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### By: **Senators Manno, King, Madaleno, and Peters** Introduced and read first time: March 4, 2013 Assigned to: Rules

## A BILL ENTITLED

## 1 AN ACT concerning

## 2 State Aid for Critical Services – County Maintenance of Effort Requirements

3 FOR the purpose of requiring each county, beginning in a certain fiscal year, to 4 appropriate at least the same amount of local funds to certain categories of  $\mathbf{5}$ critical services as the county appropriated in the prior fiscal year; requiring 6 each county to provide a certain report on or before a certain date each year on 7 the amount of local funds appropriated to certain categories of critical services; 8 requiring the Secretary of Budget and Management to withhold certain State 9 aid if a county does not meet certain maintenance of effort requirements in certain categories of critical services; requiring the Secretary to disburse certain 10 withheld State aid if certain maintenance of effort requirements are met by a 11 12county; providing that certain withheld State aid reverts to the General Fund 13 under certain circumstances; exempting certain critical services programs from 14the requirements of this Act; making certain funding formulas subject to certain 15maintenance of effort requirements; defining certain terms; and generally 16 relating to the requirement for each county to maintain certain levels of funding 17for certain categories of critical services.

- 18 BY adding to
- 19 Article State Finance and Procurement
- 20 Section 7–107
- 21 Annotated Code of Maryland
- 22 (2009 Replacement Volume and 2012 Supplement)
- 23 BY repealing and reenacting, with amendments,
- 24 Article Education
- 25 Section 23–503
- 26 Annotated Code of Maryland
- 27 (2008 Replacement Volume and 2012 Supplement)
- 28 BY repealing and reenacting, with amendments,



1 Article – Transportation  $\mathbf{2}$ Section 8–403 3 Annotated Code of Maryland 4 (2008 Replacement Volume and 2012 Supplement) SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  $\mathbf{5}$ 6 MARYLAND, That the Laws of Maryland read as follows: 7 **Article – State Finance and Procurement** 7-107. 8 9 (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE (A) 10 **MEANINGS INDICATED.** 11 (2) "CATEGORY OF CRITICAL SERVICES" MEANS ONE OF THE FIVE 12CLASSIFICATIONS OF CRITICAL SERVICES LISTED UNDER PARAGRAPH (3) OF THIS SUBSECTION. 13 "CRITICAL SERVICES" MEANS THE FOLLOWING SERVICES: 14(3) **(I)** 15CORRECTIONS; 16 **(II)** FIRE PROTECTION, **RESCUE**, AND AMBULANCE 17SERVICES; 18 (III) LAW ENFORCEMENT, INCLUDING SHERIFFS AND 19 **DEPUTY SHERIFFS:** 20**(IV) PUBLIC LIBRARIES; AND** 21**(**V**)** TRANSPORTATION. 22**(B)** THIS SECTION DOES NOT APPLY TO CRITICAL SERVICES PROGRAMS 23THAT HAVE CURRENTLY EXISTING MAINTENANCE OF EFFORT REQUIREMENTS, **INCLUDING:** 24(1) THE SENATOR WILLIAM H. AMOSS FIRE, RESCUE, AND 2526AMBULANCE FUND ESTABLISHED UNDER TITLE 8, SUBTITLE 1 OF THE PUBLIC 27SAFETY ARTICLE; AND 28STATE AID POLICE PROTECTION FUND (2) FOR THE ESTABLISHED UNDER ARTICLE 41, TITLE 4, SUBTITLE 4 OF THE CODE. 29

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1 (C) BEGINNING IN FISCAL YEAR 2015 AND IN EACH FISCAL YEAR 2 THEREAFTER, EACH COUNTY SHALL APPROPRIATE LOCAL FUNDS TO EACH 3 CATEGORY OF CRITICAL SERVICES IN AN AMOUNT THAT IS AT LEAST EQUAL TO 4 THE AMOUNT OF LOCAL FUNDS APPROPRIATED TO THAT CATEGORY OF 5 CRITICAL SERVICES FOR THE PRIOR FISCAL YEAR.

6 (D) ON OR BEFORE JUNE 1, 2014, AND BY JUNE 1 OF EACH YEAR 7 THEREAFTER, EACH COUNTY SHALL REPORT TO THE DEPARTMENT OF BUDGET 8 AND MANAGEMENT AND, SUBJECT TO § 2–1246 OF THE STATE GOVERNMENT 9 ARTICLE, TO THE DEPARTMENT OF LEGISLATIVE SERVICES:

10 (1) THE AMOUNT OF LOCAL FUNDS APPROPRIATED TO EACH 11 CATEGORY OF CRITICAL SERVICES FOR THE CURRENT FISCAL YEAR ENDING 12 JUNE 30; AND

13(2) THE AMOUNT OF LOCAL FUNDS TO BE APPROPRIATED TO14EACH CATEGORY OF CRITICAL SERVICES FOR THE NEXT FISCAL YEAR15BEGINNING JULY 1.

16 **(E)** (1) FOR EACH COUNTY, IF THE AMOUNT OF LOCAL FUNDS TO BE 17APPROPRIATED TO EACH CATEGORY OF CRITICAL SERVICES FOR THE NEXT 18 FISCAL YEAR AS REPORTED UNDER SUBSECTION (D)(2) OF THIS SECTION IS NOT AT LEAST EQUAL TO THE AMOUNT OF LOCAL FUNDS APPROPRIATED TO EACH 19 20CATEGORY OF CRITICAL SERVICES FOR THE CURRENT FISCAL YEAR AS 21REPORTED UNDER SUBSECTION (D)(1) OF THIS SECTION, THE SECRETARY 22SHALL WITHHOLD THE STATE AID DUE TO THAT COUNTY FOR THAT CATEGORY 23OF CRITICAL SERVICES FOR THE NEXT FISCAL YEAR.

24 (2) IF A COUNTY THAT HAS STATE AID WITHHELD UNDER THIS 25 SUBSECTION CERTIFIES TO THE SECRETARY THAT THE COUNTY HAS MET 26 SUBSEQUENTLY THE MAINTENANCE OF EFFORT REQUIREMENTS OF THIS 27 SECTION FOR THE FISCAL YEAR IN WHICH THE STATE AID IS WITHHELD, THE 28 SECRETARY SHALL DISBURSE TO THE COUNTY THE STATE AID WITHHELD 29 UNDER THIS SUBSECTION.

30 (3) IF THE STATE AID WITHHELD UNDER THIS SUBSECTION HAS
 31 NOT BEEN DISBURSED TO A COUNTY BY THE END OF THE FISCAL YEAR IN WHICH
 32 THE MONEY WAS WITHHELD, THE MONEY SHALL REVERT TO THE GENERAL
 33 FUND.

**Article – Education** 

35 23–503.

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1 [The] SUBJECT TO § 7-107 OF THE STATE FINANCE AND (a) (1) $\mathbf{2}$ **PROCUREMENT ARTICLE, THE** entire capital and operating cost of the minimum 3 library program for this State as a whole shall be shared as provided in this subsection. 4  $\mathbf{5}$ (2)The State shall provide: 6 (i) Approximately 40 percent of the total cost of the minimum 7 program; and 8 Not less than 20 percent of the cost of the minimum program (ii) 9 in any county. 10 The counties participating in the program together shall provide (3)11 through local taxes approximately 60 percent of the total statewide cost of the 12minimum program. 13(1) (b) Each county public library system that participates in the minimum library program shall be provided for each resident of the county, to be used 14for operating and capital expenses: 1516 (i) For each of fiscal years 2011 through 2016 – \$14.00; 17(ii) For fiscal year 2017 – \$14.30; 18 (iii) For fiscal year 2018 - \$14.60; and 19 (iv) For fiscal year 2019 and each fiscal year thereafter - \$15.00. 20(2)The State shall share in this amount. (i) 21(ii) Any county may provide an amount greater than its share 22under the cooperative program, but the State may not share in the excess. 23Any employer Social Security contributions required by federal law for (c)24any employee in a county public library system shall remain the obligation of the 25employer. 26**Article – Transportation** 278-403. 28(a) Subject to §§ 3–307 and 3–308 of this article AND § 7–107 OF THE 29STATE FINANCE AND PROCUREMENT ARTICLE, and except as provided in

30 subsection (b) of this section, for each fiscal year, from the total highway user 31 revenues:

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1 (1) An amount equal to 7.7% of total highway user revenues shall be 2 distributed to Baltimore City in monthly installments;

3 (2) An amount shall be distributed to the counties at the times 4 specified in § 8–407 of this subtitle, to be allocated as provided in § 8–404 of this 5 subtitle, equal to 1.5% of total highway user revenues; and

6 (3) An amount shall be distributed to the municipalities at the times 7 specified in § 8–407 of this subtitle, to be allocated as provided in § 8–405 of this 8 subtitle, equal to 0.4% of total highway user revenues.

(b)

(1) For fiscal year 2010:

10 (i) The amount distributed to Baltimore City under this 11 subtitle shall equal 8.6% of total highway user revenues;

- (ii) The amount distributed to the counties under this subtitleshall equal 1.5% of total highway user revenues; and
- 14 (iii) The amount distributed to the municipalities under this15 subtitle shall equal 0.4% of total highway user revenues.
- 16 (2) For fiscal year 2011:

17 (i) The amount distributed to Baltimore City under this18 subtitle shall equal 7.9% of total highway user revenues;

(ii) The amount distributed to the counties under this subtitleshall equal 0.5% of total highway user revenues; and

(iii) The amount distributed to the municipalities under this
subtitle shall equal 0.1% of total highway user revenues.

23 (3) For fiscal year 2012:

(i) The amount distributed to Baltimore City under this
 subtitle shall equal 7.5% of total highway user revenues;

(ii) The amount distributed to the counties under this subtitle
 shall equal 0.8% of total highway user revenues; and

- (iii) The amount distributed to the municipalities under this
  subtitle shall equal 0.6% of total highway user revenues.
- 30 (4) For fiscal year 2013:

1 (i) The amount distributed to Baltimore City under this 2 subtitle shall equal 8.1% of total highway user revenues;

3 (ii) The amount distributed to the counties under this subtitle
4 shall equal 1.5% of total highway user revenues; and

5 (iii) The amount distributed to the municipalities under this 6 subtitle shall equal 0.4% of total highway user revenues.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effectJuly 1, 2013.

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