HOUSE BILL 72

By: The Speaker (By Request – Administration)
Introduced and read first time: January 23, 2015
Assigned to: Appropriations

Committee Report: Favorable with amendments
House action: Adopted
Read second time: March 15, 2015

CHAPTER ______

AN ACT concerning

Budget Reconciliation and Financing Act of 2015

FOR the purpose of authorizing or altering the distribution of certain revenue; altering or repealing certain required appropriations; authorizing the use of certain funds for certain purposes; repealing a certain requirement for a certain notice relating to abandoned property to be published in certain newspapers; requiring the Comptroller to maintain an abandoned property database containing the names and last known addresses, if any, of persons listed in certain reports; requiring the Comptroller to maintain a certain Internet Web site relating to the abandoned property database; requiring the Comptroller to publish certain notices on a certain Internet Web site; altering the time period year by which the Maryland Agricultural and Resource-Based Industry Development Corporation is to become self-sufficient and in no further need of certain operating support; altering the date for requiring the establishment of a certain library; altering the method for calculating certain income tax disparity grants; requiring a local school system that has a certain structural deficit to provide certain notifications under certain circumstances; requiring the State Superintendent of Schools to require a local school system to submit a certain plan and to file certain reports under certain circumstances; requiring the State Superintendent to include certain information concerning local school system structural deficits in certain reports to the Governor and General Assembly; authorizing the Office of Legislative Audits to request certain information pertaining to certain structural deficits; providing that certain payments in certain fiscal years be based on certain revenues; prohibiting certain payments in certain fiscal years; repealing the State Police Helicopter Replacement Fund; altering certain penalties for liquidated damages that apply to certain violations related to

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.
certain prevailing wage rates; altering a certain provision that authorizes a certain refund to make it certain provisions concerning the State and county earned income credits to make them applicable to State residents only; altering the amount of certificates for certain tax credits that the Secretary of Business and Economic Development may issue; altering the date and method by which the Governor is required to reduce a certain assessment by a certain amount each fiscal year; clarifying language regarding a certain appropriation; requiring the Health Services Cost Review Commission to enact adopt certain policies to achieve certain savings for certain fiscal years; a certain fiscal year; requiring the Health Services Cost Review Commission to submit, on or before a certain date, a certain alternative plan to achieve certain savings to the Department of Health and Mental Hygiene and the Department of Budget and Management under certain circumstances; altering, for a certain fiscal year, the criteria to be used for a certain program that provides stipends to certain teachers and school–based employees; repealing the authority to provide certain stipends to certain teachers and school–based employees; altering the method of calculating a certain contribution to be paid on behalf of certain members of certain State retirement and pension systems; repealing certain provisions that provide for a certain method of calculating a certain contribution to be paid on behalf of certain members of certain State retirement and pension systems; repealing certain obsolete provisions; altering certain requirements for certain fiscal years that the Governor include in the budget bill certain supplemental contributions to certain accumulation funds of certain State retirement and pension systems; setting certain limits on increases in payments to certain providers for a certain fiscal year; prohibiting the payment of certain merit increases or cost of living adjustments for certain State employees, except under certain circumstances; providing that certain payments be deposited into the General Fund for certain fiscal years; providing for the transfer of certain funds; providing that on or after a certain date certain revenues be credited to the General Fund rather than the State Police Helicopter Replacement Fund; setting certain limits on increases on certain required appropriations; requiring that certain Managed Care Organizations, on or before a certain date, to reimburse the Department of Health and Mental Hygiene make adjustments to certain rates for insufficient loss ratios for a certain fiscal year; providing for a certain reimbursement under certain circumstances; prohibiting the Baltimore City Board of School Commissioners from being required to contribute to the Baltimore City Public School Construction Financing Fund for a certain fiscal year; prohibiting the State Comptroller from withholding a certain amount from a certain installment due the Baltimore City Board of School Commissioners for a certain fiscal year; reducing certain unexpended appropriations and providing for their reversion to the General Fund; requiring, under certain circumstances, a county to pay certain costs beyond a certain amount restricted in the State budget to implement a certain Court of Appeals decision; providing that a certain budgetary authorization represents a one–time allocation and provides no authority for certain actions without certain statutory or budgetary authority; requiring that certain money received by the State as a result of a certain approved merger between Exelon Corporation and Pepco Holdings, Inc. be expended only in a certain manner; prohibiting the State Health Services Cost Review Commission from assessing certain hospital rate assessments
for the operation and administration of the Maryland Health Insurance Plan for a certain fiscal year; setting certain limits, for a certain fiscal year, on the State’s share of certain operating deficits of the Baltimore Convention Center and the Ocean City Convention facility; altering and repealing the definition of certain terms; defining certain terms; making the provisions of this Act severable; providing for the application of this Act; providing for a delayed effective date for certain provisions of this Act; and generally relating to the financing of State and local government.

BY repealing

Article – Commercial Law
Section 17–311(a) and (b)
Annotated Code of Maryland
(2013 Replacement Volume and 2014 Supplement)

BY adding to

Article – Commercial Law
Section 17–311(a), (b), and (c)
Annotated Code of Maryland
(2013 Replacement Volume and 2014 Supplement)

BY repealing and reenacting, with amendments,

Article – Commercial Law
Section 17–311(e)
Annotated Code of Maryland
(2013 Replacement Volume and 2014 Supplement)

BY repealing and reenacting, with amendments,

Article – Economic Development
Section 10–523(a)(3)(i) and (c)
Annotated Code of Maryland
(2008 Replacement Volume and 2014 Supplement)

BY repealing and reenacting, with amendments,

Article – Education
Section 5–202(a)(13)(ii), (iii), and (iv) and (k)(5) 5–114, 5–202(k)(5), 6–306(b), 16–305(c)(1)(i), 17–104(a)(1) 17–104(a), 23–108(a), 23–205(c), (d), and (e) 23–205(c) and (d), and 23–503(b)(1)
Annotated Code of Maryland
(2014 Replacement Volume and 2014 Supplement)

BY adding to

Article – Education
Section 5–202(a)(13)(v) and (vi), 16–305(c)(1)(iii) and (iv), and 17–104(a)(2) and (3)
Section 16–305(c)(1)(v)
Annotated Code of Maryland
(2014 Replacement Volume and 2014 Supplement)
BY repealing and reenacting, without amendments,
Article – Education
Section 16–305(c)(i)(iii) and (iv) and 17–104(a)(2) and (3)
Annotated Code of Maryland
(2014 Replacement Volume and 2014 Supplement)

BY repealing and reenacting, with amendments,
Article – Health – General
Section 2–302(b)(2) and 7–307(d)(1)
Annotated Code of Maryland
(2009 Replacement Volume and 2014 Supplement)

BY repealing
Article – Health – General
Section 13–1116(a)(1)
Annotated Code of Maryland
(2009 Replacement Volume and 2014 Supplement)

BY adding to
Article – Health – General
Section 13–1116(a)(1)
Annotated Code of Maryland
(2009 Replacement Volume and 2014 Supplement)

BY repealing and reenacting, with amendments,
Article – Insurance
Section 31–107.2(a)
Annotated Code of Maryland
(2011 Replacement Volume and 2014 Supplement)

BY repealing and reenacting, with amendments,
Article – Local Government
Section 16–501(e)
Annotated Code of Maryland
(2013 Replacement Volume and 2014 Supplement)

BY adding to
Article – Local Government
Section 16–501(f)
Annotated Code of Maryland
(2013 Replacement Volume and 2014 Supplement)

BY repealing and reenacting, with amendments,
Article – Natural Resources
Section 5–212(g)(2), 5–212.1(g)(2), and 8–709(d)
Annotated Code of Maryland
BY repealing
Article – Public Safety
Section 2–801 and the subtitle “Subtitle 8. State Police Helicopter Replacement Fund”
Annotated Code of Maryland
(2011 Replacement Volume and 2014 Supplement)

BY repealing and reenacting, with amendments,
Article – Public Safety
Section 4–506(a)
Annotated Code of Maryland
(2011 Replacement Volume and 2014 Supplement)

BY repealing and reenacting, with amendments,
Article – State Finance and Procurement
Section 7–311(j)(1) and 7–325(a) 17–220(d)(2) and 17–222(a)
Annotated Code of Maryland
(2009 Replacement Volume and 2014 Supplement)

BY adding to
Article – Tax – General
Section 2–606(h)
Annotated Code of Maryland
(2010 Replacement Volume and 2014 Supplement)

BY repealing and reenacting, with amendments,
Article – Tax – General
Section 2–1302.1(b), 10–704(b)(2)(i), 10–704(a), (b)(2)(i), (c)(2)(iii), and (d),
10–730(f)(1), and 10–733(f)(3)(iv)
Annotated Code of Maryland
(2010 Replacement Volume and 2014 Supplement)

BY repealing and reenacting, without amendments,
Article – Tax – General
Section 10–704(d)
Annotated Code of Maryland
(2010 Replacement Volume and 2014 Supplement)

BY repealing and reenacting, with amendments,
Article – Tax – Property
Section 13–209(f)(2) and (h), (g), and (h)
Annotated Code of Maryland
(2012 Replacement Volume and 2014 Supplement)

BY repealing
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Article—Tax—Property
Section 13–209(g)
Annotated Code of Maryland
(2012 Replacement Volume and 2014 Supplement)

BY repealing and reenacting, with amendments,
Article—Transportation
Section 8–613.3
Annotated Code of Maryland
(2008 Replacement Volume and 2014 Supplement)

BY repealing and reenacting, with amendments,
Chapter 397 of the Acts of the General Assembly of 2011, as amended by Chapter
of the General Assembly of 2014
Section 16

BY repealing and reenacting, with amendments,
Article – State Personnel and Pensions
Section 21–304(a) and (b)(1) and 21–308(a)
Annotated Code of Maryland
(2009 Replacement Volume and 2014 Supplement)

BY repealing and reenacting, without amendments,
Article – State Personnel and Pensions
Section 21–304(b)(2) and (3)
Annotated Code of Maryland
(2009 Replacement Volume and 2014 Supplement)

BY repealing
Article – State Personnel and Pensions
Section 21–304(e) and (f)
Annotated Code of Maryland
(2009 Replacement Volume and 2014 Supplement)

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

Article—Commercial Law

17–311

(a) (1) Within 365 days from the filing of the report required by § 17–310 of
this subtitle, the Administrator shall cause notice to be published in a newspaper of general
circulation in the county in the State within which is located the last known address of any
person to be named in the notice.
(2) If an address is not listed or if the address is outside the State, the notice shall be published in the county within which the person who held the abandoned property has the principal place of business in this State.

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

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

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

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

(A) IN THIS SECTION, “ABANDONED PROPERTY DATABASE” MEANS AN ELECTRONIC DATABASE CONTAINING THE NAMES AND LAST KNOWN ADDRESSES, IF ANY, OF PERSONS WHO APPEAR TO BE OWNERS OF ABANDONED PROPERTY.

(B) (1) THE ADMINISTRATOR SHALL MAINTAIN AN ABANDONED PROPERTY DATABASE.

(2) WITHIN 365 DAYS AFTER THE FILING OF THE 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.

(3) THE ADMINISTRATOR SHALL MAINTAIN AN INTERNET WEB SITE THAT:

(I) PROVIDES REASONABLE MEANS BY WHICH A PERSON MAY SEARCH THE ABANDONED PROPERTY DATABASE REQUIRED BY THIS 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;

(III) CONTAINS A STATEMENT THAT A PROOF OF CLAIM MAY BE PRESENTED BY THE OWNER TO THE ADMINISTRATOR; AND
(iv) Includes a link to an abandoned property claim form.

[(c)] (4) The Administrator is not required to [publish in the notice] include on the Web site any item valued at less than $100 unless the Administrator considers the [publication] inclusion to be in the public interest.

(c) (1) The Administrator shall publish notice on the Internet Web site required by subsection (b)(3) of this section.

(2) The notice:

(i) Shall also be published at least once each calendar quarter in one or more newspapers of general circulation in each county of the State; and

(ii) Shall contain:

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;

3. The address of the Internet Web site; and

4. A phone number that a person may call for assistance if they lack Internet access.

Article – Economic Development

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;

5. for fiscal year 2015, $2,875,000; and

[6.] 2. for each of the fiscal years 2016 through 2024, [$4,000,000] $2,875,000.

(c) The Corporation shall conduct its financial affairs so that, by the Fiscal year 2025, it is self-sufficient and in no further need of general operating support by the State.

Article – Education

5–114.

(a) (1) In this section[.“deficit”] THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(2) “DEFICIT” means a negative fund balance in the General Fund [of 1% or more of General Fund revenue] at the end of the fiscal year.

(3) “STRUCTURAL DEFICIT” MEANS A PROJECTED NEGATIVE FUND BALANCE IN THE GENERAL FUND THAT REQUIRES THE TRANSFER OF RESERVE FUNDS IN ORDER TO AVOID A DEFICIT.

(b) The State Superintendent and the Department shall monitor the financial status of each local school system.

(c) If a local school system does not file the annual audit results in a timely manner with the State Superintendent as required by § 5–109 of this subtitle, the State Superintendent shall:

(1) Immediately notify:

(i) The Department of Legislative Services;

(ii) The county governing body; and

(iii) The local board and local superintendent or chief executive officer of the local school system; and

(2) Order that the audit report be filed within 10 days.

(d) (1) A local school system may not carry a deficit as reported in the annual audit under § 5–109 of this subtitle.
(2) If a local school system has a deficit, the State Superintendent shall immediately notify the Governor, the General Assembly, the Department of Legislative Services, and county governing body and shall require the local school system to:

   (i) Develop and submit for approval a corrective action cost containment plan within 15 days;

   (ii) File monthly status reports with the State Superintendent and county governing body demonstrating actions taken to close the deficit and the effect of the actions taken on the deficit; and

   (iii) Include information on the corrective action cost containment plan, actions taken to close the deficit, and status of the deficit in the annual audit under § 5–109 of this subtitle filed with the State Superintendent and county governing body.

(3) (I) If a local school system has a structural deficit and transfers reserve funds into the General Fund in order to avoid a deficit, the local school system immediately shall notify the Governor, the General Assembly, the State Superintendent, the Department of Legislative Services, and the county governing body.

   (II) The State Superintendent shall require a local school system described in subparagraph (I) of this paragraph to submit a corrective action cost containment plan within 15 days and file monthly status reports with the State Superintendent and county governing body demonstrating actions taken to eliminate the structural deficit, the effect of the actions taken on the structural deficit, and a schedule to repay the reserve fund.

(4) The State Superintendent shall include information on any local school system deficit or structural deficit, corrective action cost containment plan, actions taken to close a local school system deficit or structural deficit, and status of any local school system deficit or structural deficit in a quarterly report to the Governor and the General Assembly, in accordance with § 2–1246 of the State Government Article.

[(4)] (5) If a local school system has a deficit or structural deficit:

   (i) The Office of Legislative Audits may request any financial information pertaining to the deficit or structural deficit and the corrective action cost containment plan; and

   (ii) The local superintendent or chief executive officer of a local school system shall provide the requested information.
(e) If a local school system fails to comply with the requirements of this section, the State Superintendent, with the approval of the State Board of Education, shall notify the State Comptroller, who shall withhold 10% of the next installment and each subsequent installment due the local school system from the General State School Fund until the State Superintendent notifies the Comptroller that the local school system is in full compliance with the requirements of this section.

5–202.

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

(ii) Except as provided in items (iii), (iv), (v), AND (vi) of this paragraph, in subsequent fiscal years:

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

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

B. The Consumer Price Index for All Urban Consumers for the Washington–Baltimore metropolitan area, or any successor index, for the second prior fiscal year; or

C. 5%

2. If there is no increase in the implicit price deflator for State and local government expenditures for the second prior fiscal year or in the Consumer Price Index for All Urban Consumers for the Washington–Baltimore metropolitan area, or any successor index, for the second prior fiscal year, the target per pupil foundation amount for the prior fiscal year:

(iii) In fiscal year 2012, $6,694; [and]

(iv) In each of fiscal years 2013 through 2015:

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

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

B. The Consumer Price Index for All Urban Consumers for the Washington–Baltimore metropolitan area, or any successor index, for the second prior fiscal year; or

C. 1%
2. If there is no increase in the implicit price deflator for State and local government expenditures for the second prior fiscal year or in the Consumer Price Index for All Urban Consumers for the Washington–Baltimore metropolitan area, or any successor index, for the second prior fiscal year, the target per pupil foundation amount for the prior fiscal year;

(v) IN FISCAL YEAR 2016, $6,860; AND

(vi) IN EACH OF FISCAL YEARS 2017 THROUGH 2020:

1. THE TARGET PER PUPIL FOUNDATION AMOUNT FOR THE PRIOR FISCAL YEAR INCREASED BY THE SAME PERCENTAGE AS THE LESSER OF:

A. THE INCREASE IN THE IMPLICIT PRICE DEFlator FOR STATE AND LOCAL GOVERNMENT EXPENDITURES FOR THE SECOND PRIOR FISCAL YEAR;

B. THE CONSUMER PRICE INDEX FOR ALL URBAN CONSUMERS FOR THE WASHINGTON–BALTIMORE METROPOLITAN AREA, OR ANY SUCCESSOR INDEX, FOR THE SECOND PRIOR FISCAL YEAR;

C. 1%; AND

2. IF THERE IS NO INCREASE IN THE IMPLICIT PRICE DEFlator FOR STATE AND LOCAL GOVERNMENT EXPENDITURES FOR THE SECOND PRIOR FISCAL YEAR OR IN THE CONSUMER PRICE INDEX FOR ALL URBAN CONSUMERS FOR THE WASHINGTON–BALTIMORE METROPOLITAN AREA, OR ANY SUCCESSOR INDEX, FOR THE SECOND PRIOR FISCAL YEAR, THE TARGET PER PUPIL FOUNDATION AMOUNT SHALL BE THE AMOUNT FOR THE PRIOR FISCAL YEAR.

(k) (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] 40 percent of the difference between the two calculations;
(iv) For fiscal year 2017, 60 percent of the difference between the two calculations; [and]

(v) For fiscal year 2018, 80 PERCENT OF THE DIFFERENCE BETWEEN THE TWO CALCULATIONS; AND

(vi) For fiscal year 2019, and each fiscal year thereafter, the full amount of the calculation.

16–305.

(c) (1) (i) [The] EXCEPT AS PROVIDED IN SUBPARAGRAPH (IV) SUBPARAGRAPHS (III), (IV), AND (V) OF THIS PARAGRAPH, THE total State operating fund per full–time equivalent student to the community colleges for each fiscal year [other than fiscal year 2013,] 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 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 fiscal year 2016, not less than an amount equal to 20.0% 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;

8. In fiscal year 2017, not less than an amount equal to 20.5% 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;

9. In fiscal year 2018, not less than an amount equal to 21.0% 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. In fiscal year 2019, not less than an amount equal to 22.0% 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. 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. 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. 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.] ▼ 18. 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.

{(iii) Notwithstanding the provisions of subparagraph (i) of this paragraph, the total State operating funds to be distributed under this subsection to the community colleges for each of fiscal years 2011 and 2012 shall be $194,407,432.

(iv) In fiscal year 2013, the total State operating funds for community colleges shall be $199,176,114, to be distributed as follows:

1. Allegany College .................................................$4,773,622;
2. Anne Arundel Community College .......................$27,235,329;
3. Community College of Baltimore County ............$34,398,366;
4. Carroll Community College ..............................$6,851,515;
5. Cecil Community College ...................................$4,645,751;
6. College of Southern Maryland ..............................$10,902,580;
7. Chesapeake College .........................................$5,675,815;
8. Frederick Community College .........................$8,145,648;
9. Garrett College ................................................$2,246,709;
10. Hagerstown Community College .....................$6,965,064;
11. Harford Community College ............................$9,990,806;
12. Howard Community College ............................$12,584,485;
13. Montgomery College .........................................$35,998,553;
14. Prince George’s Community College ...............$22,013,074; and
15. Wor–Wic Community College ..........................$6,748,796.}
In fiscal year 2016, the total state operating funds for community colleges shall be $218,744,622 $222,744,620, to be distributed as follows:

1. Allegany College ........ $4,592,847 $4,850,443;
2. Anne Arundel Community College.................................$27,461,464 $28,715,483;
3. Community College of Baltimore County..........................$38,157,317 $38,637,668;
4. Carroll Community College.............................................$7,194,863 $7,345,653;
5. Cecil Community College..............................................$4,964,098 $5,108,064;
6. College of Southern Maryland.........................................$12,950,598 $13,017,885;
7. Chesapeake College ....... $6,099,400 $6,142,473;
8. Frederick Community College..........................................$8,795,233 $8,975,284;
9. Garrett College .......... $2,515,927 $2,561,002;
10. Hagerstown Community College ...... $7,620,412;
11. Harford Community College ........ $10,865,634;
12. Howard Community College........... $15,723,055;
13. Montgomery College .. $39,679,904 $40,000,786;
14. Prince George’s Community College........................ $25,800,208 $26,072,537; and
15. Wor–Wic Community College.......... $6,728,956

(IV) NOTWITHSTANDING THE PROVISIONS OF SUBPARAGRAPH (I) OF THIS PARAGRAPH, FOR FISCAL YEAR 2017 AND EACH FISCAL YEAR THEREAFTER, THE PERCENTAGE INCREASE IN APPROPRIATION OVER THE PREVIOUS FISCAL YEAR MAY NOT EXCEED THE PERCENTAGE BY WHICH THE PROJECTED TOTAL GENERAL FUND REVENUES FOR THE UPCOMING FISCAL YEAR EXCEED THE REVISED ESTIMATE OF TOTAL GENERAL FUND REVENUES FOR THE CURRENT FISCAL YEAR, AS REFLECTED IN THE DECEMBER REPORT OF ESTIMATED STATE REVENUES SUBMITTED BY THE BOARD OF REVENUE ESTIMATES TO THE GOVERNOR UNDER § 6–106(b) OF THE STATE FINANCE AND PROCUREMENT ARTICLE, LESS 1%.

17–104.

(a) (1) Except as provided in paragraphs (2) and (3) (2), (3), AND (4) 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 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;]

(viii) [In fiscal year 2017, an amount 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;]

[(ix) (IV) (VIII) In fiscal year 2018, an amount not less than 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) (III) (IX) In fiscal year 2019, an amount not less than 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) (IV) (X) In fiscal year 2020, 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; and]

[(xii) (V) (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.]

{(2) For each of fiscal years 2011 and 2012, the total amount of the aid provided under this subtitle shall be $38,445,958, to be allocated among the institutions that qualify under this subtitle in proportion to the number of full–time equivalent students enrolled at each 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.}

(3) In fiscal year 2013, the total amount of aid due to all institutions shall be $38,056,175.

(2) In fiscal year 2016, the total amount of aid due to all institutions shall be $41,422,240 to be distributed as follows:

(I) CAPITOL COLLEGE .......................................................... $497,379;

(II) NOTRE DAME OF MARYLAND UNIVERSITY ........ $1,460,006;

(III) WASHINGTON ADVENTIST UNIVERSITY ............... $834,640;

(IV) GOUCHER COLLEGE ................................................... $1,638,923;
(v) Hood College ........................................................... $1,542,917;
(vi) Johns Hopkins University ........................................... $18,108,588;
(vii) Loyola University Maryland ...................................... $4,792,569;
(viii) Maryland Institute of Art ........................................ $2,040,049;
(ix) McDaniel College .................................................... $2,184,320;
(x) Mount St. Mary’s University ....................................... $1,754,630;
(xi) St. John’s College .................................................... $548,433;
(xii) Sojourner-Douglas College ...................................... $855,898;
(xiii) Stevenson University .............................................. $3,653,834; and
(xiv) Washington College ................................................ $1,510,054.

(3) Notwithstanding the provisions of paragraph (1) of this subsection, for fiscal year 2017 and each fiscal year thereafter, the percentage increase in appropriation over the previous fiscal year may not exceed the percentage by which the projected total general fund revenues for the upcoming fiscal year exceed the revised estimate of total general fund revenues for the current fiscal year, as reflected in the December report of estimated state revenues submitted by the Board of Revenue Estimates to the Governor under § 6–106(b) of the State Finance and Procurement Article, less 1%.

(4) In fiscal year 2016, the total amount of the aid provided under this subtitle shall be $42,822,240, to be allocated among the institutions that qualify under this subtitle in proportion to the number of full-time equivalent students enrolled at each institution during the fall semester of fiscal year 2015, as determined by the Maryland Higher Education Commission.

(a) [The] On or after October 1, 2015, the Division of Library Development and Services shall establish the Deaf Culture Digital Library as the primary information center on deaf resources for library customers and staff in the State.
(c) (1) Each year each participating regional resource center shall receive a minimum amount of funding for each resident of the area served, to be used for operating and capital expenses.

(2) The allocation shall be calculated as follows:

(i) For each of fiscal years 2011 through 2015............$6.75 per each resident of the area served;

(ii) For fiscal year 2016............[$7.50] $6.95 per each resident of the area served;

(iii) For fiscal year 2017............[$8.25] $7.15 per each resident of the area served;

(iv) For fiscal year 2018............[$8.50] $7.35 per each resident of the area served; [and]

(v) FOR FISCAL YEAR 2019............$7.55 PER EACH RESIDENT OF THE AREA SERVED;

(vi) FOR FISCAL YEAR 2020............ $7.75 PER EACH RESIDENT OF THE AREA SERVED;

(vii) FOR FISCAL YEAR 2021............ $7.95 PER EACH RESIDENT OF THE AREA SERVED;

(viii) FOR FISCAL YEAR 2022............ $8.15 PER EACH RESIDENT OF THE AREA SERVED;

(ix) FOR FISCAL YEAR 2023............ $8.35 PER EACH RESIDENT OF THE AREA SERVED;

(x) FOR FISCAL YEAR 2024............ $8.55 PER EACH RESIDENT OF THE AREA SERVED; AND

[(v)] (XI) For fiscal year [2019] 2025 and each fiscal year thereafter............ $8.75 per each resident of the area served.

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

(2) The allocation shall be calculated as follows:
(i) For each of fiscal years 2010 through 2016.............$1.67 per State resident;

(ii) For fiscal year 2017.............[$1.73] $1.69 per State resident;

(iii) For fiscal year 2018.............[$1.79] $1.71 per State resident;

[and]

(iv) For fiscal year 2019.............$1.73 per State resident;

(v) For fiscal year 2020.............$1.75 per State resident;

(vi) For fiscal year 2021.............$1.77 per State resident;

(vii) For fiscal year 2022.............$1.79 per State resident;

(viii) For fiscal year 2023.............$1.81 per State resident;

(ix) For fiscal year 2024.............$1.83 per State resident;

AND

[(iv) (X) For fiscal year [2019] 2025 and each fiscal year thereafter............$1.85 per State resident.

(e) [Beginning in fiscal year 2016 and in each fiscal year thereafter, the] THE Maryland Library for the Blind and Physically Handicapped shall receive an amount equivalent to [at least 25%] THE PERCENTAGE of the amount received by the State Library Resource Center for the same fiscal year under subsection (d) of this section AS FOLLOWS:

(1) For fiscal year 2016, 2.5%;

(2) For fiscal year 2017, 5%;

(3) For fiscal year 2018, 7.5%;

(4) For fiscal year 2019, 10%;

(5) For fiscal year 2020, 12.5%;

(6) For fiscal year 2021, 15%;

(7) For fiscal year 2022, 17.5%;

(8) For fiscal year 2023, 20%;
(9) **For Fiscal year 2024, 22.5%; and**

(10) **For fiscal year 2025 and each fiscal year thereafter, 25%.**

23–503.

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

(i) For each of fiscal years 2011 through 2015 – $14.00;

(ii) For fiscal year 2016 – [$15.00] $14.27;

(iii) For fiscal year 2017 – [$16.00] $14.54;

(iv) For fiscal year 2018 – [$16.30] $14.81; [and]

(v) **For fiscal year 2019 – $15.08;**

(vi) **For fiscal year 2020 – $15.35;**

(vii) **For fiscal year 2021 – $15.62;**

(viii) **For fiscal year 2022 – $15.89;**

(ix) **For fiscal year 2023 – $16.16;**

(x) **For fiscal year 2024 – $16.43; and**

[(v)] (XI) For fiscal year [2019] 2025 and each fiscal year thereafter – $16.70.

**Article—Health—General**

2–302.

(b) The funding shall be:

(2) For EACH OF fiscal [year] YEARS 2015 and [each subsequent fiscal year] 2016, $41,743,209; AND

(4) **For fiscal year 2017 and each subsequent fiscal year, the amount of funding for the preceding fiscal year adjusted for**
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.

7–307.

(d) (1) The Governor’s proposed budget for fiscal year 2016 shall include a [3.5%] 1.75% rate increase for community service providers over the funding provided in the legislative appropriation for Object 08 Contractual Services in Program M00M01.02 Community Services for fiscal year 2015.

43–1116.

(a) (1) (i) For each of fiscal years 2011 and 2012:

1. The Governor shall include at least $2,400,000 in the annual budget in appropriations for the Statewide Academic Health Center Cancer Research Grants under this section; and

2. The Grants shall be distributed between the Statewide Academic Health Centers as follows:

   A. $2,007,300 to the University of Maryland Medical Group; and

   B. $392,700 to the Johns Hopkins Institutions.

(ii) For fiscal year 2013 and each fiscal year thereafter:

1. The Governor shall include at least $13,000,000 in the annual budget in appropriations for the Statewide Academic Health Center Cancer Research Grants under this section; and

2. The Grants shall be distributed according to historical allocations between the Academic Health Centers.

(1) For fiscal year 2016 and each fiscal year thereafter, the Governor shall include at least $5,800,000 in the annual budget in appropriations for the Statewide Academic Health Center Cancer Research Grants under this section.
Article—Insurance

31–107.2.

(a) For State fiscal year 2015 and for each State fiscal year thereafter, from the funds received from the distribution of the premium tax under § 6–103.2 of this article, the Governor shall provide an appropriation in the State budget adequate to fully fund the operations of the Exchange.

(b) (i) For State fiscal year 2015, the appropriation shall be no less than $10,000,000.

(ii) For each State fiscal year thereafter, the appropriation shall be no less than $35,000,000.

Article—Local Government

16–501.

(e) (1) This subsection does not apply to fiscal years beginning with fiscal year 2016.

(2) Except as provided in paragraph [(2)](3) of this subsection, for fiscal year 2011 and each subsequent fiscal year, the distribution provided to any county or Baltimore City under this section may not exceed the amount distributed to the county or Baltimore City for fiscal year 2010.

[(2)](3) (i) If a county or Baltimore City has a county income tax rate of at least 2.8% but less than 3%, the county or Baltimore City may receive a minimum of 20% of the amount determined under subsection (c)(3) of this section.

(ii) If a county or Baltimore City has a county income tax rate of at least 3% but less than 3.2%, the county or Baltimore City may receive a minimum of 40% of the amount determined under subsection (c)(3) of this section.

(iii) If a county or Baltimore City has a county income tax rate of at least 3.2%, the county or Baltimore City may receive a minimum of 60% of the amount determined under subsection (c)(3) of this section.

(F) (1) Notwithstanding any other provision of this section, in fiscal year 2016 and each fiscal year thereafter the total amount of the distribution provided under this section may not exceed $127,708,537.

(2) If the total amount required by calculating the grants under subsection (c) of this section would exceed $127,708,537, the
GRANTS SHALL BE ALLOCATED IN THE SAME PROPORTION AS WOULD BE PROVIDED UNDER SUBSECTION (C) OF THIS SECTION.

Article – Natural Resources

5–212.

(g) (2) For fiscal years 2012 [and], 2013, 2015, AND 2016 only, the payments under paragraph (1)(ii) of this subsection shall be based only on the revenue derived from sales of timber.

5–212.1.

(g) (2) (i) Subject to subparagraph (ii) of this paragraph, each county in which any State forest or park is located shall be paid annually out of the Account:

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 net revenue derived from concession operations within a State forest or park located in that county; or

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 net revenue derived from concession operations within a State forest or park located in that county.

(ii) For fiscal years [2012 and 2013] 2015 AND 2016 only, the payments under subparagraph (i) of this subsection may not be made.

8–709.

(d) Notwithstanding the provisions of subsection (a) of this section:

(1) For fiscal year 2006 through fiscal year 2009, as provided in the State budget, the Department may use up to the following percentage of the moneys in the Waterway Improvement Fund for administrative expenses directly relating to implementing the purposes of the Waterway Improvement Fund:

(i) In fiscal year 2006, 8%;

(ii) In fiscal year 2007, 6%;

(iii) In fiscal year 2008, 4%; and

(iv) In fiscal year 2009, 2%; and

(2) [For] EXCEPT AS PROVIDED IN PARAGRAPH (3) OF THIS SUBSECTION, FOR EACH OF THE fiscal years after fiscal year 2009, the Department may
use up to $750,000 in the Waterway Improvement Fund for administrative expenses directly relating to implementing the purposes of the Waterway Improvement Fund.

(3) FOR FISCAL YEAR 2016 ONLY, THE DEPARTMENT MAY USE UP TO $1,625,000 IN THE WATERWAY IMPROVEMENT FUND FOR ADMINISTRATIVE EXPENSES DIRECTLY RELATING TO IMPLEMENTING THE PURPOSES OF THE WATERWAY IMPROVEMENT FUND.

Article – Public Safety

[Subtitle 8. State Police Helicopter Replacement Fund.]

[2–801.

(a) In this section, “Fund” means the State Police Helicopter Replacement Fund.

(b) There is a State Police Helicopter Replacement Fund.

(c) (1) The Fund is a special, nonlapsing fund that is not subject to § 7–302 of the State Finance and Procurement Article.

(2) The Treasurer shall hold the Fund separately and the Comptroller shall account for the Fund.

(d) The Fund consists of:

(1) money received by the Fund under § 7–301(f) of the Courts Article;

(2) investment earnings of the Fund; and

(3) money received by the Fund from any other source.

(e) Any investment earnings of the Fund shall be separately accounted for and credited to the Fund and are not subject to § 6–226(a) of the State Finance and Procurement Article.

(f) The money in the Fund may be used only for the procurement by the Department of new helicopters and auxiliary helicopter equipment, ground support equipment, and other capital equipment related to helicopters.]

4–506.

(a) (1) [Subject] EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION AND SUBJECT to § 4–507 of this subtitle and the limitations and requirements provided in this subtitle, each fiscal year the State shall pay to each county
and each qualifying municipality, in the manner provided in this subtitle, an amount
determined as provided in this section.

(2)  NOTWITHSTANDING ANY OTHER PROVISION OF THIS SUBTITLE,
PROVIDED UNDER THIS SUBTITLE SHALL BE $67,277,067.

Article – State Finance and Procurement

7–311.

(4) (1)  Except as provided in paragraph (2) of this subsection [and § 13–209(g)
of the Tax–Property Article], for fiscal year 2007 and for each subsequent fiscal year, the
Governor shall include in the budget bill an appropriation to the Account equal to the
amount by which the unappropriated General Fund surplus as of June 30 of the second
preceding fiscal year exceeds $10,000,000.

7–325.

(a) (1)  [In each of fiscal years 2011 and 2012, the Governor shall include in the
annual budget bill submitted to the General Assembly a General Fund appropriation for
the Maryland State Arts Council of not less than $13,298,434] FOR FISCAL YEAR 2016,
THE GOVERNOR SHALL INCLUDE IN THE ANNUAL BUDGET BILL SUBMITTED TO THE
GENERAL ASSEMBLY A GENERAL FUND APPROPRIATION FOR THE MARYLAND
STATE ARTS COUNCIL OF $15,418,942.

(2)  For fiscal year [2013] 2017 AND EACH FISCAL YEAR THEREAFTER, THE
GOVERNOR SHALL INCLUDE IN THE ANNUAL BUDGET BILL SUBMITTED TO THE GENERAL ASSEMBLY A GENERAL FUND APPROPRIATION FOR THE MARYLAND STATE ARTS COUNCIL IN AN AMOUNT NOT LESS THAN THE AMOUNT OF THE GENERAL FUND APPROPRIATION FOR THE COUNCIL AS APPROVED IN THE STATE BUDGET AS ENACTED BY THE GENERAL ASSEMBLY FOR THE PRIOR FISCAL YEAR, INCREASED BY NOT LESS THAN THE PERCENTAGE BY WHICH THE PROJECTED TOTAL GENERAL FUND REVENUES FOR THE UPCOMING FISCAL YEAR EXCEED THE REVISED ESTIMATE OF TOTAL GENERAL FUND REVENUES FOR THE CURRENT FISCAL YEAR, AS CONTAINED IN THE REPORT OF ESTIMATED STATE REVENUES SUBMITTED BY THE BOARD OF REVENUE ESTIMATES TO THE GOVERNOR UNDER § 6–106(b) OF THIS ARTICLE.

17–220.

(d)  If a contractor is late in submitting copies of the payroll records required under
subsection (b) of this section:

(2)  The contractor shall be liable to the public body for liquidated damages
of [$10] $250 FOR EACH CALENDAR DAY THE RECORDS ARE LATE.

17–222.
(a) A contractor under a public work contract is liable to the public body for liquidated damages of \( \$200 \) for each laborer or other employee for each day for which:

1. the laborer is paid less than the prevailing wage rate of a mechanic while performing a task required to be performed by a mechanic or mechanic’s apprentice; or

2. the employee is paid less than the prevailing wage rate.

Article – Tax – General

2–606.

(H) (1) ON OR BEFORE JUNE 30, 2015, THE COMPTROLLER SHALL DISTRIBUTE \$100,000,000 FROM THE LOCAL RESERVE ACCOUNT ESTABLISHED TO COMPLY WITH THIS SECTION TO THE GENERAL FUND OF THE STATE.

(2) IN EACH OF FISCAL YEARS 2017 THROUGH 2025, IN ADDITION TO THE AMOUNTS DISTRIBUTED UNDER SUBSECTION (B) OF THIS SECTION, THE COMPTROLLER SHALL DISTRIBUTE \$10,000,000 OF THE REMAINING INCOME TAX REVENUE FROM INDIVIDUALS TO THE LOCAL RESERVE ACCOUNT TO REPAY THE \$100,000,000 TRANSFER TO THE GENERAL FUND REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION.

2–1302.1.

(b) For each fiscal year beginning on or before July 1, [2014] 2015, 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) \$14,535,845 for the fiscal year beginning July 1, 2013; and
   [(iv) \,$9,249,199 for the fiscal year beginning July 1, 2014; and

2. (II) \$8,639,632 FOR THE FISCAL YEAR BEGINNING JULY 1, 2015;

   AND

(2) the remainder to the Chesapeake Bay 2010 Trust Fund.
HOUSE BILL 72

(a) (1) An individual A RESIDENT may claim a credit against the State income tax for a taxable year in the amount determined under subsection (b) of this section for earned income.

(2) An individual A RESIDENT may claim a credit against the county income tax for a taxable year in the amount determined under subsection (c) of this section for earned income.

(b) (2) (i) An individual EXCEPT AS PROVIDED IN SUBJECT TO SUBSECTION (D) OF THIS SECTION FOR A PART-YEAR RESIDENT, A RESIDENT may claim a refund in the amount, if any, by which the applicable percentage specified in subparagraph (ii) of this paragraph of the earned income credit allowable for the taxable year under § 32 of the Internal Revenue Code exceeds the State income tax for the taxable year.

(c) (2) (iii) If a county provides for a refundable county earned income credit under this paragraph, an individual A RESIDENT may claim a refund of the amount, if any, by which the product of multiplying the credit allowable for the taxable year under § 32 of the Internal Revenue Code by 5 times the county income tax rate for the taxable year exceeds the county income tax for the taxable year.

(d) For an individual who is a nonresident or is a resident of the State for only a part of the year, the amount of the credit or refund allowed under this section shall be determined based on the part of the earned income credit allowable for the taxable year under § 32 of the Internal Revenue Code that is attributable to Maryland, determined by multiplying the federal earned income credit by a fraction:

(1) the numerator of which is the Maryland adjusted gross income of the individual; and

(2) the denominator of which is the federal adjusted gross income of the individual.

10–730.

(f) (1) Except as provided in paragraph (2) of this subsection, the Secretary may not issue tax credit certificates for credit amounts in the aggregate totaling more than:

(i) for fiscal year 2014, $25,000,000;

(ii) for fiscal year 2015, $7,500,000; and

(iii) for fiscal year 2016, [$7,500,000] $6,816,237.
1. [For] EXCEPT AS PROVIDED IN SUBSUBPARAGRAPH 2
   OF THIS SUBPARAGRAPH, FOR each fiscal year, the Governor shall include in the budget
   bill an appropriation of at least $2,000,000 to the Reserve Fund.

2. IN FISCAL YEAR 2016, THE GOVERNOR SHALL
   INCLUDE IN THE BUDGET BILL AN APPROPRIATION OF AT LEAST $1,500,000 TO THE
   RESERVE FUND.

Article – Tax – Property

(f) (2) For any fiscal year in which the actual transfer tax revenue collections
are less than the revenue estimates used as the basis for the appropriations required under
this section, the amount of the deficiency shall be reconciled as follows:

(i) for the first $3,000,000 of any deficiency, the allocation to the
special fund under subsection (a) of this section as provided under subsections (c) and (d)
of this section for the second fiscal year following the deficiency shall be reduced by either
the amount of the deficiency or $3,000,000, whichever is less; [and]

(ii) for any deficiency in excess of $3,000,000, the amount in excess
of $3,000,000 shall be reconciled either by the reduction of the allocation to the special fund
under subsection (a) of this section as provided under subsections (c) and (d) of this section
for the second fiscal year following the deficiency or by the deauthorization of projects
authorized in prior fiscal years; AND

(III) FOR THE ALLOCATION OF THE SPECIAL FUND UNDER
SUBSECTION (A) OF THIS SECTION, IN THE FISCAL YEAR BEGINNING JULY 1, 2016,
TRANSFER TAX REVENUE UNDER–ATTAINMENT FROM THE FISCAL YEAR BEGINNING
JULY 1, 2014, WILL NOT BE APPLIED; AND

(IV) TRANSFER TAX REVENUE IN FISCAL YEAR 2015, THAT IS IN
EXCESS OF $161,016,000 MAY BE TRANSFERRED BY BUDGET AMENDMENT IN FISCAL
YEAR 2016 FOR:

1. ADMINISTRATIVE EXPENSES RELATED TO LAND
ACQUISITION FOR PROGRAM OPEN SPACE;

2. CRITICAL MAINTENANCE PROJECTS IN THE
DEPARTMENT OF NATURAL RESOURCES;
3. NATURAL RESOURCES DEVELOPMENT FUND

PROJECTS IN THE DEPARTMENT OF NATURAL RESOURCES; AND

4. REPLACEMENT OF GENERAL FUND APPROPRIATIONS

IN THE MARYLAND PARK SERVICE.

(g) (1) Notwithstanding § 7–311(j) of the State Finance and Procurement Article, subject to paragraph (3) of this subsection, for fiscal year 2016–2019 and for each subsequent fiscal year, if the unappropriated General Fund surplus as of June 30 of the second preceding year exceeds $10,000,000, the Governor shall include in the budget bill a General Fund appropriation to the special fund under subsection (a) of this section in an amount equal to at least the lesser of $50,000,000 or the excess surplus over $10,000,000.

(2) For any fiscal year to which this subsection applies:

(i) unless the unappropriated General Fund surplus as of June 30 of the second preceding fiscal year exceeds the sum of $10,000,000 and the amount required to be appropriated to the special fund under paragraph (1) of this subsection, the appropriation to the Revenue Stabilization Account under § 7–311(j) of the State Finance and Procurement Article is not required; and

(ii) if the unappropriated General Fund surplus as of June 30 of the second preceding fiscal year exceeds the sum of $10,000,000 and the amount required to be appropriated to the special fund under paragraph (1) of this subsection, the appropriation required to the Revenue Stabilization Account under § 7–311(j) of the State Finance and Procurement Article shall equal the amount by which that surplus exceeds the sum of $10,000,000 and the amount appropriated to the special fund under paragraph (1) of this subsection.

(3) (i) The cumulative amount required to be appropriated to the special fund under paragraph (1) of this subsection for all fiscal years shall equal the cumulative amount of any appropriation or transfer from the special fund to the General Fund for fiscal year 2006 and for each subsequent fiscal year, reduced by:

1. the amount of any appropriation or transfer from the General Fund to the special fund for any fiscal year in excess of the amount required under paragraph (1) of this subsection for that fiscal year; and

2. the amount of any appropriation or transfer from the General Fund to the special fund for any fiscal year in which the appropriation under paragraph (1) of this subsection is not required.

(ii) This subsection does not apply to any fiscal year if a cumulative amount has been appropriated to the special fund for prior fiscal years under this subsection equal to the cumulative amount of any appropriation or transfer from the special
fund to the General Fund for fiscal year 2006 and for each subsequent fiscal year, reduced by:

1. the amount of any appropriation or transfer from the General Fund to the special fund for any fiscal year in excess of the amount required under paragraph (1) of this subsection for that fiscal year; and

2. the amount of any appropriation or transfer from the General Fund to the special fund for any fiscal year in which the appropriation under paragraph (1) of this subsection is not required.

(h) The distributions required under this subsection may not be utilized or considered for the purposes of calculating any allocation or appropriation under subsection (f) or (g) of this section.

(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, $144,188,544;

(iii) for the fiscal year beginning July 1, 2015, $115,366,700;

(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.

Article—Transportation

8-613.3.

The Governor shall include in the annual operating or capital budget of the Department an appropriation to be used to comply with the Watershed Implementation Plan in the amount of:

(1) $45,000,000 for fiscal year 2015;

(2) $65,000,000 for fiscal year 2016;

(3) $85,000,000 for fiscal year 2017;

(4) $100,000,000 for fiscal year 2018; and

(5) $100,000,000 for fiscal year 2019.

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) (1) For fiscal year 2015 and every fiscal year thereafter 2016, 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.

(2) Beginning with the State budget submission for fiscal year [2016] 2017, 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 and the Department of Health and Mental Hygiene using a methodology developed by the Commission and the Department of Health and Mental Hygiene in consultation with the Maryland Hospital Association. The Commission and the Department of Health and Mental Hygiene 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. ANNUALLY BY $20,000,000 OVER THE ASSESSMENT LEVEL FOR THE PRIOR YEAR.
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.

(D) (1) FROM THE RECOGNITION OF ADDITIONAL HOSPITAL INPATIENT AND OUTPATIENT SAVINGS DUE TO A DECREASE IN UNCOMPENSATED CARE, THE HEALTH SERVICES COST REVIEW COMMISSION SHALL ENACT ADOPT POLICIES THAT WILL ACHIEVE GENERAL FUND SAVINGS TO THE MEDICAID PROGRAM OF AT LEAST:

   (i) $8,000,000 IN FISCAL YEAR 2015; AND

   (ii) $16,700,000 IN FISCAL YEAR 2016.

(2) (1) IF THE POLICIES ENACTED ADOPTED UNDER PARAGRAPH (1) OF THIS SUBSECTION FAIL TO ACHIEVE THE REQUIRED SAVINGS IN EACH FISCAL YEAR FISCAL YEAR 2016, THE HEALTH SERVICES COST REVIEW COMMISSION SHALL ENACT POLICIES TO LOWER HOSPITAL BILLING RATES FOR MEDICARE AND MEDICAID PATIENTS SUFFICIENT TO ACHIEVE THE TOTAL SAVINGS REQUIRED FOR EACH FISCAL YEAR.

   THE PLAN SUBMITTED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH SHALL PROVIDE FOR SAVINGS IN THE MEDICAID PROGRAM THAT, WHEN COMBINED WITH THE SAVINGS UNDER PARAGRAPH (1) OF THIS SUBSECTION, ARE SUFFICIENT TO ACHIEVE TOTAL GENERAL FUND SAVINGS OF AT LEAST $16,700,000 IN FISCAL YEAR 2016.

(3) IF THE POLICIES ENACTED UNDER PARAGRAPHS (1) AND (2) OF THIS SUBSECTION FAIL TO ACHIEVE THE REQUIRED SAVINGS IN EACH FISCAL YEAR, THE HEALTH SERVICES COST REVIEW COMMISSION SHALL ENACT POLICIES TO INCREASE THE MEDICAID DEFICIT ASSESSMENT TO A LEVEL SUFFICIENT TO ACHIEVE THE TOTAL SAVINGS REQUIRED FOR EACH FISCAL YEAR.

(4) THE SAVINGS REQUIRED UNDER THIS SUBSECTION SHALL BE IN ADDITION TO THE AMOUNT PROVIDED FOR IN SUBSECTION (C) OF THIS SECTION.

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

6–306.

(b) (1) For fiscal year 2000 and each subsequent fiscal year, the Governor shall include in each year’s operating budget funding for the stipends and bonuses provided in this subsection.

(2) A classroom teacher or other nonadministrative school–based employee in a public school identified by the State Board as having comprehensive needs who holds a standard professional certificate or an advanced professional certificate who is employed by a county board and who holds a certificate issued by the National Board for Professional Teaching Standards shall receive a stipend from the State in an amount equal to the county grant for national certification, up to a maximum of $2,000 per qualified individual.

(3) A classroom teacher or other nonadministrative school–based employee in a school not identified by the State Board as having comprehensive needs who holds a standard professional certificate or an advanced professional certificate who is employed by a county board and who holds a certificate issued by the National Board for Professional Teaching Standards shall receive a stipend from the State in an amount equal to the county grant for national certification, up to a maximum of $1,000 per qualified individual.

[(4) A classroom teacher who holds an advanced professional certificate and teaches in a public school identified by the State Board as a school having comprehensive needs shall receive a stipend from the State in the amount of $1,500 for each year that the teacher performs satisfactorily in the classroom.

(5)] (4) (i) 1. The State Board shall establish a program to support locally negotiated incentives, governed under Subtitles 4 and 5 of this title, for highly effective classroom teachers and principals to work in public schools that are:

A. In improvement, corrective action, or restructuring;

B. Categorized by the local school system as a Title I school;

or

C. In the highest 25% of schools in the State based on a ranking of the percentage of students who receive free and reduced priced meals.

2. The program established under subsubparagraph 1 of this subparagraph may include financial incentives, leadership changes, or other incentives.

(ii) 1. The State Board shall adopt guidelines to implement this paragraph.
2. Nothing in this paragraph shall be construed to prohibit a
local school system from employing more stringent standards than the guidelines adopted
under this subparagraph.

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

Article – State Personnel and Pensions

21–304.

(a) (1) In this section the following words have the meanings indicated.

(2) With respect to local employees, “aggregate annual earnable
compensation” means the total annual earnable compensation payable by a local employer
to all of its 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, adjusted by any
actuarial assumed salary increases that were used in the actuarial valuation prepared
under § 21–125(b) of this title for the immediate prior fiscal year.

(3) “Full funding rate” means the sum of:

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

(ii) the aggregate unfunded accrued liability contribution rate that
is based on the unfunded accrued liability contribution rate under subsection (d)(1) and (2)
of this section.

(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.

(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.

(6) “Local employee” means a member of the Teachers’ Retirement
System or the Teachers’ Pension System who is 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:

(i) a clerk;

(ii) a helping teacher:
(iii) a principal;
(iv) a superintendent;
(v) a supervisor; or
(vi) a teacher.

“Local employer” means a county board of education or the Baltimore City Board of School Commissioners.

“New legislative change” means a legislative change that results in an adjustment to the normal cost or accrued liabilities that has not previously been recognized in an actuarial valuation under § 21–125(b) of this title.

“Preliminary funding rate” means the full funding rate without any adjustment to the normal cost or accrued liabilities for a new legislative change.

“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.

“Total employer contribution for local employees” means that portion of the employer contribution calculated under subsection (b) of this section that is attributable to all local employees.

(b) (1) 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:

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

(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 FOR STATE MEMBERS OF THAT STATE SYSTEM, as determined under this section; or

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
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.

(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:

(i) the entry–age actuarial cost method; and

(ii) actuarial assumptions adopted by the Board of Trustees.

(3) For the purpose of making the determinations required under this section:

(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

(ii) the Teachers’ Retirement System and the Teachers’ Pension System shall be considered together as one State system.

(e) (1) Except as provided in paragraph (3) of this subsection and subject to paragraph (2) of this subsection, the employees’ system contribution rate shall be the sum of:

(i) the employees’ system contribution rate for the previous fiscal year; and

(ii) 1. 20% of the difference between the full funding rate for the current fiscal year and the employees’ system contribution rate for the previous fiscal year; or

2. for a fiscal year for which an adjustment to normal cost or accrued liabilities for a new legislative change is first determined as a result of an actuarial valuation under § 21–125(b) of this title, 20% of the difference between the preliminary funding rate for the current fiscal year and the employees’ system contribution rate for the previous fiscal year.

(2) For a fiscal year for which an adjustment to normal cost or accrued liabilities for a new legislative change is determined as a result of an actuarial valuation under § 21–125(b) of this title, the contribution rate for the employees’ systems under paragraph (1) of this subsection shall be adjusted to fully reflect the cost or savings of the new legislative changes that result in changes in normal contributions or accrued liabilities and to amortize over the time remaining until June 30, 2038, any changes in accrued liabilities of the employees’ systems.
The percentages used in paragraph (1)(ii) of this subsection shall be:

(i) 28% for the rate for fiscal year 2015;

(ii) 36% for the rate for fiscal year 2016;

(iii) 44% for the rate for fiscal year 2017;

(iv) 52% for the rate for fiscal year 2018;

(v) 60% for the rate for fiscal year 2019;

(vi) 68% for the rate for fiscal year 2020;

(vii) 76% for the rate for fiscal year 2021;

(viii) 84% for the rate for fiscal year 2022;

(ix) 92% for the rate for fiscal year 2023; and

(x) 100% for the rate for fiscal year 2024 and thereafter.

Except as provided in paragraph (3) of this subsection and subject to paragraph (2) of this subsection, the teachers’ system contribution rate shall be the sum of:

(i) the teachers’ system contribution rate for the previous fiscal year; and

(ii) 1. 20% of the difference between the full funding rate for the current fiscal year and the teachers’ system contribution rate for the previous fiscal year; or

2. for a fiscal year for which an adjustment to normal cost or accrued liabilities for a new legislative change is first determined as a result of an actuarial valuation under § 21–125(b) of this title, 20% of the difference between the preliminary funding rate for the current fiscal year and the teachers’ system contribution rate for the previous fiscal year.

For a fiscal year for which an adjustment to normal cost or accrued liabilities for a new legislative change is determined as a result of an actuarial valuation under § 21–125(b) of this title, the contribution rate for the teachers’ systems under paragraph (1) of this subsection shall be adjusted to fully reflect the cost or savings of the new legislative changes that result in changes in normal contributions or accrued liabilities and to amortize over the time remaining until June 30, 2038, any changes in accrued liabilities of the teachers’ systems.

The percentages used in paragraph (1)(ii) of this subsection shall be:
(i) 28% for the rate for fiscal year 2015;
(ii) 36% for the rate for fiscal year 2016;
(iii) 44% for the rate for fiscal year 2017;
(iv) 52% for the rate for fiscal year 2018;
(v) 60% for the rate for fiscal year 2019;
(vi) 68% for the rate for fiscal year 2020;
(vii) 76% for the rate for fiscal year 2021;
(viii) 84% for the rate for fiscal year 2022;
(ix) 92% for the rate for fiscal year 2023; and
(x) 100% for the rate for fiscal year 2024 and thereafter.

21–308.

(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.

(3) The amounts that the Governor is required to include in the budget bill under paragraph (2) of this subsection shall be reduced by the amount of administrative and operational expenses for the Board of Trustees and the State Retirement Agency that are to be paid by local employers under § 21–316 of this subtitle other than participating governmental units or employers who are required to make contributions under § 21–307 of this subtitle.

(4) (i) [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 $75,000,000.

[4.] (II) For fiscal year 2017 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 $75,000,000.

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.] 

SECTION 4. AND BE IT FURTHER ENACTED, That, notwithstanding any other provision of law, for fiscal year 2016, there shall be no increase in rates to providers of nonpublic placements under § 8–406 of the Education Article over the rates in effect on June 30 July 1, 2014.

SECTION 5. AND BE IT FURTHER ENACTED, That, for fiscal year 2016, payments to providers with rates set by the Interagency Rates Committee under § 8–417 of the Education Article may not increase over the rates in effect on June 30 July 1, 2014.

SECTION 6. AND BE IT FURTHER ENACTED, That, notwithstanding any other provision of law:

(a) Except as otherwise provided in this section, State employees employed by any entity, including the University System of Maryland, Morgan State University, and St. Mary’s College of Maryland, may not receive merit increases or cost of living adjustments in fiscal year 2016.

(b) This provision does not affect:

(1) Salaries for constitutional officers or members of the General Assembly; or

(2) Increases necessary for the retention of faculty in the University System of Maryland, Morgan State University, or St. Mary’s College of Maryland.

SECTION 7. AND BE IT FURTHER ENACTED, That, notwithstanding any other provision of law, for fiscal year 2016 the Department of Housing and Community Development may use up to $2,400,000 of the funds in the Housing Counseling and Foreclosure Mediation Fund established under § 4–507 of the Housing and Community Development Article for administrative expenses.

SECTION 8. AND BE IT FURTHER ENACTED, That, notwithstanding any other provision of law:

(a) Subject to subsection (b) of this section, for fiscal year 2015, funds in the Maryland Health Insurance Plan Fund established under § 14–504 of the Insurance Article may be used by the Department of Health and Mental Hygiene to fund provider reimbursements in the Medicaid program.

(b) The amount of funds that may be used under this section shall be the greater of:

(1) $45,000,000 $55,000,000; or
(2) The nonfederal share of the Medicare or Medicaid programs.

(2) The estimated percentage of the fund balance obtained from payers other than the federal Medicare program or the federal portion of the Medicaid program.

SECTION 7. AND BE IT FURTHER ENACTED, That, notwithstanding any other provision of law, for fiscal years 2015 and 2016, any payment received by the Department of Business and Economic Development as a repayment of a loan under § 7–314 of the State Finance and Procurement Article shall be deposited in the General Fund.

SECTION 8. 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:

$10,500,000 from the unencumbered balance in the accounts of Program Open Space established under Title 5, Subtitle 9 of the Natural Resources Article;

$6,000,000 of the funds from a combination of the efficiency and conservation programs accounts, renewable and clean energy programs account, and administrative expense account of the Maryland Strategic Energy Investment Fund established under § 9–20B–05 of the State Government Article;

$4,000,000 of the funds in the accounts of the Baltimore City Community College;

$4,000,000 of the funds in the reserve account established by the State to pay unemployment compensation for State employees;

$3,000,000 of the funds in the Jane E. Lawton Conservation Fund established under § 9–20A–07 of the State Government Article;

$3,000,000 from the funds of the Mortgage Lender–Originator Fund established under § 11–610 of the Financial Institutions Article;

$2,500,000 of the funds in the Board of Nursing Fund established under § 8–206 of the Health Occupations Article;

$2,180,000 of the funds in the Waterway Improvement Fund established under § 8–707 of the Natural Resources Article;

$1,800,000 of the funds in the Board of Physicians Fund established under § 14–207 of the Health Occupations Article;

$1,700,000 of the funds in the accounts of the Health Personnel Shortage Incentive Grant Program established under § 18–803 of the Education Article that are paid to the Program from the Board of Physicians Fund under § 14–207(c)(2)(i) of the Health Occupations Article;
$1,600,000 of the funds in the State Board of Pharmacy Fund established under § 12–206 of the Health Occupations Article;

$1,375,000 of the funds in the Bay Restoration Fund established under § 9–1605.2 of the Environment Article; and

$1,000,000 of the funds in the Spinal Cord Injury Research Trust Fund established under § 13–1406 of the Health – General Article; and

$58,000 of the funds in the Sustainable Communities Tax Credit Reserve Fund established under § 5A–303 of the State Finance and Procurement 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 the balance of the funds in the State Police Helicopter Replacement Fund established under § 2–801 of the Public Safety Article.

SECTION 10. AND BE IT FURTHER ENACTED, That, notwithstanding any other provision of law, on or before June 30, 2016, the Governor may transfer to the General Fund:

$4,000,000 of the funds in the reserve account established by the State to pay unemployment compensation for State employees; and

$500,000 of the funds in the Spinal Cord Injury Research Trust Fund established under § 13–1406 of the Health – General Article.

SECTION 11. AND BE IT FURTHER ENACTED, That, notwithstanding any other provision of law:

(a) In fiscal year 2015, $4,073,964 of the funds that would otherwise be allocated as video lottery terminal local impact grants under § 9–1A–31 of the State Government Article shall be allocated to the Education Trust Fund; and

(b) In fiscal year 2016, $3,887,697 of the funds that would otherwise be allocated as video lottery terminal local impact grants under § 9–1A–31 of the State Government Article shall be allocated to the Education Trust Fund.

SECTION 12. AND BE IT FURTHER ENACTED, That:
(a) On or before June 30, 2015, the Comptroller shall distribute $100,000,000 from the Local Reserve Account established under § 2–606 of the Tax—General Article to the General Fund; and

(b) During fiscal year 2016, the State shall pay $100,000,000 to the Local Reserve Account established under § 2–606 of the Tax—General Article to repay the transfer to the General Fund authorized under subsection (a) of this section.

SECTION 13. AND BE IT FURTHER ENACTED, That, notwithstanding any other provision of law, for fiscal year 2017 and each fiscal year thereafter:

(a) For any appropriation that is required by statute, the percentage funding increase over the previous fiscal year may not exceed the percentage by which the projected total General Fund revenues for the upcoming fiscal year exceed the revised estimate of total General Fund revenues for the current fiscal year, as reflected in the December report of estimated State revenues submitted by the Board of Revenue Estimates to the Governor under § 6–106(b) of the State Finance and Procurement Article, less 1%.

(b) Subsection (a) of this section does not apply to:

(1) funding required for State aid to public elementary and secondary education as provided under Title 5, Subtitle 2 and §§ 8–310.3, 8–317, 8–406, 8–415, and 23–503 of the Education Article; or

(2) the State’s employer contribution to the State Retirement and Pension System required under § 21–308 of the State Personnel and Pensions Article.

SECTION 14. AND BE IT FURTHER ENACTED, That, on or before June 30, 2015, each Managed Care Organization that the Department of Health and Mental Hygiene estimates to have an insufficient loss ratio for calendar year 2014, shall make adjustments to Managed Care Organization capitation rates, including at least $10,000,000 in general funds, reimburse the Department for the amount of the estimated insufficient loss ratio in calendar year 2014 ratio. The reimbursements under this section shall be credited toward the maximum adjustment amount based on each Managed Care Organization’s final calendar year 2014 loss ratio, as determined under Code of Maryland Regulations 10.09.65.19–5. To the extent that the Department determines that the maximum adjustment amount based on a Managed Care Organization’s final calendar year 2014 loss ratio is less than the adjustment reimbursement paid by the Managed Care Organization to the Department under this section, the Department shall reimburse the Managed Care Organization shall be reimbursed at an amount equal to the difference.

SECTION 15. AND BE IT FURTHER ENACTED, That, notwithstanding any other provision of law, for fiscal year 2016, a stipend granted under:
(1) Section 6–306(b)(2) and (4) of the Education Article may only be granted to a teacher or an employee in a public school identified by the State Board of Education for fiscal year 2014 as having comprehensive needs; and

(2) Section 6–206(b)(3) of the Education Article may only be granted to a teacher or an employee in a public school not identified by the State Board of Education for fiscal year 2014 as having comprehensive needs.

SECTION 16. AND BE IT FURTHER ENACTED, That, notwithstanding any other provision of law, for fiscal year 2016 only:

(1) the Baltimore City Board of School Commissioners may not be required to contribute any funds to the Baltimore City Public School Construction Financing Fund established under § 10–656 of the Economic Development Article; and

(2) the State Comptroller may not withhold, under § 10–645(h) of the Economic Development Article, an amount from any installment due the Baltimore City Board of School Commissioners from the General Fund.

SECTION 17. AND BE IT FURTHER ENACTED, That the unexpended appropriation for the Autism Waiver, within the Maryland State Department of Education, Program R00A02.07 Students with Disabilities – Aid to Education, that was included in the fiscal year 2015 operating budget (Chapter 462 of the Acts of 2014) is reduced by $2,800,000 and shall revert to the General Fund.

SECTION 18. AND BE IT FURTHER ENACTED, That the unexpended appropriation for the Out–of–County Placements, within the Maryland State Department of Education, Program R00A02.05 Formula Programs for Specific Populations – Aid to Education, that was included in the fiscal year 2015 operating budget (Chapter 462 of the Acts of 2014) is reduced by $900,000 and shall revert to the General Fund.

SECTION 19. AND BE IT FURTHER ENACTED, That, in implementing the holding of the Court of Appeals in DeWolfe v. Richmond, 434 Md. 403 (2012) and 434 Md. 444 (2013), if attorneys are appointed in a county to provide legal representation at an initial appearance before a District Court commissioner, in fiscal year 2016, the total amount of the costs of compensating the attorneys plus the associated costs to administer the program that is beyond the amount restricted for this purpose in the State budget shall be billed by the appointing authority to the county in which the representation is provided and shall be paid by that county. Authorization of State funds in the fiscal year 2016 State budget for this purpose represents a one–time allocation and provides no authority for additional State expenditures or commitment of funds without separate statutory authority or separate authorization in the State budget as passed by the General Assembly.

SECTION 20. AND BE IT FURTHER ENACTED, That any money received by the State as a result of conditions of an approved merger between Exelon Corporation and Pepco Holdings, Inc. shall be expended only as specifically authorized in the State budget bill as enacted and not subject to transfer by budget amendment.
SECTION 21. AND BE IT FURTHER ENACTED. That, notwithstanding any other provision of law, for fiscal year 2016 only, the State Health Services Cost Review Commission may not assess hospital rate assessments under § 19–214 of the Health–General Article for the operation and administration of the Maryland Health Insurance Plan established under Title 14, Subtitle 5 of the Insurance Article.

SECTION 22. AND BE IT FURTHER ENACTED. That, notwithstanding any other provision of law, for fiscal year 2016, the State’s share of any operating deficits for:

(1) the Baltimore Convention Center under § 10–641 of the Economic Development Article may not exceed $6,060,375; and

(2) the Ocean City Convention facility under § 10–643 of the Economic Development Article may not exceed $1,482,444.

SECTION 23. AND BE IT FURTHER ENACTED. That, notwithstanding any other provision of law, for fiscal year 2016 only, the Transportation Trust Fund may be used as the source of funding for the appropriation required under § 8–613.3 of the Transportation Article to comply with the Watershed Implementation Plan.

SECTION 24. 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 that can be given effect without the invalid provision or application, and for this purpose the provisions of this Act are declared severable.

SECTION 25. AND BE IT FURTHER ENACTED, That § 10–704 of the Tax–General Article, as enacted by Section 1 of this Act, shall be applicable to all taxable years beginning after December 31, 2014.

SECTION 26. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall take effect July 1, 2016.

SECTION 27. AND BE IT FURTHER ENACTED, That Section 3 of this Act shall take effect July 1, 2015.

SECTION 28. AND BE IT FURTHER ENACTED, That, except as provided in Sections 26 and 27 of this Act, this Act shall take effect June 1, 2015.