

**HB0462/504968/1**

BY: Appropriations Committee

AMENDMENT TO HOUSE BILL 462  
(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in the sponsor line, after “Folden,” insert “Gaines,”; in line 2, strike “State Transfer Tax – Distribution of Revenue” and substitute “Program Open Space – Transfer Tax Repayment – Use of Funds”; in line 3, after “of” insert “increasing a certain statutory minimum grant to Baltimore City, payable from the State’s share of the proceeds of Program Open Space, for certain purposes related to Program Open Space; specifying that certain funds be used only for certain capital projects; requiring certain appropriations from the General Fund to the Program Open Space special fund to repay certain appropriations or transfers from the special fund to the General Fund; requiring that certain appropriations to the special fund be distributed and used for certain purposes; requiring a certain appropriation to the Agricultural Land Preservation Fund; declaring the intent of the General Assembly; requiring that certain funds be allocated as a certain grant;”; in line 7, strike “the distribution of State transfer tax revenue” and substitute “Program Open Space”; strike in their entirety lines 8 through 12, inclusive, and substitute:

“BY repealing and reenacting, with amendments,

Article - Natural Resources

Section 5-903(a)

Annotated Code of Maryland

(2012 Replacement Volume and 2015 Supplement)

BY repealing and reenacting, without amendments,

Article - Natural Resources

Section 5-903(b)

Annotated Code of Maryland

(2012 Replacement Volume and 2015 Supplement)”;

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and in line 15, strike “13-209(h)” and substitute “13-209”.

AMENDMENT NO. 2

On page 1, after line 19, insert:

“Article – Natural Resources

5-903.

(a) (1) Of the funds distributed to Program Open Space under § 13-209 of the Tax – Property Article, up to \$3,000,000 may be transferred by an appropriation in the State budget, or by an amendment to the State budget under Title 7, Subtitle 2 of the State Finance and Procurement Article, to the Maryland Heritage Areas Authority Financing Fund established under Title 13, Subtitle 11 of the Financial Institutions Article to be used for the purposes provided in that subtitle.

(2) (i) 1. Of the remaining funds not appropriated under paragraph (1) of this subsection:

A. One half of the funds shall be used for recreation and open space purposes by the Department and the Historic St. Mary’s City Commission; and

B. 20% of the funds or \$21,000,000, whichever is greater, shall be appropriated to the Forest and Park Service in the Department to operate State forests and parks.

2. Except as otherwise provided in this section, any funds the General Assembly appropriates to the State under this subsection shall be used only for land acquisition projects.

(ii) 1. [At least \$1,500,000] AS SPECIFIED IN SUBSUBPARAGRAPH 2 OF THIS SUBPARAGRAPH, A PORTION of the State's share of funds available under subparagraph (i)1A of this paragraph for this program shall be utilized to make grants to Baltimore City for projects which meet park purposes. The grants shall be in addition to any funds Baltimore City is eligible to receive under subsection (b) of this section, and may be used for acquisition or development. In order for Baltimore City to be eligible for a State grant, the Department shall review projects or land to be acquired within Baltimore City, and upon the Department's recommendation, the Board of Public Works may approve projects and land including the cost. Title to the land shall be in the name of the Mayor and City Council of Baltimore City. The State is not responsible for costs involved in the development or maintenance of the land.

2. THE GRANTS TO BALTIMORE CITY UNDER SUBSUBPARAGRAPH 1 OF THIS SUBPARAGRAPH SHALL BE MADE IN THE FOLLOWING AMOUNTS:

- A. FOR FISCAL YEAR 2017, \$1,500,000;
- B. FOR FISCAL YEAR 2018, \$3,500,000;
- C. FOR FISCAL YEAR 2019, \$5,500,000; AND
- D. FOR FISCAL YEAR 2020, AND FOR EACH SUBSEQUENT FISCAL YEAR, \$6,000,000.

3. THE GRANTS MADE UNDER THIS SUBPARAGRAPH SUPPLEMENT RATHER THAN SUPPLANT ANY OTHER FUNDING FOR PARK PURPOSES IN BALTIMORE CITY, NO MATTER THE SOURCE.

(Over)

**4. FOR FISCAL YEAR 2018, THE GRANT FUNDS TO BALTIMORE CITY IN EXCESS OF \$1,500,000 UNDER SUBSUBPARAGRAPH 1 OF THIS SUBPARAGRAPH MAY ONLY BE USED FOR CAPITAL PURPOSES RELATED TO THE FOLLOWING PROJECTS IN THE AMOUNTS SPECIFIED:**

- A. \$500,000 FOR HERRING RUN PARK;**
- B. \$600,000 FOR CLIFTON PARK;**
- C. \$300,000 FOR DRUID HILL PARK TRAIL HEAD;**
- D. \$300,000 FOR JAMES MOSHER PARK; AND**
- E. \$300,000 FOR PATTERSON PARK.**

(iii) 1. A portion of the State's share of funds available under subparagraph (i)1A of this paragraph for this program not to exceed \$8,000,000 for each fiscal year may be transferred by an appropriation in the State budget to the Rural Legacy Program under Subtitle 9A of this title.

2. In each fiscal year, up to \$2 million of the funds transferred under this subparagraph to the Rural Legacy Program may be used to purchase zero coupon bonds for easements.

3. Sums allocated to the Rural Legacy Program may not revert to the General Fund of the State.

(iv) The Department may acquire real property under subparagraph (i)1A of this paragraph based on an offer by the State that is less than the lowest approved appraisal for the property.

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(v) For each of fiscal years 2010 through 2015, \$1,217,000 of the State's share of funds available under subparagraph (i)1A of this paragraph may be appropriated in the budgets of the Department, the Department of General Services, and the Department of Planning for expenses necessary to administer this Program.

(b) (1) The General Assembly shall appropriate the remaining funds not appropriated under subsection (a) of this section to assist local governing bodies in acquisition and development of land for recreation and open space purposes, including the provision of public access to the land.

(2) Except as provided in paragraph (3) of this subsection, funds appropriated under paragraph (1) of this subsection for development of land for recreation and open space purposes may be used for indoor or outdoor recreation and open space purposes, including the construction of indoor or outdoor recreational facilities such as aquatic, golf, community, and nature centers.

(3) An indoor recreational facility funded under paragraph (1) of this subsection shall:

(i) If the facility is 7,500 square feet or greater, meet or exceed the current version of the U.S. Green Building Council's LEED Green Building Rating System Silver rating, however, the facility is not required to be certified through the LEED certification process; and

(ii) Incorporate, to the maximum extent practicable, the nonstructural site design practices in the Maryland Stormwater Design Manual, incorporated by reference in COMAR 26.17.02."

**AMENDMENT NO. 3**

On page 2, after line 1, insert:

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“(a) (1) Before any other distribution under this section, in any fiscal year that bonds secured by a pledge of the State transfer tax are outstanding, the revenue from the transfer tax shall be used to pay, as and when due, the principal of and interest on the bonds.

(2) The Department shall deduct the cost of administering the transfer tax from the taxes collected under this title and credit those revenues to the fund established under § 1–203.3 of the Corporations and Associations Article.

(3) Except as provided in paragraph (4) of this subsection, after deducting the revenues required under paragraphs (1) and (2) of this subsection, the revenue from transfer tax is payable to the Comptroller for deposit in a special fund.

(4) In any fiscal year in which transfer tax revenue is used to pay debt service on outstanding bonds under paragraph (1) of this subsection, the distribution of revenues in the special fund under this section and as specified in § 5–903(a)(2)(i)1A of the Natural Resources Article, for State land acquisition, or to the Agricultural Land Preservation Fund to the extent any debt service is attributable to that Fund, shall be reduced by an amount equal to the debt service for the fiscal year.

(b) For the fiscal year beginning July 1, 2002 and for subsequent fiscal years, up to 3% of the revenues in the special fund may be appropriated in the State budget for salaries and related expenses in the Departments of General Services and Natural Resources and in the Department of Planning necessary to administer Title 5, Subtitle 9 of the Natural Resources Article (Program Open Space).

(c) (1) Subject to subsection (e) of this section, of the balance of the revenue in the special fund, not required under subsection (b) of this section:

(i) for the fiscal year beginning July 1, 2002, \$47,268,585 shall be allocated to the General Fund of the State and the remainder shall be allocated as provided in subsection (d) of this section;

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(ii) for the fiscal year beginning July 1, 2003, \$102,833,869 shall be allocated to the General Fund of the State and the remainder shall be allocated as provided in the State budget;

(iii) for the fiscal year beginning July 1, 2004, \$147,374,444 shall be allocated to the General Fund of the State, and the remainder shall be allocated as provided in the State budget; and

(iv) for the fiscal year beginning July 1, 2005, \$68,223,132 shall be allocated to the General Fund of the State and the remainder shall be allocated as provided in subsection (d) of this section.

(2) Subject to subsection (e) of this section, for the fiscal years beginning July 1, 2006 and each subsequent fiscal year, the balance of the revenue in the special fund, not required under subsection (b) of this section shall be allocated as provided in subsection (d) of this section.

(d) Subject to subsections (d-1) and (e) of this section, for the fiscal year beginning July 1, 2002 and for each subsequent fiscal year, the balance of the revenue in the special fund, not required under subsection (b) of this section and not allocated to the General Fund under subsection (c)(1) of this section shall be allocated in the State budget as follows:

(1) (i) 75.15% for the purposes specified in Title 5, Subtitle 9 of the Natural Resources Article (Program Open Space); and

(ii) an additional 1% for Program Open Space, for land acquisition purposes as specified in § 5-903(a)(2) of the Natural Resources Article;

(2) 17.05% for the Agricultural Land Preservation Fund established under § 2-505 of the Agriculture Article;

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(3) 5% for the Rural Legacy Program established under § 5-9A-01 of the Natural Resources Article; and

(4) 1.8% for the Heritage Conservation Fund established under § 5-1501 of the Natural Resources Article.

(d-1) (1) In this subsection, “eligible purpose” means a purpose, program, or fund to which revenue in the special fund is required to be allocated under subsection (d) of this section.

(2) For any fiscal year beginning on or after July 1, 2010, but before July 1, 2013, for which funding is provided for an eligible purpose through the State Consolidated Capital Bond Funding Program or other bond enabling act:

(i) from the balance of the special fund, before the allocations under subsection (d) of this section are made, an amount shall be allocated to the General Fund of the State equal to the total amount of funding provided for eligible purposes through the bond enabling act; and

(ii) except as otherwise expressly provided under the bond enabling act through which the funding is provided, the allocations provided under subsection (d) of this section shall be adjusted to reduce the amount that would otherwise be allocated for each eligible purpose by the amount of funding provided for that purpose under the bond enabling act.

(3) Notwithstanding any other provision of law, a transfer under this subsection may not be taken into account for purposes of determining any allocation or appropriation required under subsection (f) or (g) of this section.

(e) The sums allocated in subsection (d) of this section may not revert to the General Fund of the State.”.



On pages 3 and 4, strike in their entirety the lines beginning with line 12 on page 3 through line 14 on page 4, inclusive, and substitute:

“(G) (1) (I) THE GOVERNOR SHALL INCLUDE IN THE BUDGET BILL FOR FISCAL YEAR 2018 A GENERAL FUND APPROPRIATION IN THE AMOUNT OF \$5,000,000 TO THE AGRICULTURAL LAND PRESERVATION FUND ESTABLISHED UNDER § 2-505 OF THE AGRICULTURE ARTICLE TO PROVIDE GRANTS FOR THE USE OF THE NEXT GENERATION FARMLAND ACQUISITION PROGRAM.

(II) THE APPROPRIATION REQUIRED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH:

1. REPRESENTS REIMBURSEMENT FOR 5.6% OF THE CUMULATIVE AMOUNT APPROPRIATED OR TRANSFERRED FROM THE SPECIAL FUND TO THE GENERAL FUND FOR FISCAL YEAR 2006; AND

2. IS NOT SUBJECT TO THE PROVISIONS OF SUBSECTIONS (A) THROUGH (F) OF THIS SECTION.

(2) (I) THE GOVERNOR SHALL INCLUDE IN EACH OF THE ANNUAL BUDGET BILLS FOR FISCAL YEARS 2019, 2020, AND 2021 A GENERAL FUND APPROPRIATION TO THE SPECIAL FUND IN THE AMOUNT OF \$15,000,000.

(II) THE APPROPRIATIONS REQUIRED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH:

1. CUMULATIVELY REPRESENT REIMBURSEMENT FOR 50% OF THE CUMULATIVE AMOUNT OF ANY APPROPRIATION OR TRANSFER FROM THE SPECIAL FUND TO THE GENERAL FUND FOR FISCAL YEAR 2006;

(Over)

2. ARE NOT SUBJECT TO THE PROVISIONS OF SUBSECTIONS (A), (B), (C), AND (F) OF THIS SECTION;

3. SHALL BE ALLOCATED AS PROVIDED IN SUBSECTION (D) OF THIS SECTION AND § 5-903 OF THE NATURAL RESOURCES ARTICLE; AND

4. SHALL BE REDUCED BY THE AMOUNT OF ANY APPROPRIATION FROM THE GENERAL FUND TO THE SPECIAL FUND THAT:

A. EXCEEDS THE REQUIRED APPROPRIATION UNDER THIS PARAGRAPH; AND

B. IS IDENTIFIED AS AN APPROPRIATION FOR REIMBURSEMENT UNDER THIS PARAGRAPH.

(3) (i) THE GOVERNOR SHALL INCLUDE IN EACH OF THE ANNUAL BUDGET BILLS FOR FISCAL YEAR 2019 THROUGH FISCAL YEAR 2024 A GENERAL FUND APPROPRIATION TO THE SPECIAL FUND IN THE AMOUNT OF \$6,000,000 AND FOR FISCAL YEAR 2025 A GENERAL FUND APPROPRIATION TO THE SPECIAL FUND IN THE AMOUNT OF \$4,000,000 FOR THE CRITICAL MAINTENANCE OF STATE PROJECTS LOCATED ON LANDS MANAGED BY THE DEPARTMENT OF NATURAL RESOURCES FOR PUBLIC PURPOSES.

(ii) THE APPROPRIATIONS REQUIRED UNDER SUBPARAGRAPH (i) OF THIS PARAGRAPH:

1. REPRESENT REIMBURSEMENT FOR 44.4% OF THE CUMULATIVE AMOUNT OF ANY APPROPRIATION OR TRANSFER FROM THE SPECIAL FUND TO THE GENERAL FUND FOR FISCAL YEAR 2006;

2. ARE NOT SUBJECT TO THE PROVISIONS OF SUBSECTIONS (A), (B), (C), AND (F) OF THIS SECTION;

3. SHALL BE MADE UNTIL THE CUMULATIVE TOTAL AMOUNT APPROPRIATED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH IS EQUAL TO \$40,000,000; AND

4. SHALL BE REDUCED BY THE AMOUNT OF ANY APPROPRIATION FROM THE GENERAL FUND TO THE SPECIAL FUND THAT:

A. EXCEEDS THE REQUIRED APPROPRIATION UNDER THIS PARAGRAPH;

B. IS IDENTIFIED AS AN APPROPRIATION FOR REIMBURSEMENT UNDER THIS PARAGRAPH; AND

C. SUPPLEMENTS RATHER THAN SUPPLANTS THE DEPARTMENT OF NATURAL RESOURCES FUNDING FOR THE CRITICAL MAINTENANCE OF STATE PROJECTS ON STATE LANDS, BASED ON THE AVERAGE CRITICAL MAINTENANCE BUDGET OF THE 10 YEARS PRECEDING THE APPROPRIATION.

(4) (I) THE GOVERNOR SHALL INCLUDE IN EACH OF THE BUDGET BILLS FOR FISCAL YEARS 2021, 2025, AND 2029 A GENERAL FUND APPROPRIATION TO THE SPECIAL FUND EQUAL TO ONE-THIRD OF THE

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CUMULATIVE AMOUNT OF THE APPROPRIATIONS OR TRANSFERS FROM THE SPECIAL FUND TO THE GENERAL FUND FOR FISCAL YEARS 2016, 2017, AND 2018, LESS ANY GENERAL OBLIGATION BONDS AUTHORIZED FOR PROGRAM OPEN SPACE IN CHAPTER 2 OF THE ACTS OF THE GENERAL ASSEMBLY OF 2016.

(II) THE APPROPRIATION REQUIRED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH:

1. REPRESENTS REIMBURSEMENT FOR THE CUMULATIVE AMOUNT OF ANY APPROPRIATION OR TRANSFER FROM THE SPECIAL FUND TO THE GENERAL FUND FOR FISCAL YEARS 2016, 2017, AND 2018;

2. IS NOT SUBJECT TO THE PROVISIONS OF SUBSECTIONS (A), (B), (C), AND (F) OF THIS SECTION;

3. SHALL BE ALLOCATED AS PROVIDED IN SUBSECTION (D) OF THIS SECTION AND § 5-903 OF THE NATURAL RESOURCES ARTICLE;

4. SHALL BE MADE UNTIL THE CUMULATIVE TOTAL APPROPRIATED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH IS EQUAL TO THE CUMULATIVE AMOUNT OF ANY APPROPRIATION OR TRANSFER FROM THE SPECIAL FUND TO THE GENERAL FUND FOR FISCAL YEARS 2016, 2017, AND 2018; AND

5. SHALL BE REDUCED BY THE AMOUNT OF ANY APPROPRIATION FROM THE GENERAL FUND TO THE SPECIAL FUND THAT:

A. EXCEEDS THE REQUIRED APPROPRIATION UNDER THIS PARAGRAPH; AND

B. IS IDENTIFIED AS AN APPROPRIATION FOR REIMBURSEMENT UNDER THIS PARAGRAPH.

(H) (1) IF AN APPROPRIATION OR A TRANSFER FROM THE SPECIAL FUND TO THE GENERAL FUND OCCURS AFTER THE FISCAL YEAR ENDING JUNE 30, 2018, THE GOVERNOR SHALL INCLUDE IN THE ANNUAL BUDGET BILLS FOR EACH OF THE 3 SUCCESSIVE FISCAL YEARS FOLLOWING THE FISCAL YEAR IN WHICH A TRANSFER IS MADE A GENERAL FUND APPROPRIATION TO THE SPECIAL FUND EQUAL TO ONE-THIRD OF THE CUMULATIVE AMOUNT OF THE APPROPRIATION OR TRANSFER FROM THE SPECIAL FUND TO THE GENERAL FUND FOR THE APPLICABLE FISCAL YEAR.

(2) THE APPROPRIATION REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION:

(I) REPRESENTS REIMBURSEMENT FOR THE CUMULATIVE AMOUNT OF ANY APPROPRIATION OR TRANSFER FROM THE SPECIAL FUND TO THE GENERAL FUND FOR THE APPLICABLE FISCAL YEAR;

(II) IS NOT SUBJECT TO THE PROVISIONS OF SUBSECTIONS (A), (B), (C), AND (F) OF THIS SECTION;

(III) SHALL BE ALLOCATED AS PROVIDED IN SUBSECTION (D) OF THIS SECTION AND § 5-903 OF THE NATURAL RESOURCES ARTICLE;

(IV) SHALL BE MADE UNTIL THE CUMULATIVE TOTAL APPROPRIATED UNDER PARAGRAPH (1) OF THIS SUBSECTION IS EQUAL TO THE CUMULATIVE AMOUNT OF ANY APPROPRIATION OR TRANSFER FROM THE SPECIAL FUND TO THE GENERAL FUND FOR THE APPLICABLE FISCAL YEAR; AND

(V) SHALL BE REDUCED BY THE AMOUNT OF ANY APPROPRIATION FROM THE GENERAL FUND TO THE SPECIAL FUND THAT:

1. EXCEEDS THE REQUIRED APPROPRIATION UNDER THIS SUBSECTION; AND

2. IS IDENTIFIED AS AN APPROPRIATION FOR REIMBURSEMENT UNDER THIS SUBSECTION.”;

and in line 15, strike “(h)” and substitute “**(I)**”.

On page 5, in line 1, strike “\$5,000,000” and substitute “\$4,500,000”; after line 5, insert “Maryland Zoo in Baltimore.....\$500,000”; after line 19, insert:

“SECTION 3. AND BE IT FURTHER ENACTED, That it is the intent of the General Assembly that, beginning in fiscal year 2019, the special fund under § 13-209 of the Tax – Property Article return to full funding through the distribution of State transfer tax revenues in accordance with the provisions of this Act.

SECTION 4. AND BE IT FURTHER ENACTED, That it is the intent of the General Assembly that, beginning in fiscal year 2018, if the Governor appropriates or transfers funds from the special fund under § 13-209 of the Tax – Property Article to the General Fund, the Department of Budget and Management shall submit, in accordance with § 2–1246 of the State Government Article, to the Senate Budget and Taxation Committee and the House Appropriations Committee a report that:

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(1) specifies a plan for reimbursement of the appropriation or transfer in future fiscal years; and

(2) identifies alternative funding sources in the fiscal year in which the funds are to be appropriated or transferred for the ongoing operations of programs affected by the appropriation or transfer.

SECTION 5. AND BE IT FURTHER ENACTED, That, notwithstanding the provisions of the budget bill for fiscal year 2017, \$500,000 of the \$5,000,000 allocated to Program Open Space – Local from the \$20,000,000 reduction in transfers from the special fund to the General Fund for fiscal year 2017 be allocated as a grant to the Maryland Zoo in Baltimore for expenses related to zoo operations.”;

and in line 20, strike “3.” and substitute “6.”.