2010 Trust Fund.]

14 [2-1302.2.

15 After making the distributions required under §§ 2-1301 through 2-1302.1 of
16 this subtitle, the Comptroller shall pay into the Transportation Trust Fund
17 established under § 3-216 of the Transportation Article:

18 (1) for each fiscal year beginning before July 1, 2013, 5.3% of the
19 remaining sales and use tax revenue; and

20 (2) for each fiscal year beginning on or after July 1, 2013, 6.5% of the
21 remaining sales and use tax revenue.]

22 2-1303.

23 After making the distributions required under §§ 2-1301 through [2-1302.2]
24 2-1302.1 of this subtitle, the Comptroller shall pay:

25 (1) revenues from the hotel surcharge into the Dorchester County
26 Economic Development Fund established under § 10-130 of the Economic
27 Development Article; and

28 (2) the remaining sales and use tax revenue into the General Fund of
29 the State.

30 11-105.

1 (c) [From January 3, 2008 through June 30, 2011:]

2 (1) [the] **THE** credit allowed under subsection (a) of this section may
3 not exceed \$500 for each return[; and].

4 (2) [for] **FOR** a vendor who files or is eligible to file a consolidated
5 return under § 11-502 of this title, the total maximum credit that the vendor is
6 allowed under this section for all returns filed for any period is \$500.

7 **Article – Tax – Property**

8 2-106.

9 (A) Each county shall provide the supervisor of the county with an office in
10 the county seat or in Baltimore City, for the supervisor of Baltimore City. The
11 Department is responsible for providing each supervisor with clerical staff, equipment,
12 and other facilities and assistance that the Department considers necessary and as
13 provided in the State budget.

14 (B) **(1) EACH EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS**
15 **SUBSECTION, EACH** COUNTY AND BALTIMORE CITY SHALL BE RESPONSIBLE
16 FOR REIMBURSING THE STATE FOR THE COSTS OF ADMINISTERING THE
17 DEPARTMENT AS FOLLOWS:

18 ~~(1)~~ **(I) 90% 50%** OF THE COSTS OF REAL PROPERTY
19 VALUATION;

20 ~~(2)~~ **(II) 90% 50%** OF THE COSTS OF BUSINESS PERSONAL
21 PROPERTY VALUATION; AND

22 ~~(3)~~ **(III) 90% 50%** OF THE COSTS OF THE OFFICE OF
23 INFORMATION TECHNOLOGY WITHIN THE DEPARTMENT, INCLUDING ANY
24 FUNDING FOR DEPARTMENTAL PROJECTS IN THE MAJOR INFORMATION
25 TECHNOLOGY DEVELOPMENT PROJECT FUND ESTABLISHED UNDER § 3A-309
26 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

27 **(2) FOR EACH OF FISCAL YEARS 2012 AND 2013, EACH COUNTY**
28 **AND BALTIMORE CITY SHALL BE RESPONSIBLE FOR REIMBURSING THE STATE**
29 **90% INSTEAD OF 50% OF THE COSTS OF ADMINISTERING THE DEPARTMENT**
30 **DESCRIBED IN PARAGRAPH (1) OF THIS SUBSECTION.**

31 (C) COSTS UNDER SUBSECTION (B) OF THIS SECTION SHALL BE
32 ALLOCATED AMONG THE COUNTIES AND BALTIMORE CITY AS FOLLOWS:

1 (1) COSTS UNDER SUBSECTIONS (B)(1) AND (B)(3) OF THIS
2 SECTION WILL BE ALLOCATED BASED ON THE NUMBER OF REAL PROPERTY
3 ACCOUNTS OF A COUNTY OR BALTIMORE CITY AS A PERCENTAGE OF THE TOTAL
4 NUMBER OF REAL PROPERTY ACCOUNTS STATEWIDE AS OF JULY 1 OF THE
5 PRECEDING FISCAL YEAR; AND

6 (2) COSTS UNDER SUBSECTION (B)(2) OF THIS SECTION WILL BE
7 ALLOCATED BASED ON THE BUSINESS PERSONAL PROPERTY ASSESSABLE BASE
8 OF A COUNTY OR BALTIMORE CITY AS A PERCENTAGE OF THE TOTAL BUSINESS
9 PERSONAL PROPERTY ASSESSABLE BASES STATEWIDE AS OF JULY 1 OF THE
10 PRECEDING FISCAL YEAR.

11 (D) EACH COUNTY AND BALTIMORE CITY SHALL REMIT A QUARTERLY
12 PAYMENT TO THE COMPTROLLER FOR 25% OF THE JURISDICTION'S SHARE OF
13 COSTS ON THE FOLLOWING DATES:

- 14 (1) JULY 1;
15 (2) OCTOBER 1;
16 (3) JANUARY 1; AND
17 (4) APRIL 1.

18 (E) THE COMPTROLLER MAY WITHHOLD A PORTION OF A LOCAL
19 INCOME TAX DISTRIBUTION OF A COUNTY OR BALTIMORE CITY THAT FAILS TO
20 MAKE TIMELY PAYMENT IN ACCORDANCE WITH THIS SECTION.

21 ~~9-103.~~

22 ~~(d) (1) The appropriate governing body shall calculate the amount of the~~
23 ~~tax credit under this section equal to a percentage of the amount of property tax~~
24 ~~imposed on the eligible assessment of the qualified property, as follows:~~

25 ~~(i) [80%] 50% in each of the 1st [5] 6 taxable years following~~
26 ~~the calendar year in which the property initially becomes a qualified property;~~

27 ~~(ii) [70% in the 6th taxable year;~~

28 ~~(iii) [60%] 40% in the 7th taxable year;~~

29 ~~[(iv)] (III) [50%] 30% in the 8th taxable year;~~

30 ~~[(v)] (IV) [40%] 20% in the 9th taxable year; and~~

1 ~~[(vi)] (v) [30%] 10% in the 10th taxable year.~~

2 ~~(4) For qualified property located in a focus area, the appropriate~~
3 ~~governing body shall calculate the amount of the tax credit under this section equal to~~
4 ~~[80%] 50% of the amount of property tax imposed on the eligible assessment of the~~
5 ~~qualified property for each of the 10 taxable years following the calendar year in which~~
6 ~~the property initially becomes a qualified property.~~

7 ~~9-255.~~

8 ~~(A) IN THIS SECTION, "ELIGIBLE ASSESSMENT" AND "QUALIFIED~~
9 ~~PROPERTY" HAVE THE MEANINGS STATED IN § 9-103 OF THIS TITLE.~~

10 ~~(B) (1) THE MAYOR AND CITY COUNCIL OF BALTIMORE CITY OR THE~~
11 ~~GOVERNING BODY OF A COUNTY OR OF A MUNICIPAL CORPORATION MAY~~
12 ~~GRANT, BY LAW, A LOCAL SUPPLEMENT TO THE PROPERTY TAX CREDIT~~
13 ~~REQUIRED UNDER § 9-103 OF THIS TITLE AGAINST THE PROPERTY TAX~~
14 ~~IMPOSED ON THE ELIGIBLE ASSESSMENT OF QUALIFIED PROPERTY.~~

15 ~~(2) A COUNTY OR MUNICIPAL CORPORATION MAY NOT OBTAIN~~
16 ~~REIMBURSEMENT UNDER § 9-103(H) OF THIS TITLE FOR THE REVENUES THAT~~
17 ~~THE COUNTY OR MUNICIPAL CORPORATION WOULD HAVE COLLECTED IF IT HAD~~
18 ~~NOT GRANTED A LOCAL SUPPLEMENT AS AUTHORIZED UNDER THIS SECTION.~~

19 ~~(C) EXCEPT AS OTHERWISE PROVIDED IN THIS SECTION, THE LOCAL~~
20 ~~SUPPLEMENT AUTHORIZED UNDER THIS SECTION SHALL BE SUBJECT TO THE~~
21 ~~PROVISIONS OF THE PROPERTY TAX CREDIT REQUIRED UNDER § 9-103 OF THIS~~
22 ~~TITLE.~~

23 ~~(D) (1) SUBJECT TO THE LIMITATION UNDER PARAGRAPH (2) OF THIS~~
24 ~~PARAGRAPH, A LOCAL SUPPLEMENT AUTHORIZED UNDER THIS SECTION SHALL~~
25 ~~EQUAL A PERCENTAGE, AS SET BY THE MAYOR AND CITY COUNCIL OF~~
26 ~~BALTIMORE CITY OR THE GOVERNING BODY OF A COUNTY OR OF A MUNICIPAL~~
27 ~~CORPORATION, OF THE AMOUNT OF PROPERTY TAX IMPOSED ON THE ELIGIBLE~~
28 ~~ASSESSMENT OF THE QUALIFIED PROPERTY FOR EACH OF NOT MORE THAN 10~~
29 ~~TAXABLE YEARS FOLLOWING THE CALENDAR YEAR IN WHICH THE PROPERTY~~
30 ~~INITIALLY BECOMES A QUALIFIED PROPERTY.~~

31 ~~(2) FOR ANY TAXABLE YEAR, THE PERCENTAGE SET BY THE~~
32 ~~MAYOR AND CITY COUNCIL OF BALTIMORE CITY OR THE GOVERNING BODY OF~~
33 ~~A COUNTY OR OF A MUNICIPAL CORPORATION UNDER PARAGRAPH (1) OF THIS~~
34 ~~SUBSECTION MAY NOT EXCEED THE PERCENTAGE THAT WHEN ADDED TO THE~~
35 ~~PERCENTAGE SPECIFIED IN § 9-103(D)(1) OF THIS TITLE FOR THAT TAXABLE~~
36 ~~YEAR EQUALS 80%.~~

Article – Transportation

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1–103.

[(c) Subsection (b) of this section does not apply to licenses issued under:

(1) Title 13 of this article (motor vehicle registrations); or

(2) Title 16 of this article (drivers' licenses).]

3–215.

(b) The tax levied and imposed by this section consists of that part of the following taxes that are retained to the credit of the Department after distributions to the political subdivisions:

(1) The motor fuel tax revenue distributed under §§ 2–1103(2) and 2–1104(a)(2) of the Tax – General Article;

(2) The income tax revenue distributed under § 2–614 of the Tax – General Article;

(3) The excise tax imposed on vehicles by Part II of Title 13, Subtitle 8 of this article; and

(4) The sales and use tax revenues distributed under [§§ 2–1302.1 and 2–1302.2] § 2–1302.1 of the Tax – General Article.

3–217.

(A) BEGINNING JULY 1, 2012, FUNDS IN THE TRANSPORTATION TRUST FUND MAY NOT BE TRANSFERRED OR DIVERTED FROM THAT FUND TO THE GENERAL FUND UNLESS LEGISLATION IS ENACTED PRIOR TO THE TRANSFER OR DIVERSION THAT PROVIDES FOR REPAYMENT OF THE FUNDS TO THE TRANSPORTATION TRUST FUND WITHIN 5 YEARS AFTER THE TRANSFER OR DIVERSION.

(B) THIS SECTION DOES NOT APPLY TO A TRANSFER OR DIVERSION OF FUNDS UNDER § 8–403 OF THIS ARTICLE.

4–321.

(e) The Governor shall transfer to the Authority for the Intercounty Connector:

1 (1) From the Transportation Trust Fund, at least \$30,000,000 each
2 year for fiscal years 2007 through 2010;

3 (2) From the General Fund or general obligation bonds, an aggregate
4 appropriation by fiscal year [2012] **2013** equal to \$264,913,000, as follows:

5 (i) \$53,000,000 for fiscal year 2007;

6 (ii) \$55,000,000 for fiscal year 2010;

7 (iii) At least \$80,000,000 for fiscal year 2011; and

8 (iv) The remaining balance for fiscal year 2012 **OR FISCAL**
9 **YEAR 2013**; and

10 (3) At least \$10,000,000 federal aid from any source in amounts as
11 deemed prudent.

12 ~~5-415.~~

13 ~~(A) IN THIS SECTION, "FIRE RESCUE SERVICE" MEANS THE MARYLAND~~
14 ~~AVIATION ADMINISTRATION FIRE RESCUE SERVICE.~~

15 ~~(B) SUBJECT TO SUBSECTION (C) OF THIS SECTION, THE FIRE RESCUE~~
16 ~~SERVICE SHALL CHARGE AN AMBULANCE TRANSPORT FEE AS PROVIDED IN~~
17 ~~SUBSECTION (D) OF THIS SECTION TO AN INDIVIDUAL IF THE FIRE RESCUE~~
18 ~~SERVICE TRANSPORTS THE INDIVIDUAL TO A HOSPITAL FROM PROPERTY~~
19 ~~OWNED BY THE ADMINISTRATION OR PROPERTY SUBJECT TO A MUTUAL AID~~
20 ~~AGREEMENT TO WHICH THE ADMINISTRATION IS A PARTY.~~

21 ~~(C) (1) THE FIRE RESCUE SERVICE MAY NOT:~~

22 ~~(I) QUESTION AN INDIVIDUAL ABOUT ABILITY TO PAY THE~~
23 ~~AMBULANCE TRANSPORT FEE AT THE TIME THAT AMBULANCE~~
24 ~~TRANSPORTATION IS REQUESTED OR PROVIDED; OR~~

25 ~~(II) FAIL TO PROVIDE AMBULANCE TRANSPORTATION AND~~
26 ~~EMERGENCY MEDICAL SERVICES BECAUSE OF AN INDIVIDUAL'S ACTUAL OR~~
27 ~~PERCEIVED INABILITY TO PAY THE AMBULANCE TRANSPORT FEE.~~

28 ~~(2) THE ADMINISTRATION MAY PROCURE THE SERVICES OF A~~
29 ~~THIRD PARTY BILLING COMPANY TO ADMINISTER ITS AMBULANCE TRANSPORT~~
30 ~~FEE PROGRAM.~~

1 ~~(3) THE ADMINISTRATION MAY ADOPT REGULATIONS TO~~
2 ~~ADMINISTER THE COLLECTION OF THE AMBULANCE TRANSPORT FEE,~~
3 ~~INCLUDING REGULATIONS GOVERNING:~~

4 ~~(I) A WAIVER OF THE AMBULANCE TRANSPORT FEE IN THE~~
5 ~~EVENT OF FINANCIAL HARDSHIP;~~

6 ~~(II) THE ACCEPTANCE OF REDUCED PAYMENTS BY~~
7 ~~COMMERCIAL INSURERS AND OTHER THIRD PARTY PAYORS, INCLUDING~~
8 ~~MEDICARE AND MEDICAID; AND~~

9 ~~(III) A REQUIREMENT THAT EACH INDIVIDUAL RECEIVING~~
10 ~~AN AMBULANCE TRANSPORT PROVIDE FINANCIAL INFORMATION, INCLUDING~~
11 ~~THE INDIVIDUAL'S INSURANCE COVERAGE, AND ASSIGN INSURANCE BENEFITS~~
12 ~~TO THE ADMINISTRATION.~~

13 ~~(D) THE AMBULANCE TRANSPORT FEE SHALL BE THE SUM OF:~~

14 ~~(1) AN AMOUNT EQUAL TO:~~

15 ~~(I) \$550 FOR SERVICES THAT QUALIFY AS ADVANCED LIFE~~
16 ~~SUPPORT, LEVEL 1, UNDER 42 C.F.R. 414.605;~~

17 ~~(II) \$600 FOR SERVICES THAT QUALIFY AS ADVANCED LIFE~~
18 ~~SUPPORT, LEVEL 2, UNDER 42 C.F.R. 414.605; OR~~

19 ~~(III) \$375 FOR SERVICES THAT QUALIFY AS BASIC LIFE~~
20 ~~SUPPORT UNDER 42 C.F.R. 414.605; AND~~

21 ~~(2) AN AMOUNT EQUAL TO \$13 FOR EACH MILE THE INDIVIDUAL~~
22 ~~IS TRANSPORTED BY THE FIRE RESCUE SERVICE.~~

23 ~~(E) THE ADMINISTRATION SHALL DEPOSIT THE FEES COLLECTED~~
24 ~~UNDER THIS SECTION IN THE TRANSPORTATION TRUST FUND.~~

25 7-208.

26 (b) (1) For fiscal year 2009 and each fiscal year thereafter, the
27 Administration shall separately recover from fares and other operating revenues at
28 least 35 percent of the total operating costs for:

29 (i) The Administration's bus, light rail, and Metro subway
30 services in the Baltimore region; and

1 (ii) All passenger railroad services under the Administration's
2 control.

3 (2) The Administration shall submit, in accordance with § 2-1246 of
4 the State Government Article, an annual report to the Senate Budget and Taxation
5 Committee, House Ways and Means Committee, and House Appropriations
6 Committee by December 1 of each year that includes:

7 (i) Separate farebox recovery ratios for the prior fiscal year for:

8 1. Bus, light rail, and Metro subway services provided by
9 the Administration in the Baltimore region;

10 2. Commuter bus service provided under contract to the
11 Administration in the Baltimore region; and

12 3. Maryland Area Rail Commuter (MARC) service
13 provided under contract to the Administration;

14 (ii) A discussion of the success or failure to achieve the farebox
15 recovery requirement established in paragraph (1) of this subsection; [and]

16 (iii) Comparisons of farebox recovery ratios for the
17 Administration's mass transit services and other similar transit systems nationwide;
18 AND

19 (IV) THE ESTIMATED FARE PRICES NECESSARY TO ACHIEVE
20 THE FAREBOX RECOVERY REQUIREMENT ESTABLISHED IN PARAGRAPH (1) OF
21 THIS SUBSECTION FOR THE NEXT FISCAL YEAR.

22 (B-1) SUBJECT TO § 7-506 OF THIS TITLE, THE ADMINISTRATION SHALL:

23 (1) SHALL SET THE FARE PRICES FOR BUS, LIGHT RAIL, AND
24 METRO SUBWAY SERVICES IN THE BALTIMORE REGION AND FOR PASSENGER
25 RAILROAD SERVICES UNDER THE ADMINISTRATION'S CONTROL AT AND
26 COLLECT OTHER OPERATING REVENUES IN AN AMOUNT SUFFICIENT TO
27 ACHIEVE THE FAREBOX RECOVERY REQUIREMENT ESTABLISHED IN
28 SUBSECTION (B) OF THIS SECTION; AND

29 (2) MAY NOT REDUCE THE LEVEL OF SERVICES PROVIDED BY THE
30 ADMINISTRATION FOR THE PURPOSE OF ACHIEVING THE FAREBOX RECOVERY
31 REQUIREMENT.

32 8-402.

1 ~~(e) (2) For fiscal years 2010 through 2012, the Account shall be~~
 2 ~~distributed as follows:~~

3 ~~(i) A portion to the General Fund of the State as follows:~~

4 ~~1. 19.5% for fiscal year 2010;~~

5 ~~2. 23% for fiscal year 2011; and~~

6 ~~3. [20.4%] 24.01931% for fiscal year 2012;~~

7 ~~(ii) A portion to be used as provided in § 3-216 of this article, as~~
 8 ~~follows:~~

9 ~~1. 70% for fiscal year 2010;~~

10 ~~2. 68.5% for fiscal year 2011; and~~

11 ~~3. [71.5%] 65.5% for fiscal year 2012; [and]~~

12 ~~(IV) FOR FISCAL YEAR 2012 ONLY, 2.38069% TO THE~~
 13 ~~REVENUE STABILIZATION ACCOUNT ESTABLISHED UNDER § 7-311 OF THE~~
 14 ~~STATE FINANCE AND PROCUREMENT ARTICLE; AND~~

15 ~~[(iii)] (IV) The balance to be used to pay the allocations of~~
 16 ~~highway user revenues provided under this subtitle to the counties, municipalities,~~
 17 ~~and Baltimore City.~~

18 (c) (1) Except as provided in paragraph (2) of this subsection, for each
 19 fiscal year:

20 (i) [19.3% of the revenue credited to the Account shall be
 21 distributed to the General Fund of the State;

22 (ii) [71.5%] 90.4% of the revenue credited to the Account may
 23 be used as provided in § 3-216 of this article; and

24 [(iii)] (II) The balance of the Account shall be used to pay the
 25 allocations of highway user revenues provided by this subtitle to the counties,
 26 municipalities, and Baltimore City.

27 (2) For fiscal years 2010 through [2012] 2013, the Account shall be
 28 distributed as follows:

29 (i) A portion to the General Fund of the State FOR FISCAL
 30 YEARS 2010 THROUGH 2012 as follows:

- 1 1. 19.5% for fiscal year 2010;
 2 2. 23% for fiscal year 2011; and
 3 3. [20.4%] 11.3% for fiscal year 2012;
 4 (ii) A portion to be used as provided in § 3–216 of this article, as
 5 follows:
 6 1. 70% for fiscal year 2010;
 7 2. 68.5% for fiscal year 2011; [and]
 8 3. [71.5%] SUBJECT TO PARAGRAPH (3) OF THIS
 9 SUBSECTION, 79.8% for fiscal year 2012; AND
 10 4. 90% FOR FISCAL YEAR 2013; and

11 (iii) The balance to be used to pay the allocations of highway
 12 user revenues provided under this subtitle to the counties, municipalities, and
 13 Baltimore City.

14 **(3) FOR FISCAL YEAR 2012, FROM THE AMOUNT ALLOCATED TO**
 15 **THE TRANSPORTATION TRUST FUND UNDER PARAGRAPH (2)(II)3 OF THIS**
 16 **SUBSECTION, \$40,000,000 SHALL BE TRANSFERRED FROM THE**
 17 **TRANSPORTATION TRUST FUND TO THE REVENUE STABILIZATION ACCOUNT**
 18 **ESTABLISHED UNDER § 7–311 OF THE STATE FINANCE AND PROCUREMENT**
 19 **ARTICLE.**

20 8–403.

21 (a) Subject to §§ 3–307 and 3–308 of this article, and except as provided in
 22 subsection (b) of this section, for each fiscal year, from the total highway user
 23 revenues:

24 (1) An amount equal to [7.5%] 7.7% of total highway user revenues
 25 shall be distributed to Baltimore City in monthly installments;

26 (2) An amount shall be distributed to the counties at the times
 27 specified in § 8–407 of this subtitle, to be allocated as provided in § 8–404 of this
 28 subtitle, equal to [1.4%] 1.5% of total highway user revenues; and

29 (3) An amount shall be distributed to the municipalities at the times
 30 specified in § 8–407 of this subtitle, to be allocated as provided in § 8–405 of this
 31 subtitle, equal to [0.3%] 0.4% of total highway user revenues.

1 **(b) (1) For fiscal year 2010:**

2 **(i) The amount distributed to Baltimore City under this**
3 **subtitle shall equal 8.6% of total highway user revenues;**

4 **(ii) The amount distributed to the counties under this subtitle**
5 **shall equal 1.5% of total highway user revenues; and**

6 **(iii) The amount distributed to the municipalities under this**
7 **subtitle shall equal 0.4% of total highway user revenues.**

8 **(2) For fiscal year 2011:**

9 **(i) The amount distributed to Baltimore City under this**
10 **subtitle shall equal 7.9% of total highway user revenues;**

11 **(ii) The amount distributed to the counties under this subtitle**
12 **shall equal 0.5% of total highway user revenues; and**

13 **(iii) The amount distributed to the municipalities under this**
14 **subtitle shall equal 0.1% of total highway user revenues.**

15 **(3) For fiscal year 2012:**

16 **(i) The amount distributed to Baltimore City under this**
17 **subtitle shall equal 7.5% of total highway user revenues;**

18 **(ii) The amount distributed to the counties under this subtitle**
19 **shall equal [0.5%] 0.8% of total highway user revenues; and**

20 **(iii) The amount distributed to the municipalities under this**
21 **subtitle shall equal [0.1%] 0.6% of total highway user revenues.**

22 **(4) FOR FISCAL YEAR 2013:**

23 **(I) THE AMOUNT DISTRIBUTED TO BALTIMORE CITY**
24 **UNDER THIS SUBTITLE SHALL EQUAL 8.1% OF TOTAL HIGHWAY USER**
25 **REVENUES;**

26 **(II) THE AMOUNT DISTRIBUTED TO THE COUNTIES UNDER**
27 **THIS SUBTITLE SHALL EQUAL 1.5% OF TOTAL HIGHWAY USER REVENUES; AND**

28 **(III) THE AMOUNT DISTRIBUTED TO THE MUNICIPALITIES**
29 **UNDER THIS SUBTITLE SHALL EQUAL 0.4% OF TOTAL HIGHWAY USER**
30 **REVENUES.**

1 12-118.

2 (e) (1) Subject to paragraph (2) of this subsection, money in the special
 3 fund established under subsection (c)(2) of this section [shall be distributed to]:

4 (I) SHALL BE DISTRIBUTED FIRST TO the Department of State
 5 Police and the State Highway Administration to cover the costs of implementing and
 6 administering work zone speed control systems; AND

7 (II) AFTER THE DISTRIBUTION UNDER ITEM (I) OF THIS
 8 PARAGRAPH, FOR EACH OF FISCAL YEARS 2013 THROUGH 2015 ONLY,
 9 \$3,000,000 SHALL BE DISTRIBUTED TO THE DEPARTMENT OF STATE POLICE TO
 10 BE USED ONLY FOR THE PURCHASE OF REPLACEMENT VEHICLES AND RELATED
 11 MOTOR VEHICLE EQUIPMENT USED TO OUTFIT POLICE VEHICLES.

12 ~~12-120.~~

13 (a) In this section, “miscellaneous”:

14 (1) “MISCELLANEOUS fees” means all fees collected by the
 15 Administration under this article other than:

16 ~~(1) (I) The vehicle titling tax;~~

17 ~~(II) THE CERTIFICATE OF TITLE FEE UNDER § 13-802 OF~~
 18 ~~THIS ARTICLE; and~~

19 ~~(2) (III) Vehicle registration fees under Part II of Title 13, Subtitle 9~~
 20 ~~of this article; AND~~

21 ~~(2) “MISCELLANEOUS FEES” INCLUDES THE FEE CHARGED~~
 22 ~~UNDER § 23-205 OF THIS ARTICLE FOR VEHICLE EMISSIONS INSPECTION.~~

23 (b) Except as provided in this section, the Administration may not alter the
 24 miscellaneous fees that the Administration is authorized under this article to
 25 establish.

26 (c) (1) Subject to the limitations under subsection (d) of this section,
 27 before the start of any fiscal year the Administration by regulation may alter, effective
 28 beginning in the upcoming fiscal year, the levels of the miscellaneous fees that the
 29 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%] 75%.~~

~~(d) The Administration shall set the levels of miscellaneous fees so that the total amount of projected revenues from all miscellaneous fees for the upcoming fiscal year is at least [95] 70 percent but does not exceed [100] 75 percent of the sum of:~~

~~(1) The operating budget of the Administration for that fiscal year, INCLUDING THE COSTS OF ADMINISTERING THE VEHICLE EMISSIONS INSPECTION PROGRAM, as approved by the General Assembly in the annual State budget;~~

~~(2) The average annual capital program of the Administration as reported in the 6-year Consolidated Transportation Program described in § 2-103.1 of this article; and~~

~~(3) The Administration's portion of the cost for that fiscal year of the Department's data center operations, except for the cost of data center operations attributable to other administrations' activities.~~

~~(e) (1) The Administration may not alter miscellaneous fees more than once in any fiscal year.~~

~~(2) The Administration need not reduce fees for the upcoming fiscal year if legislative budget modifications cause the projected cost recovery percentage to exceed [100] 75 percent.~~

~~(3) The level of a miscellaneous fee set by the Administration remains in effect until again altered by the Administration as provided under this section.~~

12-120.

(a) In this section, "miscellaneous fees" means all fees collected by the Administration under this article other than:

(1) The vehicle titling tax;

(2) ONE-HALF OF THE CERTIFICATE OF TITLE FEE UNDER § 13-802 OF THIS ARTICLE; and

[(2)] (3) Vehicle registration fees under Part II of Title 13, Subtitle 9 of this article.

~~12-120.~~

1 ~~(a) In this section, "miscellaneous fees" means all fees collected by the~~
2 ~~Administration under this article other than:~~

3 ~~(1) The vehicle titling tax; [and]~~

4 ~~(2) Vehicle registration fees under Part II of Title 13, Subtitle 9 of this~~
5 ~~article; AND~~

6 ~~(3) FEES COLLECTED UNDER TITLE 16, SUBTITLE 10 OF THIS~~
7 ~~ARTICLE.~~

8 ~~13-406.~~

9 ~~The Administration shall refuse to register, RENEW, or transfer the registration~~
10 ~~of any vehicle if:~~

11 ~~(9) The Administration has reasonable grounds to believe:~~

12 ~~(i) That the vehicle is stolen;~~

13 ~~(ii) That the grant or transfer of registration would be a fraud~~
14 ~~against another person; or~~

15 ~~(iii) That the vehicle does not comply with Title 2, Subtitle 11 of~~
16 ~~the Environment Article or any regulations adopted under that subtitle; [or]~~

17 ~~(10) The gross vehicle weight is 55,000 pounds or over and the~~
18 ~~applicant has failed to furnish proof of payment of the Federal Heavy Vehicle Use~~
19 ~~Tax[.]; OR~~

20 ~~(11) THE APPLICANT HAS NOT PAID ALL UNDISPUTED TAXES AND~~
21 ~~UNEMPLOYMENT INSURANCE CONTRIBUTIONS PAYABLE TO THE COMPTROLLER~~
22 ~~OR THE SECRETARY OF LABOR, LICENSING, AND REGULATION OR HAS~~
23 ~~PROVIDED FOR PAYMENT IN A MANNER SATISFACTORY TO THE UNIT~~
24 ~~RESPONSIBLE FOR COLLECTION.~~

25 ~~16-103.1.~~

26 ~~The Administration may not issue a driver's license to an individual:~~

27 ~~(11) Who does not provide:~~

28 ~~(i) Satisfactory documentary evidence that the applicant has a~~
29 ~~valid Social Security number by presenting the applicant's Social Security~~
30 ~~Administration account card or, if the Social Security Administration account card is~~

1 ~~not available, any of the following documents bearing the applicant's Social Security~~
 2 ~~number:~~

- 3 1. ~~A current W-2 form;~~
 4 2. ~~A current SSA-1099 form;~~
 5 3. ~~A current non-SSA-1099 form; or~~
 6 4. ~~A current pay stub with the applicant's name and~~
 7 ~~Social Security number on it; or~~

8 (ii) ~~Satisfactory documentary evidence that the applicant is not~~
 9 ~~eligible for a Social Security number; [or]~~

10 ~~(12) WHO HAS NOT PAID ALL UNDISPUTED TAXES AND~~
 11 ~~UNEMPLOYMENT INSURANCE CONTRIBUTIONS PAYABLE TO THE COMPTROLLER~~
 12 ~~OR THE SECRETARY OF LABOR, LICENSING, AND REGULATION OR PROVIDED~~
 13 ~~FOR PAYMENT IN A MANNER SATISFACTORY TO THE UNIT RESPONSIBLE FOR~~
 14 ~~COLLECTION; OR~~

15 ~~(13) Who otherwise does not qualify for a license under this title.~~

16 **13-406.2.**

17 **(A) THE ADMINISTRATION MAY NOT RENEW OR TRANSFER THE**
 18 **REGISTRATION OF ANY VEHICLE IF THE APPLICANT HAS NOT PAID ALL**
 19 **UNDISPUTED TAXES AND UNEMPLOYMENT INSURANCE CONTRIBUTIONS**
 20 **PAYABLE TO THE COMPTROLLER OR THE SECRETARY OF LABOR, LICENSING,**
 21 **AND REGULATION OR PROVIDED FOR PAYMENT IN A MANNER SATISFACTORY TO**
 22 **THE UNIT RESPONSIBLE FOR COLLECTION.**

23 **(B) THE ADMINISTRATION SHALL COOPERATE WITH THE**
 24 **COMPTROLLER AND THE DEPARTMENT OF LABOR, LICENSING, AND**
 25 **REGULATION TO DEVELOP PROCEDURES AND ADOPT REGULATIONS IN**
 26 **ACCORDANCE WITH THIS SECTION.**

27 **(C) REGULATIONS ADOPTED UNDER THIS SECTION SHALL REQUIRE:**

28 **(1) THE COMPTROLLER TO NOTIFY THE ADMINISTRATION THAT**
 29 **AN INDIVIDUAL HAS NOT PAID ALL UNDISPUTED TAXES; AND**

30 **(2) THE DEPARTMENT OF LABOR, LICENSING, AND REGULATION**
 31 **TO NOTIFY THE ADMINISTRATION THAT AN INDIVIDUAL HAS NOT PAID ALL**
 32 **UNDISPUTED UNEMPLOYMENT INSURANCE CONTRIBUTIONS.**

1 13-613.

2 (b) In addition to the annual registration fee otherwise required by this title,
3 the applicant shall pay an additional annual fee of ~~[\$25]~~ \$50, payable with the
4 original and each renewal application for special registration under this section.

5 13-802.

6 (A) Except as provided in *SUBSECTION (B) OF THIS SECTION AND* § 13-805
7 of this subtitle, the fee for each certificate of title issued under this title is ~~[\$50]~~ \$100.

8 (B) *FOR FISCAL YEARS 2012 THROUGH 2014 ONLY, THE FEE FOR EACH*
9 *CERTIFICATE OF TITLE ISSUED FOR A RENTAL VEHICLE IS \$50.*

10 13-812.

11 (a) *For collecting and remitting the tax, a licensed dealer who, on behalf of*
12 *the Administration, collects the excise tax imposed by this part may keep the lesser of*
13 *~~[\$24]~~ \$12 per vehicle or ~~[1.2]~~ 0.6 percent of the gross excise tax the dealer collects.*

14 13-955.

15 (c) *The Fund consists of:*

16 (1) *Registration surcharges collected under § 13-954 of this subtitle;*
17 *[and]*

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

21 (3) *REVENUES DISTRIBUTED TO THE FUND FROM THE*
22 *SURCHARGES COLLECTED UNDER § 7-301(F) OF THE COURTS ARTICLE.*

23 ~~16-115.~~

24 15-311.1.

25 (b) (1) *If a dealer charges a dealer processing charge, the charge:*

26 (i) *Shall be reasonable;*

27 (ii) *May not exceed ~~[\$100]~~;*

1 1. \$200 FOR THE PERIOD FROM JULY 1, 2011,
2 THROUGH JUNE 30, 2014; AND

3 2. \$300 ON AND AFTER JULY 1, 2014; and

4 (iii) Shall reflect dealer expenses generally incurred for the
5 services identified in subsection (a)(1) of this section.

6 16-115.

7 (J) (1) THE ADMINISTRATION MAY NOT RENEW THE DRIVER'S
8 LICENSE OF AN APPLICANT WHO HAS NOT PAID ALL UNDISPUTED TAXES AND
9 UNEMPLOYMENT INSURANCE CONTRIBUTIONS PAYABLE TO THE COMPTROLLER
10 OR THE SECRETARY OF LABOR, LICENSING, AND REGULATION OR PROVIDED
11 FOR PAYMENT IN A MANNER SATISFACTORY TO THE UNIT RESPONSIBLE FOR
12 COLLECTION.

13 (2) THE ADMINISTRATION SHALL COOPERATE WITH THE
14 COMPTROLLER AND THE DEPARTMENT OF LABOR, LICENSING, AND
15 REGULATION TO DEVELOP PROCEDURES AND ADOPT REGULATIONS IN
16 ACCORDANCE WITH THIS SECTION.

17 (3) REGULATIONS ADOPTED UNDER THIS SUBSECTION SHALL
18 REQUIRE:

19 (I) THE COMPTROLLER TO NOTIFY THE ADMINISTRATION
20 THAT AN INDIVIDUAL HAS NOT PAID ALL UNDISPUTED TAXES; AND

21 (II) THE DEPARTMENT OF LABOR, LICENSING, AND
22 REGULATION TO NOTIFY THE ADMINISTRATION THAT AN INDIVIDUAL HAS NOT
23 PAID ALL UNDISPUTED UNEMPLOYMENT INSURANCE CONTRIBUTIONS.

24 ~~23-205.~~

25 ~~(a) (1) Subject to paragraph (2) of this subsection, the~~ THE
26 ~~Administration and the Secretary shall set the fee to be charged for each vehicle to be~~
27 ~~inspected and tested by a facility.~~

28 ~~(2) The fee established under this subsection:~~

29 ~~(i) During the period from January 1, 1995 through May 31,~~
30 ~~1997, may not exceed \$12; and~~

31 ~~(ii) During the period after May 31, 1997, may not exceed \$14.~~

1 ~~(b) The fee shall be collected in a manner established by the Administration~~
2 ~~and the Secretary.~~

3 ~~[(c) A specific portion of the fee shall be paid to or retained by the~~
4 ~~Administration to cover the cost of administration and enforcement of the emissions~~
5 ~~control program, as provided in the contract between the contractor and the State.]~~

6 ~~SUBTITLE 10. ASSESSMENT OF FEES.~~

7 ~~16-1001.~~

8 ~~(A) THE ADMINISTRATION SHALL ASSESS THE FOLLOWING FEES~~
9 ~~AGAINST A LICENSEE HOLDING A NONCOMMERCIAL CLASS A, B, C, D, E, OR M~~
10 ~~DRIVER'S LICENSE:~~

11 ~~(1) IF THE LICENSEE IS ASSESSED MORE THAN 5 POINTS UNDER~~
12 ~~SUBTITLE 4 OF THIS TITLE FOR VIOLATIONS OCCURRING WITHIN ANY 2-YEAR~~
13 ~~PERIOD, EXCLUDING POINTS ASSESSED FOR A CONVICTION UNDER § 21-902 OF~~
14 ~~THIS ARTICLE, FOR EACH POINT THAT THE LICENSEE IS ASSESSED OVER 5~~
15 ~~POINTS, A FEE OF \$100 ANNUALLY FOR A PERIOD OF 3 YEARS FROM THE DATE~~
16 ~~THAT THE POINT WAS ASSESSED; AND~~

17 ~~(2) FOR EACH TIME A LICENSEE IS CONVICTED FOR A VIOLATION~~
18 ~~OF § 21-902 OF THIS ARTICLE, OR AN OFFENSE IN ANOTHER JURISDICTION~~
19 ~~THAT WOULD BE A VIOLATION OF § 21-902 OF THIS ARTICLE IF COMMITTED IN~~
20 ~~THIS STATE, A FEE OF \$500 ANNUALLY FOR A PERIOD OF 3 YEARS FROM THE~~
21 ~~DATE OF CONVICTION.~~

22 ~~(B) IN CALCULATING THE TOTAL NUMBER OF POINTS ASSESSED~~
23 ~~AGAINST AN INDIVIDUAL WITHIN A 2-YEAR PERIOD FOR PURPOSES OF~~
24 ~~SUBSECTION (A)(1) OF THIS SECTION, THE ADMINISTRATION MAY INCLUDE NO~~
25 ~~MORE THAN 5 POINTS ASSESSED BEFORE JUNE 1, 2011.~~

26 ~~16-1002.~~

27 ~~(A) THE ADMINISTRATION SHALL SEND NOTICE TO EACH INDIVIDUAL~~
28 ~~ASSESSED A FEE UNDER § 16-1001 OF THIS SUBTITLE NO MORE THAN 30 DAYS~~
29 ~~AFTER THE CONVICTION THAT SUBJECTS THE INDIVIDUAL TO THE FEE IS~~
30 ~~POSTED TO THE INDIVIDUAL'S DRIVING RECORD.~~

31 ~~(B) (1) SUBJECT TO SUBSECTION (C) OF THIS SECTION, THE~~
32 ~~ADMINISTRATION SHALL SUSPEND THE DRIVER'S LICENSE OF AN INDIVIDUAL~~
33 ~~UNLESS ALL FEES ASSESSED UNDER § 16-1001 OF THIS SUBTITLE ARE PAID~~
34 ~~WITHIN A TIME PERIOD ESTABLISHED BY THE ADMINISTRATION.~~

1 ~~(2) AN INDIVIDUAL MAY REQUEST A HEARING CONCERNING A~~
2 ~~PROPOSED DECISION OF THE ADMINISTRATION TO SUSPEND THE INDIVIDUAL'S~~
3 ~~DRIVER'S LICENSE OR PRIVILEGE TO DRIVE UNDER THIS SUBSECTION.~~

4 ~~(3) AT A HEARING UNDER THIS SUBSECTION, THE ISSUE SHALL~~
5 ~~BE LIMITED TO:~~

6 ~~(I) WHETHER THE ADMINISTRATION HAD MISTAKEN THE~~
7 ~~IDENTITY OF THE INDIVIDUAL WHOSE DRIVER'S LICENSE OR PRIVILEGE TO~~
8 ~~DRIVE HAS BEEN SUSPENDED;~~

9 ~~(II) WHETHER THE INDIVIDUAL HAS BEEN ASSESSED A~~
10 ~~TOTAL OF MORE THAN 5 POINTS FOR VIOLATIONS WITHIN ANY 2 YEAR PERIOD;~~
11 ~~AND~~

12 ~~(III) WHETHER AT LEAST ONE OF THE TOTAL NUMBER OF~~
13 ~~POINTS ON WHICH THE FEE ASSESSMENT IS BASED WAS ASSESSED FOR A~~
14 ~~VIOLATION THAT OCCURRED ON OR AFTER JUNE 1, 2011.~~

15 ~~(C) (1) SUBJECT TO PARAGRAPH (3) OF THIS SUBSECTION, THE~~
16 ~~ADMINISTRATION MAY ESTABLISH A SCHEDULE FOR PAYMENT OF FEES~~
17 ~~IMPOSED UNDER § 16-1001 OF THIS SUBTITLE.~~

18 ~~(2) IF THE PAYMENT SCHEDULE ESTABLISHED UNDER THIS~~
19 ~~SUBSECTION IS FOLLOWED, THE ADMINISTRATION:~~

20 ~~(I) MAY NOT SUSPEND AN INDIVIDUAL'S LICENSE FOR~~
21 ~~NONPAYMENT OF THE FEES IMPOSED UNDER § 16-1001 OF THIS SUBTITLE; AND~~

22 ~~(II) SHALL REINSTATE A LICENSE THAT WAS SUSPENDED~~
23 ~~FOR FAILURE TO PAY THE FEES IMPOSED UNDER § 16-1001 OF THIS SUBTITLE.~~

24 ~~(3) A LICENSEE MAY PREPAY AT ANY TIME THE TOTAL AMOUNT~~
25 ~~OF FEES THAT WILL BE DUE OVER THE 3 YEAR PERIOD FOR WHICH THE FEES~~
26 ~~WERE ASSESSED UNDER § 16-1001 OF THIS SUBTITLE.~~

27 ~~16-1003.~~

28 ~~OF THE REVENUES DERIVED FROM FEES IMPOSED UNDER THIS SUBTITLE,~~
29 ~~THE ADMINISTRATION SHALL RETAIN AN AMOUNT SUFFICIENT TO COVER THE~~
30 ~~COSTS NEEDED TO ADMINISTER THE PROVISIONS OF THIS SUBTITLE, AND THE~~
31 ~~BALANCE SHALL BE DISTRIBUTED AS FOLLOWS:~~

1 (1) ~~FOR FISCAL YEARS 2012 AND 2013, TO THE GENERAL FUND;~~
2 ~~AND~~

3 (2) ~~FOR ALL FISCAL YEARS BEGINNING ON OR AFTER JULY 1,~~
4 ~~2013, TO THE MARYLAND EMERGENCY MEDICAL SYSTEM OPERATIONS FUND~~
5 ~~ESTABLISHED UNDER § 13-955 OF THIS ARTICLE.~~

6 **Chapter 288 of the Acts of 2002**

7 SECTION 7. AND BE IT FURTHER ENACTED, That, [within the next 10
8 years, and] no later than June 30, [2012] 2014, the Maryland State Department of
9 Education, in consultation with the Department of Budget and Management and the
10 Department of Legislative Services, shall contract with a public or private entity to
11 conduct a study of the adequacy of education funding in the State. At a minimum, the
12 adequacy study shall: (1) identify a base funding level for students without special
13 needs; (2) per pupil weights for students with special needs to be applied to the base
14 funding level; and (3) an analysis of the effect of concentrations of poverty on adequacy
15 targets. THE STUDY SHALL BE CONDUCTED IN PHASES, WITH THE FIRST PHASE
16 BEGINNING NO LATER THAN JUNE 30, 2014, AND THE FINAL PHASE BEING
17 COMPLETED BY DECEMBER 1, 2016. THE STUDY SHALL INCORPORATE
18 STANDARDS FROM THE COMMON CORE CURRICULUM ADOPTED BY THE STATE
19 BOARD OF EDUCATION AND 2 YEARS OF RESULTS FROM THE NEW COMMON
20 CORE ASSESSMENTS, WHICH ARE SCHEDULED TO BE IMPLEMENTED BEGINNING
21 IN THE 2014–2015 SCHOOL YEAR. The Governor shall include sufficient funds in the
22 State budget for the appropriate fiscal years for the Maryland State Department of
23 Education to cover the costs of conducting the adequacy study.

24 **Chapter 503 of the Acts of 2007**

25 SECTION 6. AND BE IT FURTHER ENACTED, That, except as provided in
26 Section 3 and subject to Section 4 of this Act, this Act shall take effect July 1, 2007. [It
27 shall remain effective for a period of 5 years and, at the end of June 30, 2012, with no
28 further action required by the General Assembly, this Act shall be abrogated and of no
29 further force and effect.]

30 **Chapter 487 of the Acts of 2009, as amended by Chapter 484 of the Acts of 2010**

31 SECTION 38. AND BE IT FURTHER ENACTED, That, notwithstanding any
32 other provision of law:

33 (i) Subject to subsection (c) of this section, for fiscal year 2011 OR FISCAL
34 YEAR 2012, [an] A CUMULATIVE amount up to \$500,000 of the balance in the Fund
35 may be transferred to the State Board of Elections for the purpose of implementing an
36 online campaign finance reporting system.

1 SECTION ~~4~~ 2. AND BE IT FURTHER ENACTED, That Section(s)
 2 18–1101 through 18–1107 and the subtitle “Subtitle 11. Distinguished Scholar
 3 Programs” of Article – Education of the Annotated Code of Maryland be repealed.

4 SECTION 3. AND BE IT FURTHER ENACTED, That Section(s) 7–402 of
 5 Article – Transportation of the Annotated Code of Maryland be repealed.

6 ~~SECTION 5. AND BE IT FURTHER ENACTED, That Section(s) 18–1201~~
 7 ~~through 18–1207 and the subtitle “Subtitle 12. Private Career School Student Grant~~
 8 ~~Program” of Article – Education of the Annotated Code of Maryland be repealed.~~

9 ~~SECTION 6. AND BE IT FURTHER ENACTED, That Section(s)~~
 10 ~~8–406(b) and 10–704.1 of the Tax – General Article of the Annotated Code of Maryland~~
 11 ~~be repealed.~~

12 SECTION ~~7~~ ~~3~~ 4. AND BE IT FURTHER ENACTED, That, notwithstanding
 13 any other provision of law, on or before June 30, 2011, the Governor may transfer to
 14 the General Fund:

15 \$1,000,000 of the funds in the Maryland Health Care Commission Fund
 16 established under § 19–111 of the Health – General Article;

17 ~~\$500,000~~ ~~\$1,000,000~~ \$750,000 of the funds in the State Used Tire Cleanup and
 18 Recycling Fund established under § 9–273 of the Environment Article;

19 \$256,000 of the funds in the Forest or Park Reserve Fund established under §
 20 5–212 of the Natural Resources Article;

21 \$250,000 of the funds in the Maryland Not–For–Profit Development Center
 22 Program Fund established under § 5–1204 of the Economic Development
 23 Article;

24 ~~\$150,000~~ ~~\$75,000~~ \$150,000 of the funds in the Board of Veterinary Medical
 25 Examiners Fund established under § 2–303 of the Agriculture Article; and

26 \$970,000 of the funds in the Chesapeake and Atlantic Coastal Bays 2010 Trust
 27 Fund established under § 8–2A–02 of the Natural Resources Article.

28 SECTION ~~8~~ ~~4~~ 5. AND BE IT FURTHER ENACTED, That, notwithstanding
 29 any other provision of law, on or before June 30, 2012, the Governor may transfer to
 30 the General Fund:

31 \$10,000,000 of the funds in the Circuit Court Real Property Records
 32 Improvement Fund established under § 13–602 of the Courts and Judicial
 33 Proceedings Article;

- 1 \$2,000,000 of the funds in the State Insurance Trust Fund established under §
2 9–103 of the State Finance and Procurement Article;
- 3 \$500,000 of the funds in the Spinal Cord Injury Research Trust Fund
4 established under § 13–1406 of the Health – General Article;
- 5 \$237,888 of the funds in the State Board of Pharmacy Fund established under §
6 12–206 of the Health Occupations Article;
- 7 \$125,000 of the funds in the Maryland Not–For–Profit Development Center
8 Program Fund established under § 5–1204 of the Economic Development
9 Article;
- 10 \$1,500,000 of the funds in the Senior Prescription Drug Assistance Program
11 Account of the Maryland Health Insurance Plan Fund established under §
12 14–504(e) of the Insurance Article;
- 13 \$2,297,142 of the funds in the accounts of the Baltimore City Community
14 College;
- 15 \$44,888 of the funds in the State Board of Examiners of Psychologists Fund
16 established under § 18–207 of the Health Occupations Article;
- 17 \$35,000 of the funds in the special fund established under § 1–203.3 of the
18 Corporations and Associations Article;
- 19 \$179,316 of the funds in the Central Collection Fund established under § 3–306
20 of the State Finance and Procurement Article;
- 21 \$100,000 of the funds in the Rental Housing Programs Fund established under
22 § 4–504 of the Housing and Community Development Article;
- 23 \$30,000 of the funds in the Homeownership Programs Fund established under §
24 4–502 of the Housing and Community Development Article;
- 25 \$175,000 of the funds in the Board of Physicians Fund established under §
26 14–207 of the Health Occupations Article;
- 27 \$83,000 of the funds in the State Board of Physical Therapy Examiners Fund
28 established under § 13–207 of the Health Occupations Article;
- 29 \$39,000 of the funds in the Maryland Health Care Commission Fund
30 established under § 19–111 of the Health – General Article;
- 31 \$26,000 of the funds in the Board of Nursing Fund established under § 8–206 of
32 the Health Occupations Article;

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1 \$68,000 of the funds in the Mortgage Lender–Originator Fund established
2 under § 11–610 of the Financial Institutions Article;

3 \$62,000 of the funds in the Deep Creek Lake Recreation Maintenance and
4 Management Fund established under § 5–215 of the Natural Resources Article;

5 \$313,000 of the funds in the State Boat Act Fund established under § 8–723 of
6 the Natural Resources Article;

7 \$68,000 of the funds in the Waterway Improvement Fund established under §
8 8–707 of the Natural Resources Article;

9 \$325,000 of the funds in the Maryland Correctional Enterprises Revolving Fund
10 established under § 3–507 of the Correctional Services Article;

11 \$50,000 of the funds in the special fund established under § 6–204 of the
12 Agriculture Article;

13 \$40,000 of the funds in the State Radiation Control Fund established under §
14 8–306 of the Environment Article;

15 \$40,000 of the funds in the Maryland Clean Water Fund established under §
16 9–320 of the Environment Article;

17 \$45,000 of the funds in the State Used Tire Cleanup and Recycling Fund
18 established under § 9–273 of the Environment Article;

19 \$85,000 of the funds in the Maryland Clean Air Fund established under § 2–107
20 of the Environment Article; and

21 \$60,000 of the funds in the accounts of the Maryland Public Broadcasting
22 Commission established under Title 24, Subtitle 2 of the Education Article.

23 SECTION ~~9. 5.~~ 6. AND BE IT FURTHER ENACTED, That, notwithstanding
24 any other provision of law, on or before June 30, 2012, the Governor may transfer to
25 the General Fund:

26 \$90,000,000 of the funds in the Bay Restoration Fund established under §
27 9–1605.2 of the Environment Article that is not needed to pay debt service on
28 Revenue Bonds issued by the Water Quality Financing Administration for the
29 Enhanced Nutrient Removal Program;

30 \$2,200,000 of the funds in the Special Loan Programs Fund established under §
31 4–505 of the Housing and Community Development Article;

32 \$2,050,000 of the funds in the Neighborhood Business Development Fund
33 established under § 6–310 of the Housing and Community Development Article;

1 \$1,500,000 of the funds in the Homeownership Programs Fund established
2 under § 4–502 of the Housing and Community Development Article;

3 \$1,090,000 of the funds in the Waterway Improvement Fund established under
4 § 8–707 of the Natural Resources Article.

5 SECTION ~~10~~ ~~6~~ 7. AND BE IT FURTHER ENACTED, That, notwithstanding
6 any other provision of law, beginning in fiscal year 2011, any subsidy received by the
7 State that is provided to employers as a result of the federal Medicare Prescription
8 Drug, Improvement, and Modernization Act of 2003, or similar federal subsidy
9 received as a result of the State’s prescription drug program shall be credited to the
10 General Fund of the State. The provisions of this section shall be construed
11 retroactively and shall be applied to any revenue received by the State on or after July
12 1, 2010.

13 SECTION ~~11~~ ~~7~~ 8. AND BE IT FURTHER ENACTED, That, notwithstanding
14 any other provision of law, on or before June 30, 2011, the Governor may transfer to
15 the General Fund \$5,591,172 of the funds in the special fund established under §
16 13–209 of the Tax – Property Article. A transfer of funds from the special fund to the
17 General Fund under this section may not be taken into account for purposes of
18 determining any allocation or appropriation required under § 13–209(f) or (g) of the
19 Tax – Property Article.

20 SECTION ~~12~~ ~~8~~ 9. AND BE IT FURTHER ENACTED, That, notwithstanding
21 any other provision of law, on or before June 30, 2012, the Governor may transfer to
22 the General Fund \$94,491,115 of the funds in the special fund established under §
23 13–209 of the Tax – Property Article. A transfer of funds from the special fund to the
24 General Fund under this section may not be taken into account for purposes of
25 determining any allocation or appropriation required under § 13–209(f) or (g) of the
26 Tax – Property Article.

27 SECTION ~~13~~ ~~9~~ 10. AND BE IT FURTHER ENACTED, That, notwithstanding
28 the provisions of Title 1, Subtitle 3 of the Public Safety Article or any other law,
29 \$1,000,000 in fiscal year 2012 revenue from the State 9–1–1 fee on wired lines may be
30 used to support the Computer Aided Dispatch/Records Management System project in
31 the Maryland State Police.

32 SECTION ~~14~~ ~~10~~ 11. AND BE IT FURTHER ENACTED, That,
33 notwithstanding any other provision of law, the Governor may transfer from the
34 Senior Prescription Drug Assistance Program account of the Maryland Health
35 Insurance Plan Fund established under § 14–504(e) of the Insurance Article to the
36 Kidney Disease Program established under Title 13, Subtitle 3 of the Health – General
37 Article up to \$3,000,000 in fiscal year 2012, and up to \$3,000,000 in fiscal year 2013.

38 SECTION ~~15~~ ~~11~~ 12. AND BE IT FURTHER ENACTED, That,
39 notwithstanding any other provision of law, the Governor may transfer from the

1 Senior Prescription Drug Assistance Program account of the Maryland Health
 2 Insurance Plan Fund established under § 14-504(e) of the Insurance Article to the
 3 Medical Assistance Program established under Title 15, Subtitle 1 of the Health –
 4 General Article up to \$2,500,000 in fiscal year 2011.

5 SECTION ~~16.~~ ~~12.~~ 13. AND BE IT FURTHER ENACTED, That,
 6 notwithstanding the provisions of § 9-1A-29 of the State Government Article or any
 7 other provision of law, for fiscal year 2011, the first \$3.6 million in funds deposited to
 8 the Racetrack Facility Renewal Account shall be transferred to the Maryland
 9 Economic Development Corporation. If less than \$3.6 million is transferred in fiscal
 10 year 2011, the difference between the actual transfer in fiscal year 2011 and \$3.6
 11 million shall be transferred in fiscal year 2012. Additional funding of up to \$400,000
 12 shall be transferred in fiscal year 2012 to cover interest expense, fees, and
 13 administrative costs. The provisions of this section shall be construed retroactively
 14 and shall be applied to any revenue received by the State on or after July 1, 2010.

15 SECTION ~~13.~~ 14. AND BE IT FURTHER ENACTED, That, notwithstanding
 16 the provisions of § 8-402 of the Transportation Article or any other provision of law,
 17 \$6,768,222 from motor vehicle registration revenues and other user fees from the
 18 Motor Vehicle Administration for fiscal year 2012 shall be deposited in the General
 19 Fund rather than in the Gasoline and Motor Vehicle Revenue Account of the
 20 Transportation Trust Fund or the Transportation Trust Fund, respectively.

21 ~~SECTION 14. AND BE IT FURTHER ENACTED, That, notwithstanding any~~
 22 ~~other provision of law, by budget amendment the Governor may transfer from the~~
 23 ~~Cigarette Restitution Fund established under § 7-317 of the State Finance and~~
 24 ~~Procurement Article to Medical Care Provider Reimbursements (M00Q01.03) in the~~
 25 ~~Medical Care Programs Administration up to \$444,000 in fiscal year 2012.~~

26 SECTION 15. AND BE IT FURTHER ENACTED, That, notwithstanding any
 27 other provision of law, on or before June 30, 2012, any special fund savings realized in
 28 fiscal year 2012 from the abolition of positions in accordance with Section ~~48~~ 47 of
 29 Chapter (H.B. 70) of the Acts of the General Assembly of 2011, and any special
 30 fund savings realized in fiscal year 2012 from reductions to electricity expenditures in
 31 accordance with Section ~~50~~ 49 of Chapter (H.B. 70) of the Acts of the General
 32 Assembly of 2012, shall be transferred to the General Fund.

33 ~~SECTION~~ SECTION 16. AND BE IT FURTHER ENACTED, That, in addition
 34 to any other revenue generated under § 19-214 of the Health – General Article, as
 35 amended by this Act:

36 (a) For fiscal year 2012, the Health Services Cost Review Commission shall
 37 approve a combination of hospital assessments and remittances in the amount of
 38 \$389,825,000 to support the general operations of the Medicaid program. The
 39 Commission may reduce assessments or remittances by the amount of any reduction
 40 in State Medicaid expenditures that will result from any Commission-approved
 41 changes in hospital rates or policies, ~~other than changes authorized through the~~

1 ~~pooling of graduate medical education under § 19-214(b) of the Health General~~
2 ~~Article.~~

3 (b) For fiscal year 2013 and every fiscal year thereafter, the Commission and
4 the Department of Health and Mental Hygiene shall adopt policies that will provide at
5 least \$389,825,000 from a combination of special fund revenues and General Fund
6 savings from reduced hospital or other payments made by the Medicaid program. The
7 policies adopted under this subsection shall be in lieu of the hospital assessment and
8 remittance revenue generated in fiscal year 2012, but may include hospital
9 assessments and remittances. To the maximum extent possible, the Commission and
10 the Department shall adopt policies that ~~do not erode~~ preserve the State's Medicare
11 waiver.

12 SECTION 17. AND BE IT FURTHER ENACTED, That, notwithstanding §
13 9-20B-05 of the State Government Article or any other provision of law, for each of
14 fiscal years 2012 through 2014, proceeds received by the Strategic Energy Investment
15 Fund from the sale of allowances under § 2-1002(g) of the Environment Article shall
16 be allocated as follows:

17 (1) Up to 50% shall be credited to an energy assistance account to be
18 used for the Electric Universal Service Program and other electricity assistance
19 programs in the Department of Human Resources;

20 (2) At least 20% shall be credited to a low and moderate income
21 efficiency and conservation programs account and to a general efficiency and
22 conservation programs account for energy efficiency and conservation programs,
23 projects, or activities and demand response programs, of which at least one-half shall
24 be targeted to the low and moderate income efficiency and conservation programs
25 account for:

26 (i) the low-income residential sector at no cost to the
27 participants of the programs, projects, or activities; and

28 (ii) the moderate-income residential sector;

29 (3) At least 20% shall be credited to a renewable and clean energy
30 programs account for:

31 (i) renewable and clean energy programs and initiatives;

32 (ii) energy related public education and outreach; and

33 (iii) climate change programs; and

34 (4) Up to 10%, but not more than \$4 million, shall be credited to an
35 administrative expense account for costs related to administration of the Fund,
36 including the review of electric company plans for achieving electricity savings and

1 demand reductions that the electric companies are required under law to submit to the
2 Administration.

3 SECTION 18. AND BE IT FURTHER ENACTED, That, notwithstanding any
4 other provision of law, \$124,420,746 of the State funds that exceed the State share of
5 the foundation program under § 5–202 of the Education Article, because of the use of
6 federal funds available to the State through Public Law 111–226, shall be distributed
7 to each county board on June 1, 2011 to prefund in fiscal year 2011 \$124,420,746 of
8 the fiscal year 2012 State share of the foundation program required under § 5–202 of
9 the Education Article. The \$124,420,746 of State funds paid in June 2011 shall be
10 prorated according to the funding formulas applicable to fiscal year 2012 and counted
11 towards satisfaction of the State’s fiscal year 2012 obligation to provide financial
12 assistance under the foundation program.

13 SECTION 19. AND BE IT FURTHER ENACTED, That:

14 (a) In this section, “county” and “county board” have the meanings stated in §
15 1–101 of the Education Article.

16 (b) (1) Notwithstanding § 5–202(d) of the Education Article, for fiscal year
17 2012 only, a county that shifts to the county board the recurring costs associated with
18 providing retiree health benefits for current retirees may deduct any reduction in those
19 costs from the amount the county is required to appropriate to the county board in fiscal
20 year 2012.

21 (2) It is the intent of the General Assembly that any funds shifted by
22 Baltimore City to the Baltimore City Board of School Commissioners in fiscal year 2011
23 be included in the local appropriation on which the calculation of State aid under §
24 5–210 of the Education Article is based for fiscal year 2012.

25 SECTION 20. AND BE IT FURTHER ENACTED, That, notwithstanding any
26 other provision of law, because of the expiration of federal funds from the American
27 Recovery and Reinvestment Act of 2009 that were used by the State to fund increases in
28 the education aid formulas to the counties and Baltimore City in fiscal year 2010 and
29 2011, if the State Board of Education imposes any penalty under § 5–213 of the
30 Education Article on a county or Baltimore City for not meeting the required local
31 maintenance of effort in fiscal year 2012 under § 5–202(d) of the Education Article, the
32 penalty may not be more than the net increase in State aid over fiscal year 2011 due to
33 a county or Baltimore City regardless of the fund source.

34 ~~SECTION 19. AND BE IT FURTHER ENACTED, That the Maryland~~
35 ~~Insurance Administration shall:~~

36 ~~(1) work with the Health Services Cost Review Commission and the~~
37 ~~Maryland Health Care Commission to develop a mechanism for identifying hospital~~
38 ~~rate adjustments and assessments as components to be considered in the~~
39 ~~Administration’s process for reviewing and approving premium rates for health~~

~~1 insurance policies and contracts issued or delivered in the State by insurers, nonprofit~~
~~2 health service plans, and health maintenance organizations;~~

~~3 (2) take into account in its work under item (1) of this section:~~

~~4 (i) the tools available to the Administration for supporting~~
~~5 active premium rate review under laws regulating medical loss ratios;~~

~~6 (ii) the requirements of Section 1003 “Ensuring That~~
~~7 Consumers Get Value For Their Dollars” of the federal Patient Protection and~~
~~8 Affordable Care Act, as amended by the federal Health Care and Education~~
~~9 Reconciliation Act of 2010, and any regulations adopted or guidance issued under the~~
~~10 Acts (“Affordable Care Act”) for annual reviews of unreasonable premium increases~~
~~11 and State grants;~~

~~12 (iii) the observations relating to premium rate review and~~
~~13 approval and interagency regulatory coordination contained in the Hilltop Institute~~
~~14 report “Premium Rate Review of Private Health Insurers in Maryland and~~
~~15 Opportunities for State Regulatory Coordination under Health Care Reform” issued on~~
~~16 January 20, 2011; and~~

~~17 (iv) any recommendations that result from the analysis of rate~~
~~18 review and public disclosure processes undertaken by the Administration with grant~~
~~19 money provided under the Affordable Care Act; and~~

~~20 (3) report, on or before November 1, 2011, its findings and~~
~~21 recommendations for the mechanism to be developed under item (1) of this section to~~
~~22 the Governor and, in accordance with § 2-1246 of the State Government Article, the~~
~~23 General Assembly.~~

~~24 SECTION 20, 21. AND BE IT FURTHER ENACTED, That, notwithstanding~~
~~25 any other provision of law:~~

~~26 (a) Subject to subsection (b) of this section, on or before June 30, 2012, the~~
~~27 Governor shall transfer from the Injured Workers Insurance Fund to the General~~
~~28 Fund an amount equal to \$6,000,000 less the amount received on or before June 30,~~
~~29 2012, as a result of the imposition of a premium tax under § 6-101 of the Insurance~~
~~30 Article as enacted by this Act, to reimburse the State for State personnel costs in~~
~~31 connection with retirement and pension benefits and health care benefits for~~
~~32 employees and retirees that are provided to employees of the Injured Workers~~
~~33 Insurance Fund.~~

~~34 (b) Subsection (a) of this section is contingent on the taking effect of Chapter~~
~~35 _____ (H.B. 598) or Chapter _____ (S.B. 693) of the Acts of the General Assembly of 2011,~~
~~36 and if Chapter _____ (H.B. 598) or Chapter _____ (S.B. 693) does not become effective,~~
~~37 subsection (a) of this section shall be null and void without the necessity of further~~
~~38 action by the General Assembly.~~

1 ~~SECTION 19. AND BE IT FURTHER ENACTED, That, notwithstanding any~~
 2 ~~other provision of law, for each of fiscal years 2013 through 2016:~~

3 ~~(a) Except as provided in subsection (b) of this section, the Governor is not~~
 4 ~~required to include an appropriation in the budget for any program or item in an~~
 5 ~~amount that exceeds the fiscal year 2012 appropriation for that item or program as~~
 6 ~~approved in the State budget for fiscal year 2012 as enacted by the General Assembly.~~

7 ~~(b) Subsection (a) of this section does not apply to:~~

8 ~~(1) funding required for State aid to public elementary and secondary~~
 9 ~~education as provided under Title 5, Subtitle 2 or § 4-121, § 4-122, § 6-306, § 8-310.3,~~
 10 ~~§ 8-317, or § 8-415 of the Education Article;~~

11 ~~(2) the State's employer contribution to the State Retirement and~~
 12 ~~Pension System required under § 21-308 of the State Personnel and Pensions Article;~~

13 ~~(3) any appropriation to the Maryland Agricultural and~~
 14 ~~Resource Based Industry Development Corporation established under Title 10,~~
 15 ~~Subtitle 2 of the Economic Development Article; or~~

16 ~~(4) any appropriation required to the Revenue Stabilization Account of~~
 17 ~~the State Reserve Fund under § 7-311 of the State Finance and Procurement Article.~~

18 SECTION 21, 22. AND BE IT FURTHER ENACTED, That, notwithstanding
 19 any other provision of law:

20 (a) Subject to subsection (b) of this section, on or before June 30, 2012, the
 21 Governor shall transfer from the Maryland Automobile Insurance Fund to the General
 22 Fund an amount equal to \$4,000,000 to reimburse the State for State administrative
 23 expenses in connection with the management of retirement and pension benefits and
 24 health care benefits for employees and retirees that are provided to employees of the
 25 Maryland Automobile Insurance Fund.

26 (b) Subsection (a) of this section is contingent on the taking effect of Chapter
 27 _____ (S.B. 993) of the Acts of the General Assembly of 2011, and if Chapter _____ (S.B.
 28 993) does not become effective, subsection (a) of this section shall be null and void
 29 without the necessity of further action by the General Assembly.

30 SECTION 20, 22, 23. AND BE IT FURTHER ENACTED, That,
 31 notwithstanding any other provision of law, no amounts may be expended in fiscal
 32 year 2012 to pay increases over the rates in effect on January 21, 2011, for providers
 33 with rates set by the Interagency Rates Committee of nonpublic placements under §
 34 8-406 of the Education Article or providers of nonpublic placements with rates set by
 35 the Interagency Rates Committee under § 8-417 of the Education Article.

1 SECTION ~~21~~, ~~22~~, 24. AND BE IT FURTHER ENACTED, That,
2 notwithstanding any other provision of law;

3 (a) Except as otherwise provided in this section, State employees employed by
4 any entity, including the University System of Maryland, Morgan State University,
5 and St. Mary's College of Maryland, may not receive merit increases prior to April 1,
6 2014.

7 (b) This provision does not affect:

8 (1) salaries for constitutional officers or members of the General
9 Assembly ~~or~~;

10 (2) increases necessary for the retention of faculty in the University
11 System of Maryland, Morgan State University, or St. Mary's College of Maryland, ~~or~~;

12 (3) payments pursuant to a collective bargaining agreement
13 negotiated with an accredited representative in accordance with § 7-601 of the
14 Transportation Article; or

15 (4) for fiscal year 2012 only, operationally critical staff.

16 (c) On or before December 1, 2011, in accordance with § 2-1246 of the State
17 Government Article, the University System of Maryland, Morgan State University, and
18 St. Mary's College of Maryland shall each submit a report to the Senate Budget and
19 Taxation Committee and the House Appropriations Committee that details the policies
20 adopted by the governing boards of those institutions to designate operationally critical
21 staff, all staff identified as critical under subsection (b)(4) of this section, and any merit
22 increases awarded as a consequence of this designation.

23 (d) On or before December 1, 2011, in accordance with § 2-1246 of the State
24 Government Article, the Department of Budget and Management shall submit a report
25 to the Senate Budget and Taxation Committee and the House Appropriations
26 Committee that details the policies adopted to designate operationally critical staff, all
27 executive branch staff identified as critical under subsection (b)(4) of this section, and
28 any merit increases awarded as a consequence of this designation.

29 SECTION ~~22~~, ~~24~~, 25. AND BE IT FURTHER ENACTED, That,
30 notwithstanding § 36 of Chapter 484 of the Acts of the General Assembly of 2010 or
31 any other provision of law, for fiscal years 2011 and 2012 only, State employees
32 employed by the Department of Health and Mental Hygiene at a facility that is
33 scheduled to be closed may, subject to the approval of the Secretary of Budget and
34 Management, receive retention bonuses.

35 SECTION ~~25~~, 26. AND BE IT FURTHER ENACTED, That, notwithstanding §§
36 22-406 or 23-407 of the State Personnel and Pensions Article and except for an
37 individual whose retirement allowance is subject to a reduction as provided under §

1 22-406(c)(1)(iii) and (3) or § 23-407(c)(1)(iii) and (3), the reduction of an allowance
2 does not apply to an individual who was previously employed by the State Retirement
3 Agency, retired, and is rehired by the State Retirement Agency for a period not to
4 exceed 1 year to assist in the implementation of the pension option selection enacted
5 during the 2011 session of the General Assembly. This exception to the earnings
6 limitation provisions of §§ 22-406 and 23-407 shall be abrogated and of no further
7 force and effect on June 30, 2012.

8 SECTION ~~23~~, ~~26~~, 27. AND BE IT FURTHER ENACTED, That,
9 notwithstanding State Personnel and Pensions Article, §§ 21-304 and 21-308, or any
10 other provision of law, to reflect the actuarially determined impact of legislation
11 increasing employee contributions to and reducing the liabilities of the State
12 Retirement and Pension System, the Governor shall include in the budget bill the
13 following amounts:

14 (1) For fiscal year 2012 only, the Governor is not required to include in
15 the budget bill the total amount of the State's contributions to each system as
16 ascertained based on the rates certified by the Board of Trustees for the State
17 Retirement and Pension System, but the Governor shall include in the budget bill the
18 total amount of the State's contributions to each system as ascertained based on the
19 rates certified by the Board of Trustees less \$120,000,000;

20 (2) For fiscal year 2013 only, in addition to the total amount of the
21 State's contributions to each system certified by the Board of Trustees, the Governor
22 shall include in the budget bill an additional amount that reflects the difference
23 between the State's required contribution for that fiscal year and the amount that the
24 Board determines would have been required had legislation increasing employee
25 contributions to, and reducing the liabilities of, the State Retirement and Pension
26 System not been enacted in 2011, less ~~\$60,000,000~~; and \$120,000,000.

27 ~~(3) For fiscal year 2014 and each year thereafter, in addition to the~~
28 ~~total amount of the State's contributions to each system certified by the Board of~~
29 ~~Trustees, the Governor shall include in the budget bill an additional amount that~~
30 ~~reflects the difference between the State's required contribution for that fiscal year~~
31 ~~and the amount that the Board determines would have been required had legislation~~
32 ~~increasing employee contributions to, and reducing the liabilities of, the State~~
33 ~~Retirement and Pension System not been enacted in 2011.~~

34 SECTION ~~27~~, ~~28~~. AND BE IT FURTHER ENACTED, That, ~~notwithstanding §~~
35 ~~21-316 of the State Personnel and Pensions Article, as enacted by this Act, or any~~
36 ~~other provision of law, on:~~

37 (a) Sections 21-303(d) and 21-316 of the State Personnel and Pensions
38 Article as enacted by this Act are applicable beginning with fiscal year 2013.

39 (b) For fiscal year 2012:

1 (1) The State Retirement and Pension System shall be funded as
2 provided in the fiscal year 2012 State budget bill (Chapter (H.B. 70) of the Acts of
3 the General Assembly of 2011).

4 (2) (i) Local school boards and community colleges shall pay their
5 pro rata share of the administrative and operational expenses of the Board of Trustees
6 and the State Retirement Agency appropriated in the fiscal year 2012 State budget bill
7 as provided in paragraph (3) of this subsection.

8 (ii) On or before July 1, 2011, the Board of Trustees shall, for
9 local school board employees and community college employees:

10 ~~(1) Determine the per member contribution amount and the amounts~~
11 ~~payable by each local employer for fiscal year 2012 under § 21-316 of the State~~
12 ~~Personnel and Pensions Article; and~~

13 ~~(2) Certify to each local employer the per member contribution and the~~
14 ~~amounts payable by the local employer.~~

15 1. Determine the pro rata share of the administrative and
16 operational expenses of the Board of Trustees and the State Retirement Agency, based
17 on the number of members of the Teachers' Retirement System and Teachers' Pension
18 System employed by the local school board or community college as of June 30, 2010,
19 compared to the total membership of the several systems as of that date other than those
20 who are employed by participating governmental units as defined in § 20-101 of the
21 State Personnel and Pensions Article or by employers who are required to make
22 employer contributions under § 21-307 of the State Personnel and Pensions Article; and

23 2. Certify the amount determined under item 1 of this
24 subparagraph to each local school board and community college.

25 (3) (i) A local school board shall pay the amount certified under
26 paragraph (2)(ii) of this subsection to the Comptroller to be credited to a special fund to
27 be used only to provide funding for program R00A02.03 Aid for Local Employee Fringe
28 Benefits.

29 (ii) A community college shall pay the amount certified under
30 paragraph (2)(ii) of this subsection to the Comptroller to be credited to a special fund to
31 be used only to provide funding for program R62I00.06 Aid to Community Colleges –
32 Fringe Benefits.

33 (iii) On or before October 1, 2011, January 1, 2012, April 16,
34 2012, and June 1, 2012, each local school board and community college shall pay 25%
35 of the payments required under subparagraphs (i) and (ii) of this paragraph.

36 (iv) If a local school board or community college does not pay the
37 amounts required under this subsection within the time required, the local school board

1 or community college is liable for interest on delinquent amounts at a rate of 4% a year
 2 until payment.

3 (v) The Comptroller may allow a grace period not to exceed 10
 4 calendar days for payment of the amounts certified under this subsection.

5 (vi) If a delinquency exists, the Comptroller immediately shall
 6 exercise the right of setoff against any money due or coming due to that local school
 7 board or community college from the State.

8 SECTION ~~24.~~ ~~28.~~ 29. AND BE IT FURTHER ENACTED, That the Governor's
 9 Salary Commission, the Judicial Compensation Commission, and the General
 10 Assembly Salary Commission shall, taking into account the sustainability of the
 11 pension systems, include specific recommendations in their respective reports
 12 concerning appropriate benefit and member contribution levels.

13 SECTION ~~25.~~ ~~29.~~ 30. AND BE IT FURTHER ENACTED, That the Board of
 14 Trustees for the State Retirement and Pension System shall provide an annual report
 15 to the Governor and the Joint Committee on Pensions, on or before December 15 of
 16 each year, on the funding progress of the several systems. The Secretary of the
 17 Department of Budget and Management shall report biennially, beginning on January
 18 1, 2013, to the Governor and the General Assembly, in accordance with § 2–1246 of the
 19 State Government Article, on the financial health of the several systems. The
 20 Secretary's report shall reflect the State system's progress towards achieving the
 21 statutory funding goals, and shall include recommendations concerning modifications
 22 to the funding methods or benefits structure.

23 ~~SECTION 26. AND BE IT FURTHER ENACTED, That, notwithstanding the~~
 24 ~~provisions of § 8-402(e) of the Transportation Article as enacted by this Act, the~~
 25 ~~modified percentage of distribution of highway user revenues to the Department of~~
 26 ~~Transportation for fiscal year 2012 does not apply unless the General Assembly~~
 27 ~~appropriates in the Budget Bill (S.B. 85/H.B. 70) for fiscal year 2012 funds that are~~
 28 ~~sufficient to pay in fiscal year 2012 the principal of and interest due and payable in~~
 29 ~~that fiscal year on the Department's Consolidated Transportation Bonds that were~~
 30 ~~issued before July 1, 2011. If funds are appropriated by the General Assembly in the~~
 31 ~~fiscal year 2012 Budget Bill (S.B. 85/H.B. 70) to pay in fiscal year 2012 the principal of~~
 32 ~~and interest due and payable in fiscal year 2012 on the Department's Consolidated~~
 33 ~~Transportation Bonds that were issued before July 1, 2011, the distribution of~~
 34 ~~highway user revenues to the Department of Transportation for fiscal year 2012 shall~~
 35 ~~be made in accordance with § 8-402(e)(2) as enacted by this Act.~~

36 SECTION ~~30.~~ 31. AND BE IT FURTHER ENACTED, That, notwithstanding
 37 the provisions of this Act, except as otherwise provided in this section, the altered
 38 distributions of the revenues from the corporate income tax and the sales and use tax
 39 under the provisions of Title 2, Subtitles 6 and 13 of the Tax – General Article as
 40 enacted by this Act do not apply until any Consolidated Transportation Bonds that
 41 were issued by the Department of Transportation before July 1, 2011, no longer

1 remain outstanding and unpaid. In any fiscal year for which funds are appropriated by
2 the General Assembly to pay the amount due and payable in that fiscal year for the
3 principal of and interest on the Department of Transportation's Consolidated
4 Transportation Bonds that were issued before July 1, 2011, the revenues from the
5 corporate income tax and the sales and use tax shall be distributed as provided in Title
6 2, Subtitles 6 and 13 of the Tax – General Article as enacted by this Act.

7 ~~SECTION 31. AND BE IT FURTHER ENACTED, That, notwithstanding any~~
8 ~~other provision of law, if the University System of Maryland, St. Mary's College of~~
9 ~~Maryland, or Morgan State University institute a voluntary separation program under~~
10 ~~Executive Order 01.01.2010.23:~~

11 ~~(a) The institution that institutes the program:~~

12 ~~(1) shall provide as part of the program that the positions of the~~
13 ~~employees who separate from employment under the program be abolished; and~~

14 ~~(2) may not recreate the positions that are abolished under the~~
15 ~~program, notwithstanding the autonomy of the institution to create positions as~~
16 ~~needed.~~

17 ~~(b) The portion of the salaries for the positions of the employees who~~
18 ~~separate from employment under the program that have been appropriated for fiscal~~
19 ~~year 2012 from State funds shall be transferred to the General Fund of the State.~~

20 *SECTION 32. AND BE IT FURTHER ENACTED, That the Developmental*
21 *Disabilities Administration shall ensure that no provider funded by the Developmental*
22 *Disabilities Administration will have an overall funding reduction in fiscal year 2012*
23 *as a result of changes in reimbursement policies for absence days in residential, day,*
24 *and supported employment services.*

25 *SECTION 33. AND BE IT FURTHER ENACTED, That a memorandum of*
26 *understanding negotiated between the State and an exclusive representative that is*
27 *duly ratified on or after January 1, 2011, and before the effective date of this Act*
28 *complies with the provisions of §§ 3-501(c) and 3-601 of the State Personnel and*
29 *Pensions Article.*

30 SECTION ~~27, 32,~~ 34. AND BE IT FURTHER ENACTED, That, if any provision
31 of this Act or the application thereof to any person or circumstance is held invalid for
32 any reason in a court of competent jurisdiction, the invalidity does not affect other
33 provisions or any other application of this Act which can be given effect without the
34 invalid provision or application, and for this purpose the provisions of this Act are
35 declared severable.

36 ~~SECTION 28. AND BE IT FURTHER ENACTED, That, except as provided in §~~
37 ~~16-1001(b) of the Transportation Article, as enacted by this Act, Title 16, Subtitle 10~~
38 ~~of the Transportation Article, as enacted by this Act, shall be construed to apply only~~

1 ~~prospectively and may not otherwise be applied or interpreted to have any effect on or~~
 2 ~~application to a conviction of, or the assessment of points against or points~~
 3 ~~accumulated by, a licensee before the effective date of this Act.~~

4 ~~SECTION 33. AND BE IT FURTHER ENACTED, That §§ 9-103 and 9-255 of~~
 5 ~~the Tax – Property Article as enacted by this Act shall be applicable to tax credits~~
 6 ~~granted for qualified property for which a property tax credit has not been granted for~~
 7 ~~any taxable year beginning before July 1, 2011.~~

8 SECTION 35. AND BE IT FURTHER ENACTED, That § 7-301(f) of the Courts
 9 Article, §§ 2-614, 2-1104, and 2-1302.1 of the Tax – General Article, and §§ 12-120(a),
 10 13-613(b), 13-802, 13-812(a), 13-955(c), and 15-311.1(b) of the Transportation Article,
 11 as enacted by this Act, shall take effect July 1, 2011.

12 SECTION ~~34.~~ 36. AND BE IT FURTHER ENACTED, That, subject to Section
 13 ~~30~~ 31 of this Act, the repeal of § 2-1302.2 of the Tax – General Article under this Act
 14 shall take effect July 1, 2011.

15 SECTION ~~29.~~ ~~35.~~ 37. AND BE IT FURTHER ENACTED, That Section ~~4~~ 2 of
 16 this Act shall take effect July 1, 2015.

17 SECTION 38. AND BE IT FURTHER ENACTED, That Article 24, §
 18 9-1101(b)(2) of the Code and § 5-202(i) of the Education Article as enacted by this Act
 19 and Section 19 of this Act are contingent on funding for those provisions being provided
 20 in Chapter (H.B. 70) of the Acts of the General Assembly of 2011 (Budget Bill Fiscal
 21 Year 2012), and if funding for those provisions is not provided in Chapter (H.B. 70),
 22 Article 24, § 9-1101(b)(2) of the Code and § 5-202(i) of the Education Article as enacted
 23 by this Act and Section 19 of this Act shall be null and void without the necessity of
 24 further action by the General Assembly.

25 SECTION ~~30.~~ ~~36.~~ 39. AND BE IT FURTHER ENACTED, That, except as
 26 otherwise provided in this Act, this Act shall take effect June 1, 2011.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.