

SENATE BILL 172

B1

4r0148
CF HB 162

By: The President (By Request – Administration)

Introduced and read first time: January 15, 2014

Assigned to: Budget and Taxation

A BILL ENTITLED

AN ACT concerning

Budget Reconciliation and Financing Act of 2014

FOR the purpose of authorizing certain funds to be used for certain purposes; setting a certain limit on the use of certain funds beginning with a certain fiscal year; authorizing or altering the distribution of certain revenue; establishing the date on which certain license fees are effective; creating a Maryland Amusement Game Advisory Committee; providing for the composition, chair, staffing, and duties of the Advisory Committee; prohibiting a member of the Advisory Committee from receiving certain compensation, but authorizing the reimbursement of certain expenses; altering or repealing certain required appropriations; applying to charter counties certain provisions of law that authorize counties to impose a hotel rental tax; providing that under certain circumstances certain other laws prevail over the provisions that authorize charter counties to impose a hotel rental tax; requiring the appropriation of certain funds for certain purposes beginning with a certain fiscal year; altering the rate of certain commissions; repealing a certain authorization for the State Lottery Commission to authorize the payment of certain bonuses and incentives; requiring the Governor to include certain supplemental contributions in the budget bill in addition to certain required contributions for certain fiscal years or until certain conditions are met; requiring the Governor to increase certain supplemental contributions in the budget bill under certain circumstances; providing for the transfer of certain funds; providing for a certain calculation of local wealth for certain education aid purposes for certain fiscal years; making the Maryland Health Benefit Exchange subject to certain provisions of law, to the extent that the Secretary of Information Technology determines that a certain information technology project is a major information technology development project; repealing a limitation on the applicability, to certain fiscal years only, of a certain fee for a certificate of title for a rental

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

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

vehicle; repealing certain authority for the Health Services Cost Review Commission and the Department of Health and Mental Hygiene to adopt certain policies; requiring the Governor to reduce a certain assessment by a certain amount beginning with the State budget submission for a certain fiscal year; providing for the method of calculating the amount of the reduction; requiring the Commission to model the methodology used for calculating the reduction in a certain manner; requiring that certain other Medicaid savings also be used to reduce the assessment; requiring the Health Services Cost Review Commission for a certain fiscal year to include a certain additional amount in hospital revenue for a certain purpose when determining certain hospital rates; altering the rate of a certain assessment; requiring the Board of Trustees for the State Retirement and Pension System to perform a certain study and to report the results to certain committees of the General Assembly on or before a certain date; ~~requiring the Health Services Cost Review Commission to establish a Community Partnership Assistance Program; requiring certain funding for the Program for certain purposes; providing for the sources and permissible uses of the funding; requiring that certain plans be developed in accordance with certain guidelines; providing that certain guidelines contain certain criteria and specifications; providing for the submission and approval of certain plans; requiring the Commission to take action on a certain plan; requiring that certain preferences be given to certain plans or collaborations; altering the timing of certain increases in certain rates for payments to certain providers for a certain fiscal year;~~ setting certain limits in increases in payments to certain providers for a certain fiscal year; requiring the State Department of Assessments and Taxation to establish a certain workgroup in a certain manner to examine certain issues; requiring the workgroup to submit a certain report on or before a certain date; authorizing the State Department of Assessments and Taxation to contract with a consultant for a certain purpose under certain circumstances and subject to certain requirements of State procurement law; ~~defining certain terms; making a conforming change;~~ conforming changes; making certain provisions of this Act contingent on the taking effect of another Act; making the provisions of this Act severable; providing for the effective dates for certain provisions of this Act; and generally relating to the financing of State and local government.

BY repealing and reenacting, with amendments,
 Article – Corporations and Associations
 Section 1-203.3(b)
 Annotated Code of Maryland
 (2007 Replacement Volume and 2013 Supplement)

BY repealing and reenacting, with amendments,
 Article – Courts and Judicial Proceedings
 Section 7-301(f)
 Annotated Code of Maryland
 (2013 Replacement Volume and 2013 Supplement)

BY repealing and reenacting, with amendments,

Article – Criminal Law

Section 12–301.1(c)(5)

Annotated Code of Maryland

(2012 Replacement Volume and 2013 Supplement)

BY adding to

Article – Criminal Law

Section 12–301.1(f)

Annotated Code of Maryland

(2012 Replacement Volume and 2013 Supplement)

BY repealing and reenacting, with amendments,

Article – Economic Development

Section 5–1204 and 10–523(a)(3)(i) and (c)

Annotated Code of Maryland

(2008 Volume and 2013 Supplement)

BY repealing and reenacting, with amendments,

Article – Education

Section ~~16–305(e)(1)(i)~~ and 5–202(d)(1), 16–305(c)(1)(i), and 17–104(a)(1)

Annotated Code of Maryland

(2008 Replacement Volume and 2013 Supplement)

~~BY adding to~~

~~Article – Education~~

~~Section 16–305(e)(1)(v) and 17–104(a)(4)~~

~~Annotated Code of Maryland~~

~~(2008 Replacement Volume and 2013 Supplement)~~

BY repealing and reenacting, with amendments,

Article – Health – General

Section 2–302(b)(1)(xxiv) and (2)

Annotated Code of Maryland

(2009 Replacement Volume and 2013 Supplement)

BY adding to

Article – Health – General

Section 2–302(b)(3)

Annotated Code of Maryland

(2009 Replacement Volume and 2013 Supplement)

BY repealing and reenacting, with amendments,

Article – Local Government

Section 20–402

Annotated Code of Maryland

(2013 Volume)

BY repealing and reenacting, with amendments,

Article – Natural Resources

Section 5–212(g)

Annotated Code of Maryland

(2012 Replacement Volume and 2013 Supplement)

BY repealing and reenacting, with amendments,

Article – State Government

Section 9–117(a)(1) and ~~(b)(2)~~ and (b), 9–1A–29(d)(1), and 9–20B–05(g)

Annotated Code of Maryland

(2009 Replacement Volume and 2013 Supplement)

BY repealing and reenacting, without amendments,

Article – State Personnel and Pensions

Section 21–308(a)(1) and (2)

Annotated Code of Maryland

(2009 Replacement Volume and 2013 Supplement)

BY repealing ~~and reenacting, with amendments,~~

Article – State Personnel and Pensions

Section 21–308(a)(4)

Annotated Code of Maryland

(2009 Replacement Volume and 2013 Supplement)

BY adding to

Article – State Personnel and Pensions

Section 21–308(a)(4)

Annotated Code of Maryland

(2009 Replacement Volume and 2013 Supplement)

BY repealing and reenacting, with amendments,

Article – Tax – General

Section 2–1302.1(b)

Annotated Code of Maryland

(2010 Replacement Volume and 2013 Supplement)

BY repealing and reenacting, with amendments,

Article – Tax – Property

Section 13–209(h)(2)

Annotated Code of Maryland

(2012 Replacement Volume and 2013 Supplement)

BY repealing and reenacting, without amendments,

Article – Education

Section 5–202(d)(10)(i), (ii), (iii), and (iv)1. and 2. and (k)

Annotated Code of Maryland

(2008 Replacement Volume and 2013 Supplement)

BY repealing and reenacting, with amendments,

Article – Insurance

Section 31–103(a) and (b)

Annotated Code of Maryland

(2011 Replacement Volume and 2013 Supplement)

BY repealing

Article – State Government

Section 9–20B–05(g–1) and (g–2)

Annotated Code of Maryland

(2009 Replacement Volume and 2013 Supplement)

BY repealing and reenacting, with amendments,

Article – Transportation

Section 12–118(e) and 13–802(b)(1)

Annotated Code of Maryland

(2012 Replacement Volume and 2013 Supplement)

BY repealing and reenacting, without amendments,

Article – Transportation

Section 13–802(a)

Annotated Code of Maryland

(2012 Replacement Volume and 2013 Supplement)

BY repealing and reenacting, with amendments,

Chapter 397 of the Acts of the General Assembly of 2011, as amended by

Chapter 425 of the Acts of the General Assembly of 2013

Section 16

BY repealing and reenacting, without amendments,

Article – Health – General

Section 19–214(d)(1)

Annotated Code of Maryland

(2009 Replacement Volume and 2013 Supplement)

BY repealing and reenacting, with amendments,

Article – Health – General

Section 19–214(d)(3)(i)

Annotated Code of Maryland

(2009 Replacement Volume and 2013 Supplement)

~~BY adding to~~

~~Article – Health – General~~

~~Section 19–210.1~~

~~Annotated Code of Maryland~~

~~(2009 Replacement Volume and 2013 Supplement)~~

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

Article – Corporations and Associations

1–203.3.

(b) **(1)** Subject to the appropriation process in the State budget, the Department shall use the fund:

~~(1)~~ **(I)** For the costs of reviewing, processing, and auditing documents filed or requested under this article or other articles of the Code; [and]

~~(2)~~ **(II)** To pay redemption or extinguishment amounts to former owners of ground rents redeemed or extinguished in accordance with § 8–110 of the Real Property Article; AND

~~(3)~~ **(III) FOR SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, FOR OTHER COSTS INCURRED BY THE DEPARTMENT TO ADMINISTER THE PROVISIONS OF THIS ARTICLE.**

(2) FOR FISCAL YEAR 2015 AND EACH FISCAL YEAR THEREAFTER, THE DEPARTMENT MAY NOT USE THE FUND TO PAY MORE THAN 5% OF THE ADMINISTRATIVE EXPENSES OF THE OFFICE OF THE DIRECTOR OF THE DEPARTMENT.

Article – Courts and Judicial Proceedings

7–301.

(f) (1) This subsection does not apply to a traffic case under § 21–202.1, § 21–809, § 21–810, or § 21–1414 of the Transportation Article or to a parking or impounding case.

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

(3) (i) The Comptroller annually shall credit the surcharges collected under this subsection as provided in this paragraph.

(ii) An amount annually as set forth in the State budget shall be distributed for the Charles W. Riley Fire and Emergency Medical Services Tuition Reimbursement Program as established in § 18–603 of the Education Article.

(iii) AN AMOUNT ANNUALLY AS SET FORTH IN THE STATE BUDGET SHALL BE DISTRIBUTED TO THE MARYLAND STATE FIREMEN'S ASSOCIATION FOR THE WIDOWS' AND ORPHANS' FUND.

(IV) After the distribution under [subparagraph] SUBPARAGRAPHS (ii) AND (III) of this paragraph, \$200,000 shall be distributed to the Maryland State Firemen's Association.

[(iv)] (V) After the distribution under subparagraphs (ii) [and (iii)], (III), AND (IV) of this paragraph and until a total of \$20,000,000 has been distributed to the Volunteer Company Assistance Fund since the establishment of the surcharge under this subsection, the remainder shall be credited to the Volunteer Company Assistance Fund to be used in accordance with the provisions of Title 8, Subtitle 2 of the Public Safety Article.

[(v)] (VI) After a total of \$20,000,000 has been distributed to the Volunteer Company Assistance Fund, 100% of the remainder shall be credited to the Maryland Emergency Medical System Operations Fund established under § 13-955 of the Transportation Article.

[(vi)] (VII) On or before September 1 of each year until \$20,000,000 has been distributed to the Volunteer Company Assistance Fund, the State Court Administrator shall submit a report to the Senate Budget and Taxation Committee and the House Appropriations Committee, in accordance with § 2-1246 of the State Government Article, on the amount of revenue distributed to the Volunteer Company Assistance Fund under this paragraph.

Article – Criminal Law

12-301.1.

(c) The Commission shall adopt regulations that:

(5) establish license fees, EFFECTIVE ON JULY 1, 2016, that are sufficient to cover the direct and indirect costs of licensure required under this section.

(F) (1) THERE IS A MARYLAND AMUSEMENT GAME ADVISORY COMMITTEE.

(2) THE ADVISORY COMMITTEE SHALL ADVISE THE COMMISSION ON THE CONDUCT AND TECHNICAL ASPECTS OF THE AMUSEMENT GAME INDUSTRY, INCLUDING RECOMMENDATIONS FOR THE LEGALITY OF SKILLS-BASED AMUSEMENT GAMES.

(3) THE ADVISORY COMMITTEE CONSISTS OF THE FOLLOWING MEMBERS APPOINTED BY THE GOVERNOR:

(I) TWO MEMBERS SELECTED FROM A LIST OF FIVE NAMES SUBMITTED BY THE MARYLAND AMUSEMENT AND MUSIC OPERATORS ASSOCIATION;

(II) ONE MEMBER WHO IS A LOCAL GOVERNMENT OFFICIAL SELECTED FROM A LIST OF NAMES SUBMITTED BY THE MARYLAND ASSOCIATION OF COUNTIES AND THE MARYLAND MUNICIPAL LEAGUE;

(III) ONE MEMBER WHO IS A LOCAL LAW ENFORCEMENT OFFICER; AND

(IV) ONE CITIZEN REPRESENTATIVE.

(4) THE GOVERNOR SHALL DESIGNATE THE CHAIR OF THE ADVISORY COMMITTEE.

(5) THE COMMISSION SHALL PROVIDE STAFF FOR THE ADVISORY COMMITTEE.

(6) A MEMBER OF THE ADVISORY COMMITTEE:

(I) MAY NOT RECEIVE COMPENSATION AS A MEMBER OF THE ADVISORY COMMITTEE; BUT

(II) IS ENTITLED TO REIMBURSEMENT FOR EXPENSES UNDER THE STANDARD STATE TRAVEL REGULATIONS, AS PROVIDED IN THE STATE BUDGET.

Article – Economic Development

5–1204.

(a) (1) There is a Maryland Not–For–Profit Development Center Program Fund in the Department.

(2) The Fund is a special, nonlapsing fund that is not subject to reversion under § 7–302 of the State Finance and Procurement Article.

(3) The Fund consists of:

(i) money appropriated in the State budget to the Fund; and

(ii) all other money accepted for the benefit of the Fund, including an additional \$50 fee to be paid for the processing of articles of incorporation of a nonstock corporation in accordance with § 1-203 of the Corporations and Associations Article.

(b) **(1)** The purpose of the Fund is to provide grant money to support the operations of the Program consistent with this subtitle.

(2) AS PROVIDED IN THE STATE BUDGET, THE FUND ALSO MAY BE USED BY THE DEPARTMENT OF GENERAL SERVICES TO EVALUATE THE PARTICIPATION OF NOT-FOR-PROFIT ENTITIES IN STATE PROCUREMENT.

10-523.

(a) **(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:

1. for fiscal year 2011, \$2,750,000;
2. for fiscal year 2012, \$2,750,000;
3. for fiscal year 2013, \$2,875,000;
4. for fiscal year 2014, \$2,875,000; [and]
5. **FOR FISCAL YEAR 2015, \$2,875,000; AND**
6. for each of the fiscal years [2015] **2016** through [2020] **2021**, \$4,000,000.

(c) The Corporation shall conduct its financial affairs so that, by the year [2020] **2021**, it is self-sufficient and in no further need of general operating support by the State.

Article – Education

16-305.

(c) **(1) (i)** The total State operating fund per full-time equivalent student to the community colleges for each fiscal year other than fiscal ~~[year]~~ ~~YEARS~~ 2013 ~~AND 2015~~, as requested by the Governor shall be:

1. In fiscal year 2009, 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 previous fiscal year;

2. In fiscal year 2010, not less than an amount equal to 23.6% 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;

3. In fiscal year 2011, not less than an amount equal to 21.8% 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 2012, not less than an amount equal to 20% 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. In fiscal year 2014, an amount that is the greater of 19.7% 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 or \$1,839.47 per full-time equivalent student;

6. ~~In~~ In fiscal year 2015, an amount that is the greater of 19.7% 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 or \$1,839.47 per full-time equivalent student;

7. ~~In~~ In fiscal year 2016, ~~an amount that is the greater of 19%~~ **NOT LESS THAN AN AMOUNT EQUAL TO 19.7%** 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 ~~or \$1,839.47 per full-time equivalent student;~~

~~[8.] 7.~~ In fiscal year 2017, ~~an amount that is the greater of 19%~~ **NOT LESS THAN AN AMOUNT EQUAL TO 19.7%** 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 ~~or \$1,830.47 per full-time equivalent student;~~

~~¶9.¶8.~~ In fiscal year 2018, not less than an amount equal to 20% 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;

~~¶10.¶9.~~ In fiscal year 2019, not less than an amount equal to 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 Commission for the purpose of administering the Joseph A. Sellinger Program under Title 17 of this article in the same fiscal year;

~~¶11.¶10.~~ In fiscal year 2020, not less than an amount equal to 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;

~~¶12.¶11.~~ In fiscal year 2021, not less than an amount equal to 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;

~~¶13.¶12.~~ In fiscal year 2022, not less than an amount equal to 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

~~¶14.¶13.~~ 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.

~~(v) IN FISCAL YEAR 2015, THE TOTAL STATE OPERATING FUNDS FOR COMMUNITY COLLEGES SHALL BE \$223,669,968, TO BE DISTRIBUTED AS FOLLOWS:~~

- ~~1. ALLEGANY COLLEGE..... \$4,872,898;~~

2.	ANNE ARUNDEL COMMUNITY COLLEGE	\$28,998,941;
3.	COMMUNITY COLLEGE OF BALTIMORE COUNTY	\$38,990,003;
4.	CARROLL COMMUNITY COLLEGE	\$7,488,547;
5.	CECH COMMUNITY COLLEGE	\$5,217,687;
6.	COLLEGE OF SOUTHERN MARYLAND	\$13,118,626;
7.	CHESAPEAKE COLLEGE	\$6,134,108;
8.	FREDERICK COMMUNITY COLLEGE	\$9,010,822;
9.	GARRETT COLLEGE	\$2,595,501;
10.	HAGERSTOWN COMMUNITY COLLEGE	\$7,788,149;
11.	HARFORD COMMUNITY COLLEGE	\$10,913,980;
12.	HOWARD COMMUNITY COLLEGE	\$15,300,154;
13.	MONTGOMERY COLLEGE	\$40,402,184;
14.	PRINCE GEORGE'S COMMUNITY COLLEGE	\$25,722,191; AND
15.	WOR-WIC COMMUNITY COLLEGE	\$7,116,177.

17-104.

(a) (1) Except as provided in [paragraph (2)] PARAGRAPHS ~~(2), (3), AND (4)~~ ~~(2) AND (3)~~ 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;

(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;

(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;

(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;

(v) In fiscal year 2014, an amount that is the greater of 9.4% 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 or \$875.53 per full-time equivalent student;

(vi) ~~¶~~In fiscal year 2015, an amount that is the greater of 9.4% 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 or \$875.53 per full-time equivalent student;

(vii)~~¶~~ In fiscal year 2016, an amount ~~that is the greater of 9%~~ **NOT LESS THAN 9.6%** 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 ~~or \$875.53 per full-time equivalent student;~~

~~¶(viii) (VII)~~ In fiscal year 2017, an amount ~~that is the greater of 9%~~ **NOT LESS THAN 10.1%** 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 ~~or \$875.53 per full-time equivalent student;~~

~~¶(ix) (VIII)~~ In fiscal year 2018, an amount not less than ~~9.3%~~ **10.5%** 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;

~~¶(x) (IX)~~ In fiscal year 2019, an amount not less than ~~11.3%~~ **10.8%** 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;

~~¶(xi) (X)~~ In fiscal year 2020, an amount not less than ~~13.3%~~ **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; and

~~[(xii)] (XI)~~ In fiscal year 2021 and each fiscal year thereafter, an amount not less than 15.5% 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.

~~(4) IN FISCAL YEAR 2015, THE TOTAL AMOUNT OF AID DUE TO ALL INSTITUTIONS SHALL BE \$40,943,310.~~

Article – Health – General

2-302.

(b) The funding shall be:

(1) \$37,283,484 in each of fiscal years 2011 and 2012, to be distributed as follows:

(xxiv) Worcester County.....\$312,944; [and]

(2) For fiscal [year] YEARS 2013 and [each subsequent fiscal year] 2014, \$37,283,484 adjusted for:

(i) Inflation, as measured by the Consumer Price Index (All Urban Consumers), for the second preceding fiscal year, calculated by the U.S. Department of Commerce; and

(ii) Population growth, as measured by the growth in the total population of the State of Maryland for the second preceding fiscal year, according to the most recent statistics available through the Department of Health and Mental Hygiene; AND

(3) FOR FISCAL YEAR 2015 AND EACH SUBSEQUENT FISCAL YEAR, THE AMOUNT OF FUNDING FOR THE PRECEDING FISCAL YEAR ADJUSTED FOR:

(I) INFLATION, AS MEASURED BY THE CONSUMER PRICE INDEX (ALL URBAN CONSUMERS), FOR THE SECOND PRECEDING FISCAL YEAR, CALCULATED BY THE U.S. DEPARTMENT OF COMMERCE; AND

(II) POPULATION GROWTH, AS MEASURED BY THE GROWTH IN THE TOTAL POPULATION OF THE STATE FOR THE SECOND PRECEDING FISCAL YEAR, ACCORDING TO THE MOST RECENT STATISTICS AVAILABLE THROUGH THE DEPARTMENT OF HEALTH AND MENTAL HYGIENE.

Article – Local Government

20–402.

(A) This part applies only to:(1) SUBJECT TO SUBSECTION (B) OF THIS SECTION, A CHARTER COUNTY;[(1)] (2) a code county;[(2)] (3) Calvert County;[(3)] (4) Carroll County;[(4)] (5) Cecil County;[(5)] Dorchester County;(6) Frederick County;[(7)] (6) Garrett County;[(8)] (7) St. Mary’s County;[(9)] (8) Somerset County; AND[(10)] Talbot County;[(11)] (9) Washington County]; and(12) Wicomico County].(B) TO THE EXTENT THIS PART CONFLICTS WITH ANOTHER LAW THAT APPLIES TO A CHARTER COUNTY, THE OTHER LAW SHALL PREVAIL OVER THIS PART.~~Article – State Government~~Article – Natural Resources

5–212.

(g) (1) [The] SUBJECT TO PARAGRAPH (3) OF THIS SUBSECTION, THE Fund may be used only for:

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

2. Helping to offset the costs to the Forest and Park Service for developing and implementing a forest health emergency contingency program under § 5-307 of this title;

(ii) Subject to paragraph (2) of this subsection, payments to counties in the amount of:

1. If the State forest or park reserve comprises less than 10% of the total land area of the county, a sum equal to 15% of the revenue derived from the State forest or park reserve located in that county; and

2. If the State forest or park reserve comprises 10% or more of the total land area of the county, a sum equal to 25% of the revenue derived from the State forest or park reserve located in that county; and

(iii) Administrative costs calculated in accordance with § 1-103(b)(2) of this article.

(2) For fiscal years 2012 and 2013 only, the payments under paragraph (1)(ii) of this subsection shall be based only on the revenue derived from sales of timber.

(3) FROM REVENUES DESCRIBED IN SUBSECTION (F) OF THIS SECTION THAT ARE ATTRIBUTABLE TO MARYLAND PARK SERVICE OPERATIONS, THE GOVERNOR SHALL INCLUDE IN THE STATE BUDGET AN APPROPRIATION FOR THE MARYLAND PARK SERVICE EQUAL TO:

(I) 60% OF THE REVENUES, FOR FISCAL YEAR 2016;

(II) 80% OF THE REVENUES, FOR FISCAL YEAR 2017; AND

(III) 100% OF THE REVENUES, FOR FISCAL YEAR 2018 AND EACH FISCAL YEAR THEREAFTER.

Article – State Government

9-117.

(a) (1) ~~[(i) Except as provided in subparagraphs (ii) and (iii) of this paragraph, a~~ **A** licensed agent shall receive regular commissions of 5.5% of the licensed agent's gross receipts from ticket sales.

~~(ii) For fiscal year 2012 through December 31, 2012, only, a] A licensed agent shall receive regular commissions of 5.0% of the licensed agent's gross receipts from ticket sales.~~

~~[(iii) If a video lottery operation license for a video lottery facility in Baltimore City is issued, a licensed agent shall receive regular commissions of 6% of the licensed agent's gross receipts from ticket sales.]~~

~~(b) (2) The total of the bonuses and incentives may not exceed [one half of] 1% of the gross receipts from ticket sales for the year for which the bonuses or incentives are awarded.~~

(b) [(1) The Commission may authorize the payment of special bonuses or incentives to licensed agents and their employees.]

(2) The total of the bonuses and incentives may not exceed one-half of 1% of the gross receipts from ticket sales for the year for which the bonuses or incentives are awarded.]

[(3) Lottery sales agents may not offer patrons inducements of alcoholic beverages to purchase or redeem lottery tickets.]

Article – State Personnel and Pensions

21–308.

~~(a) (4) For fiscal year 2014 and each fiscal year thereafter, in addition to the amounts required under paragraph (2) of this subsection, the Governor shall include in the budget bill [\$300,000,000] \$200,000,000.~~

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

(i) certify to the Governor and the Secretary of Budget and Management the rates to be used to determine the amounts to be paid by the State to the accumulation fund of each of the several systems during the next fiscal year, including a separate certification of the normal contribution rate for the Teachers' Retirement System and the Teachers' Pension System; and

(ii) provide to the Secretary of Budget and Management a statement of the total amount to be paid by the State as determined under § 21–304 of this subtitle to the Teachers' Retirement System and the Teachers' Pension System expressed as a percentage of the payroll of all members of those State systems.

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

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

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

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

(4) [For fiscal year 2014 and each fiscal year thereafter, in addition to the amounts required under paragraph (2) of this subsection, the Governor shall include in the budget bill \$300,000,000.]

(1) 1. FOR FISCAL YEAR 2014, IN ADDITION TO THE ANNUAL REQUIRED CONTRIBUTION REQUIRED UNDER PARAGRAPH (2) OF THIS SUBSECTION, THE GOVERNOR SHALL INCLUDE IN THE BUDGET BILL A SUPPLEMENTAL CONTRIBUTION OF \$100,000,000.

2. FOR FISCAL YEAR 2015, IN ADDITION TO THE ANNUAL REQUIRED CONTRIBUTION REQUIRED UNDER PARAGRAPH (2) OF THIS SUBSECTION, THE GOVERNOR SHALL INCLUDE IN THE BUDGET BILL A SUPPLEMENTAL CONTRIBUTION OF \$100,000,000.

3. FOR FISCAL YEAR 2016, IN ADDITION TO THE ANNUAL REQUIRED CONTRIBUTION REQUIRED UNDER PARAGRAPH (2) OF THIS SUBSECTION, THE GOVERNOR SHALL INCLUDE IN THE BUDGET BILL A SUPPLEMENTAL CONTRIBUTION OF \$150,000,000.

4. FOR FISCAL YEAR 2017, IN ADDITION TO THE ANNUAL REQUIRED CONTRIBUTION REQUIRED UNDER PARAGRAPH (2) OF THIS SUBSECTION, THE GOVERNOR SHALL INCLUDE IN THE BUDGET BILL A SUPPLEMENTAL CONTRIBUTION OF \$200,000,000.

5. FOR FISCAL YEAR 2018, IN ADDITION TO THE ANNUAL REQUIRED CONTRIBUTION REQUIRED UNDER PARAGRAPH (2) OF THIS SUBSECTION, THE GOVERNOR SHALL INCLUDE IN THE BUDGET BILL A SUPPLEMENTAL CONTRIBUTION OF \$250,000,000.

6. FOR FISCAL YEAR 2019 AND EACH FISCAL YEAR THEREAFTER, IN ADDITION TO THE ANNUAL REQUIRED CONTRIBUTION

REQUIRED UNDER PARAGRAPH (2) OF THIS SUBSECTION, THE GOVERNOR SHALL INCLUDE IN THE BUDGET BILL A SUPPLEMENTAL CONTRIBUTION OF \$300,000,000, UNTIL:

A. THE TOTAL ACTUARIAL VALUE OF ASSETS FOR THE SEVERAL SYSTEMS DIVIDED BY THE TOTAL ACTUARIAL ACCRUED LIABILITY FOR THE SEVERAL SYSTEMS EQUALS A FUNDING RATIO OF 85%; AND

B. THE CONTRIBUTION RATES CERTIFIED UNDER PARAGRAPH (1)(I) OF THIS SUBSECTION ARE THE FULL FUNDING RATES AS DEFINED IN § 21-304(A)(3) OF THIS SUBTITLE.

(II) IF THE AMOUNT OF A SUPPLEMENTAL CONTRIBUTION INCLUDED IN THE BUDGET BILL FOR A FISCAL YEAR IS LESS THAN THE AMOUNT REQUIRED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH, THE GOVERNOR SHALL INCREASE THE SUPPLEMENTAL CONTRIBUTION FOR THE FOLLOWING FISCAL YEAR BY THE AMOUNT OF THE REDUCTION TO THE SUPPLEMENTAL CONTRIBUTION IN THE PREVIOUS FISCAL YEAR.

Article – Tax – General

2-1302.1.

(b) For each fiscal year beginning on or before July 1, 2014, after the distribution required under subsection (a)(1) of this section, the Comptroller shall distribute the remainder of the sales and use tax collected on short-term vehicle rentals under § 11-104(c) of this article as follows:

(1) to the General Fund of the State:

(i) \$15,169,444 for the fiscal year beginning July 1, 2011;

(ii) \$10,076,582 for the fiscal year beginning July 1, 2012;

(iii) ~~[\$6,535,845]~~ **\$14,535,845** for the fiscal year beginning July 1, 2013; and

(iv) ~~[\$3,049,199]~~ **\$6,249,199** for the fiscal year beginning July 1, 2014; and

(2) the remainder to the Chesapeake Bay 2010 Trust Fund.

Article – Tax – Property

13-209.

(h) (2) Notwithstanding any other provision of law, the Governor may transfer funds from the special fund established under this section to the General Fund as follows:

- (i) on or before June 30, 2014, \$89,198,555;
- (ii) for the fiscal year beginning July 1, 2014, [~~\$75,062,000~~ ~~\$144,188,554~~ \$144,188,544];
- (iii) for the fiscal year beginning July 1, 2015, \$77,654,000;
- (iv) for the fiscal year beginning July 1, 2016, \$82,771,000; and
- (v) for the fiscal year beginning July 1, 2017, \$86,028,000.

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

Article – Education

5–202.

(d) (1) (i) Subject to § 5–213.1 of this subtitle, the county governing body shall levy and appropriate an annual tax sufficient to provide an amount of revenue for elementary and secondary public education purposes equal to the local share of the foundation program.

(ii) 1. Except as provided in subsubparagraph 2 of this subparagraph and subject to § 5–213 of this subtitle, the county governing body shall appropriate local funds to the school operating budget in an amount no less than the product of the county’s full–time equivalent enrollment for the current fiscal year and the local appropriation on a per pupil basis for the prior fiscal year.

2. Except as provided in paragraph (3)(ii) of this subsection AND SUBJECT TO SUBPARAGRAPH (III) OF THIS PARAGRAPH, in each fiscal year if a county’s education effort, as defined in paragraph (10) of this subsection, is below 100% of the statewide 5–year moving average of education effort, the required maintenance of effort amount for the county shall be adjusted by increasing the per pupil amount by the lesser of:

- A. A county’s increase in the local wealth per pupil;
- B. The statewide average increase in local wealth per pupil; or
- C. 2.5%.

(III) THE CALCULATION OF LOCAL WEALTH FOR THE PURPOSES OF PARAGRAPHS (1) AND (10) OF THIS SUBSECTION SHALL USE THE AMOUNT CERTIFIED FOR NET TAXABLE INCOME UNDER SUBSECTION (K)(2)(II) OF THIS SECTION BASED ON TAX RETURNS FILED ON OR BEFORE:

1. FOR FISCAL YEARS 2015 THROUGH 2017, SEPTEMBER 1; AND

2. FOR FISCAL YEAR 2018 AND EACH FISCAL YEAR THEREAFTER, NOVEMBER 1.

(10) (i) In this paragraph the following terms have the meanings indicated.

1. “Education appropriation” includes any money redirected to a county board under § 5–213 or § 5–213.1 of this subtitle.

2. “Education effort” means a county’s education appropriation divided by the county’s wealth.

3. “5–year moving average” means the average of the 5 years before the waiver year.

4. “Waiver year” means the fiscal year for which a waiver from the maintenance of effort requirement in paragraph (1)(ii) of this subsection is requested.

(ii) This paragraph applies to a county that has:

1. Received a waiver under paragraph (8)(i)1 of this subsection from the maintenance of effort requirement; and

2. A required county education appropriation under paragraph (1)(ii) of this subsection for the waiver year that exceeds 100% of the statewide 5–year moving average of education effort times a county’s local wealth.

(iii) A county that satisfies the requirements under subparagraph (ii) of this paragraph may request a rebasing waiver from the State Board.

(iv) When considering whether to grant a county’s waiver request under this paragraph, the State Board shall consider the following factors:

1. Whether a county has submitted sufficient evidence that the factors in paragraph (8)(v) of this subsection will affect a county’s ongoing ability to meet the maintenance of effort requirement;

2. Whether a county is at its maximum taxing authority under the law;

(k) (1) This subsection applies to education programs that use wealth to calculate State aid formulas under this subtitle.

(2) The Comptroller shall certify annually the amount of net taxable income based on both:

(i) Tax returns filed on or before September 1; and

(ii) Tax returns filed on or before November 1.

(3) For each fiscal year, State aid shall be calculated as follows:

(i) Once using the amount certified for net taxable income under paragraph (2)(i) of this subsection for tax returns filed on or before September 1; and

(ii) Again using the amount certified for net taxable income under paragraph (2)(ii) of this subsection for tax returns filed on or before November 1.

(4) Subject to paragraph (5) of this subsection, the amount of State aid for a county shall be the greater of the two calculations required under paragraph (3) of this subsection.

(5) If the amount of State aid for a county, using the calculation of State aid under paragraph (3)(ii) of this subsection, is the greater of the two calculations under paragraph (3) of this subsection, payment of any increase in State aid resulting from the difference between the two calculations shall be phased in as follows:

(i) For fiscal year 2014, 20 percent of the difference between the two calculations;

(ii) For fiscal year 2015, 40 percent of the difference between the two calculations;

(iii) For fiscal year 2016, 60 percent of the difference between the two calculations;

(iv) For fiscal year 2017, 80 percent of the difference between the two calculations; and

(v) For fiscal year 2018, and each fiscal year thereafter, the full amount of the calculation.

Article – Insurance31–103.(a) The Exchange is subject to:(1) the following provisions of the State Finance and Procurement Article:**(1) TITLE 3A, SUBTITLE 3 (INFORMATION PROCESSING), TO THE EXTENT THAT THE SECRETARY OF INFORMATION TECHNOLOGY DETERMINES THAT AN INFORMATION TECHNOLOGY PROJECT OF THE EXCHANGE IS A MAJOR INFORMATION TECHNOLOGY DEVELOPMENT PROJECT;**~~[(i)]~~ **(II) Title 12, Subtitle 4 (Policies and Procedures for Exempt Units); and**~~[(ii)]~~ **(III) Title 14, Subtitle 3 (Minority Business Participation);**(2) the following provisions of the State Government Article:(i) Title 10, Subtitle 1 (Administrative Procedure Act – Regulations);(ii) Title 10, Subtitle 5 (Meetings);(iii) Title 10, Subtitle 6, Part III (Access to Public Records);(iv) Title 12 (Immunity and Liability); and(v) Title 15 (Public Ethics); and(3) Title 5, Subtitle 3 of the State Personnel and Pensions Article.(b) The Exchange is not subject to:(1) taxation by the State or local government;**(2) TITLE 3A, SUBTITLE 3 (INFORMATION PROCESSING), EXCEPT TO THE EXTENT DETERMINED BY THE SECRETARY OF INFORMATION TECHNOLOGY UNDER SUBSECTION (A)(1)(I) OF THIS SECTION;**~~[(2)]~~ **(3) Division II of the State Finance and Procurement Article, except as provided in subsection (a)(1) of this section;**

[(3)] (4) Title 10 of the State Government Article, except as provided in subsection (a)(2)(i), (ii), and (iii) of this section;

[(4)] (5) Division I of the State Personnel and Pensions Article, except as provided in subsection (a)(3) of this section and elsewhere in this title; or

[(5)] (6) this article, except as provided in subsection (c) of this section and elsewhere in this title.

Article – State Government

9–1A–29.

(d) The amount of funds made available from the Racetrack Facility Renewal Account shall be allocated as follows:

(1) (I) EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH, 80% to the Pimlico Race Course, Laurel Park, and the racecourse at Timonium; and

(II) FOR FISCAL YEARS 2015 AND 2016, FROM THE AMOUNT ALLOCATED UNDER THIS PARAGRAPH, EACH GRANTEE UNDER § 11–404 OF THE BUSINESS REGULATION ARTICLE SHALL BE REIMBURSED FOR THE AMOUNT OF A REDUCTION TO THE GRANT PAID UNDER § 11–404.1(A) OF THE BUSINESS REGULATION ARTICLE; AND

9–20B–05.

(g) [Except as provided in subsection (g–1) of this section, proceeds] PROCEEDS received by the Fund from the sale of allowances under § 2–1002(g) of the Environment Article shall be allocated [to the following accounts] AS FOLLOWS:

(1) [17%] ~~UP TO~~ AT LEAST 50% shall be credited to an energy assistance account to be used for the Electric Universal Service Program and other electricity assistance programs in the Department of Human Resources;

(2) [except as provided in subsection (g–2) of this section, 23% shall be credited to a rate relief account to provide rate relief by offsetting electricity rates of residential customers, including an offset of surcharges imposed on ratepayers under § 7–211 of the Public Utilities Article, on a per customer basis and in a manner prescribed by the Public Service Commission;

(3) at least [46%] 20% shall be credited to a low and moderate income efficiency and conservation programs account and to a general efficiency and conservation programs account for energy efficiency and conservation programs, projects, or activities and demand response programs, of which at least one–half shall

be targeted to the low and moderate income efficiency and conservation programs account for:

(i) the low-income residential sector at no cost to the participants of the programs, projects, or activities; and

(ii) the moderate-income residential sector;

[(4) (3) [up to 10.5%] AT LEAST 20% shall be credited to a renewable and clean energy programs account for:

(i) **[subject to subsection (i) of this section,]** renewable and clean energy programs and initiatives;

(ii) energy-related public education and outreach; and

(iii) climate change **AND RESILIENCY** programs; and

[(5) (4) up to [3.5%] 10%, but not more than [\$4,000,000] \$5,000,000, shall be credited to an administrative expense account for costs related to the administration of the Fund, including the review of electric company plans for achieving electricity savings and demand reductions that the electric companies are required under law to submit to the Administration.

[(g-1) The proceeds described in subsection (g) of this section from the allowances sold between March 1, 2009, and June 30, 2012, shall be allocated as follows:

(1) up to 50% shall be credited to an energy assistance account to be used as described in subsection (g)(1) of this section;

(2) 23% shall be credited to a rate relief account to be allocated as provided in subsection (g)(2) of this section;

(3) at least 17.5% shall be credited to a low and moderate income efficiency and conservation programs account and to a general efficiency and conservation programs account to be allocated as provided in subsection (g)(3) of this section;

(4) at least 6.5% shall be credited to a renewable and clean energy programs account to be allocated as provided in subsection (g)(4) of this section; and

(5) up to 3.0%, but not more than \$4,000,000, shall be credited to an administrative expense account to be allocated as provided in subsection (g)(5) of this section.]

[(g-2) Subsection (g)(2) of this section does not apply to residential customers of a small rural electric cooperative, as defined in § 1-101 of the Public Utilities Article.]

Article – Transportation

12-118.

(e) (1) Subject to paragraph (2) of this subsection, money in the special fund established under subsection (c)(2) of this section:

(i) Shall be distributed first to the Department of State Police and the State Highway Administration to cover the costs of implementing and administering work zone speed control systems; and

(ii) After the distribution under item (i) of this paragraph[, for]:

1. FOR each of fiscal years 2013 through 2015 only, \$3,000,000 shall be distributed to the Department of State Police to be used only for the purchase of replacement vehicles and related motor vehicle equipment used to outfit police vehicles; AND

2. FOR EACH OF FISCAL YEARS 2016 THROUGH 2018 ONLY, AT LEAST \$7,000,000 SHALL BE DISTRIBUTED TO THE DEPARTMENT OF STATE POLICE TO BE USED ONLY FOR THE PURCHASE OF REPLACEMENT VEHICLES AND RELATED MOTOR VEHICLE EQUIPMENT USED TO OUTFIT POLICE VEHICLES.

(2) The balance of the money in the special fund shall be distributed to the Department of State Police to fund roadside enforcement activities.

13-802.

(a) Except as provided in subsection (b) of this section and § 13-805 of this subtitle, the fee for each certificate of title issued under this title is \$100.

(b) (1) [For fiscal years 2012 through 2014 only, the] THE fee for each certificate of title issued for a rental vehicle is \$50.

Chapter 397 of the Acts of 2011, as amended by Chapter 425 of the Acts of 2013

SECTION 16. 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:

(a) For fiscal year 2012, the Health Services Cost Review Commission shall approve a combination of hospital assessments and remittances in the amount of \$389,825,000 to support the general operations of the Medicaid program. The Commission may reduce assessments or remittances by the amount of any reduction in State Medicaid expenditures that will result from any Commission–approved changes in hospital rates or policies.

(b) For fiscal years 2013 and 2014, the Commission and the Department of Health and Mental Hygiene shall adopt policies that will provide at least \$389,825,000 from a combination of special fund revenues and General Fund savings from reduced hospital or other payments made by the Medicaid program. The policies adopted under this subsection shall be in lieu of the hospital assessment and remittance revenue generated in fiscal year 2012, but may include hospital assessments and remittances. To the maximum extent possible, the Commission and the Department shall adopt policies that preserve the State Medicare waiver.

(c) For fiscal year 2015 and every fiscal year thereafter, the Commission and the Department of Health and Mental Hygiene shall adopt policies that will provide up to \$389,825,000 in special fund revenues from hospital assessment and remittance revenue. [In each fiscal year, the Commission and the Department of Health and Mental Hygiene may adopt policies that result in new General Fund savings from reduced hospital or other payments made by the Medicaid program and those savings may be used to offset hospital assessment and remittance revenue in the first year that those policies are adopted.] BEGINNING WITH THE STATE BUDGET SUBMISSION FOR FISCAL YEAR 2016, THE GOVERNOR SHALL REDUCE THE BUDGETED MEDICAID DEFICIT ASSESSMENT BY THE FULL AMOUNT OF HOSPITAL INPATIENT AND OUTPATIENT GENERAL FUND SAVINGS THAT ACCRUE TO THE MEDICAID PROGRAM AS A RESULT OF THE IMPLEMENTATION OF MARYLAND’S ALL-PAYER MODEL CONTRACT APPROVED BY THE FEDERAL CENTER FOR MEDICARE AND MEDICAID INNOVATION. THE EXTENT OF GENERAL FUND SAVINGS SHALL BE CALCULATED BY THE HEALTH SERVICES COST REVIEW COMMISSION USING A METHODOLOGY DEVELOPED BY THE COMMISSION IN CONSULTATION WITH THE DEPARTMENT OF HEALTH AND MENTAL HYGIENE, THE DEPARTMENT OF BUDGET AND MANAGEMENT, AND THE MARYLAND HOSPITAL ASSOCIATION. THE COMMISSION SHALL MODEL THE METHODOLOGY FOR CALCULATING GENERAL FUND SAVINGS IN THE MEDICAID PROGRAM BY COMPARING AN AVERAGE BASELINE OF MARYLAND MEDICAID TOTAL RISK-ADJUSTED HOSPITAL EXPENDITURES PER BENEFICIARY OVER A REASONABLE PERIOD OF TIME BEFORE THE IMPLEMENTATION OF THE MARYLAND ALL-PAYER MODEL CONTRACT TO THE ACTUAL MARYLAND MEDICAID TOTAL RISK-ADJUSTED HOSPITAL EXPENDITURES PER BENEFICIARY DURING THE PERIOD UNDER MARYLAND’S ALL-PAYER MODEL CONTRACT. TO THE EXTENT THAT THE COMMISSION TAKES OTHER ACTIONS THAT REDUCE MEDICAID COSTS, THOSE SAVINGS SHALL ALSO BE USED TO REDUCE THE BUDGETED MEDICAID DEFICIT ASSESSMENT. To the maximum extent possible,

the Commission and the Department OF HEALTH AND MENTAL HYGIENE shall adopt policies that preserve the State's Medicare waiver.

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

Article – Health – General

19–214.

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

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

(ii) Operate and administer the Maryland Health Insurance Plan established under Title 14, Subtitle 5 of the Insurance Article.

(3) For the portion of the assessment under paragraph (1)(ii) of this subsection:

(i) The Commission shall ensure that the assessment:

1. Shall be included in the reasonable costs of each hospital when establishing the hospital's rates;

2. May not be considered in determining the reasonableness of rates or hospital financial performance under Commission methodologies; and

3. May not be [less as a percentage] **MORE THAN 0.5%** of net patient revenue [than the assessment of 0.8128% that was in existence on July 1, 2007]; and

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

~~**Article – Health – General**~~

~~19–219.1.~~

~~(A) (1) IN THIS SECTION, “COMMUNITY PARTNERSHIP” MEANS A PARTNERSHIP WITH A CORPORATE, BUSINESS, PROVIDER, OR CITIZEN~~

~~ORGANIZATION TO DEVELOP METHODOLOGIES TO IMPROVE THE HEALTH AND WELL-BEING OF THE COMMUNITY.~~

~~(2) "COMMUNITY PARTNERSHIP" INCLUDES:~~

~~(I) A PARTNERSHIP WITH SKILLED NURSING FACILITIES;~~

~~(II) A PARTNERSHIP WITH PALLIATIVE CARE PROVIDERS;~~

~~(III) A PARTNERSHIP WITH MULTIDISCIPLINARY COMMUNITY-BASED CARE TEAMS;~~

~~(IV) A PARTNERSHIP WITH PHYSICIANS AND PHYSICIAN PRACTICES;~~

~~(V) A PARTNERSHIP WITH COMMUNITY HEALTH AND PUBLIC HEALTH AGENCIES; AND~~

~~(VI) DATA INTEGRATION THAT SUPPORTS PARTNERSHIP ACTIVITIES.~~

~~(B) THE COMMISSION SHALL ESTABLISH A COMMUNITY PARTNERSHIP ASSISTANCE PROGRAM.~~

~~(C) (1) THE COMMUNITY PARTNERSHIP ASSISTANCE PROGRAM SHALL PROVIDE FUNDING TO HOSPITALS FOR APPROVED REGIONAL OR STATEWIDE COMMUNITY PARTNERSHIP PLANS AS FOLLOWS:~~

~~(I) FOR FISCAL YEAR 2015, \$30,000,000; AND~~

~~(II) FOR FISCAL YEAR 2016 AND EACH FISCAL YEAR THEREAFTER, \$40,000,000.~~

~~(2) FUNDING SHALL BE PROVIDED UNDER THIS PROGRAM THROUGH THE RATE STRUCTURES OF APPROVED HOSPITALS.~~

~~(D) COMMUNITY PARTNERSHIP PLANS SHALL BE DEVELOPED IN ACCORDANCE WITH GUIDELINES ESTABLISHED JOINTLY BY THE DEPARTMENT AND THE COMMISSION AFTER PUBLIC COMMENT.~~

~~(E) (1) TO BE ELIGIBLE FOR FUNDING, A PROPOSED COMMUNITY PARTNERSHIP PLAN SHALL BE SUBMITTED TO THE COMMISSION AND THE DEPARTMENT FOR REVIEW AND CONSIDERATION FOR APPROVAL.~~

~~(2) THE COMMISSION SHALL TAKE ACTION ON A PROPOSED PLAN THAT HAS BEEN APPROVED BY THE DEPARTMENT.~~

~~(3) PREFERENCE SHALL BE GIVEN TO A MULTIHOSPITAL, STATEWIDE, OR REGIONAL COMMUNITY PARTNERSHIP PLAN OR COLLABORATION THAT:~~

~~(i) IMPROVES THE HEALTH AND WELL BEING OF THE COMMUNITY; AND~~

~~(ii) SUPPORTS THE ACHIEVEMENT OF THE GOALS ESTABLISHED IN THE STATE'S ALL-PAYER MODEL APPROVED BY THE CENTER FOR MEDICARE AND MEDICAID INNOVATION.~~

~~(f) A PORTION OF THE FUNDING MAY BE USED FOR THE EVALUATION OF COMMUNITY PARTNERSHIP AND COLLABORATION ACTIVITIES.~~

~~(c) THE GUIDELINES REQUIRED UNDER THIS SECTION SHALL INCLUDE APPLICATION CRITERIA AND SPECIFICATIONS FOR HOSPITALS AND MULTIHOSPITAL COLLABORATIONS TO COMPETE FOR FUNDING.~~

SECTION 4. AND BE IT FURTHER ENACTED, That, in fiscal year 2015 only, the Health Services Cost Review Commission shall include an additional \$30,000,000 in hospital revenue when determining hospital rates that are effective in fiscal year 2015 for the purpose of assisting hospitals in covering costs associated with the implementation of the new Maryland all-payer model contract approved by the federal Center for Medicare and Medicaid Innovation.

SECTION 5. AND BE IT FURTHER ENACTED, That, notwithstanding any other provision of law, any revenue generated by the sale of Dauphin 365N helicopters shall be credited to the General Fund.

~~SECTION 6. AND BE IT FURTHER ENACTED, That, for fiscal year 2015, any increase in rates for payments to providers of nonpublic placements under § 8-406 of the Education Article shall be effective beginning January 1, 2015.~~

SECTION 6. AND BE IT FURTHER ENACTED, That:

(a) Notwithstanding any other provision of law, the Board of Trustees for the State Retirement and Pension System shall perform a study that, based on the results of the actuarial valuation as of June 30, 2014, addresses the following:

(1) The increased employer contributions to be made each year by the State as a result of phasing out the corridor funding method under § 21-304(e) and (f) of the State Personnel and Pensions Article;

(2) The effects of changes to actuarial assumptions made by the Board of Trustees on normal contribution rates paid by county boards of education and the Baltimore City Board of School Commissioners under § 21-304(b)(4)(iii) of the State Personnel and Pensions Article on or after July 1, 2016;

(3) The effects of changes to the amount of supplemental contributions under § 21-308(a)(4) of the State Personnel and Pensions Article paid to the System on employer contributions through fiscal year 2039;

(4) The fiscal effect on local employers due to any projected increases in the amounts the local employers are required to pay for each employee for the administrative and operational expenses under § 21-316 of the State Personnel and Pensions Article; and

(5) An assessment of the effects of the System's investment underperformance relative to other similar public pension systems on the System's total assets and on employer contribution rates.

(b) On or before January 1, 2015, the Board of Trustees shall complete the study and report on the results of the study to the Senate Budget and Taxation Committee, the House Appropriations Committee, and the Joint Committee on Pensions, in accordance with § 2-1246 of the State Government Article.

SECTION 7. AND BE IT FURTHER ENACTED, That, for fiscal year 2015, payments to providers with rates set by the Interagency Rates Committee under § 8-417 of the Education Article may not increase by more than 1.5% over the rates in effect on January 15, 2014, ~~and that any rate increase shall be effective beginning January 1, 2015.~~

SECTION 8. AND BE IT FURTHER ENACTED, That, notwithstanding any other provision of law, on or before June 30, 2014, the Governor may transfer to the General Fund:

\$300,000 of the funds in the Radiation Control Fund established under § 8-306 of the Environment Article;

\$650,000 of the funds in the Biotechnology Investment Tax Credit Reserve Fund established under § 10-725 of the Tax – General Article;

\$1,000,000 from the Senior Prescription Drug Assistance Program account in the Maryland Health Insurance Plan Fund established under § 14-504 of the Health – General Article;

\$800,000 of the funds in the Maryland Correctional Enterprises Revolving Fund established under § 3-507 of the Correctional Services Article; ~~and~~

\$2,400,000 of the funds in the Chesapeake and Atlantic Coastal Bays 2010 Trust Fund established under § 8-2A-02 of the Natural Resources Article;

~~SECTION 9. AND BE IT FURTHER ENACTED, That, notwithstanding any other provision of law, on or before June 30, 2015, the Governor may transfer to the General Fund:~~

\$125,000 of the funds in the Sustainable Communities Tax Credit Reserve Fund established under § 5A-303 of the State Finance and Procurement Article; and

~~\$25,814,997~~ \$30,814,997 of the funds in the accounts of the University System of Maryland.

SECTION 9. AND BE IT FURTHER ENACTED, That, notwithstanding any other provision of law, on or before June 30, 2015, the Governor may transfer from the Baltimore City Community College fund balance to the Major Information Technology Development Project Fund established under § 3A-309 of the State Finance and Procurement Article \$10,800,000 to be used to implement the Enterprise Resource Planning project at the Baltimore City Community College.

SECTION 10. AND BE IT FURTHER ENACTED, That, notwithstanding any other provision of law, on or before June 30, 2014, the Governor may transfer \$18,971,632 from the Sustainable Communities Tax Credit Reserve Fund established under § 5A-303(d) of the State Finance and Procurement Article to the General Fund, which is the amount of commercial tax credit certificates that were issued in fiscal years 2006 through 2010 and that have not been claimed under § 5A-303(f)(4) of the State Finance and Procurement Article or extended under § 5A-303(c)(3)(ii) of the State Finance and Procurement Article.

~~SECTION~~ SECTION 11. AND BE IT FURTHER ENACTED, That:

(a) The State Department of Assessments and Taxation shall establish a workgroup to examine issues related to the property assessment process for both real and personal property and the tax credit programs for which the Department is responsible for calculating property tax credits and exemptions.

(b) The workgroup shall examine the following issues:

(1) Whether a physical exterior inspection of each property is necessary to properly assess real property for tax purposes;

(2) The Department's ability to timely and adequately maintain changes in property status that may occur throughout the year and incorporate new properties in the system of accounts;

(3) The extent of discrepancies in the calculation of certain tax credits and exemptions and approaches for improving accuracy; and

(4) The feasibility of, and any legal impediments to, contracting with a third-party vendor to perform periodic audits of the property tax credit and exemption programs for which the Department calculates the credit or exemption or of other functions for which an external evaluation may provide greater accuracy.

(c) The workgroup shall include representatives from local governments and appropriate State agencies.

(d) The Director of Assessments and Taxation, or the Director's designee, shall chair the workgroup and facilitate the activities of the workgroup.

(e) On or before December 15, 2014, the workgroup shall submit a report of its findings and recommendations under this section, including a detailed description of the process used and any data relied on by the workgroup, to the Governor and, subject to § 2-1246 of the State Government Article, the General Assembly.

(f) Notwithstanding any other provision of law, on the recommendation of the workgroup under this section and in compliance with the requirements of the procurement law under the State Finance and Procurement Article, the Department may contract with a consultant for auditing assistance in determining the accuracy of real property values and homeowner tax credits and the proper incorporation of new and improved properties.

SECTION ~~10~~ 12. AND BE IT FURTHER ENACTED, That if any provision of this Act or the application thereof to any person or circumstance 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 13. AND BE IT FURTHER ENACTED, That Section 10 of this Act shall take effect June 1, 2014, contingent on the taking effect of Chapter _____ (H.B. 510) of the Acts of the General Assembly of 2014, and if Chapter _____ (H.B. 510) does not become effective, Section 10 of this Act shall be null and void without the necessity of further action by the General Assembly.

SECTION ~~11~~ 14. AND BE IT FURTHER ENACTED, That ~~Sections 2 and 4~~ Section 2 of this Act shall take effect July 1, 2014.

SECTION ~~12~~ 15. AND BE IT FURTHER ENACTED, That Section 3 of this Act shall take effect October 1, 2014.

SECTION ~~13~~ 16. AND BE IT FURTHER ENACTED, That, except as otherwise provided in Sections ~~11 and 12~~ 13, 14, and 15 of this Act, this Act shall take effect June 1, 2014.