

HB1407/974167/1

BY: Appropriations Committee

AMENDMENTS TO HOUSE BILL 1407
(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 4, after “appropriations;” insert “expanding the uses of certain funds;”; in line 7, after “revenues;” insert “requiring, for a certain fiscal year, the distribution of certain revenues to a certain Fund to be used for a certain purpose; requiring the Governor to include in the budget bill submitted at a certain General Assembly session an appropriation equal to a certain amount to be used for a certain purpose; repealing the authority of a certain commission to adjust, under certain circumstances, the distribution of proceeds from video lottery terminals in Baltimore City, Anne Arundel County, and Cecil County;”; in line 9, after “purpose;” insert “authorizing the Governor to process a certain budget amendment to appropriate certain revenues to be used for a certain purpose if a certain condition is met;”; after line 21, insert:

“BY repealing and reenacting, without amendments,

Article - Labor and Employment

Section 10–301(a) and (c)

Annotated Code of Maryland

(2016 Replacement Volume and 2018 Supplement)

BY repealing and reenacting, with amendments,

Article - Labor and Employment

Section 10–314

Annotated Code of Maryland

(2016 Replacement Volume and 2018 Supplement)”;

and in line 24, strike “and 6–104(a)(1)” and substitute “. 6–104(a)(1), and 7–330(b), (c), and (f)”.

(Over)

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On page 2, in line 3, strike “and 6–104(e)” and substitute “, 6–104(e), 7–329, and 7–330(g) and (j)”; and after line 5, insert:

“BY repealing

Article - State Government

Section 9–1A–37(c)

Annotated Code of Maryland

(2014 Replacement Volume and 2018 Supplement)”.

On page 7, in lines 8, 12, 15, 19, 24, and 28, strike “5.”, “6.”, “7.”, “8.”, “9.”, and “10.”, respectively, and substitute “4.”, “5.”, “6.”, “7.”, “8.”, and “11.”, respectively.

AMENDMENT NO. 2

On page 2, after line 34, insert:

“Article – Labor and Employment

10–301.

- (a) In this subtitle the following words have the meanings indicated.
- (c) “Fund” means the Uninsured Employers’ Fund.

10–314.

- (a) The Fund shall consist of:
 - (1) the money credited to the Fund under Title 9 of this article;
 - (2) income from investments that the State Treasurer makes for the
Fund; and

- (3) interest on deposits or investments of money from the Fund.
- (b) The Director shall use the Fund to pay:
 - (1) each award under Title 9 of this article charged against the Fund;
 - (2) the amount that the Director authorizes for an expert or witness hired under § 10–310(c) of this subtitle;
 - (3) other proper charges that the Director authorizes; [and]
 - (4) whenever an employer who is self-insured in accordance with § 9–404 or § 9–405 of this article becomes insolvent, any outstanding obligations of the employer; AND
 - (5) **HEARING LOSS CLAIMS FOR RETIREES OF THE BETHLEHEM STEEL CORPORATION.**
- (c) The liability of the Board, Director, Fund, State Treasurer, and State for all proper charges against the Fund is limited to the assets of the Fund.”.

AMENDMENT NO. 3

On page 5, after line 15, insert:

“7–329.

- (a) (1) In this section the following words have the meanings indicated.
- (2) “Fund” means the Fiscal Responsibility Fund established under § 7–330 of this subtitle.

(Over)

(3) (i) “Nonwithholding income tax revenues” means the State share of income tax quarterly estimated and final payments with returns made by individuals, as defined in § 10–101 of the Tax – General Article.

(ii) “Nonwithholding income tax revenues” does not include:

1. the county share of income tax quarterly estimated and final payments with returns made by individuals;

2. income tax payments made by corporations;

3. income tax refunds paid to individuals or corporations;

or

4. income tax withholding.

(b) At the end of fiscal year 2020, and each fiscal year thereafter, if General Fund revenues for the fiscal year are less than the March estimate of the Board of Revenue Estimates, the amount of nonwithholding income tax revenues that exceeds the capped estimate determined under § 6–104(e) of this article shall be applied to close the gap in revenues for that fiscal year.

(B–1) AT THE END OF FISCAL YEAR 2020 ONLY, IF THE AMOUNT OF NONWITHOLDING INCOME TAX REVENUES THAT EXCEEDS THE CAPPED ESTIMATE DETERMINED UNDER § 6–104(E) OF THIS ARTICLE EXCEEDS THE AMOUNT NECESSARY TO CLOSE THE GAP IN REVENUES UNDER SUBSECTION (B) OF THIS SECTION, THE STATE COMPTROLLER SHALL DISTRIBUTE THE REMAINDER TO THE FISCAL RESPONSIBILITY FUND ESTABLISHED UNDER § 7–330 OF THIS SUBTITLE FOR THE PURPOSE OF PROVIDING A ONE–TIME BONUS IN FISCAL YEAR 2021 FOR PERMANENT EMPLOYEES IN THE EXECUTIVE, JUDICIAL, AND LEGISLATIVE BRANCHES OF STATE GOVERNMENT WHO ARE NOT:

(1) IN A BARGAINING UNIT THAT HAS AGREED TO AND RATIFIED THE ECONOMIC TERMS OF A MEMORANDUM OF UNDERSTANDING FOR FISCAL YEAR 2020; OR

(2) (I) ELECTED TO A POSITION BY POPULAR VOTE;

(II) IN A POSITION BY ELECTION OR APPOINTMENT THAT IS PROVIDED FOR BY THE MARYLAND CONSTITUTION; OR

(III) IN THE EXECUTIVE PAY PLAN.

(c) [If] EXCEPT AS PROVIDED IN SUBSECTION (B-1) OF THIS SECTION, IF the amount of nonwithholding income tax revenues that exceeds the capped estimate determined under § 6-104(e) of this article exceeds the amount necessary to close the gap in revenues under subsection (b) of this section, and if the balance of the Revenue Stabilization Account under § 7-311 of this subtitle is less than 6% of the estimated General Fund revenues for that fiscal year, the State Comptroller shall distribute to the Revenue Stabilization Account the lesser of:

(1) the remaining balance of nonwithholding income tax revenues in excess of the capped estimate determined under § 6-104(e) of this article; or

(2) the amount required for the Revenue Stabilization Account balance to equal 6% of the estimated General Fund revenues for that fiscal year.

(d) [If] EXCEPT AS PROVIDED IN SUBSECTION (B-1) OF THIS SECTION, IF the amount of nonwithholding income tax revenues that exceeds the capped estimate determined under § 6-104(e) of this article exceeds the amount the State Comptroller is required to distribute to the Revenue Stabilization Account under subsection (c) of this section, the State Comptroller shall distribute:

(Over)

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(1) subject to subsection (e) of this section, 50% of the remaining amount to the Revenue Stabilization Account; and

(2) the remainder to the Fiscal Responsibility Fund established under § 7-330 of this subtitle.

(e) The distribution to the Revenue Stabilization Account under subsection (d)(1) of this section does not apply if the amount in the Revenue Stabilization Account exceeds 10% of General Fund revenues.

7-330.

(b) There is a Fiscal Responsibility Fund.

(c) The purpose of the Fund is to retain the amount of nonwithholding income tax revenues deposited to the Fund in accordance with § 7-329(d)(2) of this subtitle until the revenues are appropriated in the State budget.

(f) The Fund consists of nonwithholding income tax revenues that exceed the capped estimate determined under § 6-104(e) of this article deposited into the Fund by the State Comptroller under § 7-329(d)(2) of this subtitle.

(g) **(1) [The] EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, THE** Fund may be used only to provide pay-as-you-go capital funds for:

[(1)] (I) public school construction and public school capital improvement projects, in accordance with Title 5, Subtitle 3 of the Education Article;

[(2)] (II) capital projects at public community colleges; and

~~[(3)] (III)~~ capital projects at four-year public institutions of higher education.

(2) FOR FISCAL YEAR 2021 ONLY, MONEY IN THE FUND SHALL BE USED TO PROVIDE A ONE-TIME BONUS FOR PERMANENT EMPLOYEES IN THE EXECUTIVE, JUDICIAL, AND LEGISLATIVE BRANCHES OF STATE GOVERNMENT WHO ARE NOT:

(I) IN A BARGAINING UNIT THAT HAS AGREED TO AND RATIFIED THE ECONOMIC TERMS OF A MEMORANDUM OF UNDERSTANDING FOR FISCAL YEAR 2020; OR

- (II) 1. ELECTED TO A POSITION BY POPULAR VOTE;**
- 2. IN A POSITION BY ELECTION OR APPOINTMENT THAT IS PROVIDED FOR BY THE MARYLAND CONSTITUTION; OR**
- 3. IN THE EXECUTIVE PAY PLAN.**

(j) (1) ~~[The]~~ **EXCEPT AS PROVIDED IN PARAGRAPH (3) OF THIS SUBSECTION, THE** Governor shall include in the budget bill for the second following fiscal year an appropriation equal to the amount in the Fund for pay-as-you-go capital projects.

(2) Money expended from the Fund for pay-as-you-go capital projects is supplemental to and is not intended to take the place of funding that otherwise would be appropriated for capital projects, including those funded with pay-as-you-go funds and the proceeds from the sale of general obligation bonds.

(3) THE GOVERNOR SHALL INCLUDE IN THE BUDGET BILL SUBMITTED AT THE 2021 SESSION OF THE GENERAL ASSEMBLY AN APPROPRIATION EQUAL TO THE AMOUNT DISTRIBUTED TO THE FUND IN ACCORDANCE WITH § 7-329(B-1) OF THIS SUBTITLE TO PROVIDE A ONE-TIME BONUS IN FISCAL YEAR 2021 FOR PERMANENT EMPLOYEES IN THE EXECUTIVE, JUDICIAL, AND LEGISLATIVE BRANCHES OF STATE GOVERNMENT WHO ARE NOT:

(I) IN A BARGAINING UNIT THAT HAS AGREED TO AND RATIFIED THE ECONOMIC TERMS OF A MEMORANDUM OF UNDERSTANDING FOR FISCAL YEAR 2020; OR

(II) 1. ELECTED TO A POSITION BY POPULAR VOTE;

2. IN A POSITION BY ELECTION OR APPOINTMENT THAT IS PROVIDED FOR BY THE MARYLAND CONSTITUTION; OR

3. IN THE EXECUTIVE PAY PLAN.”

AMENDMENT NO. 4

On page 5, before line 16, insert:

“Article – State Government

9-1A-37.

[(c) (1) Subject to paragraphs (2) through (5) of this subsection, if a video lottery operation license is awarded to a video lottery facility in Prince George’s County, the Commission may increase for a video lottery facility located in:

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(i) Anne Arundel County, by not more than 2% of the proceeds from video lottery terminals at the video lottery facility, the percentage under § 9-1A-27(a)(8) of this subtitle; and

(ii) Baltimore City, by not more than 3% of the proceeds from video lottery terminals at the video lottery facility, the percentage under § 9-1A-27(a)(8) of this subtitle.

(2) If the Commission increases the percentage of proceeds from video lottery terminals for the video lottery facility in Anne Arundel County under paragraph (1) of this subsection, the Commission shall increase the percentage of proceeds for the video lottery facility in Baltimore City by at least the same percentage point increase as for Anne Arundel County.

(3) (i) If a video lottery operation license is awarded to a video lottery facility in Prince George's County, the Commission may increase for a video lottery facility in Cecil County, by not more than 5% of the proceeds from video lottery terminals at the video lottery facility, the percentage under § 9-1A-27(a)(2) of this subtitle.

(ii) Any increased distribution of video lottery terminal proceeds under this paragraph for a video lottery facility in Cecil County shall be used for:

1. marketing, advertising, and promotional costs required under § 9-1A-23 of this subtitle; and

2. capital improvements at the video lottery facility.

(4) (i) On or before January 1, 2019, the Commission shall determine any adjustment authorized under paragraph (1) of this subsection to the percentage under § 9-1A-27(a)(8) of this subtitle or under paragraph (3) of this subsection.

(Over)

(ii) Any adjustment authorized under this subsection may not take effect:

1. until a video lottery operation license is issued to a video lottery facility in Prince George's County; and

2. earlier than July 1, 2019.

(5) Before the Commission may make a determination on any adjustment under this subsection, the Commission shall report to the Governor and the General Assembly, in accordance with § 2-1246 of this article, on:

(i) the impact on existing facilities from a video lottery facility located in Prince George's County;

(ii) unexpected monetary gains to licensees from factors including the delayed opening of other facilities;

(iii) the monetary benefit to existing licensees from the removal of statutory or regulatory restrictions on video lottery operations;

(iv) increased revenue to licensees from the authorization of table games;

(v) the impact of any adjustments to the Education Trust Fund;

(vi) the tax implications, if any, and cost of the ownership of the video lottery terminals by video lottery facilities; and

(vii) any other factors related to the gaming market in Maryland and the ability of the State gaming program to compete with surrounding states.】”.

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On page 7, after line 27, insert:

“SECTION 9. AND BE IT FURTHER ENACTED, That the Governor is authorized to process a budget amendment to appropriate \$15,766,919 in additional Education Trust Fund revenues received in fiscal year 2020 as a result of the repeal of § 9–1A–37(c) of the State Government Article as enacted by Section 1 of this Act. If Chapter (S.B. 1030/H.B. 1413) of the Acts of the General Assembly of 2019 takes effect, the special funds may be appropriated only to provide additional funding for students with disabilities as specified in Section 5 of Chapter (S.B. 1030/H.B. 1413) of the Acts of the General Assembly of 2019.”.

AMENDMENT NO. 5

On page 7, strike in their entirety lines 4 through 7, inclusive.

AMENDMENT NO. 6

On page 7, in line 11, strike “\$15,000,000” and substitute “\$7,500,000”.

AMENDMENT NO. 7

On page 7, before line 28, insert:

“SECTION 10. AND BE IT FURTHER ENACTED, That, notwithstanding § 7–311(i) of the State Finance and Procurement Article or any other provision of law, for fiscal year 2020 only, and only as provided in the fiscal year 2020 operating budget bill, funds may be transferred by budget amendment from the Revenue Stabilization Account established under § 7–311 of the State Finance and Procurement Article and funds may be transferred by budget amendment from the Dedicated Purpose Account established under § 7–310 of the State Finance and Procurement Article and may be used for fiscal year 2020 for purposes as specified in the fiscal year 2020 operating budget bill.”.