

# SENATE BUDGET AND TAXATION COMMITTEE

COMMITTEE REPRINT To

## SENATE BILL 172

B1

4lr0148  
CF HB 162

By: The President (By Request – Administration)

Introduced and read first time: January 15, 2014

Assigned to: Budget and Taxation

### A BILL ENTITLED

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; applying to charter counties certain provisions of law that  
12 authorize counties to impose a hotel rental tax; providing that under certain  
13 circumstances certain other laws prevail over the provisions that authorize  
14 charter counties to impose a hotel rental tax; requiring the appropriation of  
15 certain funds for certain purposes beginning with a certain fiscal year; altering  
16 the rate of certain commissions; repealing a certain authorization for the State  
17 Lottery Commission to authorize the payment of certain bonuses and  
18 incentives; requiring the Governor to include certain supplemental  
19 contributions in the budget bill in addition to certain required contributions for  
20 certain fiscal years or until certain conditions are met; requiring the Governor  
21 to increase certain supplemental contributions in the budget bill under certain  
22 circumstances; providing for the transfer of certain funds; providing for a  
23 certain calculation of local wealth for certain education aid purposes for certain  
24 fiscal years; making the Maryland Health Benefit Exchange subject to certain  
25 provisions of law, to the extent that the Secretary of Information Technology  
26 determines that a certain information technology project is a major information  
27 technology development project; repealing a limitation on the applicability, to  
28 certain fiscal years only, of a certain fee for a certificate of title for a rental

#### 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.



vehicle; repealing certain authority for the Health Services Cost Review  
 Commission and the Department of Health and Mental Hygiene to adopt  
 certain policies; requiring the Governor to reduce a certain assessment by a  
 certain amount beginning with the State budget submission for a certain fiscal  
 year; providing for the method of calculating the amount of the reduction;  
 requiring the Commission to model the methodology used for calculating the  
 reduction in a certain manner; requiring that certain other Medicaid savings  
 also be used to reduce the assessment; requiring the Health Services Cost  
 Review Commission for a certain fiscal year to include a certain additional  
 amount in hospital revenue for a certain purpose when determining certain  
 hospital rates; altering the rate of a certain assessment; requiring the Board of  
 Trustees for the State Retirement and Pension System to perform a certain  
 study and to report the results to certain committees of the General Assembly  
 on or before a certain date; ~~requiring the Health Services Cost Review~~  
~~Commission to establish a Community Partnership Assistance Program;~~  
~~requiring certain funding for the Program for certain purposes; providing for the~~  
~~sources and permissible uses of the funding; requiring that certain plans be~~  
~~developed in accordance with certain guidelines; providing that certain~~  
~~guidelines contain certain criteria and specifications; providing for the~~  
~~submission and approval of certain plans; requiring the Commission to take~~  
~~action on a certain plan; requiring that certain preferences be given to certain~~  
~~plans or collaborations; altering the timing of certain increases in certain rates~~  
~~for payments to certain providers for a certain fiscal year; setting certain limits~~  
~~in increases in payments to certain providers for a certain fiscal year; requiring~~  
~~the State Department of Assessments and Taxation to establish a certain~~  
~~workgroup in a certain manner to examine certain issues; requiring the~~  
~~workgroup to submit a certain report on or before a certain date; authorizing~~  
~~the State Department of Assessments and Taxation to contract with a~~  
~~consultant for a certain purpose under certain circumstances and subject to~~  
~~certain requirements of State procurement law; 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)

1 BY repealing and reenacting, with amendments,

2 Article – Criminal Law

3 Section 12–301.1(c)(5)

4 Annotated Code of Maryland

5 (2012 Replacement Volume and 2013 Supplement)

6 BY adding to

7 Article – Criminal Law

8 Section 12–301.1(f)

9 Annotated Code of Maryland

10 (2012 Replacement Volume and 2013 Supplement)

11 BY repealing and reenacting, with amendments,

12 Article – Economic Development

13 Section 5–1204 and 10–523(a)(3)(i) and (c)

14 Annotated Code of Maryland

15 (2008 Volume and 2013 Supplement)

16 BY repealing and reenacting, with amendments,

17 Article – Education

18 Section ~~16–305(e)(1)(i) and 5–202(d)(1), 16–305(c)(1)(i), and~~ 17–104(a)(1)

19 Annotated Code of Maryland

20 (2008 Replacement Volume and 2013 Supplement)

21 ~~BY adding to~~

22 ~~Article – Education~~

23 ~~Section 16–305(e)(1)(v) and 17–104(a)(4)~~

24 ~~Annotated Code of Maryland~~

25 ~~(2008 Replacement Volume and 2013 Supplement)~~

26 BY repealing and reenacting, with amendments,

27 Article – Health – General

28 Section 2–302(b)(1)(xxiv) and (2)

29 Annotated Code of Maryland

30 (2009 Replacement Volume and 2013 Supplement)

31 BY adding to

32 Article – Health – General

33 Section 2–302(b)(3)

34 Annotated Code of Maryland

35 (2009 Replacement Volume and 2013 Supplement)

36 BY repealing and reenacting, with amendments,

37 Article – Local Government

38 Section 20–402

39 Annotated Code of Maryland

40 (2013 Volume)

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1 BY repealing and reenacting, with amendments,

2 Article – Natural Resources

3 Section 5–212(g)

4 Annotated Code of Maryland

5 (2012 Replacement Volume and 2013 Supplement)

6 BY repealing and reenacting, with amendments,

7 Article – State Government

8 Section 9–117(a)(1) and ~~(b)(2)~~ and (b), 9–1A–29(d)(1), and 9–20B–05(g)

9 Annotated Code of Maryland

10 (2009 Replacement Volume and 2013 Supplement)

11 BY repealing and reenacting, without amendments,

12 Article – State Personnel and Pensions

13 Section 21–308(a)(1) and (2)

14 Annotated Code of Maryland

15 (2009 Replacement Volume and 2013 Supplement)

16 ~~BY repealing and reenacting, with amendments,~~

17 ~~Article – State Personnel and Pensions~~

18 ~~Section 21–308(a)(4)~~

19 ~~Annotated Code of Maryland~~

20 ~~(2009 Replacement Volume and 2013 Supplement)~~

21 BY adding to

22 Article – State Personnel and Pensions

23 Section 21–308(a)(4)

24 Annotated Code of Maryland

25 (2009 Replacement Volume and 2013 Supplement)

26 BY repealing and reenacting, with amendments,

27 Article – Tax – General

28 Section 2–1302.1(b)

29 Annotated Code of Maryland

30 (2010 Replacement Volume and 2013 Supplement)

31 BY repealing and reenacting, with amendments,

32 Article – Tax – Property

33 Section 13–209(h)(2)

34 Annotated Code of Maryland

35 (2012 Replacement Volume and 2013 Supplement)

36 BY repealing and reenacting, without amendments,

37 Article – Education

38 Section 5–202(d)(10)(i), (ii), (iii), and (iv)1. and 2. and (k)

39 Annotated Code of Maryland

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1       (2008 Replacement Volume and 2013 Supplement)

2   BY repealing and reenacting, with amendments,  
3       Article – Insurance  
4       Section 31–103(a) and (b)  
5       Annotated Code of Maryland  
6       (2011 Replacement Volume and 2013 Supplement)

7   BY repealing  
8       Article – State Government  
9       Section 9–20B–05(g–1) and (g–2)  
10      Annotated Code of Maryland  
11      (2009 Replacement Volume and 2013 Supplement)

12 BY repealing and reenacting, with amendments,  
13      Article – Transportation  
14      Section 12–118(e) and 13–802(b)(1)  
15      Annotated Code of Maryland  
16      (2012 Replacement Volume and 2013 Supplement)

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17 BY repealing and reenacting, without amendments,  
18      Article – Transportation  
19      Section 13–802(a)  
20      Annotated Code of Maryland  
21      (2012 Replacement Volume and 2013 Supplement)

22 BY repealing and reenacting, with amendments,  
23      Chapter 397 of the Acts of the General Assembly of 2011, as amended by  
24      Chapter 425 of the Acts of the General Assembly of 2013  
25      Section 16

26 BY repealing and reenacting, without amendments,  
27      Article – Health – General  
28      Section 19–214(d)(1)  
29      Annotated Code of Maryland  
30      (2009 Replacement Volume and 2013 Supplement)

31 BY repealing and reenacting, with amendments,  
32      Article – Health – General  
33      Section 19–214(d)(3)(i)  
34      Annotated Code of Maryland  
35      (2009 Replacement Volume and 2013 Supplement)

36 ~~BY adding to~~  
37      ~~Article – Health – General~~  
38      ~~Section 19–219.1~~  
39      ~~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.**

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

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**Article – Courts and Judicial Proceedings**

7–301.

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

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

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

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

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

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

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

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

[(vi)] (VII) On or before September 1 of each year until \$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.



1                   **(3) THE ADVISORY COMMITTEE CONSISTS OF THE FOLLOWING**  
2 **MEMBERS APPOINTED BY THE GOVERNOR:**

3                   **(I) TWO MEMBERS SELECTED FROM A LIST OF FIVE NAMES**  
4 **SUBMITTED BY THE MARYLAND AMUSEMENT AND MUSIC OPERATORS**  
5 **ASSOCIATION;**

6                   **(II) ONE MEMBER WHO IS A LOCAL GOVERNMENT OFFICIAL**  
7 **SELECTED FROM A LIST OF NAMES SUBMITTED BY THE MARYLAND**  
8 **ASSOCIATION OF COUNTIES AND THE MARYLAND MUNICIPAL LEAGUE;**

9                   **(III) ONE MEMBER WHO IS A LOCAL LAW ENFORCEMENT**  
10 **OFFICER; AND**

11                   **(IV) ONE CITIZEN REPRESENTATIVE.**

12                   **(4) THE GOVERNOR SHALL DESIGNATE THE CHAIR OF THE**  
13 **ADVISORY COMMITTEE.**

14                   **(5) THE COMMISSION SHALL PROVIDE STAFF FOR THE ADVISORY**  
15 **COMMITTEE.**

16                   **(6) A MEMBER OF THE ADVISORY COMMITTEE:**

17                   **(I) MAY NOT RECEIVE COMPENSATION AS A MEMBER OF**  
18 **THE ADVISORY COMMITTEE; BUT**

19                   **(II) IS ENTITLED TO REIMBURSEMENT FOR EXPENSES**  
20 **UNDER THE STANDARD STATE TRAVEL REGULATIONS, AS PROVIDED IN THE**  
21 **STATE BUDGET.**

22                   **Article – Economic Development**

23                   5–1204.

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

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

28                   (3) The Fund consists of:

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



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

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

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

10-523.

(a) (3) (i) To assist the Corporation in complying with subsection (c) of this section, the Governor shall include each year in the State budget bill an appropriation to the Corporation for rural business development and assistance as follows:

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

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

### Article - Education

16-305.

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

1. In fiscal year 2009, not less than an amount equal to 26.25% of the State's General Fund appropriation per full-time equivalent student to

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1 the 4-year public institutions of higher education in the State as designated by the  
2 Commission for the purpose of administering the Joseph A. Sellinger Program under  
3 Title 17 of this article in the previous fiscal year;

4                   2. In fiscal year 2010, not less than an amount equal to  
5 23.6% of the State's General Fund appropriation per full-time equivalent student to  
6 the 4-year public institutions of higher education in the State as designated by the  
7 Commission for the purpose of administering the Joseph A. Sellinger Program under  
8 Title 17 of this article in the same fiscal year;

9                   3. In fiscal year 2011, not less than an amount equal to  
10 21.8% of the State's General Fund appropriation per full-time equivalent student to  
11 the 4-year public institutions of higher education in the State as designated by the  
12 Commission for the purpose of administering the Joseph A. Sellinger Program under  
13 Title 17 of this article in the same fiscal year;

14                   4. In fiscal year 2012, not less than an amount equal to  
15 20% of the State's General Fund appropriation per full-time equivalent student to the  
16 4-year public institutions of higher education in the State as designated by the  
17 Commission for the purpose of administering the Joseph A. Sellinger Program under  
18 Title 17 of this article in the same fiscal year;

19                   5. In fiscal year 2014, an amount that is the greater of  
20 19.7% of the State's General Fund appropriation per full-time equivalent student to  
21 the 4-year public institutions of higher education in the State as designated by the  
22 Commission for the purpose of administering the Joseph A. Sellinger Program under  
23 Title 17 of this article in the same fiscal year or \$1,839.47 per full-time equivalent  
24 student;

25                   6. ~~In~~ In fiscal year 2015, an amount that is the greater of  
26 19.7% of the State's General Fund appropriation per full-time equivalent student to  
27 the 4-year public institutions of higher education in the State as designated by the  
28 Commission for the purpose of administering the Joseph A. Sellinger Program under  
29 Title 17 of this article in the same fiscal year or \$1,839.47 per full-time equivalent  
30 student;

31                   7.~~1~~ In fiscal year 2016, ~~an amount that is the greater of~~  
32 ~~19%~~ NOT LESS THAN AN AMOUNT EQUAL TO 19.7% of the State's General Fund  
33 appropriation per full-time equivalent student to the 4-year public institutions of  
34 higher education in the State as designated by the Commission for the purpose of  
35 administering the Joseph A. Sellinger Program under Title 17 of this article in the  
36 same fiscal year ~~or \$1,839.47 per full-time equivalent student;~~

37                   ~~8.1~~ 7. In fiscal year 2017, ~~an amount that is the greater of~~  
38 ~~19%~~ NOT LESS THAN AN AMOUNT EQUAL TO 19.7% of the State's General Fund  
39 appropriation per full-time equivalent student to the 4-year public institutions of  
40 higher education in the State as designated by the Commission for the purpose of

(4)

1 administering the Joseph A. Sellinger Program under Title 17 of this article in the  
2 same fiscal year ~~or \$1,839.47 per full-time equivalent student;~~

3 ~~{9.} 8.~~ In fiscal year 2018, not less than an amount equal to  
4 20% of the State's General Fund appropriation per full-time equivalent student to the  
5 4-year public institutions of higher education in the State as designated by the  
6 Commission for the purpose of administering the Joseph A. Sellinger Program under  
7 Title 17 of this article in the same fiscal year;

8 ~~{10.} 9.~~ In fiscal year 2019, not less than an amount  
9 equal to 21% of the State's General Fund appropriation per full-time equivalent  
10 student to the 4-year public institutions of higher education in the State as designated  
11 by the Commission for the purpose of administering the Joseph A. Sellinger Program  
12 under Title 17 of this article in the same fiscal year;

13 ~~{11.} 10.~~ In fiscal year 2020, not less than an amount  
14 equal to 23% of the State's General Fund appropriation per full-time equivalent  
15 student to the 4-year public institutions of higher education in the State as designated  
16 by the Commission for the purpose of administering the Joseph A. Sellinger Program  
17 under Title 17 of this article in the same fiscal year;

18 ~~{12.} 11.~~ In fiscal year 2021, not less than an amount  
19 equal to 25% of the State's General Fund appropriation per full-time equivalent  
20 student to the 4-year public institutions of higher education in the State as designated  
21 by the Commission for the purpose of administering the Joseph A. Sellinger Program  
22 under Title 17 of this article in the same fiscal year;

23 ~~{13.} 12.~~ In fiscal year 2022, not less than an amount  
24 equal to 27% of the State's General Fund appropriation per full-time equivalent  
25 student to the 4-year public institutions of higher education in the State as designated  
26 by the Commission for the purpose of administering the Joseph A. Sellinger Program  
27 under Title 17 of this article in the same fiscal year; and

28 ~~{14.} 13.~~ In fiscal year 2023 and each fiscal year  
29 thereafter, not less than an amount equal to 29% of the State's General Fund  
30 appropriation per full-time equivalent student to the 4-year public institutions of  
31 higher education in the State as designated by the Commission for the purpose of  
32 administering the Joseph A. Sellinger Program under Title 17 of this article in the  
33 same fiscal year.

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

37 1. ~~ALLEGANY COLLEGE .....~~ \$4,872,898;

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1	<del>2. ANNE ARUNDEL COMMUNITY</del>	
2	<del>COLLEGE .....</del>	<del>\$28,998,941;</del>
3	<del>3. COMMUNITY COLLEGE OF BALTIMORE</del>	
4	<del>COUNTY .....</del>	<del>\$38,990,003;</del>
5	<del>4. CARROLL COMMUNITY COLLEGE .....</del>	<del>\$7,488,547;</del>
6	<del>5. CECIL COMMUNITY COLLEGE .....</del>	<del>\$5,217,687;</del>
7	<del>6. COLLEGE OF SOUTHERN</del>	
8	<del>MARYLAND .....</del>	<del>\$13,118,626;</del>
9	<del>7. CHESAPEAKE COLLEGE .....</del>	<del>\$6,134,108;</del>
10	<del>8. FREDERICK COMMUNITY COLLEGE ...</del>	<del>\$9,010,822;</del>
11	<del>9. GARRETT COLLEGE .....</del>	<del>\$2,595,501;</del>
12	<del>10. HAGERSTOWN COMMUNITY</del>	
13	<del>COLLEGE .....</del>	<del>\$7,788,149;</del>
14	<del>11. HARFORD COMMUNITY COLLEGE ....</del>	<del>\$10,913,980;</del>
15	<del>12. HOWARD COMMUNITY COLLEGE .....</del>	<del>\$15,300,154;</del>
16	<del>13. MONTGOMERY COLLEGE .....</del>	<del>\$40,402,184;</del>
17	<del>14. PRINCE GEORGE'S COMMUNITY</del>	
18	<del>COLLEGE .....</del>	<del>\$25,722,191; AND</del>
19	<del>15. WOR-WIC COMMUNITY COLLEGE .....</del>	<del>\$7,116,177.</del>

20 17-104.

21 (a) (1) Except as provided in [paragraph (2)] PARAGRAPHS ~~(2), (3), AND~~  
 22 ~~(4) (2) AND (3)~~ of this subsection, the Maryland Higher Education Commission shall  
 23 compute the amount of the annual apportionment for each institution that qualifies  
 24 under this subtitle by multiplying the number of full-time equivalent students  
 25 enrolled at the institution during the fall semester of the fiscal year preceding the  
 26 fiscal year for which the aid apportionment is made, as determined by the Maryland  
 27 Higher Education Commission by:

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(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 ~~13.3%~~ 11.1% of the State's General Fund per full-time equivalent student appropriation to

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

~~[(xii)] (xi)~~ In fiscal year 2021 and each fiscal year thereafter, an amount not less than 15.5% 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.

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

### Article – Health – General

2-302.

(b) The funding shall be:

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

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

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

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

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

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

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

(II) POPULATION GROWTH, AS MEASURED BY THE GROWTH IN THE TOTAL POPULATION OF THE STATE FOR THE SECOND PRECEDING FISCAL YEAR, ACCORDING TO THE MOST RECENT STATISTICS AVAILABLE 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)] (6) Dorchester County;(6) Frederick County;[(7)] (6) Garrett County;[(8)] (7) St. Mary's County;[(9)] (8) Somerset County; AND[(10)] (9) 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) 60% OF THE REVENUES, FOR FISCAL YEAR 2016;

(II) 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.

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

8

9

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

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

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

9

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

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

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

## Article – State Personnel and Pensions

21–308.

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

10

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

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

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

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



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

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

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

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

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

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

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

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

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

35                   6. FOR FISCAL YEAR 2019 AND EACH FISCAL YEAR  
36 THEREAFTER, IN ADDITION TO THE ANNUAL REQUIRED CONTRIBUTION

1 REQUIRED UNDER PARAGRAPH (2) OF THIS SUBSECTION, THE GOVERNOR  
2 SHALL INCLUDE IN THE BUDGET BILL A SUPPLEMENTAL CONTRIBUTION OF  
3 \$300,000,000, UNTIL:

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

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

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

#### 16 Article – Tax – General

17 2-1302.1.

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

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

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

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

25 (iii) [\$6,535,845] **\$14,535,845** for the fiscal year beginning July  
26 1, 2013; and

27 (iv) [\$3,049,199] **\$6,249,199** for the fiscal year beginning July  
28 1, 2014; and

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

#### 30 Article – Tax – Property

31 13-209.

10

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

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

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

(26)

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

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

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

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

Article – Education

5–202.

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

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

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

(11)

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%.

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

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

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

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

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

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

15                   3. "5-year moving average" means the average of the 5  
16 years before the waiver year.

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

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

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

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

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

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

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

11



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

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

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

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

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

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

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

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

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

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

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

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

(iii) For fiscal year 2016, 60 percent of the difference between the 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 – Insurance31–103.(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 residential customers, including an offset of surcharges imposed on ratepayers under § 7-211 of the Public Utilities Article, on a per customer basis and in a manner prescribed by the Public Service Commission;

(3) at least ~~[46%]~~ **20%** shall be credited to a low and moderate income efficiency and conservation programs account and to a general efficiency and conservation programs account for energy efficiency and conservation programs, projects, or activities and demand response programs, of which at least one-half shall

1 be targeted to the low and moderate income efficiency and conservation programs  
2 account for:

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

5 (ii) the moderate-income residential sector;

6 [(4)] (3) [up to 10.5%] AT LEAST 20% shall be credited to a  
7 renewable and clean energy programs account for:

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

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

11 (iii) climate change AND RESILIENCY programs; and

12 [(5)] (4) up to [3.5%] 10%, but not more than [\$4,000,000]  
13 \$5,000,000, shall be credited to an administrative expense account for costs related to  
14 the administration of the Fund, including the review of electric company plans for  
15 achieving electricity savings and demand reductions that the electric companies are  
16 required under law to submit to the Administration.

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

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

22 (2) 23% shall be credited to a rate relief account to be allocated as  
23 provided in subsection (g)(2) of this section;

24 (3) at least 17.5% shall be credited to a low and moderate income  
25 efficiency and conservation programs account and to a general efficiency and  
26 conservation programs account to be allocated as provided in subsection (g)(3) of this  
27 section;

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

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



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

3 Article – Transportation

4 12-118.

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

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

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

11 1. FOR each of fiscal years 2013 through 2015 only,  
12 \$3,000,000 shall be distributed to the Department of State Police to be used only for  
13 the purchase of replacement vehicles and related motor vehicle equipment used to  
14 outfit police vehicles; AND

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

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

22 13-802.

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

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

27 Chapter 397 of the Acts of 2011, as amended by Chapter 425 of the Acts of  
28 2013

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

1       (a) For fiscal year 2012, the Health Services Cost Review Commission shall  
2 approve a combination of hospital assessments and remittances in the amount of  
3 \$389,825,000 to support the general operations of the Medicaid program. The  
4 Commission may reduce assessments or remittances by the amount of any reduction  
5 in State Medicaid expenditures that will result from any Commission-approved  
6 changes in hospital rates or policies.

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

15       (c) For fiscal year 2015 and every fiscal year thereafter, the Commission and  
16 the Department of Health and Mental Hygiene shall adopt policies that will provide  
17 up to \$389,825,000 in special fund revenues from hospital assessment and remittance  
18 revenue. [In each fiscal year, the Commission and the Department of Health and  
19 Mental Hygiene may adopt policies that result in new General Fund savings from  
20 reduced hospital or other payments made by the Medicaid program and those savings  
21 may be used to offset hospital assessment and remittance revenue in the first year  
22 that those policies are adopted.] BEGINNING WITH THE STATE BUDGET  
23 SUBMISSION FOR FISCAL YEAR 2016, THE GOVERNOR SHALL REDUCE THE  
24 BUDGETED MEDICAID DEFICIT ASSESSMENT BY THE FULL AMOUNT OF  
25 HOSPITAL INPATIENT AND OUTPATIENT GENERAL FUND SAVINGS THAT  
26 ACCRUE TO THE MEDICAID PROGRAM AS A RESULT OF THE IMPLEMENTATION  
27 OF MARYLAND'S ALL-PAYER MODEL CONTRACT APPROVED BY THE FEDERAL  
28 CENTER FOR MEDICARE AND MEDICAID INNOVATION. THE EXTENT OF  
29 GENERAL FUND SAVINGS SHALL BE CALCULATED BY THE HEALTH SERVICES  
30 COST REVIEW COMMISSION USING A METHODOLOGY DEVELOPED BY THE  
31 COMMISSION IN CONSULTATION WITH THE DEPARTMENT OF HEALTH AND  
32 MENTAL HYGIENE, THE DEPARTMENT OF BUDGET AND MANAGEMENT, AND  
33 THE MARYLAND HOSPITAL ASSOCIATION. THE COMMISSION SHALL MODEL THE  
34 METHODOLOGY FOR CALCULATING GENERAL FUND SAVINGS IN THE MEDICAID  
35 PROGRAM BY COMPARING AN AVERAGE BASELINE OF MARYLAND MEDICAID  
36 TOTAL RISK-ADJUSTED HOSPITAL EXPENDITURES PER BENEFICIARY OVER A  
37 REASONABLE PERIOD OF TIME BEFORE THE IMPLEMENTATION OF THE  
38 MARYLAND ALL-PAYER MODEL CONTRACT TO THE ACTUAL MARYLAND  
39 MEDICAID TOTAL RISK-ADJUSTED HOSPITAL EXPENDITURES PER BENEFICIARY  
40 DURING THE PERIOD UNDER MARYLAND'S ALL-PAYER MODEL CONTRACT. TO  
41 THE EXTENT THAT THE COMMISSION TAKES OTHER ACTIONS THAT REDUCE  
42 MEDICAID COSTS, THOSE SAVINGS SHALL ALSO BE USED TO REDUCE THE  
43 BUDGETED MEDICAID DEFICIT ASSESSMENT. To the maximum extent possible,



1 the Commission and the Department OF HEALTH AND MENTAL HYGIENE shall  
2 adopt policies that preserve the State's Medicare waiver.

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

5 **Article – Health – General**

6 19–214.

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

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

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

14 (3) For the portion of the assessment under paragraph (1)(ii) of this  
15 subsection:

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

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

19 2. May not be considered in determining the  
20 reasonableness of rates or hospital financial performance under Commission  
21 methodologies; and

22 3. May not be [less as a percentage] MORE THAN 0.5%  
23 of net patient revenue [than the assessment of 0.8128% that was in existence on July  
24 1, 2007]; and

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

27 ~~**Article – Health – General**~~

28 ~~**19–219.1.**~~

29 ~~(A) (1) IN THIS SECTION, “COMMUNITY PARTNERSHIP” MEANS A~~  
30 ~~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;~~

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

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

~~(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 AS FOLLOWS:~~

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

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

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

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

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

18



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

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

6           ~~(I) IMPROVES THE HEALTH AND WELL-BEING OF THE~~  
7 ~~COMMUNITY; AND~~

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

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

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

16           SECTION 4. AND BE IT FURTHER ENACTED, That, in fiscal year 2015 only,  
17 the Health Services Cost Review Commission shall include an additional \$30,000,000  
18 in hospital revenue when determining hospital rates that are effective in fiscal year  
19 2015 for the purpose of assisting hospitals in covering costs associated with the  
20 implementation of the new Maryland all-payer model contract approved by the federal  
21 Center for Medicare and Medicaid Innovation.

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

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

28           SECTION 6. AND BE IT FURTHER ENACTED, That:

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

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

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

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

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

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

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

19           SECTION 7. AND BE IT FURTHER ENACTED, That, for fiscal year 2015,  
20 payments to providers with rates set by the Interagency Rates Committee under §  
21 8-417 of the Education Article may not increase by more than 1.5% over the rates in  
22 effect on January 15, 2014, ~~and that any rate increase shall be effective beginning~~  
23 ~~January 1, 2015.~~

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

27           \$300,000 of the funds in the Radiation Control Fund established under § 8-306  
28 of the Environment Article;

29           \$650,000 of the funds in the Biotechnology Investment Tax Credit Reserve Fund  
30 established under § 10-725 of the Tax – General Article;

31           \$1,000,000 from the Senior Prescription Drug Assistance Program account in  
32 the Maryland Health Insurance Plan Fund established under § 14-504 of the Health –  
33 General Article;

34           \$800,000 of the funds in the Maryland Correctional Enterprises Revolving Fund  
35 established under § 3-507 of the Correctional Services Article; ~~and~~

(10)

(20)

(21)

1 \$2,400,000 of the funds in the Chesapeake and Atlantic Coastal Bays 2010  
2 Trust Fund established under § 8-2A-02 of the Natural Resources Article;

3 ~~SECTION 9. AND BE IT FURTHER ENACTED, That, notwithstanding any~~  
4 ~~other provision of law, on or before June 30, 2015, the Governor may transfer to the~~  
5 ~~General Fund;~~

6 \$125,000 of the funds in the Sustainable Communities Tax Credit Reserve Fund  
7 established under § 5A-303 of the State Finance and Procurement Article; and

8 ~~\$25,814,997~~ \$30,814,997 of the funds in the accounts of the University System  
9 of Maryland.

10 SECTION 9. AND BE IT FURTHER ENACTED, That, notwithstanding any  
11 other provision of law, on or before June 30, 2015, the Governor may transfer from the  
12 Baltimore City Community College fund balance to the Major Information Technology  
13 Development Project Fund established under § 3A-309 of the State Finance and  
14 Procurement Article \$10,800,000 to be used to implement the Enterprise Resource  
15 Planning project at the Baltimore City Community College.

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

24 ~~SECTION~~ SECTION 11. AND BE IT FURTHER ENACTED, That:

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

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

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

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

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



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

(25)

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

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

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

13           (f) Notwithstanding any other provision of law, on the recommendation of  
14 the workgroup under this section and in compliance with the requirements of the  
15 procurement law under the State Finance and Procurement Article, the Department  
16 may contract with a consultant for auditing assistance in determining the accuracy of  
17 real property values and homeowner tax credits and the proper incorporation of new  
18 and improved properties.

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

25           ~~SECTION 11.~~ SECTION 13. AND BE IT FURTHER ENACTED, That Section 10 of this Act  
26 shall take effect June 1, 2014, contingent on the taking effect of Chapter (H.B.  
27 510) of the Acts of the General Assembly of 2014, and if Chapter (H.B. 510) does  
28 not become effective, Section 10 of this Act shall be null and void without the necessity  
29 of further action by the General Assembly.

(24)

30           ~~SECTION 12.~~ SECTION 14. AND BE IT FURTHER ENACTED, That ~~Sections 2 and 4~~  
31 Section 2 of this Act shall take effect July 1, 2014.

(26)

32           ~~SECTION 13.~~ SECTION 15. AND BE IT FURTHER ENACTED, That Section 3 of this Act  
33 shall take effect October 1, 2014.

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