

HOUSE APPROPRIATIONS COMMITTEE

COMMITTEE REPRINT

To SENATE BILL 172

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4lr0148
CF HB 162

By: The President (By Request – Administration)

Introduced and read first time: January 15, 2014

Assigned to: Budget and Taxation

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 9, 2014

CHAPTER _____

1 AN ACT concerning

2 Budget Reconciliation and Financing Act of 2014

3 FOR the purpose of authorizing certain funds to be used for certain purposes; setting a
4 certain limit on the use of certain funds beginning with a certain fiscal year;
5 authorizing or altering the distribution of certain revenue; establishing the date
6 on which certain license fees are effective; creating a Maryland Amusement
7 Game Advisory Committee; providing for the composition, chair, staffing, and
8 duties of the Advisory Committee; prohibiting a member of the Advisory
9 Committee from receiving certain compensation, but authorizing the
10 reimbursement of certain expenses; altering or repealing certain required
11 appropriations; requiring a certain maintenance of effort of county support for a
12 community college in order for a community college to receive a certain hold
13 harmless component amount; applying to charter counties certain provisions of
14 law that authorize counties to impose a hotel rental tax; providing that under
15 certain circumstances certain other laws prevail over the provisions that
16 authorize charter counties to impose a hotel rental tax; requiring the
17 appropriation of certain funds for certain purposes beginning with a certain
18 fiscal year; altering the rate of certain commissions; repealing a certain
19 authorization for the State Lottery and Gaming Control Commission to
20 authorize the payment of certain bonuses and incentives; requiring the
21 Governor to include certain supplemental contributions in the budget bill in
22 addition to certain required contributions for certain fiscal years or until certain
23 conditions are met; requiring the Governor to increase certain supplemental
24 contributions in the budget bill under certain circumstances; providing for the

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike-out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.

Italics indicate opposite chamber / conference committee amendments.



1 transfer of certain funds; providing for a certain calculation of local wealth for
2 certain education aid purposes for certain fiscal years; making the Maryland
3 Health Benefit Exchange subject to certain provisions of law, to the extent that
4 the Secretary of Information Technology determines that a certain information
5 technology project is a major information technology development project;
6 ~~repealing a limitation on the applicability, to certain fiscal years only, of a~~
7 ~~certain fee for a certificate of title for a rental vehicle;~~ repealing certain
8 authority for the Health Services Cost Review Commission and the Department
9 of Health and Mental Hygiene to adopt certain policies; requiring the Governor
10 to reduce a certain assessment by a certain amount beginning with the State
11 budget submission for a certain fiscal year; providing for the method of
12 calculating the amount of the reduction; requiring the Commission and the
13 Department of Health and Mental Hygiene to model the methodology used for
14 calculating the reduction in a certain manner; requiring that certain other
15 Medicaid savings also be used to reduce the assessment; requiring the Health
16 Services Cost Review Commission to establish a Community Partnership
17 Assistance Program; requiring certain funding for the Program for certain
18 purposes; providing for the sources and permissible uses of the funding;
19 requiring that certain plans be developed in accordance with certain guidelines;
20 providing that certain guidelines contain certain minimum standards, criteria,
21 and specifications; providing for the submission, review, and approval of certain
22 plans; requiring the Commission to take action on a certain plan; requiring the
23 Department of Health and Mental Hygiene to post certain plans on the
24 Department's Web site; requiring the Health Services Cost Review Commission
25 ~~for a certain fiscal year to include a certain additional amount in hospital~~
26 ~~revenue for a certain purpose when determining certain hospital rates;~~ altering
27 the rate of a certain assessment; requiring the Board of Trustees for the State
28 Retirement and Pension System to perform a certain study and to report the
29 results to certain committees of the General Assembly on or before a certain
30 date; requiring the Health Services Cost Review Commission to establish a
31 ~~Community Partnership Assistance Program; requiring certain funding for the~~
32 ~~Program for certain purposes; providing for the sources and permissible uses of~~
33 ~~the funding; requiring that certain plans be developed in accordance with~~
34 ~~certain guidelines; providing that certain guidelines contain certain criteria and~~
35 ~~specifications; providing for the submission and approval of certain plans;~~
36 ~~requiring the Commission to take action on a certain plan; requiring that~~
37 ~~certain preferences be given to certain plans or collaborations; altering the~~
38 ~~timing of certain increases in certain rates for payments to certain providers for~~
39 ~~a certain fiscal year;~~ setting certain limits in increases in payments to certain
40 providers for a certain fiscal year; requiring the State Department of
41 Assessments and Taxation to establish a certain workgroup in a certain manner
42 to examine certain issues; requiring the workgroup to submit a certain report on
43 or before a certain date; authorizing the State Department of Assessments and
44 Taxation to contract with a consultant for a certain purpose under certain
45 circumstances and subject to certain requirements of State procurement law;
46 requiring the Comptroller to set a certain interest rate for certain taxable years
47 for income tax refunds resulting from a certain judicial decision; providing for

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~~the application of certain provisions of this Act; defining certain terms; making a~~
~~conforming change; conforming changes; making certain provisions of this Act~~
~~contingent on the taking effect of another Act; making the provisions of this Act~~
severable; providing for the effective dates for certain provisions of this Act; and
generally relating to the financing of State and local government.

BY repealing and reenacting, with amendments,
Article – Corporations and Associations
Section 1–203.3(b)
Annotated Code of Maryland
(2007 Replacement Volume and 2013 Supplement)

BY repealing and reenacting, with amendments,
Article – Courts and Judicial Proceedings
Section 7–301(f)
Annotated Code of Maryland
(2013 Replacement Volume and 2013 Supplement)

BY repealing and reenacting, with amendments,
Article – Criminal Law
Section 12–301.1(c)(5)
Annotated Code of Maryland
(2012 Replacement Volume and 2013 Supplement)

BY adding to
Article – Criminal Law
Section 12–301.1(f)
Annotated Code of Maryland
(2012 Replacement Volume and 2013 Supplement)

BY repealing and reenacting, with amendments,
Article – Economic Development
Section 5–1204 and 10–523(a)(3)(i) and (c)
Annotated Code of Maryland
(2008 Volume and 2013 Supplement)

BY repealing and reenacting, with amendments,
Article – Education
~~Section 16–305(e)(1)(i) and 5–202(d)(1), 16–305(c)(1)(i) and (d), and 17–104(a)(1)~~
Annotated Code of Maryland
(2008 Replacement Volume and 2013 Supplement)

~~BY adding to~~
~~Article – Education~~
~~Section 16–305(e)(1)(v) and 17–104(a)(4)~~
~~Annotated Code of Maryland~~
~~(2008 Replacement Volume and 2013 Supplement)~~

1 BY repealing and reenacting, with amendments,
2 Article – Health – General
3 Section 2–302(b)(1)(xxiv) and (2)
4 Annotated Code of Maryland
5 (2009 Replacement Volume and 2013 Supplement)

6 BY adding to
7 Article – Health – General
8 Section 2–302(b)(3)
9 Annotated Code of Maryland
10 (2009 Replacement Volume and 2013 Supplement)

11 BY repealing and reenacting, with amendments,
12 Article – Local Government
13 Section 20–402
14 Annotated Code of Maryland
15 (2013 Volume)

16 BY repealing and reenacting, with amendments,
17 Article – Natural Resources
18 Section 5–212(g)
19 Annotated Code of Maryland
20 (2012 Replacement Volume and 2013 Supplement)

21 BY repealing and reenacting, with amendments,
22 Article – State Government
23 Section 9–117(a)(1) and (b)(2) and (b), 9–1A–29(d)(1), and 9–20B–05(g)
24 Annotated Code of Maryland
25 (2009 Replacement Volume and 2013 Supplement)

26 BY repealing and reenacting, without amendments,
27 Article – State Personnel and Pensions
28 Section 21–308(a)(1) and (2)
29 Annotated Code of Maryland
30 (2009 Replacement Volume and 2013 Supplement)

31 BY repealing and reenacting, with amendments,
32 Article – State Personnel and Pensions
33 Section 21–308(a)(4)
34 Annotated Code of Maryland
35 (2009 Replacement Volume and 2013 Supplement)

36 BY adding to
37 Article – State Personnel and Pensions
38 Section 21–308(a)(4)
39 Annotated Code of Maryland

- 1 (2009 Replacement Volume and 2013 Supplement)
- 2 BY repealing and reenacting, with amendments,
3 Article – Tax – General
4 Section 2–1302.1(b)
5 Annotated Code of Maryland
6 (2010 Replacement Volume and 2013 Supplement)
- 7 BY repealing and reenacting, with amendments,
8 Article – Tax – Property
9 Section 13–209(h)(2)
10 Annotated Code of Maryland
11 (2012 Replacement Volume and 2013 Supplement)
- 12 BY repealing and reenacting, without amendments,
13 Article – Education
14 Section 5–202(d)(10)(i), (ii), (iii), and (iv)1. and 2. and (k) and 16–305(c)(7)
15 Annotated Code of Maryland
16 (2008 Replacement Volume and 2013 Supplement)
- 17 BY repealing and reenacting, with amendments,
18 Article – Insurance
19 Section 31–103(a) and (b)
20 Annotated Code of Maryland
21 (2011 Replacement Volume and 2013 Supplement)
- 22 BY repealing
23 Article – State Government
24 Section 9–20B–05(g–1) and (g–2)
25 Annotated Code of Maryland
26 (2009 Replacement Volume and 2013 Supplement)
- 27 BY repealing and reenacting, with amendments,
28 Article – Transportation
29 Section 12–118(e) and 13–802(b)(1)
30 Annotated Code of Maryland
31 (2012 Replacement Volume and 2013 Supplement)
- 32 ~~BY repealing and reenacting, without amendments,~~
33 ~~Article – Transportation~~
34 ~~Section 13–802(a)~~
35 ~~Annotated Code of Maryland~~
36 ~~(2012 Replacement Volume and 2013 Supplement)~~
- 37 BY repealing and reenacting, with amendments,
38 Chapter 397 of the Acts of the General Assembly of 2011, as amended by
39 Chapter 425 of the Acts of the General Assembly of 2013

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Section 16

BY repealing and reenacting, without amendments,
Article – Health – General
Section 19–214(d)(1)
Annotated Code of Maryland
(2009 Replacement Volume and 2013 Supplement)

BY repealing and reenacting, with amendments,
Article – Health – General
Section 19–214(d)(3)(i)
Annotated Code of Maryland
(2009 Replacement Volume and 2013 Supplement)

~~BY adding to~~
~~Article – Health – General~~
~~Section 19–219.1~~
~~Annotated Code of Maryland~~
~~(2009 Replacement Volume and 2013 Supplement)~~

BY adding to
Article – Health – General
Section 19–219.1
Annotated Code of Maryland
(2009 Replacement Volume and 2013 Supplement)

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

Article – Corporations and Associations

1–203.3.

(b) (1) Subject to the appropriation process in the State budget, the
Department shall use the fund:

(1) (I) For the costs of reviewing, processing, and auditing
documents filed or requested under this article or other articles of the Code; [and]

(2) (II) To pay redemption or extinguishment amounts to former
owners of ground rents redeemed or extinguished in accordance with § 8-110 of the
Real Property Article; AND

(3) (III) FOR SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION,
FOR OTHER COSTS INCURRED BY THE DEPARTMENT TO ADMINISTER THE
PROVISIONS OF THIS ARTICLE.

1 **(2) FOR FISCAL YEAR 2015 AND EACH FISCAL YEAR THEREAFTER,**
2 **THE DEPARTMENT MAY NOT USE THE FUND TO PAY MORE THAN 5% OF THE**
3 **ADMINISTRATIVE EXPENSES OF THE OFFICE OF THE DIRECTOR OF THE**
4 **DEPARTMENT.**

5 **Article – Courts and Judicial Proceedings**

6 7-301.

7 (f) (1) This subsection does not apply to a traffic case under § 21-202.1, §
8 21-809, § 21-810, or § 21-1414 of the Transportation Article or to a parking or
9 impounding case.

10 (2) In a traffic case under subsection (a)(1) of this section the court
11 shall add a \$7.50 surcharge to any fine imposed by the court.

12 (3) (i) The Comptroller annually shall credit the surcharges
13 collected under this subsection as provided in this paragraph.

14 (ii) An amount annually as set forth in the State budget shall be
15 distributed for the Charles W. Riley Fire and Emergency Medical Services Tuition
16 Reimbursement Program as established in § 18-603 of the Education Article.

17 (iii) **AN AMOUNT ANNUALLY AS SET FORTH IN THE STATE**
18 **BUDGET SHALL BE DISTRIBUTED TO THE MARYLAND STATE FIREMEN'S**
19 **ASSOCIATION FOR THE WIDOWS' AND ORPHANS' FUND.**

20 (IV) After the distribution under [subparagraph]
21 **SUBPARAGRAPHS (ii) AND (III)** of this paragraph, \$200,000 shall be distributed to
22 the Maryland State Firemen's Association.

23 [(iv)] (V) After the distribution under subparagraphs (ii) [and
24 (iii)], (III), AND (IV) of this paragraph and until a total of \$20,000,000 has been
25 distributed to the Volunteer Company Assistance Fund since the establishment of the
26 surcharge under this subsection, the remainder shall be credited to the Volunteer
27 Company Assistance Fund to be used in accordance with the provisions of Title 8,
28 Subtitle 2 of the Public Safety Article.

29 [(v)] (VI) After a total of \$20,000,000 has been distributed to
30 the Volunteer Company Assistance Fund, 100% of the remainder shall be credited to
31 the Maryland Emergency Medical System Operations Fund established under §
32 13-955 of the Transportation Article.

33 [(vi)] (VII) On or before September 1 of each year until
34 \$20,000,000 has been distributed to the Volunteer Company Assistance Fund, the

State Court Administrator shall submit a report to the Senate Budget and Taxation Committee and the House Appropriations Committee, in accordance with § 2-1246 of the State Government Article, on the amount of revenue distributed to the Volunteer Company Assistance Fund under this paragraph.

Article – Criminal Law

12-301.1.

(c) The Commission shall adopt regulations that:

(5) establish license fees, EFFECTIVE ON JULY 1, 2016, that are sufficient to cover the direct and indirect costs of licensure required under this section.

(F) (1) THERE IS A MARYLAND AMUSEMENT GAME ADVISORY COMMITTEE.

(2) THE ADVISORY COMMITTEE SHALL ADVISE THE COMMISSION ON THE CONDUCT AND TECHNICAL ASPECTS OF THE AMUSEMENT GAME INDUSTRY, INCLUDING RECOMMENDATIONS FOR THE LEGALITY OF SKILLS-BASED AMUSEMENT GAMES.

(3) THE ADVISORY COMMITTEE CONSISTS OF:

(I) THE FOLLOWING MEMBERS APPOINTED BY THE GOVERNOR:

~~(H)~~ 1. TWO MEMBERS SELECTED FROM A LIST OF FIVE NAMES SUBMITTED BY THE MARYLAND AMUSEMENT AND MUSIC OPERATORS ASSOCIATION;

~~(H)~~ 2. ONE MEMBER WHO IS A LOCAL GOVERNMENT OFFICIAL SELECTED FROM A LIST OF NAMES SUBMITTED BY THE MARYLAND ASSOCIATION OF COUNTIES AND THE MARYLAND MUNICIPAL LEAGUE;

~~(H)~~ 3. ONE MEMBER WHO IS A LOCAL LAW ENFORCEMENT OFFICER; AND

~~(IV)~~ 4. ONE CITIZEN REPRESENTATIVE; AND

(II) THE DIRECTOR OF THE COMMISSION, OR THE DIRECTOR'S DESIGNEE, WHO SHALL SERVE AS A NONVOTING MEMBER OF THE ADVISORY COMMITTEE.

1 (4) THE GOVERNOR SHALL DESIGNATE THE CHAIR OF THE
2 ADVISORY COMMITTEE.

3 (5) THE COMMISSION SHALL PROVIDE STAFF FOR THE ADVISORY
4 COMMITTEE.

5 (6) A MEMBER OF THE ADVISORY COMMITTEE:

6 (I) MAY NOT RECEIVE COMPENSATION AS A MEMBER OF
7 THE ADVISORY COMMITTEE; BUT

8 (II) IS ENTITLED TO REIMBURSEMENT FOR EXPENSES
9 UNDER THE STANDARD STATE TRAVEL REGULATIONS, AS PROVIDED IN THE
10 STATE BUDGET.

11 Article – Economic Development

12 5–1204.

13 (a) (1) There is a Maryland Not–For–Profit Development Center Program
14 Fund in the Department.

15 (2) The Fund is a special, nonlapsing fund that is not subject to
16 reversion under § 7–302 of the State Finance and Procurement Article.

17 (3) The Fund consists of:

18 (i) money appropriated in the State budget to the Fund; and

19 (ii) all other money accepted for the benefit of the Fund,
20 including an additional \$50 fee to be paid for the processing of articles of incorporation
21 of a nonstock corporation in accordance with § 1–203 of the Corporations and
22 Associations Article.

23 (b) (1) The purpose of the Fund is to provide grant money to support the
24 operations of the Program consistent with this subtitle.

25 (2) AS PROVIDED IN THE STATE BUDGET, THE FUND ALSO MAY
26 BE USED BY THE DEPARTMENT OF GENERAL SERVICES TO EVALUATE THE
27 PARTICIPATION OF NOT–FOR–PROFIT ENTITIES IN STATE PROCUREMENT.

28 10–523.

29 (a) (3) (i) To assist the Corporation in complying with subsection (c) of
30 this section, the Governor shall include each year in the State budget bill an

1 appropriation to the Corporation for rural business development and assistance as
2 follows:

- 3 1. for fiscal year 2011, \$2,750,000;
- 4 2. for fiscal year 2012, \$2,750,000;
- 5 3. for fiscal year 2013, \$2,875,000;
- 6 4. for fiscal year 2014, \$2,875,000; [and]
- 7 5. FOR FISCAL YEAR 2015, \$2,875,000; AND
- 8 6. for each of the fiscal years [2015] 2016 through
9 [2020] 2021, \$4,000,000.

10 (c) The Corporation shall conduct its financial affairs so that, by the year
11 [2020] 2021, it is self-sufficient and in no further need of general operating support
12 by the State.

13 Article – Education

14 16–305.

15 (c) (1) (i) The total State operating fund per full-time equivalent
16 student to the community colleges for each fiscal year other than fiscal ~~[year]~~ YEARS
17 2013 ~~AND 2015~~, as requested by the Governor shall be:

18 1. In fiscal year 2009, not less than an amount equal to
19 26.25% of the State's General Fund appropriation per full-time equivalent student to
20 the 4-year public institutions of higher education in the State as designated by the
21 Commission for the purpose of administering the Joseph A. Sellinger Program under
22 Title 17 of this article in the previous fiscal year;

23 2. In fiscal year 2010, not less than an amount equal to
24 23.6% of the State's General Fund appropriation per full-time equivalent student to
25 the 4-year public institutions of higher education in the State as designated by the
26 Commission for the purpose of administering the Joseph A. Sellinger Program under
27 Title 17 of this article in the same fiscal year;

28 3. In fiscal year 2011, not less than an amount equal to
29 21.8% of the State's General Fund appropriation per full-time equivalent student to
30 the 4-year public institutions of higher education in the State as designated by the
31 Commission for the purpose of administering the Joseph A. Sellinger Program under
32 Title 17 of this article in the same fiscal year;

1 4. In fiscal year 2012, not less than an amount equal to
2 20% of the State's General Fund appropriation per full-time equivalent student to the
3 4-year public institutions of higher education in the State as designated by the
4 Commission for the purpose of administering the Joseph A. Sellinger Program under
5 Title 17 of this article in the same fiscal year;

6 5. In fiscal year 2014, an amount that is the greater of
7 19.7% of the State's General Fund appropriation per full-time equivalent student to
8 the 4-year public institutions of higher education in the State as designated by the
9 Commission for the purpose of administering the Joseph A. Sellinger Program under
10 Title 17 of this article in the same fiscal year or \$1,839.47 per full-time equivalent
11 student;

12 6. ~~In~~ In fiscal year 2015, an amount that is the greater of
13 19.7% of the State's General Fund appropriation per full-time equivalent student to
14 the 4-year public institutions of higher education in the State as designated by the
15 Commission for the purpose of administering the Joseph A. Sellinger Program under
16 Title 17 of this article in the same fiscal year or \$1,839.47 per full-time equivalent
17 student;

18 7. ~~In fiscal year 2016, an amount that is the greater of~~
19 ~~19%~~ NOT LESS THAN AN AMOUNT EQUAL TO 19.7% 20.0% of the State's General
20 Fund appropriation per full-time equivalent student to the 4-year public institutions
21 of higher education in the State as designated by the Commission for the purpose of
22 administering the Joseph A. Sellinger Program under Title 17 of this article in the
23 same fiscal year ~~or \$1,839.47 per full-time equivalent student;~~

24 ~~8. In fiscal year 2017, an amount that is the greater of~~
25 ~~19%~~ NOT LESS THAN AN AMOUNT EQUAL TO 19.7% 20.5% of the State's General
26 Fund appropriation per full-time equivalent student to the 4-year public institutions
27 of higher education in the State as designated by the Commission for the purpose of
28 administering the Joseph A. Sellinger Program under Title 17 of this article in the
29 same fiscal year ~~or \$1,839.47 per full-time equivalent student;~~

30 ~~9. In fiscal year 2018, not less than an amount equal to~~
31 ~~20%~~ 21.0% of the State's General Fund appropriation per full-time equivalent
32 student to the 4-year public institutions of higher education in the State as designated
33 by the Commission for the purpose of administering the Joseph A. Sellinger Program
34 under Title 17 of this article in the same fiscal year;

35 ~~10. In fiscal year 2019, not less than an amount~~
36 equal to ~~21%~~ 22.0% of the State's General Fund appropriation per full-time
37 equivalent student to the 4-year public institutions of higher education in the State as
38 designated by the Commission for the purpose of administering the Joseph A.
39 Sellinger Program under Title 17 of this article in the same fiscal year;

~~{11.} 10.~~ In fiscal year 2020, not less than an amount equal to 23% of the State's General Fund appropriation per full-time equivalent student to the 4-year public institutions of higher education in the State as designated by the Commission for the purpose of administering the Joseph A. Sellinger Program under Title 17 of this article in the same fiscal year;

~~{12.} 11.~~ In fiscal year 2021, not less than an amount equal to 25% of the State's General Fund appropriation per full-time equivalent student to the 4-year public institutions of higher education in the State as designated by the Commission for the purpose of administering the Joseph A. Sellinger Program under Title 17 of this article in the same fiscal year;

~~{13.} 12.~~ In fiscal year 2022, not less than an amount equal to 27% of the State's General Fund appropriation per full-time equivalent student to the 4-year public institutions of higher education in the State as designated by the Commission for the purpose of administering the Joseph A. Sellinger Program under Title 17 of this article in the same fiscal year; and

~~{14.} 13.~~ In fiscal year 2023 and each fiscal year thereafter, not less than an amount equal to 29% of the State's General Fund appropriation per full-time equivalent student to the 4-year public institutions of higher education in the State as designated by the Commission for the purpose of administering the Joseph A. Sellinger Program under Title 17 of this article in the same fiscal year.

~~(V) IN FISCAL YEAR 2015, THE TOTAL STATE OPERATING FUNDS FOR COMMUNITY COLLEGES SHALL BE \$223,669,968, TO BE DISTRIBUTED AS FOLLOWS:~~

1.	ALLEGANY COLLEGE.....	\$4,872,898;
2.	ANNE ARUNDEL COMMUNITY COLLEGE.....	\$28,998,941;
3.	COMMUNITY COLLEGE OF BALTIMORE COUNTY.....	\$38,990,003;
4.	CARROLL COMMUNITY COLLEGE.....	\$7,488,547;
5.	CECIL COMMUNITY COLLEGE.....	\$5,217,687;
6.	COLLEGE OF SOUTHERN MARYLAND.....	\$13,118,626;
7.	CHESAPEAKE COLLEGE.....	\$6,134,108;

1	8. FREDERICK COMMUNITY COLLEGE ... \$9,010,822;
2	9. GARRETT COLLEGE \$2,595,501;
3	10. HAGERSTOWN COMMUNITY
4	COLLEGE \$7,788,149;
5	11. HARFORD COMMUNITY COLLEGE \$10,913,980;
6	12. HOWARD COMMUNITY COLLEGE \$15,300,154;
7	13. MONTGOMERY COLLEGE \$40,402,184;
8	14. PRINCE GEORGE'S COMMUNITY
9	COLLEGE \$25,722,191; AND
10	15. WOR-WIC COMMUNITY COLLEGE \$7,116,177;

(7) (i) A board shall be eligible for a hold harmless component beginning in fiscal year 1998 if the sum of the board's fixed costs, marginal costs, and size factor components for the fiscal year is less than the board's total State share in the prior fiscal year.

(ii) The hold harmless component amount shall be determined by subtracting the sum of an eligible board's fixed costs, marginal costs, and size factor components for the fiscal year from the board's total State share for the prior fiscal year.

(d) In each fiscal year, in order for a board to receive an increase in the State share of support OR A HOLD HARMLESS COMPONENT AMOUNT, the county share, in the aggregate, that supports the community college or colleges shall equal or exceed the aggregate amount of operating fund appropriations made to the board by the county or all of the counties supporting the college in the previous fiscal year.

17-104.

(a) (1) Except as provided in [paragraph (2)] PARAGRAPHS ~~(2), (3), AND (4)~~ (2) AND (3) of this subsection, the Maryland Higher Education Commission shall compute the amount of the annual apportionment for each institution that qualifies under this subtitle by multiplying the number of full-time equivalent students enrolled at the institution during the fall semester of the fiscal year preceding the fiscal year for which the aid apportionment is made, as determined by the Maryland Higher Education Commission by:

4

(i) In fiscal year 2009, an amount not less than 16% of the State's General Fund per full-time equivalent student appropriation to the 4-year public institutions of higher education in this State for the preceding fiscal year;

(ii) In fiscal year 2010, an amount not less than 12.85% of the State's General Fund per full-time equivalent student appropriation to the 4-year public institutions of higher education in the State for the same fiscal year;

(iii) In fiscal year 2011, an amount not less than 9.8% of the State's General Fund per full-time equivalent student appropriation to the 4-year public institutions of higher education in this State for the same fiscal year;

(iv) In fiscal year 2012, an amount not less than 9.2% of the State's General Fund per full-time equivalent student appropriation to the 4-year public institutions of higher education in this State for the same fiscal year;

(v) In fiscal year 2014, an amount that is the greater of 9.4% of the State's General Fund per full-time equivalent student appropriation to the 4-year public institutions of higher education in this State for the same fiscal year or \$875.53 per full-time equivalent student;

(vi) ~~In~~ In fiscal year 2015, an amount that is the greater of 9.4% of the State's General Fund per full-time equivalent student appropriation to the 4-year public institutions of higher education in this State for the same fiscal year or \$875.53 per full-time equivalent student;

(vii) ~~In~~ In fiscal year 2016, an amount ~~that is the greater of 9%~~ NOT LESS THAN 9.6% of the State's General Fund per full-time equivalent student appropriation to the 4-year public institutions of higher education in this State for the same fiscal year ~~or \$875.53 per full-time equivalent student;~~

~~[(viii)] (vii)~~ In fiscal year 2017, an amount ~~that is the greater of 9%~~ NOT LESS THAN 10.1% of the State's General Fund per full-time equivalent student appropriation to the 4-year public institutions of higher education in this State for the same fiscal year ~~or \$875.53 per full-time equivalent student;~~

~~[(ix)] (viii)~~ In fiscal year 2018, an amount not less than ~~9.3%~~ 10.5% of the State's General Fund per full-time equivalent student appropriation to the 4-year public institutions of higher education in this State for the same fiscal year;

~~[(x)] (ix)~~ In fiscal year 2019, an amount not less than ~~11.3%~~ 10.8% of the State's General Fund per full-time equivalent student appropriation to the 4-year public institutions of higher education in this State for the same fiscal year;

~~[(xi)] (x)~~ In fiscal year 2020, an amount not less than ~~11.3%~~ 11.1% of the State's General Fund per full-time equivalent student appropriation to

1 the 4-year public institutions of higher education in this State for the same fiscal year;
2 and

3 ~~[(xii)] (xi)~~ In fiscal year 2021 and each fiscal year thereafter, an
4 amount not less than 15.5% of the State's General Fund per full-time equivalent
5 student appropriation to the 4-year public institutions of higher education in this
6 State for the same fiscal year.

7 ~~(4) IN FISCAL YEAR 2015, THE TOTAL AMOUNT OF AID DUE TO~~
8 ~~ALL INSTITUTIONS SHALL BE \$40,943,310.~~

9 Article – Health – General

10 2-302.

11 (b) The funding shall be:

12 (1) \$37,283,484 in each of fiscal years 2011 and 2012, to be distributed
13 as follows:

14 (xxiv) Worcester County.....\$312,944; [and]

15 (2) For fiscal [year] YEARS 2013 and [each subsequent fiscal year]
16 2014, \$37,283,484 adjusted for:

17 (i) Inflation, as measured by the Consumer Price Index (All
18 Urban Consumers), for the second preceding fiscal year, calculated by the U.S.
19 Department of Commerce; and

20 (ii) Population growth, as measured by the growth in the total
21 population of the State of Maryland for the second preceding fiscal year, according to
22 the most recent statistics available through the Department of Health and Mental
23 Hygiene; AND

24 (3) FOR FISCAL YEAR 2015 AND EACH SUBSEQUENT FISCAL YEAR,
25 THE AMOUNT OF FUNDING FOR THE PRECEDING FISCAL YEAR ADJUSTED FOR:

26 (I) INFLATION, AS MEASURED BY THE CONSUMER PRICE
27 INDEX (ALL URBAN CONSUMERS), FOR THE SECOND PRECEDING FISCAL YEAR,
28 CALCULATED BY THE U.S. DEPARTMENT OF COMMERCE; AND

29 (II) POPULATION GROWTH, AS MEASURED BY THE GROWTH
30 IN THE TOTAL POPULATION OF THE STATE FOR THE SECOND PRECEDING
31 FISCAL YEAR, ACCORDING TO THE MOST RECENT STATISTICS AVAILABLE
32 THROUGH THE DEPARTMENT OF HEALTH AND MENTAL HYGIENE.

Article – Local Government20–402.

(A) This part applies only to:

(1) SUBJECT TO SUBSECTION (B) OF THIS SECTION, A CHARTER COUNTY;

~~[(1)]~~ (2) a code county;

~~[(2)]~~ (3) Calvert County;

~~[(3)]~~ (4) Carroll County;

~~[(4)]~~ (5) Cecil County;

~~[(5)]~~ Dorchester County;

~~[(6)]~~ Frederick County;

~~[(7)]~~ (6) Garrett County;

~~[(8)]~~ (7) St. Mary's County;

~~[(9)]~~ (8) Somerset County; AND

~~[(10)]~~ Talbot County;

~~[(11)]~~ (9) Washington County]; and

~~[(12)]~~ Wicomico County].

(B) TO THE EXTENT THIS PART CONFLICTS WITH ANOTHER LAW THAT APPLIES TO A CHARTER COUNTY, THE OTHER LAW SHALL PREVAIL OVER THIS PART.

~~Article – State Government~~Article – Natural Resources5–212.

(g) (1) [The] SUBJECT TO PARAGRAPH (3) OF THIS SUBSECTION, THE Fund may be used only for:

(i) 1. Purchasing and managing in the name of the State lands suitable for forest culture, reserves, watershed protection, State parks, scenic preserves, historic monuments, parkways, and State recreational reserves; and

2. Helping to offset the costs to the Forest and Park Service for developing and implementing a forest health emergency contingency program under § 5-307 of this title;

(ii) Subject to paragraph (2) of this subsection, payments to counties in the amount of:

1. If the State forest or park reserve comprises less than 10% of the total land area of the county, a sum equal to 15% of the revenue derived from the State forest or park reserve located in that county; and

2. If the State forest or park reserve comprises 10% or more of the total land area of the county, a sum equal to 25% of the revenue derived from the State forest or park reserve located in that county; and

(iii) Administrative costs calculated in accordance with § 1-103(b)(2) of this article.

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

(3) FROM REVENUES DESCRIBED IN SUBSECTION (F) OF THIS SECTION THAT ARE ATTRIBUTABLE TO MARYLAND PARK SERVICE OPERATIONS, THE GOVERNOR SHALL INCLUDE IN THE STATE BUDGET AN APPROPRIATION FOR THE MARYLAND PARK SERVICE EQUAL TO:

(I) AT LEAST 60% OF THE REVENUES, FOR FISCAL YEAR 2016;

(II) AT LEAST 80% OF THE REVENUES, FOR FISCAL YEAR 2017; AND

(III) 100% OF THE REVENUES, FOR FISCAL YEAR 2018 AND EACH FISCAL YEAR THEREAFTER.

Article – State Government

9-117.

5

1 (a) (1) ~~[(i) Except as provided in subparagraphs (ii) and (iii) of this~~
2 ~~paragraph, a~~ A licensed agent shall receive regular commissions of 5.5% of the
3 licensed agent's gross receipts from ticket sales.

4 (ii) ~~For fiscal year 2012 through December 31, 2012, only, a~~ A
5 ~~licensed agent shall receive regular commissions of 5.0% of the licensed agent's gross~~
6 ~~receipts from ticket sales.~~

7 ~~[(iii) If a video lottery operation license for a video lottery facility~~
8 ~~in Baltimore City is issued, a licensed agent shall receive regular commissions of 6% of~~
9 ~~the licensed agent's gross receipts from ticket sales.]~~

10 ~~(b) (2) The total of the bonuses and incentives may not exceed [one-half~~
11 ~~of] 1% of the gross receipts from ticket sales for the year for which the bonuses or~~
12 ~~incentives are awarded.~~

13 (b) [(1) The Commission may authorize the payment of special bonuses or
14 incentives to licensed agents and their employees.

15 (2) The total of the bonuses and incentives may not exceed one-half of
16 1% of the gross receipts from ticket sales for the year for which the bonuses or
17 incentives are awarded.]

18 [(3)] Lottery sales agents may not offer patrons inducements of alcoholic
19 beverages to purchase or redeem lottery tickets.

20 Article – State Personnel and Pensions

21 21–308.

22 ~~(a) (4) For fiscal year 2014 and each fiscal year thereafter, in addition to~~
23 ~~the amounts required under paragraph (2) of this subsection, the Governor shall~~
24 ~~include in the budget bill [\$300,000,000] \$200,000,000.~~

25 (a) (1) On or before December 1 of each year, the Board of Trustees shall:

26 (i) certify to the Governor and the Secretary of Budget and
27 Management the rates to be used to determine the amounts to be paid by the State to
28 the accumulation fund of each of the several systems during the next fiscal year,
29 including a separate certification of the normal contribution rate for the Teachers'
30 Retirement System and the Teachers' Pension System; and

31 (ii) provide to the Secretary of Budget and Management a
32 statement of the total amount to be paid by the State as determined under § 21–304 of
33 this subtitle to the Teachers' Retirement System and the Teachers' Pension System
34 expressed as a percentage of the payroll of all members of those State systems.

1 (2) The Governor shall include in the budget bill:

2 (i) the total amount of the State's contribution to each State
3 system as ascertained based on the rates certified by the Board of Trustees under
4 paragraph (1) of this subsection;

5 (ii) the additional amounts as ascertained under subsection (d)
6 of this section for the State's payment to the professional and clerical employees of the
7 Department of Public Libraries of Montgomery County who are members of the
8 Employees' Retirement System of Montgomery County and are excluded from
9 membership in the Teachers' Retirement System or the Teachers' Pension System;
10 and

11 (iii) any additional amount required to be in the budget bill
12 under § 3-501(c)(2)(ii) of this article.

13 [(4) For fiscal year 2014 and each fiscal year thereafter, in addition to
14 the amounts required under paragraph (2) of this subsection, the Governor shall
15 include in the budget bill \$300,000,000.]

16 (4) (I) 1. FOR FISCAL YEAR 2014, IN ADDITION TO THE
17 ANNUAL REQUIRED CONTRIBUTION REQUIRED UNDER PARAGRAPH (2) OF THIS
18 SUBSECTION, THE GOVERNOR SHALL INCLUDE IN THE BUDGET BILL A
19 SUPPLEMENTAL CONTRIBUTION OF \$100,000,000.

20 2. FOR FISCAL YEAR 2015, IN ADDITION TO THE
21 ANNUAL REQUIRED CONTRIBUTION REQUIRED UNDER PARAGRAPH (2) OF THIS
22 SUBSECTION, THE GOVERNOR SHALL INCLUDE IN THE BUDGET BILL A
23 SUPPLEMENTAL CONTRIBUTION OF \$100,000,000.

24 3. FOR FISCAL YEAR 2016, IN ADDITION TO THE
25 ANNUAL REQUIRED CONTRIBUTION REQUIRED UNDER PARAGRAPH (2) OF THIS
26 SUBSECTION, THE GOVERNOR SHALL INCLUDE IN THE BUDGET BILL A
27 SUPPLEMENTAL CONTRIBUTION OF \$150,000,000.

28 4. FOR FISCAL YEAR 2017, IN ADDITION TO THE
29 ANNUAL REQUIRED CONTRIBUTION REQUIRED UNDER PARAGRAPH (2) OF THIS
30 SUBSECTION, THE GOVERNOR SHALL INCLUDE IN THE BUDGET BILL A
31 SUPPLEMENTAL CONTRIBUTION OF \$200,000,000.

32 5. FOR FISCAL YEAR 2018, IN ADDITION TO THE
33 ANNUAL REQUIRED CONTRIBUTION REQUIRED UNDER PARAGRAPH (2) OF THIS
34 SUBSECTION, THE GOVERNOR SHALL INCLUDE IN THE BUDGET BILL A
35 SUPPLEMENTAL CONTRIBUTION OF \$250,000,000.

1 6. FOR FISCAL YEAR 2019 AND EACH FISCAL YEAR
2 THEREAFTER, IN ADDITION TO THE ANNUAL REQUIRED CONTRIBUTION
3 REQUIRED UNDER PARAGRAPH (2) OF THIS SUBSECTION, THE GOVERNOR
4 SHALL INCLUDE IN THE BUDGET BILL A SUPPLEMENTAL CONTRIBUTION OF
5 \$300,000,000, UNTIL:

6 A. THE TOTAL ACTUARIAL VALUE OF ASSETS FOR
7 THE SEVERAL SYSTEMS DIVIDED BY THE TOTAL ACTUARIAL ACCRUED LIABILITY
8 FOR THE SEVERAL SYSTEMS EQUALS A FUNDING RATIO OF 85%; AND

9 B. THE CONTRIBUTION RATES CERTIFIED UNDER
10 PARAGRAPH (1)(I) OF THIS SUBSECTION ARE THE FULL FUNDING RATES AS
11 DEFINED IN § 21-304(A)(3) OF THIS SUBTITLE.

12 (II) IF THE AMOUNT OF A SUPPLEMENTAL CONTRIBUTION
13 INCLUDED IN THE BUDGET BILL FOR A FISCAL YEAR IS LESS THAN THE AMOUNT
14 REQUIRED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH, THE GOVERNOR
15 SHALL INCREASE THE SUPPLEMENTAL CONTRIBUTION FOR THE FOLLOWING
16 FISCAL YEAR BY THE AMOUNT OF THE REDUCTION TO THE SUPPLEMENTAL
17 CONTRIBUTION IN THE PREVIOUS FISCAL YEAR.

18 Article – Tax – General

19 2-1302.1.

20 (b) For each fiscal year beginning on or before July 1, 2014, after the
21 distribution required under subsection (a)(1) of this section, the Comptroller shall
22 distribute the remainder of the sales and use tax collected on short-term vehicle
23 rentals under § 11-104(c) of this article as follows:

24 (1) to the General Fund of the State:

25 (i) \$15,169,444 for the fiscal year beginning July 1, 2011;

26 (ii) \$10,076,582 for the fiscal year beginning July 1, 2012;

27 (iii) ~~[\$6,535,845]~~ \$14,535,845 for the fiscal year beginning July
28 1, 2013; and

29 (iv) ~~[\$3,049,199] \$6,249,199~~ \$9,249,199 for the fiscal year
30 beginning July 1, 2014; and

31 (2) the remainder to the Chesapeake Bay 2010 Trust Fund.

6

1 Article – Tax – Property

2 13–209.

3 (h) (2) Notwithstanding any other provision of law, the Governor may
4 transfer funds from the special fund established under this section to the General
5 Fund as follows:

6 (i) on or before June 30, 2014, \$89,198,555;

7 (ii) for the fiscal year beginning July 1, 2014, ~~[\$75,062,000]~~
8 ~~\$144,188,554~~ \$144,188,544;

9 (iii) for the fiscal year beginning July 1, 2015, \$77,654,000;

10 (iv) for the fiscal year beginning July 1, 2016, \$82,771,000; and

11 (v) for the fiscal year beginning July 1, 2017, \$86,028,000.

12 SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland
13 read as follows:

14 Article – Education

15 5–202.

16 (d) (1) (i) Subject to § 5–213.1 of this subtitle, the county governing
17 body shall levy and appropriate an annual tax sufficient to provide an amount of
18 revenue for elementary and secondary public education purposes equal to the local
19 share of the foundation program.

20 (ii) 1. Except as provided in subsubparagraph 2 of this
21 subparagraph and subject to § 5–213 of this subtitle, the county governing body shall
22 appropriate local funds to the school operating budget in an amount no less than the
23 product of the county’s full–time equivalent enrollment for the current fiscal year and
24 the local appropriation on a per pupil basis for the prior fiscal year.

25 2. Except as provided in paragraph (3)(ii) of this
26 subsection AND SUBJECT TO SUBPARAGRAPH (III) OF THIS PARAGRAPH, in each
27 fiscal year if a county’s education effort, as defined in paragraph (10) of this
28 subsection, is below 100% of the statewide 5–year moving average of education effort,
29 the required maintenance of effort amount for the county shall be adjusted by
30 increasing the per pupil amount by the lesser of:

31 A. A county’s increase in the local wealth per pupil;

B. The statewide average increase in local wealth per pupil; or

C. 2.5%.

(III) THE CALCULATION OF LOCAL WEALTH FOR THE PURPOSES OF PARAGRAPHS (1) AND (10) OF THIS SUBSECTION SHALL USE THE AMOUNT CERTIFIED FOR NET TAXABLE INCOME UNDER SUBSECTION (K)(2)(II) OF THIS SECTION BASED ON TAX RETURNS FILED ON OR BEFORE:

1. FOR FISCAL YEARS 2015 THROUGH 2017, SEPTEMBER 1; AND

2. FOR FISCAL YEAR 2018 AND EACH FISCAL YEAR THEREAFTER, NOVEMBER 1.

(10) (i) In this paragraph the following terms have the meanings indicated.

1. "Education appropriation" includes any money redirected to a county board under § 5-213 or § 5-213.1 of this subtitle.

2. "Education effort" means a county's education appropriation divided by the county's wealth.

3. "5-year moving average" means the average of the 5 years before the waiver year.

4. "Waiver year" means the fiscal year for which a waiver from the maintenance of effort requirement in paragraph (1)(ii) of this subsection is requested.

(ii) This paragraph applies to a county that has:

1. Received a waiver under paragraph (8)(i)1 of this subsection from the maintenance of effort requirement; and

2. A required county education appropriation under paragraph (1)(ii) of this subsection for the waiver year that exceeds 100% of the statewide 5-year moving average of education effort times a county's local wealth.

(iii) A county that satisfies the requirements under subparagraph (ii) of this paragraph may request a rebasing waiver from the State Board.

1 (iv) When considering whether to grant a county's waiver
2 request under this paragraph, the State Board shall consider the following factors:

3 1. Whether a county has submitted sufficient evidence
4 that the factors in paragraph (8)(v) of this subsection will affect a county's ongoing
5 ability to meet the maintenance of effort requirement;

6 2. Whether a county is at its maximum taxing authority
7 under the law;

8 (k) (1) This subsection applies to education programs that use wealth to
9 calculate State aid formulas under this subtitle.

10 (2) The Comptroller shall certify annually the amount of net taxable
11 income based on both:

12 (i) Tax returns filed on or before September 1; and

13 (ii) Tax returns filed on or before November 1.

14 (3) For each fiscal year, State aid shall be calculated as follows:

15 (i) Once using the amount certified for net taxable income
16 under paragraph (2)(i) of this subsection for tax returns filed on or before September 1;
17 and

18 (ii) Again using the amount certified for net taxable income
19 under paragraph (2)(ii) of this subsection for tax returns filed on or before November 1.

20 (4) Subject to paragraph (5) of this subsection, the amount of State aid
21 for a county shall be the greater of the two calculations required under paragraph (3)
22 of this subsection.

23 (5) If the amount of State aid for a county, using the calculation of
24 State aid under paragraph (3)(ii) of this subsection, is the greater of the two
25 calculations under paragraph (3) of this subsection, payment of any increase in State
26 aid resulting from the difference between the two calculations shall be phased in as
27 follows:

28 (i) For fiscal year 2014, 20 percent of the difference between the
29 two calculations;

30 (ii) For fiscal year 2015, 40 percent of the difference between the
31 two calculations;

32 (iii) For fiscal year 2016, 60 percent of the difference between the
33 two calculations;

(iv) For fiscal year 2017, 80 percent of the difference between the two calculations; and

(v) For fiscal year 2018, and each fiscal year thereafter, the full amount of the calculation.

Article – Insurance

31–103.

(a) The Exchange is subject to:

(1) the following provisions of the State Finance and Procurement Article:

(I) TITLE 3A, SUBTITLE 3 (INFORMATION PROCESSING), TO THE EXTENT THAT THE SECRETARY OF INFORMATION TECHNOLOGY DETERMINES THAT AN INFORMATION TECHNOLOGY PROJECT OF THE EXCHANGE IS A MAJOR INFORMATION TECHNOLOGY DEVELOPMENT PROJECT;

[(i)] (II) Title 12, Subtitle 4 (Policies and Procedures for Exempt Units); and

[(ii)] (III) Title 14, Subtitle 3 (Minority Business Participation);

(2) the following provisions of the State Government Article:

(i) Title 10, Subtitle 1 (Administrative Procedure Act – Regulations);

(ii) Title 10, Subtitle 5 (Meetings);

(iii) Title 10, Subtitle 6, Part III (Access to Public Records);

(iv) Title 12 (Immunity and Liability); and

(v) Title 15 (Public Ethics); and

(3) Title 5, Subtitle 3 of the State Personnel and Pensions Article.

(b) The Exchange is not subject to:

(1) taxation by the State or local government;

(2) TITLE 3A, SUBTITLE 3 (INFORMATION PROCESSING), EXCEPT TO THE EXTENT DETERMINED BY THE SECRETARY OF INFORMATION TECHNOLOGY UNDER SUBSECTION (A)(1)(I) OF THIS SECTION;

~~[(2)] (3)~~ Division II of the State Finance and Procurement Article, except as provided in subsection (a)(1) of this section;

~~[(3)] (4)~~ Title 10 of the State Government Article, except as provided in subsection (a)(2)(i), (ii), and (iii) of this section;

~~[(4)] (5)~~ Division I of the State Personnel and Pensions Article, except as provided in subsection (a)(3) of this section and elsewhere in this title; or

~~[(5)] (6)~~ this article, except as provided in subsection (c) of this section and elsewhere in this title.

Article – State Government

~~9-1A-29.~~

~~(d) The amount of funds made available from the Racetrack Facility Renewal Account shall be allocated as follows:~~

~~(1) (I) EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH, 80% to the Pimlico Race Course, Laurel Park, and the racecourse at Timonium; and~~

~~(II) FOR FISCAL YEARS 2015 AND 2016, FROM THE AMOUNT ALLOCATED UNDER THIS PARAGRAPH, EACH GRANTEE UNDER § 11-404 OF THE BUSINESS REGULATION ARTICLE SHALL BE REIMBURSED FOR THE AMOUNT OF A REDUCTION TO THE GRANT PAID UNDER § 11-404.1(A) OF THE BUSINESS REGULATION ARTICLE; AND~~

9-20B-05.

(g) [Except as provided in subsection (g-1) of this section, proceeds] PROCEEDS received by the Fund from the sale of allowances under § 2-1002(g) of the Environment Article shall be allocated [to the following accounts] AS FOLLOWS:

(1) [17%] ~~UP TO~~ AT LEAST 50% shall be credited to an energy assistance account to be used for the Electric Universal Service Program and other electricity assistance programs in the Department of Human Resources;

(2) [except as provided in subsection (g-2) of this section, 23% shall be credited to a rate relief account to provide rate relief by offsetting electricity rates of

7

1 residential customers, including an offset of surcharges imposed on ratepayers under §
2 7-211 of the Public Utilities Article, on a per customer basis and in a manner
3 prescribed by the Public Service Commission;

4 (3)] at least [46%] **20%** shall be credited to a low and moderate income
5 efficiency and conservation programs account and to a general efficiency and
6 conservation programs account for energy efficiency and conservation programs,
7 projects, or activities and demand response programs, of which at least one-half shall
8 be targeted to the low and moderate income efficiency and conservation programs
9 account for:

10 (i) the low-income residential sector at no cost to the
11 participants of the programs, projects, or activities; and

12 (ii) the moderate-income residential sector;

13 [(4)] (3) [up to 10.5%] **AT LEAST 20%** shall be credited to a
14 renewable and clean energy programs account for:

15 (i) [subject to subsection (i) of this section,] renewable and
16 clean energy programs and initiatives;

17 (ii) energy-related public education and outreach; and

18 (iii) climate change **AND RESILIENCY** programs; and

19 [(5)] (4) up to [3.5%] **10%**, but not more than [**\$4,000,000**]
20 **\$5,000,000**, shall be credited to an administrative expense account for costs related to
21 the administration of the Fund, including the review of electric company plans for
22 achieving electricity savings and demand reductions that the electric companies are
23 required under law to submit to the Administration.

24 [(g-1)] The proceeds described in subsection (g) of this section from the
25 allowances sold between March 1, 2009, and June 30, 2012, shall be allocated as
26 follows:

27 (1) up to 50% shall be credited to an energy assistance account to be
28 used as described in subsection (g)(1) of this section;

29 (2) 23% shall be credited to a rate relief account to be allocated as
30 provided in subsection (g)(2) of this section;

31 (3) at least 17.5% shall be credited to a low and moderate income
32 efficiency and conservation programs account and to a general efficiency and
33 conservation programs account to be allocated as provided in subsection (g)(3) of this
34 section;

(4) at least 6.5% shall be credited to a renewable and clean energy programs account to be allocated as provided in subsection (g)(4) of this section; and

(5) up to 3.0%, but not more than \$4,000,000, shall be credited to an administrative expense account to be allocated as provided in subsection (g)(5) of this section.]

[(g-2) Subsection (g)(2) of this section does not apply to residential customers of a small rural electric cooperative, as defined in § 1-101 of the Public Utilities Article.]

Article – Transportation

12-118.

(e) (1) Subject to paragraph (2) of this subsection, money in the special fund established under subsection (c)(2) of this section:

(i) Shall be distributed first to the Department of State Police and the State Highway Administration to cover the costs of implementing and administering work zone speed control systems; and

(ii) After the distribution under item (i) of this paragraph[, for]:

1. FOR each of fiscal years 2013 through 2015 only, \$3,000,000 shall be distributed to the Department of State Police to be used only for the purchase of replacement vehicles and related motor vehicle equipment used to outfit police vehicles; AND

2. FOR EACH OF FISCAL YEARS 2016 THROUGH 2018 ONLY, AT LEAST ~~\$7,000,000~~ \$3,500,000 SHALL BE DISTRIBUTED TO THE DEPARTMENT OF STATE POLICE TO BE USED ONLY FOR THE PURCHASE OF REPLACEMENT VEHICLES AND RELATED MOTOR VEHICLE EQUIPMENT USED TO OUTFIT POLICE VEHICLES.

(2) The balance of the money in the special fund shall be distributed to the Department of State Police to fund roadside enforcement activities.

~~13-802~~

~~(a) Except as provided in subsection (b) of this section and § 13-805 of this subtitle, the fee for each certificate of title issued under this title is \$100.~~

~~(b) (1) [For fiscal years 2012 through 2014 only, the] THE fee for each certificate of title issued for a rental vehicle is \$50.~~

Chapter 397 of the Acts of 2011, as amended by Chapter 425 of the Acts of
2013

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

(a) For fiscal year 2012, the Health Services Cost Review Commission shall
approve a combination of hospital assessments and remittances in the amount of
\$389,825,000 to support the general operations of the Medicaid program. The
Commission may reduce assessments or remittances by the amount of any reduction
in State Medicaid expenditures that will result from any Commission–approved
changes in hospital rates or policies.

(b) For fiscal years 2013 and 2014, the Commission and the Department of
Health and Mental Hygiene shall adopt policies that will provide at least \$389,825,000
from a combination of special fund revenues and General Fund savings from reduced
hospital or other payments made by the Medicaid program. The policies adopted under
this subsection shall be in lieu of the hospital assessment and remittance revenue
generated in fiscal year 2012, but may include hospital assessments and remittances.
To the maximum extent possible, the Commission and the Department shall adopt
policies that preserve the State Medicare waiver.

(c) For fiscal year 2015 and every fiscal year thereafter, the Commission and
the Department of Health and Mental Hygiene shall adopt policies that will provide
up to \$389,825,000 in special fund revenues from hospital assessment and remittance
revenue. [In each fiscal year, the Commission and the Department of Health and
Mental Hygiene may adopt policies that result in new General Fund savings from
reduced hospital or other payments made by the Medicaid program and those savings
may be used to offset hospital assessment and remittance revenue in the first year
that those policies are adopted.] BEGINNING WITH THE STATE BUDGET
SUBMISSION FOR FISCAL YEAR 2016, THE GOVERNOR SHALL REDUCE THE
BUDGETED MEDICAID DEFICIT ASSESSMENT BY THE FULL AMOUNT OF
HOSPITAL INPATIENT AND OUTPATIENT GENERAL FUND SAVINGS THAT
ACCRUE TO THE MEDICAID PROGRAM AS A RESULT OF THE IMPLEMENTATION
OF MARYLAND’S ALL-PAYER MODEL CONTRACT APPROVED BY THE FEDERAL
CENTER FOR MEDICARE AND MEDICAID INNOVATION. THE EXTENT OF
GENERAL FUND SAVINGS SHALL BE CALCULATED BY THE HEALTH SERVICES
COST REVIEW COMMISSION AND THE DEPARTMENT OF HEALTH AND MENTAL
HYGIENE USING A METHODOLOGY DEVELOPED BY THE COMMISSION AND THE
DEPARTMENT OF HEALTH AND MENTAL HYGIENE IN CONSULTATION WITH THE
DEPARTMENT OF HEALTH AND MENTAL HYGIENE, THE DEPARTMENT OF
BUDGET AND MANAGEMENT, AND THE MARYLAND HOSPITAL ASSOCIATION.
THE COMMISSION AND THE DEPARTMENT OF HEALTH AND MENTAL HYGIENE
SHALL MODEL THE METHODOLOGY FOR CALCULATING GENERAL FUND
SAVINGS IN THE MEDICAID PROGRAM BY COMPARING AN AVERAGE BASELINE

10

1 OF MARYLAND MEDICAID TOTAL RISK-ADJUSTED HOSPITAL EXPENDITURES
2 PER BENEFICIARY OVER A REASONABLE PERIOD OF TIME BEFORE THE
3 IMPLEMENTATION OF THE MARYLAND ALL-PAYER MODEL CONTRACT TO THE
4 ACTUAL MARYLAND MEDICAID TOTAL RISK-ADJUSTED HOSPITAL
5 EXPENDITURES PER BENEFICIARY DURING THE PERIOD UNDER MARYLAND'S
6 ALL-PAYER MODEL CONTRACT. TO THE EXTENT THAT THE COMMISSION TAKES
7 OTHER ACTIONS THAT REDUCE MEDICAID COSTS, THOSE SAVINGS SHALL ALSO
8 BE USED TO REDUCE THE BUDGETED MEDICAID DEFICIT ASSESSMENT. To the
9 maximum extent possible, the Commission and the Department OF HEALTH AND
10 MENTAL HYGIENE shall adopt policies that preserve the State's Medicare waiver.

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

13 Article – Health – General

14 19–214.

15 (d) (1) Each year, the Commission shall assess a uniform, broad-based,
16 and reasonable amount in hospital rates to:

17 (i) Reflect the aggregate reduction in hospital uncompensated
18 care realized from the expansion of health care coverage under Chapter 7 of the Acts of
19 the 2007 Special Session of the General Assembly; and

20 (ii) Operate and administer the Maryland Health Insurance
21 Plan established under Title 14, Subtitle 5 of the Insurance Article.

22 (3) For the portion of the assessment under paragraph (1)(ii) of this
23 subsection:

24 (i) The Commission shall ensure that the assessment:

25 1. Shall be included in the reasonable costs of each
26 hospital when establishing the hospital's rates;

27 2. May not be considered in determining the
28 reasonableness of rates or hospital financial performance under Commission
29 methodologies; and

30 3. May not be [less as a percentage] MORE THAN ~~0.5%~~
31 0.3% of net patient revenue [than the assessment of 0.8128% that was in existence on
32 July 1, 2007]; and

33 SECTION 4. AND BE IT FURTHER ENACTED, That the Laws of Maryland
34 read as follows:

Article – Health – General

19-219.1.

(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(2) “COMMUNITY PARTNERSHIP” MEANS A PARTNERSHIP WITH A CORPORATE, BUSINESS, PROVIDER, OR CITIZEN ORGANIZATION TO DEVELOP METHODOLOGIES TO IMPROVE THE HEALTH AND WELL-BEING OF THE COMMUNITY.

(3) (I) “INFRASTRUCTURE” MEANS THE TECHNICAL UNDERLYING FRAMEWORK, STAFF RESOURCES, AND EXTERNAL RESOURCES NEEDED TO BUILD, MAINTAIN, AND OPTIMIZE THE USE OF DATA NEEDED TO ACHIEVE SUCCESSFUL PERFORMANCE UNDER MARYLAND’S ALL-PAYER MODEL CONTRACT.

(II) “INFRASTRUCTURE” INCLUDES CARE COORDINATION RESOURCES, DATA ANALYTICS, DISEASE-FOCUSED RESOURCES, AND INFORMATION TECHNOLOGY.

(B) THE COMMISSION SHALL ESTABLISH A COMMUNITY PARTNERSHIP ASSISTANCE PROGRAM.

(C) (1) THE COMMUNITY PARTNERSHIP ASSISTANCE PROGRAM SHALL PROVIDE FUNDING TO HOSPITALS FOR APPROVED REGIONAL OR STATEWIDE COMMUNITY PARTNERSHIP PLANS THAT:

(I) IMPROVE, OR ESTABLISH THE INFRASTRUCTURE TO IMPROVE, THE HEALTH AND WELL-BEING OF THE COMMUNITY;

(II) FOSTER COMMUNITY PARTNERSHIPS; AND

(III) SUPPORT THE ACHIEVEMENT OF THE GOALS ESTABLISHED IN MARYLAND’S ALL-PAYER MODEL CONTRACT APPROVED BY THE CENTER FOR MEDICARE AND MEDICAID INNOVATION.

(2) SUBJECT TO PARAGRAPH (3) OF THIS SUBSECTION, FUNDING FOR THE PROGRAM SHALL BE PROVIDED THROUGH THE RATE STRUCTURES OF APPROVED HOSPITALS AS FOLLOWS:

(I) FOR FISCAL YEAR 2015, \$15,000,000; AND

11

1 (II) FOR FISCAL YEAR 2016 AND EACH FISCAL YEAR
2 THEREAFTER, \$20,000,000.

3 (3) FUNDING FOR THE PROGRAM MAY BE LESS THAN THE
4 AMOUNTS REQUIRED UNDER PARAGRAPH (2) OF THIS SUBSECTION IF IN ANY
5 FISCAL YEAR:

6 (I) THE AMOUNTS PROVIDED UNDER PARAGRAPH (2) OF
7 THIS SUBSECTION EXCEED THE AMOUNT NEEDED TO FUND APPROVED
8 COMMUNITY PARTNERSHIP PLANS; OR

9 (II) THE STATE IS IN DANGER OF FAILING TO ACHIEVE THE
10 SAVINGS OR COST GROWTH CEILING SPECIFIED UNDER MARYLAND'S ALL-PAYER
11 MODEL CONTRACT.

12 (D) (1) COMMUNITY PARTNERSHIP PLANS SHALL BE DEVELOPED IN
13 ACCORDANCE WITH GUIDELINES ESTABLISHED BY THE HEALTH CARE DELIVERY
14 REFORM SUBCOMMITTEE OF THE HEALTH CARE REFORM COORDINATING
15 COUNCIL.

16 (2) THE GUIDELINES REQUIRED UNDER THIS SUBSECTION SHALL
17 INCLUDE:

18 (I) MINIMUM STANDARDS FOR MEASURING HEALTH
19 QUALITY AND COST SAVINGS; AND

20 (II) APPLICATION CRITERIA AND SPECIFICATIONS FOR
21 HOSPITALS AND MULTIHOSPITAL COLLABORATIONS TO COMPETE FOR FUNDING.

22 (E) (1) TO BE ELIGIBLE FOR FUNDING, A PROPOSED COMMUNITY
23 PARTNERSHIP PLAN SHALL BE SUBMITTED TO THE DEPARTMENT AND THE
24 COMMISSION FOR REVIEW AND CONSIDERATION FOR APPROVAL.

25 (2) A PORTION OF THE FUNDING MAY BE USED FOR THE
26 EVALUATION OF COMMUNITY PARTNERSHIP AND COLLABORATION ACTIVITIES.

27 (F) (1) THE DEPARTMENT AND THE COMMISSION SHALL ESTABLISH
28 A COMMITTEE TO REVIEW PROPOSED COMMUNITY PARTNERSHIP PLANS AND
29 MAKE RECOMMENDATIONS TO THE DEPARTMENT AND THE COMMISSION FOR
30 FUNDING.

31 (2) THE COMMITTEE SHALL INCLUDE:

11

(I) REPRESENTATIVES FROM THE DEPARTMENT AND THE COMMISSION; AND

(II) SUBJECT MATTER EXPERTS, INCLUDING INDIVIDUALS WITH EXPERTISE IN AREAS SUCH AS PUBLIC HEALTH, COMMUNITY-BASED HEALTH CARE SERVICES AND SUPPORTS, PRIMARY CARE, LONG-TERM CARE, END-OF-LIFE CARE, BEHAVIORAL HEALTH, AND HEALTH INFORMATION TECHNOLOGY.

(G) THE COMMISSION SHALL TAKE ACTION ON A PROPOSED COMMUNITY PARTNERSHIP PLAN THAT HAS BEEN:

(1) REVIEWED BY THE COMMITTEE ESTABLISHED UNDER SUBSECTION (F) OF THIS SECTION; AND

(2) APPROVED BY THE COMMISSION AND THE DEPARTMENT.

(H) THE DEPARTMENT SHALL POST THE APPROVED COMMUNITY PARTNERSHIP PLANS ON THE DEPARTMENT'S WEB SITE.

~~SECTION 4. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:~~

~~Article Health General~~

~~19-219.1.~~

(A) (1) ~~IN THIS SECTION, "COMMUNITY PARTNERSHIP" MEANS A PARTNERSHIP WITH A CORPORATE, BUSINESS, PROVIDER, OR CITIZEN ORGANIZATION TO DEVELOP METHODOLOGIES TO IMPROVE THE HEALTH AND WELL-BEING OF THE COMMUNITY.~~

(2) ~~"COMMUNITY PARTNERSHIP" INCLUDES:~~

(I) ~~A PARTNERSHIP WITH SKILLED NURSING FACILITIES;~~

(II) ~~A PARTNERSHIP WITH PALLIATIVE CARE PROVIDERS;~~

(III) ~~A PARTNERSHIP WITH MULTIDISCIPLINARY COMMUNITY-BASED CARE TEAMS;~~

(IV) ~~A PARTNERSHIP WITH PHYSICIANS AND PHYSICIAN PRACTICES;~~

1 ~~(V) A PARTNERSHIP WITH COMMUNITY HEALTH AND~~
2 ~~PUBLIC HEALTH AGENCIES; AND~~

3 ~~(VI) DATA INTEGRATION THAT SUPPORTS PARTNERSHIP~~
4 ~~ACTIVITIES.~~

5 ~~(B) THE COMMISSION SHALL ESTABLISH A COMMUNITY PARTNERSHIP~~
6 ~~ASSISTANCE PROGRAM.~~

7 ~~(C) (1) THE COMMUNITY PARTNERSHIP ASSISTANCE PROGRAM~~
8 ~~SHALL PROVIDE FUNDING TO HOSPITALS FOR APPROVED REGIONAL OR~~
9 ~~STATEWIDE COMMUNITY PARTNERSHIP PLANS AS FOLLOWS:~~

10 ~~(I) FOR FISCAL YEAR 2015, \$30,000,000; AND~~

11 ~~(II) FOR FISCAL YEAR 2016 AND EACH FISCAL YEAR~~
12 ~~THEREAFTER, \$40,000,000.~~

13 ~~(2) FUNDING SHALL BE PROVIDED UNDER THIS PROGRAM~~
14 ~~THROUGH THE RATE STRUCTURES OF APPROVED HOSPITALS.~~

15 ~~(D) COMMUNITY PARTNERSHIP PLANS SHALL BE DEVELOPED IN~~
16 ~~ACCORDANCE WITH GUIDELINES ESTABLISHED JOINTLY BY THE DEPARTMENT~~
17 ~~AND THE COMMISSION AFTER PUBLIC COMMENT.~~

18 ~~(E) (1) TO BE ELIGIBLE FOR FUNDING, A PROPOSED COMMUNITY~~
19 ~~PARTNERSHIP PLAN SHALL BE SUBMITTED TO THE COMMISSION AND THE~~
20 ~~DEPARTMENT FOR REVIEW AND CONSIDERATION FOR APPROVAL.~~

21 ~~(2) THE COMMISSION SHALL TAKE ACTION ON A PROPOSED PLAN~~
22 ~~THAT HAS BEEN APPROVED BY THE DEPARTMENT.~~

23 ~~(3) PREFERENCE SHALL BE GIVEN TO A MULTIHOSPITAL,~~
24 ~~STATEWIDE, OR REGIONAL COMMUNITY PARTNERSHIP PLAN OR~~
25 ~~COLLABORATION THAT:~~

26 ~~(I) IMPROVES THE HEALTH AND WELL-BEING OF THE~~
27 ~~COMMUNITY; AND~~

28 ~~(II) SUPPORTS THE ACHIEVEMENT OF THE GOALS~~
29 ~~ESTABLISHED IN THE STATE'S ALL-PAYER MODEL APPROVED BY THE CENTER~~
30 ~~FOR MEDICARE AND MEDICAID INNOVATION.~~

~~(F) A PORTION OF THE FUNDING MAY BE USED FOR THE EVALUATION OF COMMUNITY PARTNERSHIP AND COLLABORATION ACTIVITIES.~~

~~(G) THE GUIDELINES REQUIRED UNDER THIS SECTION SHALL INCLUDE APPLICATION CRITERIA AND SPECIFICATIONS FOR HOSPITALS AND MULTIHOSPITAL COLLABORATIONS TO COMPETE FOR FUNDING.~~

~~SECTION 4. AND BE IT FURTHER ENACTED, That, in fiscal year 2015 only, the Health Services Cost Review Commission shall include an additional \$30,000,000 in hospital revenue when determining hospital rates that are effective in fiscal year 2015 for the purpose of assisting hospitals in covering costs associated with the implementation of the new Maryland all-payer model contract approved by the federal Center for Medicare and Medicaid Innovation.~~

SECTION 5. AND BE IT FURTHER ENACTED, That, notwithstanding any other provision of law, any revenue generated by the sale of Dauphin 365N helicopters shall be credited to the General Fund.

~~SECTION 6. AND BE IT FURTHER ENACTED, That, for fiscal year 2015, any increase in rates for payments to providers of nonpublic placements under § 8-406 of the Education Article shall be effective beginning January 1, 2015.~~

SECTION 6. AND BE IT FURTHER ENACTED, That:

(a) Notwithstanding any other provision of law, the Board of Trustees for the State Retirement and Pension System shall perform a study that, based on the results of the actuarial valuation as of June 30, 2014, addresses the following:

(1) The increased employer contributions to be made each year by the State as a result of phasing out the corridor funding method under § 21-304(e) and (f) of the State Personnel and Pensions Article;

(2) The effects of changes to actuarial assumptions made by the Board of Trustees on normal contribution rates paid by county boards of education and the Baltimore City Board of School Commissioners under § 21-304(b)(4)(iii) of the State Personnel and Pensions Article on or after July 1, 2016;

(3) The effects of changes to the amount of supplemental contributions under § 21-308(a)(4) of the State Personnel and Pensions Article paid to the System on employer contributions through fiscal year 2039;

(4) The fiscal effect on local employers due to any projected increases in the amounts the local employers are required to pay for each employee for the administrative and operational expenses under § 21-316 of the State Personnel and Pensions Article; and

1 (5) An assessment of the effects of the System's investment
2 underperformance relative to other similar public pension systems on the System's
3 total assets and on employer contribution rates.

4 (b) On or before January 1, 2015, the Board of Trustees shall complete the
5 study and report on the results of the study to the Senate Budget and Taxation
6 Committee, the House Appropriations Committee, and the Joint Committee on
7 Pensions, in accordance with § 2-1246 of the State Government Article.

8 SECTION 7. AND BE IT FURTHER ENACTED, That, for fiscal year 2015,
9 payments to providers with rates set by the Interagency Rates Committee under §
10 8-417 of the Education Article may not increase by more than 1.5% over the rates in
11 effect on January 15, 2014, ~~and that any rate increase shall be effective beginning~~
12 ~~January 1, 2015.~~

13 SECTION 8. AND BE IT FURTHER ENACTED, That, notwithstanding any
14 other provision of law, on or before June 30, 2014, the Governor may transfer to the
15 General Fund:

16 \$300,000 of the funds in the Radiation Control Fund established under § 8-306
17 of the Environment Article;

18 \$650,000 of the funds in the Biotechnology Investment Tax Credit Reserve Fund
19 established under § 10-725 of the Tax – General Article;

20 \$1,000,000 from the Senior Prescription Drug Assistance Program account in
21 the Maryland Health Insurance Plan Fund established under § 14-504 of the Health –
22 General Article;

23 \$800,000 of the funds in the Maryland Correctional Enterprises Revolving Fund
24 established under § 3-507 of the Correctional Services Article; ~~and~~

25 \$2,400,000 of the funds in the Chesapeake and Atlantic Coastal Bays 2010
26 Trust Fund established under § 8-2A-02 of the Natural Resources Article;

27 ~~SECTION 9. AND BE IT FURTHER ENACTED, That, notwithstanding any~~
28 ~~other provision of law, on or before June 30, 2015, the Governor may transfer to the~~
29 ~~General Fund:~~

30 \$125,000 of the funds in the Sustainable Communities Tax Credit Reserve Fund
31 established under § 5A-303 of the State Finance and Procurement Article; and

32 ~~\$25,814,997~~ ~~\$30,814,997~~ \$31,000,000 of the funds in the accounts of the
33 University System of Maryland.

34 SECTION 9. AND BE IT FURTHER ENACTED, That, notwithstanding any
35 other provision of law, on or before June 30, 2015, the Governor may transfer from the

(12)

1 Baltimore City Community College fund balance to the Major Information Technology
2 Development Project Fund established under § 3A-309 of the State Finance and
3 Procurement Article ~~\$10,800,000~~ \$9,000,000 to be used to implement the Enterprise
4 Resource Planning project at the Baltimore City Community College.

13

5 SECTION 10. AND BE IT FURTHER ENACTED, That, notwithstanding any
6 other provision of law, on or before June 30, 2014, the Governor may transfer
7 \$18,971,632 from the Sustainable Communities Tax Credit Reserve Fund established
8 under § 5A-303(d) of the State Finance and Procurement Article to the General Fund,
9 which is the amount of commercial tax credit certificates that were issued in fiscal
10 years 2006 through 2010 and that have not been claimed under § 5A-303(f)(4) of the
11 State Finance and Procurement Article or extended under § 5A-303(c)(3)(ii) of the
12 State Finance and Procurement Article.

13 SECTION SECTION 11. AND BE IT FURTHER ENACTED, That:

14 (a) The State Department of Assessments and Taxation shall establish a
15 workgroup to examine issues related to the property assessment process for both real
16 and personal property and the tax credit programs for which the Department is
17 responsible for calculating property tax credits and exemptions.

18 (b) The workgroup shall examine the following issues:

19 (1) Whether a physical exterior inspection of each property is
20 necessary to properly assess real property for tax purposes;

21 (2) The Department's ability to timely and adequately maintain
22 changes in property status that may occur throughout the year and incorporate new
23 properties in the system of accounts;

24 (3) The extent of discrepancies in the calculation of certain tax credits
25 and exemptions and approaches for improving accuracy; and

26 (4) The Department's ability to perform timely processing of personal
27 property tax returns, homeowners' and renters' tax credit applications, and franchise
28 tax returns and to identify entities that fail to file personal property returns;

14

29 (5) The benefits of instituting electronic filing for personal property tax
30 returns; and

31 ~~(4)~~ (6) The feasibility of, and any legal impediments to, contracting with
32 a third-party vendor to perform periodic audits of the property tax credit and
33 exemption programs for which the Department calculates the credit or exemption or of
34 other functions for which an external evaluation may provide greater accuracy.

35 (c) The workgroup shall include representatives from local governments and
36 appropriate State agencies.

(d) The Director of Assessments and Taxation, or the Director's designee, shall chair the workgroup and facilitate the activities of the workgroup.

(e) On or before December 15, 2014, the workgroup shall submit a report of its findings and recommendations under this section, including a detailed description of the process used and any data relied on by the workgroup, to the Governor and, subject to § 2-1246 of the State Government Article, the General Assembly.

(f) Notwithstanding any other provision of law, on the recommendation of the workgroup under this section and in compliance with the requirements of the procurement law under the State Finance and Procurement Article, the Department may contract with a consultant for auditing assistance in determining:

(1) Auditing to determine the accuracy of real property values and, homeowner tax credits, and personal property tax returns;

(2) The discovery of businesses that unlawfully fail to pay personal property tax; and the

(3) The proper incorporation of new and improved properties.

SECTION 12. AND BE IT FURTHER ENACTED, That, notwithstanding any other provision of law, the Comptroller shall set the annual interest rate for an income tax refund that is a result of the final decision under Maryland State Comptroller of the Treasury v. Brian Wynne, et ux. 431 Md. 147 (2013) at a percentage, rounded to the nearest whole number, that is the percent that equals the average prime rate of interest quoted by commercial banks to large businesses during fiscal year 2015, based on a determination by the Board of Governors of the Federal Reserve Bank.

SECTION 10, 12, 13. AND BE IT FURTHER ENACTED, That if any provision of this Act or the application thereof to any person or circumstance is held invalid for any reason in a court of competent jurisdiction, the invalidity does not affect other provisions or any other application of this Act which can be given effect without the invalid provision or application, and for this purpose the provisions of this Act are declared severable.

SECTION 14. AND BE IT FURTHER ENACTED, That Section 12 of this Act applies only to income tax refunds attributable to taxable years beginning after December 31, 2005, but before January 1, 2015.

SECTION 13, 15. AND BE IT FURTHER ENACTED, That Section 10 of this Act shall take effect June 1, 2014, contingent on the taking effect of Chapter (H.B. 510) of the Acts of the General Assembly of 2014, and if Chapter (H.B. 510) does not become effective, Section 10 of this Act shall be null and void without the necessity of further action by the General Assembly.

1 SECTION ~~11, 14, 16~~. AND BE IT FURTHER ENACTED, That ~~Sections 2 and 4~~
2 ~~Section 2~~ Sections 2 and 4 of this Act shall take effect July 1, 2014.

3 SECTION ~~12, 15, 17~~. AND BE IT FURTHER ENACTED, That Section 3 of this
4 Act shall take effect October 1, 2014.

5 SECTION ~~13, 16, 18~~. AND BE IT FURTHER ENACTED, That, except as
6 otherwise provided in Sections ~~11 and 12~~ 13, 14, and 15 15, 16, and 17 of this Act, this
7 Act shall take effect June 1, 2014.

16