

HOUSE BILL 1407

B1

(9lr3293)

ENROLLED BILL

— Appropriations/Budget and Taxation —

Introduced by **Chair, Appropriations Committee**

Read and Examined by Proofreaders:

Proofreader.

Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this

_____ day of _____ at _____ o'clock, _____ M.

Speaker.

CHAPTER _____

1 AN ACT concerning

2 **Budget Reconciliation and Financing Act of 2019**

3 FOR the purpose of authorizing ~~or altering~~, altering, or requiring the distribution of certain
4 revenue; altering certain required appropriations; specifying that the requirement to
5 wave a certain fee for the filing of certain documents by certain business entities shall
6 begin in a certain fiscal year; expanding the uses of certain funds; specifying that
7 certain money received by a certain department is included as a revenue source for
8 a certain Fund; altering the cap on a certain adjustment to a certain revenue
9 estimate relating to nonwithholding income tax revenues; requiring the budget books
10 to include certain data and the results of certain calculations used to calculate certain
11 State education aid; requiring a supplemental budget bill that includes a certain
12 appropriation to include certain data and the results of certain calculations used to
13 calculate certain State education aid; requiring, for a certain fiscal year, the
14 distribution of certain revenues to a certain Fund to be used for a certain purpose;
15 requiring the Governor to include in the budget bill submitted at a certain General

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.

Italics indicate opposite chamber/conference committee amendments.



1 Assembly session an appropriation equal to a certain amount to be used for a certain
2 purpose; repealing the authority of a certain Commission to adjust, under certain
3 circumstances, the distribution of proceeds from video lottery terminals in Baltimore
4 City, Anne Arundel County, and Cecil County; requiring a certain certification to be
5 included in a certain major capital project request; altering, for a certain fiscal year,
6 a certain budgeted Medicaid Deficit Assessment; requiring a certain amount of
7 money to be available in a certain Fund at the end of a certain fiscal year to be used
8 for a certain purpose; authorizing the Governor to process a certain budget
9 amendment to appropriate certain revenues to be used for a certain purpose if a
10 certain condition is met; authorizing the transfer of certain funds; requiring the
11 transfer of certain funds; requiring certain funds to be transferred in accordance with
12 a certain provision of law; making a stylistic change; and generally relating to the
13 financing of State and local government.

14 BY repealing and reenacting, without amendments,
15 Article – Corporations and Associations
16 Section 1–203(b)(3)(ii)
17 Annotated Code of Maryland
18 (2014 Replacement Volume and 2018 Supplement)

19 BY repealing and reenacting, with amendments,
20 Article – Corporations and Associations
21 Section 1–203(b)(13)
22 Annotated Code of Maryland
23 (2014 Replacement Volume and 2018 Supplement)

24 BY repealing and reenacting, without amendments,
25 Article – Education
26 Section 6–117.1(a)(1) and (3)
27 Annotated Code of Maryland
28 (2018 Replacement Volume and 2018 Supplement)

29 BY repealing and reenacting, with amendments,
30 Article – Education
31 Section 6–117.1(e)(1)
32 Annotated Code of Maryland
33 (2018 Replacement Volume and 2018 Supplement)

34 BY repealing and reenacting, without amendments,
35 Article – Labor and Employment
36 Section 10–301(a) and (c)
37 Annotated Code of Maryland
38 (2016 Replacement Volume and 2018 Supplement)

39 BY repealing and reenacting, with amendments,
40 Article – Labor and Employment
41 Section 10–314

1 Annotated Code of Maryland
 2 (2016 Replacement Volume and 2018 Supplement)

3 BY repealing and reenacting, without amendments,
 4 Article – State Finance and Procurement
 5 Section ~~3A-309(a), (b), (e), (h), and (i) and 6-104(a)(1), 6-104(a)(1), 7-115(a) and (b),~~
 6 and 7-330(b), (c), and (f)
 7 Annotated Code of Maryland
 8 (2015 Replacement Volume and 2018 Supplement)

9 BY repealing and reenacting, with amendments,
 10 Article – State Finance and Procurement
 11 Section ~~3A-309(f) 3A-309(f) and (l) and 6-104(e), 6-104(e), 7-329, and 7-330(g) and~~
 12 (j)
 13 Annotated Code of Maryland
 14 (2015 Replacement Volume and 2018 Supplement)

15 BY adding to
 16 Article – State Finance and Procurement
 17 Section 7-115(g) and 7-120
 18 Annotated Code of Maryland
 19 (2015 Replacement Volume and 2018 Supplement)

20 BY repealing and reenacting, without amendments,
 21 Article – State Government
 22 Section 9-1A-31(a)(1)
 23 Annotated Code of Maryland
 24 (2014 Replacement Volume and 2018 Supplement)

25 BY repealing and reenacting, with amendments,
 26 Article – State Government
 27 Section 9-1A-31(a)(2)
 28 Annotated Code of Maryland
 29 (2014 Replacement Volume and 2018 Supplement)

30 BY repealing
 31 Article – State Government
 32 Section 9-1A-37(c)
 33 Annotated Code of Maryland
 34 (2014 Replacement Volume and 2018 Supplement)

35 BY repealing and reenacting, with amendments,
 36 Article – Transportation
 37 Section 2-103.1(c)(6) and 3-216(b)
 38 Annotated Code of Maryland
 39 (2015 Replacement Volume and 2018 Supplement)

1 BY repealing and reenacting, without amendments,
 2 Article – Transportation
 3 Section 3–216(a)
 4 Annotated Code of Maryland
 5 (2015 Replacement Volume and 2018 Supplement)

6 BY repealing and reenacting, with amendments,
 7 Chapter 397 of the Acts of the General Assembly of 2011, as amended by Chapter
 8 425 of the Acts of the General Assembly of 2013, Chapter 464 of the Acts of
 9 the General Assembly of 2014, Chapter 489 of the Acts of the General
 10 Assembly of 2015, Chapter 23 of the Acts of the General Assembly of 2017,
 11 and Chapter 10 of the Acts of the General Assembly of 2018
 12 Section 16(c)

13 BY repealing and reenacting, with amendments,
 14 Chapter 489 of the Acts of the General Assembly of 2015, as amended by Chapter
 15 321 of the Acts of the General Assembly of 2016
 16 Section 9(c)

17 BY adding to
 18 Chapter 489 of the Acts of the General Assembly of 2015, as amended by Chapter
 19 321 of the Acts of the General Assembly of 2016
 20 Section 9(d)

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

23 **Article – Corporations and Associations**

24 1–203.

25 (b) (3) (ii) Except as provided in paragraph (13) of this subsection, for each
 26 of the following documents which are filed but not recorded, the filing fee is as indicated:

27 Annual report of a Maryland corporation, except a charitable or benevolent
 28 institution, nonstock corporation, savings and loan corporation, credit union, family farm,
 29 and banking institution \$300

30 Annual report of a foreign corporation subject to the jurisdiction of this State, except
 31 a national banking association, savings and loan association, credit union, nonstock
 32 corporation, and charitable and benevolent institution..... \$300

33 Annual report of a Maryland savings and loan association, banking institution, or
 34 credit union or of a foreign savings and loan association, national banking association, or
 35 credit union that is subject to the jurisdiction of this State \$300

1 Annual report of a Maryland limited liability company, limited liability partnership,
2 limited partnership, or of a foreign limited liability company, foreign limited liability
3 partnership, or foreign limited partnership, except a family farm..... \$300

4 Annual report of a business trust..... \$300

5 Annual report of a real estate investment trust or foreign statutory trust doing
6 business in this State \$300

7 Annual report of a family farm \$100

8 (13) [The] BEGINNING IN FISCAL YEAR 2022, THE Department shall
9 wave the filing fee for a business entity described under paragraph (3)(i) of this subsection
10 for each year that the entity provides evidence to the Department that:

11 (i) The entity is required to comply with and is in compliance with
12 Title 12 of the Labor and Employment Article; or

13 (ii) The entity otherwise provides an employer-offered savings
14 arrangement, as defined in § 12-101(e) of the Labor and Employment Article, that is in
15 compliance with federal law.

16 **Article – Education**

17 6-117.1.

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

19 (3) “Program” means the Teacher Induction, Retention, and Advancement
20 Pilot Program.

21 (e) (1) (i) For fiscal year 2018, the Governor shall include in the annual
22 budget bill an appropriation of \$2,100,000 to the Program.

23 (ii) For fiscal year 2019, the Governor shall include in the annual
24 budget bill an appropriation of \$3,000,000 for the Program.

25 (iii) For fiscal year 2020 and each fiscal year thereafter, the Governor
26 shall include in the annual budget bill an appropriation of [\$5,000,000] **\$1,000,000** for the
27 Program.

28 **Article – Labor and Employment**

29 10-301.

30 (a) In this subtitle the following words have the meanings indicated.

1 (c) “Fund” means the Uninsured Employers’ Fund.

2 10–314.

3 (a) The Fund shall consist of:

4 (1) the money credited to the Fund under Title 9 of this article;

5 (2) income from investments that the State Treasurer makes for the Fund;

6 and

7 (3) interest on deposits or investments of money from the Fund.

8 (b) The Director shall use the Fund to pay:

9 (1) each award under Title 9 of this article charged against the Fund;

10 (2) the amount that the Director authorizes for an expert or witness hired
11 under § 10–310(c) of this subtitle;

12 (3) other proper charges that the Director authorizes; [and]

13 (4) whenever an employer who is self-insured in accordance with § 9–404
14 or § 9–405 of this article becomes insolvent, any outstanding obligations of the employer;
15 AND

16 (5) HEARING LOSS CLAIMS FOR RETIREES OF THE BETHLEHEM
17 STEEL CORPORATION.

18 (c) The liability of the Board, Director, Fund, State Treasurer, and State for all
19 proper charges against the Fund is limited to the assets of the Fund.

20 **Article – State Finance and Procurement**

21 3A–309.

22 (a) There is a Major Information Technology Development Project Fund.

23 (b) The purpose of the Fund is to support major information technology
24 development projects.

25 (e) Except as provided in subsection (f) of this section, the Fund consists of:

26 (1) money appropriated in the State budget to the Fund;

27 (2) as approved by the Secretary, money received from:

1 (i) the sale, lease, or exchange of communication sites,
2 communication facilities, or communication frequencies for information technology
3 purposes; or

4 (ii) an information technology agreement involving resource
5 sharing;

6 (3) that portion of money earned from pay phone commissions to the extent
7 that the commission rates exceed those in effect in December 1993;

8 (4) money received and accepted as contributions, grants, or gifts as
9 authorized under subsection (c) of this section;

10 (5) general funds appropriated for major information technology
11 development projects of any unit of State government other than a public institution of
12 higher education that:

13 (i) are unencumbered and unexpended at the end of a fiscal year;

14 (ii) have been abandoned; or

15 (iii) have been withheld by the General Assembly or the Secretary;

16 (6) any investment earnings; and

17 (7) any other money from any source accepted for the benefit of the Fund.

18 (f) The Fund does not include any money:

19 (1) received by the [Department of Transportation,] Maryland
20 Transportation Authority[,] or THE Maryland Public Broadcasting Commission;

21 (2) received by the Judicial or Legislative branches of State government; or

22 (3) generated from pay phone commissions that are credited to other
23 accounts or funds in accordance with other provisions of law or are authorized for other
24 purposes in the State budget or through an approved budget amendment.

25 (h) Expenditures from the Fund shall be made only:

26 (1) in accordance with an appropriation approved by the General Assembly
27 in the annual State budget; or

28 (2) through an approved State budget amendment under Title 7, Subtitle
29 2, Part II of this article, provided that a State budget amendment for any project not
30 requested as part of the State budget submission or for any project for which the scope or

1 cost has increased by more than 5% or \$250,000 shall be submitted to the budget
2 committees allowing a 30-day period for their review and comment.

3 (i) The Fund may be used:

4 (1) for major information technology development projects;

5 (2) as provided in subsections (j) and (l) of this section; or

6 (3) notwithstanding § 3A-301(b)(2) of this subtitle, for the costs of the first
7 12 months of operation and maintenance of a major information technology development
8 project.

9 (l) Notwithstanding subsection (b) of this section, [all] money paid into the Fund
10 under subsection (e)(2) of this section [shall] MAY be used to support the State
11 telecommunication and computer network established under § 3A-404 of this title, including
12 program development for these activities.

13 6-104.

14 (a) (1) In this section, “nonwithholding income tax revenues” means the State
15 share of income tax quarterly estimated and final payments with returns made by
16 individuals, as defined in § 10-101 of the Tax – General Article.

17 (e) (1) Beginning with the revenue estimate for fiscal year 2020, the Bureau
18 shall calculate the share of General Fund revenues represented by nonwithholding income
19 tax revenues in accordance with this subsection.

20 (2) (i) For each fiscal year, the Bureau shall calculate the 10-year
21 average share of General Fund revenues represented by nonwithholding income tax
22 revenues.

23 (ii) 1. For each fiscal year, the 10-year average shall use the 10
24 most recently completed fiscal years for which data are available when the estimate is
25 prepared in the September before the beginning of the fiscal year.

26 2. The same 10-year average shall be used in all subsequent
27 revisions to the revenue estimate for that fiscal year.

28 (3) (i) Subject to subparagraph (ii) of this paragraph, for each fiscal
29 year, if the Bureau’s estimate of the share of General Fund revenues from nonwithholding
30 income tax revenues is above the 10-year average share, the Bureau shall adjust the
31 revenue estimate by reducing General Fund revenues from nonwithholding income tax
32 revenues by an amount sufficient to align the estimated share of General Fund revenues
33 from nonwithholding income tax revenues with the 10-year average share of General Fund
34 revenues from nonwithholding income taxes.

1 (ii) The adjustment made under subparagraph (i) of this paragraph
2 may not exceed the following percentage of total General Fund revenues:

- 3 1. [0.5%] ~~0.25%~~ 0.225% for fiscal year 2020;
- 4 2. 1% for fiscal year 2021; and
- 5 3. 2% for fiscal year 2022 and each fiscal year thereafter.

6 (iii) The capped estimate calculated under this paragraph shall be
7 incorporated in the revenue estimate the Bureau shall report to the Board in the report
8 required under subsection (b)(2) of this section.

9 7-115.

10 (a) On submission of the budget bill to the presiding officers of the General
11 Assembly, the Governor shall provide the supporting material specified in this section.

12 (b) The Governor shall provide budget books that include the information required
13 in this section.

14 (G) THE BUDGET BOOKS SHALL INCLUDE SUPPORTING DATA AND THE
15 RESULTS OF THE CALCULATIONS REQUIRED UNDER § 5-202(L) OF THE EDUCATION
16 ARTICLE.

17 7-120.

18 ON SUBMISSION OF A SUPPLEMENTAL BUDGET BILL TO THE PRESIDING
19 OFFICERS OF THE GENERAL ASSEMBLY THAT INCLUDES AN APPROPRIATION IN
20 ACCORDANCE WITH § 5-202(L) OF THE EDUCATION ARTICLE, THE GOVERNOR SHALL
21 PROVIDE SUPPORTING DATA AND THE RESULTS OF THE CALCULATIONS REQUIRED
22 UNDER THAT SUBSECTION.

23 7-329.

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

25 (2) “Fund” means the Fiscal Responsibility Fund established under §
26 7-330 of this subtitle.

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

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

- 1 1. the county share of income tax quarterly estimated and
2 final payments with returns made by individuals;
- 3 2. income tax payments made by corporations;
- 4 3. income tax refunds paid to individuals or corporations; or
- 5 4. income tax withholding.

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

11 **(B-1) AT THE END OF FISCAL YEAR 2020 ONLY, IF THE AMOUNT OF**
12 **NONWITHOLDING INCOME TAX REVENUES THAT EXCEEDS THE CAPPED ESTIMATE**
13 **DETERMINED UNDER § 6-104(E) OF THIS ARTICLE EXCEEDS THE AMOUNT**
14 **NECESSARY TO CLOSE THE GAP IN REVENUES UNDER SUBSECTION (B) OF THIS**
15 **SECTION, THE STATE COMPTROLLER SHALL DISTRIBUTE THE REMAINDER TO THE**
16 **FISCAL RESPONSIBILITY FUND ESTABLISHED UNDER § 7-330 OF THIS SUBTITLE**
17 **FOR THE PURPOSE OF PROVIDING A ~~ONE-TIME BONUS IN FISCAL YEAR 2021~~**
18 **COST-OF-LIVING ADJUSTMENT OF UP TO 2% BEGINNING JULY 1, 2020, FOR**
19 **PERMANENT EMPLOYEES IN THE ~~EXECUTIVE, JUDICIAL, AND LEGISLATIVE~~**
20 **BRANCHES EXECUTIVE BRANCH OF STATE GOVERNMENT WHO ARE NOT:**

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

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

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

27 **~~(III) IN THE EXECUTIVE PAY PLAN, ARE IN A BARGAINING UNIT~~**
28 **~~THAT IS REPRESENTED BY ONE OF THE FOLLOWING EXCLUSIVE REPRESENTATIVES:~~**

29 **(1) THE AMERICAN FEDERATION OF STATE, COUNTY AND MUNICIPAL**
30 **EMPLOYEES, AFL-CIO, EXCLUDING A BARGAINING UNIT REPRESENTED BY THE**
31 **AMERICAN FEDERATION OF STATE, COUNTY AND MUNICIPAL EMPLOYEES,**
32 **AFL-CIO LOCAL 1859;**

33 **(2) AFT HEALTHCARE-MARYLAND, AFT, AFL-CIO LOCAL 5197; OR**

1 **(3) THE MARYLAND PROFESSIONAL EMPLOYEES**
2 **COUNCIL/AFT/AFL-CIO LOCAL 6197.**

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

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

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

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

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

21 (2) **the remainder to the Fiscal Responsibility Fund established under §**
22 **7-330 of this subtitle.**

23 (e) **The distribution to the Revenue Stabilization Account under subsection (d)(1)**
24 **of this section does not apply if the amount in the Revenue Stabilization Account exceeds**
25 **10% of General Fund revenues.**

26 **7-330.**

27 (b) **There is a Fiscal Responsibility Fund.**

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

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

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

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

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

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

8 (2) FOR FISCAL YEAR 2021 ONLY, MONEY IN THE FUND SHALL BE
 9 USED TO PROVIDE A ~~ONE-TIME BONUS~~ COST-OF-LIVING ADJUSTMENT OF UP TO 2%
 10 BEGINNING JULY 1, 2020, FOR PERMANENT EMPLOYEES IN THE ~~EXECUTIVE,~~
 11 ~~JUDICIAL, AND LEGISLATIVE BRANCHES~~ EXECUTIVE BRANCH OF STATE
 12 GOVERNMENT WHO ARE NOT:

13 (I) ~~IN A BARGAINING UNIT THAT HAS AGREED TO AND RATIFIED~~
 14 ~~THE ECONOMIC TERMS OF A MEMORANDUM OF UNDERSTANDING FOR FISCAL YEAR~~
 15 ~~2020; OR~~

16 (H) ~~1. ELECTED TO A POSITION BY POPULAR VOTE;~~
 17 ~~2. IN A POSITION BY ELECTION OR APPOINTMENT THAT~~
 18 ~~IS PROVIDED FOR BY THE MARYLAND CONSTITUTION; OR~~

19 ~~3. IN THE EXECUTIVE PAY PLAN; ARE IN A BARGAINING~~
 20 ~~UNIT THAT IS REPRESENTED BY ONE OF THE FOLLOWING EXCLUSIVE~~
 21 ~~REPRESENTATIVES:~~

22 (I) THE AMERICAN FEDERATION OF STATE, COUNTY AND
 23 MUNICIPAL EMPLOYEES, AFL-CIO, EXCLUDING A BARGAINING UNIT
 24 REPRESENTED BY THE AMERICAN FEDERATION OF STATE, COUNTY AND MUNICIPAL
 25 EMPLOYEES, AFL-CIO LOCAL 1859;

26 (II) AFT HEALTHCARE-MARYLAND, AFT, AFL-CIO LOCAL
 27 5197; OR

28 (III) THE MARYLAND PROFESSIONAL EMPLOYEES
 29 COUNCIL/AFT/AFL-CIO LOCAL 6197.

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

1 (2) The following amounts shall be distributed to the following
2 jurisdictions:

3 (i) Allegany County – \$200,000;

4 (ii) Cecil County – \$130,000;

5 **(III) TOWN OF FOREST HEIGHTS – \$120,000;**

6 ~~[(iii)]~~ **(IV) Town of Perryville – \$70,000; and**

7 ~~[(iv)]~~ **(V) Worcester County – \$200,000.**

8 9–1A–37.

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

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

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

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

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

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

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

31 2. capital improvements at the video lottery facility.

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

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

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

8 2. earlier than July 1, 2019.

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

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

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

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

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

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

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

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

25 **Article – Transportation**

26 2-103.1.

27 (c) (6) For a major capital project to be considered for inclusion in the
28 construction program of the Consolidated Transportation Program, a request must be
29 submitted to the Secretary by the proposing entity along with a purpose and need summary
30 statement justifying the project that includes:

1 (i) The location of the project, including a map of the project limits,
2 project area, or transportation corridor;

3 (ii) The need for the project; [and]

4 (iii) A discussion of how the project:

5 1. Addresses State transportation goals; and

6 2. Supports local government land use plans and goals; AND

7 **(IV) A CERTIFICATION THAT ALL MEMBERS OF THE LEGISLATIVE**
8 **DELEGATION OF THE COUNTY IN WHICH THE PROJECT IS LOCATED HAVE BEEN**
9 **NOTIFIED.**

10 3-216.

11 (a) There is a Transportation Trust Fund for the Department.

12 (b) **(1) Except as otherwise expressly provided by statute AND PARAGRAPH (2)**
13 **OF THIS SUBSECTION, there shall be credited to the Transportation Trust Fund for the**
14 **account of the Department all taxes, fees, charges, and revenues collected or received by or**
15 **paid, appropriated, or credited to the account of the Department or any of its units in the**
16 **exercise of their rights, powers, duties, or obligations, including the cash proceeds of the sale**
17 **of consolidated transportation bonds, notes, or other evidences of obligation issued by the**
18 **Department, any General Fund appropriations, and the proceeds of any State loan or federal**
19 **grant made for transportation purposes.**

20 **(2) ANY REVENUES FROM AN INFORMATION TECHNOLOGY**
21 **AGREEMENT INVOLVING RESOURCE SHARING THAT ARE COLLECTED OR RECEIVED**
22 **BY OR PAID, APPROPRIATED, OR CREDITED TO THE ACCOUNT OF THE DEPARTMENT**
23 **OR ANY OF ITS UNITS SHALL BE DISTRIBUTED TO THE MAJOR INFORMATION**
24 **TECHNOLOGY DEVELOPMENT PROJECT FUND ESTABLISHED UNDER § 3A-309 OF**
25 **THE STATE FINANCE AND PROCUREMENT ARTICLE.**

26 Chapter 397 of the Acts of 2011, as amended by Chapter 425 of the Acts of 2013,
27 Chapter 464 of the Acts of 2014, Chapter 489 of the Acts of 2015, Chapter 23 of
28 the Acts of 2017, and Chapter 10 of the Acts of 2018

29 SECTION 16. AND BE IT FURTHER ENACTED, That, in addition to any other
30 revenue generated under § 19-214 of the Health – General Article, as amended by this Act:

31 (c) (1) For fiscal year 2015 and 2016, the Commission and the [Department of
32 Health and Mental Hygiene] **MARYLAND DEPARTMENT OF HEALTH** shall adopt policies

1 that will provide up to \$389,825,000 in special fund revenues from hospital assessment and
2 remittance revenue.

3 (2) For fiscal year 2017, the Governor shall reduce the budgeted Medicaid
4 Deficit Assessment by \$25,000,000 over the assessment level for the prior year.

5 (3) For fiscal year 2018, the budgeted Medicaid Deficit Assessment shall be
6 \$364,825,000.

7 (4) For fiscal year 2019, the budgeted Medicaid Deficit Assessment shall be
8 \$334,825,000.

9 (5) For fiscal year 2020, the budgeted Medicaid Deficit Assessment shall be
10 ~~[\$294,825,000] \$314,825,000~~ \$309,825,000.

11 (6) Beginning with the State budget submission for fiscal year 2021, the
12 Governor shall reduce the budgeted Medicaid Deficit Assessment annually by \$25,000,000
13 over the assessment level for the prior fiscal year.

14 (7) To the extent that the Commission takes other actions that reduce
15 Medicaid costs, those savings shall also be used to reduce the budgeted Medicaid Deficit
16 Assessment.

17 (8) To the maximum extent possible, the Commission and the [Department
18 of Health and Mental Hygiene] **MARYLAND DEPARTMENT OF HEALTH** shall adopt
19 policies that preserve the State's Medicare waiver.

20 **Chapter 489 of the Acts of 2015, as amended by Chapter 321 of the Acts of 2016**

21 SECTION 9. AND BE IT FURTHER ENACTED, That, notwithstanding any other
22 provision of law:

23 (c) (1) Except as provided in paragraph (2) of this subsection **AND SUBJECT**
24 **TO SUBSECTION (D) OF THIS SECTION**, the remaining fund balance obtained from the
25 federal Medicare program or the Medicaid program may be used in fiscal years 2016
26 through 2019 to support integrated care networks designed to reduce health care
27 expenditures and improve outcomes for unmanaged high-needs Medicare patients and
28 patients dually eligible for Medicaid and Medicare, consistent with the goals of Maryland's
29 all-payer model.

30 (2) \$90,000 of the remaining fund balance obtained from the federal
31 Medicare program or the Medicaid program may be used in fiscal years 2016 and 2017 to
32 support the remaining expenses of the Maryland Health Insurance Plan.

1 (D) (1) AT THE END OF FISCAL YEAR 2019, THE FUND BALANCE
 2 OBTAINED FROM THE FEDERAL MEDICARE PROGRAM OR THE MEDICAID PROGRAM
 3 SHALL BE NOT LESS THAN \$10,000,000.

4 (2) FOR FISCAL YEAR 2020, \$10,000,000 OF THE REMAINING FUND
 5 BALANCE OBTAINED FROM THE FEDERAL MEDICARE PROGRAM OR THE MEDICAID
 6 PROGRAM MAY BE USED BY THE MARYLAND DEPARTMENT OF HEALTH TO FUND
 7 PROVIDER REIMBURSEMENTS IN THE MEDICAID PROGRAM.

8 SECTION 2. AND BE IT FURTHER ENACTED, That the unexpended
 9 appropriation for a utilization review audit contract in Community Services (M00M01.02)
 10 within the Developmental Disabilities Administration in the Maryland Department of
 11 Health, that was included in the fiscal year 2019 operating budget (Chapter 570 of the Acts
 12 of 2018) is reduced by \$2,309,355 in federal funds and \$3,124,422 in general funds, which
 13 shall revert to the General Fund.

14 SECTION 3. AND BE IT FURTHER ENACTED, That the unexpended
 15 appropriation for a financial management services contract for self-directed services in
 16 Community Services (M00M01.02) within the Developmental Disabilities Administration
 17 in the Maryland Department of Health, that was included in the fiscal year 2019 operating
 18 budget (Chapter 570 of the Acts of 2018) is reduced by \$602,758 in federal funds and
 19 \$815,496 in general funds, which shall revert to the General Fund.

20 ~~SECTION 4. AND BE IT FURTHER ENACTED, That the unexpended~~
 21 ~~appropriation for residential per diems within the Department of Juvenile Services that~~
 22 ~~was included in the fiscal year 2019 operating budget (Chapter 570 of the Acts of 2018)~~
 23 ~~shall be reduced by \$4,000,000 in general funds.~~

24 SECTION 4. AND BE IT FURTHER ENACTED, That the unexpended appropriation
 25 for residential per diems within the Department of Juvenile Services that was included in
 26 the fiscal year 2019 operating budget (Chapter 570 of the Acts of 2018) shall be reduced by
 27 \$500,000 in general funds.

28 SECTION ~~5~~ 4 ~~5~~. AND BE IT FURTHER ENACTED, That the unexpended
 29 appropriation for correctional officer positions within the Department of Public Safety and
 30 Correctional Services that was included in the fiscal year 2019 operating budget (Chapter
 31 570 of the Acts of 2018) shall be reduced by ~~\$15,000,000~~ \$7,500,000 in general funds.

32 SECTION ~~6~~ 5 ~~6~~. AND BE IT FURTHER ENACTED, That the unexpended
 33 appropriation in the Medicaid program that was included in the fiscal year 2019 operating
 34 budget (Chapter 570 of the Acts of 2018) shall be reduced by \$25,000,000 in general funds.

35 SECTION ~~7~~ 6 ~~7~~. AND BE IT FURTHER ENACTED, That, notwithstanding any
 36 other provision of law, \$10,000,000 of the funds in the Economic Development
 37 Opportunities Account under § 7-314 of the State Finance and Procurement Article shall
 38 revert to the General Fund.

1 SECTION ~~8~~ 7 ~~8~~. AND BE IT FURTHER ENACTED, That the unexpended
2 appropriation for the Teacher Induction, Retention, and Advancement Pilot Program under
3 § 6-117.1 of the Education Article that was included in the fiscal year 2019 operating
4 budget (Chapter 570 of the Acts of 2018) shall be reduced by \$2,000,000 in general funds,
5 which shall revert to the General Fund.

6 ~~SECTION 9. 8. AND BE IT FURTHER ENACTED, That, notwithstanding any other~~
7 ~~provision of law, for fiscal year 2020 only, \$2,000,000 from the Maryland Trauma Physician~~
8 ~~Services Fund under § 19-130 of the Health General Article may be used for Medicaid~~
9 ~~provider reimbursements.~~

10 SECTION 9. AND BE IT FURTHER ENACTED, That the Governor is authorized to
11 process a budget amendment to appropriate \$15,766,919 in additional Education Trust
12 Fund revenues received in fiscal year 2020 as a result of the repeal of § 9-1A-37(c) of the
13 State Government Article as enacted by Section 1 of this Act. If Chapter (S.B.
14 1030/H.B. 1413) of the Acts of the General Assembly of 2019 takes effect, the special funds
15 may be appropriated only to provide additional funding for students with disabilities as
16 specified in Section 5 of Chapter (S.B. 1030/H.B. 1413) of the Acts of the General
17 Assembly of 2019.

18 SECTION 10. AND BE IT FURTHER ENACTED, That, notwithstanding § 7-311(i)
19 of the State Finance and Procurement Article or any other provision of law, for fiscal year
20 2020 only, and only as provided in the fiscal year 2020 operating budget bill, funds may be
21 transferred by budget amendment from the Revenue Stabilization Account established
22 under § 7-311 of the State Finance and Procurement Article and funds may be transferred
23 by budget amendment from the Dedicated Purpose Account established under § 7-310 of
24 the State Finance and Procurement Article and may be used for fiscal year 2020 for
25 purposes as specified in the fiscal year 2020 operating budget bill.

26 SECTION 11. AND BE IT FURTHER ENACTED, That, for fiscal year 2020, a
27 budget amendment to transfer funds from the Revenue Stabilization Account or the
28 Dedicated Purpose Account may be processed only in accordance with Section 10 of this Act
29 and the transferred funds may be used only for purposes as specified in the fiscal year 2020
30 operating budget bill.

31 SECTION 12. AND BE IT FURTHER ENACTED, That, on or before June 30, 2019,
32 the \$820,750 identified in the fiscal year 2018 closeout audit as being improperly retained
33 by the Field Operations Bureau (W00A01.02) within the Department of State Police shall be
34 credited to the General Fund.

35 SECTION 13. AND BE IT FURTHER ENACTED, That, notwithstanding any other
36 provision of law, for fiscal year 2021 only, the fees collected under § 1-203(b)(3)(ii) of the
37 Corporations and Associations Article shall be distributed as follows:

38 (1) the first \$66,250,000 shall be credited to the General Fund; and

1 (2) *the remainder shall be credited to the Commission on Innovation and*
2 *Excellence in Education Fund established under § 5-219 of the Education Article.*

3 SECTION ~~10.~~ ~~11.~~ 14. AND BE IT FURTHER ENACTED, That this Act shall take
4 effect June 1, 2019.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.