B1 2lr0115 CF HB 87

By: The President (By Request - Administration)

Introduced and read first time: January 18, 2012

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

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Budget Reconciliation and Financing Act of 2012

FOR the purpose of altering or repealing certain required appropriations; altering the distribution of certain revenues; altering or repealing certain funding requirements; altering the authorized use of certain funds; authorizing the transfer of certain funds; repealing certain requirements for a certain notice relating to abandoned property to be published in certain newspapers; requiring the Comptroller to maintain, or cause to be maintained, an abandoned property database containing the names and last known addresses, if any, of persons listed in certain reports; requiring the Comptroller to maintain, or cause to be maintained, a certain Internet Web site relating to the abandoned property database; requiring the Comptroller to publish certain notices of a certain Internet Web site; altering certain categories required to be included in certain annual budgets of county boards of education; prohibiting a county council or board of county commissioners from reducing a certain budget amount for a county board of education; authorizing the State to deduct a certain amount under certain circumstances from certain State funds that would otherwise be paid to certain county boards of education; providing a certain exception to a certain requirement that certain money is to be included in the budget bill; altering certain State education funding for certain fiscal years; altering certain fees; establishing the Developmental Disabilities Trust Fund as a special fund to be used for certain purposes; providing for a certain assessment on certain day care centers; repealing a requirement for a certain payment to certain nursing facilities under certain circumstances; altering a certain authority for the Health Services Cost Review Commission to adopt certain regulations under certain circumstances; requiring a certain nonprofit health service plan to provide a certain subsidy; altering the percentage of the amount that may be assessed in the aggregate on certain nursing facilities; altering certain commissions for certain licensed agents; requiring counties to pay a certain portion of certain employer contributions for certain members of the Teachers' Retirement System or the Teachers' Pension System; requiring the Board of



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Trustees for the State Retirement and Pension System to establish a certain local contribution rate in a certain manner for certain fiscal years; providing for the manner of payment by certain counties for certain employer contributions; requiring certain counties to make certain payments of certain employer contributions in certain fiscal years; requiring the Comptroller to exercise the right of setoff against any money due or becoming due under certain circumstances; altering the time period during which a certain education index adjustment is to be updated; altering certain criteria and methodology to be used in updating a certain education index adjustment; altering a certain exemption from certain income taxes for certain individuals and married couples under certain circumstances; altering a certain reduction for a certain individual who elects to itemize certain deductions under certain circumstances; providing that the sales and use tax applies to the sale or use of certain digital products; providing that for purposes of certain provisions of the sales and use tax law certain persons shall be presumed under certain circumstances to have an agent, canvasser, representative, salesman, independent contractor, or solicitor operating in the State for certain purposes; providing that a certain presumption may be rebutted by certain proof; altering a certain tax rate for certain tobacco products; providing that, for purposes of the recordation tax, secured debt with respect to certain mortgages, deeds of trust, and other security interests in real property securing a guarantee of repayment of a loan for a certain amount is deemed to be incurred as debt is incurred on the guaranteed loan and, with respect to those mortgages, deeds of trust, and other security interests, the recordation tax applies in a certain manner; repealing a certain exemption to the sales and use tax for precious metal bullion or coins; repealing a certain exemption to the sales and use tax for certain sales of manufactured homes; repealing a certain exemption to the sales and use tax for certain sales in the form of a demurrage charge; repealing certain credits allowed against certain taxes for the purchase of Maryland-mined coal; repealing a certain modification for purposes of determining Maryland taxable income for certain public utilities; repealing a certain credit against the State income tax for certain public utilities; repealing certain provisions relating to payment of overpayment of retirement contributions for certain members of the Teachers' Retirement System or the Teachers' Pension System; requiring the Health Services Cost Review Commission to approve certain remittances to support the general operations of the Medicaid program; authorizing a certain reduction to the remittances; defining certain terms; altering certain definitions; providing for the application and construction of certain provisions of this Act; making the provisions of this Act severable; and generally relating to the financing of State government.

- 41 BY repealing
- 42 Article Commercial Law
- 43 Section 17–311(a), (b), and (c)
- 44 Annotated Code of Maryland
- 45 (2005 Replacement Volume and 2011 Supplement)

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BY adding to
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 2
           Article – Commercial Law
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           Section 17–311(a), (b), and (c)
 4
           Annotated Code of Maryland
           (2005 Replacement Volume and 2011 Supplement)
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 6
     BY repealing and reenacting, with amendments,
 7
           Article – Economic Development
 8
           Section 10–523(3)(i)
 9
           Annotated Code of Maryland
10
           (2008 Volume and 2011 Supplement)
11
     BY repealing and reenacting, with amendments,
           Article - Education
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           Section 5-101(b)(4), 5-103(c), 5-206(f)(2), 16-305(c)(1)(i), 16-512(a)(1), and
14
                 17-104(a)(1)
15
           Annotated Code of Maryland
16
           (2008 Replacement Volume and 2011 Supplement)
17
     BY adding to
           Article – Education
18
19
           Section 5–202(j), 16-305(c)(1)(iv), 16-512(a)(4), and 17-104(a)(3)
20
           Annotated Code of Maryland
21
           (2008 Replacement Volume and 2011 Supplement)
22
     BY repealing and reenacting, with amendments,
23
           Article – Environment
24
           Section 7–604(b) and (h) and 9–1707(f)(6)
25
           Annotated Code of Maryland
26
           (2007 Replacement Volume and 2011 Supplement)
27
     BY repealing and reenacting, without amendments,
28
           Article – Environment
29
           Section 9-1707(f)(1)
30
           Annotated Code of Maryland
           (2007 Replacement Volume and 2011 Supplement)
31
32
     BY adding to
33
           Article – Financial Institutions
34
           Section 13-1114(g)(3)(iv)
35
           Annotated Code of Maryland
           (2011 Replacement Volume and 2011 Supplement)
36
37
     BY repealing and reenacting, with amendments,
38
           Article – Health – General
39
           Section 4–217(c)(1), 15–117(b) and (c), 19–214(b) and (c), and 19–310.1(b)(2)
           Annotated Code of Maryland
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1	(2009 Replacement Volume and 2011 Supplement)
2 3 4 5 6	BY adding to Article – Health – General Section 7–207, 14–207, and 14–305 Annotated Code of Maryland (2009 Replacement Volume and 2011 Supplement)
7 8 9 10 11	BY repealing and reenacting, with amendments, Article – Insurance Section 14–106(d), 14–106.1, and 14–504(e) Annotated Code of Maryland (2011 Replacement Volume)
12 13 14 15 16	BY repealing and reenacting, with amendments, Article – State Government Section 9–117(a)(1), 9–1604(b)(1)(vi), and 12–203 Annotated Code of Maryland (2009 Replacement Volume and 2011 Supplement)
17 18 19 20 21	BY repealing and reenacting, with amendments, Article – State Personnel and Pensions Section 21–304(a) and (b) Annotated Code of Maryland (2009 Replacement Volume and 2011 Supplement)
22 23 24 25 26	BY adding to Article – State Personnel and Pensions Section 21–309.1 Annotated Code of Maryland (2009 Replacement Volume and 2011 Supplement)
27 28 29 30 31 32	BY repealing Article – Tax – General Section 2–608(c), (d), (e), and (f), 8–406(b), 10–306(c), 10–704.1, 10–708, 11–202, 11–213, and 11–214.1 Annotated Code of Maryland (2010 Replacement Volume and 2011 Supplement)
33 34 35 36 37 38	BY repealing and reenacting, with amendments, Article – Transportation Section 12–118(e)(2) Annotated Code of Maryland (2009 Replacement Volume and 2011 Supplement) (As enacted by Chapter 500 of the Acts of the General Assembly of 2009)
39	BY repealing and reenacting, with amendments,

$\frac{1}{2}$	Chapter 2 of the Acts of the General Assembly of the Special Session of 2007 Section 13(a)
3 4 5	BY repealing and reenacting, with amendments, Chapter 397 of the Acts of the General Assembly of 2011 Section 11
6	BY repealing and reenacting, with amendments,
7	Article – Tax – General
8	Section 2–1104(b), 10–211(b), 10–218(b), 11–101, 11–102(a), 11–217(b),
9	11–701(b) and 12–105(b)
10 11	Annotated Code of Maryland (2010 Replacement Volume and 2011 Supplement)
11	(2010 Replacement Volume and 2011 Supplement)
12	BY adding to
13	Article – Tax – General
14	Section 11–221(d) and 11–701.1
15	Annotated Code of Maryland
16	(2010 Replacement Volume and 2011 Supplement)
17	BY adding to
18	Article – Tax – Property
19	Section $12-105(f)(7)$
20	Annotated Code of Maryland
21	(2007 Replacement Volume and 2011 Supplement)
22	BY repealing
23	Article – Education
24	Section 5–203
25	Annotated Code of Maryland
26	(2008 Replacement Volume and 2011 Supplement)
27 28	SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:
29	Article – Commercial Law
30	17–311.
00	1, 611.
31	[(a) (1) Within 365 days from the filing of the report required by § 17–310
32	of this subtitle, the Administrator shall cause notice to be published in a newspaper of
33	general circulation in the county in the State within which is located the last known
34	address of any person to be named in the notice.
35	(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.

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- 1 (b) The published notice shall be entitled "Notice of Names of Persons 2 Appearing to Be Owners of Abandoned Property" and shall contain:
- 3 (1) The names in alphabetical order and last known addresses, if any, 4 of persons listed in the report and entitled to notice in the county specified in this 5 section;
- 6 (2) A statement that information concerning the amount or description 7 of the property and the name and address of the person who held the property may be 8 obtained by any person who possesses an interest in the property, by addressing an 9 inquiry to the Administrator; and
- 10 (3) A statement that a proof of claim may be presented by the owner to the Administrator.
- 12 (c) The Administrator is not required to publish in the notice any item 13 valued at less than \$100 unless the Administrator considers the publication to be in 14 the public interest.]
- 15 (A) IN THIS SECTION, "ABANDONED PROPERTY DATABASE" MEANS AN 16 ELECTRONIC DATABASE CONTAINING THE NAMES AND LAST KNOWN 17 ADDRESSES, IF ANY, OF PERSONS WHO APPEAR TO BE OWNERS OF ABANDONED 18 PROPERTY.
- 19 **(B) (1)** THE ADMINISTRATOR SHALL MAINTAIN, OR CAUSE TO BE 20 MAINTAINED, AN ABANDONED PROPERTY DATABASE.
- 21 **(2)** WITHIN 365 DAYS AFTER THE FILING OF A REPORT REQUIRED BY § 17–310 OF THIS SUBTITLE, THE ADMINISTRATOR SHALL ADD TO THE ABANDONED PROPERTY DATABASE THE NAMES AND LAST KNOWN ADDRESSES, IF ANY, OF PERSONS LISTED IN THE REPORT.
- 25 (3) THE ADMINISTRATOR SHALL MAINTAIN, OR CAUSE TO BE 26 MAINTAINED, AN INTERNET WEB SITE THAT:
- 27 (I) PROVIDES REASONABLE MEANS BY WHICH A PERSON 28 MAY SEARCH THE ABANDONED PROPERTY DATABASE REQUIRED BY THIS 29 SUBSECTION;
- (II) CONTAINS 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;

1 2	(III) CONTAINS A STATEMENT THAT A PROOF OF CLAIM MAY BE PRESENTED BY THE OWNER TO THE ADMINISTRATOR; AND
3 4	(IV) INCLUDES A LINK TO AN ABANDONED PROPERTY CLAIM FORM.
5 6	(C) (1) THE ADMINISTRATOR SHALL PUBLISH NOTICE OF THE INTERNET WEB SITE REQUIRED BY SUBSECTION (B)(3) OF THIS SECTION.
7	(2) THE NOTICE SHALL:
8 9 10	(I) BE PUBLISHED AT LEAST ONCE EACH CALENDAR QUARTER IN ONE OR MORE NEWSPAPERS OF GENERAL CIRCULATION IN EACH COUNTY OF THE STATE; AND
1	(II) CONTAIN:
12 13 14 15 16	1. A STATEMENT THAT THE ADMINISTRATOR MAINTAINS RECORDS OF THE NAMES AND LAST KNOWN ADDRESSES, IF ANY, OF PERSONS WHO APPEAR TO BE OWNERS OF ABANDONED PROPERTY; 2. A STATEMENT THAT ANY PERSON MAY SEARCH THE ADMINISTRATOR'S ABANDONED PROPERTY RECORDS THROUGH THE ADMINISTRATOR'S INTERNET WEB SITE; AND
18	3. THE ADDRESS OF THE INTERNET WEB SITE.
19	Article – Economic Development
20	10–523.
21 22 23 24	(3) (i) To assist the Corporation in complying with subsection (c) of this section, the Governor shall include each year in the State budget bill an appropriation to the Corporation for rural business development and assistance as follows:
25 26	1. for EACH OF THE fiscal [year] YEARS 2011 THROUGH 2014 , \$2,750,000; AND
27	2. [for fiscal year 2012, \$2,750,000;
28	3. for fiscal year 2013, \$3,000,000; and

$\frac{1}{2}$	2020, \$4,000,000.		4.]	for	each	of	тне	fiscal	years	[2014]	2015	through
3				Ar	ticle -	– Ed	ucat	ion				
4	5–101.											
5	(b) The k	udget	shall	be pr	epare	d to	inclu	de the	followi	ng cate	gories:	
6	(4)	Schoo	ol Con	struc	tion F	und	, requ	ıested	approp	oriations	s:	
7		(i)	Land	d for	school	site	s;					
8	a building by proje	(ii) ect;	Build	dings	and t	the e	quip	ment t	hat wi	ll be an	integra	al part of
10		(iii)	Scho	ol sit	e imp	rove	ment	by pro	oject;			
11		(iv)	Rem	odeli	ng by	proj	ect;					
12		(v)	Addi	tiona	al equi	ipme	nt by	proje	ct; [and	d]		
13		(vi)	Debt	serv	rice; Al	ND						
14 15 16 17	COURT JUDGMEN RENDERED AGA OFFICERS OR EM	NT TH INST	AT, A	FTEI	R EXH	IAUS	STION	OF	THE R	IGHTS (OF AP	•
18	5–103.											
19 20 21	(c) If a common amount requested 5–202(d)(1)(i) of the	d in t	he bu				-					prove the red by §
22	(1)	The c	county	cour	ncil or	boar	d of o	county	comm	issioner	s [shal	l]:
23 24	BUDGET THAT IS	(I) DEDIO								•		IN THE
25 26 27	adoption of the k		, whic	ch m	ajor o	categ	gories	•			•	after the ave been
28	(2)	The	count	y boa	ard sl	hall	subn	nit to	the c	ounty g	overni	ng body,

within 30 days after the adoption of the budget, a report indicating how the alterations

- to the budget will be implemented, accompanied by reasonable supporting detail and analysis.
- 3 5–202.
- 4 (J) IF A FINAL COURT JUDGMENT REQUIRES THE STATE TO INCLUDE IN
 5 THE BUDGET BILL MONEY TO SATISFY A JUDGMENT AGAINST THE COUNTY
 6 BOARD OF EDUCATION, THE STATE MAY DEDUCT THAT AMOUNT FROM ANY
 7 OTHER STATE FUNDS THAT WOULD OTHERWISE BE PAID TO THE COUNTY BOARD
 8 OF EDUCATION UNDER THIS SUBTITLE.
- 9 5–206.
- 10 (f) (2) [The] IN FISCAL YEAR 2013 AND IN EACH FISCAL YEAR 11 THEREAFTER, THE funding level for a county is [:
- 12 (i) In fiscal year 2011, the following amounts for the following 13 counties: Allegany County......\$97,791; 14 1. 15 2. Anne Arundel County\$506,038; 16 3. Baltimore County......\$874,227; 17 4. 18 5. Calvert County\$38,292; 19 6. Caroline County\$50,074; 7. 20 218. 229. 2310. Dorchester County\$38,292; 2411. Frederick County\$182,622: 12. 25 Garrett County\$38,292: Harford County\$217,379: 26 13. 27 Howard County\$87,776; 14.

1		15.	Kent County	\$38,292;
2		16.	Montgomery County	\$602,651;
3		17.	Prince George's County	\$1,209,426;
4		18.	Queen Anne's County	\$50,074;
5		19.	St. Mary's County	\$50,074;
6		20.	Somerset County	\$38,292;
7		21.	Talbot County	\$38,292;
8		22.	Washington County	\$134,904;
9		23.	Wicomico County	\$106,627; and
10		24.	Worcester County	\$38,292 [; and
11 12	(ii) funding level for the cour		scal year 2012 and in each fis the prior fiscal year].	scal year thereafter, the
13	16–305.			
14 15 16	(c) (1) (i) student to the communi 2013, as requested by the	ty coll	total State operating fund peges for each fiscal year OTH ernor shall be:	-
17 18 19 20 21	the 4-year public institu	utions pose of	In fiscal year 2009, not less to Fund appropriation per full—time of higher education in the State administering the Joseph A. State evious fiscal year;	me equivalent student to ate as designated by the
22 23 24 25 26	the 4-year public institu	utions pose of	In fiscal year 2010, not less to fund appropriation per full—tire of higher education in the State administering the Joseph A. Some fiscal year;	ne equivalent student to ate as designated by the
27 28 29 30 31	the 4-year public institu	utions pose of	In fiscal year 2011, not less to fund appropriation per full—tire of higher education in the State administering the Joseph A. State fiscal year;	ne equivalent student to ate as designated by the

- In fiscal year 2012, not less than an amount equal to 1 4. 2 20% of the State's General Fund appropriation per full-time equivalent student to the 3 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 **[**5. In fiscal year 2013, not less than an amount equal to 7 19% of the State's General Fund appropriation per full-time equivalent student to the 8 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 Title 17 of this article in the same fiscal year: 10 11 [6.] 5. In EACH OF fiscal [year] YEARS 2014 THROUGH 12 2017, not less than an amount equal to [19% of the State's General Fund 13 appropriation per full-time equivalent student to the 4-year public institutions of 14 higher education in the State as designated by the Commission for the purpose of 15 administering the Joseph A. Sellinger Program under Title 17 of this article in the same fiscal year **\$1,839.43**: 16 17 In fiscal year 2015, not less than an amount equal to [7. 19.5% of the State's General Fund appropriation per full-time equivalent student to 18 19 the 4-year public institutions of higher education in the State as designated by the 20 Commission for the purpose of administering the Joseph A. Sellinger Program under Title 17 of this article in the same fiscal year: 2122 In fiscal year 2016, not less than an amount equal to 23 21% of the State's General Fund appropriation per full-time equivalent student to the 4-year public institutions of higher education in the State as designated by the 2425 Commission for the purpose of administering the Joseph A. Sellinger Program under 26 Title 17 of this article in the same fiscal year; 27 9. In fiscal year 2017, not less than an amount equal to 28 22% of the State's General Fund appropriation per full-time equivalent student to the 29 4-year public institutions of higher education in the State as designated by the 30 Commission for the purpose of administering the Joseph A. Sellinger Program under 31 Title 17 of this article in the same fiscal year; 32 10.**] 6.** In fiscal year 2018, not less than an amount equal to 33 [23%] 19.69% of the State's General Fund appropriation per full-time equivalent 34 student to the 4-year public institutions of higher education in the State as designated by the Commission for the purpose of administering the Joseph A. Sellinger Program 35 36 under Title 17 of this article in the same fiscal year;
 - [11.] 7. In fiscal year 2019, not less than an amount equal to [24%] 21% of the State's General Fund appropriation per full—time

1 2 3	equivalent student to the 4-year public institutions of higher education in the State as designated by the Commission for the purpose of administering the Joseph A. Sellinger Program under Title 17 of this article in the same fiscal year;
4 5 6 7 8	[12.] 8. In fiscal year 2020, not less than an amount equal to [25%] 23% of the State's General Fund appropriation per full—time equivalent student to the 4—year public institutions of higher education in the State as designated by the Commission for the purpose of administering the Joseph A. Sellinger Program under Title 17 of this article in the same fiscal year;
9 10 11 12 13	[13.] 9. In fiscal year 2021, not less than an amount equal to [26%] 25% of the State's General Fund appropriation per full—time equivalent student to the 4—year public institutions of higher education in the State as designated by the Commission for the purpose of administering the Joseph A. Sellinger Program under Title 17 of this article in the same fiscal year;
14 15 16 17 18	[14.] 10. In fiscal year 2022, not less than an amount equal to [27.5%] 27% of the State's General Fund appropriation per full—time equivalent student to the 4—year public institutions of higher education in the State as designated by the Commission for the purpose of administering the Joseph A. Sellinger Program under Title 17 of this article in the same fiscal year; and
19 20 21 22 23 24	[15.] 11. In fiscal year 2023 and each fiscal year thereafter, not less than an amount equal to 29% of the State's General Fund appropriation per full—time equivalent student to the 4—year public institutions of higher education in the State as designated by the Commission for the purpose of administering the Joseph A. Sellinger Program under Title 17 of this article in the same fiscal year.
25 26 27	(IV) IN FISCAL YEAR 2013, THE TOTAL STATE OPERATING FUNDS FOR COMMUNITY COLLEGES SHALL BE \$199,172,005, TO BE DISTRIBUTED AS FOLLOWS:
28	A. ALLEGANY COLLEGE\$4,774,893;
29 30	B. ANNE ARUNDEL COMMUNITY COLLEGE \$27,245,747;
31 32	C. COMMUNITY COLLEGE OF BALTIMORE \$34,411,298;
33	D. CARROLL COMMUNITY COLLEGE\$6,854,255;
34	E. CECIL COMMUNITY COLLEGE\$4,647,382;

$\frac{1}{2}$	MARYLAND	F.	COLLEGE	OF	SOUTHERN \$10.694.901:
3	WINTERNA	G.			\$5,891,166;
4		Н.			LEGE \$8,150,150;
5		I.	GARRETT CO	OLLEGE	\$2,247,232;
6 7	COLLEGE	J.	HAGERSTOW		COMMUNITY\$6,967,783;
8		K.	HARFORD C	OMMUNITY COLLE	GE\$9,995,632;
9		L.	Howard Co	MMUNITY COLLEC	GE\$12,589,715;
10		Μ.	MONTGOME	RY COLLEGE	\$35,927,782;
11 12	COLLEGE	N.	PRINCE		
13		Ο.	WOR-WIC C	OMMUNITY COLLE	GE\$6,751,602.
14	16–512.				
15 16 17	(a) (1) The appropriated to Baltimo FISCAL YEAR 2013, as	re City	y Community C	ollege for each fisca	e equivalent student ll year OTHER THAN
18 19 20 21 22	(i) of the State's General 4-year public institution Commission for the pur Title 17 of this article in	Fund ons of pose o	appropriation p higher educati f administering	per full—time equiv on in the State a the Joseph A. Selli	s designated by the
23 24 25 26 27	(ii) of the State's General 4-year public institution Commission for the pur Title 17 of this article in	Fund ons of pose o	appropriation p higher educati f administering	oer full—time equiv on in the State a	s designated by the
28 29 30 31 32	(iii) of the State's General 4—year public institution Commission for the pur Title 17 of this article in	Fund ons of pose o	appropriation p higher educati f administering	oer full–time equiv ion in the State a	s designated by the

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

- [(v) In fiscal year 2013, not less than an amount equal to 63.5% of the State's General Fund appropriation per full—time equivalent student to the 4—year public institutions of higher education in the State as designated by the Commission for the purpose of administering the Joseph A. Sellinger Program under Title 17 of this article in the same fiscal year;]
- [(vi)] (V) In fiscal year 2014 THROUGH FISCAL YEAR 2017, not less than an amount equal to [64% of the State's General Fund appropriation per full—time equivalent student to the 4—year public institutions of higher education in the State as designated by the Commission for the purpose of administering the Joseph A. Sellinger Program under Title 17 of this article in the same fiscal year] \$5,695.90;
- [(vii) In fiscal year 2015, not less than an amount equal to 64.5% of the State's General Fund appropriation per full—time equivalent student to the 4—year public institutions of higher education in the State as designated by the Commission for the purpose of administering the Joseph A. Sellinger Program under Title 17 of this article in the same fiscal year;
 - (viii) In fiscal year 2016, not less than an amount equal to 64.75% of the State's General Fund appropriation per full—time equivalent student to the 4—year public institutions of higher education in the State as designated by the Commission for the purpose of administering the Joseph A. Sellinger Program under Title 17 of this article in the same fiscal year;
 - (ix) In fiscal year 2017, not less than an amount equal to 65.25% of the State's General Fund appropriation per full—time equivalent student to the 4—year public institutions of higher education in the State as designated by the Commission for the purpose of administering the Joseph A. Sellinger Program under Title 17 of this article in the same fiscal year;
 - (x)] (VI) In fiscal year 2018, not less than an amount equal to [65.75%] **59.98**% of the State's General Fund appropriation per full—time equivalent student to the 4—year public institutions of higher education in the State as designated by the Commission for the purpose of administering the Joseph A. Sellinger Program under Title 17 of this article in the same fiscal year;
- [(xi)] (VII) In fiscal year 2019, not less than an amount equal to [66.25%] 61% of the State's General Fund appropriation per full—time equivalent

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

[(xii)] (VIII) In fiscal year 2020, not less than an amount equal to [67%] 62.5% of the State's General Fund appropriation per full—time equivalent student to the 4—year public institutions of higher education in the State as designated by the Commission for the purpose of administering the Joseph A. Sellinger Program under Title 17 of this article in the same fiscal year;

[(xiii)] (IX) In fiscal year 2021, not less than an amount equal to [67.5%] 64.5% of the State's General Fund appropriation per full—time equivalent student to the 4—year public institutions of higher education in the State as designated by the Commission for the purpose of administering the Joseph A. Sellinger Program under Title 17 of this article in the same fiscal year;

[(xiv)] (X) In fiscal year 2022, not less than an amount equal to [68%] 66.5% of the State's General Fund appropriation per full—time equivalent student to the 4—year public institutions of higher education in the State as designated by the Commission for the purpose of administering the Joseph A. Sellinger Program under Title 17 of this article in the same fiscal year; and

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

- (4) IN FISCAL YEAR 2013, THE TOTAL STATE OPERATING FUNDS APPROPRIATED TO BALTIMORE CITY COMMUNITY COLLEGE UNDER THIS SECTION SHALL BE \$39,867,838.
- 27 17–104.

- (a) (1) Except as provided in paragraph (2) of this subsection, the Maryland Higher Education Commission shall compute the amount of the annual apportionment for each institution that qualifies under this subtitle by multiplying the number of full—time equivalent students enrolled at the institution during the fall semester of the fiscal year preceding the fiscal year for which the aid apportionment is made, as determined by the Maryland Higher Education Commission by:
- (i) In fiscal year 2009, an amount not less than 16% of the State's General Fund per full-time equivalent student appropriation to the 4-year public institutions of higher education in this State for the preceding fiscal year;

1 2 3	(ii) In fiscal year 2010, an amount not less than 12.85% of the State's General Fund per full-time equivalent student appropriation to the 4-year public institutions of higher education in the State for the same fiscal year;
4 5 6	(iii) In fiscal year 2011, an amount not less than 9.8% of the State's General Fund per full-time equivalent student appropriation to the 4-year public institutions of higher education in this State for the same fiscal year;
7 8 9	(iv) In fiscal year 2012, an amount not less than 9.2% of the State's General Fund per full-time equivalent student appropriation to the 4-year public institutions of higher education in this State for the same fiscal year;
10 11 12	[(v) In fiscal year 2013, an amount not less than 9.7% of the State's General Fund per full-time equivalent student appropriation to the 4-year public institutions of higher education in this State for the same fiscal year;]
13 14 15 16	[(vi)] (V) In fiscal year 2014 THROUGH FISCAL YEAR 2017, an amount not less than [10% of the State's General Fund per full-time equivalent student appropriation to the 4-year public institutions of higher education in this State for the same fiscal year] \$875.53;
17 18 19	[(vii) In fiscal year 2015, an amount not less than 10.6% of the State's General Fund per full–time equivalent student appropriation to the 4–year public institutions of higher education in this State for the same fiscal year;
20 21 22	(viii) In fiscal year 2016, an amount not less than 11.1% of the State's General Fund per full–time equivalent student appropriation to the 4–year public institutions of higher education in this State for the same fiscal year;
23 24 25	(ix) In fiscal year 2017, an amount not less than 12% of the State's General Fund per full–time equivalent student appropriation to the 4–year public institutions of higher education in this State for the same fiscal year;
26 27 28	(x)] (VI) In fiscal year 2018, an amount not less than [13%] 9.3% of the State's General Fund per full—time equivalent student appropriation to the 4—year public institutions of higher education in this State for the same fiscal year;
29 30 31	[(xi)] (VII) In fiscal year 2019, an amount not less than [14%] 11.3% of the State's General Fund per full—time equivalent student appropriation to the 4—year public institutions of higher education in this State for the same fiscal year;
32 33 34 35	[(xii)] (VIII) In fiscal year 2020, an amount not less than [15%] 13.3% of the State's General Fund per full—time equivalent student appropriation to the 4—year public institutions of higher education in this State for the same fiscal year; and

1 2 3 4		s than riation t	(IX) In fiscal year 2021 and each fiscal year thereafter, an 15.5% of the State's General Fund per full—time equivalent to the 4—year public institutions of higher education in this year.
5 6	(3) ALL INSTITUTI		TISCAL YEAR 2013, THE TOTAL AMOUNT OF AID DUE TO ALL BE \$38,445,958.
7			Article – Environment
8	7–604.		
9	(b) Th	e Depart	ment shall use the Community Right–to–Know Fund for:
10 11 12 13		m an ow ons adop	collection, management, and analysis of data received by the ner or operator of a facility that is required by the federal Act ted under the federal Act to provide information to the State subtitle;
14	(2)	Enfo	rcement by the State of this subtitle or the federal Act; [and]
15 16	(3) instrumentalitie		ning and training functions performed by the State or local y be required by the federal Act including:
17		(i)	Conducting:
18			1. Incident response activities;
19			2. Shelter in place and evacuation planning;
20			3. Railroad, maritime, and transportation exercises; and
21			4. Emergency response activities;
22 23	information;	(ii)	The collection of hazardous material commodity flow
24 25	materials;	(iii)	The acquisition and maintenance of chemical reference
26 27	safety, and eme	(iv) rgency p	Public outreach activities including case studies, school lanning for citizens; and
28 29 30			Participation by emergency response personnel in related local, State, and federal regulatory and compliance updates, crisis control; AND

1	(4) EMERGENCY RESPONSE ACTIVITIES OF THE DEPARTMENT.
2 3	(h) The Department [shall] MAY use 50% of the moneys in the Fund to provide grants to local emergency planning committees.
4	9–1707.
5	(f) (1) There is a State Recycling Trust Fund.
6	(6) In accordance with the State budget, the Fund shall be used only:
7 8	(i) To provide grants to the counties to be used by the counties to develop and implement local recycling plans;
9 10 11	(ii) To provide grants to counties that have addressed methods for the separate collection and recycling of covered electronic devices in accordance with $\S~9-1703(c)(1)$ of this subtitle;
12 13	(iii) To provide grants to municipalities to be used by the municipalities to implement local covered electronic device recycling programs; and
14 15 16	(iv) To carry out the purposes of the [Office of Recycling under this subtitle and under Title 6, Subtitle 9 of this article] LAND MANAGEMENT ADMINISTRATION.
17	Article - Financial Institutions
18	13–1114.
19 20 21 22	(g) (3) (IV) FOR FISCAL YEAR 2013 ONLY, AN ADDITIONAL \$1,150,000 OF PROGRAM OPEN SPACE FUNDS TRANSFERRED TO THE AUTHORITY MAY BE USED TO PAY OPERATING EXPENSES IN THE DEPARTMENT OF PLANNING.
23	Article – Health – General
24	4–217.
25	(c) (1) Except as otherwise provided by law:
26	(i) [The Department shall collect a \$12 fee:
27 28	1. For each certified or abridged copy of a death, fetal death, marriage, or divorce verification certificate;

1 2 3	2. For a report that a search of the death, fetal death, marriage, or divorce verification certificate files was made and the requested record is not on file;
4 5 6	3. For each change to a death, fetal death, marriage, or divorce verification certificate made later than one year after the certificate has been registered with the Department; or
7 8	4. To process an adoption, foreign adoption, or legitimation; and
9	(ii)] The Department shall collect a \$24 fee:
l0 l1	1. For each certified or abridged copy of a birth, FETAL DEATH, MARRIAGE, OR BIRTH RESULTING IN STILLBIRTH certificate;
12 13	2. FOR THE FIRST COPY OF A CERTIFIED OR ABRIDGED DEATH CERTIFICATE ISSUED IN A SINGLE TRANSACTION;
14 15 16	3. For a report that a search of the birth, DEATH, FETAL DEATH, OR MARRIAGE certificate files was made and the requested record is not on file; [or]
17 18 19	[3.] 4. For each change to a birth, DEATH, FETAL DEATH, OR MARRIAGE certificate made later than 1 year after the certificate has been registered with the Department; OR
20 21	5. TO PROCESS AN ADOPTION, A FOREIGN ADOPTION, OR A LEGITIMATION; AND
22	(II) THE DEPARTMENT SHALL COLLECT A \$12 FEE:
23 24 25	1. FOR EACH ADDITIONAL CERTIFIED OR ABRIDGED COPY OF A DEATH CERTIFICATE PROVIDED CONCURRENTLY WITH AN INITIAL REQUESTED DEATH CERTIFICATE; OR
26	2. FOR EACH DIVORCE VERIFICATION.
27	7–207.
28 29	(A) IN THIS SECTION, "FUND" MEANS THE DEVELOPMENTAL DISABILITIES TRUST FUND.

THERE IS A DEVELOPMENTAL DISABILITIES TRUST FUND.

30

(B)

- 1 (C) THE PURPOSE OF THE FUND IS TO SUPPORT AND PROVIDE 2 RESOURCES TO BENEFIT INDIVIDUALS WITH DEVELOPMENTAL DISABILITIES.
- 3 (D) THE SECRETARY SHALL ADMINISTER THE FUND.
- 4 (E) (1) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT SUBJECT TO § 7–302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.
- 6 (2) THE STATE TREASURER SHALL HOLD THE FUND 7 SEPARATELY, AND THE COMPTROLLER SHALL ACCOUNT FOR THE FUND.
- 8 (F) THE FUND CONSISTS OF:
- 9 (1) NOTWITHSTANDING THE PROVISIONS OF § 7–302 OF THE
- 10 STATE FINANCE AND PROCUREMENT ARTICLE, ANY UNSPENT GENERAL FUNDS
- 11 APPROPRIATED IN THE COMMUNITY SERVICES PROGRAM OF THE
- 12 DEVELOPMENTAL DISABILITIES ADMINISTRATION;
- 13 (2) MONEY APPROPRIATED IN THE STATE BUDGET TO THE FUND;
- 14 **AND**
- 15 (3) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED
- 16 FOR THE BENEFIT OF THE FUND.
- 17 (G) THE FUND MAY BE USED ONLY FOR:
- 18 (1) PROVIDING COMMUNITY-BASED SERVICES TO INDIVIDUALS
- 19 ELIGIBLE FOR SERVICES FROM THE DEVELOPMENTAL DISABILITIES
- 20 ADMINISTRATION IN THE DEPARTMENT;
- 21 (2) PROVIDING IN-SERVICE TRAINING FOR DIRECT CARE STAFF
- 22 UNDER § 7–204 OF THIS SUBTITLE;
- 23 (3) ENHANCING SERVICES AND SERVICE COORDINATION FOR
- 24 DEVELOPMENTALLY DISABLED CLIENTS; AND
- 25 (4) PROVIDING GRANTS CONSISTENT WITH THE PURPOSE OF
- 26 THIS TITLE.
- 27 (H) EXPENDITURES FROM THE FUND MAY BE MADE ONLY IN
- 28 ACCORDANCE WITH THE STATE BUDGET.

- 1 **14–207.**
- 2 (A) THE DEPARTMENT MAY IMPOSE AN ASSESSMENT ON EACH DAY 3 CARE CENTER FOR THE ELDERLY.
- 4 (B) THE AMOUNT ASSESSED ON ALL DAY CARE CENTERS FOR THE 5 ELDERLY MAY NOT EXCEED 5.5% OF THE TOTAL OPERATING REVENUE FOR ALL 6 DAY CARE CENTERS FOR THE ELDERLY FOR THE PREVIOUS FISCAL QUARTER.
- 7 (C) ON OR BEFORE THE 60TH DAY AFTER EACH QUARTER OF THE 8 FISCAL YEAR, EACH DAY CARE CENTER FOR THE ELDERLY SHALL PAY TO THE 9 DEPARTMENT AN AMOUNT DETERMINED BY THE DEPARTMENT BASED ON AN 10 AMOUNT PER NON-MEDICARE DAY OF SERVICE PROVIDED BY THE DAY CARE 11 CENTER FOR THE ELDERLY FOR THE PREVIOUS FISCAL QUARTER.
- 12 **(D)** THE DEPARTMENT SHALL ADOPT REGULATIONS TO IMPLEMENT 13 THIS SECTION.
- 14 **14–305.**
- 15 (A) THE DEPARTMENT MAY IMPOSE AN ASSESSMENT ON EACH DAY 16 CARE CENTER FOR ADULTS.
- 17 (B) THE AMOUNT ASSESSED ON ALL DAY CARE CENTERS FOR ADULTS
 18 MAY NOT EXCEED 5.5% OF THE TOTAL OPERATING REVENUE FOR ALL DAY CARE
 19 CENTERS FOR ADULTS FOR THE PREVIOUS FISCAL QUARTER.
- (C) ON OR BEFORE THE 60TH DAY AFTER EACH QUARTER OF THE FISCAL YEAR, EACH DAY CARE CENTER FOR ADULTS SHALL PAY TO THE DEPARTMENT AN AMOUNT DETERMINED BY THE DEPARTMENT BASED ON AN AMOUNT PER NONMEDICARE DAY OF SERVICE PROVIDED BY THE DAY CARE CENTER FOR ADULTS FOR THE PREVIOUS FISCAL QUARTER.
- 25 (D) THE DEPARTMENT SHALL ADOPT REGULATIONS TO IMPLEMENT 26 THIS SECTION.
- 27 15–117.
- (b) [(1)] To ensure that a bed is reserved for a Program recipient who is [absent temporarily from a nursing facility, the Program shall include the following payments for nursing facilities that have made a provider agreement with the Department.

- 1 (2) If the Program recipient is absent from a nursing facility due to 2 hospitalization for an acute condition, the facility shall receive payment for each day 3 that the Program recipient is hospitalized and a bed is reserved and made available 4 for the return of that Program recipient.
- 5 (3) If a Program recipient is] on leave of absence from a nursing facility THAT HAS MADE A PROVIDER AGREEMENT WITH THE DEPARTMENT, the facility shall receive payment for each day that the Program recipient is absent and a bed is reserved and made available for the return of that Program recipient.
- 9 (c) (1) [Payments under subsection (b)(2) of this section may not be made 10 for more than 15 days for any single hospital stay.
- 11 (2) (i) Payments under subsection [(b)(3)] (B) of this section may not be made for more than 18 days in any calendar year.
- [(ii)] (2) Notwithstanding any rule or regulation, a leave of absence is not subject to any requirement that it may not exceed a particular number of days a visit, except that the leave of absence may not exceed a total of 18 days during any calendar year.
- 17 19–214.
- 18 (b) The Commission may adopt regulations establishing alternative methods 19 for financing the reasonable total costs of hospital uncompensated care **AND THE** 20 **DISPROPORTIONATE SHARE HOSPITAL PAYMENT** provided that the alternative 21 methods:
- 22 (1) Are in the public interest;
- 23 (2) Will equitably distribute the reasonable costs of uncompensated care **AND THE DISPROPORTIONATE SHARE HOSPITAL PAYMENT**;
- 25 (3) Will fairly determine the cost of reasonable uncompensated care 26 AND THE DISPROPORTIONATE SHARE HOSPITAL PAYMENT included in hospital 27 rates;
- Will continue incentives for hospitals to adopt fair, efficient, and effective credit and collection policies; and
- 30 (5) Will not result in significantly increasing costs to Medicare or the loss of Maryland's Medicare Waiver under § 1814(b) of the Social Security Act.
- 32 (c) Any funds generated through hospital rates under an alternative method 33 adopted by the Commission in accordance with subsection (b) of this section may only

- be used to finance the delivery of hospital uncompensated care AND THE 1 2 DISPROPORTIONATE SHARE HOSPITAL PAYMENT. 3 19–310.1. 4 (b) (2)The amount assessed in the aggregate on all nursing facilities may 5 not exceed [5.5%] 6.0% of the operating revenue for all nursing facilities subject to this section for the previous fiscal quarter. 6 7 Article - Insurance 8 14–106. 9 (d) Notwithstanding subsection (c) of this section, a nonprofit health (1) service plan that is subject to this section and issues comprehensive health care 10 11 benefits in the State shall: 12 (i) offer health care products in the individual market; 13 offer health care products in the small employer group (ii) market in accordance with Title 15, Subtitle 12 of this article; 14 15 (iii) subsidize the Senior Prescription Drug Assistance Program established under Subtitle 5, Part II of this title; 16 17 (iv) subsidize the Kidney Disease Program under Title 13, Subtitle 3 of the Health – General Article; [and] 18 support the costs of the Community Health Resources 19 20 Commission under Title 19, Subtitle 21 of the Health – General Article, including: 211. operating grants to community health resources; 22funding for a unified data information system; 2. 23the documented direct costs of fulfilling the statutory 3. 24and regulatory duties of the Commission; and the administrative costs of the Commission; AND 254. 26 SUBSIDIZE THE PROVISION OF MENTAL SERVICES TO THE UNINSURED UNDER TITLE 10, SUBTITLE 2 OF THE HEALTH -27 GENERAL ARTICLE. 28
- 29 14–106.1.

- Beginning in fiscal year 2006, a nonprofit health service plan shall transfer funds in the amounts provided under § 14–106(d)(2) of this subtitle to:
- 3 (1) the Community Health Resources Commission Fund established 4 under § 19–2201 of the Health – General Article to support the costs of the 5 Community Health Resources Commission as provided in § 14–106(d)(1)(v) of this 6 subtitle; [and]
- 7 (2) the Department of Health and Mental Hygiene for the Kidney 8 Disease Program under Title 13, Subtitle 3 of the Health General Article; AND
- 9 (3) THE DEPARTMENT OF HEALTH AND MENTAL HYGIENE FOR
 10 THE PROVISION OF MENTAL HEALTH SERVICES TO THE UNINSURED UNDER
 11 TITLE 10, SUBTITLE 2 OF THE HEALTH GENERAL ARTICLE.
- 12 14–504.
- 13 (e) (1) In addition to the operation and administration of the Plan, the 14 Fund shall be used:
- 15 **(I)** for the operation and administration of the Senior 16 Prescription Drug Assistance Program established under Part II of this subtitle; **AND**
- 17 (II) TO SUPPORT THE DEPARTMENT OF HEALTH AND
 18 MENTAL HYGIENE FOR THE PROVISION OF MENTAL HEALTH SERVICES TO THE
 19 UNINSURED UNDER TITLE 10, SUBTITLE 2 OF THE HEALTH GENERAL
 20 ARTICLE.
- 21 (2) The Board shall maintain separate accounts within the Fund for 22 the Senior Prescription Drug Assistance Program and the Maryland Health Insurance 23 Plan.
- 24 (3) Accounts within the Fund shall contain those moneys that are 25 intended to support the operation of the Program for which the account is designated.

26 Article – State Government

- 27 9–117.
- 28 (a) (1) [(i) Except as provided in subparagraph (ii) of this paragraph, a]
 29 A licensed agent shall receive regular commissions of [5.5%] 5.0% of the licensed
 30 agent's gross receipts from ticket sales.
- [(ii) For fiscal years 2010 through 2012 only, a licensed agent shall receive regular commissions of 5.0% of the licensed agent's gross receipts from ticket sales.]

1	9–1604.			
2	(b) (1) The Chief Administrative Law Judge may:			
3	(vi) assess fees to cover administrative expenses as follows:			
4	1. to file an appeal, a fee not exceeding:			
5 6	A. [\$125] \$150 for an appeal of a driver's license suspension or revocation related to a violation of the Maryland Vehicle Law; and			
7	B. \$50 for all other types of appeals; and			
8	2. to process a subpoena, a fee not exceeding \$5.			
9	12–203.			
10 11 12 13	[To] EXCEPT AS PROVIDED IN TITLE 5 OF THE EDUCATION ARTICLE, TO carry out this subtitle, the Governor shall include in the budget bill money that is adequate to satisfy a final judgment that, after the exhaustion of the rights of appeal is rendered against the State or any of its officers or units.			
14	Article - State Personnel and Pensions			
14	Article - State I ersonner and I ensions			
15	21–304.			
15	21–304.			
15 16 17 18 19 20	(a) (1) In this section the following words have the meanings indicated. (2) "AGGREGATE ANNUAL EARNABLE COMPENSATION" MEANS AN AMOUNT BASED ON THE AGGREGATE ANNUAL SALARY PAYABLE TO LOCAL EMPLOYEES, CALCULATED AS OF JUNE 30 OF THE SECOND PRIOR FISCAL YEAR BEFORE THE FISCAL YEAR FOR WHICH THE CALCULATION IS MADE UNDER THIS			
15 16 17 18 19 20 21	(a) (1) In this section the following words have the meanings indicated. (2) "AGGREGATE ANNUAL EARNABLE COMPENSATION" MEANS AN AMOUNT BASED ON THE AGGREGATE ANNUAL SALARY PAYABLE TO LOCAL EMPLOYEES, CALCULATED AS OF JUNE 30 OF THE SECOND PRIOR FISCAL YEAR BEFORE THE FISCAL YEAR FOR WHICH THE CALCULATION IS MADE UNDER THIS SECTION.			

EMPLOYEES OF EACH COUNTY.

1 2 3	[(3)] (4) "Funding ratio for the employees' systems" means the actuarial value of assets for the employees' systems divided by the actuarial accrued liability for the employees' systems.
4 5 6	[(4)] (5) "Funding ratio for the teachers' systems" means the actuarial value of assets for the teachers' systems divided by the actuarial accrued liability for the teachers' systems.
7 8	(6) "LOCAL EMPLOYEE" MEANS A MEMBER OF THE TEACHERS' RETIREMENT SYSTEM OR THE TEACHERS' PENSION SYSTEM WHO IS:
9 10 11	(I) AN EMPLOYEE OF A DAY SCHOOL IN THE STATE UNDER THE AUTHORITY AND SUPERVISION OF A COUNTY BOARD OF EDUCATION OR THE BALTIMORE CITY BOARD OF SCHOOL COMMISSIONERS, EMPLOYED AS:
12	1. A CLERK;
13	2. A HELPING TEACHER;
14	3. A PRINCIPAL;
15	4. A SUPERINTENDENT;
16	5. A SUPERVISOR; OR
17	6. A TEACHER;
18 19	(II) A LIBRARIAN OR CLERICAL EMPLOYEE OF A LIBRARY THAT IS ESTABLISHED OR OPERATES UNDER THE EDUCATION ARTICLE; OR
20 21 22 23	(III) A MEMBER OF THE FACULTY OR A PROFESSIONAL OR CLERICAL EMPLOYEE OF A COMMUNITY COLLEGE, OTHER THAN BALTIMORE CITY COMMUNITY COLLEGE, THAT IS ESTABLISHED UNDER THE EDUCATION ARTICLE.
24 25 26	[(5)] (7) "State member" does not include a member on whose behalf a participating governmental unit is required to make an employer contribution under § 21–305 or § 21–306 of this subtitle.
27 28 29	(8) "TOTAL EMPLOYER CONTRIBUTION FOR LOCAL EMPLOYEES" MEANS THAT PORTION OF THE EMPLOYER CONTRIBUTION CALCULATED UNDER SUBSECTION (B) OF THIS SECTION THAT IS ATTRIBUTABLE TO THE LOCAL

1 2 3 4 5	(b) (1) [Each] SUBJECT TO PARAGRAPHS (4) AND (5) OF THIS SUBSECTION, EACH fiscal year, on behalf of the State members of each State system, the State shall pay to the appropriate accumulation fund an amount equal to or greater than the sum of the amount, if any, required to be included in the budget bill under § 3–501(c)(2)(ii) of this article and the product of multiplying:				
6 7	(i) the aggregate annual earnable compensation of the State members of that State system; and				
8 9 10 11	(ii) 1. for State members of the Law Enforcement Officers' Retirement System, State Police Retirement System, and the Judges' Retirement System, the sum of the normal contribution rate and the accrued liability contribution rate, as determined under this section;				
12 13 14 15	2. for State members of the Employees' Pension System Employees' Retirement System, Correctional Officers' Retirement System, and Legislative Pension Plan, the employees' systems contribution rate determined under subsection (e) of this section; or				
16 17 18	3. for State members of the Teachers' Pension System and Teachers' Retirement System, the teachers' systems contribution rate determined under subsection (f) of this section.				
19 20 21	(2) The amount determined under paragraph (1) of this subsection for each State system shall be based on an actuarial determination of the amounts that are required to preserve the integrity of the funds of the several systems using:				
22	(i) the entry-age actuarial cost method; and				
23	(ii) actuarial assumptions adopted by the Board of Trustees.				
24 25	(3) For the purpose of making the determinations required under this section:				
26 27 28	(i) the Employees' Retirement System, the Employees' Pension System, the Correctional Officers' Retirement System, and the Legislative Pension Plan shall be considered together as one State system; and				
29 30	(ii) the Teachers' Retirement System and the Teachers' Pension System shall be considered together as one State system.				
31 32 33	(4) SUBJECT TO § 21–309.1 OF THIS SUBTITLE, BEGINNING ON JULY 1, 2013 AND EACH FISCAL YEAR THEREAFTER, EACH COUNTY SHALL PAY TO THE APPROPRIATE ACCUMULATION FUND AN AMOUNT EQUAL TO THE LOCAL				

SHARE OF THE TOTAL EMPLOYER CONTRIBUTION FOR LOCAL EMPLOYEES OF

34 35

THAT COUNTY.

1 (5) THE DIFFERENCE BETWEEN THE TOTAL EMPI	LOYER
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- 2 CONTRIBUTION FOR LOCAL EMPLOYEES AND THE LOCAL SHARE OF THE TOTAL
- 3 EMPLOYER CONTRIBUTION FOR LOCAL EMPLOYEES FOR EACH COUNTY SHALL
- 4 BE THE OBLIGATION OF THE STATE.
- 5 **21–309.1.**
- 6 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE 7 MEANINGS INDICATED.
- 8 (2) "LOCAL CONTRIBUTION RATE" MEANS THE RATE THAT WHEN
- 9 ADDED TO THE RATE OF THE EMPLOYER SOCIAL SECURITY CONTRIBUTION
- 10 REQUIRED BY FEDERAL LAW EQUALS ONE-HALF THE SUM OF:
- 11 (I) THE TEACHERS' SYSTEMS CONTRIBUTION RATE FOR
- 12 THE FISCAL YEAR DETERMINED UNDER § 21–304(F) OF THIS SUBTITLE; AND
- 13 (II) THE RATE OF THE EMPLOYER SOCIAL SECURITY
- 14 CONTRIBUTION REQUIRED BY FEDERAL LAW.
- 15 (3) "LOCAL EMPLOYEE" HAS THE MEANING STATED IN § 21–304
- 16 OF THIS SUBTITLE.
- 17 (4) "REINVESTED SAVINGS" MEANS THE PORTION OF THE
- 18 AMOUNT PROVIDED FOR IN § 21–308(A)(4)(II) OF THIS SUBTITLE THAT IS
- 19 ATTRIBUTABLE TO THE LOCAL EMPLOYEES OF THE TEACHERS' RETIREMENT
- 20 SYSTEM AND THE TEACHERS' PENSION SYSTEM BASED ON EARNABLE
- 21 COMPENSATION.
- 22 (B) (1) ON OR BEFORE DECEMBER 1 OF EACH YEAR, THE BOARD OF
- 23 TRUSTEES SHALL ESTABLISH THE LOCAL CONTRIBUTION RATE AND
- 24 REINVESTED SAVINGS AMOUNT FOR THE NEXT FISCAL YEAR AS PROVIDED IN
- 25 THIS SUBSECTION.
- 26 (2) FOR EACH FISCAL YEAR, THE LOCAL SHARE OF TOTAL
- 27 EMPLOYER CONTRIBUTION FOR LOCAL EMPLOYEES SHALL BE THE SUM OF:
- 28 (I) ONE-HALF OF THE TOTAL REINVESTED SAVINGS; AND
- 29 (II) THE LOCAL CONTRIBUTION RATE MULTIPLIED BY THE
- 30 AGGREGATE EARNABLE COMPENSATION OF ALL COUNTIES.

- 1 (C) ON OR BEFORE DECEMBER 1 OF EACH YEAR, THE BOARD OF TRUSTEES SHALL DETERMINE THE AMOUNTS PAYABLE BY EACH COUNTY UNDER § 21–304(B)(4) OF THIS SUBTITLE FOR THE NEXT FISCAL YEAR.
- 4 (D) EACH YEAR, THE BOARD OF TRUSTEES SHALL CERTIFY TO EACH 5 COUNTY THE LOCAL CONTRIBUTION RATE, REINVESTED SAVINGS AMOUNT, AND 6 THE AMOUNTS PAYABLE BY THE COUNTY UNDER § 21–304(B)(4) OF THIS SUBTITLE.
- 8 (E) (1) ON OR BEFORE OCTOBER 1, JANUARY 1, APRIL 1, AND JUNE
 9 1 OF EACH FISCAL YEAR, EACH COUNTY SHALL PAY TO THE BOARD OF
 10 TRUSTEES 25% OF THE AMOUNT OF THE CHARGES CERTIFIED TO THE COUNTY
 11 BY THE BOARD OF TRUSTEES UNDER SUBSECTION (D) OF THIS SECTION.
- 12 (2) If A COUNTY DOES NOT PAY THE AMOUNTS REQUIRED UNDER
 13 THIS SECTION WITHIN THE TIME REQUIRED, THE COUNTY IS LIABLE FOR
 14 INTEREST ON DELINQUENT AMOUNTS AT A RATE OF 7.75% A YEAR UNTIL
 15 PAYMENT.
- 16 (3) THE SECRETARY OF THE BOARD OF TRUSTEES MAY ALLOW A
 17 GRACE PERIOD NOT TO EXCEED 10 CALENDAR DAYS FOR PAYMENT OF THE
 18 AMOUNTS CERTIFIED UNDER THIS SECTION.
- 19 (4) ON NOTIFICATION BY THE SECRETARY OF THE BOARD OF
 20 TRUSTEES THAT A DELINQUENCY EXISTS, THE STATE COMPTROLLER
 21 IMMEDIATELY SHALL EXERCISE THE RIGHT OF SETOFF AGAINST ANY MONEY
 22 DUE OR COMING DUE TO THAT COUNTY FROM THE STATE.
- 23 (F) ON RECEIPT OF THE PAYMENTS FROM EACH COUNTY, THE BOARD OF TRUSTEES SHALL CREDIT THESE AMOUNTS TO THE ACCUMULATION FUND OF THE APPROPRIATE STATE SYSTEM.

26 Article - Tax - General

- 27 2–608.
- [(c) For each of fiscal years 2013 through 2022, inclusive:
- 29 (1) the Comptroller shall distribute \$36,677,863 of the remaining 30 income tax revenue from individuals to the local reserve account established to comply 31 with § 2–606 of this subtitle; and
- 32 (2) the total amount distributed to the counties for each fiscal year 33 under subsection (a) of this section shall be reduced by \$36,677,863.

- 1 (d) The Comptroller shall adjust the amount distributed under subsection (a) 2 of this section to a county to allow for a proportionate part of the reduction made 3 under subsection (c) of this section.
- 4 (e) To determine the pro rata share for a county under subsection (d) of this section, the Comptroller shall compute the amount equal to the product of multiplying \$36,677,863 by a fraction:
- 7 (1) the numerator of which is the amount of county income tax from 8 individuals collected and attributable to residents of the county, calculated using tax 9 returns filed with the Comptroller for the most recent preceding tax year; and
- 10 (2) the denominator of which is the total amount of county income 11 taxes collected from individuals, calculated using tax returns filed with the 12 Comptroller for the most recent preceding tax year.
- 13 (f) The pro rata share calculated under subsection (e) of this section shall be 14 used for the quarterly distributions of local income tax revenue beginning in 15 November and ending in August.]

Article – Transportation

17 12–118.

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18 (e) (2) The balance of the money in the special fund shall be distributed to 19 the [Transportation Trust Fund established under § 3–216 of this article] 20 **DEPARTMENT OF STATE POLICE TO FUND ROADSIDE ENFORCEMENT** 21 **ACTIVITIES.**

Chapter 2 of the Acts of the Special Session of 2007

SECTION 13. AND BE IT FURTHER ENACTED, That:

(a) The Geographic Cost of Education Index (GCEI) Adjustment established in § 5–202(f) of the Education Article shall be updated [every 3 years beginning] September [2009] **2016** using the most current [data available and the same] methodology [set forth in the report entitled "Adjusting for Geographic Differences in the Cost of Education Provision in Maryland (December 31, 2003)."].

Chapter 397 of the Acts of 2011

SECTION 11. AND BE IT FURTHER ENACTED, That, notwithstanding any other provision of law, the Governor may transfer from the Senior Prescription Drug Assistance Program account of the Maryland Health Insurance Plan Fund established under § 14–504(e) of the Insurance Article to the Kidney Disease Program established

- under Title 13, Subtitle 3 of the Health General Article up to \$3,000,000 in fiscal year 2012, and up to [\$3,000,000] **\$5,000,000** in fiscal year 2013.
- 3 SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland 4 read as follows:

5 Article - Tax - General

- 6 10-211.
- 7 (b) (1) If an individual other than one described in paragraph (2) of this 8 subsection has federal adjusted gross income for the taxable year greater than 9 \$100,000, the amount allowed for each exemption under subsection (a)(1) or (2) of this 10 section is limited to:
- 11 (i) [\$2,400] **\$1,200** if federal adjusted gross income for the taxable year does not exceed \$125,000; **AND**
- 13 (ii) [\$1,800] **\$0** if federal adjusted gross income for the taxable year is greater than \$125,000 [but not greater than \$150,000;
- 15 (iii) \$1,200 if federal adjusted gross income for the taxable year 16 is greater than \$150,000 but not greater than \$200,000; and
- 17 (iv) \$600 if federal adjusted gross income for the taxable year is 18 greater than \$200,000].
- 19 (2) If a married couple filing a joint return or an individual described 20 in § 2 of the Internal Revenue Code as a head of household or as a surviving spouse 21 has federal adjusted gross income for the taxable year greater than \$150,000, the 22 amount allowed for each exemption under subsection (a)(1) or (2) of this section is 23 limited to:
- 24 (i) [\$2,400] **\$1,200** if federal adjusted gross income for the 25 taxable year does not exceed \$175,000; **AND**
- 26 (ii) [\$1,800] **\$0** if federal adjusted gross income for the taxable year is greater than \$175,000 [but not greater than \$200,000;
- 28 (iii) \$1,200 if federal adjusted gross income for the taxable year 29 is greater than \$200,000 but not greater than \$250,000; and
- 30 (iv) \$600 if federal adjusted gross income for the taxable year is 31 greater than \$250,000].
- 32 10–218.

$\frac{1}{2}$	(b) An individual who elects to itemize deductions is allowed as a deduction the sum of the individual's federal itemized deductions:				
3	(1) limited and reduced as required under the Internal Revenue Code;				
4 5 6	(2) further reduced by any amount deducted under § 170 of the Internal Revenue Code for contributions of a preservation or conservation easement for which a credit is claimed under § 10–723 of this title; [and]				
7 8 9 10	(3) further reduced by the amount claimed as taxes on income paid to a state or political subdivision of a state, after subtracting a pro rata portion of the reduction to itemized deductions required under § 68 of the Internal Revenue Code; AND				
11	(4) FURTHER REDUCED AS FOLLOWS:				
12 13 14	(I) BY 10% IF AN INDIVIDUAL'S MARYLAND ADJUSTED GROSS INCOME FOR THE TAXABLE YEAR IS GREATER THAN \$100,000 BUT NOT GREATER THAN \$200,000; AND				
15 16	(II) BY 20% IF AN INDIVIDUAL'S MARYLAND ADJUSTED GROSS INCOME FOR THE TAXABLE YEAR IS GREATER THAN \$200,000.				
17 18	SECTION 3. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:				
19	Article - Tax - General				
20	2–1104.				
21 22 23	(b) For each fiscal year beginning on or before July 1, 2015, instead of the distribution required under subsection (a)(1) of this section, the Comptroller shall distribute 2.3% of the remaining motor fuel tax revenue as follows:				
24	(1) to the General Fund of the State:				
25 26	(i) \$5,000,000 for each fiscal year beginning on or before July 1, [2014] 2011 ;				
27 28	(II) \$13,000,000 FOR THE FISCAL YEAR BEGINNING ON JULY 1, 2012;				
29 30	(III) \$5,000,000 FOR EACH FISCAL YEAR BEGINNING ON OR BEFORE JULY 1, 2014; and				

$\frac{1}{2}$	and		[(ii)] (IV)	\$4,624,687 for the fiscal year beginning July 1, 2015;
3		(2)	the balan	ce to the Chesapeake Bay 2010 Trust Fund.
4	11–101.			
5	(a)	In th	is title the	following words have the meanings indicated.
6	(b)	"Buy	er" means a	a person who:
7		(1)	acquires t	cangible personal property in a sale; [or]
8		(2)	obtains a	taxable service in a sale; OR
9		(3)	ACQUIRE	S A DIGITAL PRODUCT IN A SALE.
10 11	(c) services per			commercial or industrial building" means the following nercial or industrial building:
12		(1)	floor, carp	oet, wall, window, ceiling, and exterior cleaning; and
13		(2)	janitorial	services.
14	(D)	(1)	"DIGITAI	L CODE" MEANS A CODE THAT:
15			(I) MA	Y BE OBTAINED:
16			1.	IN A TANGIBLE FORM, SUCH AS A CARD; OR
17			2.	THROUGH ELECTRONIC MAIL; AND
18 19	MORE SPE	CIFIEI	` '	OVIDES A BUYER WITH A RIGHT TO OBTAIN ONE OR PRODUCTS.
20 21 22	GIFT CARE		H A MONET	L CODE" DOES NOT INCLUDE A GIFT CERTIFICATE OR CARY VALUE THAT IS REDEEMABLE FOR A SPECIFIED
23 24 25 26	TANGIBLE	TCALI STOF	LY BY THE RAGE MED	L PRODUCT" MEANS A PRODUCT THAT IS OBTAINED BUYER AND DELIVERED BY MEANS OTHER THAN HAVING THROUGH THE USE OF TECHNOLOGY HAVING GNETIC, WIRELESS, OPTICAL, ELECTROMAGNETIC, OR

SIMILAR CAPABILITIES.

1	(2)	"DIGITAL PRODUCT" INCLUDES:
2	SERIES OF SOUN	(I) A WORK THAT RESULTS FROM THE FIXATION OF A DS THAT ARE TRANSFERRED ELECTRONICALLY, INCLUDING:
4 5 6	PERFORMANCES SPEECHES; AND	1. PRERECORDED OR LIVE MUSIC OR , READINGS OF BOOKS OR OTHER WRITTEN MATERIALS, AND
7 8	MAIL;	2. AUDIO GREETING CARDS SENT BY ELECTRONIC
9 10 11		(II) A DIGITIZED SOUND FILE, SUCH AS A RING TONE, THAT O ONTO A DEVICE AND MAY BE USED TO ALERT THE USER OF THE RESPECT TO A COMMUNICATION;
12 13 14 15 16 17	ACCOMPANYING INCLUDING MOT PROGRAMS, LIVI	(III) A SERIES OF RELATED IMAGES THAT, WHEN SHOWN IN MPART AN IMPRESSION OF MOTION, TOGETHER WITH ANY SOUNDS, THAT ARE TRANSFERRED ELECTRONICALLY, TION PICTURES, MUSICAL VIDEOS, NEWS AND ENTERTAINMENT E EVENTS, VIDEO GREETING CARDS SENT BY ELECTRONIC MAIL, LECTRONIC GAMES;
18 19	"E-BOOK", THAT	(IV) A BOOK, GENERALLY KNOWN AS A "DIGITAL BOOK" OR IS TRANSFERRED ELECTRONICALLY; AND
20 21 22	DISCUSSION, WE	(V) A NEWSPAPER, MAGAZINE, PERIODICAL, CHAT ROOM EBLOG, OR OTHER SIMILAR PRODUCT THAT IS TRANSFERRED LY.
23	[(d)] (F)	"Person" includes:
$\begin{array}{c} 24 \\ 25 \end{array}$	State; (1)	this State or a political subdivision, unit, or instrumentality of this
26 27	(2) that state; and	another state or a political subdivision, unit, or instrumentality of
28 29	(3) of another state.	a unit or instrumentality of a political subdivision of this State or
30	[(e)] (G)	"Prepaid telephone calling arrangement" means the right to use

telecommunications services, paid for in advance, that enables the origination of calls

$\frac{1}{2}$	using an access dialed.	numbe	r or authorization code, whether manually or electronically
3	[(f)] (H)	(1)	"Production activity" means:
$4\\5\\6$	vendor, assembling for resale;	(i) ng, mai	except for processing food or a beverage by a retail food nufacturing, processing, or refining tangible personal property
7 8	production activit	(ii) by;	generating electricity for sale or for use in another
9 10	for rental; or	(iii)	1. laundering, maintaining, or preparing textile products
11 12 13 14		aged ir	2. laundering, maintaining, or preparing textile products service of commercial cleaning or laundering of textiles for a a business that requires the recurring service of commercial f the textiles;
15		(iv)	producing or repairing production machinery or equipment;
16 17 18 19 20	Public Health Se	ervice	establishing or maintaining clean rooms or clean zones as provisions of the Federal Food, Drug, and Cosmetic Act, the Act, and the Virus–Serum–Toxin Act, and the regulations extaining to the manufacture of drugs, medical devices, or
21		(vi)	providing for the safety of employees; or
22		(vii)	providing for quality control.
23	(2)	"Proc	duction activity" does not include:
$24 \\ 25$	servicing or repai	(i) ring pr	servicing or repairing tangible personal property, except for oduction machinery or equipment;
26 27 28 29 30	tangible personal laundering of tex	proper ctiles f	maintaining tangible personal property other than textile production machinery and equipment, except for maintaining rty in providing the taxable service of commercial cleaning or or a buyer who is engaged in a business that requires the mercial cleaning or laundering of the textiles;
31		(iii)	providing for the comfort or health of employees; or
32		(iv)	storing the finished product.

$\frac{1}{2}$	[(g)] (I) "Production machinery or equipment" means machinery o equipment used in a production activity.			
3	[(h)] (J)	(1)	"Retail sale" means the sale of:	
4		(i)	tangible personal property; [or]	
5		(ii)	a taxable service; OR	
6		(III)	DIGITAL PRODUCTS.	
7	(2)	"Reta	il sale" includes:	
8 9	form of real estate	(i) by a b	a sale of tangible personal property for use or resale in the uilder, contractor, or landowner; [and]	
10 11 12 13	(ii) except as provided in paragraph (3)(i) of this subsection, us of tangible personal property as facilities, tools, tooling, machinery, or equipment including dies, molds, and patterns, even if the buyer intends to transfer title to the property before or after that use;			
14 15 16	RIGHTS OF PERM USE;	(III) IANEN	A SALE OF A DIGITAL PRODUCT THAT IS SOLD WITH T USE OR SOLD WITH RIGHTS OF LESS THAN PERMANENT	
17 18 19	RIGHTS OF USE OR BUYER; AND	(IV) COND	A SALE OF A DIGITAL PRODUCT THAT IS SOLD WITH ITIONED ON CONTINUED PAYMENT BY THE SUBSCRIBER	
20 21 22	PURCHASE OF A	(V) A DIG	A SALE OF A SUBSCRIPTION TO, ACCESS TO, OR THE	
23	(3)	"Reta	il sale" does not include:	
24 25 26	as facilities, tools patterns, if:	(i) s, tool	a transfer of title to tangible personal property after its use ing, machinery, or equipment, including dies, molds, and	
27 28	the terms of a writ	ten co	1. at the time of purchase, the buyer is obligated, under ntract, to make the transfer; and	
29 30	consideration to th	ie pers	2. the transfer is made for the same or greater on for whom the buyer manufactures goods or performs work;	

1 2	(ii) a sale of tangible personal property OR A DIGITAL PRODUCT if the buyer intends to:				
3 4	PRODUCT in the fo	orm th	1. resell the tangible personal property OR DIGITAL at the buyer receives or is to receive the property;		
5 6 7			2. use or incorporate the tangible personal property OR a production activity as a material or part of other tangible roduced for sale; or		
8 9	3. transfer the tangible personal property as a part of taxable service transaction; or				
10 11	taxable service in t	(iii) he fori	a sale of a taxable service if the buyer intends to resell the m that the buyer receives or is to receive the service.		
12	[(i)] (K)	(1)	"Sale" means a transaction for a consideration whereby:		
13 14 15		-	title or possession of property is transferred or is to be or conditionally by any means, including by lease, rental, ant of a license for use; or		
16		(ii)	a person performs a service for another person.		
17 18	(2) performs a service		does not include a transaction whereby an employee employee's employer.		
19 20 21	[(j)] (L) "Sale for use" means a sale in which tangible personal property, A DIGITAL PRODUCT, or a taxable service that is consumed, possessed, stored, or used in the State is acquired.				
22	[(k)] (M)	(1)	"Tangible personal property" means:		
23		(i)	corporeal personal property of any nature; or		
24		(ii)	a right to occupy a room or lodgings as a transient guest.		
25	(2)	"Tang	rible personal property" includes:		
26		(i)	farm equipment;		
27 28	regardless of the p	(ii) urpose	wall-to-wall carpeting that is installed into real estate, method, or permanency of its installation; and		
29 30	artificial or natura	(iii) l gas.	coal, electricity, oil, nuclear fuel assemblies, steam, and		

1 2 3 4	[(l)] (N) (1) "Taxable price" means the value, in money, of the consideration of any kind that is paid, delivered, payable, or deliverable by a buyer to a vendor in the consummation and complete performance of a sale without deduction for any expense or cost, including the cost of:						
5	(i) any labor or service rendered;						
6	(ii) any material used; or						
7	(iii) any property sold.						
8 9 10 11	(2) "Taxable price" includes, for tangible personal property OR A DIGITAL PRODUCT acquired by a sale for use in the State by the person who assembles, fabricates, or manufactures the property, only the price of the raw materials and component parts contained in the property.						
12	(3) "Taxable price" does not include:						
13 14	(i) a charge that is made in connection with a sale and is stated as a separate item of the consideration for:						
15 16 17	1. a delivery, freight, or other transportation service for delivery directly to the buyer by the vendor or by another person acting for the vendor, unless the transportation service is a taxable service;						
18 19	2. a finance charge, interest, or similar charge for credit extended to the buyer;						
20	3. a labor or service for application or installation;						
21 22 23	4. a mandatory gratuity or service charge in the nature of a tip for serving food or beverage to a group of 10 or fewer individuals for consumption on the premises of the vendor;						
24	5. a professional service;						
25	6. a tax:						
26 27	A. imposed by a county on the sale of coal, electricity, oil, nuclear fuel assemblies, steam, or artificial or natural gas;						
28 29	B. imposed under § 3–302(a) of the Natural Resources Article, as a surcharge on electricity, and added to an electric bill;						

1 2 3	C. imposed under §§ 6–201 through 6–203 of the Tax - Property Article, on tangible personal property subject to a lease that is for an initial period that exceeds 1 year and is noncancellable except for cause; or
4 5	D. imposed under § 4–102 of this article on the gross receipts derived from an admissions and amusement charge;
6 7	7. any service for the operation of equipment used for the production of audio, video, or film recordings; or
8 9	8. reimbursement of incidental expenses paid to a third party and incurred in connection with providing a taxable detective service;
10 11	(ii) the value of a used component or part (core value) received from a purchaser of the following remanufactured truck parts:
12	1. an air brake system;
13	2. an engine;
14	3. a rear axle carrier; or
15	4. a transmission; or
16 17 18 19 20	(iii) a charge for a nontaxable service that is made in connection with a sale of a taxable communication service, even if the nontaxable charges are aggregated with and not separately stated from the taxable charges for communications services, if the vendor can reasonably identify charges not subject to tax from its books and records that are kept in the regular course of business.
21 22 23 24 25	(4) "Taxable price" includes, for a short-term vehicle rental as defined under § 11–104(c) of this subtitle, all sales and charges made in connection with the short-term vehicle rental, including insurance, freight handling, equipment and supplies, delivery and pickup, cellular telephone, and other accessories, but not including sales of motor fuel subject to the motor fuel tax.
26	[(m)] (O) "Taxable service" means:
27 28	(1) fabrication, printing, or production of tangible personal property OR A DIGITAL PRODUCT by special order;
29 30 31	(2) commercial cleaning or laundering of textiles for a buyer who is engaged in a business that requires the recurring service of commercial cleaning or laundering of the textiles;

cleaning of a commercial or industrial building;

32

(3)

1		(4)	cellula	ar teleph	one or o	other	mobile	telecommu	nicatio	ons service	<i>;</i> ;
2 3	service;	(5)	"900",	"976",	"915",	and	other	"900"-typ	e tele	communic	ations
4 5	service;	(6)	custor	n calling	service	e prov	rided ir	n connectio	n with	basic tele	phone
6		(7)	a telej	a telephone answering service;							
7		(8)	pay pe	er view t	elevisio	n serv	vice;				
8		(9)	credit	reportin	ıg;						
9		(10)	a secu	rity serv	vice, inc	luding	g:				
10			(i)	a detect	ive, gua	ırd, or	r armoi	ed car serv	rice; an	ıd	
11			(ii)	a securi	ty syst€	ems se	ervice;				
12 13 14	of electricity to the sales		tural ga	a transportation service for transmission, distribution, or delivery ural gas, if the sale or use of the electricity or natural gas is subject etax; or							
15		(12)	a prep	aid tele	phone c	alling	arrang	gement.			
16 17	[(n)] possess, or s	` '	(1) nat is a					a right or	ower t	to use, con	sume,
18			(i)	tangible	e person	al pro	perty;	[or]			
19			(ii)	a taxab	le servic	e; OR					
20			(III)	A DIGIT	AL PRO	ODUC	Т.				
21 22 23	possess, or a		hat is a					right or po tangible p			
24 25	contractor, o	or land	(i) lowner;		or resa	ale in	the fo	orm of rea	l estat	e by a bu	ıilder,
26 27 28	facilities, to even if the h	-	•	nachiner	y, or eq	uipme	ent, inc	_	s, mold	ls, and pat	-

1	(3) "Use" does not include:
$2\\3\\4$	(i) a transfer of title to tangible personal property after its us as facilities, tools, tooling, machinery, or equipment, including dies, molds, an patterns, if:
5 6	1. at the time of purchase, the buyer is obligated, under the terms of a written contract, to make the transfer; and
7 8	2. the transfer is made for the same or greate consideration to the person for whom the buyer manufactures goods or performs work
9 10	(ii) an exercise of a right or power over tangible persons property OR A DIGITAL PRODUCT acquired by a sale for use if the buyer intends to:
11 12	1. resell the tangible personal property OR DIGITA PRODUCT in the form that the buyer receives or is to receive the property;
13 14 15	2. use or incorporate the tangible personal property Of DIGITAL PRODUCT in a production activity as a material or part of other tangible personal property OR DIGITAL PRODUCT to be produced for sale; or
16 17	3. transfer the tangible personal property OR DIGITA PRODUCT as part of a taxable service transaction; [or]
18 19 20	(iii) an exercise of a right or power over a taxable service acquired by a sale for use if the buyer intends to resell the taxable service in the formula that the buyer receives or is to receive the service; OR
21 22	(IV) AN EXERCISE OF A RIGHT OR POWER OVER A DIGITAL CODE TO RECEIVE OR ACCESS A DIGITAL PRODUCT.
23	[(o)] (Q) (1) "Vendor" means a person who:
24 25	(i) engages in the business of an out-of-state vendor, a defined in § 11-701 of this title;
26 27	(ii) engages in the business of a retail vendor, as defined in 11–701 of this title; or
28	(iii) holds a special license issued under § 11–707 of this title.
29 30 31 32	(2) "Vendor" includes, for an out-of-state vendor, a salesmar representative, peddler, or canvasser whom the Comptroller, for the efficient administration of this title, elects to treat as an agent jointly responsible with the dealer, distributor, employer, or supervisor:

1 (i) under whom the agent operates; or 2 (ii) from whom the agent obtains the tangible personal property, 3 A DIGITAL PRODUCT, or taxable service for sale. 4 11-102.5 (a) Except as otherwise provided in this title, a tax is imposed on: 6 (1) a retail sale in the State; and 7 (2)a use, in the State, of tangible personal property, A DIGITAL 8 **PRODUCT,** or a taxable service. 9 11-217.10 The sales and use tax does not apply to a sale of tangible personal property OR A DIGITAL PRODUCT for use or consumption in research and 11 12 development. 13 11-221.14 (D) A RETAIL SALE OF A DIGITAL PRODUCT SUBJECT TO TAX UNDER 15 THIS TITLE DOES NOT INCLUDE A RETAIL SALE THAT IS SUBJECT TO TAX IN ACCORDANCE WITH ANY OTHER PROVISION OF THIS ARTICLE. 16 17 11 - 701.18 "Engage in the business of an out-of-state vendor" means to sell or deliver tangible personal property or a taxable service for use in the State. 19 20 (2)"Engage in the business of an out-of-state vendor" includes: 21permanently or temporarily maintaining, occupying, or (i) using any office, sales or sample room, or distribution, storage, warehouse, or other 2223 place for the sale of tangible personal property or a taxable service directly or 24indirectly through an agent or subsidiary; 25 having an agent, canvasser, representative, salesman, (ii) 26 INDEPENDENT CONTRACTOR, or solicitor operating in the State for the purpose of 27 delivering, selling, or taking orders for tangible personal property or a taxable service; 28 or 29

(iii)

repair for tangible personal property.

30

entering the State on a regular basis to provide service or

1 11-701.1.

- 2 (A) IN THIS SECTION, "SELLER" MEANS A PERSON MAKING SALES OF TANGIBLE PERSONAL PROPERTY, A DIGITAL PRODUCT, OR A TAXABLE SERVICE.
- 4 (B) FOR PURPOSES OF § 11–701(B)(2)(II) OF THIS SUBTITLE, A SELLER SHALL BE PRESUMED TO HAVE AN AGENT, CANVASSER, REPRESENTATIVE, SALESMAN, INDEPENDENT CONTRACTOR, OR SOLICITOR OPERATING IN THE STATE FOR THE PURPOSE OF SELLING OR TAKING ORDERS FOR TANGIBLE PERSONAL PROPERTY, A DIGITAL PRODUCT, OR A TAXABLE SERVICE IF:
- 9 (1) THE SELLER ENTERS INTO AN AGREEMENT WITH A RESIDENT
 10 OF THE STATE UNDER WHICH THE RESIDENT, FOR A COMMISSION OR OTHER
 11 CONSIDERATION, DIRECTLY OR INDIRECTLY REFERS POTENTIAL CUSTOMERS
 12 TO THE SELLER, WHETHER BY A LINK ON AN INTERNET WEB SITE, OR
 13 OTHERWISE; AND
- 14 (2) THE CUMULATIVE GROSS RECEIPTS FROM SALES BY THE
 15 SELLER TO CUSTOMERS IN THE STATE WHO ARE REFERRED TO THE SELLER BY
 16 ALL RESIDENTS HAVING AN AGREEMENT WITH THE SELLER AS DESCRIBED IN
 17 ITEM (1) OF THIS SUBSECTION IS GREATER THAN \$10,000 DURING THE
 18 PRECEDING FOUR QUARTERLY PERIODS ENDING ON THE LAST DAY OF
 19 FEBRUARY, MAY, AUGUST, AND NOVEMBER.
- 20 (C) THE PRESUMPTION UNDER THIS SECTION MAY BE REBUTTED BY
 21 PROOF THAT THE RESIDENT WITH WHOM THE SELLER HAS AN AGREEMENT AS
 22 DESCRIBED IN SUBSECTION (B)(1) OF THIS SECTION DID NOT ENGAGE IN ANY
 23 SOLICITATION IN THE STATE ON BEHALF OF THE SELLER THAT WOULD SATISFY
 24 THE NEXUS REQUIREMENT OF THE UNITED STATES CONSTITUTION DURING
 25 THE FOUR QUARTERLY PERIODS IN QUESTION.
- (D) THIS SECTION MAY NOT BE CONSTRUED TO NARROW THE SCOPE OF THE TERMS "AGENT", "CANVASSER", "REPRESENTATIVE", "SALESMAN", "8" "INDEPENDENT CONTRACTOR", AND "SOLICITOR" FOR PURPOSES OF \$ 11–701(B)(2)(II) OF THIS SUBTITLE OR FOR PURPOSES OF ANY OTHER 30 PROVISION OF LAW.
- 31 12–105.
- 32 (b) The tobacco tax rate for other tobacco products is [15%] **70**% of the 33 wholesale price of the tobacco products.

1	10	100
1	12-	-105.

- 2 (f) (7) (I) IN THIS PARAGRAPH, "INDEMNITY MORTGAGE"
- 3 INCLUDES ANY MORTGAGE, DEED OF TRUST, OR OTHER SECURITY INTEREST IN
- 4 REAL PROPERTY THAT SECURES A GUARANTEE OF REPAYMENT OF A LOAN FOR
- 5 WHICH THE GUARANTOR IS NOT PRIMARILY LIABLE.
- 6 (II) EXCEPT AS PROVIDED IN SUBPARAGRAPH (III) OF THIS
- 7 PARAGRAPH:
- 8 1. SECURED DEBT WITH RESPECT TO AN INDEMNITY
- 9 MORTGAGE IS DEEMED TO BE INCURRED FOR PURPOSES OF THIS SUBSECTION
- 10 WHEN AND TO THE SAME EXTENT AS DEBT IS INCURRED ON THE GUARANTEED
- 11 LOAN; AND
- 12 2. THE RECORDATION TAX APPLIES UNDER THIS
- 13 SUBSECTION IN THE SAME MANNER AS IF THE GUARANTOR WERE PRIMARILY
- 14 LIABLE FOR THE GUARANTEED LOAN.
- 15 (III) THIS PARAGRAPH DOES NOT APPLY:
- 16 1. TO THE EXTENT THAT RECORDATION TAX IS PAID
- 17 ON ANOTHER INSTRUMENT OF WRITING THAT SECURES PAYMENT OF THE
- 18 GUARANTEED LOAN; OR
- 2. TO AN INDEMNITY MORTGAGE THAT SECURES A
- 20 GUARANTEE OF REPAYMENT OF A LOAN FOR LESS THAN \$1,000,000.
- 21 SECTION 4. AND BE IT FURTHER ENACTED, That Section(s) 8–406(b),
- 22 10-306(c), 10-704.1, and 10-708 of Article Tax General of the Annotated Code of
- 23 Maryland be repealed.
- SECTION 5. AND BE IT FURTHER ENACTED, That Section(s) 11–202,
- 25 11–213, and 11–214.1 of Article Tax General of the Annotated Code of Maryland be
- 26 repealed.
- SECTION 6. AND BE IT FURTHER ENACTED, That Section(s) 5–203 of
- 28 Article Education of the Annotated Code of Maryland be repealed.
- SECTION 7. AND BE IT FURTHER ENACTED. That, notwithstanding any
- 30 other provision of law, on or before June 30, 2012, the Governor may transfer to the
- 31 General Fund:

- \$1,000,000 of the funds in the Helicopter Replacement Fund established under § 1 2 2–801 of the Public Safety Article; and 3 \$1,800,000 of the funds in the accounts of the Baltimore City College. SECTION 8. AND BE IT FURTHER ENACTED, That, notwithstanding any 4 other provision of law, on or before June 30, 2013, the Governor may transfer to the 5 6 General Fund: 7 \$500,000 of the funds in the Maryland Correctional Enterprises Revolving Fund established under § 3–507 of the Correctional Services Article: 8 9 \$500,000 of the funds in the Spinal Cord Injury Research Trust Fund established under § 13–1406 of the Health – General Article: 10 \$241,036 of the funds in the State Board of Occupational Therapy Practice 11 12 established under § 10–206 of the Health Occupations Article; 13 \$206,000 of the funds in the State Insurance Trust Fund established under § 9–103 of the State Finance and Procurement Article; 14 15 \$111,063 of the funds in the Maryland Not-For-Profit Development Center Program Fund established under § 5–1204 of the Economic Development Article; 16 17 \$96,350 of the funds in the State Board of Examiners for Audiologists, Hearing Speech-Language Pathologists 18 Aid Dispensers. and established 2–206 of the Health Occupations Article: 19 20 \$79,356 of the funds in the State Board of Podiatric Medical Examiners 21established under § 16–206 of the Health Occupations Article; 22\$50,000 of the funds in the special fund established under § 7–216.1 of the State 23 Government Article; and 24\$9,788 of the funds in the State Board of Morticians and Funeral Directors established under § 7–206 of the Health Occupations Article. 2526 SECTION 9. AND BE IT FURTHER ENACTED, That, notwithstanding any other provision of law, on or before June 30, 2013, the Governor may transfer 2728 \$2,611,000 of the funds in the Waterway Improvement Fund established under § 298–707 of the Natural Resources Article to the General Fund. 30 SECTION 10. AND BE IT FURTHER ENACTED, That, notwithstanding any
- other provision of law, on or before June 30, 2013, the Governor may transfer \$96,870,649 of the funds in the special fund established under § 13–209 of the Tax Property Article to the General Fund. A transfer of funds from the special fund to the General Fund under this section may not be taken into account for purposes of

 $\frac{23}{24}$

determining any allocation or appropriation required under § 13–209(f) or (g) of the Tax – Property Article.

SECTION 11. AND BE IT FURTHER ENACTED, That, notwithstanding any other provision of law, on or before June 30, 2013, the Governor shall transfer \$50,000,000 of the funds in the Injured Workers Insurance Fund to the General Fund. This transfer shall resolve any claim the State has or may have to the property or assets of the Injured Workers Insurance Fund, except as provided under federal tax law for dissolution of state sponsored workers' compensation reinsurance organizations.

SECTION 12. AND BE IT FURTHER ENACTED, That, notwithstanding any other provision of law, on or before June 30, 2012, the Governor may transfer up to \$1,867,000 of the funds in the Small, Minority, and Women–Owned Businesses Account established under § 9–1A–35 of the State Government Article to the Education Trust Fund established under § 9–1A–30 of the State Government Article.

SECTION 13. AND BE IT FURTHER ENACTED, That, notwithstanding any other provision of law, up to \$413,000 of the balance in the Fair Campaign Financing Fund established under § 15–103 of the Election Law Article may be transferred to the State Board of Elections for the operations and maintenance expenses of a new on–line Campaign Finance System.

SECTION 14. AND BE IT FURTHER ENACTED, That, as provided in § 12–105 of the Tax – General Article, all other tobacco products used, possessed, or held in the State on or after July 1, 2012, by any person for sale or use in the State, shall be subject to the full tax of 70% of the wholesale price. The Comptroller may provide an alternative method of assessing and collecting the additional tax. The revenue attributable to this requirement shall be remitted to the Comptroller by October 15, 2012.

SECTION 15. AND BE IT FURTHER ENACTED, That, notwithstanding any other provision of law, for fiscal year 2013 through fiscal year 2017:

- (a) Except as provided in subsection (b) of this section and except as otherwise provided in this Act, the Governor is not required to include an appropriation in the budget for any program or item in an amount that exceeds the fiscal year 2012 appropriation for that item or program as approved in the State budget for fiscal year 2012 as enacted by the General Assembly.
 - (b) Subsection (a) of this section does not apply to:
- 35 (1) funding required for State aid to public elementary and secondary 36 education as provided under Title 5, Subtitle 2 or § 4–121, § 4–122, § 37 6–306, § 8–310.3, § 8–317, or § 8–415 of the Education Article;

1	(2) the State's employer contribution to the State Retirement and
2	Pension System required under § 21–308 of the State Personnel and Pensions Article;
3	or

- 4 (3) any appropriation required to the Revenue Stabilization Account of the State Reserve Fund under § 7–311 of the State Finance and Procurement Article.
- SECTION 16. AND BE IT FURTHER ENACTED, That, for fiscal year 2013, payments to providers of nonpublic placements under § 8–406 of the Education Article may not increase by more than 1% over the rates in effect on January 19, 2011.
- 9 SECTION 17. AND BE IT FURTHER ENACTED, That, for fiscal year 2013, payments to providers with rates set by the Interagency Rates Committee under § 8–417 of the Education Article may not increase by more than 1% over the rates in effect on January 19, 2011.
 - SECTION 18. AND BE IT FURTHER ENACTED, That, in addition to any other revenue generated under § 19–214 of the Health General Article, as amended by this Act, for fiscal year 2013, the Health Services Cost Review Commission shall approve remittances in the amount of \$9,100,000 to support the general operations of the Medicaid program. The Commission may reduce remittances by the amount of any reduction in State Medicaid expenditures that result from any Commission—approved changes in hospital rates or policies.
 - SECTION 19. AND BE IT FURTHER ENACTED, That, notwithstanding any other provision of law, for fiscal year 2013 only, the local share of the total employer contribution for teacher and librarian retirement shall be as follows:

23	Allegany	2,890,831
24	Anne Arundel	20,349,335
25	Baltimore City	21,893,869
26	Baltimore County	28,184,531
27	Calvert	4,874,186
28	Caroline	1,402,418
29	Carroll	7,019,651
30	Cecil	4,284,094
31	Charles	6,884,597
32	Dorchester	1,154,127

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1	Frederick	10,281,577
2	Garrett	1,210,268
3	Harford	9,824,156
4	Howard	17,225,564
5	Kent	641,149
6	Montgomery	47,406,507
7	Prince George's	34,062,796
8	Queen Anne's	1,923,341
9	St. Mary's	4,287,204
10	Somerset	836,461
11	Talbot	1,121,726
12	Washington	5,530,496
13	Wicomico	3,806,299
14	Worcester	2,222,012

SECTION 20. AND BE IT FURTHER ENACTED, That, if any provision of this Act or the application thereof to any person or circumstances is held invalid for any reason in a court of competent jurisdiction, the invalidity does not affect other provisions or any other application of this Act which can be given effect without the invalid provision or application, and for this purpose the provisions of this Act are declared severable.

SECTION 21. AND BE IT FURTHER ENACTED, That Sections 2 and 4 of this 22 Act shall take effect July 1, 2012, and shall be applicable to all taxable years 23 beginning after December 31, 2011.

SECTION 22. AND BE IT FURTHER ENACTED, That Sections 3 and 5 of this Act shall take effect July 1, 2012.

SECTION 23. AND BE IT FURTHER ENACTED, That, except as otherwise provided in this Act, this Act shall take effect June 1, 2012.