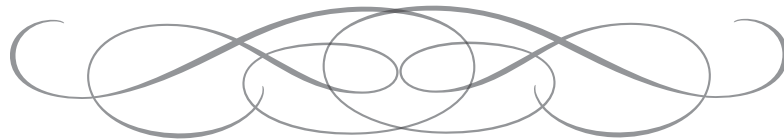


Report of the
House Appropriations Committee
to the Maryland House of Delegates



2013 SESSION



Recommendations, Reductions, and Summary of
Action Pertaining to:
House Bill 100

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Sara Jean Baker	College Savings Plans of Maryland Morgan State University State Board of Elections University System of Maryland Frostburg State University Overview Towson University University of Maryland Baltimore County
Mary E. Clapsaddle	Maryland General Assembly
Patrick S. Frank	Department of Budget and Management – Personnel Department of Information Technology Public Debt
Andrew D. Gray	Chesapeake Bay Overview Department of Agriculture Department of Natural Resources Department of Planning Maryland Department of the Environment Maryland Environmental Service
Garret T. Halbach	Maryland Higher Education Commission (MHEC) MHEC Scholarship Programs St. Mary's College of Maryland University System of Maryland Bowie State University Coppin University Salisbury University University of Maryland Eastern Shore University of Maryland University College
Richard H. Harris	Aid to Community Colleges Baltimore City Community College Department of Aging Department of Disabilities Department of Health and Mental Hygiene Chronic Disease Services Department of Veterans Affairs Higher Education Overview Maryland Health Insurance Plan Office of the Deaf and Hard of Hearing

Kate E. Henry	Department of Public Safety and Correctional Services Administration Criminal Injuries Compensation Board Maryland Parole Commission Operations Overview Police and Correctional Training Commissions Local Jails
David B. Juppe	Payments to Civil Divisions of the State State Reserve Fund
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Steven D. McCulloch	Department of Human Resources Family Investment Administration Overview Social Services Administration Maryland Department of Transportation Motor Vehicle Administration Secretary’s Office Washington Metropolitan Area Transit Authority Maryland Insurance Administration State Treasurer
Kyle A. McKay	Board of Public Works Department of General Services Department of Housing and Community Development Governor’s Office for Children and Interagency Fund
Erin K. McMullen	Department of Health and Mental Hygiene Developmental Disabilities Administration Health Professional Boards and Commission Health Systems and Infrastructure Administration Office of Health Care Quality Prevention and Health Promotion Administration Public Health Administration

Jordan D. More

Judiciary
Maryland Tax Court
Office of Administrative Hearings
Office of the Attorney General
Office of the Public Defender
Office of the State Prosecutor
State Department of Assessments and Taxation
Workers' Compensation Commission

Simon G. Powell

Department of Health and Mental Hygiene
Administration
Alcohol and Drug Abuse Administration
Cigarette Restitution Fund
Health Regulatory Commissions
Medical Care Programs Administration
Mental Hygiene Administration
Overview
Maryland Health Benefit Exchange

Michael C. Rubenstein

Maryland Supplemental Retirement Plans
State Retirement Agency

Rebecca J. Ruff

Department of Juvenile Services

Rachel N. Silberman

Interagency Committee on School Construction
Maryland Public Broadcasting Commission
Maryland School for the Deaf
Maryland State Department of Education
Aid to Education
Early Childhood Development
Funding for Educational Organizations
Headquarters

Jody J. Sprinkle

Department of Business and Economic Development
Department of Labor, Licensing, and Regulation
Business Regulation
Workforce Development
Maryland African American Museum Corporation
Maryland Economic Development Corporation
Maryland Stadium Authority
Maryland Technology Development Corporation
State Lottery and Gaming Control Agency

Laura M. Vykol

Comptroller of Maryland
Department of State Police
Executive Department
Boards, Commissions, and Offices
Governor
Governor's Office of Crime Control and Prevention
Maryland Emergency Medical System Operations Fund
Maryland Institute for Emergency Medical Services Systems
Military Department
State Archives

Tonya D. Zimmerman

Department of Human Resources
Administration
Child Support Enforcement
Office of Home Energy Programs
Maryland Commission on Civil Rights
Maryland Energy Administration
Office of People's Counsel
Public Service Commission
Secretary of State

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House Appropriations Committee – Reductions

Agency	General Funds	Special Funds	Federal Funds	Higher Education Funds	Total Funds	Positions
2014 Budget Request						
General Assembly	\$94,294	\$0	\$0	\$0	\$94,294	
Judiciary	4,124,700	0	0	0	4,124,700	28.0
Maryland Energy Administration pay-as-you-go (PAYGO)	4,500,000	0	0	0	4,500,000	
Maryland Commission on Civil Rights	61,822	0	14,578	0	76,400	
Department of Planning	13,846	0	0	0	13,846	
Comptroller of Maryland	12,500	3,000	0	0	15,500	
State Lottery and Gaming Control Agency	0	366,000	0	0	366,000	
Department of Budget and Management – Personnel	80,000	0	0	0	80,000	
Department of Information Technology	207,000	0	0	0	207,000	
Maryland Department of Transportation (MDOT) – Maryland Port Administration	0	92,494	0	0	92,494	
MDOT Maryland Transit Administration	0	1,500,000	0	0	1,500,000	
Department of Natural Resources	1,217,000	0	0	0	1,217,000	
Department of Natural Resources PAYGO	0	71,091,338	0	0	71,091,338	
Department of Agriculture PAYGO	0	18,107,000	0	0	18,107,000	
Department of Health and Mental Hygiene (DHMH) – Administration	186,000	0	42,905	0	228,905	3.0
DHMH – Health Professional Boards and Commission	0	91,000	0	0	91,000	
DHMH – Mental Hygiene Administration	1,550,000	0	0	0	1,550,000	
DHMH – Medical Care Programs Administration	14,950,000	250,000	25,250,000	0	40,450,000	

House Appropriations Committee – Reductions

Agency	General Funds	Special Funds	Federal Funds	Higher Education Funds	Total Funds	Positions
Department of Human Resources – Child Support Enforcement	0	476,000	924,000	0	1,400,000	
Department of Public Safety and Correctional Services (DPSCS) – Administration	0	0	0	0	0	4.0
DPSCS – Operations	300,000	0	0	0	300,000	
Maryland State Department of Education (MSDE) – Headquarters	1,462,991	0	0	0	1,462,991	
MSDE – Aid to Education	4,780,649	0	0	0	4,780,649	
MSDE – Funding for Educational Organizations	0	1,100,000	0	0	1,100,000	
University of Maryland, College Park	0	0	0	500,000	500,000	
Maryland Higher Education Commission	310,712	0	0	0	310,712	
Aid to Community Colleges	1,567,336	0	0	0	1,567,336	
State Support for Higher Education Institutions	4,808,763	0	0	0	4,808,763	
Baltimore City Community College	0	0	0	308,763	308,763	
Department of Business and Economic Development	1,850,000	2,000,000	0	0	3,850,000	
Department of Juvenile Services	0	0	721,528	0	721,528	
Public Debt	18,000,000	0	0	0	18,000,000	
State Reserve Fund	270,000,000	0	0	0	270,000,000	
<i>Subtotal Fiscal 2014 Regular Budget</i>	<i>\$330,077,613</i>	<i>\$95,076,832</i>	<i>\$26,953,011</i>	<i>\$808,763</i>	<i>\$452,916,219</i>	<i>35.0</i>
Fiscal 2014 Total Budget	\$330,077,613	\$95,076,832	\$26,953,011	\$808,763	\$452,916,219	35.0

LXX.

House Appropriations Committee – Reductions

Agency	General Funds	Special Funds	Federal Funds	Higher Education Funds	Total Funds	Positions
Fiscal 2013 Deficiency Budget						
DHMH – Health Professional Boards and Commission	0	468,000	0	0	468,000	
DHMH – Medical Care Programs Administration	30,700,000	0	30,700,000	0	61,400,000	
<i>Subtotal Fiscal 2013 Deficiency Budget</i>	<i>\$30,700,000</i>	<i>\$468,000</i>	<i>\$30,700,000</i>	<i>\$0</i>	<i>\$61,868,000</i>	
Total Fiscal 2013 Deficiency Budget	\$30,700,000	\$468,000	\$30,700,000	\$0	\$61,868,000	
Grand Total Budget Bill	\$360,777,613	\$95,544,832	\$57,653,011	\$808,763	\$514,784,219	35.0

C00A
Judiciary

Budget Amendments

Add the following language:

Provided that 31 positions and \$3,224,902 in general funds are contingent upon the enactment of HB 83 or SB 239.

Explanation: This action makes the funding of these positions contingent upon the enactment of HB 83 or SB 239 increasing the number of judges in the State. Included in this amount are 31 new positions as well as 4 contractual bailiff full-time equivalents and supply costs, which will support the creation of 5 circuit court, 4 District Court, and 2 Court of Special Appeals judges.

Amendment No.

1

Add the following language:

Further provided that a \$598,481 general fund reduction is made and 12 new positions are abolished.

Explanation: This action abolishes 12 new regular positions within the Judiciary's request across the following programs: the Court of Appeals (1); the Court of Special Appeals (4); District Court (4); the Administrative Office of the Courts (1); and the Judicial Information Systems (2). These positions are being denied because they do not meet the Spending Affordability Committee's criteria for new positions.

Amendment No.

2

Add the following language:

Further provided that a \$297,535 general fund reduction is made and the conversion of 16 positions denied.

Explanation: This action disallows the conversion of 16 contractual positions from becoming regular positions within the Judiciary's request. These positions are being denied because they do not meet the Spending Affordability Committee's criteria for contractual conversions.

Amendment No.

3

C00A

Add the following language:

Further provided that a \$2,353,940 general fund reduction is made for operating expenditures.

Explanation: This action reduces the Judiciary's fiscal 2014 allowance for operating expenses.

Amendment No.

4

JUDICIARY

C00A00.04 District Court

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Eliminate funding for 17 full-time equivalents for new bailiffs. These funds were requested so the Judiciary could staff each courtroom with at least 2 bailiffs. Vacancies should be used to fulfill this requirement.	473,994 GF	
Total Reductions	473,994	0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	1,422.50	1,422.50		0.00
General Fund	155,661,410	155,187,416	473,994	
Total Funds	155,661,410	155,187,416	473,994	

Amendment No.

5

C00A00.06 Administrative Office of the Courts

Add the following language to the general fund appropriation:

, provided that \$1,000,000 may not be expended unless:

- (1) the Judiciary and the Department of Human Resources (DHR) have taken corrective action with respect to the finding in the DHR audit concerning the electronic exchange of data for the purpose of license suspensions on or before January 1, 2014; and

C00A

(2) a report is submitted to the budget committees by the Office of Legislative Audits with a determination that this finding was corrected. The budget committees shall have 45 days to review and comment from the date of submission of the report.

Explanation: This action withholds general funds from the Judiciary until the Office of Legislative Audits reports that there is an operational electronic exchange of data on attorneys between the Judiciary and DHR for the purpose of license suspensions in cases where attorneys are delinquent on child support payments.

Information Request	Author	Due Date
Resolution of audit finding concerning electronic attorney exchange data	OLA	Prior to expenditure of funds

Amendment No.

6

C80B
Office of the Public Defender

Committee Narrative

Impact of the Richmond Decision: It is in the intent of the budget committees, should the Court of Appeals find it in favor of the plaintiffs and order that indigent defendants have a constitutional right to representation for all initial appearances, that the Office of the Public Defender (OPD), along with the Judiciary and the Department of Public Safety and Correctional Services (DPSCS), submit a report detailing the costs to the State for complying with this decision. This report should include both operating and capital expenditure estimates that would be required as a result of the court's decision. This report should be delivered 90 days following a reported decision from the Court of Appeals.

Information Request	Authors	Due Date
Operating and capital impacts of the Richmond decision	OPD DPSCS Judiciary	As needed

Resolution of Audit Findings: It is the intent of the budget committees that the Office of the Public Defender (OPD) provides the budget committees with an update on the resolution of the findings contained within the fiscal compliance audit from the Office of Legislative Audits from February 2011. In particular, this report should contain information on how specific procedures and practices have been adjusted, including individual income and expense verification, in order to more accurately determine the eligibility of defendants for representation by OPD.

Information Request	Author	Due Date
Update on resolution of audit findings	OPD	November 1, 2013

C90G
Public Service Commission

Committee Narrative

PUBLIC SERVICE COMMISSION

C90G00.01 General Administration and Hearings

Outcome of the Review of Energy Assistance Programs: The Public Service Commission (PSC) began a comprehensive review of Maryland’s energy assistance programs in calendar 2012. The review is expected to include the overall funding level of the programs including the Electric Universal Service Program (EUSP), which will factor into the ratepayer surcharge paid by customers for EUSP. PSC indicates that the issue of the recent overcollections of the EUSP surcharge will be part of this review. The budget committees request that PSC submit a report on the status or outcome of the review. The report should include steps that the PSC plans to take to limit overcollections of the EUSP surcharge or any customer surcharge that results from an alternative energy assistance program proposed through the review.

Information Request	Author	Due Date
Outcome of the review of energy assistance programs in Maryland	PSC	December 15, 2013

D05E
Board of Public Works

Committee Narrative

Operational Reporting: In continuance of the practice that began in July 2008, the committees request that the Maryland Zoological Society submit:

- audited financial statements for fiscal 2014; and
- year-to-date monthly attendance figures for the zoo for fiscal 2013 (by visitor group).

Information Request	Author	Due Date
Audited financials	Maryland Zoological Society	November 1, 2013
Attendance reports	Maryland Zoological Society	Monthly

Operational Reporting: The committees request that the Maryland Academy of Science, doing business as the Maryland Science Center, submit audited financial statements for the Maryland Academy of Science for fiscal 2013.

Information Request	Author	Due Date
Audited financials	Maryland Academy of Science	November 1, 2013

Report on Contract Modifications: The Board of Public Works (BPW) shall submit a report to the budget committees by December 1, 2013, that identifies contract modifications approved by BPW in calendar 2012 that represent an amount greater than 50% of the original base cost of the contract previously approved by BPW.

Information Request	Author	Due Date
Report on contract modifications	BPW	December 1, 2013, and annually thereafter

D06E
Board of Public Works – Capital Appropriation

Committee Narrative

D06E02.02 Public School Capital Appropriation

Report on School Security Improvement Funds: The committees are interested in ensuring that school security improvement funds are distributed in an equitable way that maximizes the use of funds to address school security deficiencies across the State. The committees request that the Interagency Committee on School Construction (IAC) submit a report on how the \$25,000,000 pay-as-you-go appropriation will be distributed and how each local education agency (LEA) plans to partner with the appropriate local public safety organizations and the Maryland Center for School Safety to identify and prioritize projects to address school security risks. IAC should also submit a report to the committees identifying projects that have received or are proposed to receive funds. The report on how funds will be distributed and on how LEAs plan to partner with local law enforcement should be submitted to the committees by June 1, 2013. An interim report on funded and proposed projects should be submitted to the committees by December 1, 2013, and a final report on funded projects should be submitted by December 1, 2014.

Information Request	Author	Due Date
Report on school security improvements distribution and LEA plans to partner with local law enforcement to identify and prioritize projects	IAC	June 1, 2013
Interim report on funded and proposed school security improvement projects	IAC	December 1, 2013
Final report on funded school security improvement projects	IAC	December 1, 2014

D13A
Executive Department
Maryland Energy Administration

Committee Narrative

D13A13.02 The Jane E. Lawton Conservation Loan Program – Capital Appropriation

Jane E. Lawton Conservation Loan Program Improvements: In the four years that the Jane E. Lawton Conservation Loan Program (JELLP) has been operational, the Maryland Energy Administration (MEA) has only awarded loans to projects to encumber/expend 26.3% of the funds available to the program, net of cancelled encumbrances. The budget committees are concerned about the underutilization of the program. The budget committees request that MEA report on (1) the types of projects and organizations that qualify for funding; (2) the criteria used for awarding loans; (3) barriers to program participation; (4) steps the agency plans to take to improve participation in the program; (5) planned outreach; and (5) a timeline for anticipated improvements in participation in the program.

Information Request	Author	Due Date
Report on steps to improve the JELLP	MEA	October 1, 2013

Budget Amendments

D13A13.04 Maryland Energy Efficiency Grant Program

Add the following language to the general fund appropriation:

, provided that the Commercial and Industrial Sector Deep Retrofit Grant Program shall be expended only on a matching fund basis and that the State share of the project may equal no more than 50% of the total estimated project cost net of utility rebates.

Further provided that \$4,500,000 of this appropriation made for the purpose of the Commercial and Industrial Deep Retrofit Grant Program may not be expended until the Maryland Energy Administration submits a report to the budget committees on:

- (1) the process for selecting grantees, including how projects were ranked based on energy savings and leveraging opportunities;
- (2) the list of grantees; and
- (3) the leveraging of funds associated with each grant.

D13A

The budget committees shall have 45 days from the receipt of the report to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

Explanation: The Commercial and Industrial Deep Retrofit Grant Program is a new initiative in the fiscal 2014 budget, which will provide funding for deep retrofits for the commercial and industrial sector. The Maryland Energy Administration (MEA) indicates that this program is expected to support only a portion of the cost of the program, between 20 and 50% of the total estimated project cost net of utility rebates. This language requires the grants to be provided on a matching fund basis with the State share equal to no more than 50% of the total estimated project cost net of utility rebates. The language withholds the \$4.5 million appropriation until a report is submitted on the process for selecting grantees, including the ranking process, the list of grantees, and the leveraging of funds associated with each grant.

Information Request	Author	Due Date
Report on grantees for the Commercial and Industrial Sector Deep Retrofit Grant Program	MEA	45 days before the release of funds

Amendment No.

7

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Reduce funds for Commercial and Industrial Deep Retrofit Grant program. This program is expected to pay a portion of the cost of deep energy retrofits undertaken by the commercial and industrial sector as part of larger facility upgrades. The Maryland Energy Administration has an existing loan program which could serve these customers. In addition, the existing loan program has been unable to award, encumber, and expend funds for loans equal to its appropriation indicating that there may not be a sufficient number of projects to use these funds.	4,500,000 GF	
Total Reductions	4,500,000	0.00

D13A

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
General Fund	11,700,000	7,200,000	4,500,000	
Total Funds	11,700,000	7,200,000	4,500,000	

Amendment No.

8

D15A0516
Executive Department
Governor's Office of Crime Control and Prevention

Committee Narrative

BOARDS, COMMISSIONS, AND OFFICES

D15A05.16 Governor's Office of Crime Control and Prevention

Provide Sworn Officer Information in State Aid for Police Protection Fund Annual Report:

As set forth in Article 41 of the Annotated Code of Maryland, the Governor's Office of Crime Control Prevention (GOCCP) reports annually to the Maryland General Assembly on the progress and relevant fiscal information of the State Aid for Police Protection (SAPP) Fund. SAPP funding is distributed to local jurisdictions annually based on a variety of factors, including the number of sworn officers. Given that the number of sworn officers in each jurisdiction is a factor in determining the allocation of aid to municipalities, GOCCP shall be required to provide sworn officer information in each annual SAPP report. The budget committees request this information be provided beginning with the fiscal 2012 SAPP report.

Information Request	Author	Due Date
Sworn officer counts in SAPP report	GOCCP	Annually

D18A
Governor’s Office for Children

Committee Narrative

D18A18.01 Governor’s Office for Children

Out-of-home Placements: To facilitate evaluation of Maryland’s family preservation programs in stemming the flow of children from their homes, the Governor’s Office for Children (GOC), on behalf of the Children’s Cabinet, is requested to prepare and submit to the budget committees a report on out-of-home placements containing data on the total number of out-of-home placements and entries by jurisdiction over the previous three years and similar data on out-of-state placements. The report should also provide information on the costs associated with out-of-home placements, the reasons for new placements, and an evaluation of data derived from the application of the Maryland Family Risk Assessment. Data should also be collected concerning indicated findings of child abuse and neglect occurring while families are receiving family preservation services or within one year of case closure. Each agency or administration that funds or places children and youth in out-of-home placements is requested to work closely with GOC and comply with any data requests necessary for the production of the report. The report should be submitted to the committees by December 15, 2013.

Information Request	Author	Due Date
Report on out-of-home placements	GOC	December 15, 2013

D25E
Board of Public Works
Interagency Committee for School Construction

Budget Amendments

D25E03.01 General Administration

Add the following language to the general fund appropriation:

, provided that \$50,000 of this appropriation made for the purpose of General Administration may not be expended until the Interagency Committee for School Construction submits fiscal 2011 and 2012 annual maintenance reports to the budget committees. The reports shall be submitted by September 2, 2013, and the budget committees shall have 45 days to review and comment. Funds restricted pending the receipt of the reports may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the reports are not submitted to the budget committees.

Explanation: This language restricts \$50,000 in general funds in the Interagency Committee for School Construction (IAC) budget for general administration until the IAC submits fiscal 2011 and 2012 annual maintenance reports to the budget committees.

Information Request	Author	Due Date
Fiscal 2011 annual maintenance report	IAC	September 2, 2013
Fiscal 2012 annual maintenance report	IAC	September 2, 2013

Amendment No.

9

D27L
Maryland Commission on Civil Rights

Budget Amendments

D27L00.01 General Administration

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Increase turnover expectancy to 6%. As of December 31, 2012, the Maryland Commission on Civil Rights had 5.10 vacant positions. A turnover expectancy of 6% will require 2.07 positions to be vacant in fiscal 2014.	61,822 GF 14,578 FF	
Total Reductions	76,400	0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	34.50	34.50		0.00
General Fund	2,514,893	2,453,071	61,822	
Federal Fund	687,188	672,610	14,578	
Total Funds	3,202,081	3,125,681	76,400	

Amendment No.

10

D38I
State Board of Elections

Budget Amendments

Add the following language:

It is the intent of the General Assembly that funding for the purpose of procuring a new Optical Scan Voting System as authorized by Chapter 428 of the Acts of the General Assembly of 2009 be provided in fiscal 2015.

Explanation: The language expresses the intent of the General Assembly that funding be provided in fiscal 2015 for the procurement of a new Optical Scan Voting System.

Amendment No.

11

D38I01.01 General Administration

Add the following language to the general fund appropriation:

, provided that \$25,000 of this appropriation may not be expended until the State Board of Elections submits a report to the budget committees on the progress made to resolve the security issues related to the online voter registration system. The report shall be submitted to the budget committees by December 15, 2013. The budget committees shall have 45 days to review and comment on the report. Funds restricted pending receipt of the report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted.

Explanation: The language restricts \$25,000 of the State Board of Elections general fund appropriation until a report is submitted on the progress being made to resolve security issues related to the online voter registration. The committees are particularly concerned about the use of the Motor Vehicle Administration driver's license number to verify the authenticity of the online application. Given that the license number is generated using a publicly available algorithm, the system is vulnerable to tampering in which a person's address, party affiliation or other information could be changed, resulting in a voter's ballot not being counted normally on Election Day.

Information Request	Author	Due Date
Report on resolution of online registration security issues	SBE	December 15, 2013

Amendment No.

12

D40W
Department of Planning

Budget Amendments

D40W01.01 Administration

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Reduce funding to reflect 25% turnover for the proposed new program manager IV position. The current budgeted level of turnover is 10%.	13,846	GF
 Total Reductions	 13,846	 0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	30.00	30.00		0.00
General Fund	2,889,090	2,875,244	13,846	
Total Funds	2,889,090	2,875,244	13,846	

Amendment No.

13

D60A
State Archives

Committee Narrative

Pursue Electronic Record Storage of State Agency Permanent Records: It is the intent of the budget committees that the Maryland State Archives (MSA) shall pursue, to the greatest extent possible, electronic record storage of State agency permanent records. MSA should review the current record retention schedule and make changes as needed to encourage State agencies to submit permanent records in electronic format, thereby reducing the physical space needed to store permanent records and relieving ongoing stress on storage space.

Request Funds to Conduct a Conditions Assessment and Begin Conservation of the Peabody Art Collection: It is the intent of the budget committees that the Maryland State Archives (MSA) shall request funding in fiscal 2015 to conduct a conditions assessment of the Peabody Art Collection and then submit to the budget committees a cost estimate to restore the collection. In addition, MSA shall submit a preliminary plan on targeted items to the budget committees by December 1, 2013.

Information Request	Author	Due Date
Preliminary plan, including a priority list and cost estimate for conservation of targeted items	MSA	December 1, 2013

D79Z
Maryland Health Insurance Plan

Committee Narrative

Report on Transition of Members to the Maryland Health Benefit Exchange: On January 1, 2014, members of the Maryland Health Insurance Plan (MHIP) will be able to find coverage in a new health benefit exchange, where people cannot be denied coverage for preexisting conditions. MHIP has indicated that about one-third of current members will transition on the first day, and remaining members will not be able to reenroll in MHIP if they drop coverage after that date. Instead, they will have to seek coverage in the Maryland Health Benefit Exchange (MHBE). However, a significant number of people may still be enrolled in MHIP when it ends coverage. MHIP and MHBE should submit a report outlining how members will transition from MHIP into the exchange, including how MHIP enrollees will be made aware of the change, assistance that will be available for them, and if any funding will be required.

Information Request	Authors	Due Date
Plans for transitioning members from MHIP to MHBE	MHIP MHBE	October 1, 2013

Report on the State Reinsurance Program: The Maryland Health Progress Act (MHPA) of 2013 continues the State's reform of health care and implementation of the federal Patient Protection and Affordable Care Act. However, there are still many issues left to be decided, including the State Reinsurance Program (SRP). The legislation does not outline how it will operate other than state that funding from the Maryland Health Insurance Plan (MHIP) fund balance and its hospital assessment revenue may be used to support it. Reinsurance is intended to reduce premium costs by providing subsidies for high-cost individuals, though it is unknown how much SRP will cost or how it will be structured. MHIP and the Maryland Health Benefit Exchange (MHBE) should submit a report on plans for SRP as it develops. In addition to a general outline of how SRP will operate, the report should discuss:

- how it will interact with the federal reinsurance program lasting from January 2014 to January 2016;
- if SRP will need to continue past 2016;
- how much reinsurance is expected to cost; and
- where funding will come from if the MHIP fund balance and hospital assessment revenue are not sufficient.

D79Z

Information Request	Authors	Due Date
Report on the State Reinsurance Program	MHBE MHIP	December 1, 2013

E00A
Comptroller of Maryland

Budget Amendments

BUREAU OF REVENUE ESTIMATES

E00A03.01 Estimating of Revenues

Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. Reduce funding for newspaper advertising by \$3,500 for revenue estimates. This funding is no longer needed to advertise for specific positions that have already been filled.	3,500	GF
 Total Reductions	 3,500	 0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	6.00	6.00		0.00
General Fund	847,196	843,696	3,500	
Total Funds	847,196	843,696	3,500	

Amendment No.

14

REVENUE ADMINISTRATION DIVISION

E00A04.01 Revenue Administration

Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. Reduce funding for subscriptions by a total of \$6,000 (\$2,000 for the Revenue Administration and \$4,000 for the Field Enforcement Division) based on fiscal 2012 actual expenditures.	2,000	GF
 Total Reductions	 2,000	 0.00

E00A

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	378.60	378.60		0.00
General Fund	27,656,292	27,654,292	2,000	
Special Fund	4,961,415	4,961,415	0	
Total Funds	32,617,707	32,615,707	2,000	

Amendment No.

15

COMPLIANCE DIVISION

E00A05.01 Compliance Administration

Strike the following language from the special fund appropriation:

~~provided that this appropriation shall be reduced by \$500,000 contingent upon the enactment of legislation to repeal the provisions of law related to the current notification procedure for abandoned property including the requirement to advertise abandoned property in local newspapers on an annual basis.~~

Explanation: This action strikes language that would have reduced special funds within the Compliance Division contingent upon the enactment of legislation altering the agency's procedure for abandoned property notifications.

Amendment No.

16

FIELD ENFORCEMENT DIVISION

E00A06.01 Field Enforcement Administration

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Reduce funding for overtime for the Field Enforcement Division by \$6,000 to reflect average overtime expenditures for fiscal 2010 and 2011. The Comptroller is authorized to allocate this reduction across the agency.	3,000 GF 3,000 SF	

E00A

2. Reduce funding for subscriptions by a total of \$6,000 (4,000 GF) (\$2,000 for the Revenue Administration and \$4,000 for the Field Enforcement Division) based on fiscal 2012 actual expenditures.
- Total Reductions 10,000 0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	55.00	55.00		0.00
General Fund	2,495,550	2,488,550	7,000	
Special Fund	2,871,175	2,868,175	3,000	
Total Funds	5,366,725	5,356,725	10,000	

Amendment No.

17

E75D
State Lottery and Gaming Control Agency

Budget Amendments

E75D00.01 Administration and Operations

Add the following language to the special fund appropriation:

, provided that no portion of this appropriation may be expended for the implementation of the sales of traditional lottery games over the Internet until the State Lottery and Gaming Control Agency reports to the budget committees on a proposed platform and regulatory structure for a program of online sales. The budget committees shall have 45 days to review and comment on the report. Further, before the State Lottery and Gaming Control Agency promulgates regulations to authorize the sale of traditional lottery games over the Internet, the agency shall (1) solicit the input of all licensed lottery agents; and (2) conduct a public hearing. The date of the public hearing shall be conspicuously posted on the agency's Web site at least 30 days prior to the hearing date.

Further provided that no portion of this appropriation may be expended for the implementation of the sales of traditional lottery games over the Internet until the Legislative Policy Committee has had 45 days to review and comment on the report submitted to the budget committees.

Explanation: This language restricts funds until the State Lottery and Gaming Control Agency submits a report on its plans to develop the sale of traditional lottery games over the Internet. The language also prohibits the agency from pursuing a plan to develop sales over the Internet until the Legislative Policy Committee has had an opportunity for review and comment.

Information Request	Author	Due Date
Report on platform and regulatory structure of online sales	State Lottery and Gaming Control Agency	45 days prior to the release of funds

Amendment No.

18

E75D

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Delete funds to complete studies and an architectural design for an iLottery website.	366,000	SF
Total Reductions	366,000	0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	166.50	166.50		0.00
Special Fund	56,314,446	55,948,446	366,000	
Total Funds	56,314,446	55,948,446	366,000	

Amendment No.

19

F10A
Department of Budget and Management

Budget Amendments

OFFICE OF PERSONNEL SERVICES AND BENEFITS

F10A02.01 Executive Direction

	<u>Funds</u>	<u>Positions</u>
Reduce appropriation for the purposes indicated:		
1. Delete unassigned funds. These funds budgeted for reclassifications are not assigned to any specific planned reclassification. It is recommended that the funds be deleted.	20,000	GF
 Total Reductions	 20,000	 0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	17.00	17.00		0.00
General Fund	1,773,524	1,753,524	20,000	
Total Funds	1,773,524	1,753,524	20,000	

Amendment No.

20

F10A02.06 Division of Classification and Salary

	<u>Funds</u>	<u>Positions</u>
Reduce appropriation for the purposes indicated:		
1. Delete unassigned funds. These funds budgeted for reclassifications are not assigned to any specific planned reclassification. It is recommended that the funds be deleted.	40,000	GF
 Total Reductions	 40,000	 0.00

F10A

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	24.50	24.50		0.00
General Fund	2,135,997	2,095,997	40,000	
Total Funds	2,135,997	2,095,997	40,000	

Amendment No.

21

F10A02.07 Division of Recruitment and Examination

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Delete unassigned funds. These funds budgeted for reclassifications are not assigned to any specific planned reclassification. It is recommended that the funds be deleted.	20,000 GF	
Total Reductions	20,000	0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	19.00	19.00		0.00
General Fund	1,754,797	1,734,797	20,000	
Total Funds	1,754,797	1,734,797	20,000	

Amendment No.

22

F50
Department of Information Technology

Budget Amendments

OFFICE OF INFORMATION TECHNOLOGY

F50B04.01 State Chief of Information Technology

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Increase the department's turnover rate to 5%. Since January 2010, the vacancy rate has been approximately 20%. From 2005 to 2010, the vacancy rate was routinely over 5%. In February 2013, there are 28.5 vacant positions, even though 10.0 vacant positions were abolished in January 2013. The agency received substantial increases in salaries, which should reduce vacancies. Nonetheless, experience suggests that it will be difficult to reduce the rate below 5% in a matter of months. Increasing the turnover rate by 5% reduces the budget by approximately \$179,000. Since general funds are 60% of turnover, the general fund reduction is \$107,000.	107,000	GF
Total Reductions	107,000	0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	20.00	20.00		0.00
General Fund	2,640,178	2,533,178	107,000	
Federal Fund	300,000	300,000	0	
Total Funds	2,940,178	2,833,178	107,000	

Amendment No.

23

F50

F50B04.02 Enterprise Information Systems

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Reduce funds for the enterprise architect contract. The agency deleted 1 regular position. To do the work of an enterprise architect, the department will receive \$255,000 for to hire a contractor to do this work. This is an important position for the central information technology organization to have. Reducing the appropriation by \$100,000 leaves \$155,000 for an enterprise architect. The department should reclassify the position instead of hiring a contractor. The department is authorized to use contractors until the position has been filled.	100,000	GF
Total Reductions	100,000	0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	36.00	36.00		0.00
General Fund	3,626,734	3,526,734	100,000	
Total Funds	3,626,734	3,526,734	100,000	

Amendment No.

24

Committee Narrative

Strategy for the Use of Contractors and State Personnel: The Department of Information Technology (DoIT) relies heavily on outside contractors. So much so that the amount budgeted for contractors is many times larger than the amount budgeted for the department's personnel. A key advantage is that using them can keep the State more nimble. The State also has difficulty keeping positions filled. However, the State also needs employees to manage contracts, and some responsibilities are most appropriately performed by State employees. DoIT should develop a strategy that identifies which functions are best for contractors and which are best for State employees. In developing this strategy, the department should review best practices, as well as policies and practices of the other states with central IT agencies. This report should be completed by November 27, 2013.

F50

Information Request

Author

Due Date

Strategy for the use of
contractors and State
personnel

DoIT

November 27, 2013

H00
Department of General Services

Committee Narrative

Report on Information Technology Renewal Plan: The budget committees are concerned that the Department of General Services (DGS) has a number of pressing information technology (IT) needs. Many of the department’s software and hardware systems are antiquated and impede daily operations and present risks to the functioning of the agency. In order to begin addressing these needs, DGS shall submit a report by August 15, 2013, outlining the department’s IT needs and the cost associated with each need and associated project. The report shall include:

- a description of the specific needs of the department, including but not limited to the needs associated with improving the redundancy of the system, establishing broadband access throughout DGS facilities, providing updated desktop and laptop equipment to DGS employees, and developing medium and high priority business applications;
- a preliminary cost estimate for each of the projects and needs identified;
- an estimate of the operational risks created by the antiquated aspects of the current IT system;
- an estimate of the lost productivity created by the current IT system, including an estimate for the number of hours of lost productivity, preferably estimated using a sample survey of DGS employees; and
- the status of a comprehensive IT renewal plan, and to the extent available, details of the plan.

Information Request	Author	Due Date
Report on IT plan	DGS	August 15, 2013

J00
Department of Transportation

Budget Amendments

Add the following language:

Provided that it is the intent of the General Assembly that projects and funding levels appropriated for capital projects, as well as total estimated project costs within the Consolidated Transportation Program (CTP), shall be expended in accordance with the plan approved during the legislative session. The department shall prepare a report to notify the budget committees of the proposed changes in the event the department modifies the program to:

- (1) add a new project to the construction program or development and evaluation program meeting the definition of a “major project” under Section 2-103.1 of the Transportation Article that was not previously contained within a plan reviewed in a prior year by the General Assembly and will result in the need to expend funds in the current budget year;
or
- (2) change the scope of a project in the construction program or development and evaluation program meeting the definition of a “major project” under Section 2-103.1 of the Transportation Article that will result in an increase of more than 10% or \$1,000,000, whichever is greater, in the total project costs as reviewed by the General Assembly during a prior session.

For each change, the report shall identify the project title, justification for adding the new project or modifying the scope of the existing project, current year funding levels, and the total project cost as approved by the General Assembly during the prior session compared with the proposed current year funding and total project cost estimate resulting from the project addition or change in scope.

Further provided that notification of project additions, as outlined in item (1) above; changes in the scope of a project, as outlined in item (2) above; or moving projects from the development and evaluation program to the construction program, shall be made to the General Assembly 45 days prior to the expenditure of funds or the submission of any contract for approval to the Board of Public Works.

Explanation: This annual budget bill language requires the department to notify the budget committees of proposed changes to the transportation capital program that will add a new project that was not in the fiscal 2013-2018 CTP or will increase a total project’s cost by more than 10% or \$1 million, due to a change in scope. Reports are to be submitted with the draft and final versions of the CTP, with each using the 2013 session CTP as the basis for comparison. In addition, notification is required as needed throughout the budget year, if certain changes to projects are made.

J00

Information Request	Author	Due Date
Capital budget changes from one CTP version to the next	Maryland Department of Transportation	With draft CTP and with final CTP
Capital budget changes throughout the year	Maryland Department of Transportation	45 days prior to the expenditure of funds or seeking Board of Public Works approval

Amendment No.

25

Add the following language:

The Maryland Department of Transportation (MDOT) may not expend funds on any job or position of employment approved in this budget in excess of 8,734.50 positions and 131.41 contractual full-time equivalents paid through special payments payroll (defined as the quotient of the sum of the hours worked by all such employees in the fiscal year divided by 2,080 hours) of the total authorized amount established in the budget for MDOT at any one time during fiscal 2014. The level of contractual full-time equivalents may be exceeded only if MDOT notifies the budget committees of the need and justification for additional contractual personnel due to:

- (1) business growth at the Helen Delich Bentley Port of Baltimore or Baltimore/Washington International Thurgood Marshall Airport that demands additional personnel; or
- (2) emergency needs that must be met, such as transit security or highway maintenance.

The Secretary shall use the authority under Sections 2-101 and 2-102 of the Transportation Article to implement this provision. However, any authorized job or position to be filled above the regular position ceiling approved by the Board of Public Works shall count against the Rule of 100 imposed by the General Assembly. The establishment of new jobs or positions of employment not authorized in the fiscal 2014 budget shall be subject to Section 7-236 of the State Finance and Procurement Article and the Rule of 100.

Explanation: This annual budget bill language establishes a position ceiling for MDOT each year to limit growth in regular positions and contractual full-time equivalents.

J00

Information Request	Author	Due Date
Additional regular positions and contractual full-time equivalents	MDOT	As needed

Amendment No.

26

Add the following language:

It is the intent of the General Assembly that funds dedicated to the Transportation Trust Fund shall be applied to purposes bearing direct relation to the State transportation program, unless directed otherwise by legislation. To implement this intent for MDOT in fiscal 2014, no commitment of funds in excess of \$250,000 may be made nor such an amount may be transferred, by budget amendment or otherwise, for any project or purpose not normally arising in connection with the ordinary ongoing operation of MDOT and not contemplated in the approved budget or the last published Consolidated Transportation Program without 45 days of review and comment by the budget committees.

Explanation: This annual budget bill language prohibits MDOT from using transportation funds for uses other than for transportation-related purposes without review and comment by the budget committees.

Information Request	Author	Due Date
Information on nontransportation expenditures exceeding \$250,000	MDOT	As needed

Amendment No.

27

J00A01
Department of Transportation
The Secretary's Office

Budget Amendments

THE SECRETARY'S OFFICE

J00A01.02 Operating Grants-In-Aid

Add the following language to the special fund appropriation:

, provided that no more than \$4,122,968 of this appropriation may be expended for operating grants-in-aid, except for:

- (1) any additional special funds necessary to match unanticipated federal fund attainments;
or
- (2) any proposed increase either to provide funds for a new grantee or to expand funds for an existing grantee.

Further provided that no expenditures in excess of \$4,122,968 may occur unless the department provides notification to the budget committees to justify the need for additional expenditures due to either item (1) or (2) above, and the committees provide review and comment or 45 days elapse from the date such notification is provided to the committees.

Explanation: This annual language caps the level of special funds provided for operating grants-in-aid. The cap may be increased to match unanticipated federal dollars or to provide new or expanded grant funding upon notification to the budget committees.

Information Request	Author	Due Date
Explanation of need for additional special funds for operating grants-in-aid	Maryland Department of Transportation	As needed

Amendment No.

28

J00A01

J00A01.03 Facilities and Capital Equipment

Amend the following language on the special fund appropriation:

, provided that \$15,379,979 of this appropriation shall be contingent on the enactment of legislation authorizing the use of funds from the local income tax reserve account to provide transportation grants to municipal governments. Further provided that \$15,379,979 of these funds shall be allocated as provided in Section 8-405 of the Transportation Article and may only be expended in accordance with § 8-408 of the Transportation Article.

Further provided that it is the intent of the General Assembly that these grants are one-time only grants that will not be continued in future budgets.

Explanation: This language makes expenditure of the grant funds subject to the same requirements that apply to expenditure of Highway User Revenue funding provided to municipalities. The language also states the intent that these grants are one-time in nature.

Amendment No.

29

Add the following language to the special fund appropriation:

Further provided that no funds may be expended by the Secretary's Office for any system preservation or minor project with a total project cost in excess of \$500,000 that is not currently included in the fiscal 2013-2018 Consolidated Transportation Program except as outlined below:

- (1) the Secretary shall notify the budget committees of any proposed system preservation or minor project with a total project cost in excess of \$500,000, including the need and justification for the project, and its total cost; and
- (2) the budget committees shall have 45 days to review and comment on the proposed system preservation or minor project.

Explanation: This language provides legislative oversight of grants exceeding \$500,000 that are not listed in the current Consolidated Transportation Program.

J00A01

Information Request	Author	Due Date
Notification of the intent to fund a capital grant exceeding \$500,000 that is not listed in the current Consolidated Transportation Plan	Maryland Department of Transportation	As needed

Amendment No.

30

Committee Narrative

Baltimore Rail Intermodal Facility Milestone Status Reports: The committees request that the Maryland Department of Transportation (MDOT) submit status reports:

- at the conclusion of Phase I of the Baltimore Rail Intermodal Facility project (currently scheduled for April 2013) summarizing the updated project cost estimate and indicating whether or not the parties have agreed to proceed with the project; and
- at the conclusion of Phase II of the project (currently scheduled for September 2013) summarizing the updated project cost estimates, estimated environmental mitigation costs for each party, and whether or not the parties have agreed to proceed with the project.

Information Request	Author	Due Date
Status reports summarizing cost estimates and decisions on whether or not the project will proceed	MDOT	At the conclusion of Phase I and at the conclusion of Phase II

J00A04
Department of Transportation
Debt Service Requirements

Budget Amendments

Add the following language:

Consolidated Transportation Bonds may be issued in any amount provided that the aggregate outstanding and unpaid balance of these bonds and bonds of prior issues as of June 30, 2014, may not exceed:

- (1) \$1,982,670,000, subject to item (2); or
- (2) \$2,292,670,000, contingent upon enactment of HB 1515 or SB 1054 increasing transportation revenues.

Further provided that the amount paid for debt service shall be reduced by any proceeds generated from net bond sale premiums, provided that those revenues are recognized by the department and reflected in the Transportation Trust Fund forecast. Further provided that the appropriation for debt service shall be reduced by any proceeds generated from net bond sale premiums. To achieve this reduction, the MDOT may either use the proceeds from the net premium to reduce the size of the bond issuance or apply the proceeds from the net premium to debt service for that bond issuance.

Explanation: Section 3-202 of the Transportation Article requires the General Assembly to establish the maximum debt outstanding each year in the budget bill. The level will be based on outstanding debt as of June 30, 2013, plus projected debt issued during fiscal 2014 in support of the transportation capital program. In addition, the level of debt outstanding may increase by \$310 million provided that legislation is enacted that increases transportation revenues.

Amendment No.

31

Add the following language:

MDOT shall submit with its annual September and January financial forecasts information on:

- (1) anticipated and actual nontraditional debt outstanding as of June 30 of each year; and
- (2) anticipated and actual debt service payments for each outstanding nontraditional debt issuance from fiscal 2013 through 2024.

Nontraditional debt is defined as any debt instrument that is not a Consolidated Transportation Bond or a Grant Anticipation Revenue Vehicle bond; such debt includes, but is not limited to,

J00A04

Certificates of Participation, debt backed by customer facility charges, passenger facility charges, or other revenues, and debt issued by the Maryland Economic Development Corporation or any other third party on behalf of MDOT.

Explanation: The budget committees are interested in monitoring the use of nontraditional debt by MDOT. The information requested provides the budget committees with additional information on the usage and annual costs of nontraditional debt.

Information Request	Author	Due Date
Nontraditional debt outstanding and anticipated debt service payments	MDOT	With September forecast and with January forecast

Amendment No.

32

Add the following language:

The total aggregate outstanding and unpaid principal balance of nontraditional debt, defined as any debt instrument that is not a Consolidated Transportation Bond or a Grant Anticipation Revenue Vehicle bond issued by MDOT, may not exceed \$724,695,000 as of June 30, 2014. Provided, however, that in addition to the limit established under this provision, MDOT may increase the aggregate outstanding unpaid and principal balance of nontraditional debt so long as:

- (1) MDOT provides notice to the Senate Budget and Taxation Committee and the House Appropriations Committee stating the specific reason for the additional issuance and providing specific information regarding the proposed issuance, including information specifying the total amount of nontraditional debt that would be outstanding on June 30, 2014, and the total amount by which the fiscal 2014 debt service payment for all nontraditional debt would increase following the additional issuance; and
- (2) the Senate Budget and Taxation Committee and the House Appropriations Committee have 45 days to review and comment on the proposed additional issuance before the publication of a preliminary official statement. The Senate Budget and Taxation Committee and the House Appropriations Committee may hold a public hearing to discuss the proposed increase and must signal their intent to hold a hearing within 45 days of receiving notice from MDOT.

Explanation: This language limits the amount of nontraditional debt outstanding at the end of fiscal 2014 to the total amount that is projected to be outstanding from all previous nontraditional debt issuances as of June 30, 2013, and all anticipated sales in fiscal 2014. The language allows MDOT to increase the amount of nontraditional debt outstanding in fiscal 2014 by providing

J00A04

notification to the budget committees regarding the reason that the additional issuances are required.

Information Request	Author	Due Date
Justification for increasing nontraditional debt outstanding	MDOT	45 days prior to publication of a preliminary official statement

Amendment No.

33

J00B
Department of Transportation
State Highway Administration

Committee Narrative

STATE HIGHWAY ADMINISTRATION

J00B01.01 State System Construction and Equipment

Local Funding Agreements: Due to the funding constraints confronting the State, the Maryland Department of Transportation (MDOT) has indicated that it would like to have local jurisdictions contribute toward the construction of State projects. From fiscal 2008 to 2012, local jurisdictions contributed \$148.3 million to State projects. At this time, there is no State policy or guidelines for how local jurisdictions contribute to projects, what projects are eligible for local funding, and how that funding is reflected in the Consolidated Transportation Program. MDOT should submit a report to the budget committees that outlines its policies and procedures for local jurisdictions to contribute funding to State projects.

Information Request	Author	Due Date
Local funding agreement guidelines	MDOT	November 1, 2013

Sound Barriers: There are two types of sound barriers that are constructed by the State Highway Administration (SHA): Type I barriers and Type II barriers. Type I barriers are those constructed as a result of a new highway or highway expansion project for developments in existence at the time of construction. Type II barriers are new barriers constructed for existing developments along freeways that were constructed prior to environmental analyses being completed as part of a project. There have been many questions raised as to the criteria for determining whether a sound barrier is possible and whether it is eligible as a Type I or Type II barrier. Further, questions have been raised as to local funding match requirements and acceptable standards of sound after barriers have been built. As a result, the State should reexamine its policy on sound barriers and incorporate any resulting clarifications, revisions and necessary updates, to the extent that is reasonable and feasible, to address any potential concerns. A report on any necessary changes to the sound barrier program and the corresponding cost impacts shall be provided to the budget committees by December 31, 2013. A second update report on the sound barrier program and any necessary changes to the sound barrier program shall be provided on December 31, 2014.

Information Request	Authors	Due Date
Sound barrier policy	SHA	December 31, 2013
	Maryland Department of Transportation	December 31, 2014

J00D
Department of Transportation
Maryland Port Administration

Budget Amendments

MARYLAND PORT ADMINISTRATION

J00D00.01 Port Operations

Reduce appropriation for the purposes indicated:

	<u>Funds</u>		<u>Positions</u>
1. Reduce funding for advertising. This action will reduce funding for advertising while still providing for an increase over fiscal 2012 actual spending and the fiscal 2013 working appropriation.	25,256	SF	
2. Reduce funding for printing. This action funds printing activities at the fiscal 2013 working appropriation while still providing for an increase over fiscal 2012 actual spending.	32,376	SF	
3. Reduce funding for out-of-state travel. This action provides funding equal to the fiscal 2013 working appropriation.	34,862	SF	
 Total Reductions	 92,494		 0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	186.00	186.00		0.00
Special Fund	47,717,513	47,625,019	92,494	
Total Funds	47,717,513	47,625,019	92,494	

Amendment No.

34

J00H
Department of Transportation
Maryland Transit Administration

Budget Amendments

MARYLAND TRANSIT ADMINISTRATION

J00H01.02 Bus Operations

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Reduce additional assistance. This action reduces additional assistance for operators as they transition from training to operators. This action still provides funding over the fiscal 2013 work appropriation.	1,500,000	SF
Total Reductions	1,500,000	0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	1,860.50	1,860.50		0.00
Special Fund	275,283,175	273,783,175	1,500,000	
Federal Fund	31,800,000	31,800,000	0	
Total Funds	307,083,175	305,583,175	1,500,000	

Amendment No.

35

K00A
Department of Natural Resources

OFFICE OF THE SECRETARY

K00A01.03 Finance and Administrative Service

Concur with the following language on the general fund appropriation:

, provided that this appropriation shall be reduced by \$1,217,000 contingent upon the enactment of legislation to allow the use of Program Open Space funds to be used to cover administrative costs.

Explanation: The fiscal 2014 budget bill as introduced includes a \$1,217,000 reduction for Office of the Secretary – Finance and Administrative Service contingent upon enactment of a provision in the Budget Reconciliation and Financing Act of 2013 authorizing the same amount of funding to be used for fiscal 2014 and 2015 in the budgets of the Department of Natural Resources, the Department of General Services, and the Department of Planning for expenses necessary to administer Program Open Space. This action concurs with the contingent reduction of \$1,217,000 in general funds for Finance and Administrative Service.

Committee Narrative

WILDLIFE AND HERITAGE SERVICE

K00A03.01 Wildlife and Heritage Service

Quality Deer Management Report: The budget committees are concerned that the Department of Natural Resources is not implementing Quality Deer Management (QDM). QDM is generally defined as voluntary or regulatory restrictions that limit a hunter from taking antlered deer under a certain antler size. Therefore, the budget committees request that the Department of Natural Resources (DNR) consult with stakeholders in the hunting and agricultural communities concerning the possibility of QDM implementation. The goal of this deliberative process is to ensure that any decision on antler size restrictions is consistent with the ecology of the local deer population in each of the jurisdictions in the State and addresses the concerns and recommendations of local stakeholders in each jurisdiction or hunting region. In addition, the budget committees request that DNR report by November 1, 2013, on the findings of its consultations with stakeholders and on the decision it makes regarding antler size restrictions.

Information Request	Author	Due Date
Quality deer management report	DNR	November 1, 2013

K00A

LAND ACQUISITION AND PLANNING

K00A05.10 Outdoor Recreation Land Loan

Concur with the following language on the special fund appropriation:

Notwithstanding the appropriations above, the Special Fund appropriation for the Outdoor Recreation Land Loan shall be reduced by \$71,091,338 contingent on the enactment of legislation crediting \$71,091,338 of the transfer tax revenues to the General Fund. The reduction shall be distributed in the following manner:

Program Open Space – State Acquisition.....	\$21,944,526
Program Open Space – Local Share.....	\$23,727,620
Program Open Space – Capital Improvements.....	\$14,690,351
Rural Legacy.....	\$10,728,841
Total.....	\$71,091,338

Explanation: The fiscal 2014 budget bill as introduced includes a \$71,091,338 reduction for Department of Natural Resources pay-as-you-go capital programs funded by the transfer tax contingent upon enactment of a provision in the Budget Reconciliation and Financing Act of 2013 authorizing the funding to be transferred to the general fund. This action concurs with the contingent reduction of \$71,091,338.

L00A
Department of Agriculture
OFFICE OF THE SECRETARY

L00A11.11 Capital Appropriation

Concur with the following language on the special fund appropriation:

, provided that this appropriation shall be reduced by \$18,107,000 contingent upon the enactment of legislation crediting transfer tax revenues to the General Fund.

Explanation: The fiscal 2014 budget bill as introduced includes an \$18,107,000 reduction for the Maryland Agricultural Land Preservation Program pay-as-you-go capital program contingent upon enactment of a provision in the Budget Reconciliation and Financing Act of 2013 authorizing transfer tax funding to be transferred to the general fund. This action concurs with the contingent reduction of \$18,107,000.

M00A
Department of Health and Mental Hygiene
Office of the Secretary

Budget Amendments

OFFICE OF THE SECRETARY

Add the following language:

Provided that \$1,000,000 of the General Fund appropriation of the Office of the Secretary made for the purpose of administration may not be expended until the Department of Health and Mental Hygiene (DHMH) submits a report to the budget committees detailing the Secretary of DHMH's final recommendation on a model for a behavioral health integrated service delivery and financing system.

If the Secretary chooses to move forward with the implementation of a new model, the report shall:

- (1) detail how the new model will align financial incentives, resolve adverse selection, promote information exchange, establish multidisciplinary care coordination teams, and develop competent provider networks;
- (2) outline how services to the uninsured and Medicaid-ineligible services to Medicaid recipients will be provided;
- (3) discuss the role of existing local planning agencies and State administrative support for those agencies;
- (4) outline how other existing programs that operate outside of the current Medicaid, mental health fee-for-service, and substance abuse grant programs will operate;
- (5) evaluate the outcome measures currently in place in the Medicaid, mental health, and substance abuse systems and detail how those measures need to be improved or expanded upon;
- (6) evaluate current rate-setting methodologies and determine what changes to those methodologies should be made;
- (7) discuss whether or to what extent the current array of statutorily created substance abuse treatment programs should be consolidated into a single block grant; and
- (8) add any other information the department wishes to include.

Further provided that the department, simultaneous with the issuance of any request for proposals (RFP) to implement a new behavioral health service delivery and financing system shall submit the RFP to the budget committees.

M00A

The requested report shall be submitted on the earlier of December 1, 2013, or the issuance of an RFP to implement a new behavioral health service delivery and financing system. The committees shall have 60 days to review and comment only on the report. Funding withheld pending the receipt of the report may not be expended or transferred to any other purpose and shall revert to the General Fund if the report is not submitted.

Explanation: In the 2011 and 2012 interims, DHMH has been engaged in a process to develop a new behavioral health service delivery and financing system. A steering committee has recommended a system model, but no final decision has been made on implementation. The language requests DHMH to submit a report to the budget committees on implementation details for any model that is chosen including any RFP.

Information Request	Author	Due Date
Behavioral health integration	DHMH	December 1, 2013, or with the issuance of an RFP for the implementation of a new behavioral health service delivery and financing system if earlier

Amendment No.

36

M00A01.02 Operations

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Delete two long-term vacant positions (022529 and 049457) and associated funding. The positions have been vacant for over 12 months.	143,094 GF	2.00
Total Reductions	143,094	2.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	236.40	234.40		2.00
General Fund	14,702,085	14,558,991	143,094	
Federal Fund	13,938,739	13,938,739	0	
Total Funds	28,640,824	28,497,730	143,094	

Amendment No.

37

M00A

Committee Narrative

REGULATORY SERVICES

M00B01.03 Office of Health Care Quality

Report on Mandated Inspection Levels: The committees direct the Department of Health and Mental Hygiene to report, on a quarterly basis, the Office of Health Care Quality's (OHCQ) inspection levels for entities under the agency's purview. For each type of health care facility licensed and regulated by OHCQ, the department should provide the number of licensees, the number of initial and renewal surveys completed by OHCQ, the number of complaints received by the agency, and the number of complaints investigated. The agency's progress in meeting performance measures that are discussed in OHCQ's Annual Report and Staffing Analysis should also be addressed. Finally, the reports should advise the budget committees of any programmatic changes made within OHCQ to improve inspection levels.

Information Request	Author	Due Date
Report on mandated inspection levels	DHMH	15 days after the end of each quarter

Budget Amendments

M00B01.04 Health Professionals Boards and Commission

Add the following language to the special fund appropriation:

, provided that \$750,000 of this appropriation made for the purpose of administrative expenditures may not be expended unless:

- (1) the boards, with the exception of the Board of Social Work Examiners, and the Department of Human Resources (DHR) have taken corrective action with respect to the finding in the Child Support Enforcement Administration audit concerning the electronic exchange of data for the purpose of license suspensions on or before January 1, 2014; and
- (2) a report is submitted to the budget committees by DHR indicating that the electronic exchange of data has been established with each board. The budget committees shall have 45 days to review and comment from the date of the submission of the report.

Explanation: This action will withhold \$50,000 from each special funded board until DHR reports that there is an operational electronic exchange of data between the boards and DHR for the purpose of license suspensions for various health occupations in cases where licensees are delinquent on child support payments. It is the intent of the General Assembly that the Board of

M00A

Nursing Home Administrators and the Board of Child Care Program Professionals also establish an electronic exchange of data with DHR by January 1, 2014. Funding is not withheld from the Board of Social Work Examiners because DHR noted that a memorandum of understanding was being developed for the exchange of electronic data with the board.

Information Request	Author	Due Date
Report on the resolution of the Child Support Enforcement Administration audit finding	DHR	January 1, 2014

Amendment No.

38

Committee Narrative

Report on Delays at Board of Professional Counselors and Therapists: The committees direct the Department of Health and Mental Hygiene (DHMH) and the Board of Professional Counselors and Therapists to identify obstacles that have prevented the board from completing its annual report from 2010 through 2012, as required by the Health Occupations Article. The report shall also advise the committees on the board's efforts to expedite the completion of its annual report for fiscal 2013. Finally, the department should discuss the board's efforts to increase its transparency with the public and the licensees under the board's purview.

Information Request	Author	Due Date
Report on delays at the Board of Professional Counselors and Therapists	DHMH	November 1, 2013

Budget Amendments

M00B01.05 Board of Nursing

Add the following language to the special fund appropriation:

, provided that \$50,000 of this appropriation made for the purpose of administrative expenditures may not be expended unless:

- (1) the board and the Department of Human Resources (DHR) have taken corrective action with respect to the finding in the Child Support Enforcement Administration audit concerning the electronic exchange of data for the purpose of license suspension on or before January 1, 2014; and

M00A

- (2) a report is submitted to the budget committees by DHR indicating that the electronic exchange of data has been established by the board. The budget committees shall have 45 days to review and comment from the date of the submission of the report.

Explanation: This action will withhold special funds from the Board of Nursing until DHR reports that there is an operational exchange of data between the board and DHR for the purpose of license suspension for health occupations under the board's purview in cases where licensees are delinquent on child support payments.

Information Request	Author	Due Date
Report on the resolution of the Child Support Enforcement Administration audit finding	DHR	January 1, 2014

Amendment No.

39

M00B01.06 Maryland Board of Physicians

Add the following language to the special fund appropriation:

provided that the new integrated medical licensure and investigation information technology (IT) system shall be considered a major IT development project as defined by Section 3A-301 of the State Finance and Procurement Article and subject to all statutory provisions that relate to such projects. Further provided that the Maryland Board of Physicians shall establish a separate subprogram to track spending associated with this project.

Explanation: This action conforms to statutory provisions regarding major IT development project oversight.

Amendment No.

40

Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. Reduce special funds in the Board of Physicians to reflect reduced cost estimates for their integrated medical licensure and investigation software system.	91,000	SF
Total Reductions	91,000	0.00

M00A

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	70.10	70.10		0.00
Special Fund	9,629,647	9,538,647	91,000	
Total Funds	9,629,647	9,538,647	91,000	

Amendment No.

41

M00F0201
Department of Health and Mental Hygiene
Health Systems and Infrastructure Administration

Committee Narrative

M00F02.01 Health Systems and Infrastructure Services

Report on Local Health Outcomes and Funding for Local Public Health Services: The committees direct the Department of Health and Mental Hygiene (DHMH), in conjunction with the local health departments (LHD), to monitor and report on its efforts to address the challenges that LHDs are currently facing with regard to the significant funding reductions experienced since 2010 due to the rebasing of the targeted local health formula. Other State budget cuts to local health services should also be addressed. The report shall provide quantitative data from local jurisdictions on negative health outcomes due to State budget cuts to the seven core funding areas, with particular attention to family planning, maternal and child health services, and chronic disease prevention and treatment programs. The impact of reductions in direct care services for low-income populations that do not qualify for access to health insurance under federal health care reform should also be discussed.

Information Request	Authors	Due Date
Report on local health outcomes and funding for local public health services	DHMH LHDs	December 1, 2013

M00F02.07 Core Public Health Services

Report on Local Health Department Billing Challenges: The committees direct the Department of Health and Mental Hygiene (DHMH), in conjunction with the local health departments (LHD) to report on its efforts to address the challenges that LHDs are currently facing with regard to billing generally and third-party contracting in particular. DHMH should also advise whether statutory changes are necessary and/or feasible to remedy challenges LHDs are currently facing in regards to billing.

Information Request	Authors	Due Date
Report on local health department billing challenges	DHMH LHDs	December 1, 2013

M00F03
Department of Health and Mental Hygiene
Prevention and Health Promotion Administration

Committee Narrative

Breast and Cervical Cancer Diagnosis and Treatment Program Report: The committees direct the Department of Health and Mental Hygiene (DHMH) to report on program enrollment for the Breast and Cervical Cancer Diagnosis and Treatment Program (BCCDTP) in fiscal 2014. Two reports should be submitted – one for the first half of the fiscal year and one for the second half. More specifically, the reports should summarize enrollment data on a quarterly basis to account for the mid-year implementation of the individual mandate under federal health care reform. Quarterly program costs should also be discussed. The final report should also advise on projected program enrollment for fiscal 2015, based on the availability of expanded Medicaid coverage and federally subsidized plans purchased through the Maryland Health Benefits Exchange.

Information Request	Author	Due Date
Report on BCCDTP enrollment data	DHMH	January 15, 2014, and September 1, 2014

M00K02
Department of Health and Mental Hygiene
Alcohol and Drug Abuse Administration

Budget Amendments

ALCOHOL AND DRUG ABUSE ADMINISTRATION

M00K02.01 Alcohol and Drug Abuse Administration

Add the following language to the general fund appropriation:

, provided that \$100,000 of this appropriation made for the purpose of administration may not be expended until the Alcohol and Drug Abuse Administration (ADAA) submits a report to the budget committees detailing:

- (1) final fiscal 2013 local treatment expenditures by the American Society of Addiction Medicine (ASAM) level of care;
- (2) initial fiscal 2014 local treatment grant allocations by jurisdiction by ASAM level of care;
- (3) any guidance provided by ADAA to local jurisdictions in determining how fiscal 2014 funding awards are to be allocated by ASAM level of care; and
- (4) fiscal 2014 support for statewide treatment contracts.

The report shall be submitted to the budget committees by December 1, 2013. The committees shall have 45 days to review and comment upon receipt. Funding withheld pending the receipt of the report may not be expended or transferred to any other purpose and shall revert to the General Fund if the report is not submitted.

Explanation: The language requires ADAA to submit a report detailing the award of fiscal 2014 local treatment grants. Funding for these grants is significantly reduced in the fiscal 2014 budget.

Information Request	Author	Due Date
Local treatment grants	ADAA	December 1, 2013

Amendment No.

42

M00K02

Committee Narrative

Substance Abuse Prevention: The committees request the Alcohol and Drug Abuse Administration (ADAA), consistent with its stated mission, to include in its annual Managing for Results (MFR) submission a key goal, objectives, and performance measures on substance abuse prevention.

Information Request	Author	Due Date
Substance abuse prevention	ADAA	With annual MFR submission

Recovery Support Services: State funding for recovery support services (such as peer support, housing, supported employment, community centers, and outreach and engagement activities) has grown from zero in fiscal 2011 to over \$14 million in fiscal 2014. The Alcohol and Drug Abuse Administration (ADAA) is currently developing outcome measures and a data collection methodology for these services. Given the rapid growth in funding for these services, the committees request that ADAA submit a report by November 15, 2013, that includes what outcome measures it intends to collect, a detailed data collection methodology, and a timeframe for implementation. To the extent that ADAA has any baseline data from either State-funded programs or the federally funded grant recovery supports program, it should be included in the report. The report should also include details of any evaluations done of the State or federally supported programs in Maryland or a plan to undertake such an evaluation and an appropriate key goal, objectives and performance measures to be included in ADAA's annual Managing for Results submission beginning in fiscal 2015.

Information Request	Author	Due Date
Recovery support services	ADAA	November 15, 2013

M00L
Department of Health and Mental Hygiene
Mental Hygiene Administration

Budget Amendments

MENTAL HYGIENE ADMINISTRATION

M00L01.02 Community Services

Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. Reduce funding for emergency admission payments. The department pays for certain expenses related to emergency psychiatric evaluation admissions for the uninsured. The fiscal 2014 allowance is based on a two-year average. However, fiscal 2011 expenses were abnormally high. The reduction aligns funding to the most recent actual.	50,000	GF
2. Delete funding for purchase of care beds. Purchase of care beds are beds at private hospitals to treat uninsured individuals in need of inpatient care. These beds are used as an alternative to treatment in State-run psychiatric facilities. The fiscal 2013 budget reduced funding for these beds because under federal law hospitals are required to treat or appropriately transfer patients that require inpatient care. Uninsured patients still receive care and reimbursement for higher levels of uncompensated care is ultimately made through hospital rates. This action deletes all remaining funding.	1,250,000	GF
3. Reduce general funds based on the availability of special funds from the Kidney Disease Program (KDP). Specifically, revenue from the CareFirst exemption from the premium tax can be used to support community mental health services for the uninsured as that funding is not required in KDP based on declining enrollment.	250,000	GF
 Total Reductions	1,550,000	0.00

M00L

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	3.00	3.00		0.00
General Fund	69,980,262	68,430,262	1,550,000	
Special Fund	6,626,641	6,626,641	0	
Federal Fund	39,337,537	39,337,537	0	
Total Funds	115,944,440	114,394,440	1,550,000	

Amendment No.

43

Committee Narrative

Mental Health Services for Transitional Age Youth: A number of Maryland children access mental health services through school-based settings. The committees are interested in understanding: what resources are currently available specifically to address the mental health needs that exist for youth aged 18-26 as they transition away from the services received in those settings; and what gaps in services are identifiable. In developing its response, the Mental Hygiene Administration (MHA) should consult with appropriate stakeholder groups.

Information Request	Author	Due Date
Mental health services for transitional age youth	MHA	November 1, 2013

M00L01.03 Community Services for Medicaid Recipients

Residential Treatment Centers Outcomes: The committees are interested that consistent and meaningful outcome measures are adopted by all public and private Residential Treatment Centers (RTC) in Maryland. The Mental Hygiene Administration (MHA) has indicated that it will be convening a stakeholder group to develop such measures. The committees request that MHA submit a report by November 1, 2013, on the results of that stakeholder process. The report should also include any available facility-specific outcome data for outcome measures that will be adopted for RTCs even if the data is not available for every facility.

Information Request	Author	Due Date
RTC outcomes	MHA	November 1, 2013

M00L

Individuals with Serious Mental Illness and Aging in Place: An emerging challenge is how to keep older individuals with serious mental illness and significant somatic health problems in community care. Current rate structures and service coverage for psychiatric rehabilitation and residential rehabilitation programs do not take into account the additional cost of care for this population. As a result, these individuals face an increased risk of nursing home or other institutional placement. The committees are interested in the development of programming that could best meet the needs of these individuals such as community-based psychiatric assisted living and residential rehabilitation programming that includes reimbursement for nursing support, and also the extent to which the proposed Chronic Health Home model can help keep such individuals in community-based care. The Mental Hygiene Administration (MHA) should report by November 1, 2013, on these and any other best practices that are currently in place nationwide to address this particular population.

Information Request	Author	Due Date
Individuals with serious mental illness and aging in place	MHA	November 1, 2013

M00M
Department of Health and Mental Hygiene
Developmental Disabilities Administration

Budget Amendments

DEVELOPMENTAL DISABILITIES ADMINISTRATION

M00M01.01 Program Direction

Add the following language to the general fund appropriation:

, provided that \$1,000,000 of this appropriation made for the purpose of Program Direction may not be expended until the Department of Health and Mental Hygiene provides a report to the budget committees that summarizes the requirements analysis for the Developmental Disabilities Administration's major information technology project for the financial restructuring of the agency's existing system. Moreover, the report shall summarize the recommendations made by the independent consultant for the draft specifications to solicit the modification or replacement of the agency's existing financial platform. The department shall advise how the new system will address the major underlying inefficiencies of the agency's current payment system and identify any barriers to adopting a new financial management system, including statutory or regulatory barriers. The report shall also update the committees on progress in creating a new fiscal management structure and processes for financial projections and reporting. The report shall be submitted by December 1, 2013, and the committees shall have 45 days to review and comment. Funds restricted pending the receipt of the report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the committees.

Explanation: Among other things, the Developmental Disabilities Administration (DDA) has encountered difficulties budgeting due to the underlying inefficiencies related to its current payment system. Consequently, the Office of the Inspector General at the Department of Health and Mental Hygiene (DHMH) recommended that DDA restructure its current financial operations. While several changes have been made, a major information technology project is currently underway to restructure DDA's existing financial platform.

Information Request	Author	Due Date
Report on financial system changes in DDA	DHMH	December 1, 2013

Amendment No.

44

M00M

Committee Narrative

Home and Community Based Services Waiver Enrollment: The committees direct the Developmental Disabilities Administration (DDA), as part of its Managing for Results performance measures, to report the percentage of individuals within the Community Services Program who are being served through the Home and Community Based Services waiver. The agency currently reports the matching federal funds claimed through the waiver; however, this is an inaccurate way to measure the agency's ability maximize federal fund attainment.

Information Request	Author	Due Date
Home and Community Based Services waiver enrollment	DDA	With the annual budget submission

M00M01.02 Community Services

New Placements Within the Community Services Program: The committees direct the Department of Health and Mental Hygiene (DHMH) to report on the number of new individuals placed into services from the following funding categories within the Community Services program: emergency, Waiting List Equity Fund, court involved, crisis services, and Transitioning Youth. The number of requests for service change should also be reported, and to the extent possible, the costs associated with changes in services should be identified. The reports should be submitted on a monthly basis for the first two quarters of the fiscal year and quarterly thereafter.

Information Request	Author	Due Date
Reports on new placements within the Community Services program	DHMH	15 days after the end of each month or quarter, as appropriate

M00Q
Department of Health and Mental Hygiene
Medical Care Programs Administration

Budget Amendments

MEDICAL CARE PROGRAMS ADMINISTRATION

M00Q01.01 Deputy Secretary for Health Care Financing

Add the following language to the general fund appropriation:

, provided that \$100,000 of this appropriation made for the purpose of administration may not be expended until the Department of Health and Mental Hygiene submits a report to the budget committees that: (1) reviews the utilization of pediatric restorative dental surgery for fiscal 2006 through fiscal 2013 by facility and by payor source; (2) analyzes the rates for anesthesia services performed in connection to pediatric restorative dental surgery compared to rates paid by Medicare and commercial payors; and (3) provides a justification as to why Medicare rates should be considered the benchmark for Medicaid anesthesia rates (as they are for other physician service rates in Medicaid) given the different methodology used by Medicare to develop anesthesia rates compared with other physician services, and detail the advantages and disadvantages of using a different benchmark. The department shall develop the report in consultation with representatives of the anesthesiologists involved in these pediatric restorative dental surgical cases. The department shall submit the report by September 15, 2013, and the committees shall have 45 days to review and comment. Funds restricted pending the receipt of the report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

Explanation: Concern has been raised to the committees that an increased utilization of pediatric dental surgery precipitated by Maryland's efforts to improve access to oral health has resulted in a disproportionate increase in Medicaid-funded pediatric restorative dental surgery at certain hospitals. This increase has resulted in a change in payor-mix at those hospitals. Given that Medicaid has the lowest rates for anesthesia services, this has a consequent impact on total payments for anesthesia services. The committees are interested in additional information on this issue in particular, and also the wider issue of whether the goal of raising physician rates, including that for anesthesia services, to the Medicaid rate is appropriate given Medicare's traditionally low reimbursement rate for anesthesia services.

Information Request	Author	Due Date
Anesthesia services	Department of Health and Mental Hygiene	September 15, 2013

Amendment No.

45

M00Q

M00Q01.03 Medical Care Provider Reimbursements

Add the following language:

All appropriations provided for program M00Q01.03 Medical Care Provider Reimbursements are to be used for the purposes herein appropriated, and there shall be no budgetary transfer to any other program or purpose except for transfers to program F50A01.01 Major Information Technology Development Project Fund as authorized in the fiscal 2014 budget bill. Funds not expended for these purposes shall revert to the General Fund or be canceled.

Explanation: Annual budget bill language to limit use of Medicaid provider reimbursements to that purpose. An exception is made for transfers to the Major Information Technology Development Project Fund as authorized in the budget bill.

Amendment No.

46

Add the following language to the general fund appropriation:

Further provided that \$4,200,000 of this appropriation made in subprogram T393 for the purpose of developing a web-based tracking system for long-term care services and support and Developmental Disabilities tracking system may only be transferred to program F50A01.01 Major Information Technology Development Project Fund to support the development of these systems. Funding not transferred may not be expended or otherwise used for any other program or purpose and shall revert to the General Fund. Further provided that the Medical Care Programs Administration shall establish appropriate subprograms as necessary in program M00Q01.08 Major Information Technology Development Projects to track federal spending associated with these projects.

Explanation: The language restricts general funds for the development of a web-based tracking system for long-term care services and support and Developmental Disabilities tracking system to be transferred to the Major Information Technology Development Project Fund and for the establishment of separate subprograms for these systems. These actions conform to statutory provisions regarding major information technology development project oversight.

Amendment No.

47

M00Q

Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. Reduce growth in non-emergency transportation grant funding. The fiscal 2014 budget assumes a 7.9% annual increase over the most recent actual for non-emergency transportation grants. The reduction reduces the assumed rate of growth to 6.0% annually.	765,000 765,000	GF FF
2. Reduce funding for Federally Qualified Health Center (FQHC) supplemental payments. Medicaid is required to make supplemental payments to FQHCs if the rates paid by the managed care organizations do not equal FQHC allowable cost based rates. In developing the fiscal 2014 budget estimate for these payments, the department used a prior year two-year average as the basis for the estimate. However, payments in fiscal 2011 were abnormally high. The reduction reflects a more normal payment history.	2,285,000 2,285,000	GF FF
3. Reduce funding for Chronic Health Homes based on an October 1, 2013 start date. Services provided through Chronic Health Homes are eligible for enhanced funding for a period of eight quarters after approval from the federal government. The department is still developing the State Plan amendment for these homes. Based on the time taken for federal review and approval of Chronic Health Homes in other states, an October 1, 2013 start date is anticipated for Maryland. There is no loss of the federal funds as the enhanced match will still be in place for eight quarters.	750,000 6,750,000	GF FF
4. Reduce early takeover funding. The fiscal 2014 budget includes \$24.5 million to cover the cost of a potential early transfer of Maryland Medicaid Information System responsibilities to the new fiscal agent. If that transfer occurs, there are some offsetting personnel savings that are not currently recognized in the fiscal 2014 budget. The reduction assumes early takeover will occur but reduces the funding to recognize those offsetting savings.	1,150,000 3,450,000	GF FF

M00Q

5. Reduce funding for Medicaid provider reimbursements based on a projection of fiscal 2014 expenditures.	8,000,000 GF 8,000,000 FF	34,200,000	0.00
Total Reductions		34,200,000	0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
General Fund	2,277,593,714	2,264,643,714	12,950,000	
Special Fund	891,265,831	891,265,831	0	
Federal Fund	3,793,687,422	3,772,437,422	21,250,000	
Total Funds	6,962,546,967	6,928,346,967	34,200,000	

Amendment No.

48

Committee Narrative

Managed Care Organization Rate-setting: The inflexibility of the current Medicaid Management Information System (MMIS), amongst other things, limits the ability of the Department of Health and Mental Hygiene (DHMH) to establish more than three payment regions for MCO rates. While DHMH believes that the current payment regions are sufficiently homogenous in terms of cost to justify the configuration used by the department, some MCOs disagree. Similarly, there are concerns that the limitations of MMIS do not allow DHMH to adequately adjust rates to promote greater access to care in rural areas of the State. It has been noted that the replacement system currently being developed for MMIS, the Medicaid Enterprise Restructuring Project (MERP), will offer the department much greater flexibility in terms of payment regions and promoting access to care. The MERP will not be operational until the calendar 2015 rate-setting period at the earliest. However, the committees are interested in plans the department has to use the enhanced capabilities of the MERP to develop additional payment regions and utilize different methodologies for promoting statewide access at that time.

Information Request	Author	Due Date
MCO rate-setting	DHMH	December 1, 2013

M00Q

Budget Amendments

M00Q01.06 Kidney Disease Treatment Services

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Reduce funding for the Kidney Disease Program based on recent enrollment trends. A separate action reduces the general fund appropriation for community mental health services for the uninsured by a like amount as these special funds can backfill that reduction. These special funds are available from revenue from a nonprofit health service plan (CareFirst) and supporting community mental health services is an eligible activity for these funds.	250,000	SF

Total Reductions	250,000	0.00
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<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
General Fund	0	0	0	
Special Fund	5,952,996	5,702,996	250,000	
Total Funds	5,952,996	5,702,996	250,000	

Amendment No.

49

M00Q01.07 Maryland Children's Health Program

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Reduce funding for provider reimbursements based on double budgeting of physician rate increases.	2,000,000	GF
	4,000,000	FF

Total Reductions	6,000,000	0.00
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M00Q

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
General Fund	70,641,682	68,641,682	2,000,000	
Special Fund	6,508,684	6,508,684	0	
Federal Fund	142,932,165	138,932,165	4,000,000	
Total Funds	220,082,531	214,082,531	6,000,000	

Amendment No.

50

Committee Narrative

Long-term Care Rebalancing Initiatives: The fiscal 2014 budget includes funding for a variety of pilot projects funded through reinvested savings from the Balancing Incentive Payments Program (BIPP). Reinvested savings from the Community First Choice (CFC) program will also support additional rebalancing initiatives. However, no detail was available as to the specifics of the pilot projects or the CFC initiatives. The committees request the Department of Health and Mental Hygiene (DHMH) to report by October 15, 2013, with specific descriptions of the funded pilot projects and CFC-supported initiatives.

Information Request	Author	Due Date
BIPP and CFC Reinvested Savings Initiatives	DHMH	October 15, 2013

M00R
Department of Health and Mental Hygiene
Health Regulatory Commissions

Committee Narrative

HEALTH REGULATORY COMMISSIONS

M00R01.01 Maryland Health Care Commission

Health Delivery and Planning in Rural Areas: The committees request that the Maryland Health Care Commission (MHCC) convene a group of interested stakeholders to evaluate regional health delivery and health planning in rural areas. The evaluation shall include, but not be limited to the appropriateness of current health planning region designations; the adequacy of the health care workforce in rural areas; barriers to accessing health care services caused by distance; adequacy of transportation to health care services; the impact on recent hospital consolidation on the availability of services in rural areas; and recommendations for change. MHCC shall report by December 1, 2013.

Information Request	Author	Due Date
Health delivery and planning in rural areas	MHCC	December 1, 2013

MEMSOF
Maryland Emergency Medical System Operations Fund

Committee Narrative

Annual Reconciliation of Helicopter Mission Data: Maryland State Police Aviation Command (MSPAC) helicopter mission data is captured at the central dispatch facility known as SYSCOM, located at the Maryland Institute for Emergency Medical Services Systems (MIEMSS) headquarters in Baltimore, Maryland. Every mission received is assigned a mission type and recorded. Generally, the mission codes include (1) scene medevac; (2) interfacility medevac; (3) search/rescue/firefighting; (4) support; (5) homeland security; and (6) disaster assessment. The Maryland Transportation Article 13-955 (e) codifies that the Maryland Emergency Medical System Operations Fund (MEMSOF) shall be used solely for the medically oriented missions of MSPAC. In order to ensure MSPAC costs are being allocated to MEMSOF in a manner consistent with the purpose of the fund, MIEMSS and MSPAC shall be required to reconcile helicopter mission data annually at closeout for each fiscal year. The budget committees request the reconciliation to begin at the closeout of fiscal 2013 and continue annually thereafter. Further, the budget committees request an additional one-time reconciliation of fiscal 2011 and 2012 helicopter missions.

N00A
Department of Human Resources
Office of the Secretary

Budget Amendments

OFFICE OF THE SECRETARY

N00A01.04 Maryland Legal Services Program

Add the following language to the general fund appropriation:

provided that \$7,434,164 of this appropriation made for the purpose of legal representation in Children in Need of Assistance and Termination of Parental Rights cases may be expended only for that purpose. Funds not expended for this restricted purpose may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund.

Explanation: In fiscal 2012, the Department of Human Resources (DHR) transferred approximately \$1.0 million of general funds from the Maryland Legal Services Program (MLSP) for legal representation in Children in Need of Assistance (CINA) and Termination of Parental Rights (TPR) cases to other agency purposes during the closeout process. Also during the fiscal 2012 closeout process, DHR recorded an unprovided for payable in this program of \$3.3 million total funds (\$2.4 million general funds and \$0.9 million federal funds). This language restricts the general fund appropriation from the MLSP for legal representation in CINA and TPR cases to that purpose and if it is not needed for that purpose, requires the funds to revert to the general fund.

Amendment No.

51

Add the following language to the federal fund appropriation:

provided that \$4,836,650 of this appropriation made for the purpose of legal representation in Children in Need of Assistance and Termination of Parental Rights cases may be expended only for that purpose. Funds not expended for this restricted purpose may not be transferred by budget amendment or otherwise to any other purpose and shall be canceled.

Explanation: In fiscal 2012, the Department of Human Resources (DHR) transferred approximately \$1.0 million of general funds from the Maryland Legal Services Program (MLSP) for legal representation in Children in Need of Assistance (CINA) and Termination of Parental Rights (TPR) cases to other agency purposes during the closeout process. Also during the fiscal 2012 closeout process, DHR recorded an unprovided for payable in this program of \$3.3 million total funds (\$2.4 million general funds and \$0.9 million federal funds). This

N00A

language restricts the federal fund appropriation from MLSP for legal representation in CINA and TPR cases to that purpose, or if not needed for that purpose, requires the funds to be cancelled.

Amendment No.

52

N00B
Department of Human Resources
Social Services Administration

Committee Narrative

SOCIAL SERVICES ADMINISTRATION

N00B00.04 General Administration State

Explanation of Rate Setting Process for Residential Child Care: The rate setting process for residential child care has been in use for many years. The budget committees request that the Interagency Rates Committee (IRC), with input from residential childcare providers, evaluate the rate setting process to determine whether changes are warranted. IRC should submit a report to the budget committees by October 1, 2013, that provides a plain language explanation of the current rate setting process and the findings from evaluation of the process.

Information Request	Author	Due Date
Report on an evaluation of the rate setting process for residential child care.	IRC	October 1, 2013

N00G
Department of Human Resources
Local Department Operations

Budget Amendments

LOCAL DEPARTMENT OPERATIONS

N00G00.01 Foster Care Maintenance Payments

Add the following language to the general fund appropriation:

Further provided that these funds are to be used only for the purposes herein appropriated, and there shall be no budgetary transfer to any other program or purpose except that funds may be transferred to program N00G00.03 Child Welfare Services. Funds not expended or transferred shall revert to the General Fund.

Explanation: This language restricts general funds appropriated for foster care payments to that use only or for transfer to N00G00.03 Child Welfare Services which is where child welfare caseworker positions are funded.

Amendment No.

53

N00G00.03 Child Welfare Services

Add the following language to the general fund appropriation:

, provided that these funds are to be used only for the purposes herein appropriated, and there shall be no budgetary transfer to any other program or purpose except that funds may be transferred to program N00G00.01 Foster Care Maintenance Payments. Funds not expended or transferred shall revert to the General Fund.

Explanation: This language restricts general funds appropriated for child welfare services to that use only or for transfer to N00G00.01 Foster Care Maintenance Payments.

Amendment No.

54

N00G

Committee Narrative

Child Welfare Caseload Data: The committees believe that maintaining an adequate child welfare workforce is essential to improving outcomes for children entering the State's care. Therefore, in order to maintain oversight of this important issue, the committees request that the Department of Human Resources (DHR), on November 29, 2013, report to the committees on the actual number of cases and filled positions assigned, by jurisdiction, for the following caseload types using data current within 70 days:

1. Intake Screening;
2. Child Protective Investigation;
3. Consolidated Home Services;
4. Interagency Family Preservation Services;
5. Services to Families with Children – Intake;
6. Foster Care;
7. Kinship Care;
8. Family Foster Homes – Recruitment/New Applications;
9. Family Foster Home – Ongoing and Licensing;
10. Adoption;
11. Interstate Compact for the Placement of Children; and
12. Casework Supervisors.

Information Request	Author	Due Date
Report on caseload data and filled positions assigned by jurisdiction for specified caseload types	DHR	November 29, 2013

N00H
Department of Human Resources
Child Support Enforcement Administration

Budget Amendments

CHILD SUPPORT ENFORCEMENT ADMINISTRATION

N00H00.08 Support Enforcement State

Add the following language to the general fund appropriation:

, provided that since the Department of Human Resources Child Support Enforcement Administration (CSEA) has had four or more repeat findings in the most recent fiscal compliance audit issued by the Office of Legislative Audits (OLA), \$100,000 of CSEA's administrative appropriation may not be expended unless:

- (1) CSEA has taken corrective action with respect to all repeat audit findings on or before January 1, 2014; and
- (2) a report is submitted to the budget committees by OLA listing each repeat audit finding along with a determination that each repeat finding was corrected. The budget committees shall have 45 days to review and comment to allow for funds to be released prior to the end of fiscal 2014.

Explanation: The Joint Audit Committee has requested that budget bill language be adopted for each unit of State government that has four or more repeat audit findings in its most recent fiscal compliance audit. Each such agency is to have a portion of its administrative budget withheld pending the adoption of corrective action by the agency, and a determination by the OLA that each finding was corrected. OLA shall submit reports to the budget committees on the status of repeat findings.

Information Request	Author	Due Date
Status of corrective actions related to the most recent fiscal compliance audit	OLA	45 days before the release of funds

Amendment No.

55

N00H

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Reduce funds for the Central Disbursement Unit based on the anticipated savings from the new child support distribution process. In January 2013, the Department of Human Resources announced the implementation of an Electronic Payment Issuance Card for distribution of child support payments. The new card is expected to produce savings of \$1.4 million in check printing and mailing costs. The savings from this process is not included in the fiscal 2014 allowance. This reduction recognizes those savings. If the level of savings is not sufficient to reduce expenditures by this level, the agency is authorized to process a deficiency appropriation or budget amendment to provide for additional spending authority in this area.	476,000 SF 924,000 FF	
 Total Reductions	 1,400,000	 0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	79.00	79.00		0.00
General Fund	2,511,383	2,511,383	0	
Special Fund	10,577,602	10,101,602	476,000	
Federal Fund	29,434,151	28,510,151	924,000	
Total Funds	42,523,136	41,123,136	1,400,000	

Amendment No.

56

N001
Department of Human Resources
Family Investment Administration

Committee Narrative

FAMILY INVESTMENT ADMINISTRATION

N00I00.04 Director's Office

Impact of Sporadic Child Support Payments on Temporary Cash Assistance Case Closures: The committees are concerned that some families receiving Temporary Cash Assistance (TCA) benefits are unduly burdened by the need to reapply for TCA benefits after having had their case closed due to the receipt of child support payments in a single month that are in excess of the TCA grant amount. The committees request that the Family Investment Administration (FIA) provide a report detailing:

- The number of TCA cases that were closed during fiscal 2012 because the amount of child support payments received by the family exceeded the TCA grant but were subsequently reopened because the amount of child support payments was less than the grant in the subsequent month; and
- The number of TCA cases that would have been closed in fiscal 2012 if cases were only closed if the three-month average of child support payments received exceeded the TCA grant amount.

The committees request that the Department of Human Resources (DHR) submit this report by September 1, 2013.

Information Request	Author	Due Date
Report comparing the number of TCA case closures due to child support payments as currently calculated versus using a three-month average of child support payments.	DHR	September 1, 2013

N00I0006
Department of Human Resources
Office of Home Energy Programs

Committee Narrative

N00I00.06 Office of Home Energy Programs

Proposed Program Changes: In calendar 2012, the Public Service Commission (PSC) began a comprehensive review of Maryland’s energy assistance programs. As part of the review, PSC staff submitted a proposal for a new type of energy assistance program. The 2012 Joint Chairmen’s Report requested that the Department of Human Resources (DHR) provide a report on the outcome of the review by December 1, 2012. Although the review had not been completed, DHR submitted the response discussing the PSC staff’s proposal and discussing program changes under consideration by DHR. DHR has not developed a timeline for implementation of the program changes. The department first intends to convene a workgroup to review the proposed changes and develop an implementation plan. The budget committees would like to be kept apprised of any changes made to the energy assistance programs and request that DHR submit a report including discussions of (1) whether the department will implement program changes; (2) the program changes to be implemented and rationale for the program changes; (3) the timeline for the implementation of the changes; (4) the impact of the changes on customers; and (5) the impact of the changes on the program’s funding requirements.

Information Request	Author	Due Date
Report on proposed program changes	DHR	July 15, 2013 (if implemented for fiscal 2014) December 1, 2013 (if proposed program changes are not implemented for fiscal 2014)

Revised Policy on Energy Efficiency Participation by Energy Assistance Participants: The budget committees are concerned that only a limited number of energy assistance applicants request weatherization services, particularly in light of the growing proportion of Electric Universal Service Program (EUSP) participants that are high energy users. The budget committees understand that not all EUSP or Maryland Energy Assistance Program (MEAP) participants will be able to be served with the limited amount of weatherization and energy efficiency funds available. However, the budget committees request that the Department of Human Resources (DHR) and Department of Housing and Community Development (DHCD) report on actions taken to revise existing policies to incentivize EUSP and MEAP participants to accept weatherization or other energy efficiency services if offered to them, with the exception that, if an EUSP or MEAP participant is a renter, the EUSP or MEAP participant not be denied an enhanced energy assistance benefit due to a landlord’s unwillingness to accept these services. The policy should also address how the agencies will prioritize participation in weatherization and energy efficiency programs based on energy use.

N00I0006

Information Request	Authors	Due Date
Report on a revised policy on energy efficiency participation by energy assistance participants	DHR DHCD	November 15, 2013

P00
Department of Labor, Licensing, and Regulation

Budget Amendments

OFFICE OF THE SECRETARY

P00A01.01 Executive Direction

Add the following language:

, provided that since the Department of Labor, Licensing, and Regulation (DLLR) has had four or more repeat findings in the most recent fiscal compliance audit issued by the Office of Legislative Audits (OLA), \$150,000 of this agency's administrative appropriation may not be expended unless:

- (1) DLLR has taken corrective action with respect to all repeat audit findings on or before January 1, 2014; and
- (2) a report is submitted to the budget committees by OLA listing each repeat audit finding along with a determination that each repeat finding was corrected. The budget committees shall have 45 days to review and comment to allow for funds to be released prior to the end of fiscal 2014.

Explanation: The Joint Audit Committee has requested that budget bill language be adopted for each unit of State government that has four or more repeat audit findings in its most recent fiscal compliance audit. Each such agency is to have a portion of its administrative budget withheld pending the adoption of corrective action by the agency, and a determination by OLA that each finding was corrected. OLA shall submit reports to the budget committees on the status of repeat findings.

Information Request	Author	Due Date
Report on status of repeat audit findings	OLA	45 days prior to the expenditure of funds

Amendment No.

57

P00

Add the following language to the general fund appropriation:

Further provided that \$2,500,000 of this appropriation is contingent on the enactment of legislation authorizing the Maryland Employment Advancement Right Now program.

Explanation: This language would eliminate funding for the Maryland Employment Advancement Right Now program if the legislation that authorizes the grant program fails to be enacted.

Amendment No.

58

Committee Narrative

DIVISION OF LABOR AND INDUSTRY

P00D01.01 General Administration

Report on the Funding of Labor Law Enforcement: The budget committees are concerned about the ability of the Division of Labor and Industry to adequately perform its regulatory, inspection, and enforcement responsibilities based on its current funding level. According to a program evaluation report by the Department of Legislative Services, current funding and staffing levels may not align with the increasing responsibilities of the division.

The budget committees request the Department of Labor, Licensing, and Regulation (DLLR) to develop potential funding options that would make the division less dependent on general funds and would enable an increase in staffing levels. The department should also review practices in other states and local governments. The department should report its findings and recommendations to the budget committees by December 1, 2013.

Information Request	Author	Due Date
Report on the funding of labor law enforcement	DLLR	December 1, 2013

Q00A

Department of Public Safety and Correctional Services

Budget Amendments

Add the following language:

Provided that no funds within this budget may be expended for operations at Dorsey Run Correctional Facility (DRCF) until a report outlining a department-wide facility plan is submitted to the budget committees. The report shall contain future uses, including plans for renovation, demolition, or upgrade, of all State correctional facilities, specifically highlighting Jessup Pre-Release Unit, DRCF, Maryland Reception, Diagnostic and Classification Center, Metropolitan Transition Center, the jail industries building, and the building of the Women’s Detention Center. On receipt the budget committees will have 45 days to review and comment.

Explanation: The department plans on closing the Jessup Pre-Release Unit (JPRU) and transferring inmates and staff to DRCF. This language restricts the use of funds for DRCF until a report outlining a departmentwide facility plan is submitted – including future uses for JPRU, DRCF, Maryland Reception, Diagnostic, and Classification Center, Metropolitan Transition Center, the jail industries building, and the building of the Women’s Detention Center. Before major changes occur, a complete picture of future plans should be outlined.

Information Request	Author	Due Date
Departmentwide facility plan	DPSCS	January 1, 2014

Amendment No.

59

OFFICE OF THE SECRETARY

Add the following language:

Provided that the following two positions be abolished from the Office of the Secretary, PINs 069980 and 035961.

Explanation: The positions are long term vacancies; the Office of the Secretary has operated efficiently without the use of those positions; therefore, they should be abolished.

Amendment No.

60

Q00A

DEPUTY SECRETARY FOR OPERATIONS

Add the following language:

Provided that the following two positions be abolished from the Deputy Secretary for Operations, PINs 068975 and 036448.

Explanation: One position has been vacant since October 9, 2007, and the other is deemed unnecessary; the Deputy Secretary for Operations has operated efficiently without the use of those positions; therefore, they should be abolished.

Amendment No.

61

Q00A02.03 Programs and Services

Add the following language to the general fund appropriation:

provided that \$425,000 of this appropriation made for the purpose of the Public Safety Compact (PSC) may not be expended until the Department of Public Safety and Correctional Services (DPSCS) Administration submits the following to the budget committees by September 1, 2013:

- (1) a report to the budget committees on the effectiveness of the PSC compared to a control group not participating in the program on substance abuse treatment outcomes, recidivism rates, and benefits to DPSCS; and
- (2) a PSC contract extension at least through June 30, 2014.

Further provided that the budget committees shall have 45 days to review and comment from the date of receipt of both the report and contract extension.

Funds restricted pending the receipt of the aforementioned items may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if both items are not submitted to the budget committees.

Explanation: DPSCS Administration has yet to demonstrate the PSC as an effective program compared to a control group not participating in the program on substance abuse treatment outcomes, recidivism rates (either re-arrest or re-incarceration), and benefits to DPSCS. Along with the effectiveness report, a copy of a valid contract extension through at least June 30, 2014, should be submitted, since the current contract expires on December 31, 2013.

Q00A

Information Request	Author	Due Date
PSC effectiveness compared to a control group	DPSCS Administration	September 1, 2013

Amendment No.

62

Q00C01
Department of Public Safety and Correctional Services
Maryland Parole Commission

Budget Amendments

MARYLAND PAROLE COMMISSION

Q00C01.01 General Administration and Hearings

Add the following language to the general fund appropriation:

, provided that \$200,000 of this appropriation made for the purpose of departmental administration may not be expended until the Maryland Parole Commission submits the following reports to the budget committees on Consistently Implementing Decisionmaking Tools: (1) a report, including fiscal 2011 and 2012 data, on the number of times hearing officers' recommendations and commissioners' decisions have been outside the guidelines of parole policy, including both revocation and initial parole hearings, should be received July 1, 2013; and (2) a report, including fiscal 2013 data, on the number of times hearing officers' recommendations and commissioners' decisions have been outside the guidelines of parole policy, including both revocation and initial parole hearings, should be received October 1, 2013. For each fiscal year requesting data, a minimum of 1,000 random cases should be evaluated.

Further provided that the budget committees shall have 45 days to review and comment on each report from the date of receipt. Funds restricted pending the receipt of the reports may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the reports are not submitted to the budget committees.

Explanation: This language restricts \$200,000 until the department provides reports on the number of times hearing officers' recommendations and commissioners' decisions have been outside the guidelines of parole policy, at both the point of initial parole and at a revocation hearing. Each report should contain a minimum of 1,000 random cases using the most recently implemented risk assessment tool from initial parole hearings for each fiscal year and all cases heard using the technical violation matrix. Reports citing 50 cases do not provide enough data for statistical significance. Overrides should be measured in order to examine the effectiveness and usefulness of the risk assessment tool being utilized and the consistency to which it is being used. If a recommendation for an inmate to stay incarcerated longer or shorter is a trend, the tool and its interpretation should be reevaluated.

Information Request	Author	Due Date
Consistently implementing decisionmaking tools	Maryland Parole Commission	July 1, 2013, and October 1, 2013

Amendment No.

63

Q00Q
Department of Public Safety and Correctional Services
Operations

Budget Amendments

GENERAL ADMINISTRATION – NORTH

Add the following language:

Provided that it is the intent of the General Assembly that the Governor provide an additional 377 correctional officer positions to the Department of Public Safety and Correctional Services (DPSCS) phased in with 100 added each year. Starting in fiscal 2015, 100 positions shall be added each year until 377 additional positions are successfully included in the DPSCS.

Explanation: The 377 number is based on a report submitted in August 2010, which determined in order to meet minimum standard to safely and securely staff the facilities, an additional 364 non-supervisory correctional officers and 13 supervisory correctional positions were needed by Department of Public Safety and Correctional Services. It is the intent that 100 positions are added each year starting in fiscal 2015 until 377 additional positions are successfully included in the DPSCS.

Amendment No.

64

Q00R03.01 Community Supervision

Add the following language to the general fund appropriation:

, provided that \$100,000 of this appropriation made for the purpose of general administration may not be expended until the Department of Public Safety and Correctional Services Operations submits a report to the budget committees on the progress of the earned release policy (ERP) in reducing the inmate population toward the level funded in the fiscal 2014 budget. The report shall provide the budget committees with:

- (1) an update on the number of inmates released due to the ERP;
- (2) the anticipated number of inmates released for fiscal 2014 due to the ERP;
- (3) the benefits of the ERP;
- (4) any challenges to the ERP implementation;
- (5) total cost savings due to ERP inmates early release;

Q00Q

- (6) how community supervision has been impacted;
- (7) the impact of ERP on the budget for fiscal 2014; and
- (8) recidivism rates for those individuals released under the ERP.

The report shall be submitted by November 1, 2013, and the budget committees shall have 45 days to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

Explanation: Since the Department of Public Safety and Correctional Services (DPSCS) Operations budget for fiscal 2014 is based upon the anticipation of the decrease in inmate population due to the success of ERP, a progress report is requested. The department anticipates an additional 993 inmates released due to this program by mid-September. This report should provide the budget committees with an update on the number of inmates released due to the ERP, the anticipated number of inmates released for fiscal 2014 due to the ERP, the benefits of the ERP, any challenges to the ERP implementation, total cost savings, how community supervision has been impacted, and the impact of the ERP on the budget for fiscal 2014.

Information Request	Author	Due Date
Progress of the earned release policy	DPSCS	November 1, 2013

Amendment No.

65

GENERAL ADMINISTRATION – SOUTH

Add the following language to the general fund appropriation:

Provided that since the Central Region Finance Office has had four or more repeat findings in the most recent fiscal compliance audit issued by the Office of Legislative Audits, \$500,000 of this agency's administrative appropriation may not be expended unless:

- (1) the Central Region Finance Office has taken corrective action with respect to all repeat audit findings on or before January 1, 2014; and
- (2) a report is submitted to the budget committees by the Office of Legislative Audits listing each repeat audit finding along with a determination that each repeat finding was corrected. The budget committees shall have 45 days to review and comment to allow for funds to be released prior to the end of fiscal 2014.

Q00Q

Explanation: The Joint Audit Committee has requested that budget bill language be added for each unit of State government that has four or more repeat audit findings in its most recent fiscal compliance audit. Each such agency is to have a portion of its administrative budget withheld pending the adoption of corrective action by the agency, and a determination by the Office of Legislative Audits (OLA) that each finding was corrected. OLA shall submit reports to the budget committees on the status of repeat findings.

Information Request	Author	Due Date
Report on corrected audit findings	OLA	45 days prior to the expenditure of funds

Amendment No. **66**

Q00S02.02 Maryland Correctional Institution Jessup

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Reduce funding for Other Contractual Services to reflect actual spending. The Secretary should allocate the reduction among all programs within Operations.	200,000 GF	
Total Reductions	200,000	0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	333.00	333.00		0.00
General Fund	39,423,037	39,223,037	200,000	
Special Fund	874,195	874,195	0	
Total Funds	40,297,232	40,097,232	200,000	

Amendment No. **67**

Q00Q

Q00S03.01 Community Supervision

Add the following language to the general fund appropriation:

, provided that \$150,000 of this appropriation may not be expended until the Department of Public Safety and Correctional Services (DPSCS) submits a federal award letter to the budget committees for the purpose of conducting a time study of the appropriate caseload standards for parole and probation agents.

Further provided that if a federal grant is not obtained by August 1, 2013, the department may submit a request to the budget committees to release the funds for the purpose of conducting a time study of the appropriate caseload standards for parole and probation agents. Funds not expended for this restricted purpose may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund.

Further provided that draft findings from the completed time study are submitted to the budget committees no later than January 15, 2014.

Further provided that \$200,000 of this appropriation made for the purpose of general administration may not be expended until DPSCS Operations submits a report to the budget committees on the results from a time study to determine an appropriate general caseload standard for parole and probation agents. The report shall be submitted by June 15, 2014, and the budget committees shall have 45 days to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

Explanation: The department has stated the only way to evaluate and obtain a general caseload standard is to perform a time study. DPSCS has indicated the intent to apply for a grant resulting in a time study from the National Institute of Corrections. If the grant is not received, a time study should be performed by the department through an outside contractor. Once a time study is completed the department should submit a report to outline the results of the time study and provide appropriate caseload standards for a general caseload.

Q00Q

Information Request	Author	Due Date
Federal grant award or request to use general funds for the study	DPSCS	August 1, 2013
Draft findings	DPSCS	January 15, 2014
Evaluate time study to obtain a general caseload standard	DPSCS	June 15, 2014

Amendment No.

68

Q00T01.01 General Administration

Add the following language to the general fund appropriation:

. provided that \$150,000 of this appropriation made for the purpose of general administration may not be expended until the Department of Public Safety and Correctional Services Operations submits a report to the budget committees on the number of treatment beds and the number of inmates requiring the service for each treatment option. The report shall be submitted by October 1, 2013, and the budget committees shall have 45 days to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

Explanation: The budget committees asked for a report in the 2012 Joint Chairmen's Report outlining programming needs of inmates as well as all program resources in order to compare and see where, if any, holes were in the service delivery in order to best serve the population. The report produced did not quite identify all needs or resources for the total population.

Information Request	Author	Due Date
Treatment programming needs and resources for the total population	DPSCS	October 1, 2013

Amendment No.

69

Q00Q

Q00T03.01 Community Supervision

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Reduce funds for Office Supplies to reflect actual spending. The Secretary should allocate the reduction among all programs within Operations.	100,000	GF
 Total Reductions	 100,000	 0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	451.00	451.00		0.00
General Fund	34,688,833	34,588,833	100,000	
Special Fund	1,947,896	1,947,896	0	
Total Funds	36,636,729	36,536,729	100,000	

Amendment No.

70

R00A01
State Department of Education
Headquarters

Budget Amendments

HEADQUARTERS

R00A01.01 Office of the State Superintendent

Add the following language:

Provided that it is the intent of the General Assembly that no individual loaned educator be engaged by the Maryland State Department of Education (MSDE) for more than 6 years. For loaned educators engaged in fiscal 2010, the time already served at MSDE may not be counted toward the 6-year limit.

Further provided that it is the intent of the General Assembly that all loaned educators submit annual financial disclosure statements, as is required by State employees in similar positions.

Further provided that MSDE shall provide an annual census report on the number of loaned educator contracts and any conversion of these personnel to regular positions to the General Assembly by December 16, 2013, and every year thereafter. The annual report shall include job function, title, salary, fund source(s) for the contract, the first year of the contract and the number of years that the loaned educator has been employed by the State, and whether the educator files a financial disclosure statement. MSDE shall also provide a report to the budget committees prior to entering into any new loaned educator contract to provide temporary assistance to the State. The budget committees shall have 45 days to review and comment from the date of receipt of any report on new contracts.

Explanation: This annual language on loaned educators expresses intent that loaned educators should not be engaged for more than six years, educators should submit annual financial disclosure reports as appropriate, and reports on the loaned educator program should be submitted. The loaned educator program at the Maryland State Department of Education (MSDE) allows local employees to work for MSDE on special projects.

Information Request	Author	Due Date
Report on loaned educator contracts	MSDE	December 16, 2013, and annually thereafter

Amendment No.

71

R00A01

Add the following language to the general fund appropriation:

, provided that \$50,000 of this appropriation made for the purpose of incentive payments for the State Superintendent based on the attainment of specified performance goals may be expended only for that purpose. Funds not expended for this restricted purpose may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund.

Explanation: The State Superintendent's contract includes incentive payments for the attainment of specified performance goals. This language restricts \$50,000 in general funds to that use only.

Amendment No.

72

Add the following language to the general fund appropriation:

Further provided that \$50,000 of this appropriation made for the purpose of incentive payments for the State Superintendent may not be expended until the Maryland State Department of Education submits a report to the budget committees identifying baseline data for each performance goal. The report shall be submitted by August 1, 2013, and the budget committees shall have 45 days to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

Explanation: The language restricts \$50,000 in general funds made for the purpose of incentive payments to the State Superintendent until the Maryland State Department of Education (MSDE) submits a report identifying the baseline data for each performance goal. The report is to be submitted by August 1, 2013.

Information Request	Author	Due Date
Report on incentive payment baseline data	MSDE	August 1, 2013

Amendment No.

73

R00A01

Committee Narrative

Report on Agency Restructuring: The committees request that the Maryland State Department of Education (MSDE) submit a report outlining how the agency plans to restructure to better fulfill its mission to provide leadership, support, and accountability for effective systems of public education, library services, and rehabilitation services, and its overarching goal to improve achievement for each student. The report should include a revised organizational chart, a timeline for restructuring, and a description of how the reorganization will be achieved within existing resources. The report should also detail how restructuring has impacted the number of loaned educators employed by the agency, and on how many vacant, and long-term vacant positions have been reprogrammed to achieve agency restructuring. Finally, the report should itemize vacant positions and long-term vacant positions that have not been used in the restructuring effort by September 2, 2013.

Information Request	Author	Due Date
Report on agency restructuring	MSDE	September 2, 2013

Report on Transition Courses: The budget committees are interested in ensuring that students who are identified as not performing at the college- and career-ready level receive services and interventions in sufficient time to prepare them for success in college and careers. To this end, in preparation for the full implementation of Partnership for Assessment of Readiness in College and Careers (PARCC) assessments in the 2014-2015 school year, the committees request that the Maryland State Department of Education (MSDE) in partnership with the local education agencies (LEA) and representatives of higher education submit a report outlining a plan to implement transition courses for high school juniors and seniors who are identified as unprepared for college and careers through PARCC assessments. These transition courses should be aligned to the Common Core State Standards and designed to provide students the reading, writing, and math skills needed to succeed in college and careers. In addition, the State Superintendent, in partnership with the LEAs, should develop and submit a plan to the committees to intervene when students fail to perform at the college- and career-ready level.

Information Request	Authors	Due Date
Report on transition courses	MSDE in partnership with the LEAs and representatives of higher education	December 2, 2013
Report on planned college- and career-ready interventions	MSDE in partnership with the LEAs	December 2, 2013

R00A01

Budget Amendments

R00A01.15 Juvenile Services Education Program

Amend the following language on the general fund appropriation:

, provided that \$1,458,671 of this appropriation shall be reduced contingent upon the enactment of legislation authorizing the State to charge local education agencies a portion of the cost associated with educating youth detained or pending placement in a Department of Juvenile Services facility. Authorization is hereby provided to process a ~~Special Fund~~ Reimbursable Fund budget amendment of up to \$1,458,671 to support the Juvenile Services Education Program.

Explanation: The language makes a technical amendment to language required for the General Assembly to reduce the budget.

Amendment No.

74

R00A02
State Department of Education
Aid to Education

AID TO EDUCATION

Budget Amendments

Add the following language:

Provided that the Maryland State Department of Education shall notify the budget committees of any intent to transfer funds from program R00A02 Aid to Education to any other budgetary unit. The budget committees shall have 45 days to review and comment on the planned transfer prior to its effect.

Explanation: The Maryland State Department of Education (MSDE) should not transfer any funds from Aid to Education until the transfer is reviewed by the budget committees.

Information Request	Author	Due Date
Report on any transfer of funds from R00A02	MSDE	45 days prior to transfer

Amendment No.

75

R00A02.13 Innovative Programs

Add the following language to the general fund appropriation:

, provided that \$2,500,000 of this appropriation made for the purpose of the Digital Learning Innovation Fund may not be expended until the Maryland State Department of Education (MSDE) submits a report to the budget committees describing the standards that will be used to allocate funds among projects that accelerate local school system's conversion to digital learning and how MSDE will evaluate the impact of those funds. The report should include a list of projects that are proposed to receive funding in the grant's first year. The report shall be submitted by August 1, 2013, and the budget committees shall have 45 days to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

Explanation: The language restricts \$2,500,000 in general funds for the Digital Learning Innovation Fund until MSDE submits a report describing the standards that will be used to allocate funds among projects, how MSDE will evaluate the impact of the grants, and a list of projects proposed to receive funding. The report is to be submitted by August 1, 2013.

R00A02

Information Request	Author	Due Date
Report on the Digital Learning Innovation Fund	MSDE	August 1, 2013

Amendment No.

76

Add the following language to the general fund appropriation:

Further provided that \$2,000,000 of this appropriation made for the purpose of the Early College Innovation Fund may not be expended until the Maryland State Department of Education (MSDE) submits a report to the budget committees identifying the standards that will be used to award competitive grants to support early college partnerships and how MSDE will evaluate the impact of those funds. The report should include a list of projects that are proposed to receive funding in the grant's first year. The report shall be submitted by August 1, 2013, and the budget committees shall have 45 days to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

Explanation: The language restricts \$2,000,000 in general funds for the Early College Innovation Fund until MSDE submits a report identifying the standards that will be used to award competitive grants, how MSDE will evaluate the impact of the grants, and a list of projects proposed to receive funding. The report is to be submitted by August 1, 2013.

Information Request	Author	Due Date
Report on the Early College Innovation Fund	MSDE	August 1, 2013

Amendment No.

77

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Reduce funds for the Digital Learning Innovation Fund to limit support for the program to \$2.5 million in its first year of implementation.	2,500,000	GF
Total Reductions	2,500,000	0.00

R00A02

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
General Fund	14,952,000	12,452,000	2,500,000	
Federal Fund	104,000	104,000	0	
Total Funds	15,056,000	12,556,000	2,500,000	

Amendment No.

78

Committee Narrative

R00A02.27 Food Services Program

Increasing Participation in Maryland Meals for Achievement: The committees are concerned that insufficient awareness of the Maryland Meals for Achievement (MMFA) program, how MMFA works, and a lack of staff capacity to apply for and launch in-classroom breakfast programs limits participation in some school districts. To ensure that all eligible schools are afforded an equal opportunity to apply for and participate in MMFA, the committees request that the Maryland State Department of Education (MSDE) develop a plan to raise awareness of the program in local education agencies (LEA) that represent a significant proportion of the State's free and reduced price meal enrollment and provide additional assistance in applying for MMFA to schools in such LEAs. The committees request that MSDE submit a report outlining the steps it has taken to raise awareness of the program and assist schools in LEAs with low participation rates in applying for funds. Finally, MSDE should report on the results of these efforts. The report should be submitted to the committees by October 1, 2013.

Information Request	Author	Due Date
Increasing participation in Maryland Meals for Achievement	MSDE	October 1, 2013

R00A02

Budget Amendments

R00A02.39 Transportation

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Reduce funds for the student transportation formula to set inflation at 0% to reflect the Consumer Price Index for private student transportation in the second preceding year. The reduction allows for enrollment growth in the formula.	2,280,649	GF
 Total Reductions	 2,280,649	 0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
General Fund	256,768,501	254,487,852	2,280,649	
Total Funds	256,768,501	254,487,852	2,280,649	

Amendment No.

79

R00A02.55 Teacher Development

Add the following language to the general fund appropriation:

, provided that \$1,040,000 of this appropriation made for the purpose of National Board Certification fees is contingent on the enactment of legislation reauthorizing the program.

Explanation: The language makes \$1 million in general funds appropriated for National Board Certification fees contingent on the enactment of legislation reauthorizing the program.

Amendment No.

80

R00A03
State Department of Education
Funding for Educational Organizations

Budget Amendments

FUNDING FOR EDUCATIONAL ORGANIZATIONS

R00A03.04 Aid to Non-Public Schools

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Reduce funds for Aid to Nonpublic School Textbook Program to provide funds at the fiscal 2013 level due to uncertainty in future Cigarette Restitution Fund (CRF) revenues, and to preserve CRF funds for health related expenses.	1,100,000 SF	
Total Reductions	1,100,000	0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Special Fund	5,540,000	4,440,000	1,100,000	
Total Funds	5,540,000	4,440,000	1,100,000	

Amendment No.

81

R00A04
State Department of Education
Children's Cabinet Interagency Fund

Budget Amendments

R00A04.01 Children's Cabinet Interagency Fund

Add the following language to the general fund appropriation:

, provided that \$1,823,709 of this appropriation made for the purpose of early intervention and prevention activities may only be used to fund these activities through Youth Services Bureaus. Further provided that the allocation of funding among Youth Services Bureaus shall be distributed in the same proportions as provided in fiscal 2013. Funds not expended for this restricted purpose may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund.

Explanation: This language restricts \$1.8 million of funding for early intervention and prevention activities to only be provided through Youth Services Bureaus (YSBs) and distributed among YSBs in the same amounts as in fiscal 2013.

Amendment No.

82

R00A05
State Department of Education
Maryland Longitudinal Data Systems Center

Budget Amendments

R00A05.01 Maryland Longitudinal Data System Center

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Reduce funds for Maryland Longitudinal Data Systems Center cell phone expenditures to allow for one phone costing \$90 a month.	4,320	GF
 Total Reductions	 4,320	 0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	14.50	14.50		0.00
General Fund	1,598,223	1,593,903	4,320	
Federal Fund	646,666	646,666	0	
Total Funds	2,244,889	2,240,569	4,320	

Amendment No.

83

R13M00
Morgan State University

Budget Amendments

R13M00.00 Morgan State University

Add the following language to the unrestricted fund appropriation:

, provided that \$1,535,170 of this appropriation made for the purpose of converting contractual positions and adding regular faculty positions may not be expended until Morgan State University submits a report to the budget committees documenting the positions that have been converted and identifying new regular faculty that have been hired in response to enrollment growth. The report shall include a policy, approved by the Board of Regents, on conversion of contractual positions. The report shall be submitted by September 1, 2013, and the budget committees shall have 45 days to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

Explanation: The fiscal 2014 budget provides \$1,033,430 specifically designated for the conversion of 12 faculty and 12 staff contractual positions to regular positions. The budget also includes \$501,740 specifically designated for “Faculty for Growth,” which is to be used to either hire additional regular faculty, if needed to meet enrollment demands, or to convert additional contractual faculty to regular positions. This language withholds the expenditure of those funds until Morgan State University (MSU) submits a report documenting the conversion of positions and the hiring of additional regular positions in response to enrollment growth.

Information Request	Author	Due Date
Report on the conversion of contractual positions and hiring of new regular faculty	MSU	September 1, 2013

Amendment No. **84**

Committee Narrative

Institutional Aid by Expected Family Contribution Category: The committees request that Morgan State University (MSU) submit data in an electronic format (Excel file) on undergraduate institutional aid awards. Data should include the number of institutional aid awards and average award size by Expected Family Contribution (EFC) for institutional grants, institutional athletic scholarships, and other institutional scholarships as reported to the Maryland

R13M

Higher Education Commission (MHEC) for fiscal 2013. Data should also include the number of institutional aid awards and average award size by EFC for tuition waivers/remissions of fees to employees and dependents for fiscal 2013. The report is to be submitted either by MSU or MHEC.

Information Request	Authors	Due Date
Report on institutional aid by EFC category	MSU or MHEC	December 15, 2013

Loan Data by Expected Family Contribution Category: In order to more fully understand all of the types of aid available to students, the committees request that Morgan State University (MSU) submit undergraduate loan data. Data should include, by Expected Family Contribution (EFC), the number of loans and average loan size of federal subsidized and unsubsidized loans, and loans from private sources as reported to the Maryland Higher Education Commission (MHEC) for fiscal 2013. Additionally, data should be provided on Pell grants including the number and average award size by EFC for fiscal 2013. The report is to be submitted in an electronic format (Excel file) either by MSU or MHEC.

Information Request	Authors	Due Date
Report on loan data by EFC category	MSU or MHEC	December 15, 2013

Faculty Workload Report: The committees request that Morgan State University (MSU) continue to provide annual instructional workload reports for tenured and tenure-track faculty. By focusing on these faculty, the committees gain a sense of the teaching activities for the regular core faculty at the institution. Additional information may be included in the report at MSU's discretion.

Information Request	Author	Due Date
Annual instructional workload report	MSU	December 1, 2013

R14D00
St. Mary's College of Maryland

Committee Narrative

Institutional Aid by Expected Family Contribution Category: The committees request that data be submitted for St. Mary's College of Maryland's (SMCM) institutional aid awards. The data should include the number of institutional aid awards and average award size by Expected Family Contribution (EFC) for institutional grants, institutional athletic scholarships, and other institutional scholarships as reported to the Maryland Higher Education Commission for fiscal 2013. Data should also include the number of institutional aid awards and average award size by EFC for tuition waivers/remissions of fees to employees and dependents for fiscal 2013.

Information Request	Author	Due Date
Report of institutional aid by EFC category	SMCM	December 13, 2013

Loan Data by Expected Family Contribution: In order to more fully understand all of the types of aid available to students, the committees request that undergraduate loan data be reported. The data should include, by Expected Family Contribution (EFC), the number of loans and average loan size of federally subsidized and unsubsidized loans, and loans from private sources as reported to the Maryland Higher Education Commission for fiscal 2013. Additionally, data should be provided on Pell Grants including the number and average award size by EFC for fiscal 2013.

Information Request	Author	Due Date
Loan data by EFC	SMCM	December 13, 2013

R30B00
University System of Maryland

Committee Narrative

Faculty Workload Report: The committees request that the University System of Maryland (USM) continue to provide annual instructional workload reports for tenured and tenure-track faculty. By focusing on these faculty, the committees gain a sense of the teaching activities for the regular core faculty at the institutions. Additional information may be included at USM's discretion. Furthermore, the report should include the percent of faculty meeting or exceeding teaching standards for tenured and tenure-track faculty for the University of Maryland, Baltimore.

Information Request	Author	Due Date
Annual report on instructional workload for tenured and tenure-track faculty	USM	December 15, 2013

Institutional Aid by Expected Family Contribution Category: The committees request that data be submitted in an electronic format (Excel file) for each University System of Maryland (USM) institution on undergraduate institutional aid awards. Data should include the number of institutional aid awards and average award size by Expected Family Contribution (EFC) for institutional grants, institutional athletic scholarships, and other institutional scholarships as reported to the Maryland Higher Education Commission (MHEC) for fiscal 2013. Data should also include the number of institutional aid awards and average award size by EFC for tuition waivers/remissions of fees to employees and dependents for fiscal 2013. The report is be submitted either by USM or MHEC.

Information Request	Authors	Due Date
Report on institutional aid by EFC category	MHEC or USM	December 15, 2013

Loan Data by Expected Family Contribution Category: In order to more fully understand all of the types of aid available to students, the committees request that undergraduate loan data be submitted for each University System of Maryland (USM) institution. Data should include, by Expected Family Contribution (EFC), the number of loans and average loan size of federal subsidized and unsubsidized loans, and loans from private sources as reported to the Maryland Higher Education Commission (MHEC) for fiscal 2013. Additionally, data should be provided on Pell grants including the number and average award size by EFC for fiscal 2013. The report is be submitted in an electronic format (Excel file) either by USM or MHEC.

R30B00

Information Request

Authors

Due Date

Report on loan data by EFC
category

MHEC or
USM

December 15, 2013

R30B22
University System of Maryland
University of Maryland, College Park

Budget Amendments

UNIVERSITY OF MARYLAND, COLLEGE PARK

R30B22.00 University of Maryland, College Park

Add the following language to the unrestricted fund appropriation:

, provided that the appropriation herein for the University of Maryland, College Park made for the purpose of the College Park Academy Public Charter School shall be reduced by \$500,000.

Explanation: The language reduces the appropriation for the University of Maryland, College Park by \$0.5 million, which is to be used to fund the College Park Academy Public Charter School. Public charter schools have not received direct funding from the State but rather from the local school system out of the existing State and local education aid. Therefore, the same funding methodology should be applied to the College Park Academy.

Amendment No.

85

R30B25
University System of Maryland
University of Maryland Eastern Shore

Budget Amendments

UNIVERSITY OF MARYLAND EASTERN SHORE

R30B25.00 University of Maryland Eastern Shore

Add the following language to the unrestricted fund appropriation:

, provided that since the University of Maryland Eastern Shore (UMES) has had four or more repeat findings in the most recent fiscal compliance audit issued by the Office of Legislative Audits, \$100,000 of this agency's administrative appropriation may not be expended unless:

- (1) UMES has taken corrective action with respect to all repeat audit findings on or before January 1, 2014; and
- (2) a report is submitted to the budget committees by the Office of Legislative Audits listing each repeat audit finding along with a determination that each repeat finding was corrected. The budget committees shall have 45 days to review and comment to allow for funds to be released prior to the end of fiscal 2014.

Explanation: The Joint Audit Committee has requested that budget bill language be adopted for each unit of State government that has four or more repeat audit findings in its most recent fiscal compliance audit. Each such agency is to have a portion of its administrative budget withheld pending the adoption of corrective action by the agency, and a determination by the Office of Legislative Audits (OLA) that each finding was corrected. OLA shall submit reports to the budget committees on the status of repeat findings.

Information Request	Author	Due Date
UMES audit follow up	OLA	45 days prior to the release of funds

Amendment No.

86

Add the following language to the unrestricted fund appropriation:

Further provided that \$300,000 of this appropriation made for the purpose of matching federal funds for the Evans-Allen Program and the McIntire-Stennis Program at the Agriculture Experiment Stations may be used only for this purpose. It is the intent of the General Assembly that this funding represents the first payment toward meeting the \$2,200,000 in matching funds

R30B25

needed for these two federal 1890 land grant programs at the University of Maryland Eastern Shore. Funds not expended for this restricted purpose may not be transferred by budget amendment or otherwise to any other purpose and shall be canceled.

Explanation: The \$300,000 of this appropriation made for the purpose of matching federal funds for the Evans-Allen and the McIntire-Stennis programs at the Agriculture Experiment Stations (AES) may only be used for this purpose. The University of Maryland Eastern Shore (UMES) stated it will use these funds for research in childhood obesity and food security. AES funding is separate from Cooperative Extension funding, which is in the budget of the University of Maryland, College Park. It is the intent of the General Assembly that this funding represents the first payment toward meeting the \$2.2 million in total matching funds needed for these two federal 1890 land grant programs at UMES. These two federal programs further research at historically black land grant institutions.

Amendment No.

87

R30B27
University System of Maryland
Coppin State University

Budget Amendments

Add the following language:

It is the intent of the General Assembly that the 2013 Special Review Committee for Coppin State University review the appropriateness of programs, personnel, and spending on intercollegiate athletics and issue recommendations for athletics in addition to its original charge.

Explanation: This language expresses the intent that the 2013 Special Review Committee for Coppin State University shall include an assessment of intercollegiate athletics in its final report.

Amendment No. **88**

Committee Narrative

Coppin Special Review Action Plan: The committees request that Coppin State University (CSU) submit the 2013 Special Review Committee’s final report as well as a follow-up report detailing how CSU will fulfill the recommendations of the Special Review Committee. CSU’s response should include a timeline and accountability measures for the institution to follow and especially highlight actions that can be accomplished within the current services budget and within the next two fiscal years.

Information Request	Authors	Due Date
2013 CSU Special Review Committee response	Coppin State University USM Board of Regents	August 1, 2013

R62I00
Maryland Higher Education Commission

Budget Amendments

R62I00.03 Joseph A. Sellinger Formula for Aid To Non-Public Institutions of Higher Education

Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. Reduce the appropriation to the Joseph A. Sellinger Funding Formula per the formula to reflect the reductions made to the selected public four-year institutions.	310,712	GF
 Total Reductions	 310,712	 0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
General Fund	41,291,975	40,981,263	310,712	
Total Funds	41,291,975	40,981,263	310,712	

Amendment No. 89

R62I00.05 The Senator John A. Cade Funding Formula for the Distribution of Funds to Community Colleges

Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. Reduce the appropriation to the Senator John A. Cade Funding Formula per the formula to reflect the reductions made to the selected public four-year institutions.	1,567,336	GF
 Total Reductions	 1,567,336	 0.00

R62I00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
General Fund	228,989,184	227,421,848	1,567,336	
Total Funds	228,989,184	227,421,848	1,567,336	

Amendment No.

90

R62I00.07 Educational Grants

Add the following language to the general fund appropriation:

. provided that \$4,900,000 in general funds designated to enhance the State's four historically black institutions may not be expended until the Maryland Higher Education Commission submits a report to the budget committees outlining how the funds will be spent. The budget committees shall have 45 days to review and comment on the report.

Explanation: This annual language restricts the expenditure of funds until the commission reports to the budget committees on the plans for spending funds designated to enhance the State's four historically black institutions.

Information Request	Author	Due Date
Enhancement expenditure report	Maryland Higher Education Commission	July 1, 2013

Amendment No.

91

Committee Narrative

Report on Outcomes of Students Participating in Access and Success Programs by Cohort:

The committees understand that as part of the State's agreement with the federal Office for Civil Rights, the State has provided annual funding to Maryland's public historically black institutions (HBI) to improve retention and graduation rates. From fiscal 2001 to 2006, the funds were budgeted through the Maryland Higher Education Commission (MHEC) and released after each HBI submitted proposals to MHEC outlining how the funds would be spent in the coming year. Beginning in fiscal 2007, Access and Success funds were appropriated directly to the HBIs. The committees request that MHEC collect progression, retention, and graduation data from each public HBI on all students participating in the Access and Success program in fiscal 2013. Data should be analyzed and presented by institution and program. Data should include the

R62I00

throughput completion rate in credit-bearing coursework for required remedial classes. The report should include a summary of fiscal 2013 programs supported by Access and Success funds and a statement from each institution on how findings from the 2012 report have been used to inform and improve programs and student services supported by Access and Success funds. The report shall be submitted by October 15, 2013.

Information Request	Author	Due Date
Report on the fiscal 2013 outcomes by cohort of students participating in Access and Success programs	MHEC	October 15, 2013

Report on Unmet Need and Student Success at Maryland Public Four-year Institutions: As part of the Access and Affordability goal of the 2009 State Plan for Postsecondary Education, the State is to work toward breaking down financial barriers for higher education. To determine the State's progress on this goal, the Maryland Higher Education Commission (MHEC) has begun an analysis of student financial need and financial aid using the Financial Aid Information System data for the fiscal 2011 cohort. The committees request that MHEC enhance this report and analyze progression, retention, and graduation data from public four-year institutions and compare levels of financial need met and the amount of unmet need remaining, both before and after loans are included. The report shall be submitted by August 1, 2013.

Information Request	Author	Due Date
Report on unmet need and student success at Maryland public four-year institutions	MHEC	August 1, 2013

Institutional Aid by Expected Family Contribution Category: The committees request that data be submitted in an electronic format (Excel file) for each community college on institutional aid awards. Data should include the number of institutional aid awards and average award size by Expected Family Contribution (EFC) for institutional grants, institutional athletic scholarships, and other institutional scholarships as reported to the Maryland Higher Education Commission (MHEC) for fiscal 2013. The data in the response should differentiate between need-based aid and merit scholarships. Data should also include the number of institutional aid awards and average award size by EFC for tuition waivers/remissions of fees to employees and dependents for fiscal 2013. The report is to be submitted either by the Maryland Association of Community Colleges (MACC) or MHEC.

R62I00

Information Request	Authors	Due Date
Report of institutional aid by EFC category	MHEC or MACC	December 15, 2013

Report on Need-based Grant Award Amounts and Other Criteria: The committees request that the Maryland Higher Education Commission (MHEC) review the Guaranteed Access (GA) and Educational Assistance (EA) grant programs and propose changes, such as lowering the maximum award amount within the GA program, to increase the amount of funding available and the number of possible awards in the EA program. MHEC should also consider eligibility and renewal criteria, such as changing the definition of a full-time student and how such changes may incentivize on-time completion. MHEC should consider using experts that are available, such as the Institute for Higher Education Policy, in developing its recommendations. The report shall be submitted by October 15, 2013.

Information Request	Author	Due Date
Report on need-based grant award amounts and other criteria	MHEC	October 15, 2013

Loan Data by Expected Family Contribution Category: In order to more fully understand all of the types of aid available to students, the committees request that loan data be submitted for each community college. Data should include, by Expected Family Contribution (EFC), the number of loans and average loan size of federal subsidized and unsubsidized loans, and loans from private sources as reported to the Maryland Higher Education Commission (MHEC) for fiscal 2013. Additionally, data should be provided on Pell grants including the number and average award size by EFC for fiscal 2013. The report is to be submitted in an electronic format (Excel file) either by the Maryland Association of Community Colleges (MACC) or MHEC.

Information Request	Authors	Due Date
Report on loan data by EFC category	MHEC or MACC	December 15, 2013

Performance-based Funding Model: The committees are interested in the Maryland Higher Education Commission (MHEC) reconvening the workgroup on performance-based funding to further revise and refine the framework to ensure the metrics are appropriate, easily understood and are difficult for institutions to game. When revising the framework, MHEC needs to ensure the recommendations from the predictive performance workgroup are considered. The workgroup also needs to consider how best to ensure that the University of Maryland, Baltimore has the opportunity to benefit from the proposed model. Furthermore, MHEC should test the

R62I00

revised model for a year in order to establish a baseline, evaluate the metrics to ensure they are reasonable, and determine if the data is available, reliable, and valid. The report on the revised framework should be submitted on October 15, 2013, and a report detailing the results of the testing of the revised model should be submitted on October 15, 2014.

Information Request	Author	Due Date
Report on revised performance-based model	MHEC	October 15, 2013
Report on the results of the performance-based model	MHEC	October 15, 2014

Improvements to the Student Outcome and Achievement Report: The budget committees are interested in improving the usefulness of the Student Outcome and Achievement Report (SOAR) for local education agencies (LEA). The SOAR reports to LEAs on the performance of their students as they transition to the higher education system. However, LEAs have previously reported that the usefulness of the SOAR is limited. The Maryland Higher Education Commission (MHEC) should work with local school systems to redesign the SOAR to provide more useful feedback on recent high school graduates' performance in college. The improvements should be done before completion of the next SOAR report, due in 2013. Prior to publication of the 2013 SOAR, MHEC should send a letter to the budget committees briefly outlining the changes that will be seen in the report.

Information Request	Author	Due Date
Improvements to the SOAR	MHEC	Prior to publication of the 2013 SOAR

Continued Submission of Complete College America Data: In order to better track the success of students in Maryland's public higher education system, the Maryland Higher Education Commission (MHEC) should continue to submit to the budget committees annual updates to the Complete College America (CCA) dataset, which is institutional data that is collected as part of Maryland's participation in the CCA alliance of states. MHEC should ensure that each institution is using and reporting standard and consistent definitions for each metric and submit the data in an electronic format (Microsoft Excel).

Information Request	Author	Due Date
Annual updates to CCA data	MHEC	December 1, 2013

R62I00

Report on Students with Learning Disabilities: The committees request the Maryland Higher Education Commission (MHEC), in consultation with the Maryland State Department of Education, the University System of Maryland, Morgan State University, St. Mary's College of Maryland, the Maryland Independent College and University Association, and the Maryland Association of Community Colleges, study the services provided to students with learning disabilities entering higher education institutions in the State and submit a report to the budget committees. The report should examine what education services are currently being provided to students with learning disabilities at the State's higher education institutions, and what education services would be needed to meet the individual education needs of those students as adequately as the needs of nondisabled students are met. In studying the issues, MHEC should seek input from appropriate organizations that represent the interests of students with learning disabilities. The report should be submitted no later than December 1, 2013.

Information Request	Author	Due Date
Report on students with learning disabilities	MHEC	December 1, 2013

R75T
Higher Education

Budget Amendments

R75T00.01 Support for State Operated Institutions of Higher Education

Add the following language to the general fund appropriation:

, provided that the appropriation for the University System of Maryland institutions shall be reduced by \$4,000,000.

Explanation: The language reduces the University System of Maryland general fund appropriation by \$4.0 million.

Amendment No.

92

Add the following language to the general fund appropriation:

Further provided that \$5,000,000 of this appropriation made for the purpose of the University System of Maryland institutions may not be used for that purpose but instead may be transferred by budget amendment to the Maryland Higher Education Commission Educational Excellence Awards (R62I00.10). Funds not expended for this restricted purpose may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund.

Explanation: The language restricts \$5 million of the University System of Maryland's appropriation to be transferred to the Maryland Higher Education Commission (MHEC) Educational Excellence Awards in order to provide additional funding for Educational Assistance Grants in this program. The grants provide need-based aid to full-time students to meet 40% of financial need for four-year students and 60% of need for community college students, up to a maximum annual award of \$3,000. The program currently has a waitlist of approximately 31,000 students and providing scholarships to these students would cost about \$69 million. The additional \$5 million would allow MHEC to award approximately 2,100 scholarships.

Amendment No.

93

Add the following language to the general fund appropriation:

Further provided that \$500,000 of this appropriation made to the purpose of the University System of Maryland institutions may not be used for that purpose but instead may be transferred by budget amendment to the Maryland Higher Education Commission (MHEC) General

R75T

Administration (R62I00.01) to be used for the purpose of funding five positions. MHEC shall request the creation of these positions. Funds not expended for this restricted purpose may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund. MHEC shall report to the budget committees on the positions created by December 1, 2013.

Explanation: The language restricts \$0.5 million of the University System of Maryland's appropriation to be transferred to the Maryland Higher Education Commission (MHEC) general administration to be used to hire 5 positions bringing the total number of positions to 55 once MHEC has requested the creation of these 5 positions from the Board of Public Works. Over the years, the number of positions has declined, hindering MHEC's ability to effectively oversee higher education in Maryland and ensure the State's priorities are being met. The workload of the currently staff has increased due to the insufficient staffing levels resulting in reports, research, and approvals not being conducted in a timely manner. These additional positions will help MHEC ensure higher education is helping the State meet its priorities such as increasing college completion and affordability through implementation of the State plan. MHEC should submit a report providing information of the newly created positions by December 1, 2013.

Information Request	Author	Due Date
Report on newly created positions	MHEC	December 1, 2013

Amendment No.

94

Add the following language to the general fund appropriation:

Further provided that \$7,000,000 of this appropriation made for the purpose of funding program initiatives at the University System of Maryland (USM) institutions may not be expended until USM submits a report to the budget committees detailing how these funds will be used and metrics to measure the progress or results of the activities funded by this appropriation. The report shall be submitted to the budget committees by July 1, 2013, or 45 days prior to the release of funds. The budget committees shall have 45 days to review and comment on the report. Funds restricted pending receipt of the report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

Explanation: The budget includes \$24.3 million in general funds to fund program enhancements or initiatives directed toward specific initiatives at USM institutions including Mpowering and technology transfer; academic transformation; science, technology, engineering, and mathematics and health-related workforce; and achievement gap and completion. The language restricts \$7.0 million of this appropriation until USM submits a report detailing how these funds will be used and metrics to measure the progress and/or results of the activities

R75T

funded with the enhancement or initiative funds. The report is to be submitted to the budget committees by July 1, 2013, or 45 days before the release of funds.

Information Request	Author	Due Date
Report on use and metrics to measure progress and programs funded with initiative funds	USM	July 1, 2013, or 45 days prior to the release of funds

Amendment No.

95

Add the following language to the general fund appropriation:

Further provided that \$1,535,170 of this appropriation made for the purpose of converting contractual positions and adding regular faculty positions may not be expended until Morgan State University submits a report to the budget committees documenting the positions that have been converted and identifying new regular faculty that have been hired in response to enrollment growth. The report shall include a policy, approved by the Board of Regents, on conversion of contractual positions. The report shall be submitted by September 1, 2013, and the budget committees shall have 45 days to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

Explanation: The fiscal 2014 budget provides \$1,033,430 specifically designated for the conversion of 12 faculty and 12 staff contractual positions to regular positions. The budget also includes \$501,740 specifically designated for “Faculty for Growth,” which is to be used to either hire additional regular faculty, if needed to meet enrollment demands, or to convert additional contractual faculty to regular positions. This language withholds the expenditure of those funds until Morgan State University (MSU) submits a report documenting the conversion of positions and the hiring of additional regular positions in response to enrollment growth.

Information Request	Author	Due Date
Report on the conversion of contractual positions and hiring of new regular faculty	MSU	September 1, 2013

Amendment No.

96

R75T

Add the following language to the general fund appropriation:

Further provided that the appropriation herein for the University of Maryland, College Park made for the purpose of the College Park Academy Public Charter School shall be reduced by \$500,000.

Explanation: The language reduces the general fund appropriation for the University of Maryland, College Park by \$0.5 million, which is to be used to fund the College Park Academy Public Charter School. Public charter schools have not received direct funding from the State but rather from the local school system out of the existing State and local education formula. Therefore, the same funding methodology should be applied to the College Park Academy.

Amendment No.

97

Add the following language to the general fund appropriation:

Further provided that since the University of Maryland Eastern Shore (UMES) has had four or more repeat findings in the most recent fiscal compliance audit issued by the Office of Legislative Audits, \$100,000 of this agency's administrative appropriation may not be expended unless:

- (1) UMES has taken corrective action with respect to all repeat audit findings on or before January 1, 2014; and
- (2) a report is submitted to the budget committees by the Office of Legislative Audits listing each repeat audit finding along with a determination that each repeat finding was corrected. The budget committees shall have 45 days to review and comment to allow for funds to be released prior to the end of fiscal 2014.

Explanation: The Joint Audit Committee has requested that budget bill language be adopted for each unit of State government that has four or more repeat audit findings in its most recent fiscal compliance audit. Each such agency is to have a portion of its administrative budget withheld pending the adoption of corrective action by the agency, and a determination by the Office of Legislative Audits (OLA) that each finding was corrected. OLA shall submit reports to the budget committees on the status of repeat findings.

Information Request	Author	Due Date
UMES audit follow up	OLA	45 days prior to the release of funds

Amendment No.

98

R75T

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Reduce the appropriation to Baltimore City Community College per the formula to reflect the reductions made to the selected public four-year institutions.	308,763	GF
 Total Reductions	 308,763	 0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
General Fund	1,215,072,613	1,214,763,850	308,763	
Special Fund	89,931,363	89,931,363	0	
Total Funds	1,305,003,976	1,304,695,213	308,763	

Amendment No.

99

Add the following language to the special fund appropriation:

Further provided that \$800,000 of this appropriation may be used only to provide a grant to St. Mary's College of Maryland (SMCM) to offset a 4% increase in the resident undergraduate tuition rate for fiscal 2014 on the condition that the Board of Trustees of SMCM does not increase the resident undergraduate tuition rate above the amount charged for the preceding academic year, \$12,245. Funds not used for this restricted purpose shall revert to the Higher Education Investment Fund.

Explanation: The language provides funds in lieu of a tuition increase rather than allowing SMCM's proposed 4% tuition increase to take place. The difference in the unchanged tuition rate revenue and the revenue SMCM would otherwise have received, \$800,000, may be transferred to SMCM from the Higher Education Investment Fund (HEIF). This amount would be included in the general SMCM funding formula in the out-years and is in addition to the \$383,840 of HEIF support that SMCM is already allocated in fiscal 2014.

Amendment No.

100

R75T

Committee Narrative

Report on Credits to Degree: Not all students have a clear pathway of the courses needed to graduate which can lead to students taking too many credits for a degree or not realizing they have earned enough credits to graduate. This results in increased costs to students and time, which increases the chance a student will drop or stop out of college. By establishing a credit to degree goal, colleges and departments will need to determine the sequence of courses needed to graduate, thereby providing students a clear program pathway from the first semester to graduation. Therefore, the committees are interested that institutions adopt policies establishing the number of credits for a degree. For instance, the University System of Maryland established a policy setting 120 credits as the standard number required for a bachelor's degree except for programs requiring five years of coursework or programs fulfilling external accreditation standards. Additionally, St. Mary's College of Maryland has set a 128 credit standard. To date, Maryland community colleges and Morgan State University (MSU) have not established credit standards. The committees request MSU and the Maryland Association of Community Colleges (MACC) report on the status of policies establishing credit standards by October 1, 2013.

Information Request	Authors	Due Date
Report on community colleges' policies on credit standard	MACC	October 1, 2013
Report on policy credit standard	MSU	October 1, 2013

R95C00
Baltimore City Community College

Budget Amendments

R95C00.00 Baltimore City Community College

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Reduce the appropriation to Baltimore City Community College per the formula to reflect the reductions made to the selected public four-year institutions.	308,763	UF
 Total Reductions	 308,763	 0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position Unrestricted Fund	453.00	453.00		0.00
Fund	69,488,393	69,179,630	308,763	
Restricted Fund	27,221,962	27,221,962	0	
Total Funds	96,710,355	96,401,592	308,763	

Amendment No. 101

Committee Narrative

Institutional Aid by Expected Family Contribution Category: The committees request that data be submitted in an electronic format (Excel file) for Baltimore City Community College’s (BCCC) institutional aid awards. Data should include the number of institutional aid awards and average award size by Expected Family Contribution (EFC) for institutional grants, institutional athletic scholarships, and other institutional scholarships as reported to the Maryland Higher Education Commission (MHEC) for fiscal 2013. The data in the response should differentiate between need-based and merit scholarships. Data should also include the number of institutional aid awards and average award size by EFC for tuition waivers/remissions of fees to employees and dependents for fiscal 2013. The report is to be submitted either by BCCC or MHEC.

Information Request	Authors	Due Date
Report of institutional aid by EFC category	MHEC or BCCC	December 15, 2013

R95C00

Loan Data by Expected Family Contribution Category: In order to more fully understand all of the types of aid available to students, the committees request that loan data be submitted for Baltimore City Community College (BCCC). Data should include, by Expected Family Contribution (EFC), the number of loans and average loan size of federal subsidized and unsubsidized loans, and loans from private sources as reported to the Maryland Higher Education Commission (MHEC) for fiscal 2013. Additionally, data should be provided on Pell grants, including the number and average award size by EFC for fiscal 2013. The report is to be submitted in an electronic format (Excel file) either by BCCC or MHEC.

Information Request	Authors	Due Date
Report on loan data by EFC category	MHEC or BCCC	December 15, 2013

S50B
Maryland African American Museum Corporation

Budget Amendments

S50B01.01 General Administration

Add the following language to the general fund appropriation:

, provided that \$100,000 of this appropriation made for the purpose of providing operating support for the Maryland African American Museum Corporation may not be expended until the corporation submits a report that details the organizational and fund-raising improvements that resulted from the in-house collaboration with an arts management consultant. The report shall include any changes that resulted from the collaboration that would allow the corporation to meet matching fund requirements as intended by the General Assembly. The report shall be submitted by December 1, 2013, and the budget committees shall have 45 days to review and comment. Funds restricted pending the receipt of the report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

Explanation: Consistent declines in fundraising and attendance have led to the inability of the Maryland African American Museum Corporation (MAAMC) to meet match requirements for the State's general fund support. Legislative intent is that the corporation matches each dollar of State support. The corporation is currently working with an arts management consultant to improve its performance and management structure. This language would restrict funds until the corporation submits the report on those improvements, including fundraising improvements.

Information Request	Author	Due Date
Consultant report on performance and management	MAAMC	December 1, 2013

Amendment No. **102**

T00
Department of Business and Economic Development

Budget Amendments

DIVISION OF BUSINESS AND ENTERPRISE DEVELOPMENT

T00F00.09 Maryland Small Business Development Financing Authority – Business Assistance

Strike the following language from the special fund appropriation:

~~provided that \$2,000,000 of this appropriation is contingent upon the enactment of legislation authorizing the use of revenue from the Small, Minority, and Women-Owned Business Investment Account.~~

Explanation: There is a provision in the Budget Reconciliation and Financing Act of 2013 that would allow the transfer of \$2,000,000 from the Small, Minority, and Women-Owned Business Account to the Maryland Small Business Development Financing Authority. However, that action would allow this funding to be used in a manner that is not consistent with the legislative intent of the Small, Minority, and Women-Owned Business Account, including avoiding a competitive bid process and geographic mandates for the funding.

Amendment No.

103

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Reduce funds from the Maryland Small Business Development Financing Authority. This action eliminates the funds that would be transferred from the Small, Minority, and Women-Owned Business Account. Funds remain in that account.	2,000,000 SF	
Total Reductions	2,000,000	0.00

T00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
General Fund	1,500,000	1,500,000	0	
Special Fund	6,755,000	4,755,000	2,000,000	
Total Funds	8,255,000	6,255,000	2,000,000	

Amendment No.

104

Committee Narrative

T00F00.12 Maryland Biotechnology Investment Tax Credit Reserve Fund

Report on the Distribution of the Maryland Biotechnology Investment Tax Credit: The Department of Business and Economic Development (DBED) administers the Maryland Biotechnology Investment Tax Credit program that provides tax credits to investors in Maryland Qualified Biotechnology Companies. The budget committees understand that the budgeted funds for the tax credits are awarded on an online first-come, first-served basis. However, the budget committees are concerned that there appears to be inequity in the distribution of the tax credits. In tax year 2012, investors in five companies received 60.0% of the program's credits. Conversely, new recipients accounted for only 12.7% of the credits awarded.

The budget committees request that DBED submit a report describing its process for awarding tax credits under the program. Specifically, the report should address the reasons for the skewed allocation of the credits, including any possible impediments that prevent a wider distribution of the credits. Further the report should include any recommendations for changes in the program, either statutory or administrative, that would remove those impediments so that a greater number of qualified biotechnology companies may benefit from the program. The department should submit its report by December 1, 2013.

Information Request	Author	Due Date
Report on the distribution of the Biotechnology Investment Tax Credit Program	DBED	December 1, 2013

T00

Budget Amendments

T00F00.19 CyberMaryland Investment Incentive Tax Credit Program

Add the following language to the general fund appropriation:

, provided that this appropriation is contingent upon the enactment of legislation authorizing the CyberMaryland Investment Incentive Tax Credit program.

Explanation: This language would eliminate funding for this program if the legislation authorizing the tax credit program fails to be enacted.

Amendment No. **105**

T00F00.23 Maryland Economic Development Assistance Authority and Fund

Add the following language to the general fund appropriation:

, provided that \$150,000 of this appropriation made for the purpose of providing business financial assistance may not be expended for that purpose and instead may only be used to develop an “Innovation Portal” to be used as a means of connecting investors and entrepreneurs in the State. Further provided that the department shall develop a means of self-financing the continued operation of the portal. Funds not expended for this restricted purpose may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund.

Explanation: Innovation portals were discussed by the House Business Climate Workgroup as a low cost option to encourage the growth of emerging companies. The portals serve as an online one-stop market place where entrepreneurs can seek potential investors. The language directs the Department of Business and Economic Development to develop such a portal and to develop a means of making the portal self-financing such as instituting a subscription fee.

Amendment No. **106**

T00

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Reduce the general funds from the Maryland Economic Development Assistance Authority and Fund (MEDAAF). The department has consistently underestimated the year-end balances in fund. The MEDAAF has showed much less activity and higher repayments than estimated. As such, there is a reduced need to recapitalize the program with general funds.	1,850,000	GF
Total Reductions	1,850,000	0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
General Fund	4,500,000	2,650,000	1,850,000	
Special Fund	10,500,000	10,500,000	0	
Total Funds	15,000,000	13,150,000	1,850,000	

Amendment No.

107

U00A
Department of the Environment

Budget Amendments

OFFICE OF THE SECRETARY

U00A01.01 Office of the Secretary

Add the following language to the general fund appropriation:

, provided that since the Maryland Department of the Environment (MDE) has had four or more repeat findings in the most recent fiscal compliance audit issued by the Office of Legislative Audits (OLA), \$100,000 of this agency's administrative appropriation may not be expended unless:

- (1) MDE has taken corrective action with respect to all repeat audit findings on or before January 1, 2014; and
- (2) a report is submitted to the budget committees by OLA listing each repeat audit finding along with a determination that each repeat finding was corrected. The budget committees shall have 45 days to review and comment to allow for funds to be released prior to the end of fiscal 2014.

Explanation: The Joint Audit Committee has requested that budget bill language be added for each unit of State government that has four or more repeat audit findings in its most recent fiscal compliance audit. Each such agency is to have a portion of its administrative budget withheld pending the adoption of corrective action by the agency and a determination by OLA that each finding was corrected. OLA shall submit reports to the budget committees on the status of repeat findings.

Information Request	Author	Due Date
Report on corrected audit findings	OLA	45 days prior to the expenditure of funds

Amendment No.

108

V10A
Department of Juvenile Services

Budget Amendments

DEPARTMENTAL SUPPORT

V00D02.01 Departmental Support

Add the following language to the general fund appropriation:

, provided that \$100,000 of this appropriation made for the purpose of providing departmental support may not be expended until the Department of Juvenile Services in conjunction with the Innovations Institute at the University of Maryland School of Social Work conducts a gap identification analysis of residential and community-based gender-specific services and submits the findings to the budget committees. The analysis should compare the current service array to the identified needs of the offender population and assess whether the services are sufficient to meet the needs of all youth, and girls specifically. To the extent that gaps in the available services are identified, the report should also include a proposed action plan for addressing those gaps. The report shall be submitted by December 1, 2013, and the budget committees shall have 45 days to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

Explanation: This language withholds funds until the Department of Juvenile Services (DJS) in consultation with the Innovations Institute at the University of Maryland School of Social Work conducts a gap identification analysis of residential and community-based services, with particular attention paid to services addressing the female offender population. Disparities among the genders continue to exist at almost every decision point in the juvenile justice system, including the available services to address the unique needs of the female population. DJS has conducted a statistical analysis of the population and created an inventory of available services. This report takes the next step by requiring the department to compare whether the identified needs are being met by the services currently available. The report is to be submitted no later than December 1, 2013.

Information Request	Author	Due Date
Residential and community-based services gap analysis	DJS, in consultation with the Innovations Institute at the University of Maryland School of Social Work	December 1, 2013

Amendment No.

109

V10A

Committee Narrative

Impact of the Internal Evaluation Process and Related Outcome Measures: It is in the intent of the budget committees that the Department of Juvenile Services (DJS) submits a report on the operational and fiscal impact of the new multi-disciplinary assessment teams used to conduct internal mental health evaluations. If successful, the new evaluation process could improve the quality of mental health evaluations, eliminate duplication of efforts among DJS, the Judiciary, and private residential providers, and impact the pending placement population. To date, however, the new process has yet to be implemented, and DJS is encountering obstacles in hiring the necessary mental health staff. This report will provide the budget committees with an update on how the implementation has progressed over the next 10 months and should also provide the committees with outcome data showing how often placement decisions made by the courts are in line with the recommendations of the assessment teams. The report should be submitted to the budget committees by January 1, 2014.

Information Request	Author	Due Date
Impact of the internal evaluation process and related outcome measures	DJS	January 1, 2014

Budget Amendments

RESIDENTIAL AND COMMUNITY OPERATIONS

V00E01.01 Residential and Community Operations

Add the following language to the general fund appropriation:

provided that \$100,000 of this appropriation may not be expended until the Department of Juvenile Services (DJS) consults with the Department of Public Safety and Correctional Services (DPSCS) on ways to improve facility culture and expedite the hiring process for direct care staff. DJS and DPSCS should jointly submit a report to the budget committees outlining the recommendations of DPSCS and a plan for implementation. The report shall be submitted by October 1, 2013, and the budget committees shall have 45 days to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

Explanation: Facility direct care staffing continues to be a major issue for DJS. A recently completed survey of existing staff cited a number of issues contributing to the poor retention rates. A number of the issues related to problems with facility culture and morale, but the survey also noted the lengthy hiring process as a deterrent to recruitment of quality staff. Due to the

V10A

similarities in facility operations, this language requires DJS to consult with DPSCS to identify potential solutions for expediting the hiring process and improving employee morale. The report is to be submitted to the budget committees no later than October 1, 2013.

Information Request	Authors	Due Date
Report on improving facility culture and expediting the hiring process	DJS DPSCS	October 1, 2013

Amendment No. **110**

Reduce appropriation for the purposes indicated:

1. Delete funding for unspecified federal grants. The Department of Juvenile Services can process a budget amendment when/if actual grant funding materializes.

	<u>Funds</u>	<u>Positions</u>
Total Reductions	721,528	0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	38.00	38.00		0.00
General Fund	3,697,455	3,697,455	0	
Special Fund	19,673	19,673	0	
Federal Fund	1,503,772	782,244	721,528	
Total Funds	5,220,900	4,499,372	721,528	

Amendment No. **111**

W10A
Department of State Police

Committee Narrative

Report on the Fixed Wing Program and Extradition Unit: The budget committees request that the Department of State police (DSP) submit a report regarding the fixed wing program and the Extradition Unit. The report should provide the current budget and recent mission data of the fixed wing program and the Extradition Unit. In addition, DSP should provide cost alternatives to conduct prisoner extraditions and the various other responsibilities of the fixed wing aircraft (such as aerial photography, law enforcement, transport of DSP personnel, etc.). Cost alternatives for prisoner extraditions should include ground transport and commercial airlines, and DSP should estimate how many extraditions would be able to use these modes of transportation based on recent mission trends. DSP also should describe commercial airline passenger restrictions as well as the requirement to deliver a prisoner within a certain timeframe, how DSP has been addressing these two issues while the fixed wing aircraft were down for repairs from March 2011 through February 2013, and whether there is a workable solution to provide extraditions for dangerous prisoners without the use of the fixed wing aircraft. Further, DSP should present the option to purchase another aircraft that could meet all the various mission needs of the fixed wing program, if such an option exists. It is the intent of the Maryland General Assembly that this report be submitted to the budget committees November 1, 2013.

Information Request	Author	Due Date
Report on the fixed wing program and the Extradition Unit	DSP	November 1, 2013

Inadequate Salaries for Aviation Command Pilots: The budget committees are concerned that the Maryland State Police Aviation Command (MSPAC) salaries are inadequate to recruit and retain pilots. In testimony before the budget committees, MSPAC has suggested raising the base pilot salary to \$70,000. It is the intent of the budget committees that the Department of State Police submits a request to the Department of Budget and Management to review the current pilot salaries and consider increasing the base salary to no less than \$70,000.

Report on the Department of State Police Motor Vehicle Fleet: Chapter 397 of 2011 (the Budget Reconciliation and Financing Act) required that, for fiscal 2013, 2014, and 2015, \$3 million of revenue derived from work zone speed control systems be distributed to the Department of State Police (DSP) for the purchase of replacement vehicles and related equipment, after administrative costs are paid. It is the intent of the Maryland General Assembly that the DSP, in conjunction with the Department of Budget and Management (DBM), submit a report to the committees by November 1, 2013, on the current state of the motor vehicle fleet and the anticipated future state of the fleet once funding is scheduled to stop from work zone speed

W10A

camera revenue. In addition, DSP should present what would be needed to sustain the fleet over time and provide funding options.

Information Request	Authors	Due Date
Report on the Department of State Police motor vehicle fleet	DSP DBM	November 1, 2013

**X00A00
Public Debt**

Budget Amendments

X00A00.01 Redemption and Interest on State Bonds

Add the following language to the general fund appropriation:

, provided that \$83,000,000 of this appropriation made for the purpose of general obligation bonds' debt service payments may only be expended for that purpose. Funds not expended for this restricted purpose may not be transferred by budget amendment or otherwise to any other purpose and shall be returned to the Annuity Bond Fund to address future debt service

Explanation: Currently, annual State property tax receipts are insufficient to fully fund general obligation bonds' debt service costs in fiscal 2014 and the out-years. To fill the gap, general funds are appropriated to support debt service costs. Current market conditions suggest that it is likely that fiscal 2014 bond sales will generate some bond sale premiums. Premiums reduce the need for general funds in fiscal 2014 but do not eliminate the need for general funds in the out-years. This language restricts the use of general funds to support debt service only, if the full appropriation is not needed in fiscal 2014.

Amendment No. **112**

Reduce appropriation for the purposes indicated:

	<u>Funds</u>		<u>Positions</u>
1. Reduce the Public Debt general fund appropriation to reflect the March 2013 General Obligation (GO) bond sale. The fiscal 2014 allowance includes \$101.0 million in general funds to support GO bond debt service costs. On March 6, 2013, the State sold \$665.1 million in GO bonds. This included \$500.0 million in new tax-exempt bonds to institutional investors and \$165.1 million in refunding bonds. The bond sale reduces fiscal 2014 debt service costs by \$0.4 million and increases the Annuity Bond Fund (ABF) balance by \$18.0 million. The additional funds reduce the level of general fund support that is required.	18,000,000	GF	
Total Reductions	18,000,000		0.00

X00A00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
General Fund	101,000,000	83,000,000	18,000,000	
Special Fund	870,170,789	870,170,789	0	
Federal Fund	12,381,082	12,381,082	0	
Total Funds	983,551,871	965,551,871	18,000,000	

Amendment No.

113

**Y01A
State Reserve Fund**

Budget Amendments

Y01A01.01 Revenue Stabilization Account

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Reduce Rainy Day Fund appropriation to conform with the Administration's proposal for a fund balance equal to 6% of general fund revenues.	165,000,000	GF
 Total Reductions	 165,000,000	 0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
General Fund	371,256,263	206,256,263	165,000,000	
Total Funds	371,256,263	206,256,263	165,000,000	

Amendment No. **114**

Y01A02.01 Dedicated Purpose Account

Strike the following language from the general fund appropriation:

~~provided that \$50,000,000 of this appropriation shall be reduced contingent upon the enactment of legislation repealing the required repayment to the Local Income Tax Reserve.~~

Explanation: The Administration was required to appropriate \$50 million per year from fiscal 2014 through fiscal 2020 to repay \$350 million transferred from the Local Reserve Account to the Education Trust Fund, as part of the plan to balance the budget at the 2011 session. Striking this language is a technical action, since the reduction was adopted as a separate action.

Amendment No. **115**

Y01A

Strike the following language from the general fund appropriation:

~~Further provided that \$50,000,000 of this appropriation shall be reduced contingent upon the enactment of legislation deferring the required repayment of State transfer tax revenue.~~

~~Transfer Tax Repayment ————— 50,000,000
 Local Income Tax Reserve Repayment — 50,000,000
 Government Innovation Fund ————— 5,000,000~~

Explanation: The Administration was required to appropriate \$50 million to partially reimburse Program Open Space for funds transferred to the general fund in fiscal 2006. Striking this language is technical, since the reduction was adopted as a separate action.

Amendment No. 116

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Concur with the reduction proposed by the Governor to delete general funds to reimburse Program Open Space and related programs. In its fiscal 2014 budget plan, the Administration recommends deleting these funds.	50,000,000	GF
2. Concur with the reduction proposed by the Governor as part of the budget, and delete general funds to reimburse the Local Reserve Account in fiscal 2014. In its budget plan the Administration recommends deleting these funds.	50,000,000	GF
3. Delete the Government Innovation Fund. The Administration should first solicit agency proposals and ascertain estimated costs and savings. It would be prudent to fund initial proposals during the fiscal year from the Board of Public Works Contingent Fund, prior to embarking on a more expansive investment.	5,000,000	GF
Total Reductions	105,000,000	0.00

Y01A

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
General Fund	105,000,000		0 105,000,000	
Total Funds	105,000,000		0 105,000,000	

Amendment No.

117

Committee Narrative

Government Innovation Fund Proposals: Although funds are not provided in fiscal 2014, the committees strongly support the Administration’s proposal to identify agency innovations that will result in long-term efficiencies and operational improvements. The Secretary of the Department of Budget and Management should solicit proposals from the agencies, including cost estimates to implement each idea and the projected savings or benefits to be realized. A report should be submitted to the committees by December 1, 2013. The Secretary should use the proposals as the basis for a funding request in the fiscal 2015 allowance.

Information Request	Author	Due Date
Innovation Proposals	DBM	December 1, 2013

M00B0104
Department of Health and Mental Hygiene
Health Professional Boards and Commissions

Fiscal 2013 Deficiency

REGULATORY SERVICES

M00B01.06 Maryland Board of Physicians

Add the following language to the special fund deficiency appropriation:

Provided that the new integrated medical licensure and investigation information technology (IT) system shall be considered a major IT development project as defined by Section 3A-301 of the State Finance and Procurement Article and subject to all statutory provisions that relate to such projects. Further provided that the Maryland Board of Physicians shall establish a separate subprogram to track spending associated with this project.

Explanation: This action conforms to statutory provisions regarding major IT development project oversight.

Amendment No. **118**

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Reduce the deficiency appropriation for the Board of Physicians to reflect reduced cost estimates for their integrated medical licensure and investigation software system.	468,000	SF
Total Reductions	468,000	0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Special Fund	600,000	132,000	468,000	
Total Funds	600,000	132,000	468,000	

Amendment No. **119**

M00Q
Department of Health and Mental Hygiene
Medical Care Programs Administrations

Fiscal 2013 Deficiency

MEDICAL CARE PROGRAMS ADMINISTRATION

M00Q01.03 Medical Care Provider Reimbursements

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Increase the fiscal 2013 negative deficiency based on favorable enrollment and utilization trends.	30,700,000 GF 30,700,000 FF	
Total Reductions	61,400,000	0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
General Fund	-46,934,000	-77,634,000	30,700,000	
Federal Fund	-46,934,000	-77,634,000	30,700,000	
Total Funds	-93,868,000	-155,268,000	61,400,000	

Amendment No.

120

W10A
Department of State Police

Fiscal 2013 Deficiency

MARYLAND STATE POLICE

W00A01.02 Field Operations Bureau

Add the following language to the general fund appropriation:

, provided that the appropriation made for the purpose of a General Fund deficiency for the Maryland State Police Aviation Command (MSPAC) to reduce Maryland Emergency Medical System Operations Fund (MEMSOF) expenditures shall be reduced by \$2,700,000 contingent on enactment of legislation to raise the motor vehicle registration fee. The Governor is authorized to process a special fund budget amendment to restore \$2,700,000 from MEMSOF to MSPAC.

Explanation: This language eliminates the general fund deficiency appropriation of \$2,700,000 to MSPAC upon enactment of legislation to raise the motor vehicle registration fee for MEMSOF. In addition, the Governor is authorized to process a budget amendment to restore \$2.7 million of MEMSOF funding to MSPAC.

Amendment No.

121

Sections

Budget Amendments

Amend the following section:

Section 17 Using Funds for Their Intended Purpose

SECTION 17. AND BE IT FURTHER ENACTED, That funds appropriated to the various State agency programs and subprograms in Comptroller Objects 0152 (Health Insurance), 0154 (Retirees Health Insurance Premiums), 0175 (Workers' Compensation), 0305 (DBM Paid Telecommunications), 0322 (Capital Lease Telecommunications), 0874 (Office of Attorney General Administrative Fee), 0876 (DoIT IT Services Allocation), 0894 (State Personnel System Allocation), and 1303 (rent paid to DGS) are to be utilized for their intended purposes only. The expenditure or transfer of these funds for other purposes requires the prior approval of the Secretary of Budget and Management. Notwithstanding any other provision of law, the Secretary of Budget and Management may transfer amounts appropriated in Comptroller Objects 0152, 0154, 0305, and 0322 between State departments and agencies by approved budget amendment in fiscal year 2013 and fiscal year 2014. All funds budgeted in or transferred to Comptroller Objects 0152 and 0154, and any funds restricted in this budget for use in the employee and retiree health insurance program that are unspent shall be credited to the fund as established in accordance with Section 2-516 of the State Personnel and Pensions Article of the Annotated Code of Maryland.

Further provided that each agency that receives funding in this budget in any of the restricted Comptroller Objects listed within this section shall establish within the State's accounting system a structure of accounts to separately identify for each restricted Comptroller Object, by fund source, the legislative appropriation, monthly transactions, and final expenditures. It is the intent of the General Assembly that an accounting detail be established so that the Office of Legislative Audits may review the disposition of funds appropriated for each restricted Comptroller Object as part of each closeout audit to ensure that funds are used only for the purposes for which they are restricted and that unspent funds are reverted or canceled.

Explanation: This amendment makes it possible for the Office of Legislative Audits to track the disposition of funds in restricted statewide subobjects.

Amendment No.

122

Sections

Add the following section:

Section 19 Reduction to Health Insurance Costs

SECTION 19. AND BE IT FURTHER ENACTED, that for fiscal year 2014 funding for health insurance shall be reduced by ~~\$7,417,352 in Executive Branch agencies~~ \$7,912,396 to reflect health insurance savings from favorable cost trends. Funding for the purpose shall be reduced in Comptroller Object 0154 – Retiree Health Insurance, ~~within Executive Branch Agencies~~ in fiscal year 2014 by the following amounts in accordance with a schedule determined by the Governor:

B75	General Assembly	94,294
C00	Judiciary	400,750
C80	Office of the Public Defender	114,751
C81	Office of the Attorney General	18,202
C82	State Prosecutor	1,060
C85	MD Tax Court	868
D05	Board of Public Works (BPW)	1,084
D10	Executive Department – Governor	10,873
D11	Office of Deaf and Hard of Hearing	294
D12	Department of Disabilities	1,984
D15	Boards and Commissions	9,221
D16	Secretary of State	2,969
D17	Historic St. Mary’s City Commission	3,167
D18	Governor’s Office for Children	2,383
D25	BPW Interagency Committee for School Construction	2,499
D26	Department of Aging	2,413
D27	Maryland Commission on Civil Rights	3,874
D38	State Board of Elections	3,944
D39	Maryland State Board of Contract Appeals	782
D40	Department of Planning	16,179
D50	Military Department	16,437
D55	Department of Veterans Affairs	5,663
D60	Maryland State Archives	2,934
E00	Comptroller of Maryland	102,261
E20	State Treasurer’s Office	3,707
E50	Department of Assessments and Taxation	37,593
E75	State Lottery and Gaming Control Agency	12,826
E80	Property Tax Assessment Appeals Board	1,271
F10	Department of Budget and Management	17,221
F50	Department of Information Technology	10,826
H00	Department of General Services	49,970
K00	Department of Natural Resources	62,422
L00	Department of Agriculture	34,136
M00	Department of Health and Mental Hygiene	655,764

Sections

N00	Department of Human Resources	315,000
P00	Department of Labor, Licensing, and Regulation	32,854
Q00	Department of Public Safety and Correctional Services	1,437,852
R00	State Department of Education	52,067
R15	Maryland Public Broadcasting Commission	9,791
R62	Maryland Higher Education Commission	4,768
R75	Support for State Operated Institutions of Higher Education	1,319,457
R99	Maryland School for the Deaf	34,072
T00	Department of Business and Economic Development	21,140
U00	Department of the Environment	31,026
V00	Department of Juvenile Services	261,389
W00	Department of State Police	271,276
<hr/>		
Total General Funds		5,000,000
		<u>5,495,044</u>

Explanation: Amends Section 19 to include the General Assembly and Judiciary in across-the-board reductions related to the retiree health insurance plan.

Amendment No.

123

Add the following section:

Section 20 Cross-the-board Reductions and Higher Education

SECTION 20. AND BE IT FURTHER ENACTED, That all across-the-board reductions applied to the Executive Branch, unless otherwise stated, shall apply to current unrestricted and general funds in the University System of Maryland, St. Mary's College of Maryland, Morgan State University, and Baltimore City Community College.

Explanation: This section explicitly applies reductions intended for the full Executive Branch to the University System of Maryland, St. Mary's College of Maryland, Morgan State University, and Baltimore City Community College, unless their exclusion is specifically stated.

Amendment No.

124

Sections

Add the following section:

Section 21 Chesapeake Employers' Insurance Company Fund Accounts

SECTION 21. AND BE IT FURTHER ENACTED, That the General Accounting Division of the Comptroller of Maryland shall establish a subsidiary ledger control account to debit all State agency funds budgeted under subobject 0175 (workers' compensation coverage) and to credit all payments disbursed to the Chesapeake Employers' Insurance Company (CEIC) via transmittal. The control account shall also record all funds withdrawn from CEIC and returned to the State and subsequently transferred to the General Fund. CEIC shall submit monthly reports to the Department of Legislative Services concerning the status of the account.

Explanation: This section provides continuation of a system to track workers' compensation payments to the CEIC Fund for payment of claims, current expenses, and funded liability for incurred losses by the State.

Information Request	Author	Due Date
Report on status of ledger control account	CEIC	Monthly beginning on July 1, 2013

Amendment No.

125

Add the following section:

Section 22 Reporting Federal Funds

SECTION 22. AND BE IT FURTHER ENACTED, That the Governor's budget books shall include a summary statement of federal revenues by major federal program sources supporting the federal appropriations made therein along with the major assumptions underpinning the federal fund estimates. The Department of Budget and Management (DBM) shall exercise due diligence in reporting this data and ensure that they are updated as appropriate to reflect ongoing congressional action on the federal budget. In addition, DBM shall provide to the Department of Legislative Services (DLS) data for the actual, current, and budget years listing the components of each federal fund appropriation by Catalog of Federal Domestic Assistance number or equivalent detail for programs not in the catalog. Data shall be provided in an electronic format subject to the concurrence of DLS.

Explanation: This annual language provides for consistent reporting of federal monies received by the State.

Sections

Information Request	Author	Due Date
Report of components of each federal fund appropriation	DBM	With submission of fiscal 2015 budget

Amendment No.

126

Add the following section:

Section 23 Federal Fund Spending

SECTION 23. AND BE IT FURTHER ENACTED, That in the expenditure of federal funds appropriated in this budget or subsequent to the enactment of this budget by the budget amendment process:

- (1) State agencies shall administer these federal funds in a manner that recognizes that federal funds are taxpayer dollars that require prudent fiscal management, careful application to the purposes for which they are directed, and strict attention to budgetary and accounting procedures established for the administration of all public funds.
- (2) For fiscal 2014, except with respect to capital appropriations, to the extent consistent with federal requirements:
 - (a) when expenditures or encumbrances may be charged to either State or Federal Fund sources, federal funds shall be charged before State funds are charged except that this policy does not apply to the Department of Human Resources with respect to federal funds to be carried forward into future years for child welfare or welfare reform activities;
 - (b) when additional federal funds are sought or otherwise become available in the course of the fiscal year, agencies shall consider, in consultation with the Department of Budget and Management, whether opportunities exist to use these federal revenues to support existing operations rather than to expand programs or establish new ones; and
 - (c) the Department of Budget and Management shall take appropriate actions to effectively establish the provisions of this section as policies of the State with respect to the administration of federal funds by executive agencies.

Sections

Explanation: This annual language defines the policies under which federal funds shall be used in the State budget.

Amendment No.

127

Add the following section:

Section 24 Indirect Costs Report

SECTION 24. AND BE IT FURTHER ENACTED, That the Department of Budget and Management (DBM) shall provide an annual report on indirect costs to the General Assembly in January 2014 as an appendix in the Governor’s fiscal 2015 budget books. The report shall detail by agency for the actual fiscal 2013 budget the amount of statewide indirect cost recovery received, the amount of statewide indirect cost recovery transferred to the General Fund, and the amount of indirect cost recovery retained for use by each agency. In addition, it shall list the most recently available federally approved statewide and internal agency cost-recovery rates. As part of the normal fiscal/compliance audit performed for each agency once every 3 years, the Office of Legislative Audits shall assess available information on the timeliness, completeness, and deposit history of indirect cost recoveries by State agencies. Further provided that for fiscal 2014, excluding the Maryland Department of Transportation, the amount of revenue received by each agency from any federal source for statewide cost recovery may only be transferred to the General Fund and may not be retained in any clearing account or by any other means, nor may DBM or any other agency or entity approve exemptions to permit any agency to retain any portion of federal statewide cost recoveries.

Explanation: This is annual language that requires a report on indirect costs and disallows waivers of statewide cost recovery.

Information Request	Author	Due Date
Annual report on indirect costs	DBM	With submission of the Governor’s fiscal 2015 budget books

Amendment No.

128

Sections

Add the following section:

Section 25 Executive Long-term Forecast

SECTION 25. AND BE IT FURTHER ENACTED, That the Governor's budget books shall include a forecast of the impact of the Executive budget proposal on the long-term fiscal condition of the General Fund, Transportation Trust Fund, and higher education Current Unrestricted Fund accounts. This forecast shall estimate aggregate revenues, expenditures, and fund balances in each account for the fiscal year last completed, the current year, the budget year, and 4 years thereafter. Expenditures shall be reported at such agency, program or unit levels, or categories as may be determined appropriate after consultation with the Department of Legislative Services. A statement of major assumptions underlying the forecast shall also be provided, including but not limited to general salary increases, inflation, and growth of caseloads in significant program areas.

Explanation: This annual language provides for the delivery of the Executive's general fund, transportation, and higher education forecasts and defines the conditions under which they are to be provided.

Information Request	Author	Due Date
Executive forecasts	DBM	With submission of the Governor's fiscal 2015 budget books

Amendment No.

129

Add the following section:

Section 26 Reporting on Budget Data and Organizational Charts

SECTION 26. AND BE IT FURTHER ENACTED, That it is the intent of the General Assembly that all State departments, agencies, bureaus, commissions, boards, and other organizational units included in the State budget, including the Judiciary, shall prepare and submit items for the fiscal 2015 budget detailed by Comptroller subobject classification in accordance with instructions promulgated by the Comptroller of the Treasury. The presentation of budget data in the State budget books shall include object, fund, and personnel data in the manner provided for in fiscal 2014 except as indicated elsewhere in this Act; however, this may not preclude the placement of additional information into the budget books. For actual fiscal 2013 spending, the fiscal 2014 working appropriation, and the fiscal 2015 allowance, the budget detail shall be available from the Department of Budget and Management (DBM) automated data system at the subobject level by subobject codes and classifications for all

Sections

agencies. To the extent possible, except for public higher education institutions, subobject expenditures shall be designated by fund for actual fiscal 2013 spending, the fiscal 2014 working appropriation, and the fiscal 2015 allowance. The agencies shall exercise due diligence in reporting this data and ensuring correspondence between reported position and expenditure data for the actual, current, and budget fiscal years. This data shall be made available on request and in a format subject to the concurrence of the Department of Legislative Services (DLS). Further, the expenditure of appropriations shall be reported and accounted for by the subobject classification in accordance with the instructions promulgated by the Comptroller of Maryland.

Further provided that due diligence shall be taken to accurately report full-time equivalent counts of contractual positions in the budget books. For the purpose of this count, contractual positions are defined as those individuals having an employee-employer relationship with the State. This count shall include those individuals in higher education institutions who meet this definition but are paid with additional assistance funds.

Further provided that DBM shall provide to DLS with the allowance for each department, unit, agency, office, and institution, a one-page organizational chart in Microsoft Word or Adobe PDF format that depicts the allocation of personnel across operational and administrative activities of the entity.

Explanation: This annual language provides for consistent reporting of fiscal 2013, 2014, and 2015 budget data, and provides for the submission of department, unit, agency, office, and institutions' organizational charts to DLS with the allowance.

Amendment No.

130

Add the following section:

Section 27 Interagency Agreements

SECTION 27. AND BE IT FURTHER ENACTED, That it is the intent of the General Assembly that on or before August 1, 2013, each State agency and each public institution of higher education shall report to the Department of Budget and Management (DBM) any agreements in place for any part of fiscal 2013 between State agencies and any public institution of higher education involving potential expenditures in excess of \$100,000 over the term of the agreement. Further provided that DBM shall provide direction and guidance to all State agencies and public institutions of higher education as to the procedures and specific elements of data to be reported with respect to these interagency agreements, to include at a minimum:

- (1) a common code for each interagency agreement that specifically identifies each agreement and the fiscal year in which the agreement began;

Sections

- (2) the starting date for each agreement;
- (3) the ending date for each agreement;
- (4) a total potential expenditure, or not-to-exceed dollar amount, for the services to be rendered over the term of the agreement by any public institution of higher education to any State agency;
- (5) a description of the nature of the goods and services to be provided;
- (6) the total number of personnel, both full-time and part-time, associated with the agreement;
- (7) contact information for the agency and the public institution of higher education for the person(s) having direct oversight or knowledge of the agreement; and
- (8) the amount and rate of any indirect cost recovery or overhead charges assessed by the institution of higher education related to the agreement.

Further provided that DBM shall submit a consolidated report to the budget committees and the Department of Legislative Services by December 1, 2013, that contains information on all agreements between State agencies and any public institution of higher education involving potential expenditures in excess of \$100,000 that were in effect at any time during fiscal 2013.

Explanation: The language requires all State agencies and public institutions of higher education to report on all interagency agreements between State agencies and public institutions of higher education having a total potential expenditure over the term of the agreement in excess of \$100,000. This applies only to agreements for the purchase of goods and/or services and does not apply to grants or space agreements between State agencies and public institutions of higher education. Further, it requires that DBM submit a consolidated report on all agreements by December 1, 2013, to the budget committees and the Department of Legislative Services. A new provision was added to request information on higher education cost recovery for interagency agreements.

Information Request	Author	Due Date
Consolidated report on all interagency agreements	DBM	December 1, 2013

Amendment No.

131

Sections

Add the following section:

Section 28 Budget Amendments

SECTION 28. AND BE IT FURTHER ENACTED, That any budget amendment to increase the total amount of special, federal, or higher education (current restricted and current unrestricted) fund appropriations, or to make reimbursable fund transfers from the Governor's Office of Crime Control and Prevention or the Maryland Emergency Management Agency, made in Section 1 of this Act shall be subject to the following restrictions:

- (1) This section shall not apply to budget amendments for the sole purpose of:
 - (a) appropriating funds available as a result of the award of federal disaster assistance; and
 - (b) transferring funds from the State Reserve Fund – Economic Development Opportunities Fund for projects approved by the Legislative Policy Committee.
- (2) Budget amendments increasing total appropriations in any fund account by \$100,000 or more may not be approved by the Governor until:
 - (a) that amendment has been submitted to the Department of Legislative Services (DLS); and
 - (b) the budget committees or the Legislative Policy Committee have considered the amendment or 45 days have elapsed from the date of submission of the amendment. Each amendment submitted to DLS shall include a statement of the amount, sources of funds and purposes of the amendment, and a summary of impact on budgeted or contractual position and payroll requirements.
- (3) Unless permitted by the budget bill or the accompanying supporting documentation or by any other authorizing legislation, and notwithstanding the provisions of Section 3-216 of the Transportation Article, a budget amendment may not:
 - (a) restore funds for items or purposes specifically denied by the General Assembly;
 - (b) fund a capital project not authorized by the General Assembly provided, however, that subject to provisions of the Transportation Article, projects of the Maryland Department of Transportation shall be restricted as provided in Section 1 of this Act;
 - (c) increase the scope of a capital project by an amount 7.5% or more over the approved estimate or 5.0% or more over the net square footage of the approved project until the amendment has been submitted to DLS and the budget

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committees have considered and offered comment to the Governor or 45 days have elapsed from the date of submission of the amendment. This provision does not apply to the Maryland Department of Transportation; and

- (d) provide for the additional appropriation of special, federal, or higher education funds of more than \$100,000 for the reclassification of a position or positions.
- (4) A budget may not be amended to increase a Federal Fund appropriation by \$100,000 or more unless documentation evidencing the increase in funds is provided with the amendment and fund availability is certified by the Secretary of Budget and Management.
- (5) No expenditure or contractual obligation of funds authorized by a proposed budget amendment may be made prior to approval of that amendment by the Governor.
- (6) Notwithstanding the provisions of this section, any federal, special, or higher education fund appropriation may be increased by budget amendment upon a declaration by the Board of Public Works that the amendment is essential to maintaining public safety, health, or welfare, including protecting the environment or the economic welfare of the State.
- (7) Budget amendments for new major Information Technology (IT) projects, as defined by Sections 3A-301 and 3A-302 of the State Finance and Procurement Article, must include an Information Technology Project Request, as defined in Section 3A-308 of the State Finance and Procurement Article.
- (8) Further provided that the fiscal 2014 appropriation detail as shown in the Governor's budget books submitted to the General Assembly in January 2014 and the supporting electronic detail shall not include appropriations for budget amendments that have not been signed by the Governor, exclusive of the Maryland Department of Transportation pay-as-you-go capital program.
- (9) Further provided that it is the policy of the State to recognize and appropriate additional special, higher education, and federal revenues in the budget bill as approved by the General Assembly. Further provided that for the fiscal 2015 allowance, the Department of Budget and Management shall continue policies and procedures to minimize reliance on budget amendments for appropriations that could be included in a deficiency appropriation.

Explanation: This annual language defines the process under which budget amendments may be used. A new provision is added requesting that any budget amendment for an information technology project include an information technology project request.

Sections

Add the following language:

Section 29 Maintenance of Accounting Systems

SECTION 29. AND BE IT FURTHER ENACTED, That:

- (1) The Secretary of Health and Mental Hygiene shall maintain the accounting systems necessary to determine the extent to which funds appropriated for fiscal 2013 in program M00Q01.03 Medical Care Provider Reimbursements have been disbursed for services provided in that fiscal year and shall prepare and submit the periodic reports required under this section for that program.
- (2) The State Superintendent of Schools shall maintain the accounting systems necessary to determine the extent to which funds appropriated for fiscal 2013 to program R00A02.07 Students With Disabilities for Non-Public Placements have been disbursed for services provided in that fiscal year and to prepare periodic reports as required under this section for that program.
- (3) The Secretary of Human Resources shall maintain the accounting systems necessary to determine the extent to which funds appropriated for fiscal 2013 in program N00G00.01 Foster Care Maintenance Payments have been disbursed for services provided in that fiscal year and to prepare the periodic reports required under this section for that program.
- (4) For the programs specified, reports shall indicate total appropriations for fiscal 2013 and total disbursements for services provided during that fiscal year up through the last day of the second month preceding the date on which the report is to be submitted and a comparison to data applicable to those periods in the preceding fiscal year.
- (5) Reports shall be submitted to the budget committees, the Department of Legislative Services, the Department of Budget and Management, and the Comptroller on November 1, 2013; March 1, 2014; and June 1, 2014.
- (6) It is the intent of the General Assembly that general funds appropriated for fiscal 2013 to the programs specified that have not been disbursed within a reasonable period, not to exceed 12 months from the end of the fiscal year, shall revert.

Explanation: This annual language requires the maintenance of accounting systems for certain programs, states the intent of the General Assembly that general funds not disbursed be reverted, and requires reporting of disbursements by the Department of Health and Mental Hygiene (DHMH), the Maryland State Department of Education (MSDE), and the Department of Human Resources (DHR).

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Information Request	Authors	Due Date
Report on appropriations and disbursements in M00Q01.03, R00A02.07, and N00G00.01	DHMH MSDE DHR	November 1, 2013 March 1, 2014 June 1, 2014

Amendment No.

133

Add the following section:

Section 30 Secretary's or Acting Secretary's Nomination and Salary

SECTION 30. AND BE IT FURTHER ENACTED, That no funds in this budget may be expended to pay the salary of a Secretary or an Acting Secretary of any department whose nomination as Secretary has been rejected by the Senate or an Acting Secretary who was serving in that capacity prior to the 2013 session whose nomination for the Secretary position was not put forward and approved by the Senate during the 2013 session unless the Acting Secretary is appointed under Article II, Section 11 of the Maryland Constitution prior to July 1, 2013.

Explanation: This language ensures that the intentions of the General Assembly are reflected in the payment of executive salaries.

Amendment No.

134

Add the following section:

Section 31 The "Rule of 100"

SECTION 31. AND BE IT FURTHER ENACTED, That the Board of Public Works (BPW), in exercising its authority to create additional positions pursuant to Section 7-236 of the State Finance and Procurement Article, may authorize during the fiscal year no more than 100 positions in excess of the total number of authorized State positions on July 1, 2013, as determined by the Secretary of Budget and Management. Provided, however, that if the imposition of this ceiling causes undue hardship in any department, agency, board, or commission, additional positions may be created for that affected unit to the extent that positions authorized by the General Assembly for the fiscal year are abolished in that unit or in other units of State government. It is further provided that the limit of 100 does not apply to any position that may be created in conformance with specific manpower statutes that may be enacted by the State or federal government nor to any positions created to implement block grant actions or to implement a program reflecting fundamental changes in

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federal/State relationships. Notwithstanding anything contained in this section, BPW may authorize additional positions to meet public emergencies resulting from an act of God and violent acts of men, that are necessary to protect the health and safety of the people of Maryland.

BPW may authorize the creation of additional positions within the Executive Branch provided that 1.25 full-time equivalent contractual positions are abolished for each regular position authorized and that there be no increase in agency funds in the current budget and the next two subsequent budgets as the result of this action. It is the intent of the General Assembly that priority is given to converting individuals that have been in contractual positions for at least 2 years. Any position created by this method may not be counted within the limitation of 100 under this section.

The numerical limitation on the creation of positions by BPW established in this section may not apply to positions entirely supported by funds from federal or other non-State sources so long as both the appointing authority for the position and the Secretary of Budget and Management certify for each position created under this exception that:

- (1) funds are available from non-State sources for each position established under this exception;
- (2) the position's classification is not one for which another position was abolished through the Voluntary Separation Program; and
- (3) any positions created will be abolished in the event that non-State funds are no longer available.

The Secretary of Budget and Management shall certify and report to the General Assembly by June 30, 2014, the status of positions created with non-State funding sources during fiscal 2010, 2011, 2012, 2013, and 2014 under this provision as remaining, authorized, or abolished due to the discontinuation of funds.

Explanation: This annual language, the "Rule of 100," limits the number of positions that may be added after the beginning of the fiscal year to 100 and provides for exceptions to the limit.

Information Request	Author	Due Date
Certification of the status of positions created with non-State funding sources during fiscal 2010, 2011, 2012, 2013, and 2014	Department of Budget and Management	June 30, 2014

Amendment No.

135

Sections

Add the following section:

Section 32 Annual Report on Authorized Positions

SECTION 32. AND BE IT FURTHER ENACTED, That immediately following the close of fiscal 2013, the Secretary of Budget and Management shall determine the total number of full-time equivalent (FTE) positions that are authorized as of the last day of fiscal 2013 and on the first day of fiscal 2014. Authorized positions shall include all positions authorized by the

General Assembly in the personnel detail of the budgets for fiscal 2013 and 2014 including nonbudgetary programs, the Maryland Transportation Authority, the University System of Maryland self-supported activities, and the Maryland Correctional Enterprises.

The Department of Budget and Management shall also prepare during fiscal 2014 a report for the budget committees upon creation of regular FTE positions through Board of Public Works action and upon transfer or abolition of positions. This report shall also be provided as an appendix in the fiscal 2015 Governor's budget books. It shall note, at the program level:

- (1) where regular FTE positions have been abolished;
- (2) where regular FTE positions have been created;
- (3) from where and to where regular FTE positions have been transferred; and
- (4) where any other adjustments have been made.

Provision of contractual FTE position information in the same fashion as reported in the appendices of the fiscal 2015 Governor's budget books shall also be provided.

Explanation: This is annual language providing reporting requirements for regular and contractual State positions.

Information Request	Author	Due Date
Total number of FTEs on June 30 and July 1, 2013	Department of Budget and Management	July 14, 2013
Report on the creation, transfer, or abolition of regular positions	Department of Budget and Management	As needed

Amendment No.

136

Sections

Add the following section:

Section 33 Annual Executive Pay Plan Report

SECTION 33. AND BE IT FURTHER ENACTED, That the Department of Budget and Management and the Maryland Department of Transportation are required to submit to the Department of Legislative Services (DLS) Office of Policy Analysis:

- (1) a report in Excel format listing the grade, salary, title, and incumbent of each position in the Executive Pay Plan (EPP) as of July 1, 2013; October 1, 2013; January 1, 2014; and April 1, 2014; and
- (2) detail on any lump-sum increases given to employees paid on the EPP subsequent to the previous quarterly report.

Flat-rate employees on the EPP shall be included in these reports. Each position in the report shall be assigned a unique identifier that describes the program to which the position is assigned for budget purposes and corresponds to the manner of identification of positions within the budget data provided annually to the DLS Office of Policy Analysis.

Explanation: Legislation adopted during the 2000 session altered the structure of the EPP to give the Governor flexibility to compensate executives at appropriate levels within broad salary bands established for their positions, without reference to a rigid schedule of steps, and through other compensation methods such as a flat rate salary. These reports fulfill a requirement for documentation of any specific recruitment, retention, or other issues that warrant a pay increase.

Information Request	Author	Due Date
Report of all Executive Pay Plan positions	Department of Budget and Management	July 1, 2013; October 1, 2013; January 1, 2014; and April 1, 2014

Amendment No.

137

Sections

Add the following section:

Section 34 Positions Abolished in the Budget

SECTION 34. AND BE IT FURTHER ENACTED, That no position identification number assigned to a position abolished in this budget may be reassigned to a job or function different from that to which it was assigned when the budget was submitted to the General Assembly. Incumbents in positions abolished may continue State employment in another position.

Explanation: This language prevents employees from being moved into positions abolished in the budget. It also allows that incumbents in abolished positions may continue State employment in another position.

Amendment No. **138**

Add the following section:

Section 35 Annual Report on Health Insurance Receipts and Spending

SECTION 35. AND BE IT FURTHER ENACTED, That the Secretary of Budget and Management shall include as an appendix in the fiscal 2015 Governor's budget books an accounting of the fiscal 2013 actual, fiscal 2014 working appropriation, fiscal 2015, and fiscal 2016 estimated revenues and expenditures associated with the employees' and retirees' health plan. This accounting shall include:

- (1) any health plan receipts received from State agencies, employees, and retirees, as well as prescription rebates or recoveries, or audit recoveries, and other miscellaneous recoveries;
- (2) any premium, capitated, or claims expenditures paid on behalf of State employees and retirees for any health, mental health, dental, or prescription plan, as well as any administrative costs not covered by these plans; and
- (3) any balance remaining and held in reserve for future provider payments.

Explanation: This language provides an accounting of the health plan revenues received and expenditures made on behalf of State employees and retirees.

Sections

Information Request	Author	Due Date
Accounting of the employee and retiree health plan revenues and expenditures	Department of Budget and Management	With submission of Governor's fiscal 2015 budget books

Amendment No.

139

Add the following section:

Section 36 Chesapeake Bay Restoration Spending

SECTION 36. AND BE IT FURTHER ENACTED, That it is the intent of the General Assembly that the Department of Budget and Management, the Department of Natural Resources, and the Maryland Department of the Environment provide two reports on Chesapeake Bay restoration spending. The reports shall be drafted subject to the concurrence of the Department of Legislative Services (DLS) in terms of both electronic format to be used and data to be included. The scope of the reports is as follows:

- (1) Chesapeake Bay restoration operating and capital expenditures by agency, fund type, and particular fund source based on programs that have over 50% of their activities directly related to Chesapeake Bay restoration for the fiscal 2013 actual, fiscal 2014 working appropriation, and fiscal 2015 allowance, which is to be included as an appendix in the fiscal 2015 budget volumes and submitted electronically in disaggregated form to DLS; and
- (2) 2-year milestones funding by agency, best management practice, fund type, and particular fund source along with associated nutrient and sediment reductions for fiscal 2012, 2013, 2014, and 2015, which is to be submitted electronically in disaggregated form to DLS.

Explanation: This language expresses the intent that the Department of Budget and Management (DBM), the Department of Natural Resources (DNR), and the Maryland Department of the Environment (MDE) provide at the time of the fiscal 2015 budget submission and annually thereafter information on (1) Chesapeake Bay restoration spending for programs that have over 50% of their activities directly related to Chesapeake Bay restoration; and (2) 2-year milestones funding.

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Information Request	Authors	Due Date
Summary of Chesapeake Bay restoration spending for programs that have over 50% of their activities directly related to Chesapeake Bay restoration and two-year milestones expenditures	DBM DNR MDE	Fiscal 2015 State budget submission and annually thereafter

Amendment No. **140**

Add the following section:

Section 37 Revenues in the Strategic Energy Investment Fund

SECTION 37. AND BE IT FURTHER ENACTED, That the Department of Budget and Management shall provide an annual report on the Strategic Energy Investment Fund (SEIF) to the General Assembly in conjunction with submission of the fiscal 2015 budget and annually thereafter as an appendix to the Governor's budget books. This report shall include information for the actual fiscal 2013 budget, fiscal 2014 working appropriation, and fiscal 2015 allowance. The report shall detail revenue assumptions used to calculate the available SEIF for each fiscal year including:

- (1) the number of auctions;
- (2) the number of allowances sold;
- (3) the allowance price for both current and future (if offered) control period allowances sold in each auction;
- (4) alternative compliance payments;
- (5) contributions received as a result of the Exelon Corporation/Constellation Energy Group merger; and
- (6) fund balance used to support the appropriation.

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The report shall also include detail on the amount of the SEIF available to each agency that receives funding through each required allocation, separately identifying funds available as a result of the Exelon Corporation/Constellation Energy Group merger and Alternative Compliance Payments:

- (1) energy assistance;
- (2) residential rate relief;
- (3) energy efficiency and conservation programs, low-and moderate-income sector;
- (4) energy efficiency and conservation programs, all other sectors;
- (5) renewable and clean energy programs and initiatives, education, and climate change programs;
- (6) administrative expenditures;
- (7) dues owed to the Regional Greenhouse Gas Initiative, Inc.; and
- (8) transfers made to other funds.

Explanation: This language requires the Department of Budget and Management (DBM) to include as an appendix in the Governor's budget books for fiscal 2015 detail on the revenue assumptions used to determine the amount of the SEIF available for use in each year as well as how those revenues will be distributed to various agencies. This information increases transparency and the understanding of the use of the SEIF by the General Assembly. Similar language was first included in the fiscal 2012 budget bill.

Information Request	Author	Due Date
Report on revenue assumptions and use of the SEIF	DBM	With submission of the Governor's fiscal 2015 budget books and annually thereafter

Amendment No. **141**

Sections

Add the following section:

Section 38 Substance Abuse Data Collection

SECTION 38. AND BE IT FURTHER ENACTED, That \$100,000 of the General Fund appropriation for the Department of Human Resources (DHR) and \$100,000 of the General Fund appropriation for the Alcohol and Drug Abuse Administration (ADAA) may not be expended unless, by October 1, 2013, DHR and ADAA jointly submit a report to the budget committees detailing the changes that would need to be made to data collection methodologies to allow outcomes of substance abuse treatment to be reported for all Temporary Cash Assistance clients receiving treatment, regardless of how the client was referred for substance abuse treatment. The report should include cost estimates and a timeline for making the necessary changes. The budget committees shall have 45 days to review and comment following receipt of the report. Funds restricted pending the receipt of the report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

Explanation: Currently, data collection methods identify substance abuse (SA) treatment patients by source of referral. This system does not allow the entire Temporary Cash Assistance (TCA) population receiving SA treatment to be identified which hampers an evaluation of the adequacy and effectiveness of SA treatment for this population. This language requires DHR and ADAA to evaluate the changes in data collection that would be necessary to allow SA treatment reporting on the entire TCA population, including cost estimates and a timeline for making the changes.

Information Request	Authors	Due Date
Report on the changes to data collection methods to allow SA treatment outcomes to be reported for the entire TCA population regardless of the source of referral to treatment	DHR ADAA	October 1, 2013

Amendment No.

142

Sections

Add the following section:

Section 39 Submission of Uniform Crime Report

SECTION 39. AND BE IT FURTHER ENACTED, That \$1,000,000 of the General Fund appropriation within the Department of State Police (DSP) may not be expended until DSP submits the Crime in Maryland, 2012 Uniform Crime Report (UCR) to the budget committees. The budget committees shall have 45 days to review and comment following receipt of the report. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

Further, provided that, if DSP encounters difficulty obtaining the necessary crime data on a timely basis from local jurisdictions who provide the data for inclusion in the UCR, DSP shall notify the Governor's Office of Crime Control and Prevention (GOCCP). GOCCP shall withhold a portion, totaling at least 15%, but no more than 50%, of that jurisdiction's State Aid for Police Protection (SAPP) grant for fiscal 2014 upon receipt of notification from DSP. GOCCP shall withhold SAPP funds until such a time that the jurisdiction submits its crime data to DSP. DSP and GOCCP shall submit a report to the budget committees indicating any jurisdiction from which crime data was not received on a timely basis and the amount of SAPP funding withheld from each jurisdiction.

Explanation: The annual language was originally added because DSP had not been submitting its annual crime report in a timely manner due to issues related to receiving crime data from the local jurisdictions. As such, this language withholds a portion of the general fund appropriation until the budget committees receive the 2012 UCR. The language also specifies that GOCCP, upon receipt of notification from DSP, must withhold a portion of a delinquent jurisdiction's SAPP grant until certain crime data is received by DSP. Finally, DSP and GOCCP must submit a report to the budget committees that includes information on any jurisdiction that did not report crime data on a timely basis and the amount of SAPP funding that was withheld from each jurisdiction.

Information Request	Author	Due Date
2012 UCR	DSP	45 days prior to the expenditure of funds

Amendment No. **143**

Sections

Add the following section:

Section 40 Maintain Rainy Day Fund

SECTION 40. AND BE IT FURTHER ENACTED, That for fiscal 2014, no funds may be transferred from the Revenue Stabilization Account of the State Reserve Fund to the General Fund.

Explanation: This action precludes the transfer of balance out of the Rainy Day Fund and into the general fund. Legislative action leaves a fund balance of 6% in the Rainy Day Fund, consistent with the Governor's plan.

Amendment No. **144**

Add the following section:

Section 41 Position Deletion

SECTION 41. AND BE IT FURTHER ENACTED, That \$85,811 in reimbursable funds and one regular position appropriated in the Department of Health and Mental Hygiene, Office of the Secretary Operations (Program M00A01.02) shall be deleted. The Governor shall develop a schedule for allocating this reimbursable fund reduction across the department as appropriate. The reduction under this section shall equal at least the amounts indicated for the budgetary types listed:

<u>Fund</u>	<u>Amount</u>
<u>General</u>	<u>\$42,906</u>
<u>Federal</u>	<u>\$42,905</u>

Explanation: Delete 1 regular position (047000) and associated funding from the Department of Health and Mental Hygiene's Office of the Secretary.

Amendment No. **145**

Technical Amendment

Technical Amendment No. 1

Renumber SECTION 21, as SECTION 42, and SECTION 22, as SECTION 43.

Amendment No.

146