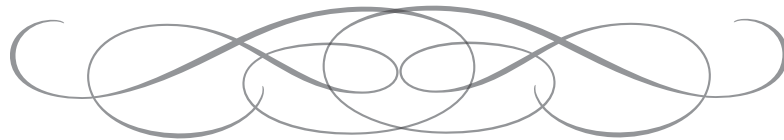


Report of the  
**House Appropriations Committee**  
to the Maryland House of Delegates



2014 SESSION



Recommendations, Reductions, and Summary of  
Action Pertaining to:  
Senate Bill 170

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## 2014 Budget Assignments

---

### **Sara J. Baker**

Morgan State University  
University System of Maryland  
Coppin State University  
Office  
Overview  
University of Baltimore  
University of Maryland, Baltimore  
University of Maryland, College Park

### **Hannah E. Dier**

Comptroller of Maryland  
Department of General Services  
Executive Department  
Boards, Commissions, and Offices  
Governor  
General Assembly of Maryland  
Governor's Office of Crime Control and Prevention  
State Archives  
State Treasurer

### **Jennifer A. Ellick**

Department of Health and Mental Hygiene  
Developmental Disabilities Administration  
Health Professional Boards and Commissions  
Health Systems and Infrastructure Administration  
Office of Health Care Quality  
Prevention and Health Promotion Administration  
Public Health Administration

### **Patrick S. Frank**

Department of Information Technology  
Public Debt  
State Reserve Fund

### **Andrew D. Gray**

Chesapeake Bay Overview  
Department of Agriculture  
Department of Natural Resources  
Department of Planning  
Department of the Environment  
Maryland Environmental Service

**Garret T. Halbach**

Aid to Community Colleges  
Baltimore City Community College  
Higher Education Overview  
Historic St. Mary's City Commission  
Maryland Higher Education Commission (MHEC)  
MHEC Scholarship Programs  
St. Mary's College of Maryland  
University System of Maryland  
Center for Environmental Science

**Richard H. Harris**

Department of Aging  
Department of Disabilities  
Department of Human Resources  
Overview  
Family Investment Administration  
Social Services Administration  
Department of Veterans Affairs  
Governor's Office for Children and Interagency Fund

**Matthew D. Klein**

Board of Public Works (PAYGO)  
Capital Fiscal Briefing (PAYGO Overview)

**Jason A. Kramer**

Department of Housing and Community Development  
Maryland Automobile Insurance Fund  
Maryland Insurance Administration  
Maryland Public Broadcasting Commission  
Secretary of State  
Subsequent Injury Fund  
Uninsured Employers' Fund  
Workers' Compensation Commission

**Jonathan D. Martin**

Department of Budget and Management  
Personnel  
Secretary  
Maryland Supplemental Retirement Plans  
Maryland Transportation Authority  
Maryland Department of Transportation  
Maryland Aviation Administration  
Maryland Port Administration



**Steven D. McCulloch**

Maryland Department of Transportation  
Debt Service Requirements  
Maryland Transit Administration  
Motor Vehicle Administration  
Overview  
Secretary's Office  
State Highway Administration  
Washington Metropolitan Area Transit Authority

**Jordan D. More**

Judiciary  
Maryland State Board of Contract Appeals  
Office of Administrative Hearings  
Office of the Attorney General  
Office of the Public Defender  
Payments to Civil Divisions of the State  
Property Tax Assessment Appeals Boards  
State Department of Assessments and Taxation

**Simon G. Powell**

Department of Health and Mental Hygiene  
Administration  
Behavioral Health Administration  
Health Regulatory Commissions  
Medical Care Programs Administration  
Overview  
Maryland Health Benefit Exchange  
Maryland Health Insurance Plan

**Jolshua S. Rosado**

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

**Michael C. Rubenstein**

State Retirement Agency

**Rebecca J. Ruff**

Department of Juvenile Services  
Department of Public Safety and Correctional Services  
Administration  
Criminal Injuries Compensation Board  
Inmate Grievance Office  
Maryland Commission on Correctional Standards  
Maryland Parole Commission  
Operations  
Overview  
Police and Correctional Training Commissions

**Jody J. Sprinkle**

Canal Place Preservation and Development Authority  
Department of Business and Economic Development  
Department of Labor, Licensing, and Regulation  
Business Regulation  
Workforce Development  
Maryland Economic Development Corporation  
Maryland Stadium Authority  
Maryland Technology Development Corporation  
State Lottery and Gaming Control Agency

**Laura M. Vykol**

Department of State Police  
Maryland Emergency Management Agency  
Maryland Emergency Medical System Operations Fund  
Maryland Institute for Emergency Medical Services Systems  
Military Department

**Tonya D. Zimmerman**

Department of Human Resources  
Administration  
Child Support Enforcement Administration  
Office of Home Energy Programs  
Maryland Energy Administration  
Maryland Food Center Authority  
Public Service Commission  
State Board of Elections

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## House Appropriations Committee – Reductions

<u>Agency</u>	<u>General Funds</u>	<u>Special Funds</u>	<u>Federal Funds</u>	<u>Higher Education Funds</u>	<u>Total Funds</u>	<u>Positions</u>
<b>2015 Budget Request</b>						
Judiciary	\$9,099,071	\$0	\$0	\$0	\$9,099,071	51.0
Public Service Commission	0	158,507	0	0	158,507	
Maryland Energy Administration	0	50,638	11,495	0	62,133	
Maryland Energy Administration – pay-as-you-go (PAYGO)	0	250,000	0	0	250,000	
Governor’s Office for Children and Interagency Fund	46,383	0	0	0	46,383	
Department of Aging	125,000	0	0	0	125,000	
Department of Veterans Affairs	5,000	0	0	0	5,000	
Comptroller of Maryland	471,586	93,286	0	0	564,872	
State Department of Assessments and Taxation	143,724	0	0	0	143,724	
Department of Budget and Management (DBM) – Secretary	0	86,381	0	0	86,381	
Department of Information Technology	2,150,000	9,000	0	0	2,159,000	
State Retirement Agency	0	250,000	0	0	250,000	
Maryland Department of Transportation – Maryland Port Administration	0	61,737	0	0	61,737	
Department of Natural Resources (DNR)	0	6,200,000	0	0	6,200,000	
DNR – PAYGO	0	51,851,510	0	0	51,851,510	
Department of Agriculture (MDA)	1,125,000	17,600,000	0	0	18,725,000	
MDA – PAYGO	0	17,275,034	0	0	17,275,034	
Department of Health and Mental Hygiene (DHMH) – Administration	82,728	0	0	0	82,728	1.0
DHMH – Health Systems and Infrastructure Administration	0	0	20,000,000	0	20,000,000	

## House Appropriations Committee – Reductions

	<u>Agency</u>	<u>General Funds</u>	<u>Special Funds</u>	<u>Federal Funds</u>	<u>Higher Education Funds</u>	<u>Total Funds</u>	<u>Positions</u>
LV.	DHMH – Medical Care Programs Administration	22,222,146	0	26,961,328	0	49,183,474	4.0
	Department of Human Resources (DHR) – Administration	407,483	0	120,536	0	528,019	
	DHR – Social Services	5,000,000	0	0	0	5,000,000	
	DHR – Child Support Enforcement	0	200,000	0	0	200,000	
	DHR – Family Investment	2,100,000	0	0	0	2,100,000	
	Department of Labor, Licensing, and Regulation – Business Regulation	38,702	0	0	0	38,702	1.0
	Maryland Higher Education Commission	659,988	0	0	0	659,988	
	Aid to Community Colleges	3,339,214	0	0	0	3,339,214	
	State Support for Higher Education Institutions	10,450,000	0	0	0	10,450,000	
	Department of Housing and Community Development	1,146,764	0	0	0	1,146,764	
	Department of Business and Economic Development	2,242,796	0	0	0	2,242,796	1.0
	Department of the Environment	550,000	0	0	0	550,000	
	Department of Juvenile Services	818,065	0	0	0	818,065	
	Department of State Police	1,759,575	0	0	0	1,759,575	
	Public Debt	50,000,000	0	0	0	50,000,000	
	State Reserve Fund	208,500,000	0	0	0	208,500,000	
	Statewide Allocation – Health Insurance	17,810,936	4,736,658	2,814,407	0	25,362,001	
	Statewide Allocation – Pension Reinvestment	176,515,776	12,459,356	8,258,002	0	197,233,134	
	Statewide Allocation – Vacant Position Reduction	10,000,000	0	0	0	10,000,000	150.0
	<b>Subtotal Fiscal 2015 Regular Budget</b>	<b>\$526,809,937</b>	<b>\$111,282,107</b>	<b>\$58,165,768</b>	<b>\$0</b>	<b>\$696,257,812</b>	<b>208.0</b>
	<b>Fiscal 2015 Total Budget</b>	<b>\$526,809,937</b>	<b>\$111,282,107</b>	<b>\$58,165,768</b>	<b>\$0</b>	<b>\$696,257,812</b>	<b>208.0</b>



## House Appropriations Committee – Reductions

<u>Agency</u>	<u>General Funds</u>	<u>Special Funds</u>	<u>Federal Funds</u>	<u>Higher Education Funds</u>	<u>Total Funds</u>	<u>Positions</u>
<b>Fiscal 2014 Deficiency Budget</b>						
Maryland Health Benefit Exchange	0	0	1,000,000	0	1,000,000	
DHR – Family Investment	1,700,000	0	0	0	1,700,000	
Department of Juvenile Services	104,289	0	0	0	104,289	
Statewide Allocation – Health Insurance	3,601,556	0	0	0	3,601,556	
Statewide Allocation – Personnel	240,366	0	0	0	240,366	
Statewide Allocation – Pension Reinvestment	88,082,357	12,295,546	8,770,214	0	109,148,117	
<b><i>Subtotal Fiscal 2014 Deficiency Budget</i></b>	<b><i>\$93,728,568</i></b>	<b><i>\$12,295,546</i></b>	<b><i>\$9,770,214</i></b>	<b><i>\$0</i></b>	<b><i>\$115,794,328</i></b>	
<b>Total Fiscal 2014 Deficiency Budget</b>	<b>\$93,728,568</b>	<b>\$12,295,546</b>	<b>\$9,770,214</b>	<b>\$0</b>	<b>\$115,794,328</b>	
<b>Grand Total Budget Bill</b>	<b>\$620,538,505</b>	<b>\$123,577,653</b>	<b>\$67,935,982</b>	<b>\$0</b>	<b>\$812,052,140</b>	<b>208.0</b>



## C00A Judiciary

### Budget Amendments

Add the following language:

Provided that 19 positions and \$1,945,511 in general funds are contingent upon the enactment of HB 120 or SB 167.

**Explanation:** This action makes the funding for these positions contingent upon the enactment of HB 120 or SB 167. Included in the amount are 19 new positions as well as 2 contractual bailiff full-time equivalents and supply costs, which will support the creation of 5 circuit court and 2 District Court judges.

Amend the following language:

Further provided that a ~~\$3,571,842~~ \$3,979,842 General Fund reduction is made for operating expenditures.

**Explanation:** This action reduces the Judiciary's fiscal 2015 allowance for various operating expenses across the Judiciary.

Amendment No.

**1**

## JUDICIARY

### C00A00.03 Circuit Court Judges

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Reduce general funds to correct technical errors in the Judiciary's allowance. This reduction is the net of the planned reversion for the Judiciary offset by personnel underfunding for various other positions.	319,075	GF
Total Reductions	319,075	0.00

## C00A

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	403.00	403.00		0.00
General Fund	65,015,469	64,696,394	319,075	
<b>Total Funds</b>	<b>65,015,469</b>	<b>64,696,394</b>	<b>319,075</b>	

### C00A00.04 District Court

Reduce appropriation for the purposes indicated:		<u>Funds</u>	<u>Positions</u>
1. Eliminate 11 full-time equivalents for new bailiffs. These funds were requested so the Judiciary could staff each courtroom with at least 2 bailiffs. Current resources should be used to fulfill this requirement.		322,234 GF	
2. Reduce general funds for the District Court which were improperly encumbered at the fiscal 2013 closeout. These funds should have reverted to the general fund at the end of fiscal 2013 since the contract for which they were to be spent against expired at the end of that fiscal year.		618,000 GF	
3. Eliminate funding for 9 new positions in the District Court. These new positions are being denied due to the fiscal condition of the State.		309,437 GF	9.00
Total Reductions		1,249,671	9.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	1,447.50	1,438.50		9.00
General Fund	161,851,553	160,601,882	1,249,671	
<b>Total Funds</b>	<b>161,851,553</b>	<b>160,601,882</b>	<b>1,249,671</b>	

## C00A

### C00A00.06 Administrative Office of the Courts

Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. <i>Eliminate 2 new positions in the Administrative Office of the Courts. These new positions are being denied due to the fiscal condition of the State.</i>	126,066 GF	2.00
2. Eliminate funding for a security services contract for the Judiciary's Annapolis Complex. This initiative is double funded in the fiscal 2015 budget and will be met through the use of new regular personnel.	1,083,925 GF	
Total Reductions	<del>1,083,925</del> 1,209,991	2.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	144.75	<del>144.75</del> 142.75		0.00 2.00
General Fund	29,706,752	<del>28,622,827</del> 28,496,761	<del>1,083,925</del> 1,209,991	
Special Fund	16,500,000	16,500,000	0	
Federal Fund	140,078	140,078	0	
<b>Total Funds</b>	<b>46,346,830</b>	<b><del>45,262,905</del></b> <b>45,136,839</b>	<b><del>1,083,925</del></b> <b>1,209,991</b>	

Amendment No.

**2**

### Committee Narrative

#### C00A00.09 Judicial Information Systems

**Information on Savings from the Maryland Electronic Court Project:** The budget committees are concerned about the ever increasing costs associated with the Maryland Electronic Court (MDEC) major information technology development project. Since this project is supposed to make the Judiciary more efficient by reducing the support costs necessary in the current systems, the committees request that the Judiciary submit a report outlining what

## C00A

efficiencies and fiscal savings, especially in personnel, that the Judiciary expects to realize once the MDEC project is fully operational. A report should be submitted to the budget committees by November 1, 2014.

Information Request	Author	Due Date
MDEC savings report	Judiciary	November 1, 2014

### Budget Amendments

#### C00A00.10 Clerks of the Circuit Court

Amend the following language:

, provided that this appropriation is reduced by ~~\$3,037,621~~ \$1,518,810 for contractual services, supplies and materials, and replacement and additional equipment.

**Explanation:** This action reduces the operating expenditures for the Clerks of the Circuit Court offices across the contractual services, supplies and materials, and replacement and additional equipment comptroller objects. ~~This reduction will align spending to the average of the actual spending for the last three fiscal years.~~

Amendment No.

3

Add the following language to the general fund appropriation:

*Further provided that funds may be expended only for this purpose and may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund.*

**Explanation:** *This language restricts funding for the Clerks of the Circuit Court so that general funds appropriated to the Clerks of the Circuit Court may only be spent within the Clerks of the Circuit Court offices and may not be transferred to any other purpose. Funds not expended shall revert to the General Fund.*

Amendment No.

4

## C00A

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Eliminate <del>19</del> 21 new positions across the various Clerks of the Circuit Court offices. These positions are being denied due to the fiscal condition of the State.	737,866 GF 821,682 GF	19.00 21.00
Total Reductions	737,866 821,682	19.00 21.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	1,410.50	<del>1,391.50</del> 1,389.50		<del>19.00</del> 21.00
General Fund	84,835,172	<del>84,097,306</del> 84,013,490	737,866 821,682	
Special Fund	18,471,893	18,471,893	0	
<b>Total Funds</b>	<b>103,307,065</b>	<del><b>102,569,199</b></del> <b>102,485,383</b>	<del><b>737,866</b></del> <b>821,682</b>	

Amendment No.

**5**

### Committee Narrative

#### C00A00.12 Major Information Technology Development Projects

***Migrating Major Information Technology Development Costs to General Fund:*** Given the structural imbalance that exists in the Circuit Court Real Property Records Improvement Fund, it is the intent of the budget committees that the Judiciary plan for the costs for major information technology development to be funded from the general fund beginning in fiscal 2016.

**C81C**  
**Office of the Attorney General**

**Budget Amendments**

Strike the following language:

~~Provided that a \$179,091 General Fund reduction is made for contractual full-time equivalent expenses. This reduction may be allocated across the agency.~~

~~**Explanation:** This action reduces the Office of the Attorney General's fiscal 2015 allowance for 3 contractual full-time equivalents related to the Attorney General's Honors Program across the following programs: Legal Counsel and Advice (1); Civil Litigation Division (1); and Criminal Appeals Division (1). The contractual full-time equivalents may continue to be funded with existing resources.~~

Amendment No.

**6**

**Committee Narrative**

***Information on Security Freezes:*** *It is the intent of the committees that the Office of the Attorney General work with hospitals in the State to provide notice to the parent or legal guardian of a newborn child that explains (1) how to request that a consumer reporting agency place a security freeze on the credit record for a child who is under the age of 16 years; and (2) the benefits of having a security freeze on a child's credit record.*



# C90G Public Service Commission

## Budget Amendments

### PUBLIC SERVICE COMMISSION

#### C90G00.01 General Administration and Hearings

Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. Increase turnover expectancy to 3.79%. This action increases the turnover expectancy of the Public Service Commission (PSC) to more closely reflect the experience of the agency. This reduction may be allocated among the programs of PSC.	100,792 SF	
2. Reduce funding for contractual employee payroll that is double budgeted. The fiscal 2015 allowance includes funding for 4 contractual full-time equivalents for three months from a grant from the American Recovery and Reinvestment Act of 2009. The fiscal 2015 allowance also includes a full year of funding with special funds for the same contractual full-time equivalents. This action reduces funding for the one quarter for which funds are double budgeted.	57,715 SF	
Total Reductions	158,507	0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	63.50	63.50		0.00
Special Fund	37,673,155	37,514,648	158,507	
Federal Fund	77,234	77,234	0	
<b>Total Funds</b>	<b>37,750,389</b>	<b>37,591,882</b>	<b>158,507</b>	

## C90G

### Committee Narrative

**Outcome of the Review of Energy Assistance Programs:** The Public Service Commission (PSC) began a comprehensive review of Maryland's energy assistance programs in calendar 2012. PSC staff and the Office of People's Counsel, as requested, presented a proposal for an alternative energy assistance program. PSC has not made a decision on the proposal or any other changes to the energy assistance programs. The budget committees request that PSC, in consultation with the Department of Human Resources, submit a report on the status or outcome of the review, including the anticipated ratepayer impact and impact to recipients of energy assistance benefits from any program changes.

Information Request	Author	Due Date
Outcome of the review of energy assistance programs in Maryland	PSC	December 1, 2014

**C96J00**  
**Uninsured Employers' Fund**

**Committee Narrative**

**Actuarial Study of the Uninsured Employers' Fund:** The committees direct that the Uninsured Employers' Fund (UEF) perform an actuarial study to determine the health of the fund and whether the 2% assessment rate on workers' compensation awards is appropriate to maintain the fund's viability. The study should be presented to the committees by September 1, 2014.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Actuarial study on UEF's fund balance	UEF	September 1, 2014

**D05E**  
**Board of Public Works**

**Budget Amendments**

**BOARD OF PUBLIC WORKS**

**D05E01.10    Miscellaneous Grants to Private Non-Profit Groups**

Add the following language:

It is the intent of the General Assembly that the Governor include \$465,000 in a supplemental budget for the Maryland Academy of Sciences.

**Explanation:** The committees are concerned with the fiscal health of the Maryland Science Center in the upcoming fiscal year and request that the Governor provide an additional \$465,000 for the Science Center in fiscal 2015.

**Committee Narrative**

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

- audited financial statements for fiscal 2014; and
- year-to-date monthly attendance figures for the zoo for fiscal 2015 (by visitor group).

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Audited financials	Maryland Zoological Society	November 1, 2014
Attendance reports	Maryland Zoological Society	Monthly

**D13A13**  
**Maryland Energy Administration**  
**Executive Department**

**Budget Amendments**

**D13A13.01 General Administration**

Reduce appropriation for the purposes indicated:

	<u><b>Funds</b></u>	<u><b>Positions</b></u>
1. Increase turnover expectancy to 7%. A turnover expectancy of 7% would require 2.1 positions to be vacant. As of December 31, 2013, the Maryland Energy Administration has 4.0 vacant positions. A turnover expectancy of 7% better reflects historic experience.	50,638 SF 11,495 FF	
Total Reductions	62,133	0.00

<u><b>Effect</b></u>	<u><b>Allowance</b></u>	<u><b>Appropriation</b></u>	<u><b>Amount Reduction</b></u>	<u><b>Position Reduction</b></u>
Position	30.00	30.00		0.00
Special Fund	5,532,572	5,481,934	50,638	
Federal Fund	763,901	752,406	11,495	
<b>Total Funds</b>	<b>6,296,473</b>	<b>6,234,340</b>	<b>62,133</b>	

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

Reduce appropriation for the purposes indicated:

	<u><b>Funds</b></u>	<u><b>Positions</b></u>
1. Reduce funding for the Jane E. Lawton Conservation Loan Program (JELLP) by \$250,000. This action level funds the JELLP from fiscal 2014 at \$1.75 million. The Maryland Energy Administration (MEA) has had difficulties encumbering and expending funds in this program at a level equal to its appropriation. After accounting for project cancellations, the JELLP has not had \$1.75 million of encumbrances/expenditures in any year of the program's existence. If MEA is able to develop a project list sufficient to encumber more funding than is available with this action, MEA may process a budget amendment to provide additional spending authority.	250,000 SF	
Total Reductions	250,000	0.00

## D13A13

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Special Fund	2,000,000	1,750,000	250,000	
<b>Total Funds</b>	<b>2,000,000</b>	<b>1,750,000</b>	<b>250,000</b>	

### D13A13.07 Energy Efficiency and Conservation Programs, All Other Sectors

Strike the following language:

~~provided that \$3,000,000 of this appropriation made for the purpose of Energy Efficiency and Conservation Programs, All Other Sectors may not be expended for that purpose but instead may be transferred by budget amendment to the Department of Housing and Community Development program S00A25.08 Homeownership Programs Capital Appropriation to be used only for the Net Zero Homes Program. Funds not expended for this restricted purpose may not be transferred by budget amendment or otherwise to any other purpose and shall be canceled.~~

**Explanation:** This language restricts \$3 million of the Maryland Energy Administration funding from the Strategic Energy Investment Fund allocated to the Energy Efficiency and Conservation Programs, All Other Sectors to be used instead for the Net Zero Homes Program in the Department of Housing and Community Development (DHCD). The fiscal 2015 capital budget, as introduced, contains \$3 million of general obligation bond funds for this program. Under the program, DHCD will provide construction loans for net zero or low-energy use homes to homebuilders. The program is expected to become a revolving loan fund and the fiscal 2015 funding is part of the initial capitalization. This program is more appropriately funded with special funds as a pay-as-you-go program.

Amendment No.

7

## D13A13

### D13A13.08 Renewable and Clean Energy Programs and Initiatives

Add the following language to the special fund appropriation:

, provided that it is the intent of the General Assembly that \$1,700,000 of this appropriation made for the purpose of the Maryland Emergency Generation Grant Program may be used to incentivize backup emergency generation at fuel service stations and to incentivize backup emergency generators at volunteer fire department fire houses that are used as shelters during emergency situations.

**Explanation:** This language expresses the intent of the General Assembly that the Maryland Emergency Generation Grant Program be used to incentivize backup emergency generation at fuel service stations to ensure that during an emergency Marylanders are able to refuel their vehicles and travel to safety and also to incentivize backup power generators at volunteer fire department fire houses that are used as shelters during emergency situations.

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

**Budget Amendments**

**BOARDS, COMMISSIONS, AND OFFICES**

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

Reduce appropriation for the purposes indicated:

	<u><b>Funds</b></u>	<u><b>Positions</b></u>
1. <del>Reduce funding for the Prince George's County State's Attorney (PGSA) grant. The State historically does not directly fund State's Attorney's offices. This action maintains the fiscal 2014 funding level of \$850,000 for the PGSA grant.</del>	<del>650,000</del>	<del>GF</del>
2. <del>Eliminate new funding for the Victims Services Grant, which is intended to establish and expand grant programs for the survivors of homicide victims in Maryland. The Criminal Injuries Compensation Board already distributes grants for a similar purpose.</del>	<del>500,000</del>	<del>GF</del>
Total Reductions	<del>1,150,000</del>	
	<del>0</del>	

<u><b>Effect</b></u>	<u><b>Allowance</b></u>	<u><b>Appropriation</b></u>	<u><b>Amount Reduction</b></u>	<u><b>Position Reduction</b></u>
Position	39.00	39.00		0.00
General Fund	97,495,972	<del>96,345,972</del> 97,495,972	<del>1,150,000</del> 0	
Special Fund	2,331,943	2,331,943	0	
Federal Fund	17,605,813	17,605,813	0	
<b>Total Funds</b>	<b>117,433,728</b>	<del><b>116,283,728</b></del> <b>117,433,728</b>	<del><b>1,150,000</b></del> <b>0</b>	

Amendment No.

**8**



**Committee Narrative**

**Report on Grant Award Process:** *The committees request information on the process used to award grants to direct service providers. The committees, therefore, request that the Governor's Office of Crime Control and Prevention (GOCCP) submit a report to the committees that provides an outline of the process it uses to award grants to direct service providers, including the process utilized for awarding emergency grants and distributing unexpected revenue. The report shall be submitted by November 30, 2014.*

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
<i>Report on grant award process</i>	<i>GOCCP</i>	<i>November 30, 2014</i>

**Grant Award Process for State's Attorney Offices:** *The committees are concerned about the distribution of funds awarded through the Governor's Office of Crime Control and Prevention (GOCCP) to local State's Attorney offices. The committees, therefore, request that GOCCP submit to the committees a report evaluating the current award process for grants to State's Attorney offices and indicating whether the State should have a formal role in funding local State's Attorney offices. The report shall include (1) a breakdown of all grants awarded through GOCCP to State's Attorney offices in fiscal 2013 and 2014; (2) a description of and rationale for the current process GOCCP uses to determine and award grants to local State's Attorney offices; and (3) an evaluation of whether the State should have a formal role, such as formula grant distribution, in funding all local State's Attorney offices.*

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
<i>Report evaluating grant award process for State's Attorney offices</i>	<i>GOCCP</i>	<i>December 1, 2014</i>

**D17B0151**  
**Historic St. Mary's City Commission**

**Committee Narrative**

**Report on Historic St. Mary's City Commission's Role and Outreach in Southern Maryland:** Given the Historic St. Mary's City Commission's (HSMCC) important role in promoting knowledge and access to Maryland's historical and natural resources and the expectation that HSMCC show how it is involved in the local community in its upcoming accreditation review, the committees request HSMCC report on its current educational outreach programs and ideas for future programs, as well as how it promotes regional heritage tourism. The report should consider other organizations and institutions that HSMCC currently works with, such as St. Mary's College of Maryland, and groups that HSMCC could improve or create new ties with, such as the National Park Service's Chesapeake Bay Gateways Network. HSMCC should also consider how it can do more to work with underserved communities in the State.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
HSMCC's role and outreach in Southern Maryland	HSMCC	December 1, 2014

# D18A18 Governor's Office for Children

## Budget Amendments

### D18A18.01 Governor's Office for Children

Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. Increase the Governor's Office for Children (GOC) turnover rate to 9.0%. GOC has a current vacancy rate of 20.6%, but is budgeted with a turnover rate of 5.6%.	46,383 GF	
Total Reductions	46,383	0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	16.50	16.50		0.00
General Fund	1,960,406	1,914,023	46,383	
<b>Total Funds</b>	<b>1,960,406</b>	<b>1,914,023</b>	<b>46,383</b>	

## Committee Narrative

**Out-of-home Placements:** To facilitate evaluation of Maryland's family preservation programs in stemming the flow of children from their homes, the Governor's Office for Children (GOC), on behalf of the Children's Cabinet, is requested to prepare and submit to the budget committees a report on out-of-home placements containing data on the total number of out-of-home placements and entries by jurisdiction over the previous three years and similar data on out-of-state placements. The report should also provide information on the costs associated with out-of-home placements, the reasons for new placements, and an evaluation of data derived from the application of the Maryland Family Risk Assessment. Data should also be collected concerning indicated findings of child abuse and neglect occurring while families are receiving family preservation services or within one year of case closure. Each agency or administration that funds or places children and youth in out-of-home placements is requested to work closely with GOC and comply with any data requests necessary for the production of the report. The report should be submitted to the committees by December 15, 2014.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Report on out-of-home placements	GOC	December 15, 2014

**D26A**  
**Department of Aging**

**Budget Amendments**

Add the following language:

Provided that funds appropriated for the Senior Care (\$7,264,243 in general funds), Senior Center Operating Fund (\$500,000 in general funds), Vulnerable Adults (\$557,433 in general funds and \$103,998 in federal funds), and the Ombudsmen (\$1,134,613 in general funds and \$362,363 in federal funds) programs are restricted to those purposes and may not be transferred to any other program or purpose. Funds not expended or transferred shall be canceled or revert to the General Fund.

**Explanation:** The General Assembly is concerned about the use of funds appropriated for the local Area Agencies on Aging being diverted to administrative expenses. This language states that funds appropriated for certain programs (Senior Care, Senior Center Operating Fund, Vulnerable Adults, and Ombudsmen) may only be used for that purpose.

Amendment No.

**9**

**D26A07.01    General Administration**

Add the following language to the general fund appropriation:

, provided it is the intent of the General Assembly that, in the fiscal 2016 allowance, a new and unique budget code be established for programs and grants to the local Area Agencies on Aging (AAAs) separate from the rest of the Maryland Department of Aging (MDOA) budget. The new budget code shall capture all general, special, federal, and reimbursable funds that are intended as programs and grants to the AAAs. Such spending shall also be separated out from the rest of the MDOA budget in the fiscal 2015 working budget and actual fiscal 2014 spending, as reported in the data provided with the Governor's proposed fiscal 2016 allowance.

**Explanation:** In order to exercise better oversight of the MDOA budget, the General Assembly requests that funding for programs and grants intended for the local AAAs be separated out from the rest of the MDOA budget with the introduction of the Governor's proposed fiscal 2016 budget. Such spending should also be separated out for the fiscal 2015 working budget and the 2014 actual spending data provided with the proposed budget.

Amendment No.

**10**

## D26A

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. <i>Reduce the program funding for the Maryland Access Point (MAP) to the fiscal 2013 level. The MAP received no general funds in fiscal 2014.</i>	125,000	GF
<i>Total Reductions</i>	125,000	

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
<i>Position</i>	51.70	51.70		0.00
<i>General Fund</i>	21,433,312	21,308,312	125,000	
<i>Special Fund</i>	484,331	484,331	0	
<i>Federal Fund</i>	26,759,711	26,759,711	0	
<b><i>Total Funds</i></b>	<b>48,677,354</b>	<b>48,552,354</b>	<b>125,000</b>	

Amendment No.

**11**

### Committee Narrative

***Report on Various Financial Management Issues:*** *The budget committees are concerned about the financial management of the Maryland Department of Aging (MDOA). A number of things have come to the attention of the committees during this session and the past few months, including issues related to how funding is allocated, used, and diverted to other purposes. MDOA should submit a report to the budget committees with additional information on the following subjects:*

- *For grants and programs that are allocated to local Area Agencies on Aging (AAAs) by formula, an explanation of how each formula operates and how it was developed, and any planned changes to the current formulas.*
- *A discussion of the changes made to the allocation of Senior Care funds prior to the start of fiscal 2013, including new data or assumptions that were used in the reallocation of funding, and a discussion of when a new study of the Senior Care allocation will occur.*

## **D26A**

- *An accounting of all funds used for the Innovations on Aging Exposition and Conference in May 2012, including the specific sources and the expo events or programs supported by each (for example, what events or programs were supported by a specific sponsorship).*

*This report should be submitted to the budget committees by September 1, 2014.*

<b><i>Information Request</i></b>	<b><i>Author</i></b>	<b><i>Due Date</i></b>
<i>Report on financial management issues</i>	<i>MDOA</i>	<i>September 1, 2014</i>

**D38I**  
**State Board of Elections**

**Budget Amendments**

**D38I01.01     General Administration**

Add the following language to the general fund appropriation:

, provided that it is the intent of the General Assembly that:

- (1)     no Maryland voter should have to wait for more than 30 minutes to vote;
- (2)     the State Board of Elections (SBE) and local boards of elections (LBEs) take every possible action to ensure that voters casting ballots at early voting centers and polling places on Election Day are able to complete the entire voting process, from arrival to departure, within 30 minutes;
- (3)     SBE, in conjunction with the LBEs, collect additional data on wait times for voters at an appropriate selection of individual early voting centers and Election Day polling places in the 2014 General Election in jurisdictions that experienced wait times in excess of 30 minutes in the 2012 General Election; and
- (4)     the data collection efforts include recording line length at regular intervals during the day to monitor turnout flow at an appropriate selection of individual early voting centers and Election Day polling places in the 2014 General Election in jurisdictions that experienced wait times in excess of 30 minutes in the 2012 General Election.

Further provided that \$100,000 of this appropriation made for the purpose of General Administration may not be expended until SBE submits a report to the House Appropriations Committee, House Ways and Means Committee, Senate Budget and Taxation Committee, and Senate Education, Health, and Environmental Affairs Committee that:

- (1)     describes the data collection methods used and summarizes the additional data collected on wait times for voters at an appropriate selection of early voting centers and Election Day polling places in the 2014 General Election in jurisdictions that experienced wait times in excess of 30 minutes in the 2012 General Election;
- (2)     analyzes the additional data on wait times collected during the 2014 General Election at early voting centers and Election Day polling places to identify the causes of wait times in excess of 30 minutes; and
- (3)     includes plans for reducing wait times at early voting centers and Election Day polling places to 30 minutes or less in future elections based on the analysis of the data from the 2014 General Election and other relevant data.

## D38I

The report shall be submitted by January 15, 2015, and the committees shall have 45 days to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted.

**Explanation:** The General Assembly is concerned about excessive wait times for voters in recent Maryland elections. According to the Survey of the Performance of American Elections (SPAEE), Maryland had the third longest wait times in the country in the 2012 General Election and the sixth longest wait times in the 2008 General Election. According to the SPAEE, Maryland's average wait time in the 2012 General Election was 29 minutes and in the 2008 General Election was 26 minutes. President Barack Obama created the Presidential Commission on Election Administration in calendar 2013 to make recommendations on reducing long lines at polling places, among other issues. In its report, released in January 2014, the commission concluded that voters should not have to wait more than one half hour to vote and that election officials should be able to plan the allocation of their resources to allow nearly all voters to be processed within that time. In the report, the commission recommended that election officials measure wait times at polling places, use the information to analyze the causes of long wait times, and develop plans using that information to avoid lengthy wait times in the future. A report analyzing Maryland-specific wait time concerns submitted to the General Assembly in January 2014 in response to a requirement in Chapters 157 and 158 of 2013 included similar recommendations. This language expresses an intent that, consistent with the recommendations of the Presidential Commission on Election Administration, wait times for voters not be longer than one half hour; SBE, in conjunction with the LBEs, collect additional data on voter wait times in the 2014 General Election; analyze the wait times data from the 2014 General Election; and develop plans to prevent lengthy wait times based on analysis of the data from the 2014 General Election and other relevant data.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Report on voting wait times	SBE	January 15, 2015

Amendment No.

12



# D40W01 Department of Planning

## Budget Amendments

### D40W01.07 Management Planning and Educational Outreach

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. <del>Abolish a long-term vacant position. This administrator III position (PIN #045698) in the Management Planning and Educational Outreach program has been vacant for longer than a year. While the Maryland Department of Planning indicates that it is holding the position vacant in order to meet budgeted turnover, there are other vacant positions that may be used for this purpose.</del>	<del>42,473 GF</del> <del>18,204 FF</del>	<del>1.00</del>
Total Reductions	<del>60,677</del> <del>0</del>	<del>1.00</del> <del>0.00</del>

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	14.00	<del>13.00</del> 14.00		<del>1.00</del> 0.00
General Fund	1,099,490	<del>1,057,017</del> 1,099,490	<del>42,473</del> 0	
Special Fund	3,195,484	3,195,484	0	
Federal Fund	1,080,446	<del>1,062,242</del> 1,080,446	<del>18,204</del> 0	
<b>Total Funds</b>	<b>5,375,420</b>	<del><b>5,314,743</b></del> <b>5,375,420</b>	<del><b>60,677</b></del> <b>0</b>	

Amendment No.

**13**

## D40W01

### D40W01.12 Sustainable Communities Tax Credit

Add the following language to the general fund appropriation:

, provided that \$10,000,000 of this appropriation made for the purpose of awarding Sustainable Communities Tax Credit program tax credits is contingent on the enactment of HB 510 reauthorizing the program.

**Explanation:** The language makes \$10,000,000 in general funds appropriated for Sustainable Communities Tax Credit program tax credits contingent on the enactment of HB 510 re-authorizing the program.

Amendment No.

14

## **D50H Military Department**

### **Committee Narrative**

#### **MILITARY DEPARTMENT OPERATIONS AND MAINTENANCE**

##### **D50H01.03 Army Operations and Maintenance**

**Continue to Provide Sufficient General Funds for Military Department Maintenance to Obtain Matching Federal Funds:** It is the intent of the budget committees that the Governor continue to provide general funds for the Military Department for maintenance in order to obtain matching federal funds.

##### **D50H01.06 Maryland Emergency Management Agency**

**Report on Emergency Training and Exercises Conducted Versus Agency Objectives:** The budget committees request that the Maryland Emergency Management Agency (MEMA), within the Maryland Military Department, submit a report comparing emergency training and exercises conducted versus agency objectives. It is the intent of the Maryland General Assembly that this report be submitted to the budget committees January 31, 2015.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Report on emergency training and exercises conducted by MEMA versus agency objectives	MEMA	January 31, 2015

## D53T

# Maryland Institute for Emergency Medical Services Systems

### Committee Narrative

**Report on Back-up Commercial Air Ambulance Services:** *The Maryland Institute for Emergency Medical Services Systems (MIEMSS) coordinates the statewide emergency medical services system, which includes helicopter transport of critically ill and injured patients. The Maryland Department of State Police safeguards the lives and safety of all persons in the State which includes, in part, providing air ambulance transport from the scene of a public safety incident through the Maryland State Police Aviation Command (MSPAC). In instances where the MSPAC is unavailable to provide scene transport, commercial air ambulance services, licensed by MIEMSS, may be requested as back-up to provide helicopter transport from the scene of a public safety incident under a memorandum of understanding with the State. Patients transported by MSPAC are not billed for helicopter transport, while patients transported via commercial service helicopter back-up are typically billed by the commercial air ambulance service for helicopter transport. The budget committees request MIEMSS submit a report, in consultation with MSPAC, the Department of Health and Mental Hygiene (DHMH) and the Office of the Attorney General (OAG), that will do the following: (1) identify existing mechanisms and methods for payment for patient scene transport provided by a back-up commercial air ambulance service helicopters at the request of MIEMSS; (2) recommend any necessary changes, improvements, or expansion of methods for payment for such services; and (3) determine whether the existing memoranda of understanding with commercial air ambulance service helicopters for back-up scene transport should be modified or replaced. The report shall be submitted to the budget committees, House Emergency Medical Services Workgroup, House Health and Government Operations Committee, and Senate Finance Committee by December 1, 2014.*

<b>Information Request</b>	<b>Authors</b>	<b>Due Date</b>
Report on back-up commercial air ambulance services	MIEMSS DHMH OAG	December 1, 2014

**D55P00**  
**Department of Veterans Affairs**

**Budget Amendments**

**D55P00.05 Veterans Home Program**

Reduce appropriation for the purposes indicated:	<b><u>Funds</u></b>	<b><u>Positions</u></b>
1. Reduce funding for publications and advertising to more closely align with prior year actuals.	5,000	GF
Total Reductions	5,000	0.00

<b><u>Effect</u></b>	<b><u>Allowance</u></b>	<b><u>Appropriation</u></b>	<b><u>Amount Reduction</u></b>	<b><u>Position Reduction</u></b>
Position	4.00	4.00		0.00
General Fund	3,711,904	3,706,904	5,000	
Special Fund	100,000	100,000	0	
Federal Fund	13,469,960	13,469,960	0	
<b>Total Funds</b>	<b>17,281,864</b>	<b>17,276,864</b>	<b>5,000</b>	

## D60A State Archives

### Committee Narrative

#### D60A10.01 Archives

**Improve Oversight of Records Management Procedures:** The committees are concerned that there is a lack of oversight for the records management process. It is the intent of the budget committees that the following changes be made to improve the oversight of records management procedures:

- ~~the Office of Legislative Audits shall request a copy of an agency's retention schedule as part of the routine for an entrance meeting of a fiscal compliance audit and note in the report if an up-to-date schedule is not available;~~
- a records management training program, including new employees introductory training, shall be developed by the Maryland State Archives and the Department of General Services and offered to State and local government agencies; and
- the Secretary of the Department of Information Technology (IT) and the Chief Judge shall implement an information life-cycle management component as part of the functional requirements analysis for all IT projects.

***Report on Electronic Record Creation, Maintenance, and Management:*** *It is the intent of the budget committees that State agencies pursue greater electronic record creation, maintenance, and management. In November 2011, President Barack H. Obama signed the presidential memorandum, "Managing Government Records," which requires that to the fullest extent possible, all federal executive agencies eliminate paper and use electronic recordkeeping by 2019. In a 2013 records management report submitted to the budget committees, the Maryland State Archives (MSA) and the Department of General Services (DGS) recommended that Maryland's executive and legislative branch follow the lead of the federal government and mandate that State agencies update records management practices for the digital age in order to improve performance, promote openness and accountability, minimize cost, and increase efficiency. The committees therefore request that MSA and DGS, in consultation with the Department of Information Technology (DoIT), submit a report indicating steps necessary to reach electronic creation, maintenance, and management of State records.*

<b><i>Information Request</i></b>	<b><i>Authors</i></b>	<b><i>Due Date</i></b>
<i>Report on electronic record creation, maintenance, and management</i>	<i>MSA DGS DoIT</i>	<i>June 30, 2015</i>

# D78Y01

## Maryland Health Benefit Exchange

### Budget Amendments

Add the following language:

Provided that \$1,000,000 of the special fund appropriation made for the purpose of administration and general operations in the Maryland Health Benefit Exchange (MHBE) may not be expended until:

- (1) MHBE submits to the budget committees the first of fiscal 2015 quarterly budget reports detailing actual expenditures of prior year encumbrances, actual year-to-date expenditures, and the manner in which proposed expenditures are to be spent. These quarterly budget reports shall be submitted within 30 days of the end of each quarter beginning July 1, 2014, and will be in a format agreed upon between MHBE and the Department of Legislative Services.
- (2) MHBE, in consultation with the Department of Information Technology (DoIT), submits to the budget committees the first of bimonthly reports on the progress in remediating/replacing the MHBE Eligibility System both in terms of the impact of enrollment into qualified health plans, enrollment into Medicaid, and Medicaid redeterminations. These bimonthly reports shall be submitted within 15 days of the end of each bimonthly period beginning July 1, 2014, and will be in the format used by DoIT for its year-end major information technology development project report.

The committees shall have 45 days to review and comment on the initial reports from MHBE. Funds restricted pending the receipt of the initial reports may not be transferred by budget amendment or otherwise to any other purpose and shall be canceled if the initial reports are not submitted to the budget committees.

**Explanation:** The language provides additional reporting from MHBE over immediate budget expenditures and the remediation/replacement of MHBE Eligibility System (HIX). No final strategy concerning the HIX has been decided upon by the Administration. The language will allow for a degree of heightened oversight once that decision has been made.

Information Request	Authors	Due Date
Quarterly budget reports	MHBE	30 days after the end of each quarter beginning with July 1, 2014
Bi-monthly reports on the HIX remediation/replacement	MHBE	15 days after the end of each bi-monthly period beginning with July 1, 2014

**D90U00**  
**Canal Place Preservation and Development Authority**

**Committee Narrative**

**Report on Ownership Options:** The budget committees request that the Maryland Heritage Area Authority (MHAA) and the Department of General Services (DGS), in consultation with the Canal Place Preservation and Development Authority (CPPDA), submit a report on alternatives to State ownership of CPPDA's property. As currently constructed, CPPDA is facing difficulties achieving financial self-sufficiency. It is therefore worth examining if there is another ownership structure that would allow for greater success. The authority should prepare the report in consultation with the Department of Budget and Management (DBM) and local officials from Allegany County and the City of Cumberland.

The report should examine options that include (1) enveloping the property into another State agency; (2) transitioning the property to the county or city government; (3) transitioning the property to the National Park Service; or (4) ceasing operations. The report should consider the value of the current property and any costs that would accrue to the State to dispose of the property. Implications related to any historic sites should also be considered. The report should also examine any impacts on control of the current heritage area and on current State employees and the level of support of the local governments.

<b>Information Request</b>	<b>Authors</b>	<b>Due Date</b>
Report on ownership options	MHAA and DGS in consultation with CPPDA and DBM	December 31, 2014



**E00A**  
**Comptroller of Maryland**

**Budget Amendments**

**REVENUE ADMINISTRATION DIVISION**

**E00A04.01 Revenue Administration**

Add the following language to the general fund appropriation:

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

- (1) the Comptroller of Maryland has taken corrective action with respect to all repeat audit findings on or before November 1, 2014; and
- (2) a report is submitted to the budget committees by OLA listing each repeat audit finding along with a determination that each repeat finding was corrected. The budget committees shall have 45 days to review and comment to allow for funds to be released prior to the end of fiscal 2015.

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

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

## E00A

### COMPLIANCE DIVISION

#### E00A05.01 Compliance Administration

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Increase turnover to <del>5%</del> 4.43% to reflect actual turnover in recent years. The agency has sufficient vacancies to absorb this reduction.	<del>687,096</del> GF 343,548 GF <del>138,145</del> SF 69,073 SF	
Total Reductions	<del>825,241</del> 412,621	

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	389.30	389.30		0.00
General Fund	23,884,463	<del>23,197,367</del> 23,540,915	<del>687,096</del> 343,548	
Special Fund	8,964,719	<del>8,826,574</del> 8,895,646	<del>138,145</del> 69,073	
Total Funds	32,849,182	<del>32,023,941</del> 32,436,561	<del>825,241</del> 412,621	

Amendment No.

15

### INFORMATION TECHNOLOGY DIVISION

#### E00A10.02 Comptroller IT Services

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Reduce funding for software upgrades by a total of \$27,500 for the Comptroller's Information Technology Division based on fiscal 2013 actual expenditures for software upgrades. This action reduces funding for software upgrades to the Comptroller's Information Technology Division by \$22,000 in general funds and \$5,500 in special funds.	22,000 GF 5,500 SF	

## E00A

2. Reduce funding for computer replacements by a total of \$124,751 for the Comptroller's Information Technology Division. This action reduces agencywide desktop and laptop replacements from 30 to 25% for fiscal 2015.

106,038 GF  
18,713 SF

Total Reductions 152,251 0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	75.50	75.50		0.00
General Fund	17,027,342	16,899,304	128,038	
Special Fund	2,706,313	2,682,100	24,213	
<b>Total Funds</b>	<b>19,733,655</b>	<b>19,581,404</b>	<b>152,251</b>	

**E50C**  
**State Department of Assessments and Taxation**

**Budget Amendments**

Add the following language:

Provided that it is the intent of the General Assembly that the new assessor positions, or other positions, assigned to the Supervisor of Assessments for Baltimore City in fiscal 2015 focus primarily on inspections of commercial property and verifying that property that is not subject to taxation under § 7-202 or § 7-204 of the Tax-Property Article is in current actual use for a tax-exempt purpose.

Further provided that it is the intent of the General Assembly that the department consider entering into agreements with individual counties or Baltimore City under which the county or city agrees to provide a grant to the department to hire additional personnel for the purpose of performing ministerial duties within the county or Baltimore City. The work performed by the additional personnel funded by a county or city:

- (1) shall be under the review and guidance of the department;
- (2) shall be consistent with the department's statutory duties, including applicable requirements concerning confidentiality of information in the department's possession; and
- (3) may not involve discretionary decision making on any matter, including the valuation or assessment of property.

**Explanation:** This language expresses the intent of the General Assembly that the new assessors assigned to Baltimore City within the State Department of Assessments and Taxation (SDAT) in fiscal 2015 focus on inspections of commercial property and verifying that certain properties which have certain tax exemptions are being used for those purposes. This language also expresses the intent of the General Assembly that SDAT consider entering into agreements with individual counties or Baltimore City, whereby the county or Baltimore City would provide funds to SDAT in order for SDAT to hire additional personnel. These personnel would be under the full control of SDAT and would only be able to perform such duties as are statutorily permissible for them to perform.

Amendment No.

**16**

## E50C

### E50C00.01 Office of the Director

Amend the following language to the general fund appropriation:

, provided that this appropriation shall be reduced by ~~\$321,535~~ \$143,724 contingent upon the enactment of legislation authorizing the use of Charter Funds to support the Office of the Director.

**Explanation:** This language amends the general fund amount to be reduced contingent upon a provision in the Budget Reconciliation and Financing Act in order to limit the amount of special funds from the Charter Unit which can be used within the Office of the Director to 5% of the total costs of the Office of the Director.

Add the following language to the general fund appropriation:

Further provided that because the State Department of Assessments and Taxation has had four or more repeat findings in the most recent fiscal compliance audit issued by the Office of Legislative Audits (OLA), \$100,000 of this appropriation may not be expended unless:

- (1) the State Department of Assessments and Taxation has taken corrective action with respect to all repeat audit findings on or before November 1, 2014; and
- (2) a report is submitted to the budget committees by OLA listing each repeat audit finding along with a determination that each repeat finding was corrected. The budget committees shall have 45 days to review and comment to allow for funds to be released prior to the end of fiscal 2015.

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

Information Request	Author	Due Date
Resolution of repeat audit findings	OLA	Prior to expenditures of funds

**E75D**  
**State Lottery and Gaming Control Agency**

**Budget Amendments**

**STATE LOTTERY AND GAMING CONTROL AGENCY**

**E75D00.02 Video Lottery Terminal and Gaming Operations**

Reduce appropriation for the purposes indicated:	<u><b>Funds</b></u>	<u><b>Positions</b></u>
1. <del>Delete 5 new positions. The State Lottery and Gaming Control Agency is currently carrying a large number of vacant positions, many that were created by the enactment of the previous budget. The agency should strive to fill the current positions. In recognition of the agency's licensing and regulatory workload, this action would still allow for the creation of 25 new positions in fiscal 2014 and 2015.</del>	255,095 GF	5.00
2. <del>Increase the turnover rate for 17 positions included in the fiscal 2015 allowance. As introduced, the new positions carried a turnover rate of 6%. Given the number of existing vacancies, it is assumed that filling the new positions will not be immediate and that budgeted turnover should be higher.</del>	259,544 GF	
Total Reductions	514,639 0	5.00 0.00

<u><b>Effect</b></u>	<u><b>Allowance</b></u>	<u><b>Appropriation</b></u>	<u><b>Amount Reduction</b></u>	<u><b>Position Reduction</b></u>
Position	143.00	138.00 143.00		5.00 0.00
General Fund	71,671,798	71,157,159 71,671,798	514,639 0	
Special Fund	14,403,175	14,403,175	0	
<b>Total Funds</b>	<b>86,074,973</b>	<b>85,560,334 86,074,973</b>	<b>514,639 0</b>	

Amendment No. **17**

## **E75D**

### **Committee Narrative**

**Machine Cost Savings:** The budget committees request that the State Lottery and Gaming Control Agency (SLGCA) prepare an estimate of the savings to the State that can be expected due to the transfer of video lottery terminals (VLT) from State ownership to casino ownership. The estimate should include an accounting of all VLT machines, both owned and leased, by facility. By statute, the savings must be appropriated to the Education Trust Fund; however, the fiscal 2015 allowance does not reflect any such appropriation. In an effort to assist budget forecasting, the SLGCA, in consultation with the Department of Budget and Management (DBM), should attempt to quantify, by fiscal year, the VLT cost savings.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
VLT cost savings	SLGCA, in consultation with DBM	June 1, 2014

**F10**  
**Department of Budget and Management**

**Budget Amendments**

**OFFICE OF THE SECRETARY**

**F10A01.03 Central Collection Unit**

Reduce appropriation for the purposes indicated:	<u><b>Funds</b></u>	<u><b>Positions</b></u>
1. Delete funding for 3 contractual full-time equivalents (FTE). The allowance includes 3 new contractual FTEs in the Central Collection Unit in error. This action deletes funding for those positions.	86,381	SF
Total Reductions	86,381	0.00

<u><b>Effect</b></u>	<u><b>Allowance</b></u>	<u><b>Appropriation</b></u>	<u><b>Amount Reduction</b></u>	<u><b>Position Reduction</b></u>
Position	124.00	124.00		0.00
Special Fund	13,691,294	13,604,913	86,381	
<b>Total Funds</b>	<b>13,691,294</b>	<b>13,604,913</b>	<b>86,381</b>	

**Committee Narrative**

**OFFICE OF PERSONNEL SERVICES AND BENEFITS**

**F10A02.02 Division of Employee Benefits**

**Contractual Employee Health Insurance:** Beginning January 1, 2015, certain contractual employees will be eligible for subsidized health insurance as required under the Affordable Care Act. The fiscal 2015 budget includes funding to implement this requirement; however, it is difficult to determine the actual number of employees who may participate. Furthermore, the federal rules as to who is eligible for health insurance are not clear. The committees request an update from the Department of Budget and Management (DBM) on February 1, 2015, on the process used to determine eligibility, the number of contractual employees who signed up for health insurance, and an updated cost estimate.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Contractual Employee Health Insurance	DBM	February 1, 2015



**F50**  
**Department of Information Technology**

**Budget Amendments**

**MAJOR INFORMATION TECHNOLOGY DEVELOPMENT PROJECT FUND**

**F50A01.01 Major Information Technology Development Project Fund**

Reduce appropriation for the purposes indicated:	<u><b>Funds</b></u>	<u><b>Positions</b></u>
1. Reduce funding for the Medicaid Enterprise Restructuring Project. Concerns have been raised about this project in past sessions. On January 31, 2014, the Department of Health and Mental Hygiene sent a cure notice to the contractor. The notice identifies major problems with the project. This is expected to delay the project and reduce the amount of general funds required in fiscal 2015.	2,000,000 GF	
Total Reductions	2,000,000	0.00

<u><b>Effect</b></u>	<u><b>Allowance</b></u>	<u><b>Appropriation</b></u>	<u><b>Amount Reduction</b></u>	<u><b>Position Reduction</b></u>
General Fund	23,668,423	21,668,423	2,000,000	
Special Fund	975,560	975,560	0	
<b>Total Funds</b>	<b>24,643,983</b>	<b>22,643,983</b>	<b>2,000,000</b>	

**OFFICE OF INFORMATION TECHNOLOGY**

**F50B04.01 State Chief of Information Technology**

Reduce appropriation for the purposes indicated:	<u><b>Funds</b></u>	<u><b>Positions</b></u>
1. Increase department turnover rate. Since 2010, the department's vacancy rate has averaged approximately 20.0%. To some extent, this is attributable to an uncompetitive salary structure. In fiscal 2014, over \$1 million was provided to reclassify positions. Because the process is not moving as quickly as anticipated, a cost containment measure reduces these funds by approximately \$212,000. In January 2014, the vacancy rate was 20.0%. The budget assumes a turnover rate of 3.6%. Increasing budgeted turnover by 2 percentage points, for a rate of	150,000 GF 9,000 SF	

## F50

5.6%, provides the agency with funds sufficient to hire almost three-quarters of its vacant positions. The reduction can be distributed across the department by budget amendment.

Total Reductions	159,000	0.00
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<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	21.00	21.00		0.00
General Fund	2,639,896	2,489,896	150,000	
Special Fund	92,134	83,134	9,000	
Federal Fund	968,642	968,642	0	
<b>Total Funds</b>	<b>3,700,672</b>	<b>3,541,672</b>	<b>159,000</b>	

### Committee Narrative

**Tracking Web Services Offered by State Agencies:** The Department of Information Technology's (DoIT) has the mission to "develop and manage an effective and efficient web technologies framework so that Maryland government information is readily accessible to citizens and agencies." In recent years, efforts have been made to provide additional resources for State agencies to expand the number of services that are offered on the Web. However, the State does not provide data showing the extent to which the numbers of services provided on the internet are expanding. Through the Managing for Results (MFR) initiative the State attempts to measure how effectively agencies are providing services. DoIT should develop MFR performance measures regarding the extent to which agencies are expanding the number of services offered on the Internet. Indicators measuring quality and ease of use for websites should also be developed. These measurements should be submitted with the MFR data provided in the annual budget submission.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Tracking web service offered by State agencies	DoIT	With the fiscal 2016 budget

## F50

**Tracking Cyber Security Efforts:** Cyber security is an integral part of the Department of Information Technology's (DoIT) mission. Recently there have been some high-profile security breaches at the State and federal level. Cyber threats are real and the State should have an effective cyber security program. In the past year, DoIT has deployed additional resources to improve cyber security in State agencies. Through the Managing for Results (MFR) initiative the State attempts to measure how effectively agencies are providing services. However, the State currently does not measure cyber security efforts. DoIT should develop MFR performance measures related to cyber security efforts. These measurements should be submitted with its MFR data provided in the annual budget submission.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Tracking cyber security efforts	DoIT	With the fiscal 2016 budget

**G20J**  
**State Retirement Agency**  
**Maryland State Retirement and Pension Systems**

**Budget Amendments**

**STATE RETIREMENT AGENCY**

**G20J01.01 State Retirement Agency**

Reduce appropriation for the purposes indicated:

	<u><b>Funds</b></u>	<u><b>Positions</b></u>
1. Reduce funding for a Maryland Pension Administration System (MPAS) II information technology contractor by \$250,000. MPAS-II is behind schedule, having spent only about \$59,000 of its \$450,000 fiscal 2014 allocation for programming services through the first six months of the fiscal year. Due to competing demands for programming services within the agency and contractual restrictions on available programmers, it is unlikely that the State Retirement Agency can significantly accelerate the pace of the project. With a substantial encumbered balance expected at the end of fiscal 2014, the full allowance of \$450,000 for fiscal 2015 is not necessary.	250,000	SF
Total Reductions	250,000	0.00

<u><b>Effect</b></u>	<u><b>Allowance</b></u>	<u><b>Appropriation</b></u>	<u><b>Amount Reduction</b></u>	<u><b>Position Reduction</b></u>
Position	192.00	192.00		0.00
Special Fund	18,534,401	18,284,401	250,000	
<b>Total Funds</b>	<b>18,534,401</b>	<b>18,284,401</b>	<b>250,000</b>	

## **G20J**

### **Committee Narrative**

**Alternatives to Board of Trustees' Elections:** The State Retirement Agency, in consultation with the Department of Legislative Services, should study alternatives to current practices related to the selection of representatives of active and retired members to serve on the board of trustees. The study should examine, at a minimum, the costs and participation rates of recent board elections and alternative practices used in other states to select representatives of active and retired members to serve on pension boards. The agency should submit a report with its findings and recommendations to the Joint Committee on Pensions, the Senate Budget and Taxation Committee, and the House Appropriations Committee by December 1, 2014.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Report on alternatives to board of trustees' elections	State Retirement Agency	December 1, 2014

**H00**  
**Department of General Services**

**Budget Amendments**

Add the following language:

Provided that the authorization to expend reimbursable funds is reduced by \$68,088.

**Explanation:** Reduce reimbursable funds by \$68,088 to remove funding for contractual full-time equivalents that are being converted to regular positions.

**OFFICE OF PROCUREMENT AND LOGISTICS**

**H00D01.01 Procurement and Logistics**

Add the following language to the general fund appropriation:

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

- (1) DGS has taken corrective action with respect to all repeat audit findings on or before November 1, 2014; and
- (2) a report is submitted to the budget committees by OLA listing each repeat audit finding along with a determination that each repeat finding was corrected. The budget committees shall have 45 days to review and comment to allow for funds to be released prior to the end of fiscal 2015.

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

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

## H00

### OFFICE OF FACILITIES PLANNING, DESIGN AND CONSTRUCTION

#### H00G01.01 Facilities Planning, Design and Construction

Add the following language to the general fund appropriation:

Further provided that the appropriation made for the purpose of the statewide Critical Maintenance Program may also be used to fund information technology projects within the Department of General Services.

**Explanation:** Ongoing critical information technology infrastructure needs are impairing agency operations and creating significant operational risks.

#### Committee Narrative

**Annual Report on Energy Conservation Efforts:** The State Building Energy Efficiency and Conservation Act of 2006 required the Department of General Services (DGS) and the Maryland Energy Administration to develop energy use index and savings goals for every State agency. Consistent with the State Building Energy Efficiency and Conservation Act, the EmPOWER Maryland Energy Efficiency Act of 2008 established a State goal of achieving a 15% reduction in per capita electricity consumption and peak demand by the end of 2015. Beginning November 1, 2014, and annually thereafter, DGS shall submit a status report to the committees outlining the State's energy conservation efforts. The report shall include:

- strategies employed by the department to reduce statewide energy consumption;
- an update on the implementation of the State's utility database, including the status of agency compliance in providing missing utility data;
- statewide utility costs and consumption data (by agency);
- energy use index and savings goals for every State agency; and
- the State's level of compliance with the State Building Energy Efficiency and Conservation Act and the EmPOWER Maryland Energy Efficiency Act.

Information Request	Author	Due Date
Report on energy conservation	DGS	November 1, 2014, and annually thereafter

**J00**  
**Department of Transportation**

**Budget Amendments**

Add the following language:

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

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

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

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

**Explanation:** This annual budget bill language requires the department to notify the budget committees of proposed changes to the transportation capital program that will add a new project that was not in the fiscal 2014-2019 CTP or will increase a total project’s cost by more than 10% or \$1 million, due to a change in scope. Reports are to be submitted with the draft and final versions of the CTP, with each using the 2014 session CTP as the basis for comparison. In addition, notification is required as needed throughout the budget year, if certain changes to projects are made.



## J00

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

Add the following language:

The Maryland Department of Transportation (MDOT) may not expend funds on any job or position of employment approved in this budget in excess of 9,155.5 positions and 40.7 contractual full-time equivalents paid through special payments payroll (defined as the quotient of the sum of the hours worked by all such employees in the fiscal year divided by 2,080 hours) of the total authorized amount established in the budget for MDOT at any one time during fiscal 2015. The level of contractual full-time equivalents may be exceeded only if MDOT notifies the budget committees of the need and justification for additional contractual personnel due to:

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

The Secretary of Transportation shall use the authority under Sections 2-101 and 2-102 of the Transportation Article to implement this provision. However, any authorized job or position to be filled above the regular position ceiling approved by the Board of Public Works shall count against the Rule of 100 imposed by the General Assembly. The establishment of new jobs or positions of employment not authorized in the fiscal 2015 budget shall be subject to Section 7-236 of the State Finance and Procurement Article and the Rule of 100.

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

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

## J00

Add the following language:

It is the intent of the General Assembly that funds dedicated to the Transportation Trust Fund shall be applied to purposes bearing direct relation to the State transportation program, unless directed otherwise by legislation. To implement this intent for the Maryland Department of Transportation (MDOT) in fiscal 2015, no commitment of funds in excess of \$250,000 may be made nor such an amount may be transferred, by budget amendment or otherwise, for any project or purpose not normally arising in connection with the ordinary ongoing operation of MDOT and not contemplated in the approved budget or the last published Consolidated Transportation Program without 45 days of review and comment by the budget committees.

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

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

**J00A01**  
**The Secretary's Office**  
**Department of Transportation**

**Budget Amendments**

**THE SECRETARY'S OFFICE**

**J00A01.02    Operating Grants-In-Aid**

Add the following language to the special fund appropriation:

, provided that no more than \$4,100,170 of this appropriation may be expended for operating grants-in-aid, except for:

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

Further provided that no expenditures in excess of \$4,100,170 may occur unless the department provides notification to the budget committees to justify the need for additional expenditures under item (1) or (2) above, and the committees provide review and comment or 45 days elapse from the date such notification is provided to the committees.

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

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

**J00A01.03    Facilities and Capital Equipment**

Add the following language to the special fund appropriation:

, provided that no funds may be expended by the Secretary's Office for any system preservation or minor project with a total project cost in excess of \$500,000 that is not currently included in the fiscal 2014-2019 Consolidated Transportation Program except as outlined below:

## J00A01

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

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

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

Add the following language to the special fund appropriation:

Further provided that \$16,000,000 of these funds intended as transportation grants to municipal governments shall be allocated as provided in Section 8-405 of the Transportation Article and may be expended only in accordance with Section 8-408 of the Transportation Article.

**Explanation:** This language makes expenditure of the one-time transportation grant funds for municipalities subject to the same requirements that apply to expenditure of Highway User Revenue funding provided to municipalities.

Add the following language to the special fund appropriation:

Further provided that no funds may be expended for the Baltimore City Rail Intermodal Facility until:

- (1) the Maryland Department of Transportation (MDOT) has prepared an Environmental Effects Report for the project; and
- (2) MDOT has entered into a memorandum of understanding (MOU) with the Morrell Park Community Association and the Morrell Park St. Paul's Improvement Association detailing how negative impacts on the surrounding communities of the construction and operation of the facility will be mitigated and has provided copies of the MOU to the budget committees; or

## J00A01

- (3) if no MOU has been executed by October 1, 2014, MDOT submits a report to the budget committees that details:
- (i) the number of meetings held with the community in attempting to craft an MOU;
  - (ii) the issues raised by the community at these meetings;
  - (iii) the issues upon which MDOT and the community were able to reach agreement; and
  - (iv) the issues upon which MDOT and the community were unable to reach agreement; and
- (4) the budget committees have had 45 days to review and comment on the MOU or the report submitted in absence of an MOU.

**Explanation:** This language restricts funds for the Baltimore Rail Intermodal Facility until MDOT has prepared an environmental report on the project and enters into an MOU with community groups outlining how negative impacts will be mitigated. If MDOT is unable to reach agreement with the community groups by October 1, 2014, it may report on its efforts to the budget committees to obtain a release of the funds.

Information Request	Author	Due Date
MOU or report detailing efforts made in attempting to negotiate MOU	MDOT	45 days prior to release of funds

**J00A04**  
**Debt Service Requirements**  
**Department of Transportation**

**Budget Amendments**

Add the following language:

Consolidated Transportation Bonds may be issued in any amount provided that the aggregate outstanding and unpaid balance of these bonds and bonds of prior issues may not exceed \$2,530,255,000 as of June 30, 2015. Further provided that the amount paid for debt service shall be reduced by any proceeds generated from net bond sale premiums, provided that those revenues are recognized by the department and reflected in the Transportation Trust Fund forecast. Further provided that the appropriation for debt service shall be reduced by any proceeds generated from net bond sale premiums. To achieve this reduction, the Maryland Department of Transportation (MDOT) may either use the proceeds from the net premium to reduce the size of the bond issuance or apply the proceeds from the net premium to debt service for that bond issuance.

**Explanation:** Section 3-202 of the Transportation Article requires the General Assembly to establish the maximum debt outstanding each year in the budget bill. The level will be based on outstanding debt as of June 30, 2014, plus projected debt issued during fiscal 2015 in support of the transportation capital program.

Add the following language:

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

- (1) anticipated and actual non-traditional debt outstanding as of June 30 of each year; and
- (2) anticipated and actual debt service payments for each outstanding non-traditional debt issuance from fiscal 2014 through 2024.

Non-traditional debt is defined as any debt instrument that is not a Consolidated Transportation bond or a Grant Anticipation Revenue Vehicle bond; such debt includes, but is not limited to, Certificates of Participation, debt backed by customer facility charges, passenger facility charges, or other revenues, and debt issued by the Maryland Economic Development Corporation or any other third party on behalf of MDOT.

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

## J00A04

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

Add the following language:

The total aggregate outstanding and unpaid principal balance of non-traditional debt, defined as any debt instrument that is not a Consolidated Transportation Bond or a Grant Anticipation Revenue Vehicle bond issued by MDOT, may not exceed \$726,610,000 as of June 30, 2015. Provided, however, that in addition to the limit established under this provision, MDOT may increase the aggregate outstanding unpaid and principal balance of non-traditional debt so long as:

- (1) MDOT provides notice to the Senate Budget and Taxation Committee and the House Appropriations Committee stating the specific reason for the additional issuance and providing specific information regarding the proposed issuance, including information specifying the total amount of non-traditional debt that would be outstanding on June 30, 2015, and the total amount by which the fiscal 2015 debt service payment for all non-traditional debt would increase following the additional issuance; and
- (2) the Senate Budget and Taxation Committee and the House Appropriations Committee have 45 days to review and comment on the proposed additional issuance before the publication of a preliminary official statement. The Senate Budget and Taxation Committee and the House Appropriations Committee may hold a public hearing to discuss the proposed increase and shall signal their intent to hold a hearing within 45 days of receiving notice from MDOT.

**Explanation:** This language limits the amount of nontraditional debt outstanding at the end of fiscal 2015 to the total amount that is projected to be outstanding from all previous nontraditional debt issuances as of June 30, 2014, and all anticipated sales in fiscal 2015. The language allows MDOT to increase the amount of nontraditional debt outstanding in fiscal 2015 by providing notification to the budget committees regarding the reason that the additional issuances are required.

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

**J00B**  
**State Highway Administration**  
**Department of Transportation**

**Budget Amendments**

**STATE HIGHWAY ADMINISTRATION**

**J00B01.02     State System Maintenance**

Strike the following language:

~~, provided that \$10,000,000 of this appropriation may not be expended for its intended purpose but may only be expended to provide grants for pothole repairs to the following jurisdictions:~~

<u>Allegany</u>	<u>\$228,151</u>
<u>Anne Arundel</u>	<u>760,635</u>
<u>Baltimore City</u>	<u>818,461</u>
<u>Baltimore</u>	<u>1,150,721</u>
<u>Calvert</u>	<u>229,397</u>
<u>Caroline</u>	<u>204,733</u>
<u>Carroll</u>	<u>421,893</u>
<u>Cecil</u>	<u>258,443</u>
<u>Charles</u>	<u>321,953</u>
<u>Dorchester</u>	<u>246,116</u>
<u>Frederick</u>	<u>554,274</u>
<u>Garrett</u>	<u>292,993</u>
<u>Harford</u>	<u>452,769</u>
<u>Howard</u>	<u>434,915</u>
<u>Kent</u>	<u>117,275</u>
<u>Montgomery</u>	<u>992,145</u>
<u>Prince George's</u>	<u>784,809</u>
<u>Queen Anne's</u>	<u>237,065</u>
<u>St. Mary's</u>	<u>268,588</u>
<u>Somerset</u>	<u>151,188</u>
<u>Talbot</u>	<u>161,255</u>
<u>Washington</u>	<u>360,681</u>
<u>Wicomico</u>	<u>298,814</u>
<u>Worcester</u>	<u>252,726</u>
<u>Total</u>	<u>\$10,000,000</u>



## J00B

~~Funds not expended for this restricted purpose may not be transferred by budget amendment or otherwise to any other purpose and shall be cancelled.~~

~~Further provided it is the intent of the General Assembly that these are one-time grants provided due to the extreme winter weather conditions that have resulted in an increase in the number of potholes that will need to be repaired.~~

~~**Explanation:** This language restricts funds for State system maintenance to only be used to provide grants to counties for pothole repairs. This funding is provided on a one-time basis due to the extreme winter weather conditions which have resulted in an increase in the number of potholes. The grants are based on the percent of road miles in each jurisdiction and may only be expended for pothole repair. The Maryland Department of Transportation may process a budget amendment to replace these funds from the Transportation Trust Fund balance.~~

Amendment No.

18

**J00D**  
**Maryland Port Administration**  
**Department of Transportation**

**Budget Amendments**

**MARYLAND PORT ADMINISTRATION**

**J00D00.01 Port Operations**

Reduce appropriation for the purposes indicated:

	<u><b>Funds</b></u>	<u><b>Positions</b></u>
1. Reduce funding for in-state travel. This reduction would provide for an increase of \$33,899, or approximately 31%, compared to fiscal 2013 actual spending.	33,900 SF	
2. Reduce funding for advertising. This reduction reduces funds for advertising but still provides for a \$27,837 increase, or 7.5%, over fiscal 2013 actual spending. The agency may process a budget amendment to increase funding if needed.	27,837 SF	
Total Reductions	61,737	0.00

<u><b>Effect</b></u>	<u><b>Allowance</b></u>	<u><b>Appropriation</b></u>	<u><b>Amount Reduction</b></u>	<u><b>Position Reduction</b></u>
Position	186.00	186.00		0.00
Special Fund	48,982,181	48,920,444	61,737	
<b>Total Funds</b>	<b>48,982,181</b>	<b>48,920,444</b>	<b>61,737</b>	

## J00D

### Committee Narrative

#### J00D00.02 Port Facilities and Capital Equipment

**Baltimore Rail Intermodal Facility Status Reports:** The committees request that the Maryland Department of Transportation (MDOT) submit a status report once permitting for the intermodal project has been completed, or November 1, 2014, whichever comes first, summarizing the status of the project, any changes in cost projections, and when construction will be completed.

If MDOT or CSX decide not to move forward with the project as currently envisioned, MDOT shall submit a report detailing the impact to the State and specifically the Port of Baltimore from not having completed the project and what alternatives may be pursued for double stacking in the State. The report shall be due 45 days after either CSX or MDOT decides to end the project.

Information Request	Author	Due Date
Status report once permitting is completed or report on next steps if project does not move forward	MDOT	Once permitting is completed or November 1, 2014, whichever comes first or 45 days after project is ended

**Baltimore Harbor Dredging:** The Maryland Port Administration (MPA) shall submit a report to the budget committees by November 1, 2014, that discusses its plan for the dredging of public and private terminals for the future, particularly as non-industrial development along the waterfront occurs. The budget committees are particularly interested in prioritizing dredging activities for private terminals, given that there has been much discussion of readying the Port of Baltimore for larger ships after the Panama expansion.

Information Request	Author	Due Date
Baltimore Harbor dredging	MPA	November 1, 2014

**J00H**  
**Maryland Transit Administration**  
**Department of Transportation**

**Budget Amendments**

**MARYLAND TRANSIT ADMINISTRATION**

**J00H01.05    Facilities and Capital Equipment**

Add the following language to the special fund appropriation:

, provided that \$100,000 of this appropriation made for the purpose of constructing the Baltimore Red Line may not be expended until the Maryland Transit Administration submits a report to the budget committees and to the Senate and House of Delegates delegations for Baltimore City and Baltimore County on the regional contributions expected to assist in funding the construction of the Baltimore Red Line. The report shall include:

- (1)    the amount, source or sources, and timing of the contribution to be provided by Baltimore City;
- (2)    the amount, source or sources, and timing of the contribution to be provided by Baltimore County; and
- (3)    the status of efforts to secure agreements with Baltimore City and Baltimore County on providing contributions toward the construction of the Baltimore Red Line.

The report shall be submitted by July 1, 2014, and the budget committees shall have 45 days to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall be canceled if the report is not submitted to the budget committees.

**Explanation:** This language requires the Maryland Transit Administration (MTA) to report on the expected contributions by Baltimore City and Baltimore County toward construction of the Baltimore Red Line light rail project.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Report on regional contributions toward construction of the Baltimore Red Line	MTA	July 1, 2014

Amendment No.

**19**

## J00H

### J00H01.06     Statewide Programs Operations

Strike the following language:

~~The General Assembly recognizes the importance of developing regional transit solutions in the Central Maryland corridor, including the importance of studying the creation of a regional transit authority to manage and operate regional transit operations in the corridor. To help ensure that State and federal funds are expended in the most efficient and effective manner, the Secretary of Transportation shall appoint a Central Maryland Regional Transit Task Force, composed of representatives of the governments of Prince George's County, Montgomery County, Howard County, and Anne Arundel County and Laurel; a member of the Senate; a member of the House of Delegates; representatives from the Maryland Transit Administration (MTA); members of the public; and a designee from the existing non-profit regional transit corporation.~~

~~The Maryland Department of Transportation (MDOT) shall provide staff support for the Task Force. The Task Force shall hold public meetings and prepare a report for the General Assembly on:~~

- ~~(1) — transit services currently in place in the Central Maryland region;~~
- ~~(2) — any additional transit services that should be developed to improve mobility throughout the central region;~~
- ~~(3) — how existing resources could be used to increase transit services;~~
- ~~(4) — additional resources that would be required to expand transit services;~~
- ~~(5) — how the additional resources could be obtained; and~~
- ~~(6) — whether and how a regional transit authority should be created to meet the transportation needs of the Central Maryland corridor.~~

~~The task force report shall be submitted to the budget committees by December 1, 2014.~~

~~To facilitate stability of transportation services in the central corridor during the study period, no funds may be expended by MDOT or MTA, including any grant, loan, or other disbursement, to fund transportation services that substitute, replace, or duplicate any services provided by a non-profit regional transportation provider in the central corridor on January 1, 2014. This restriction does not apply to services provided by MTA, the Washington Metropolitan Area Transit Authority, Montgomery County Ride-On, or Prince George's County TheBus.~~

## J00H

**Explanation:** ~~This language requires MDOT to convene a task force to study and report on transit resources and needs in the Central Maryland region and the advisability of creating a regional transit authority to address transit needs in this area. The language also restricts expenditure of funds for transit services that substitute, replace, or duplicate services currently being provided by a nonprofit regional transit provider.~~

### Information Request

### Author

### Due Date

Report on regional transit  
services needs in Central  
Maryland

MDOT

December 1, 2014

Amendment No.

**20**

**K00A**  
**Department of Natural Resources**

**Committee Narrative**

**WILDLIFE AND HERITAGE SERVICE**

**K00A03.01 Wildlife and Heritage Service**

***Deer Population Management Report:*** *The budget committees are concerned that overabundant deer populations are causing increasing numbers of problems throughout the State in all types of areas including urban, suburban, and rural. The problems include collisions and property damage of vehicles, and damage to farm crops, yards, gardens, and ecologically sensitive areas. Therefore, the budget committees request that the Department of Natural Resources (DNR) consult with a wide variety of stakeholders, other states, and outside experts to identify and evaluate all possible techniques for controlling and reducing deer populations to acceptable levels in areas of the State determined to have an overabundant deer population. In addition, the budget committees request that DNR report by December 31, 2014, on the results of its evaluations and actions that DNR will take to reduce deer populations to acceptable levels.*

<b><i>Information Request</i></b>	<b><i>Author</i></b>	<b><i>Due Date</i></b>
<i>Deer population management report</i>	<i>DNR</i>	<i>December 31, 2014</i>

**Budget Amendments**

**LAND ACQUISITION AND PLANNING**

**K00A05.10 Outdoor Recreation Land Loan**

Concur with the following language on the special fund appropriation:

Notwithstanding the appropriations above, the Special Fund appropriation for the Outdoor Recreation Land Loan shall be reduced by \$51,851,510 contingent on the enactment of legislation crediting \$51,851,510 of the transfer tax revenues to the General Fund. The reduction shall be distributed in the following manner:

Program Open Space –	
State Acquisition .....	\$20,835,570
Program Open Space –	
Local Share .....	\$22,687,940
Rural Legacy .....	\$ 8,328,000
Total .....	\$51,851,510

## K00A

**Explanation:** This action concurs with the reduction of the transfer tax allocation for capital programs contingent upon the Budget Reconciliation and Financing Act of 2014 transferring the funding to the General Fund, as proposed by the Governor.

### CHESAPEAKE AND COASTAL SERVICES

#### K00A14.02 Chesapeake and Coastal Services

Amend the following language on the special fund appropriation:

, provided that this appropriation shall be reduced by ~~\$3,200,000~~ \$6,200,000 contingent upon the enactment of legislation to allocate Chesapeake Bay 2010 Trust Fund revenue to the General Fund.

**Explanation:** The budget bill as introduced includes a reduction of \$3,200,000 contingent upon the Budget Reconciliation and Financing Act of 2014 transferring the Chesapeake and Atlantic Coastal Bays 2010 Trust Fund special funds to the general fund. This action ~~concurs with~~ *increases* that reduction *by \$3,000,000*.

Amendment No. **21**

Add the following language to the special fund appropriation:

Further provided that it is the General Assembly's intent that the Administration budget the Chesapeake and Atlantic Coastal Bays 2010 Trust Fund for the fiscal 2014 actual, fiscal 2015 working appropriation, and the fiscal 2016 allowance and annually thereafter as a special fund appropriation in the Department of Natural Resources' operating budget and reimbursable fund appropriation in the receiving agencies' budgets. The amount budgeted should reflect the allocation in the annual work and expenditure plans required to be submitted with the annual budget under Section 8-2A-03(d) of the Natural Resources Article.

**Explanation:** This action expresses the Maryland General Assembly's intent that the Chesapeake and Atlantic Coastal Bays 2010 Trust Fund be budgeted in such a way that improves the ability to make year-to-year comparisons of funding in receiving agencies' budgets.



**L00A**  
**Department of Agriculture**

**Budget Amendments**

**DEPARTMENT OF AGRICULTURE**

Amend the following language:

Provided that except for funds relating to the cost of an economic impact analysis, that no funds within this budget may be expended by the Department for final development and submission of phosphorus management tool regulations to the Joint Committee on Administrative, Executive, and Legislative Review until a full economic impact analysis of the proposed regulations is submitted to the budget committees Senate Education, Health, and Environmental Affairs Committee and the House Environmental Matters Committee. The analysis shall estimate the cost as well as any economic benefit of the proposed regulations to the State and to a person who is required to have a nutrient and management plan for nitrogen and phosphorus and shall include, as appropriate, the impact of the regulations on:

- (1) the cost of implementing a nutrient management plan developed or updated based on the proposed phosphorus management tool;
- (2) efficiency in the production of agricultural products;
- (3) the workforce; and
- (4) capital investment, taxation, competition, and economic development; and
- (5) the effort to reach the calendar 2025 requirement of having all best management practices in place to meet water quality standards for restoring the Chesapeake Bay.

The analysis shall be conducted in consultation with other units of State government, units of local government, members of the agricultural community, and representatives of the commercial lawn care, biosolids, and agricultural fertilizer industries, as appropriate. The budget committees shall have 45 days to review and comment from the date of receipt of on the economic analysis.

**Explanation:** This language restricts *Maryland Department of Agriculture (MDA)* funding, except for funds relating to the cost of an economic impact analysis, for final development and submission of phosphorus management tool regulations until ~~the Maryland Department of Agriculture (MDA)~~ submits a full economic analysis of the impact of the proposed regulations on the State's Chesapeake Bay restoration efforts and on a person who is required to have a nutrient and management plan for nitrogen and phosphorus.

## L00A

Information Request	Author	Due Date
Full economic analysis of phosphorus management tool regulations	MDA	Prior to submission to the Joint Committee on Administrative, Executive, and Legislative Review

Amendment No.

22

### OFFICE OF THE SECRETARY

#### L00A11.01 Executive Direction

Add the following language to the general fund appropriation:

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

- (1) MDA has taken corrective action with respect to all repeat audit findings on or before November 1, 2014; and
- (2) a report is submitted to the budget committees by OLA listing each repeat audit finding along with a determination that each repeat finding was corrected. The budget committees shall have 45 days to review and comment to allow for funds to be released prior to the end of fiscal 2015.

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

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

## L00A

### L00A11.11 Capital Appropriation

Concur with the following language on the special fund appropriation:

, provided that this appropriation shall be reduced by \$17,275,034 contingent upon the enactment of legislation crediting transfer tax revenues to the General Fund.

**Explanation:** This action concurs with the Governor's proposed contingent reduction to the transfer tax portion of the Maryland Agricultural Land Preservation Program's special fund appropriation.

## OFFICE OF MARKETING, ANIMAL INDUSTRIES, AND CONSUMER SERVICES

### L00A12.10 Marketing and Agriculture Development

Strike the following language:

~~, provided that \$1,917,000 of this appropriation made for the purpose of providing a grant to the Southern Maryland Agricultural Development Commission may be expended only for agricultural land preservation by the Tobacco Transition Program. Funds not expended for this restricted purpose may not be transferred by budget amendment or otherwise to any other purpose and shall be canceled. Further provided that it is the intent of the General Assembly that the Southern Maryland Agricultural Development Commission submit a formal budget request and Part I and Part II project program plan development documents for a proposed regional food hub to the Department of Budget and Management and that funding for the food hub collection and distribution facility be provided in the Governor's fiscal 2016 capital budget.~~

**Explanation:** ~~The budget testimony submitted by the Maryland Department of Agriculture notes that Tobacco Transition Program funding for agricultural land preservation may instead be used partially to fund land acquisition, long-term leasing, and equipment purchases associated with a proposed regional food hub in Southern Maryland. No Part I and Part II project program plan development documents for the proposed regional food hub have been provided to the Department of Budget and Management (DBM). This budget bill language prohibits any funding for this activity. In addition, this budget bill language expresses the General Assembly's intent that documentation for a proposed regional food hub be provided to DBM and that funding for the food hub collection and distribution facility be provided in the Governor's fiscal 2016 capital budget.~~

Amendment No.

23

## L00A

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. <del>Reduce Tobacco Transition Program funding for agricultural land preservation. These Cigarette Restitution Fund special funds reflect an increase of \$799,000 relative to the fiscal 2014 appropriation of \$1,917,000. Therefore, this reduction level funds the program.</del>	799,000	SF

Total Reductions	799,000
	0

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	8.00	8.00		0.00
General Fund	636,208	636,208	0	
Special Fund	7,066,361	<del>6,267,361</del> 7,066,361	799,000 0	
Federal Fund	1,539,923	1,539,923	0	
<b>Total Funds</b>	<b>9,242,492</b>	<b><del>8,443,492</del></b> <b>9,242,492</b>	<b>799,000</b> <b>0</b>	

Amendment No.

**24**

### **L00A12.20 Maryland Agricultural and Resource-Based Industry Development Corporation**

Strike the following language from the general fund appropriation:

~~, provided that this appropriation shall be reduced by \$1,125,000 contingent upon the enactment of legislation reducing the mandated funding to the FY 2014 level.~~

**Explanation:** The fiscal 2015 budget bill as introduced includes a \$1,125,000 reduction to the Maryland Agricultural and Resource-Based Industry Development Corporation, contingent upon enactment of a provision in the Budget Reconciliation and Financing Act of 2014. This action strikes that contingent reduction.

## L00A

Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. This action reduces the Maryland Agricultural and Resource-Based Industry Development Corporation's appropriation by \$1,125,000.	1,125,000	GF
Total Reductions	1,125,000	0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
General Fund	4,000,000	2,875,000	1,125,000	
<b>Total Funds</b>	<b>4,000,000</b>	<b>2,875,000</b>	<b>1,125,000</b>	

## OFFICE OF RESOURCE CONSERVATION

### L00A15.03 Resource Conservation Operations

Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. Reduce funding attributable to double-counted Chesapeake and Atlantic Coastal Bays 2010 Trust Fund appropriation. The fiscal 2015 Chesapeake and Atlantic Coastal Bays 2010 Trust Fund appropriation is budgeted entirely within the Department of Natural Resources' operating budget. Therefore, the funding reflected in the Maryland Department of Agriculture's (MDA) operating budget double counts the Chesapeake and Atlantic Coastal Bays 2010 Trust Fund appropriation. MDA may bring in a budget amendment to appropriate Chesapeake and Atlantic Coastal Bays 2010 Trust Fund monies when the final allocation is determined.	2,600,000	SF
Total Reductions	2,600,000	0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	109.50	109.50		0.00
General Fund	8,625,111	8,625,111	0	
Special Fund	2,695,248	95,248	2,600,000	
Federal Fund	835,086	835,086	0	
<b>Total Funds</b>	<b>12,155,445</b>	<b>9,555,445</b>	<b>2,600,000</b>	

## L00A

### L00A15.04    Resource Conservation Grants

Reduce appropriation for the purposes indicated:

	<u><b>Funds</b></u>	<u><b>Positions</b></u>
1. Reduce funding attributable to double-counted Chesapeake and Atlantic Coastal Bays 2010 Trust Fund appropriation. The fiscal 2015 Chesapeake and Atlantic Coastal Bays 2010 Trust Fund appropriation is budgeted entirely within the Department of Natural Resources' operating budget. Therefore, the funding reflected in the Maryland Department of Agriculture's (MDA) operating budget double counts the Chesapeake and Atlantic Coastal Bays 2010 Trust Fund appropriation. MDA may bring in a budget amendment to appropriate Chesapeake and Atlantic Coastal Bays 2010 Trust Fund monies when the final allocation is determined.	15,000,000    SF	
Total Reductions	15,000,000	0.00

<u><b>Effect</b></u>	<u><b>Allowance</b></u>	<u><b>Appropriation</b></u>	<u><b>Amount Reduction</b></u>	<u><b>Position Reduction</b></u>
Position	10.00	10.00		0.00
General Fund	858,912	858,912	0	
Special Fund	25,963,391	10,963,391	15,000,000	
<b>Total Funds</b>	<b>26,822,303</b>	<b>11,822,303</b>	<b>15,000,000</b>	

**M00A**  
**Office of the Secretary**  
**Department of Health and Mental Hygiene**

**Budget Amendments**

**OFFICE OF THE SECRETARY**

**M00A01.01 Executive Direction**

Add the following language to the general fund appropriation:

, provided that \$100,000 of this appropriation made for the purpose of administration may not be expended until the Department of Health and Mental Hygiene submits a report to the budget committees detailing its use of Section 11-101(n)(2)(iii) of the State Finance and Procurement Article for procurement since fiscal year 2000. The report shall include by fiscal year specific contract details including the number of contracts awarded under this provision, the purpose for which the contract was awarded, and the value of awarded contracts. The report shall be submitted by October 1, 2014, and the committees shall have 45 days to review and comment. Funds restricted pending the receipt of the report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

**Explanation:** State Finance and Procurement Article Section 11-101(n)(2)(iii) provides that a Medicaid, Judicare, or other reimbursement contract is not considered a procurement contract if user or recipient eligibility and price is set by law. As such, these contracts are not approved by the Board of Public Works, and a different appeals process is utilized (i.e., appeals do not go to the Maryland Board of Contract Appeals). The language withholds funds pending a report from the Department of Health and Mental Hygiene (DHMH) detailing its use of this particular procurement provision in the past 15 years.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Use of a certain procurement provision	DHMH	October 1, 2014

Amendment No.

**25**

## M00A

Add the following language to the general fund appropriation:

Further provided that, contingent upon enactment of legislation creating a Community Partnership Assistance Program, \$100,000 of this appropriation made for the purpose of administration may not be expended until the Department of Health and Mental Hygiene submits to the budget committees:

(1) the guidelines by which plans under the proposed Community Partnership Assistance Program shall be developed; and

(2) the criteria to be used in reviewing those plans.

The budget committees shall have 45 days to review and comment on the guidelines and criteria for the Community Partnership Assistance Program. Funds restricted pending the receipt of the guidelines and criteria may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the guidelines and criteria are not submitted to the budget committees.

**Explanation:** As amended, the Budget Reconciliation and Financing Act (BRFA) of 2014 includes a section establishing a new Community Partnership Assistance Program. Guidelines for the program are to be developed by the Health Care Delivery Reform Subcommittee of the Health Care Reform Coordinating Council. The BRFA establishes funding limits on the program of \$15 million in fiscal 2015 and \$20 million in fiscal 2016 and beyond. The language provides that if such a program is created, the guidelines and criteria used to review proposals be submitted to the budget committees for review and comment.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Community Partnership Assistance Programs	Department of Health and Mental Hygiene	45 days prior to the expenditure of funds

Amendment No.

26



## M00A

### M00A01.02 Operations

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Delete 1 long-term vacant administrative position (015600). The position has been vacant for over two years.	47,728 GF	1.00
2. Reduce funding for accrued leave payouts. The reduction level funds the amount in the Administration budget for this purpose.	35,000 GF	
Total Reductions	82,728	1.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	235.40	234.40		1.00
General Fund	13,632,158	13,549,430	82,728	
Federal Fund	13,691,129	13,691,129	0	
<b>Total Funds</b>	<b>27,323,287</b>	<b>27,240,559</b>	<b>82,728</b>	

**M00B**  
**Regulatory Services**  
**Department of Health and Mental Hygiene**

**Committee Narrative**

**REGULATORY SERVICES**

**M00B01.03    Office of Health Care Quality**

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

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

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

**Budget Amendments**

**M00F02.01 Health Systems and Infrastructure Services**

Reduce appropriation for the purposes indicated:

	<u><b>Funds</b></u>	<u><b>Positions</b></u>
1. Reduce the federal fund appropriation for the State Innovation Models (SIM) Grant to more accurately reflect the agency's budget. If new SIM grant funding is received in fiscal 2015, the agency is authorized to process a budget amendment to provide for additional spending authority under the grant.	20,000,000 FF	

Total Reductions	20,000,000	0.00
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<u><b>Effect</b></u>	<u><b>Allowance</b></u>	<u><b>Appropriation</b></u>	<u><b>Amount Reduction</b></u>	<u><b>Position Reduction</b></u>
Position	10.00	10.00		0.00
General Fund	1,595,360	1,595,360	0	
Special Fund	15,000	15,000	0	
Federal Fund	24,259,738	4,259,738	20,000,000	
<b>Total Funds</b>	<b>25,870,098</b>	<b>5,870,098</b>	<b>20,000,000</b>	

**Committee Narrative**

**Community Health Workers:** The committees are requesting the adoption of *standardized training, a standardized curriculum*, certification criteria, and appropriate reimbursement and payment policies for community health workers. The Department of Health and Mental Hygiene (DHMH) and the Maryland Insurance Administration (MIA) are requested to establish a workgroup that includes appropriate stakeholders to make recommendations regarding the training and credentialing required for community health workers to be certified as nonclinical health care providers and reimbursement and payment policies for community health workers through Medicaid and private payers. It is further requested that at least 2050% of the workgroup be comprised of institutions, organizations, and individuals directly involved in the provision of nonclinical health care.

<b>Information Request</b>	<b>Authors</b>	<b>Due Date</b>
Community health workers	DHMH MIA	December 1, 2014

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

**Committee Narrative**

***Report on Sexually Transmitted Infection Rates:*** *The committees direct the Department of Health and Mental Hygiene (DHMH) to report, on a quarterly basis, the rates of chlamydia, primary/secondary syphilis, HIV, and AIDS in the State. For each type of sexually transmitted infection, the reports should also provide rate information by age, sex, race, and ethnicity. Finally, the reports should advise the budget committees of any programmatic changes made within DHMH to improve infection rates.*

<b><i>Information Request</i></b>	<b><i>Author</i></b>	<b><i>Due Date</i></b>
<i>Sexually transmitted infection rates</i>	<i>DHMH</i>	<i>30 days after the end of each quarter</i>

**M00K01**  
**Deputy Secretary for Behavioral Health and Disabilities**  
**Department of Health and Mental Hygiene**

**Budget Amendments**

**DEPUTY SECRETARY FOR BEHAVIORAL HEALTH AND DISABILITIES**

**M00K01.01 Executive Direction**

Add the following language to the general fund appropriation:

, provided that \$100,000 of this appropriation made for the purpose of administration may not be expended until the Department of Health and Mental Hygiene, in consultation with the Judiciary, the Department of Public Safety and Correctional Services, the Office of the Public Defender, and the Maryland State's Attorneys' Association, submits a report to the Senate Budget and Taxation Committee, Finance Committee, and Judicial Proceedings Committee and the House Appropriations Committee, Health and Government Operations Committee, and Judiciary Committee detailing:

(1) For fiscal 2012, 2013, and 2014:

- (a) the average wait time for residential placement in a State-run psychiatric facility or State intellectual disability center after a not competent or not criminally responsible (NCR) finding;
- (b) the average wait time for residential placement in a State-run psychiatric facility or State intellectual disability center after the signing of an inpatient evaluation order for a competency or NCR evaluation;
- (c) the demand for residential treatment beds generated from drug courts and placements under Section 8-507 of the Health-General Article;
- (d) the average wait time for placement in a treatment slot after the signing of an order under a Section 8-505 or Section 8-507 of the Health-General Article or any local equivalent; and
- (e) any other relevant outcomes for court-involved individuals with mental illness, intellectual disabilities, and substance abuse disorders.

(2) The availability, by jurisdiction, of the following resources for court-involved individuals with mental illness, intellectual disabilities, and substance abuse disorders:

- (a) on-site clinicians or other behavioral health assessment staff at court locations;

## M00K01

- (b) the availability of case management and other wrap-around services, including transportation grants and subsidies; and*
- (c) the availability of intensive supervision (pre-trial, probation, and parole).*
- (3) Recommendations, based on an analysis of the data contained in paragraphs (1) and (2) above, to improve treatment and service options, including additional State-operated residential capacity, that will facilitate lower detention, imprisonment and hospitalization rates, and emergency room visits, for court-involved individuals with mental illness, intellectual disabilities, and substance abuse disorders. Any recommendations shall include detailed cost estimates.*

*The report shall be submitted by November 15, 2014, and the budget committees shall have 45 days to review and comment. Funds restricted pending the receipt of the report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the committees.*

**Explanation:** *The language requests the Department of Health and Mental Hygiene (DHMH), in consultation with other stakeholders, to collect various data on court-involved individuals with mental illness, intellectual disabilities, and substance abuse disorders and, after analyzing the data, develop recommendations to improve treatment and service options for these individuals to reduce the extent of incarceration, institutionalization, and/or contact with emergency departments.*

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
<i>Treatment and service options for certain court-involved individuals</i>	<i>DHMH</i>	<i>November 15, 2014</i>

Amendment No. **27**

**M00L**  
**Behavioral Health Administration**  
**Department of Health and Mental Hygiene**

**Budget Amendments**

Add the following language:

Provided that no funding appropriated in this budget may be used to implement a program of outpatient civil commitment until the Department of Health and Mental Hygiene submits a report to the Senate Finance and Budget and Taxation committees and the House Health and Government Operations and Appropriations committees detailing the specifics of any program, including a detailed cost estimate. The committees shall have 45 days to review and comment.

**Explanation:** A recent Continuity of Care Advisory Panel, appointed at the direction of the Governor, submitted a report in January 2014 which included a recommendation to further examine the implementation of an outpatient civil commitment program. The language simply requires the Department of Health and Mental Hygiene (DHMH) to submit a report to the appropriate policy and budget committees prior to the implementation of any program in fiscal 2015.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Outpatient civil commitment	DHMH	45 days prior to the expenditure of any funding on an outpatient civil commitment program

**Committee Narrative**

**M00L01.01 Program Direction**

***Mental Health Anti-stigma Education:*** *The committees are concerned that the persistence of stigma concerning mental health treatment continues to discourage individuals from seeking appropriate care. Although the Behavioral Health Administration (BHA) provides funding for anti-stigma education efforts, this funding is often part of broader mental health programming rather than exclusively targeted at anti-stigma education. The committees request BHA report on anti-stigma education best practices, the current application of those best practices in each jurisdiction in the State, and the cost of developing a statewide model anti-stigma education program.*

<b><i>Information Request</i></b>	<b><i>Author</i></b>	<b><i>Due Date</i></b>
<i>Mental health anti-stigma education</i>	<i>BHA</i>	<i>October 1, 2014</i>

## M00L

### Committee Narrative

***Treatment Options for Youth with Heroin-related Substance Abuse:*** *The committees are concerned about the recent upsurge in heroin-related substance abuse cases. In particular, the committees are concerned that there is insufficient in-state residential treatment capacity for youth with heroin-related addictions issues. The committees request the Behavioral Health Administration (BHA), in consultation with the Center for Substance Abuse Research (CESAR) at the University of Maryland, College Park, to provide the following data on treatment capacity for youth with heroin-related addiction issues: the number of residential facilities that offer treatment, including treatment length of stay; how many youth seek residential treatment out-of-state; the average cost per individual by facility; residential program waiting lists and completion rates; and the number of non-residential programs that are able to serve individuals with heroin-related addictions issues. BHA and CESAR shall submit the data by November 1, 2014.*

<b><i>Information Request</i></b>	<b><i>Author</i></b>	<b><i>Due Date</i></b>
<i>Treatment options for youth with heroin-related substance abuse</i>	<i>BHA CESAR</i>	<i>November 1, 2014</i>

***Substance Abuse Pilot Project:*** *It is the intent of the budget committees that, to the extent that the Department of Health and Mental Hygiene can identify savings through cost containment or efficiencies or attain additional federal funds for this purpose, \$1 million be added to substance abuse treatment funding to establish a pilot program in a rural area of the State for the treatment of opioid dependence. The pilot program is to emphasize the use of medication therapies approved by the United States Food and Drug Administration that are not opioid replacement therapies.*



**M00M**  
**Developmental Disabilities Administration**  
**Department of Health and Mental Hygiene**

**Budget Amendments**

**DEVELOPMENTAL DISABILITIES ADMINISTRATION**

**M00M01.01 Program Direction**

Add the following language to the general fund appropriation:

, provided that \$250,000 of this appropriation made for the purpose of Program Direction may not be expended until the Department of Health and Mental Hygiene reports, as part of its Managing for Results performance measures, the percentage of individuals in the Developmental Disabilities Administration's Community Services Program who are being served through the Home and Community-Based Services Waiver. The report shall be submitted with the department's annual budget submission, and the committees shall have 45 days to review and comment. Funds restricted pending the receipt of the report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the committees.

**Explanation:** The Developmental Disabilities Administration (DDA) currently reports the matching federal funds claimed through the waiver; however, this is an inaccurate way to measure DDA's ability to maximize federal fund attainment. Committee narrative in the 2013 Joint Chairmen's Report required DDA to report, with its annual budget submission, the percentage of individuals within the Community Services Program who are being served through a waiver. However, DDA failed to comply with this requirement.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Home and Community-based Services Waiver enrollment	DDA	With the annual budget submission

Amend the following language:

Further provided that because the Developmental Disabilities Administration (DDA) has had four or more repeat findings in the most recent fiscal compliance audit issued by the Office of Legislative Audits (OLA), ~~\$250,000~~\$500,000 of this agency's administrative appropriation may not be expended unless:

- (1) DDA has taken corrective action with respect to all repeat audit findings on or before November 1, 2014; and

## M00M

- (2) a report is submitted to the budget committees by OLA listing each repeat audit finding along with a determination that each repeat finding was corrected. The budget committees shall have 45 days to review and comment to allow for funds to be released prior to the end of fiscal 2015.

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

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

Amendment No. **28**

### Committee Narrative

#### M00M01.02 Community Services

**Home and Community-based Services and Waiver Enrollment:** The committees direct the Department of Health and Mental Hygiene (DHMH) to report on the number of new individuals placed into services from the following categories within the Community Services Program: emergency, Waiting List Equity Fund, court-involved, crisis services, and Transitioning Youth. The number of requests for service change should also be reported and, to the extent possible, the costs associated with changes in services should be identified. The reports should be submitted on a quarterly basis.

Information Request	Author	Due Date
Reports on new placements within the Community Services Program	DHMH	30 days after the end of each quarter

**M00Q**  
**Medical Care Programs Administration**  
**Department of Health and Mental Hygiene**

**Budget Amendments**

**MEDICAL CARE PROGRAMS ADMINISTRATION**

**M00Q01.01 Deputy Secretary for Health Care Financing**

Add the following language to the general fund appropriation:

, provided that \$100,000 of this appropriation made for the purpose of administration may not be expended until the Department of Health and Mental Hygiene submits a report to the budget committees that:

- (1) clearly articulates the role of the Behavioral Health Administration in providing clinical oversight of behavioral health services including those funded in the budget of the Medical Care Programs Administration;
- (2) details how financial management for Medicaid and non-Medicaid services will be managed and coordinated between the Behavioral Health Administration and the Medical Care Program Administration; and
- (3) details the formal and informal opportunities that stakeholders will have to: provide input on policy directions involving behavioral health services; collaborate with the department to identify and seek resolution of claims and service issues; and support the transition of behavioral health services under the new Administrative Services Organization.

The report shall be submitted by June 1, 2014, and the committees shall have 45 days to review and comment. Funds restricted pending the receipt of the report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

**Explanation:** The Department of Health and Mental Hygiene (DHMH) is in the middle of transforming the service delivery system for behavioral health services. This transformation includes services for Medicaid recipients and the uninsured, and for Medicaid-reimbursable services and those not eligible for Medicaid reimbursement. Part of this transformation includes the administration of most behavioral health services through an Administrative Services Organization (the current administrative arrangement for most mental health services). The language asks DHMH to clarify the clinical and financial management responsibilities of the Behavioral Health and Medicaid administrations in the new service delivery system and also to identify opportunities for stakeholders to be part of the transition process.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Behavioral health services	DHMH	June 1, 2014

## **M00Q**

### **M00Q01.03 Medical Care Provider Reimbursements**

Add the following language:

All appropriations provided for program M00Q01.03 Medical Care Provider Reimbursements are to be used for the purposes herein appropriated, and there shall be no budgetary transfer to any other program or purpose except that funding for substance abuse services may be transferred to program M00Q01.10 Medicaid Behavioral Health Provider Reimbursements to be spent under an Administrative Services Organization management model. Funds not expended for these purposes shall revert to the General Fund or be canceled.

**Explanation:** Annual budget bill language to limit the use of Medicaid provider reimbursements to that purpose. An exception is made for substance abuse services that are currently included in the budgets of Managed Care Organizations or delivered fee-for-service. Effective January 1, 2015, those funds are anticipated to be spent through an Administrative Services Organization in a different Medicaid program and can be transferred to that program.

Add the following language:

Provided that it is the intent of the General Assembly that the Department of Health and Mental Hygiene identify savings in the Medical Care Program Administration in order to support a 2.5% rate increase for skilled nursing facilities effective July 1, 2014.

**Explanation:** The language expresses legislative intent that the Department of Health and Mental Hygiene find savings in the Medicaid program sufficient to allow for a 2.5% rate increase for nursing homes, effective July 1, 2014. Nursing homes are currently scheduled to receive a rate increase of 1.725% on January 1, 2015. In order to fund a 2.5% increase, general fund savings of \$9 million need to be identified and applied to a rate increase.

## M00Q

Add the following language:

Further provided that it is the intent of the General Assembly that, effective January 1, 2015, the rate paid for anesthesia services provided for Medicaid pediatric dental cases billed under Current Procedural Terminology code 00170 shall be at least 40% of the average commercial rate for the Eastern Region of the United States as reported by the American Society of Anesthesiologists Annual Survey of Commercial Rates.

**Explanation:** The language establishes a commercial benchmark for one particular Current Procedural Terminology (CPT) code used by anesthesiologists, a code most typically used in connection with pediatric dental surgery. The current average commercial rate for the Eastern Region of the United States as reported by the American Society of Anesthesiologists Annual Survey of Commercial Rates is \$72, equating to a 40% benchmark of \$28.80. The fiscal 2015 budget includes a rate increase for this particular CPT code to \$23.10, effective January 1, 2015, which is 100% of the Medicare rate. Maryland Medicaid uses the Medicare rate as a benchmark for physician rates. If implemented, the increase to \$28.80 would cost an estimated \$231,000 for the second half of fiscal 2015 and an estimated annualized cost of \$432,000.

Amend the following language to the general fund appropriation:

Further provided that this appropriation shall be reduced by ~~\$1,500,000~~ \$4,700,000 contingent upon the enactment of legislation reducing the MHIP assessment

**Explanation:** The language ~~adds~~ *amends* a contingent general fund reduction in Medicaid based on reducing the Maryland Health Insurance Plan (MHIP) assessment to ~~0.5%~~ *0.3%*, effective October 1, 2014.

Amendment No.

29

## M00Q

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Reduce funds by extending managed care organization (MCO) cost containment for the second half of fiscal 2015. The fiscal 2015 budget assumes a 1% MCO rate reduction for six months effective July 1, 2014. The proposal simply extends that cost containment for the full fiscal year.	10,115,000 GF 10,115,000 FF	
2. Reduce funding for Balancing Incentive Payment Program (BIPP) pilot projects. According to the department, none of the proposals received for BIPP projects met the award criteria and the procurement was canceled. The department indicates it wishes to repurpose these funds to waiver services under certain conditions. However, it is unclear at this point how much funding will be needed. The reduction still leaves \$4.4 million for those services.	2,200,000 GF 2,200,000 FF	
3. Delete fiscal agent early takeover funding. Delays in, and potential restructuring of, the Maryland Enterprise Restructuring Project means that these funds will not be used in fiscal 2015.	4,841,917 GF 14,525,751 FF	
4. <del>Reduce general fund support for provider reimbursements based on the availability of special funds from the Cigarette Restitution Fund. This funding is available based on a reduction made elsewhere in the budget to the Tobacco Transition Program.</del>	799,000 GF	
Total Reductions	44,796,668 43,997,668	

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
General Fund	2,398,780,323	<del>2,380,824,406</del> 2,381,623,406	17,955,917 17,156,917	
Special Fund	950,528,748	950,528,748	0	
Federal Fund	4,365,232,982	4,338,392,231	26,840,751	
<b>Total Funds</b>	<b>7,714,542,053</b>	<del><b>7,669,745,385</b></del> <b>7,670,544,385</b>	<b>44,796,668</b> <b>43,997,668</b>	

Amendment No.

**30**

## M00Q

### Committee Narrative

**Value-based Purchasing:** HealthChoice contains a value-based purchasing program. Under that program, managed care organizations (MCOs) are measured against certain outcomes. MCOs can achieve incentives (payments) for achieving certain outcome measures, with these payments supported by penalties against MCOs that have certain lower outcome measures. If penalties exceed payments, unallocated funding is redistributed among the four highest-performing MCOs. In the most recent value-based purchasing program, this re-allocation resulted in two MCOs that had more outcomes meriting penalties than payments still receiving funding. The Department of Health and Mental Hygiene (DHMH) is requested to re-visit its value-based purchasing program allocation methodology so that MCOs with more negative outcomes than positive outcomes cannot achieve payments under the program. DHMH may look at distributing funding only among MCOs achieving net positive outcomes, using funding that would otherwise have been distributed to MCOs with net negative outcomes for one-time programming, or in other ways as it determines. Any change proposed should be implemented for the calendar 2015 value-based purchasing program.

Information Request	Author	Due Date
Value-based purchasing program	DHMH	October 1, 2014

**Independent Review Organization:** The committees request that the Department of Health and Mental Hygiene (DHMH), in conjunction with relevant stakeholders, work to develop an Independent Review Organization (IRO) program. The IRO program shall mirror as closely as possible the appeals and grievance program administered by the Maryland Insurance Administration that currently applies to carriers in the commercial market. The program that is developed should include at least the following provisions: a financing strategy that is not based on a “loser pays” model; a process by which providers can dispute a managed care organization’s (MCO) denial of a claim on the basis of medical necessity; a process for market conduct studies when an MCO might systematically deny or down code certain types of claims; and a process of departmental investigation and remedial action regarding patterns of disputes between MCOs and patients or providers that are presented to the IRO or the department where the department determines that education or intervention is warranted. DHMH shall report its progress on the development of the IRO program by October 1, 2014, including any recommendations that necessitate legislative action to enact the program in fiscal 2016.

Information Request	Author	Due Date
Independent Review Organization	DHMH	October 1, 2014

## M00Q

### Budget Amendments

#### M00Q01.04 Office of Health Services

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Delete 3 new positions and related funding. The positions are related to the creation of a new behavioral services unit in the Medical Care Programs Administration. The Administration has sufficient vacant positions to be able to re-classify positions to staff this unit, including 22 long-term vacancies.	78,362 GF 93,109 FF	3.00
Total Reductions	171,471	3.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	211.80	208.80		3.00
General Fund	11,408,616	11,330,254	78,362	
Special Fund	25,949	25,949	0	
Federal Fund	16,063,784	15,970,675	93,109	
<b>Total Funds</b>	<b>27,498,349</b>	<b>27,326,878</b>	<b>171,471</b>	



## M00Q

### M00Q01.05 Office of Finance

Reduce appropriation for the purposes indicated:	<b><u>Funds</u></b>	<b><u>Positions</u></b>
1. Delete 1 new positions and related funding. The position is related to the creation of a new behavioral services unit in the Medical Care Programs Administration. The Administration has sufficient vacant positions to be able to re-classify positions to staff this unit, including 22 long-term vacancies.	25,867 GF 27,468 FF	1.00
Total Reductions	53,335	1.00

<b><u>Effect</u></b>	<b><u>Allowance</u></b>	<b><u>Appropriation</u></b>	<b><u>Amount Reduction</u></b>	<b><u>Position Reduction</u></b>
Position	31.00	30.00		1.00
General Fund	1,537,229	1,511,362	25,867	
Federal Fund	1,600,053	1,572,585	27,468	
<b>Total Funds</b>	<b>3,137,282</b>	<b>3,083,947</b>	<b>53,335</b>	

### M00Q01.06 Kidney Disease Treatment Services

Reduce appropriation for the purposes indicated:	<b><u>Funds</u></b>	<b><u>Positions</u></b>
1. Reduce funding for the Kidney Disease Program based on recent enrollment trends.	261,000 GF	
Total Reductions	261,000	0.00

<b><u>Effect</u></b>	<b><u>Allowance</u></b>	<b><u>Appropriation</u></b>	<b><u>Amount Reduction</u></b>	<b><u>Position Reduction</u></b>
General Fund	3,184,765	2,923,765	261,000	
Special Fund	2,308,229	2,308,229	0	
<b>Total Funds</b>	<b>5,492,994</b>	<b>5,231,994</b>	<b>261,000</b>	

## M00Q

### Budget Amendments

#### MEDICAL CARE PROGRAMS ADMINISTRATION

##### M00Q01.10 Medicaid Behavioral Health Provider Reimbursements

Amend the following language:

All appropriations for program M00Q01.10 Medicaid Behavioral Health Provider Reimbursements are to be used for the purposes herein appropriated, and there shall be no budgetary transfer to any other program or purpose except that funding may be transferred to programs M00L01.02 Community Services and M00L01.03 Community Services for Medicaid State Fund Recipients to cover shortfalls in fee-for-service community mental health funding for Medicaid-ineligible services or services to the uninsured and to fund the Maryland Behavioral Health in Pediatric Primary Care Program. Funds not expended for these purposes shall revert to the General Fund or be canceled.

**Explanation:** The language restricts the use of Medicaid behavioral health provider reimbursements to that purpose with limited exceptions.

Amendment No. **31**

Add the following language:

Further provided that it is the intent of the General Assembly that up to \$1,000,000 in any fiscal 2015 savings that result from lower than budgeted expenditures on Residential Treatment Center services shall be used to support the Maryland Behavioral Health in Pediatric Primary Care Program.

**Explanation:** The Maryland Behavioral Health in Pediatric Primary Care Program is a partnership of the University of Maryland, Baltimore School of Medicine, the Johns Hopkins University School of Public Health, and Salisbury University. Funded through an expiring federal grant, the program provides free phone consultation to primary care providers from mental health specialists, the provision of continuing education, assistance with local referral and resources, and co-location of social workers in primary care practices. The language expresses legislative intent that the program should be supported in fiscal 2015 through any savings realized from lower than budgeted residential treatment center services.

Amendment No. **32**

# **MEMSOF**

## **Maryland Emergency Medical System Operations Fund**

### **Committee Narrative**

#### **Review Maryland State Police Aviation Command Mission Data and Collection**

**Methodology:** Maryland State Police Aviation Command (MSPAC) helicopter mission data is captured at the central dispatch facility known as the System Communications Center (SYSCOM). Every mission received is assigned a mission code and recorded. MSPAC provides summary mission data for the Managing for Results (MFR) sections of the Governor's budget books every year, as well as a breakdown of mission data upon request. In recent years, mission data provided in the MFR and mission data provided directly by MSPAC has not been consistent. MSPAC currently receives 80% funding from the Maryland Emergency Medical System Operations Fund and 20% from the general fund based on the ratio of medically oriented missions to non-medical missions conducted. However, without accurate, consistent mission data, policymakers cannot make determinations on appropriate allocation of resources, number of helicopters needed, or base deployment, and cannot adequately anticipate the effects of any future policy decisions. Therefore, the budget committees request the Office of Legislative Audits (OLA) to review and report, by January 1, 2015, actual MSPAC mission data for fiscal 2006 through 2013 to determine its accuracy, including (1) scene Medevac; (2) interfacility Medevac; (3) law enforcement; (4) search and rescue; (5) support; (6) homeland security; (7) disaster assessment; and (8) Natural Resource Police missions. In addition, the budget committees request OLA to review the collection methodology used by MSPAC to record and report mission data to determine its effectiveness in collecting and providing accurate data.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Report of MSPAC mission data for fiscal 2006 through 2013	OLA	January 1, 2015

**N00A**  
**Office of the Secretary**  
**Department of Human Resources**

**Budget Amendments**

**OFFICE OF THE SECRETARY**

**N00A01.04 Maryland Legal Services Program**

Add the following language to the general fund appropriation:

, provided that \$9,810,545 of this appropriation made for the purpose of the Maryland Legal Services Program may be expended only for that purpose. Funds not expended for this restricted purpose may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund.

**Explanation:** During the fiscal 2013 closeout process, the Department of Human Resources (DHR) recorded an unprovided-for payable in the Maryland Legal Services Program (MLSP) of \$1.1 million (\$0.8 million in general funds and \$0.3 million in federal funds). This was the second consecutive year an unprovided-for payable was recorded and the fourth since fiscal 2007. In fiscal 2012, the unprovided-for payable was recorded after DHR transferred approximately \$1.0 million of general funds from MLSP to other agency purposes in the closeout process. The language restricts the general fund appropriation for MLSP to that purpose and if it is not needed for that purpose, requires the funds to revert to the general fund.

**N00B**  
**Social Services Administration**  
**Department of Human Resources**

**Budget Amendments**

**SOCIAL SERVICES ADMINISTRATION**

**N00B00.04    General Administration – State**

Add the following language to the general fund appropriation:

, provided that \$150,000 of this appropriation may be expended only to fund a research project at the University of Maryland, Baltimore School of Social Work to study issues regarding unsuccessful reunifications of children with their parents after entering the foster care system. The report shall include data on the reasons why children reenter the foster care system after reunification; how often this occurs; an evaluation of the criteria used by caseworkers before reuniting a child with his or her parents; a discussion of how other states manage reunifications and evaluate the appropriateness for individual cases; a description of key aspects of the most successful states' programs and how they compare to Maryland; and a study of an age-stratified sample of two groups of cases (failed versus successful reunification cases) to include analysis of the Maryland Children's Electronic Social Services Information Exchange, a case record review, and data collection from case workers to better identify factors associated with successful reunifications.

An interim report should be submitted by December 1, 2014, and a final report submitted on April 15, 2015. Funds restricted for the purpose of completing this report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

**Explanation:** The General Assembly is concerned about children who leave the foster care system to return to their parents who remain unfit to care for their children. This budget language restricts funds from the General Administration of the Social Services Administration to fund a study at the University of Maryland, Baltimore School of Social Work to research and report on the prevalence of unsuccessful reunifications, a comparison to how other states manage reunifications, and an anonymous survey of Department of Human Resources (DHR) caseworkers on the subject of reducing unsuccessful placements.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Study on unsuccessful reunification of children leaving the foster care system	DHR	December 1, 2014 April 15, 2015

Amendment No.

**33**

## N00B

### Committee Narrative

**Child Welfare Caseload Data:** The committees believe that maintaining an adequate child welfare workforce is essential to improving outcomes for children entering the State's care. Therefore, in order to maintain oversight of this important issue, the committees request that the Department of Human Resources (DHR), on November 24, 2014, report to the committees on the annual average and the actual number of cases and filled positions assigned, by jurisdiction, for the following caseload types using data current within 70 days:

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

Information Request	Author	Due Date
Report on caseload data and filled positions assigned by jurisdiction for specified caseload types	DHR	November 24, 2014

**N00F**  
**Office of Technology for Human Services**  
**Department of Human Resources**

**Budget Amendments**

**OFFICE OF TECHNOLOGY FOR HUMAN SERVICES**

**N00F00.04 General Administration**

Reduce appropriation for the purposes indicated:

	<u><b>Funds</b></u>	<u><b>Positions</b></u>
1. Reduce funding for additional and replacement data processing mainframe equipment by 10%. This action still allows the funding for this equipment to nearly double compared to the fiscal 2013 actual expenditures.	156,889 GF 120,536 FF	
2. Reduce funding for positions related to Affordable Care Act implementation. The fiscal 2015 allowance funds 6 positions related to the Affordable Care Act implementation with general funds only. However, federal funds should be available for this work. This action reduces 65% of the funding for the positions, a typical match rate for these types of services, based on the assumption of federal fund availability. Federal funds or reimbursable funds from the Maryland Health Benefit Exchange may be brought in by budget amendment to support the remaining costs of the positions.	250,594 GF	
Total Reductions	528,019	0.00

<u><b>Effect</b></u>	<u><b>Allowance</b></u>	<u><b>Appropriation</b></u>	<u><b>Amount Reduction</b></u>	<u><b>Position Reduction</b></u>
Position	115.00	115.00		0.00
General Fund	30,152,154	29,744,671	407,483	
Special Fund	1,427,682	1,427,682	0	
Federal Fund	37,362,084	37,241,548	120,536	
<b>Total Funds</b>	<b>68,941,920</b>	<b>68,413,901</b>	<b>528,019</b>	

**N00G**  
**Local Department Operations**  
**Department of Human Resources**

**Budget Amendments**

**LOCAL DEPARTMENT OPERATIONS**

**N00G00.01 Foster Care Maintenance Payments**

Add the following language to the general fund appropriation:

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

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

Reduce appropriation for the purposes indicated:

	<u><b>Funds</b></u>	<u><b>Positions</b></u>
1. Reduce the Department of Human Resources (DHR) Social Services Administration foster care surplus by <del>\$3</del> \$5 million. DHR is estimated to have a \$10 million surplus in the fiscal 2015 allowance.	<del>3,000,000</del> <del>GF</del> 5,000,000 GF	

Total Reductions	<del>3,000,000</del> 5,000,000
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<u><b>Effect</b></u>	<u><b>Allowance</b></u>	<u><b>Appropriation</b></u>	<u><b>Amount Reduction</b></u>	<u><b>Position Reduction</b></u>
General Fund	237,561,299	<del>234,561,299</del> 232,561,299	<del>3,000,000</del> 5,000,000	
Special Fund	5,494,730	5,494,730	0	
Federal Fund	90,640,640	90,640,640	0	
<b>Total Funds</b>	<b>333,696,669</b>	<del><b>330,696,669</b></del> <b>328,696,669</b>	<del><b>3,000,000</b></del> <b>5,000,000</b>	

Amendment No.

**34**



## N00G

### Committee Narrative

#### N00G00.02 Local Family Investment Program

**Local Employee Workloads:** In fiscal 2011, the Family Investment Administration (FIA) contracted with the University of Baltimore Schaefer Center for Public Policy to provide data on the workloads of local FIA caseworkers and managers by jurisdiction and make staffing recommendations. The budget committees are interested in receiving updated information on the workloads of local FIA employees and request the Department of Human Resources (DHR) to conduct an independent workload study of FIA within each of the State's jurisdictions and provide a report of the findings to the budget committees by December 1, 2014. The report shall provide the current and annual average staffing levels and workloads of each jurisdiction's caseworkers and managers, a forecast of future workload needs for each using past trends, and staffing recommendations for each of the State's jurisdictions.

Information Request	Author	Due Date
Report of staffing levels of local FIA employees	DHR	December 1, 2014

### Budget Amendments

#### N00G00.03 Child Welfare Services

Add the following language to the general fund appropriation:

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

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

## N00G

### N00G00.06 Local Child Support Enforcement Administration

Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. Reduce funds for genetic testing for paternity establishment. The fiscal 2013 actual expenditures for genetic testing was \$170,616. This action reduces funding to provide an amount closer to the fiscal 2013 actual expenditures.	200,000 SF	
Total Reductions	200,000	0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	605.20	605.20		0.00
General Fund	16,268,674	16,268,674	0	
Special Fund	730,466	530,466	200,000	
Federal Fund	31,725,212	31,725,212	0	
<b>Total Funds</b>	<b>48,724,352</b>	<b>48,524,352</b>	<b>200,000</b>	

### N00G00.08 Assistance Payments

Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. Reduce the appropriation to account for lower Temporary Disability Assistance Program caseloads. The allowance assumes a caseload higher than fiscal 2013, even though caseloads have been gradually declining. The program is estimated to have a fiscal 2015 surplus of \$4.3 million.	2,100,000 GF	
Total Reductions	2,100,000	0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
General Fund	76,013,585	73,913,585	2,100,000	
Special Fund	18,575,059	18,575,059	0	
Federal Fund	1,353,068,303	1,353,068,303	0	
<b>Total Funds</b>	<b>1,447,656,947</b>	<b>1,445,556,947</b>	<b>2,100,000</b>	

## N00G

### Committee Narrative

**Outcomes of Temporary Cash Assistance Program Recipients in Substance Abuse Programs:** The budget committees are interested in learning more about the effectiveness of drug and alcohol abuse treatment programs for individuals on Temporary Cash Assistance (TCA). A change in data collection starting in September 2013 allowed for the Behavioral Health Administration (BHA) to collect additional data on recipients who had entered a substance abuse program prior to enrolling in TCA. The Department of Human Resources (DHR), together with BHA, shall submit a report discussing the effectiveness of substance abuse programs on the TCA population based on the first year of data collected under this new reporting system.

Information Request	Authors	Due Date
Effectiveness of substance abuse programs on TCA recipients	DHR BHA	December 1, 2014

**N00I0006**  
**Office of Home Energy Programs**  
**Department of Human Resources**

**Committee Narrative**

**FAMILY INVESTMENT ADMINISTRATION**

**N00I00.06      Office of Home Energy Programs**

**Energy Assistance Application Processing Times:** In the fiscal 2011, 2012, and 2013 Electric Universal Service Program Annual Report, submitted by the Department of Human Resources (DHR) to the Public Service Commission, DHR has recommended a re-evaluation of the 55-day agreement regarding utility termination protection for energy assistance applicants. One of the elements that DHR has specifically recommended for evaluation is the capacity of the Office of Home Energy Programs (OHEP) to process applications within the 55-day window. DHR indicates the OHEP data system is not able to track application processing times, but the department is evaluating changes that would be necessary to track this information. The committees are concerned that, without the ability to track processing times, energy assistance applicants may be subject to utility terminations unnecessarily given the 55-day agreement protections. The committees are also concerned about the impact of possible extended processing times on utilities awaiting information on applicant eligibility. The committees, therefore, request that DHR provide information by local administering agency on (1) the average number of days to process applications; (2) the number and percent of applications processed within 30 days, 55 days, and longer than 60 days; and (3) the number of permanent and temporary/contractual staff available to process applications.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Application processing times	DHR	On the 15th of each month, beginning August 2014 through June 2015

**Energy Efficiency Activities and Energy Assistance Customers:** In response to committee narrative requested in the 2013 Joint Chairmen's Report, the Department of Human Resources (DHR) revised its energy assistance application to allow for energy assistance customers to be automatically referred to Department of Housing and Community Development (DHCD) weatherization services unless the customer opts out of the referral. DHCD has also begun operating, through funds provided from the Customer Investment Fund, a program to target energy efficiency to high energy use energy assistance customers. The committees are interested in the impact of energy efficiency and weatherization services on energy assistance customer energy usage. Specifically, the committees request that DHR and DHCD provide information on (1) the number of energy assistance customers receiving energy efficiency or weatherization services from DHCD in fiscal 2014; (2) the type of energy efficiency or weatherization services received by the energy assistance customers; (3) verified or anticipated energy savings from

## **N00I0006**

energy efficiency or weatherization services received by the energy assistance customers; and (4) impacts or anticipated impacts of those energy savings on energy assistance customer bills and the energy assistance program.

<b>Information Request</b>	<b>Authors</b>	<b>Due Date</b>
Report on energy savings	DHR DHCD	November 15, 2014

**P00**  
**Department of Labor, Licensing, and Regulation**

**Budget Amendments**

**OFFICE OF THE SECRETARY**

**P00A01.01 Executive Direction**

Reduce appropriation for the purposes indicated:

	<u><b>Funds</b></u>	<u><b>Positions</b></u>
1. <del>Reduce grant funds under the Employment Advancement Right Now program to allow the awarding of only training grants in fiscal 2015. The action eliminates any funding to continue planning grants and retains \$3.6 million in the program to provide the training grants.</del>	<del>900,000</del>	<del>GE</del>

Total Reductions	<del>900,000</del> 0
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<u><b>Effect</b></u>	<u><b>Allowance</b></u>	<u><b>Appropriation</b></u>	<u><b>Amount Reduction</b></u>	<u><b>Position Reduction</b></u>
Position	16.00	16.00		0.00
General Fund	5,419,698	<del>4,519,698</del> 5,419,698	<del>900,000</del> 0	
Special Fund	550,180	550,180	0	
Federal Fund	1,256,407	1,256,407	0	
<b>Total Funds</b>	<b>7,226,285</b>	<del><b>6,326,285</b></del> <b>7,226,285</b>	<del><b>900,000</b></del> <b>0</b>	

Amendment No. **35**

**P00**

**DIVISION OF LABOR AND INDUSTRY**

**P00D01.07 Prevailing Wage**

Reduce appropriation for the purposes indicated:

	<u><b>Funds</b></u>	<u><b>Positions</b></u>
1. Delete 1 new wage and hour investigator under the Prevailing Wage unit. Currently, the department has 1 wage and hour investigator position that has been vacant since 2011. The existing position should be filled in lieu of a newly created position. This action would leave 3 new positions for prevailing wage enforcement activities.	38,702 GF	1.00
Total Reductions	38,702	1.00

<u><b>Effect</b></u>	<u><b>Allowance</b></u>	<u><b>Appropriation</b></u>	<u><b>Amount Reduction</b></u>	<u><b>Position Reduction</b></u>
Position	15.00	14.00		1.00
General Fund	1,034,205	995,503	38,702	
<b>Total Funds</b>	<b>1,034,205</b>	<b>995,503</b>	<b>38,702</b>	

## Q00

# Department of Public Safety and Correctional Services

## Budget Amendments

Amend the following language:

Provided that \$600,000 of the General Fund appropriation within the Department of Public Safety and Correctional Services (DPSCS) may not be expended until:

- (1) by November 1, 2014, the following items are reported to the budget committees and members of the Special Joint Commission on Public Safety and Security in State and Local Correctional Facilities:
  - (i) development of a risk assessment tool for pretrial and sentenced offenders in Baltimore City to determine whether the Baltimore City Detention Center (BCDC) is the appropriate place of confinement;
  - (ii) list of projects and associated cost estimates to improve conditions at BCDC until construction of new detention facilities can begin;
  - (iii) the percentage of security cameras functioning within each region as part of the annual departmental Managing for Results submission;
  - (iv) a plan for having an independent third party conduct comprehensive security audits for each facility on a 3-year cycle;
  - (v) an evaluation of the use of full body scanners to detect contraband at all State-operated correctional and detention facilities; and
  - (vi) a plan to employ correctional officers with arrest powers at each of its 22 facilities on a 24-hour basis. The plan should specify, to what extent, the department can achieve this objective with existing resources. As part of its evaluation, the department should consider (1) utilizing a phased-in approach, beginning with BCDC; (2) assigning a correctional officer with arrest powers to a group of correctional facilities that are located within close proximity of each other; and (3) executing formal agreements with local law enforcement agencies to assist DPSCS with arresting non-incarcerated individuals; and
- (2) the budget committees have 45 days to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.



## Q00

Further provided that it is the intent of the General Assembly that the Governor shall provide an additional 277 423 correctional officer positions to the department, above fiscal 2015 staffing levels, including 100 additional correctional officer positions in fiscal 2016. Starting in fiscal 2016, 100 positions shall be added each year until a total of 523 positions are successfully included in the department's personnel complement. This intent is in accordance with the phased-in plan established in the fiscal 2014 operating budget and, as recommended by the recommendations of the Special Joint Commission on Public Safety and Security in State and Local Correctional Facilities, to increase the overall total number of correctional officers by 377. The total number of additional officers to be provided is reflective of the department's most recent staffing analysis, submitted to the General Assembly in January 2014.

**Explanation:** This language restricts funds pending a plan to evaluate or implement non-statutory recommendations proffered by the Special Joint Commission on Public Safety and Security in State and Local Correctional Facilities. It requires submission of various reports addressing concerns with conditions at BCDC, security evaluations and technology, how best to control the entrance of contraband into correctional facilities, and the use of correctional officers with arrest powers. This language also expresses legislative intent that the Administration continue to implement the plan for increasing the number of correctional officers by 377 over multiple years. The plan established by the General Assembly, and supported by the commission, is to provide 100 additional positions annually until the 377 total positions are included in the department's budget. The fiscal 2015 allowance does include 100 positions for this purpose. *This language identifies the total position need as 423 positions beyond what is provided for in the fiscal 2015 allowance, in accordance with the most recent staffing assessment submitted to the legislature in January 2014.*

Information Request	Author	Due Date
Actions to improve public safety and security in State correctional facilities	DPSCS	November 1, 2014

Amendment No.

36

**Q00A**  
**Administration**  
**Department of Public Safety and Correctional Services**

**Budget Amendments**

**Q00A02.03 Programs and Services**

Add the following language to the general fund appropriation:

, provided that \$100,000 of this appropriation may not be expended until the Department of Public Safety and Correctional Services submits a report to the budget committees providing continued recidivism data and a cost-benefit analysis of the Public Safety Compact (PSC). The report should also explore other outcome measures for PSC participants relating to their family, substance abuse, and employment status. The report shall be submitted by November 1, 2014, and the budget committees shall have 45 days to review and comment. Funds restricted pending receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

**Explanation:** The Department of Public Safety and Correctional Services (DPSCS) has been engaged in the Public Safety Compact (PSC) for nearly five years. A preliminary analysis of PSC participants reveals positive outcomes with regard to recidivism. As the department considers whether to continue providing these services under the existing model, it would be beneficial to continue to monitor recidivism outcomes and have a better understanding of how participation might impact other social factors. A cost-benefit analysis would also provide valuable assessment of the program from a fiscal perspective.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Public Safety Compact	DPSCS	November 1, 2014

Add the following language to the general fund appropriation:

Further provided that \$100,000 of this appropriation may not be expended until the Department of Public Safety and Correctional Services submits a report to the budget committees on the implementation of a reentry mediation initiative and associated outcomes demonstrating the effectiveness of the program. The evaluation should improve on a previous study by utilizing a control group not participating in or volunteering to receive mediation services. The report shall be submitted by June 30, 2015, and the budget committees shall have 45 days to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

## Q00A

**Explanation:** New funding was included in the fiscal 2015 allowance to support mediation services in two regions within the Department of Public Safety and Correctional Services (DPSCS). Prior studies on the impact of mediation services on Maryland's inmate population have shown only a positive impact on the likelihood of being re-arrested and have had significant limitations within the research model. This language restricts funds until DPSCS submits a new evaluation of the program that accounts for some of the limitations experienced in the previous study.

Information Request	Author	Due Date
Implementation and outcomes of re-entry mediation	DPSCS	June 30, 2015

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. <del>Reduce funding for a pilot program to provide community services for youthful offenders. This initiative has yet to be fully developed and limited information is available regarding the implementation plan or measureable outcomes.</del>	183,402	GF
Total Reductions	183,402 0	

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	52.00	52.00		0.00
General Fund	6,104,964	<del>5,921,562</del> 6,104,964	183,402 0	
Special Fund	730,050	730,050	0	
<b>Total Funds</b>	<b>6,835,014</b>	<b><del>6,651,612</del></b> <b>6,835,014</b>	<b>183,402</b> <b>0</b>	

Amendment No.

**37**

## **Q00A**

### **Committee Narrative**

***Collaboration Among State Agencies in the Provision of Services to Youthful Offenders:*** *It is the intent of the budget committees that the Department of Public Safety and Correctional Services collaborate with the Department of Juvenile Services and other relevant State agencies when implementing programs targeting youthful offenders.*

**Q00C01**  
**Maryland Parole Commission**  
**Department of Public Safety and Correctional Services**

**Committee Narrative**

**MARYLAND PAROLE COMMISSION**

**Q00C01.01 General Administration and Hearings**

**Parole Releases in Relation to the Parole Eligibility Date:** The budget committees are interested in continuing to monitor the percentage of offenders who are paroled at or near their parole eligibility date. The Maryland Parole Commission (MPC) reports that only 22% of offenders were paroled by their eligibility date in fiscal 2013 and that comparison data is not available for fiscal 2012. The Department of Public Safety and Correctional Services misestimated the number of offenders who would be paroled by their eligibility date under its Earned Release Policy, which has resulted in significant underfunding in fiscal 2014. The budget committees direct MPC to provide parole data for fiscal 2014 including the total number of paroles, the number paroled by the eligibility date, within 12 months, and beyond 12 months of the eligibility date. MPC should also evaluate whether this would be an appropriate performance measure for inclusion in the agency's Managing for Results submission. The data shall be provided to the budget committees no later than November 1, 2014.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Parole releases in relation to the parole eligibility date	MPC	November 1, 2014

**Q00G**  
**Police and Correctional Training Commissions**  
**Department of Public Safety and Correctional Services**

**Committee Narrative**

**POLICE AND CORRECTIONAL TRAINING COMMISSIONS**

**Q00G00.01    General Administration**

***Correctional In-service Training Enhancement:** It is the intent of the budget committees that the Department of Public Safety and Correctional Services (DPSCS) should make increasing in-service training for custodial employees a priority at facilities located in Baltimore City. The department's current plan is for a multi-year phase-in to expand in-service training from 18 to 40 hours annually at all DPSCS facilities. Under the proposed implementation schedule, the Baltimore City Detention Center (BCDC) and the Baltimore Central Booking and Intake Center (BCBIC) would be the final two facilities to receive increased training. These facilities would not participate in 40 hours of annual in-service training until fiscal 2018. Given the significant operating deficiencies identified at those facilities in April 2013, enhanced training for Central Region staff should be of the utmost importance. The budget committees urge DPSCS to reevaluate its current implementation schedule and provide enhanced training to BCDC and BCBIC employees by the end of fiscal 2016.*

**Q00K**  
**Criminal Injuries Compensation Board**  
**Department of Public Safety and Correctional Services**

**Budget Amendments**

**CRIMINAL INJURIES COMPENSATION BOARD**

**Q00K00.01    Administration and Awards**

Strike the following language:

~~, provided that at least \$500,000 of this appropriation, made for the purpose of compensating victims of crime, may be used only for awards to families of homicide victims.~~

**Explanation:** ~~This action restricts a minimum of \$500,000 within the special fund appropriation for awards to victims of crime for the sole purpose of compensating the families of homicide victims.~~

Amendment No. **38**

**Q00N**  
**Maryland Commission on Correctional Standards**  
**Department of Public Safety and Correctional Services**

**Committee Narrative**

**MARYLAND COMMISSION ON CORRECTIONAL STANDARDS**

**Q00N00.01    General Administration**

**Evaluation of the Standards Used by the Maryland Commission on Correctional Standards and Movement toward the American Correctional Association Accreditation:** The budget committees request that the Department of Public Safety and Correctional Services (DPSCS), in line with recommendations from the Special Joint Commission on Public Safety and Security in State and Local Correctional Facilities, conduct a study on the following items:

- the extent to which correctional facilities in the State are in compliance with mandatory standards set by the Maryland Commission on Correctional Standards (MCCS);
- methods to prevent duplication of efforts and resources with facility evaluations conducted by MCCS and the American Correctional Association (ACA);
- methods to align standards at all correctional facilities, regardless of whether the facility is accredited by ACA; and
- the potential for altering the audit process to limit the advance notice given to facilities prior to conducting an initial audit.

The report should identify any regulations adopted by the department that amend the commission's standards in accordance with the results of the study. The submitted report should also provide the proposed implementation schedule for ACA accreditation at each correctional facility and an associated fiscal estimate for achieving accreditation. *The department should collaborate with the exclusive representative for correctional officers at State facilities to complete the study.* The report should be submitted to the budget committees no later than December 1, 2014.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Evaluation of MCCS standards	DPSCS	December 1, 2014



**Q00Q**  
**Operations**  
**Department of Public Safety and Correctional Services**

**Budget Amendments**

Strike the following language:

~~Provided that because 15 regular positions and \$2,000,000 in associated general funds shall be deleted from within the General Administration, Corrections, Community Supervision, and Detention programs within the North, South, and Central Regions of the Department of Public Safety and Correctional Services (DPSCS). The department should use its discretion in selecting the specific positions to abolish; however, it is the intent of the General Assembly that the abolished positions should be long term vacancies and should not include correctional officer or community supervision agent positions.~~

~~Further provided that DPSCS shall submit a report to the budget committees specifying the Position Identification Numbers, salary and fringe benefit expenses, and budget codes for the abolished positions. The report shall be submitted to the budget committees no later than July 15, 2014.~~

**Explanation:** ~~The Operations function within DPSCS has 74 vacancies beyond what is needed to meet fiscal 2015 budgeted turnover; 65 of the vacancies have been vacant for more than 12 months, and 15 of the positions have been vacant for longer than two years. This action abolishes 15 positions and reduces the general fund appropriation by \$2 million. The language allows DPSCS to select the specific positions to be abolished but expresses legislative intent that the abolished positions should not be filled and should not include correctional officers or community supervision agents. The action also requires the department to submit a report to the legislature identifying the specific positions once they are abolished.~~

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
DPSCS—Operations abolished positions	DPSCS	July 15, 2014

Amendment No.

**39**

## Q00Q

### GENERAL ADMINISTRATION – SOUTH

#### Q00S01.01 General Administration

Amend the following language:

, provided that because the Central Region Finance Office (CRFO) has had four or more repeat findings in the most recent fiscal compliance audit issued by the Office of Legislative Audits (OLA), ~~\$300,000~~ \$200,000 of this agency's administrative appropriation may not be expended unless:

- (1) CRFO has taken corrective action with respect to all repeat audit findings on or before November 1, 2014; and
- (2) a report is submitted to the budget committees by OLA listing each repeat audit finding along with a determination that each repeat finding was corrected. The budget committees shall have 45 days to review and comment to allow for funds to be released prior to the end of fiscal 2015.

**Explanation:** Language was added in fiscal 2014 to restrict funds pending the resolution of repeat audit findings within CRFO. The Department of Public Safety and Correctional Services has indicated that the repeat findings will not be resolved until August 31, 2014, at the earliest. This action reiterates the fiscal 2014 language and restricts funds until OLA confirms that the repeat findings have been resolved.

Information Request	Author	Due Date
CRFO resolution of repeat findings	OLA	Not later than May 15, 2015

Amendment No. **40**

Add the following language to the general fund appropriation:

Further provided that \$100,000 of this appropriation, made for the purpose of Department of Public Safety and Correctional Services operations, may not be expended for that purpose but instead may be transferred by budget amendment to the Comptroller of Maryland to be used only for crediting inmate accounts in order to reconcile the aggregate balance of individual inmate accounts in the Maryland Offender Banking System with the corresponding records of the Comptroller of Maryland. Funds not expended for this restricted purpose may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund.

## Q00Q

**Explanation:** A 2012 Office of Legislative Audits report identified a significant irreconcilable difference between the aggregate balance of individual inmates in the Maryland Offender Banking System (MOBS) and the corresponding records of the Comptroller of Maryland. According to an April 2013 reconciliation prepared for the Department of Public Safety and Correctional Services (DPSCS) Central Region Finance Office, the unresolved difference was \$341,927. DPSCS is unable to fully resolve outstanding repeat audit findings until the difference between MOBS and the Comptroller's records has been resolved. This action restricts \$100,000 in general funds for the sole purpose of reconciling the outstanding difference.

Amendment No. **41**

### COMMUNITY SUPERVISION – CENTRAL

#### Q00T03.01 Community Supervision

Amend the following language:

, provided that \$200,000 of this appropriation made for the purpose of community supervision may not be expended until the Department of Public Safety and Correctional Services Operations submits a report to the budget committees on the results from a time study to determine an appropriate general caseload standard for parole and probation agents. The submitted report shall also include a proposed staffing plan for the community supervision function in response to the time study findings, including identification of the need for additional positions. The report shall be submitted by May 15, 2015, and the budget committees shall have 45 days to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

**Explanation:** Funds had been restricted in fiscal 2014 pending the receipt of results from a time study of community supervision agent caseloads. The results are necessary to determine an appropriate caseload standard for general supervision cases. The Department of Public Safety and Correctional Services (DPSCS) encountered delays in procuring a researcher to conduct the study and is unable to provide results in fiscal 2014. This action reiterates the restrictive language until the time study results are submitted in fiscal 2015 and requires the department to develop a staffing plan in response to the findings.

Information Request	Author	Due Date
Time study of community supervision agent caseloads and proposed staffing plan	DPSCS	May 15, 2015

Amendment No. **42**

**R00A01**  
**Headquarters**  
**State Department of Education**

**Budget Amendments**

**HEADQUARTERS**

**R00A01.01 Office of the State Superintendent**

Add the following language to the general fund appropriation:

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

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

Further provided that MSDE shall provide an annual census report on the number of loaned educator contracts and any conversion of these personnel to regular positions to the General Assembly by December 16, 2014, and every year thereafter. The annual report shall include job function, title, salary, fund source(s) for the contract, the first year of the contract and the number of years that the loaned educator has been employed by the State, and whether the educator files a financial disclosure statement. MSDE shall also provide a report to the budget committees prior to entering into any new loaned educator contract to provide temporary assistance to the State. The budget committees shall have 45 days to review and comment from the date of receipt of any report on new contracts.

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

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Report on loaned educator contracts	MSDE	December 16, 2014, and annually thereafter

## R00A01

Add the following language to the general fund appropriation:

, provided that \$1,000,000 of this appropriation made for the purpose of general administration may not be expended until the Maryland State Department of Education (MSDE) provides a report by November 1, 2014, on the implementation of the Partnership for Assessment of Readiness for College and Careers (PARCC) field tests and technology readiness of local education agencies (LEAs) to give PARCC online *as well as one-to-one access to digital educational resources including the option to create “bring your own device” programs.* The report shall include the number of students who took the test in each LEA, the number of students who took the test online and on paper, and summary statistics on students’ scores on the test. The report shall also include any reports of problems or difficulties encountered by giving the field test this year and what the Maryland State Department of Education has learned from the field tests going forward in the next fiscal year during the full implementation of the test. The report should outline how each LEA will be able to implement the PARCC assessments fully online by the goal of the 2016-2017 school year. The report should include MSDE’s criteria for evaluation for readiness and identify any gaps that may remain in terms of technology infrastructure in each LEA. Finally, the report should show a cost breakdown of resources needed by each LEA to meet full online implementation.

**Explanation:** The PARCC field tests are being given statewide in spring 2014, and the full tests will be implemented in all schools in the 2014-2015 school year. MSDE has a goal for all local education agencies to administer PARCC online by the 2016-2017 school year. The deadline for PARCC to be administered fully online is the 2017-2018 school year. The language restricts \$1 million in funds from MSDE until MSDE provides a report on the PARCC field tests and technology readiness of LEAs *as well as one-to-one access to digital educational resources including the option to create “bring your own device” programs.*

Information Request	Author	Due Date
Report on PARCC field tests and LEA readiness	MSDE	November 1, 2014

Amendment No. **43**

Add the following language to the general fund appropriation:

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

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

## R00A01

Add the following language to the general fund appropriation:

Further provided that \$50,000 of this appropriation made for the purpose of incentive payments for the State Superintendent may not be expended until the Maryland State Department of Education submits a report to the budget committees identifying baseline data for each performance goal. The report shall be submitted by August 1, 2014, and the budget committees shall have 45 days to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

**Explanation:** The language restricts \$50,000 in general funds made for the purpose of incentive payments to the State Superintendent until the Maryland State Department of Education (MSDE) submits a report identifying the baseline data for each performance goal. The report is to be submitted by August 1, 2014.

Information Request	Author	Due Date
Report on incentive payment baseline data	MSDE	August 1, 2014

### Committee Narrative

***Teach for Maryland and Alternative Certification Programs:** Maryland was awarded \$250 million over four years through the federal Race to the Top program, with \$125 million going to participating LEAs and \$125 million to be administered by the Maryland State Department of Education (MSDE) for statewide reform efforts through 54 projects. One of those projects includes the Teach for Maryland project which seeks to increase the number of teachers prepared to teach in high poverty and high minority schools, increase teacher retention in high poverty and high minority schools, and eliminate the inequitable distribution of effective teachers in those schools.*

*The committees direct that the MSDE provide a report on an overview of the Teach for Maryland Race to the Top project. The report should also include any other alternative certification programs overseen by MSDE. Finally, the report should include any plans for continuing the Teach for Maryland program after the end of the Race to the Top grant period.*

Information Request	Author	Due Date
Report on Teach for Maryland and other alternative certification programs in Maryland	MSDE	August 1, 2014

## R00A01

### Budget Amendments

#### R00A01.04 Division of Accountability, Assessment and Data Systems

Add the following language to the general fund appropriation:

, provided that \$10,000,000 is restricted until the Maryland State Department of Education (MSDE) submits a report that provides specific, verifiable information on the estimated total cost to administer the Partnership for Assessment of Readiness for College and Careers (PARCC) tests in fiscal 2015 to all students in grades 3 through 8 and in high school, including the costs to score the tests and report the results. The report shall include any assumptions that affect the total cost, such as the proportion of students taking the test online. The report shall also include an estimate of the total PARCC costs in each fiscal year through fiscal 2018.

Further provided that MSDE shall provide a copy of any and all written agreements or contracts between the State of Maryland and PARCC Inc. pertaining to the State's participation in the PARCC tests to the Department of Legislative Services.

The report shall be submitted by July 1, 2014, and the budget committees shall have 45 days to review and comment on the report. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

**Explanation:** The committees are concerned that the full cost for student assessments is not budgeted for fiscal 2015. For several years, the State has been funding assessments in the current year with large deficiency appropriations. With the PARCC tests replacing most of the Maryland Student Assessments (except science) in fiscal 2015 and replacing some of the High School Assessments (in English/Language Arts and Algebra) soon thereafter, the committees are interested in MSDE providing a more comprehensive estimate of the actual assessment costs to be included in the Governor's allowance each year. The committees request a report with specific information on the total cost to administer PARCC in fiscal 2015 and an estimate of those costs through fiscal 2018. The committees also request a copy of any written agreement or contract with PARCC Inc. that pertains to the State's participation in the PARCC tests be provided to the Department of Legislative Services.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
PARCC cost estimates and written agreements	MSDE	July 1, 2014

Amendment No.

**44**

**R00A02**  
**Aid to Education**  
**State Department of Education**

**Budget Amendments**

Add the following language:

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

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

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

**AID TO EDUCATION**

**R00A02.06 Maryland Prekindergarten Expansion Program Financing Fund**

Add the following language to the general fund appropriation:

. provided that \$4,300,000 of this appropriation made for the purpose of creating a competitive grant program to expand prekindergarten is contingent upon the enactment of SB 332 or HB 297 – Prekindergarten Expansion Act of 2014.

**Explanation:** Funding for the program is made contingent upon enactment of the legislation that creates the program, SB 332 or HB 297 – Prekindergarten Expansion Act of 2014.



## R00A02

### R00A02.07 Students With Disabilities

Strike the following language:

, provided that it is the intent of the General Assembly that fiscal 2015 rate increases for providers of nonpublic special education placements begin July 1, 2014.

**Explanation:** This language expresses legislative intent that the fiscal 2015 rate increase for nonpublic special education placement providers take effect on-July 1, 2014.

### R00A02.13 Innovative Programs

Strike the following language:

~~, provided that \$1,712,305 of this appropriation for the Early College Innovation Fund may not be expended for that purpose but instead may be used only to provide grants to restore 50% of a reduction in total direct education aid to local school systems for which total direct education aid in fiscal 2015 is less than the amount received in fiscal 2014, contingent on enactment of SB 534 or HB 814 establishing the grants. Any funds not transferred and used for this purpose revert to the General Fund.~~

**Explanation:** This language authorizes funds intended to fund Early College Innovation Fund grants to be used only to restore 50% of the reduction to local school systems for which total direct education aid in fiscal 2015 is less than the amount received in fiscal 2014, contingent on legislation that establishes the grants. Three counties would receive these funds based on current projections: Carroll County (\$1,117,220), Garrett County (\$464,103), and Kent County (\$130,982).

Amendment No. **45**

Amend the following language:

~~Further, provided that \$3,500,000 of this appropriation made for the purpose of the Digital Learning Innovation Fund shall be distributed to local education agencies in need of funds to accelerate their transition to digital learning and upgrade their information technology infrastructure to implement the Partnership for Assessment of Readiness for College and Careers tests online. The allocation of funds will be made by the Maryland State Department of Education. Funds not expended for this restricted purpose may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund.~~

## R00A02

**Explanation:** The Maryland Department of Education (MSDE) has a goal to be ready to implement the Partnership for Assessment of Readiness for College and Careers (PARCC) tests fully online by the 2016-2017 school year. The deadline for PARCC to be administered online is the 2017-2018 school year. The Digital Learning Innovation Fund's ~~is restricted to the purpose~~ *is expanded to provide* ~~of providing~~ local education agencies with funding *to accelerate their transition to digital learning and* upgrade their information technology infrastructure *to be PARCC compatible* as overseen by the MSDE. Funds allocated will help upgrade information technology infrastructure still needed to meet the requirements of implementing PARCC online.

Amendment No. **46**

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. <del>Reduce funds for the Early College Innovation Fund until the first round of grants is analyzed for effectiveness.</del>	287,695	GF
Total Reductions	287,695 0	

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
General Fund	13,492,000	<del>13,204,305</del> 13,492,000	287,695 0	
Federal Fund	186,028	186,028	0	
Total Funds	13,678,028	<del>13,390,333</del> 13,678,028	287,695 0	

Amendment No. **47**

## R00A02

### Committee Narrative

**Early College Innovation Fund and Geographic Distribution:** *The Early College Innovation Fund was a new initiative in fiscal 2014 that provided grants to expand early college access programs. The programs provide accelerated pathways for students seeking career and technical education or training in science, technology, engineering, and math disciplines. The Maryland State Department of Education (MSDE) provided funds to six local school systems and higher education institution partnerships for program implementation. Funds were used as bridge funding to assist in the start-up costs. The committees direct MSDE to provide a report on the geographic distribution of students enrolled in each of the six campuses and the distances they travel to attend.*

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
<i>Report on early college innovation fund travel distance for students</i>	<i>MSDE</i>	<i>August 1, 2014</i>

### Budget Amendments

#### R00A02.59 Child Care Subsidy Program

Strike the following language:

~~provided that \$300,000 of this appropriation may be used only to expand the Therapeutic Nursery Program at the Reginald S. Lourie Center for Infants and Young children in Montgomery County.~~

**Explanation:** ~~This language provides funds to expand the Therapeutic Nursery Program (TNP) at the Reginald S. Lourie Center for Infants and Young Children (Lourie Center) in Montgomery County. The TNP is a specialized preschool that addresses the needs of young children with emotional and behavioral problems that may interfere with success in a regular preschool or daycare setting. Funding would help the Lourie Center expand the program to cover additional students and parents/caregivers and improve access to these services for families that qualify for medical assistance.~~

Amendment No.

48

## R00A02

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. <del>Reduce funding for the Child Care Subsidy Program by \$1,000,000. Given the \$10,000,000 increase in federal funds, the Child Care Subsidy Program will still grow by 15% even with the reduction.</del>	<del>1,000,000</del>	<del>GF</del>
Total Reductions	<del>1,000,000</del> 0	

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
General Fund	37,847,835	<del>36,847,835</del> 37,847,835	<del>1,000,000</del> 0	
Federal Fund	45,106,764	45,106,764	0	
<b>Total Funds</b>	<b>82,954,599</b>	<b><del>81,954,599</del></b> <b>82,954,599</b>	<b><del>1,000,000</del></b> <b>0</b>	

Amendment No.

**49**

**R00A03**  
**Funding for Educational Organizations**  
**State Department of Education**

**Budget Amendments**

**FUNDING FOR EDUCATIONAL ORGANIZATIONS**

**R00A03.01    Maryland School for the Blind**

Add the following language:

It is the intent of the General Assembly that the Governor include \$1,000,000 in a supplemental budget for the Maryland School for the Blind.

**Explanation:** The committees are concerned with the fiscal health of the Maryland School for the Blind in the upcoming fiscal year and request the Governor provide an additional \$1 million for the school in fiscal 2015.

**R00A04**  
**Children's Cabinet Interagency Fund**  
**State Department of Education**

**Budget Amendments**

**CHILDREN'S CABINET INTERAGENCY FUND**

**R00A04.01 Children's Cabinet Interagency Fund**

Add the following language:

*It is the intent of the General Assembly that \$1,823,709 of the allocations to the Local Management Boards for early intervention and prevention activities be used to fund these activities through Youth Services Bureaus (YSBs) and that this allocation for YSBs be distributed among all certified YSBs.*

***Explanation:*** This language states the intent of the General Assembly that early intervention and prevention services provided through YSBs be funded at the same level in fiscal 2015 as in fiscal 2014 and that the funding reserved for YSBs should be allocated among all YSBs to include newly created YSBs.

Amendment No.

**50**

**R13M00**  
**Morgan State University**

**Committee Narrative**

**Report on the Intercollegiate Athletic Program:** Over the past few years, increasing Intercollegiate Athletic (ICA) expenses has garnered much attention. How institutions are paying for these programs has received less attention. While institutions rely to a varying extent on student athletic fees to support their ICA programs, Morgan State University (MSU) mostly depends on student fees, which account for 81% of the ICA budget. Of Maryland's Division I programs, MSU continues to have one of the highest student athletic fees. The budget committees are concerned about the reliance of ICA on the student athletic fee and the impact on affordability and accessibility, considering 57% of the students receive a Pell award. The committees are also concerned about the long-term financial sustainability of the program and maintaining Title IX compliance. The committees request MSU to submit a report by September 30, 2014, on a plan to ensure the long-term financial sustainability of the ICA program and maintain Title IX compliance.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Report on the ICA program	MSU	September 30, 2014

**Report on Integrated Planning and Advising Services:** Morgan State University (MSU) received a \$100,000 grant from the Bill & Melinda Gates Foundation to implement the Integrated Planning and Advising Services (IPAS) technology. MSU will partner with Starfish Retention Solutions to automate its early alert and response system for faculty, staff, and students. IPAS technology will enhance advising and provide sophisticated, yet user friendly, tracking and monitoring systems for the university. The committees are interested in the implementation of IPAS, its integration into university practices, and the effects this has on increasing the retention of students.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Report on integrated planning and advising services	MSU	December 15, 2014

**R15P00**  
**Maryland Public Broadcasting Commission**

**Budget Amendments**

Strike the following language:

~~Provided that five positions shall be abolished by June 30, 2015.~~

**Explanation:** ~~Maryland Public Broadcasting Commission (MPBC) will start contracting out its master control services, eliminating the need for approximately 5 MPBC employees. The June 30, 2015 deadline allows MPBC adequate time in which to make the transition from in-house staffing to contracting out for master control services.~~

Amendment No. **51**



**R30B00**  
**University System of Maryland**

**Committee Narrative**

**Status Report on Progress Toward Programs Meeting Performance Metrics:** The fiscal 2014 budget provided \$13 million in general funds to fund program enhancements or initiatives directed toward three University of Maryland goals of (1) transforming the academic model; (2) increasing graduates in science, technology, engineering, and mathematics and health professions; and (3) helping the State achieve its 55% completion goal, which includes closing the achievement gap. The University System of Maryland (USM) submitted a report in July 2013 detailing how these funds would be spent and metrics used to measure the progress or results of the enhancement funded activities. The fiscal 2015 budget includes an additional \$10 million for enhancements that were funded from fund balance in fiscal 2014. The committees are interested in the progress these activities have made to date toward meeting the metrics submitted in fiscal 2014 and additional metrics to measure the progress and results of the continued enhancements first funded in fiscal 2014 by fund balance.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Report on the progress toward meeting the metrics	USM	September 1, 2014

**R30B27**  
**Coppin State University**  
**University System of Maryland**

**Budget Amendments**

**COPPIN STATE UNIVERSITY**

**R30B27.00    Coppin State University**

Add the following language to the unrestricted fund appropriation:

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

- (1)        CSU has taken corrective action with respect to all repeat audit findings on or before November 1, 2014; and
- (2)        a report is submitted to the budget committees by OLA listing each repeat audit finding along with a determination that each repeat finding was corrected. The budget committees shall have 45 days to review and comment to allow for funds to be released prior to the end of fiscal 2015.

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

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

**R30B36**  
**University System of Maryland Office**  
**University System of Maryland**

**Committee Narrative**

**Enhancing Collaborations Among Baltimore City Institutions:** With changes in leadership at several public higher education institutions in Baltimore City, the committees believe it is an appropriate time to expand and enhance collaborations among these institutions. The committees are interested in the plans these institutions, including the University of Baltimore (UB), Coppin State University (CSU), and Baltimore City Community College (BCCC), have to encourage and increase collaborations and partnerships related to all facets of the institutions, including academic collaborations that provide pathways for students to begin at one institution and transfer to another, administrative savings that might be achieved through cross-institution efficiencies, and student activities. The committees request that UB, CSU, and BCCC submit a report by November 1, 2014, that provides a summary of the partnerships that currently exist among the institutions and specific plans to increase and enhance collaborations and partnerships.

<b>Information Request</b>	<b>Authors</b>	<b>Due Date</b>
Report on enhancing collaborations among Baltimore City institutions	University System of Maryland UB CSU BCCC	November 1, 2014

**R62I00**  
**Maryland Higher Education Commission**

**Budget Amendments**

**R62I00.01     General Administration**

Amend the following language:

, provided that \$100,000 of the General Fund appropriation for the Maryland Higher Education Commission's (MHEC) administration shall be restricted pending a report on recommendations to improve MHEC's *need-based* student financial aid programs. The budget committees shall have 45 days to review and comment on the report. Funds restricted pending receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

**Explanation:** This language restricts funding at MHEC pending a report on recommendations to improve the administration and outcomes of MHEC's ~~various~~ *need-based* student financial aid programs to be reached in collaboration with the Financial Aid Advisory Committee.

Amendment No. **52**

Add the following language to the general fund appropriation:

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

- (1)     MHEC has taken corrective action with respect to all repeat audit findings on or before November 1, 2014; and
- (2)     a report is submitted to the budget committees by OLA listing each repeat audit finding along with a determination that each repeat finding was corrected. The budget committees shall have 45 days to review and comment to allow for funds to be released prior to the end of fiscal 2015.

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

## R62I00

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

### Committee Narrative

**Report on Best Practices and Annual Progress Toward the 55% Completion Goal:** The committees understand that in order to meet the State's goal to have at least 55% of Maryland's residents age 25 to 64 holding at least one degree credential by 2025, accurate and timely information on degree progression and best practices is needed to ensure that the State is on track to meet the goal. The committees request that the Maryland Higher Education Commission (MHEC) annually collect and analyze student- and transcript-level data on progression, graduation, and other relevant metrics from each public institution of higher education, including community colleges and regional higher education centers. MHEC should submit a report by December 15 each year that analyzes the data and shows each institution's progress toward the State and institutional goals in 2025. The report should also include a summary of best practices and findings on the effectiveness of institutions' programs, as well as any concerns regarding lack of progress or best practices that are not being implemented by institutions.

In addition, the committees request that MHEC, on behalf of the Governor and General Assembly and in collaboration with the Governor's P-20 Council, search for and apply to grant funding in order to convene a biennial Summit on Completion that provides a forum for representatives of all segments of education (including K-12), economic and workforce development, and other stakeholders to share best practices on college completion that are underway in Maryland and hear from experts on best practices in other states that may be replicated in Maryland. If neither State support nor external grant funding can be found to cover the cost of the summit, the summit may be canceled. A summary of the summit should be included in the annual report on best practices and progress toward the 55% goal.

Information Request	Author	Due Date
Report on best practices and progress toward 55% completion goal	MHEC	December 15, 2014, and each year thereafter

## R62I00

### Budget Amendments

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

Strike the following language from the general fund appropriation:

~~, provided that this appropriation shall be reduced by \$3,902,334 contingent upon the enactment of legislation level funding aid to non-public institutions of higher education~~

**Explanation:** This language is not necessary for the General Assembly to reduce the appropriation.

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Reduce the Sellinger formula grant by recalculating the formula given reductions to public four-year institutions in fiscal 2015.	677,884    GF 659,988    GF	
Total Reductions	677,884 659,988	

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
General Fund	44,845,644	44,167,760 44,185,656	677,884 659,988	
<b>Total Funds</b>	<b>44,845,644</b>	<b>44,167,760</b> <b>44,185,656</b>	<b>677,884</b> <b>659,988</b>	

Amendment No.

**53**

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

Strike the following language from the general fund appropriation:

~~, provided that this appropriation shall be reduced by \$4,595,627 contingent upon the enactment of legislation limiting growth in aid to community colleges to five percent~~

**Explanation:** This language is not necessary for the General Assembly to reduce the appropriation.

## R62I00

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Reduce the community college formula grant by recalculating the formula given reductions to public four-year institutions in fiscal 2015. This provides <del>\$224,813,753</del> \$224,907,047 for the Cade formula and <del>\$21,870</del> \$19,334 in hold harmless funding for Chesapeake College. This does not alter funding for miscellaneous State-funded grants to community colleges.	3,429,972 GF 3,339,214 GF	
Total Reductions	3,429,972 3,339,214	

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
General Fund	244,887,503	241,457,531 241,548,289	3,429,972 3,339,214	
<b>Total Funds</b>	<b>244,887,503</b>	<b>241,457,531</b> <b>241,548,289</b>	<b>3,429,972</b> <b>3,339,214</b>	

Amendment No.

**54**

### R62I00.07 Educational Grants

Add the following language to the general fund appropriation:

, provided that \$4,900,000 in general funds designated to enhance the State's four historically black colleges and universities may not be expended until the Maryland Higher Education Commission submits a report to the budget committees outlining how the funds will be spent. The budget committees shall have 45 days to review and comment on the report. Funds restricted pending receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

**Explanation:** This annual language restricts the expenditure of funds until the commission reports to the budget committees on the plans for spending funds designated to enhance the State's four historically black colleges and universities (HBCU).

Information Request	Author	Due Date
HBCU enhancement expenditure report	Maryland Higher Education Commission	July 1, 2014

## R62I00

Add the following language to the general fund appropriation:

Further provided that \$1,500,000 for the St. Mary's College Stabilization Grant in the Maryland Higher Education Commission may only be transferred to St. Mary's College of Maryland (SMCM) and may not be used for any other purpose. Funding restricted to SMCM may be used only to reduce fall 2014 tuition below the fall 2013 rate. It is the intent of the General Assembly that this funding be included within SMCM's grant when calculating fiscal 2016 State support unless SMCM's annual tuition increase is more than 3.0% beginning in fall 2015. Funds restricted may not be transferred by budget amendment and funding not used for this restricted purpose shall revert to the General Fund.

**Explanation:** This transfer SMCM's Stabilization Grant from MHEC to SMCM and restricts this funding to be used only for a tuition decrease. Funds are to be included in SMCM's State support grant as long as SMCM does not raise tuition by more than 3.0% beginning in fiscal 2016. Funds not used for this purpose may not be transferred and shall revert to the general fund.

Amendment No.

55

### Committee Narrative

**Recommendations to Improve State Student Financial Aid Programs:** The committees request that the Maryland Higher Education Commission (MHEC), with the newly reestablished Financial Aid Advisory (FAA) Committee, review Guaranteed Access (GA) and Educational Assistance grant (EAG) programs and propose changes, such as lowering the maximum award amount within the GA program, to create a more gradual continuum of the percent of need met by the GA and EAG programs and possibly incorporating the part-time need-based grant program. This would increase the amount of funding available and the number of possible awards in the EA program. MHEC should also consider how to eliminate or significantly reduce the waitlist for need-based grants. MHEC should look at eligibility and renewal criteria for all financial aid programs, such as changing the definition of a full-time student, and making summer grants available, and how such changes may incentivize on-time completion and meet other State goals in postsecondary education. Beyond the FAA Committee, MHEC should consider using the many experts that are available to Maryland, such as the Institute for Higher Education Policy, in developing its recommendations and include a timeline for possible implementation of any recommendations and future work to be done. MHEC should also draft legislation, where necessary, to implement any proposals from this report. The report and draft legislation shall be submitted by December 15, 2014.

**Recommendations to Improve State Need-based Student Financial Aid Programs:** The committees are concerned with the number of students with financial need who do not receive State financial aid and the growing balance in the Need-Based Student Financial Assistance



## R62I00

*Fund. The committees request that the Maryland Higher Education Commission (MHEC), with the newly reestablished Financial Aid Advisory (FAA) Committee, review State need-based financial aid programs with a goal of reducing the waitlist and reaching more students with financial need, while at the same time incentivizing students to progress and graduate from college on time. The review should be broad, examining eligibility criteria, award amounts, awarding processes, and verification procedures with particular attention to the Howard P. Rawlings Education Excellence Award Program comprised of the Guaranteed Access (GA) and Educational Assistance grant (EAG) programs.*

*MHEC should propose changes to need-based financial aid programs, such as altering the maximum award amounts; creating a more gradual continuum of the percent of need met by the GA and EAG programs; expanding the Part-Time need-based grant program to increase the amount of funding available and the number of possible awards in the EA program; considering how to eliminate or significantly reduce the waitlist for need-based grants; modifying eligibility and renewal criteria s, such as changing the definition of a full-time student and making summer grants available; looking at how to improve the award acceptance and certification process; and examining how such changes may incentivize on-time completion and meet other State goals in postsecondary education. MHEC should also look at how State need-based aid aligns with federal aid programs and institutional aid programs at Maryland institutions. Finally, MHEC should outline a policy for the uses of and timing of withdrawals from the Need-Based Student Financial Assistance Fund.*

*Beyond the FAA Committee, MHEC should consider utilizing the many experts that are available to Maryland, the various higher education segments and other stakeholders, and best practices from other states' financial aid programs. For submission to the budget committees, MHEC should develop recommended changes to financial aid programs; draft legislation, where necessary, for the 2015 legislative session; and provide a time line for implementation of the recommendations and any future work to be done. The report shall be submitted by November 15, 2014.*

Information Request	Author	Due Date
Report on recommendations to improve State <i>need-based</i> student financial aid programs and draft legislation	MHEC	<del>December</del> November 15, 2014

## **R62I00**

### **Report on Unmet Need and Student Success at Maryland Public Four-year Institutions:**

As part of the Access, Affordability, and Completion goal of the 2013 State Plan for Postsecondary Education, the State is to work toward breaking down financial barriers to higher education. The Maryland Higher Education Commission (MHEC) has previously studied unmet student financial need and student persistence. The committees request that MHEC enhance the prior two reports by including loans in the analysis so that, if data is available, outcomes such as credit attainment, retention, and time to graduation can be compared to levels of financial need with and without loans. The report shall be due by October 1, 2014.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Report on unmet need and student success at Maryland public four-year institutions	MHEC	October 1, 2014

**Sustaining Course Redesign Momentum:** The committees are aware of the promising outcomes reported by mathematics course redesign at Maryland's community colleges stemming from less than \$700,000 in funding from Complete College America. The committees request that the Maryland Higher Education Commission (MHEC) and the Maryland Association of Community Colleges (MACC) report on other courses that may be redesigned, the costs associated with this process, and whether funding for these initiatives may be found within existing operating budgets, given rising State support per student in fiscal 2015. MHEC and MACC should submit this report by December 1, 2014.

<b>Information Request</b>	<b>Authors</b>	<b>Due Date</b>
Report on sustaining course redesign momentum	MHEC MACC	December 1, 2014

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

The committees understand that as part of the State's agreement with the federal Office for Civil Rights, the State has provided annual funding to Maryland's public historically black colleges and universities (HBCU) to improve retention and graduation rates. From fiscal 2001 to 2006, the funds were budgeted through the Maryland Higher Education Commission (MHEC) and released after each HBCU submitted proposals to MHEC outlining how the funds would be spent in the coming year. Beginning in fiscal 2007, Access and Success funds were appropriated directly to the HBCUs. The committees request that MHEC collect progression, retention, and graduation data from each public HBCU on all students participating in the Access and Success program in fiscal 2014. Data should be analyzed and presented by institution and program. Data should include the throughput completion rate in credit-bearing coursework for required remedial classes. The report should include a summary of fiscal 2014 programs supported by Access and Success

## **R62I00**

funds and a statement from each institution on how findings from the 2013 report have been used to inform and improve programs and student services supported by Access and Success funds. The report shall be submitted by October 15, 2014, and every year thereafter.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Report on the fiscal 2014 outcomes by cohort of students participating in Access and Success programs	MHEC	October 15, 2014, and annually thereafter

**Preparing to Implement the Performance-based Funding Model:** The committees request that the Maryland Higher Education Commission (MHEC) work with higher education institutions to test and refine the Performance Based Funding (PBF) framework endorsed by MHEC in 2013. MHEC should submit a report, no later than September 1, 2014, that includes the results of modeling the PBF framework using actual institutional data to simulate potential results of using PBF; any recommended adjustments to the Framework; and an appropriate amount of base funds to be allocated to PBF beginning with the fiscal 2016 budget.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Preparing to implement the PBF model	MHEC	September 1, 2014

## R75T00 Higher Education

### Budget Amendments

#### R75T00.01 Support for State Operated Institutions of Higher Education

Amend the following language:

, provided that this appropriation made for the purpose of Morgan State University shall be reduced by \$1,000,000 ~~\$950,000~~. This reduction may not include general funds provided to hold tuition at the fall 2013 level. This reduction may not affect the amount of institutional aid awarded to students.

**Explanation:** This language reduces the Morgan State University general fund appropriation by ~~\$1 million~~ ~~\$950,000~~. ~~This reduction excludes general funds provided to hold tuition to the fall 2013 level. This reduction may not result in a decrease of institutional financial aid awarded to students.~~

Amendment No. **56**

Amend the following language:

Further provided that this appropriation made for the purpose of the University System of Maryland institutions shall be reduced by \$10,000,000 ~~\$9,500,000~~. ~~This reduction may not include general funds provided to hold tuition increases to 3% at all University System of Maryland institutions and 6% at Salisbury University. This reduction may not affect the amount of institutional financial aid awarded to students.~~

**Explanation:** This language reduces the University System of Maryland general fund appropriations by ~~\$10.0~~ ~~\$9.5~~ million. ~~This reduction excludes general funds provided to hold tuition increases to 3% except at Salisbury University which plans a 6% increase in better align its residential tuition with rates charged by its peers. This reduction may not result in a decrease of institutional financial aid awarded to students.~~

Amendment No. **57**

## R75T00

Add the following language to the general fund appropriation:

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

- (1) CSU has taken corrective action with respect to all repeat audit findings on or before November 1, 2014; and
- (2) a report is submitted to the budget committees by OLA listing each repeat audit finding along with a determination that each repeat finding was corrected. The budget committees shall have 45 days to review and comment to allow for funds to be released prior to the end of fiscal 2015.

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

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

Amend the following language:

Further provided it is the intent of the General Assembly that no funds be expended by Baltimore City Community College on the demolition of the Bard Building in fiscal 2014 or 2015.

**Explanation:** ~~Baltimore City Community College is currently facing a number of challenges related to high vacancy rates in leadership positions, an ongoing search for a new president, an accreditation review, and declining student enrollment. It is the intent of the General Assembly that Baltimore City Community College should focus its resources on addressing these issues before pursuing redevelopment of property owned along the Inner Harbor of Baltimore City.~~ *Baltimore City Community College (BCCC) began consideration of the demolition of the Bard Building without a cost estimate from a demolition expert. It is the intent of the General Assembly that BCCC should not move forward with demolition before consultation with the Department of Budget and Management.*

Amendment No. **58**

## Committee Narrative

**Report on Expanding the Achieving Collegiate Excellence and Success Program:** With the passage of the College and Career Readiness and College Completion Act of 2013, the General Assembly signaled its commitment to preparing students for college and careers in high school and creating pathways for 2- and 4-year college completion and successful entry into the workforce. Achieving these goals will require additional advising and mentoring of students in the public schools and higher education institutions, especially with changing student demographics that are challenging the State to increase access and college completion among underrepresented student populations. The recently launched Achieving Collegiate Excellence and Success (ACES) program, a partnership among Montgomery County Public Schools, Montgomery College, and the Universities of Shady Grove, targets underrepresented students in higher education and provides them with a seamless education pathway from high school to college completion. The committees are interested in expanding ACES to other school systems and higher education institutions using the partnership model established by ACES. Therefore, the committees request that the University System of Maryland (USM), Maryland Association of Community Colleges (MACC) and Maryland State Department of Education (MSDE), in collaboration with local school systems, the Maryland Higher Education Commission, and higher education institutions, study the feasibility of expanding ACES. As part of the study, the College Readiness Outreach Program enacted by Chapter 429 of 2002 should be examined. The program, which has never been funded, has both a counseling component and an early commitment financial aid component that might be useful in considering a statewide college advising and mentorship program. A final report shall be submitted by December 1, 2014, that includes recommendations for implementation of a statewide program.

Information Request	Authors	Due Date
Report on expanding the ACES Program	USM MACC MSDE	December 1, 2014

**Teacher Preparation Aligned with the Maryland College and Career Ready Standards:** The committees are interested in how Maryland teacher education programs are adapting their programs to align with the Maryland College and Career Ready Standards (MCCRS) so that future teachers are being prepared to teach the depth of content and knowledge that students will need to master and demonstrate proficiency on new student assessments aligned with MCCRS, the Partnership for Readiness for College and Careers (PARCC) tests. The committees are also aware of the new accreditation standards adopted by the Council for the Accreditation of Educator Preparation (CAEP) that raise the bar for teacher education programs. The committees request that the University System of Maryland (USM), *Morgan State University (MSU)*, *the Maryland Independent College and University Association (MICUA)*, *the Maryland Association of Community Colleges (MACC)*, and *St. Mary's College of Maryland (SMCM)* on behalf of their teacher education programs and in collaboration with the Maryland State Department of

## R75T00

Education (MSDE), submit a report by December 1, 2014, on how the programs are aligned with MCCRS and PARCC expectations for students and steps that are being taken to meet the new CAEP standards.

Information Request	Authors	Due Date
Report on aligning teacher preparation programs with MCCRS	USM MSDE <i>MSU</i> <i>MICUA</i> <i>MACC</i> <i>SMCM</i>	December 1, 2014

**Institutional Aid, Pell, and Loan Data by Expected Family Contribution Category:** In order to more fully understand all types of aid available to students, the committees request that data be submitted for each community college, ~~and~~ public four-year institution, *and independent institution* on institutional aid, Pell grants, and student loans. Data should include, by expected family contribution (EFC), the number of loans and average loan size of federal subsidized and unsubsidized loans, and loans from private sources as reported to the Maryland Higher Education Commission (MHEC). Additionally, data should be provided on Pell grants including the number and average award size by EFC. Finally, data should include the number of institutional aid awards and average award size by EFC for institutional grants, institutional athletic scholarships, and other institutional scholarships. The data in the response should differentiate between need-based aid and merit scholarships. Data should also include the number of institutional aid awards and average award size by EFC for tuition waivers/remissions of fees to employees and dependents *and students*. *Waiver information for students should be reported by each type of waiver in State law*. This report should cover fiscal 2014 data received by MHEC from State institutions and is to be submitted in an electronic format (Excel file).

Information Request	Author	Due Date
Institutional aid, Pell, and loan data by EFC category	MHEC	December 15, 2014

## **R75T00**

**Instructional Faculty Workload Report:** The committees request that the University System of Maryland (USM), Morgan State University (MSU), and St. Mary's College of Maryland (SMCM) continue to provide annual instructional workload reports for tenured and tenure-track faculty. By focusing on these faculty, the committees gain a sense of the teaching activities for the regular core faculty. However, there are other types of instructional faculty at institutions such as full- and part-time nontenured/nontenure track faculty including adjunct faculty, instructors, and lecturers. Focusing on only tenured/tenure-track faculty provides an incomplete picture of how students are taught. Therefore, the report should also include the instructional workload when all types of faculty are considered. Additional information may be included at the institution's discretion. Furthermore, USM's report should include the percent of faculty meeting or exceeding teaching standards for tenured and tenure-track faculty for the University of Maryland, Baltimore.

<b>Information Request</b>	<b>Authors</b>	<b>Due Date</b>
Annual report on instructional faculty workload	USM MSU SMCM	December 15, 2014



**R95C00**  
**Baltimore City Community College**

**Budget Amendments**

Amend the following language:

Provided it is the intent of the General Assembly that no funds be expended by Baltimore City Community College on the demolition of the Bard Building in fiscal 2014 or 2015.

**Explanation:** ~~Baltimore City Community College is currently facing a number of challenges related to high vacancy rates in leadership positions, an ongoing search for a new president, an accreditation review, and declining student enrollment. It is the intent of the General Assembly that Baltimore City Community College should focus its resources on addressing these issues before pursuing redevelopment of property owned along the Inner Harbor of Baltimore City. Baltimore City Community College (BCCC) began consideration of the demolition of the Bard Building without a cost estimate from a demolition expert. It is the intent of the General Assembly that BCCC should not move forward with demolition before consultation with the Department of Budget and Management.~~

Amendment No.

**59**

Add the following language:

Further provided that Baltimore City Community College may use up to \$200,000 to retain services for a complete building assessment of the Bard Building and for completion of a Part I and Part II project program for submission to the Department of Budget and Management's Office of Capital Planning for review and consideration.

**Explanation:** *It is the intent of the General Assembly that Baltimore City Community College may use up to \$200,000, potentially from fund balance, to do a demolition assessment of the Bard Building and complete a Part I and Part II project program for demolition to be submitted to the Department of Budget and Management for review and consultation.*

Amendment No.

**60**

## R95C00

### BALTIMORE CITY COMMUNITY COLLEGE

#### R95C00.00 Baltimore City Community College

Amend the following language:

, provided that ~~\$6,000,000~~ \$5,500,000 of this appropriation for the purpose of designing and implementing an enterprise resource planning project at Baltimore City Community College may be transferred only to program F50A01.01 Major Information Technology Development Project Fund to support the development of this system. Funding not transferred may not be expended or otherwise used for any other program or purpose and shall be canceled.

**Explanation:** This language transfers \$6 \$5.5 million of Baltimore City Community College's (BCCC) appropriation, which is coming from fund balance, to the Major Information Technology Development Fund in the Department of Information Technology to be reserved for BCCC's Enterprise Resource Planning project.

Amendment No.

61

#### Committee Narrative

**Enterprise Resource Planning Implementation Progress Report:** The committees are concerned about the slower than anticipated implementation of the Enterprise Resource Planning (ERP) information technology project at Baltimore City Community College (BCCC). There are compelling legal and operational needs for ERP to be implemented with expediency so that BCCC may better serve its students, faculty, and staff. BCCC and the Department of Information Technology (DoIT) should submit a report to the budget committees noting milestones since the initial need for ERP was identified in 2009, challenges BCCC and DoIT experienced in this project, what funds transferred from BCCC to DoIT and restricted for ERP will be used for in fiscal 2015, and what remains to be done to fully implement ERP in fiscal 2016 and beyond. This report shall be submitted by December 15, 2014.

Information Request	Authors	Due Date
ERP implementation progress report	BCCC DoIT	December 15, 2014

**S00A**  
**Department of Housing and Community Development**

**Budget Amendments**

*Add the following language:*

*It is the intent of the General Assembly that the housing facilities provided by the United States Department of Veterans Affairs for use by veterans in the Homeless Veterans Domiciliary Program at the Perry Point VA Medical Center be provided only to veterans. It is also the intent of the General Assembly that the Maryland Department of Housing and Community Development and the Maryland Department of Veterans Affairs shall work with the United States Department of Veterans Affairs to ensure vacancies at Perry Point are filled by homeless Maryland veterans.*

**Explanation:** *The General Assembly intends that the program targeted at veterans be used only for the benefit of veterans and that State agencies work with the federal government to ensure State veterans are the beneficiaries of this program.*

Amendment No.

**62**

**DIVISION OF FINANCE AND ADMINISTRATION**

**S00A27.01 Finance and Administration**

Reduce appropriation for the purposes indicated:

	<u><b>Funds</b></u>	<u><b>Positions</b></u>
1. Delete general funds intended for the increased rent, security, and utility costs at the new location of the headquarters of the Department of Housing and Community Development in New Carrollton. The department is authorized to add special and federal funds by budget amendment, if necessary, to pay for these increased costs.	1,146,764 GF	
Total Reductions	1,146,764	0.00

## S00A

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	44.00	44.00		0.00
General Fund	5,702,839	4,556,075	1,146,764	
Special Fund	5,335,900	5,335,900	0	
Federal Fund	1,460,522	1,460,522	0	
<b>Total Funds</b>	<b>12,499,261</b>	<b>11,352,497</b>	<b>1,146,764</b>	

### Committee Narrative

***Report on the Impacts of the Move of the Agency's Headquarters:** The budget committees direct the Department of Housing and Community Development to provide a report to the budget committees detailing the programmatic benefits of moving the agency's headquarters to New Carrollton. The budget committees shall have until 45 days after receipt of the report to review and comment.*

<i><b>Information Request</b></i>	<i><b>Author</b></i>	<i><b>Due Date</b></i>
<i>Benefits of agency move</i>	<i>DHCD</i>	<i>December 31, 2014</i>

**T00**  
**Department of Business and Economic Development**

**Budget Amendments**

**DIVISION OF BUSINESS AND ENTERPRISE DEVELOPMENT**

**T00F00.04 Office of Business Development**

Reduce appropriation for the purposes indicated:

	<u><b>Funds</b></u>	<u><b>Positions</b></u>
1. <i>Delete the grant that is earmarked for the National Center for the Veteran Institute for Procurement. The department already provides forums, workshops, and other events to train, educate and otherwise inform Maryland business owners on how to navigate government contracts. Furthermore, the national center's training sessions are not limited to Maryland veteran business owners. In fact, its most recent training session claimed business executives from 11 states.</i>	150,000	GF
<i>Total Reductions</i>	150,000	

<u><b>Effect</b></u>	<u><b>Allowance</b></u>	<u><b>Appropriation</b></u>	<u><b>Amount Reduction</b></u>	<u><b>Position Reduction</b></u>
<i>Position</i>	<i>19.00</i>	<i>19.00</i>		<i>0.00</i>
<i>General Fund</i>	<i>3,152,584</i>	<i>3,002,584</i>	<i>150,000</i>	
<i>Special Fund</i>	<i>769,859</i>	<i>769,859</i>	<i>0</i>	
<b><i>Total Funds</i></b>	<b><i>3,922,443</i></b>	<b><i>3,772,443</i></b>	<b><i>150,000</i></b>	

Amendment No.

**63**

## T00

### T00F00.05 Office of Strategic Industries and Innovation

Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. Delete a business development position that has been vacant since 2011.	92,796 GF	1.00
Total Reductions	92,796	1.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	12.00	11.00		1.00
General Fund	2,856,151	2,763,355	92,796	
Special Fund	437,956	437,956	0	
<b>Total Funds</b>	<b>3,294,107</b>	<b>3,201,311</b>	<b>92,796</b>	

### T00F00.12 Maryland Biotechnology Investment Tax Credit Reserve Fund

Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. <i>Delete the increase in the Maryland Biotechnology Investment Tax Credit program. Though popular with investors, the tax credit program has not been efficient in spurring job creation in the biotechnology sector. In fiscal 2013, the qualified Maryland biotechnology companies that participated in the tax credit program created 26 jobs; a State investment of over \$307,000 per job.</i>	2,000,000 GF	
Total Reductions	2,000,000	

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
General Fund	12,000,000	10,000,000	2,000,000	
<b>Total Funds</b>	<b>12,000,000</b>	<b>10,000,000</b>	<b>2,000,000</b>	

Amendment No.

**64**

## T00

### T00F00.23 Maryland Economic Development Assistance Authority and Fund

Add the following language to the general fund appropriation:

, provided that \$500,000 of this appropriation made for the purpose of providing business financial assistance may not be expended for that purpose and instead may be transferred by budget amendment to the Maryland Technology Development Corporation (program T50T01.01) to fully fund the grants and operations of the Rural Business Initiative. Funds not used for this restricted purpose may not be expended or otherwise transferred and shall revert to the General Fund.

**Explanation:** This language would allow the transfer of funds from the Department of Business and Economic Development to the Maryland Technology Development Corporation in order to fully fund the Rural Business Initiative (RBI). The RBI program seeks to develop high-tech companies in rural areas by providing funds for technical assistance, market analysis, and other business assistance. Currently, no State funds are provided for the program. The corporation's own nonbudgeted funds are not sufficient to fully fund the program. This language would provide the State funds necessary to fully staff the program in the five rural regions of the State.

Amendment No.

65

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. <del>Delete the general funds under the Maryland Economic Development Assistance Authority and Fund. This action would leave \$19.1 million in special funds for business assistance in fiscal 2015. To the extent that the department exhausts the appropriated special funds, it may submit a budget amendment to appropriate further special funds from its fund balance. According to the department's fund balance worksheet, it expects to have a fund balance of \$10.8 million at the end of fiscal 2015. This action would leave an expected \$1.9 million in the fund. However, the department consistently underestimates this balance.</del>	8,923,234	GF
Total Reductions	8,923,234	0

## T00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
General Fund	8,923,234	0 8,923,234	8,923,234 0	
Special Fund	19,076,766	19,076,766	0	
<b>Total Funds</b>	<b>28,000,000</b>	<b>19,076,766</b> <b>28,000,000</b>	<b>8,923,234</b> <b>0</b>	

Amendment No.

**66**

## DIVISION OF TOURISM, FILM AND THE ARTS

### T00G00.03 Maryland Tourism Development Board

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. <del>Reduce general funds for grants under the Maryland Tourism Development Board. This reduction will still leave \$9.5 million in general funds for the board.</del>	<del>1,000,000</del> GF	
Total Reductions	1,000,000 0	

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
General Fund	10,500,000	9,500,000 10,500,000	1,000,000 0	
Special Fund	300,000	300,000	0	
<b>Total Funds</b>	<b>10,800,000</b>	<b>9,800,000</b> <b>10,800,000</b>	<b>1,000,000</b> <b>0</b>	

Amendment No.

**67**



**U00A**  
**Department of the Environment**

**Budget Amendments**

**LAND MANAGEMENT ADMINISTRATION**

**U00A06.01 Land Management Administration**

Reduce appropriation for the purposes indicated:

	<u><b>Funds</b></u>	<u><b>Positions</b></u>
1. Reduce funding for the Oil Control Program commensurate with fiscal 2014 targeted reversion. The Oil Control Program received \$3,000,000 in general funds in fiscal 2014 to backfill the failure of SB 875 of 2013 (Maryland Oil Disaster Containment, Clean-Up and Contingency Fund, and Oil Contaminated Site Environmental Cleanup Fund), which would have increased the oil transfer fee. MDE's fiscal 2015 allowance includes approximately \$3,000,000 in general funds for the Oil Control Program as well. This action reduces \$550,000 in general funds – the same amount included as a targeted reversion of fiscal 2014 funding in the Governor's fiscal 2015 budget plan.	550,000	GF
Total Reductions	550,000	0.00

<u><b>Effect</b></u>	<u><b>Allowance</b></u>	<u><b>Appropriation</b></u>	<u><b>Amount Reduction</b></u>	<u><b>Position Reduction</b></u>
Position	249.00	249.00		0.00
General Fund	5,532,986	4,982,986	550,000	
Special Fund	18,546,506	18,546,506	0	
Federal Fund	10,186,657	10,186,657	0	
<b>Total Funds</b>	<b>34,266,149</b>	<b>33,716,149</b>	<b>550,000</b>	

**V10A**  
**Department of Juvenile Services**

**Committee Narrative**

**OFFICE OF THE SECRETARY**

**V00D01.01 Office of the Secretary**

**Creation of a Centralized Hiring Process:** The budget committees direct the Department of Juvenile Services (DJS) to develop a plan for creating a centralized hiring unit within the Office of the Secretary to oversee and coordinate all departmental staffing needs. DJS has historically struggled with recruitment and retention of direct care employees in particular. Under the current system, each DJS facility is responsible for filling its assigned vacancies, with no coordination or oversight from DJS management or individuals with human resources functions. This often results in miscommunication about hiring policies and lengthy delays in filling vacancies. Considerable efficiencies could be realized through the development of a centralized hiring effort. DJS should develop a plan for consolidating its hiring resources, including a timeline, cost estimate and whether the consolidation can be accomplished with existing resources. The plan shall be submitted to the budget committees by October 1, 2014.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Creation of a centralized hiring process	DJS	October 1, 2014

**DEPARTMENTAL SUPPORT**

**V00D02.01 Departmental Support**

**Improving Direct Care Employee Retention:** It is the intent of the budget committees that the Department of Juvenile Services (DJS), in consultation with the Department of Budget and Management (DBM), conducts an evaluation of ways to improve the retention of direct care employees. DJS has made considerable improvements in the ability to hire facility direct care employees; however, nearly half of new hires leave DJS service within two years. DJS has previously examined and recommended ways to improve facility culture; the remaining hindrance to employee retention is compensation. At a minimum, DJS and DBM should consider the fiscal impact and operational benefit of a general salary increase via the Annual Salary Review process and/or provision of an employee retention bonus program. The findings of the evaluation shall be submitted to the budget committees no later than November 1, 2014.

<b>Information Request</b>	<b>Authors</b>	<b>Due Date</b>
Improving direct care employee retention	DJS DBM	November 1, 2014

## V10A

### RESIDENTIAL AND COMMUNITY OPERATIONS

#### V00E01.01 Residential and Community Operations

**Utilization of Alternative to Detention Programming:** The budget committees direct the Department of Juvenile Services (DJS) to conduct an evaluation on the availability and utilization of alternative to detention programs in Maryland. Data analyzing the use of secure detention in Maryland indicated that too many youth were unnecessarily detained. Expanding alternative to detention programming would provide resources to reduce the population of youth in DJS detention facilities. DJS has successfully completed a gap analysis of residential needs for committed youth and community-based programs for youth on probation. An appropriate follow-up to that analysis is developing an understanding of the continuum of alternative to detention programs available and how well those services meet the needs of DJS' predisposition population. The report shall be submitted to the budget committees no later than March 15, 2015.

Information Request	Author	Due Date
Utilization of alternative to detention programming	DJS	March 15, 2015

#### Budget Amendments

##### METRO REGION

#### V00L01.02 Metro Region Community Operations

Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. Delete duplicative funding for the new Evening Reporting Center in Montgomery County. Reducing these funds still provide the full appropriation needed to operate the center.	318,065 GF	
2. Reduce funding for contractual mental health evaluations to be more in line with prior year actual expenditures. This reduction can be allocated amongst all regions.	500,000 GF	
Total Reductions	818,065	0.00

## V10A

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	138.00	138.00		0.00
General Fund	35,865,809	35,047,744	818,065	
Special Fund	527,942	527,942	0	
Federal Fund	1,482,156	1,482,156	0	
<b>Total Funds</b>	<b>37,875,907</b>	<b>37,057,842</b>	<b>818,065</b>	

**W00A**  
**Department of State Police**

**Budget Amendments**

Amend the following language:

Provided that the General Fund appropriation for the Department of State Police be reduced by ~~\$3,519,149~~ \$1,759,575 to increase turnover to ~~5%~~ 4.29%.

**Explanation:** This action would increase turnover to reflect actual turnover in recent years. The reduction increases the turnover from 3.57 to ~~5.0%~~ 4.29%.

Amendment No. **68**

**MARYLAND STATE POLICE**

**W00A01.02 Field Operations Bureau**

Amend the following language:

, provided that ~~\$7,000,000~~ \$3,500,000 of this appropriation made for the purpose of vehicle and vehicle equipment purchase may be expended only for that purpose. Funds not expended for this restricted purpose may not be transferred by budget amendment or otherwise to any other purpose and shall be canceled.

**Explanation:** This language restricts ~~\$7,000,000~~ \$3,500,000 of the special fund appropriation for the Department of State Police, Field Operations Bureau, to purchase vehicles and related equipment.

Amendment No. **69**

**Committee Narrative**

**Pursue a Goal of 150,000 Miles Maximum for Department of State Police Patrol Vehicles:** According to Consumer Reports, the average life expectancy of a new vehicle is around eight years, or 150,000 miles. As of fiscal 2013, the Department of State Police (DSP) patrol vehicle fleet had an average mileage of 169,000, and vehicles were taken out of service at 250,000 miles, on average. According to DSP, unscheduled maintenance and major repairs increase significantly after 150,000 miles, resulting in increased maintenance costs. It is the intent of the General Assembly that DSP pursue a goal of 150,000 miles maximum for patrol vehicles.

## W00A

### **Report on State Resources Allocated to the Maryland Coordination and Analysis Center:**

The Maryland Coordination and Analysis Center (MCAC) was established shortly after September 11, 2001, as one of four components of the Anti-Terrorism Advisory Council (ATAC) of Maryland, which is an umbrella organization consisting of 17 federal, State, and local public safety executives mandated by the U.S. Attorney General to coordinate anti-terrorism activities. MCAC provides analytical support and disseminates information in support of law enforcement, public health, public safety, and homeland security to the 27 agencies assigned. MCAC senior management positions are occupied by at least one local, State, and federal law enforcement officer from the ATAC general membership; MCAC's director is from the Department of State Police (DSP). Currently, DSP employees are assigned at MCAC headquarters and three regional information centers. In addition to DSP, other State agencies have allocated personnel, funding, and resources to MCAC. The budget committees are uncertain what State resources have been provided to MCAC from the various partner State agencies. The budget committees request that DSP, in consultation with MCAC and partner State agencies, submit a report providing the following information for fiscal 2015: (1) the organizational structure of MCAC, including oversight and advisory committees; (2) a list of federal, State, and local agencies assigned ~~at or assisting~~ MCAC; (3) allocation of personnel, ~~and~~ funding, ~~and resources~~ of all State agencies involved; and (4) a description of the activities conducted by MCAC. In addition, it is the intent of the budget committees that DSP, in consultation with MCAC, submit budgetary information, consolidating the budgetary resources received from State agencies, as an appendix in the Maryland Budget Highlights book starting in fiscal 2016 and for future fiscal years. The report shall be submitted by October 1, 2014. ~~The budget committees shall have 45 days to review and comment.~~

<b>Information Request</b>	<b>Authors</b>	<b>Due Date</b>
Report on State resources allocated to MCAC	DSP MCAC	October 1, 2014

**Report on License Plate Reader Data and Program Effectiveness:** The committees are concerned that overall effectiveness of the license plate reader (LPR) program has not yet been evaluated. The committees request that the Department of State Police (DSP), in consultation with the Maryland Coordination and Analysis Center (MCAC), submit a report to the committees providing specified MCAC and DSP LPR data for calendar 2013. The MCAC LPR data shall include (1) the agencies in the State utilizing LPR technology; (2) the agencies using LPRs networked to MCAC; (3) total reads from mobile and fixed LPRs networked to MCAC; and (4) total alerts from mobile and fixed LPRs networked to MCAC. The DSP LPR data shall include (1) total reads from mobile LPRs; (2) total alerts from mobile LPRs; (3) total accepted alerts from mobile LPRs; (4) total verified alerts (meaning the license plate was confirmed to have a current violation) from mobile LPRs; and (5) enforcement actions taken in response to verified alerts from mobile LPRs. The report shall be submitted by October 1, 2014. The budget committees shall have 45 days to review and comment.

## W00A

Information Request	Authors	Due Date
Report providing LPR data for calendar 2013	DSP MCAC	October 1, 2014

***Report on Cannabimimetic Agent Enforcement:*** Cannabimimetic agents are chemical substances that are not derived from the marijuana plant but are designed to affect the body in ways similar to tetrahydrocannabinol (THC), the primary psychoactive ingredient in marijuana. Chapter 442 of 2013 codified cannabimimetic agents to the State's list of Schedule I controlled dangerous substances and defined several chemical substances that are considered cannabimimetic agents. The budget committees request that the Department of State Police (DSP) report by jurisdiction the total arrests or other enforcement actions taken as a result of the changes enacted by Chapter 442. Additionally, in consultation with local jurisdictions, DSP should describe the State's overall strategy to enforce Chapter 442. An interim report shall be submitted by December 31, 2014, and a final report shall be submitted by June 30, 2015, to the budget committees, House Judiciary Committee, and Senate Judicial Proceedings Committee.

<b><i>Information Request</i></b>	<b><i>Author</i></b>	<b><i>Due Date</i></b>
<i>Interim report on cannabimimetic agent enforcement</i>	DSP	December 31, 2014
<i>Final report on cannabimimetic agent enforcement</i>	DSP	June 30, 2015

## X00A00 Public Debt

### Budget Amendments

#### X00A00.01 Redemption and Interest on State Bonds

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Reduce general fund appropriation to recognize anticipated bond sale premiums. The budget plan does not recognize any bond sale premiums that are expected in fiscal 2015. Since July 2002, the State has been realizing substantial premiums when issuing tax-exempt bonds to institutional investors. The Department of Legislative Services (DLS) estimates that \$60.8 million in premiums will be realized in fiscal 2015. The department's approach is more cautious than historical trends or the administration's March 2014 estimate. DLS recommends that the State recognize \$60.0 million in likely GO bond sale premiums. The bond sale premiums should be used to offset the <del>\$40.0 million</del> \$35.0 million reduction in general funds and provide fiscal 2015 with a <del>\$20.0 million</del> \$25.0 million end-of-year Annuity Bond Fund balance.	<del>40,000,000</del> GF 35,000,000 GF	
2. Reduce the Public Debt appropriation to reflect the March 2014 general obligation (GO) bond sale. The fiscal 2015 allowance includes \$195.0 million to support GO bond debt service costs. On March 5, 2014, the State sold \$737.4 million in GO bonds. This included \$450.0 million in tax-exempt bonds, \$50.0 million in taxable bonds, and \$237.4 million in refunding bonds. The cost of these bonds was less than anticipated in the fiscal 2015 allowance. Debt service costs for the \$500.0 million in new issuance bonds are \$0.4 million less than anticipated. The refunding reduced debt service costs by an additional \$2.4 million. The bond sale premium totaled \$55.7 million, which is \$14.9 million more than anticipated in the budget. The lower debt service	15,000,000	GF



## X00A00

costs and the high premium reduce the amount of general funds required to support fiscal 2015 public debt spending.

Total Reductions	55,000,000 50,000,000
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<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
General Fund	195,000,000	140,000,000 145,000,000	55,000,000 50,000,000	
Special Fund	832,932,357	832,932,357	0	
Federal Fund	11,489,645	11,489,645	0	
<b>Total Funds</b>	<b>1,039,422,002</b>	<b>984,422,002 989,422,002</b>	<b>55,000,000 50,000,000</b>	

Amendment No.

70

### Committee Narrative

~~**Analysis of General Obligation Bond Amortization Policies:** Each year, the Board of Public Works issues approximately \$1.0 billion in general obligation (GO) Bonds. The fiscal 2015 GO bond debt service appropriation is \$1.039 billion. Out year costs are expected to increase 6% annually. A key goal of the State is to manage costs as effectively as possible. Debt service costs are influence by its amortization policies. Two defining characteristics of the GO bonds' amortization schedule are that the two years' principal grace period (for the first two years the State only pays interest costs and principal payments begin in the third year) and the Constitutions requirement that State debt matures in 15 years. Taken together, paying principal in the first year and selling bonds with long maturities would increase payments in the short term and reduce them in the medium term. To determine if there are advantages associated with modifying amortization policies, the committees request that the State Treasurer's Office (STO), Department of Budget and Management (DBM), and Department of Legislative Services (DLS) review amortization policies. This should include a review of policies concerning the timing of principal payments as well as examining costs and benefits associated with modifying GO bonds' maturities. The review should address relevant legal issues and examine if advanced refunding callable bonds that have already been issued in financially advantageous. The report should be submitted by October 1, 2014.~~

## X00A00

<b>Information Request</b>	<b>Authors</b>	<b>Due Date</b>
Analysis of GO bond amortization policies	STO DBM DLS	October 1, 2014

# Y01A State Reserve Fund

## Budget Amendments

### Y01A01.01 Revenue Stabilization Account

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. <del>Reduce the State Reserve Fund appropriation to reflect the March 2014 revenue general fund revenue estimate. The administration budget provides revenues sufficient so that the fiscal 2015 fund balance is 5% of ongoing general fund revenues. The Board of Revenue Estimates has reduced fiscal 2015 revenue projections by \$111.1 million. This reduces the amount necessary to maintain 5% by \$5.5 million. If this reduction is adopted, the projected fiscal 2015 Rainy Day Fund balance would be \$794.8 million. Reduce the Rainy Day Fund appropriation and maintain a fund balance that equals 5% of general fund revenues. To maintain the 5% balance, Section 45 eliminates the Administration's \$204.5 million transfer from the Rainy Day Fund to the general fund.</del>	5,500,000 208,500,000	GF GF
Total Reductions	5,500,000 208,500,000	

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
General Fund	228,213,999	222,713,999 19,713,999	5,500,000 208,500,000	
<b>Total Funds</b>	<b>228,213,999</b>	<b>222,713,999</b> <b>19,713,999</b>	<b>5,500,000</b> <b>208,500,000</b>	

Amendment No.

**71**

## Fiscal 2014 Deficiencies

### Fiscal 2014 Deficiency

#### MARYLAND HEALTH BENEFIT EXCHANGE

#### D78Y01.02 Major Information Technology Development Projects

Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. Reduce federal grant funding that can be back-filled by existing grant funds made available by not making awards under the Connector Performance Incentive Program. Given current enrollment data, incentives should not be reached in 2014. Not making these awards will free up the federal grant funds for other expenditures.	1,000,000	FF
Total Reductions	1,000,000	0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
General Fund	1,006,198	1,006,198	0	
Federal Fund	28,357,326	27,357,326	1,000,000	
<b>Total Funds</b>	<b>29,363,524</b>	<b>28,363,524</b>	<b>1,000,000</b>	

## **Fiscal 2014 Deficiencies**

### **Fiscal 2014 Deficiency**

#### **OFFICE OF THE SECRETARY**

##### **N00A01.04 Maryland Legal Services Program**

Add the following language to the general fund appropriation:

, provided that \$2,130,852 of this appropriation made for the purpose of the Maryland Legal Services Program may be expended only for that purpose. Funds not expended for this restricted purpose may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund.

**Explanation:** During the fiscal 2013 closeout process, the Department of Human Resources (DHR) recorded an unprovided-for payable in the Maryland Legal Services Program (MLSP) of \$1.1 million (\$0.8 million in general funds and \$0.3 million in federal funds). This was the second consecutive year an unprovided-for payable was recorded and the fourth since fiscal 2007. In fiscal 2012, the unprovided-for payable was recorded after DHR transferred approximately \$1.0 million of general funds from MLSP to other agency purposes in the closeout process. The language restricts the general fund deficiency appropriation for MLSP to that purpose and if it is not needed for that purpose, requires the funds to revert to the general fund.

## Fiscal 2014 Deficiencies

### Fiscal 2014 Deficiency

#### LOCAL DEPARTMENT OPERATIONS

#### N00G00.08 Assistance Payments

Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. Reduce the fiscal 2014 appropriation to account for lower Temporary Disability Assistance Program caseloads. The Governor's proposed budget assumes a caseload higher than fiscal 2013, even as caseloads have started to decline. The program is estimated to have a fiscal 2014 surplus of \$3.6 million.	1,700,000	GF
 Total Reductions	 1,700,000	 0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
General Fund	-3,238,274	-4,938,274	1,700,000	
<b>Total Funds</b>	<b>-3,238,274</b>	<b>-4,938,274</b>	<b>1,700,000</b>	

## Fiscal 2014 Deficiencies

### Fiscal 2014 Deficiency

#### HEADQUARTERS

#### R00A01.04 Division of Accountability, Assessment, and Data Systems

Strike the following language:

~~, provided that \$14,471,561 of the proposed deficiency made for the purpose of developing and scoring the Maryland School Assessments and High School Assessments be restricted until the Maryland State Department of Education provides a copy of all of its assessment contracts, including contracts for the Partnership for Assessment of Readiness for College and Careers assessments, Maryland School Assessments and Maryland High School Assessments to the committees. The budget committees shall have 30 days to review and comment. Funds restricted pending the receipt of the contracts may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the contracts are not submitted to the budget committees.~~

**Explanation:** ~~The full amount of the proposed deficiency for assessments in fiscal 2014 shall be withheld until all assessment contracts held by MSDE for PARCC, MSAs and the HSAs are provided to the budget committees.~~

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
All assessment contracts held by MSDE including the MSAs, HSAs, and PARCC	MSDE	30 days before the expenditure of funds

Amendment No.

**72**

## Fiscal 2014 Deficiencies

### Fiscal 2014 Deficiency

#### BALTIMORE CITY REGION

#### V00G01.02 Baltimore City Region Community Operations

Reduce appropriation for the purposes indicated:	<u><b>Funds</b></u>	<u><b>Positions</b></u>
1. Reduce deficiency funding for contractual mental health services. Year-to-date expenditures suggest these funds are not required. Funding beyond the existing appropriation should not be needed based on the department's new process for conducting evaluations internally.	104,289 GF	
Total Reductions	104,289	0.00

<u><b>Effect</b></u>	<u><b>Allowance</b></u>	<u><b>Appropriation</b></u>	<u><b>Amount Reduction</b></u>	<u><b>Position Reduction</b></u>
General Fund	329,214	224,925	104,289	
<b>Total Funds</b>	<b>329,214</b>	<b>224,925</b>	<b>104,289</b>	



## Statewide

Amend the following language:

### STATEWIDE REDUCTIONS FOR HEALTH INSURANCE

#### FY 2014 Deficiency Appropriation

To become available immediately upon passage of this budget to reduce the appropriation for fiscal year 2014 to implement cost containment reductions for ~~Executive Branch~~ agencies to reflect health insurance savings from favorable cost trends. Funding for this purpose shall be reduced in Comptroller Objects 0152 Health Insurance and 0154 Retirees Health Insurance, within ~~Executive Branch~~ agencies in fiscal year 2014. Agencies may reallocate this reduction by budget amendment across programs.

	General Funds
B75 General Assembly	-1,047,318
C00 Judiciary	-2,554,238
C80 Office of the Public Defender	-1,023,831
C81 Office of the Attorney General	-162,413
C82 State Prosecutor	-10,506
C85 Maryland Tax Court	-7,741
D05 Board of Public Works (BPW)	-9,675
D10 Executive Department Governor	-97,006
D11 Office of Deaf and Hard of Hearing	-2,620
D12 Department of Disabilities	-17,695
D15 Boards and Commissions	-82,268
D16 Secretary of State	-26,483
D17 Historic St. Mary's City Commission	-28,258
D18 Governor's Office for Children	-21,259
D25 BPW Interagency Committee for School Construction	-23,615
D26 Department of Aging	-21,532
D27 Maryland Commission on Civil Rights	-34,563
D38 State Board of Elections	-35,190
D39 Maryland State Board of Contract Appeals	-6,973
D40 Department of Planning	-144,338
D50 Military Department	-146,647
D55 Department of Veterans Affairs	-49,671
D60 Maryland State Archives	-23,249
E00 Comptroller of Maryland	-912,340
E20 State Treasurer's Office	-33,070
E50 Department of Assessments and Taxation	-335,407
E75 State Lottery and Gaming Control Agency	-114,435
E80 Property Tax Assessment Appeals Board	-11,339
F10 Department of Budget and Management	-153,644
F50 Department of Information Technology	-96,591

## Statewide

H00	Department of General Services	-445,813
K00	Department of Natural Resources	-497,916
L00	Department of Agriculture	-304,523
M00	Department of Health and Mental Hygiene	-5,847,596
N00	Department of Human Resources	-2,810,379
P00	Department of Labor, Licensing and Regulation	-290,671
Q00	Department of Public Safety and Correctional Services	-12,725,447
R00	State Department of Education	-465,154
R15	Maryland Public Broadcasting Commission	-87,346
R62	Maryland Higher Education Commission	-48,247
R75	Support for State-Operated Institutions of Higher Education	-16,923,210
R99	Maryland School for the Deaf	-303,994
T00	Department of Business and Economic Development	-189,827
U00	Department of the Environment	-274,973
V00	Department of Juvenile Services	-2,332,000
W00	Department of State Police	<u>-2,465,096</u>
Total General Funds		<del>-49,644,551</del> <u>-53,246,107</u>

**Explanation:** This action adds the General Assembly and the Judiciary in the across-the-board reductions related to retiree health insurance in fiscal 2014.

Amend the following language:

### STATEWIDE REDUCTION FOR STATE PERSONNEL SYSTEM ALLOCATION

#### FY 2014 Deficiency Appropriation

To become available immediately upon passage of this budget to reduce the appropriation for fiscal year 2014 to implement cost containment reductions for the State Personnel System Allocation based on estimated fiscal year 2014 actuals. Funding for this purpose will be reduced in Comptroller Object 0894 (State Personnel System Allocation) within ~~Executive Branch~~ agencies by the following amounts in accordance with a schedule determined by the Governor. The agencies may reallocate this reduction by budget amendment to other programs within the department.

## Statewide

General Fund Appropriation	-10,708,712
	<u>-10,949,078</u>

	General Funds
B75 General Assembly	-46,972
C00 Judiciary	-193,394
C80 Office of the Public Defender	-236,592
C81 Office of the Attorney General	-41,759
C82 State Prosecutor	-2,792
C85 Maryland Tax Court	-2,031
D05 Board of Public Works (BPW)	-2,285
D10 Executive Department – Governor	-22,720
D11 Office of Deaf and Hard of Hearing	-761
D12 Department of Disabilities	-5,776
D15 Boards and Commissions	-24,548
D16 Secretary of State	-6,093
D17 Historic St. Mary’s City Commission	-5,589
D18 Governor’s Office for Children	-4,189
D25 BPW Interagency Committee for School Construction	-4,315
D26 Department of Aging	-12,562
D27 Maryland Commission on Civil Rights	-8,783
D38 State Board of Elections	-8,631
D39 Maryland State Board of Contract Appeals	-1,269
D40 Department of Planning	-38,586
D50 Military Department	-83,391
D55 Department of Veterans Affairs	-19,293
D60 Maryland State Archives	-6,981
E00 Comptroller of Maryland	-221,563
E20 State Treasurer’s Office	-8,169
E50 Department of Assessments and Taxation	-70,656
E75 State Lottery and Gaming Control Agency	-13,200
E80 Property Tax Assessment Appeals Board	-2,285
F10 Department of Budget and Management	-36,277
F50 Department of Information Technology	-22,077
H00 Department of General Services	-128,701
K00 Department of Natural Resources	-160,766
L00 Department of Agriculture	-68,033
M00 Department of Health and Mental Hygiene	-1,536,045
M00 Department of Health and Mental Hygiene – Local Health	-696,796
N00 Department of Human Resources	-1,633,139
P00 Department of Labor, Licensing and Regulation	-332,569
Q00 Department of Public Safety and Correctional Services	-2,714,816
R00 State Department of Education	-356,056
R15 Maryland Public Broadcasting Commission	-17,008
R62 Maryland Higher Education Commission	-12,439

## Statewide

R75	Support for State-Operated Institutions of Higher Education	-879,002
R99	Maryland School for the Deaf	-73,872
T00	Department of Business and Economic Development	-42,647
U00	Department of the Environment	-121,850
V00	Department of Juvenile Services	-536,152
W00	Department of State Police	<u>-485,648</u>
Total General Funds		-10,708,712
		<u>-10,949,078</u>

**Explanation:** This adds the General Assembly and the Judiciary to the across-the-board reduction due to savings from delays in the Statewide Personnel System project.

Amend the following language:

### STATEWIDE REDUCTION FOR RETIREMENT

#### FY 2014 Deficiency Appropriation

To become available immediately upon passage of this budget to reduce the appropriation for fiscal year 2014 to implement cost containment reductions ~~on Executive Branch agencies~~ to reflect a reduced Maryland State Retirement and Pension System reinvestment. Agencies may reallocate this reduction by budget amendment across programs.

Further provided that in fiscal 2014 the Governor, Chief Judge, and the Presiding Officers shall further reduce the amount of supplemental retirement contributions by the following amounts:

General Funds – Executive Branch:	86,077,643
General Funds – Judiciary:	1,526,648
General Funds – General Assembly	478,066
Special Funds:	12,295,546
Federal Funds:	<u>8,770,214</u>

The Governor shall allocate the statewide reduction to the supplemental retirement contributions across all State agencies. The Department of Budget and Management shall provide a schedule of the statewide reduction allocation to the budget committees and the Department of Legislative Services by ~~July 1~~ June 15, 2014.

## Statewide

**Explanation:** This action adds the General Assembly and Judiciary to the fiscal 2014 reduction to the supplemental retirement contribution. In addition, the action adds special and federal fund reductions that were not originally included in the bill. Furthermore, an additional \$100 million is reduced from the supplemental contribution bringing the total reduction in fiscal 2014 to \$200 million leaving \$100 million that will still be contributed.

Amendment No.

**73**

## Sections

### Budget Amendments

#### Section 12 Executive Salary Schedule

Amend the following language:

##### STATE TREASURER'S OFFICE

Executive V	9905	112,105
Executive V	9905	<del>99,799</del>
		<u>104,000</u>
Executive V	9905	84,217
Executive V	9905	<u>102,639</u>
Executive V	9905	<u>107,454</u>

**Explanation:** This language is a technical correction to Section 12 of the budget bill and corrects technical errors for executive pay plan positions. Funding is already included in the fiscal 2015 budget allowance.

Amend the following section:

#### Section 17 Using Funds for Their Intended Purpose

SECTION 17. AND BE IT FURTHER ENACTED, That funds appropriated to the various State agency programs and subprograms in Comptroller Objects 0152 (Health Insurance), 0154 (Retirees Health Insurance Premiums), 0175 (Workers' Compensation), 0305 (DBM Paid Telecommunications), 0322 (Capital Lease Telecommunications), 0874 (Office of Attorney General Administrative Fee), 0876 (DoIT IT Services Allocation), 0894 (State Personnel System Allocation), and 1303 (rent paid to DGS) are to be utilized for their intended purposes only. The expenditure or transfer of these funds for other purposes requires the prior approval of the Secretary of Budget and Management. Notwithstanding any other provision of law, the Secretary of Budget and Management may transfer amounts appropriated in Comptroller Objects 0152, 0154, 0305, and 0322 between State departments and agencies by approved budget amendment in fiscal year 2014 and fiscal year 2015. All funds budgeted in or transferred to Comptroller Objects 0152 and 0154, and any funds restricted in this budget for use in the employee and retiree health insurance program that are unspent shall be credited to the fund as established in accordance with Section 2-516 of the State Personnel and Pensions Article of the Annotated Code of Maryland.

## Sections

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

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

Amend the following language:

### Section 19 Retirees Health Insurance

SECTION 19. AND BE IT FURTHER ENACTED, That for fiscal year 2015 funding for health insurance shall be reduced by ~~\$23,816,252~~ 25,362,001 in ~~Executive Branch~~ agencies to reflect health insurance savings from favorable cost trends. Funding for this purpose shall be reduced in Comptroller Object 0154 – Retirees Health Insurance, within ~~Executive Branch~~ agencies in fiscal year 2015 by the following amounts in accordance with a schedule determined by the Governor:

	Agency	General Funds
B75	General Assembly	286,223
C00	Judiciary	1,259,526
C80	Office of the Public Defender	365,554
C81	Office of the Attorney General	58,177
C82	State Prosecutor	4,169
C85	Maryland Tax Court	2,637
D05	Board of Public Works (BPW)	3,254
D10	Executive Department – Governor	32,952
D11	Office of Deaf and Hard of Hearing	609
D12	Department of Disabilities	6,698
D15	Boards and Commissions	29,792
D16	Secretary of State	8,342
D17	Historic St. Mary's City Commission	9,802
D18	Governor's Office for Children	6,607
D25	BPW Interagency Committee for School Construction	9,075
D26	Department of Aging	8,603
D27	Maryland Commission on Civil Rights	10,542
D38	State Board of Elections	14,143
D39	Maryland State Board of Contract Appeals	2,440
D40	Department of Planning	50,579

## Sections

D50	Military Department	45,058
D55	Department of Veterans Affairs	19,228
D60	Maryland State Archives	7,809
E00	Comptroller of Maryland	327,794
E20	State Treasurer's Office	10,522
E50	Department of Assessments and Taxation	124,616
E75	State Lottery and Gaming Control Agency	49,235
E80	Property Tax Assessment Appeals Board	3,269
F10	Department of Budget and Management	56,434
F50	Department of Information Technology	32,963
H00	Department of General Services	161,097
K00	Department of Natural Resources	168,790
L00	Department of Agriculture	105,621
M00	Department of Health and Mental Hygiene	2,083,766
N00	Department of Human Resources	1,210,344
P00	Department of Labor, Licensing and Regulation	101,947
Q00	Department of Public Safety and Correctional Services	4,572,497
R00	State Department of Education	178,068
R15	Maryland Public Broadcasting Commission	31,691
R62	Maryland Higher Education Commission	18,170
R75	Support for State Operated Institutions of Higher Education	4,318,948
R99	Maryland School for the Deaf	117,602
T00	Department of Business and Economic Development	68,736
U00	Department of the Environment	138,153
V00	Department of Juvenile Services	838,632
W00	Department of State Police	<u>850,222</u>
Total General Funds		<del>16,265,187</del>
		<u>17,810,936</u>

**Explanation:** This action adds the General Assembly and the Judiciary to the fiscal 2015 across-the-board reduction to health insurance.



## Sections

Strike SECTION 20 in its entirety and substitute the following:

### **Section 20    Fiscal 2015 Pension Reinvestment Reduction**

SECTION 20. AND BE IT FURTHER ENACTED, That in fiscal 2015 the Governor, Chief Judge, and Presiding Officers shall reduce the amount of supplemental retirement contributions by the following amounts contingent upon the enactment of SB 172/HB 162:

General Funds – Executive Branch:	\$172,639,712
General Funds – General Assembly:	\$936,218
General Funds – Judiciary:	\$2,939,846
Special Funds:	\$12,459,356
Federal Funds:	\$8,258,002

The Governor shall allocate the statewide reduction to the supplemental retirement contributions across all State agencies. The Department of Budget and Management shall provide a schedule of the statewide reduction allocation to the budget committees and the Department of Legislative Services by ~~July 1~~June 15, 2014.

**Explanation:** This action strikes the reduction in the budget as introduced by the Governor to supplemental retirement contribution and substitutes the language above. The new language reduces the amount of the supplement retirement contribution in fiscal 2015 by \$200 million in total leaving \$100 million that will still be contributed. The reduction to the supplemental retirement payment is \$100 million more than what the Governor introduced.

Amendment No.

**74**

Add the following section:

### **Section 21    Across-the-board Reductions and Higher Education**

SECTION 21. AND BE IT FURTHER ENACTED, That all across-the-board reductions applied to the Executive Branch, unless otherwise stated, shall apply to current unrestricted and general funds in the University System of Maryland, St. Mary's College of Maryland, Morgan State University, and Baltimore City Community College.

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

## Sections

Add the following section:

### **Section 22 Chesapeake Employers' Insurance Company Fund Accounts**

SECTION 22. AND BE IT FURTHER ENACTED, That the General Accounting Division of the Comptroller of Maryland shall establish a subsidiary ledger control account to debit all State agency funds budgeted under subobject 0175 (workers' compensation coverage) and to credit all payments disbursed to the Chesapeake Employers' Insurance Company (CEIC) via transmittal. The control account shall also record all funds withdrawn from CEIC and returned to the State and subsequently transferred to the General Fund. CEIC shall submit monthly reports to the Department of Legislative Services concerning the status of the account.

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

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Report on status of ledger control account	CEIC	Monthly beginning on July 1, 2014

Add the following section:

### **Section 23 Reporting Federal Funds**

SECTION 23. AND BE IT FURTHER ENACTED, That the Governor's budget books shall include a summary statement of federal revenues by major federal program sources supporting the federal appropriations made therein along with the major assumptions underpinning the federal fund estimates. The Department of Budget and Management (DBM) shall exercise due diligence in reporting this data and ensure that they are updated as appropriate to reflect ongoing congressional action on the federal budget. In addition, DBM shall provide to the Department of Legislative Services (DLS) data for the actual, current, and budget years listing the components of each federal fund appropriation by Catalog of Federal Domestic Assistance number or equivalent detail for programs not in the catalog. Data shall be provided in an electronic format subject to the concurrence of DLS.

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

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Reporting components of each federal fund appropriation	DBM	With submission of fiscal 2016 budget

## Sections

Add the following section:

### Section 24 Federal Fund Spending

SECTION 24. AND BE IT FURTHER ENACTED, That in the expenditure of federal funds appropriated in this budget or subsequent to the enactment of this budget by the budget amendment process:

- (1) State agencies shall administer these federal funds in a manner that recognizes that federal funds are taxpayer dollars that require prudent fiscal management, careful application to the purposes for which they are directed, and strict attention to budgetary and accounting procedures established for the administration of all public funds.
- (2) For fiscal 2015, except with respect to capital appropriations, to the extent consistent with federal requirements:
  - (i) when expenditures or encumbrances may be charged to either State or federal fund sources, federal funds shall be charged before State funds are charged except that this policy does not apply to the Department of Human Resources with respect to federal funds to be carried forward into future years for child welfare or welfare reform activities;
  - (ii) when additional federal funds are sought or otherwise become available in the course of the fiscal year, agencies shall consider, in consultation with the Department of Budget and Management (DBM), whether opportunities exist to use these federal revenues to support existing operations rather than to expand programs or establish new ones; and
  - (iii) DBM shall take appropriate actions to effectively establish the provisions of this section as policies of the State with respect to the administration of federal funds by executive agencies.

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

## Sections

Add the following section:

### Section 25 Indirect Costs Report

SECTION 25. AND BE IT FURTHER ENACTED, That the Department of Budget and Management (DBM) shall provide an annual report on indirect costs to the General Assembly in January 2015 as an appendix in the Governor's fiscal 2016 budget books. The report shall detail by agency for the actual fiscal 2014 budget the amount of statewide indirect cost recovery received, the amount of statewide indirect cost recovery transferred to the General Fund, and the amount of indirect cost recovery retained for use by each agency. In addition, it shall list the most recently available federally approved statewide and internal agency cost-recovery rates. As part of the normal fiscal/compliance audit performed for each agency once every 3 years, the Office of Legislative Audits shall assess available information on the timeliness, completeness, and deposit history of indirect cost recoveries by State agencies. Further provided that for fiscal 2015, excluding the Maryland Department of Transportation, the amount of revenue received by each agency from any federal source for statewide cost recovery may only be transferred to the General Fund and may not be retained in any clearing account or by any other means, nor may DBM or any other agency or entity approve exemptions to permit any agency to retain any portion of federal statewide cost recoveries.

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

Information Request	Author	Due Date
Annual report on indirect costs	DBM	With submission of the Governor's fiscal 2016 budget books

## Sections

Add the following section:

### Section 26 Executive Long-term Forecast

SECTION 26. AND BE IT FURTHER ENACTED, That the Governor's budget books shall include a forecast of the impact of the Executive budget proposal on the long-term fiscal condition of the General Fund, Transportation Trust Fund, and higher education Current Unrestricted Fund accounts. This forecast shall estimate aggregate revenues, expenditures, and fund balances in each account for the fiscal year last completed, the current year, the budget year, and 4 years thereafter. Expenditures shall be reported at such agency, program or unit levels, or categories as may be determined appropriate after consultation with the Department of Legislative Services. A statement of major assumptions underlying the forecast shall also be provided, including but not limited to general salary increases, inflation, and growth of caseloads in significant program areas.

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

Information Request	Author	Due Date
Executive forecasts	Department of Budget and Management	With the submission of the Governor's fiscal 2016 budget books

Add the following section:

### Section 27 Reporting on Budget Data and Organizational Charts

SECTION 27. AND BE IT FURTHER ENACTED, That it is the intent of the General Assembly that all State departments, agencies, bureaus, commissions, boards, and other organizational units included in the State budget, including the Judiciary, shall prepare and submit items for the fiscal 2016 budget detailed by Comptroller subobject classification in accordance with instructions promulgated by the Comptroller of the Treasury. The presentation of budget data in the State budget books shall include object, fund, and personnel data in the manner provided for in fiscal 2015 except as indicated elsewhere in this Act; however, this may not preclude the placement of additional information into the budget books. For actual fiscal 2014 spending, the fiscal 2015 working appropriation, and the fiscal 2016 allowance, the budget detail shall be available from the Department of Budget and Management (DBM) automated data system at the subobject level by subobject codes and classifications for all agencies. To the extent possible, except for public higher education institutions, subobject expenditures shall be designated by fund for actual fiscal 2014 spending, the fiscal 2015 working appropriation, and the fiscal 2016 allowance. The agencies shall exercise due diligence in

## Sections

reporting this data and ensuring correspondence between reported position and expenditure data for the actual, current, and budget fiscal years. This data shall be made available on request and in a format subject to the concurrence of the Department of Legislative Services (DLS). Further, the expenditure of appropriations shall be reported and accounted for by the subobject classification in accordance with the instructions promulgated by the Comptroller of Maryland.

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

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

**Explanation:** This annual language provides for consistent reporting of fiscal 2014, 2015, and 2016 budget data and provides for the submission of department, unit, agency, office, and institutions' organizational charts to DLS with the allowance.

Add the following section:

### **Section 28 Interagency Agreements**

SECTION 28. AND BE IT FURTHER ENACTED, On or before August 1, 2014, each State agency and each public institution of higher education shall report to the Department of Budget and Management (DBM) any agreements in place for any part of fiscal 2014 between State agencies and any public institution of higher education involving potential expenditures in excess of \$100,000 over the term of the agreement. Further provided that DBM shall provide direction and guidance to all State agencies and public institutions of higher education as to the procedures and specific elements of data to be reported with respect to these interagency agreements, to include at a minimum:

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

## Sections

- (4) a total potential expenditure, or not-to-exceed dollar amount, for the services to be rendered over the term of the agreement by any public institution of higher education to any State agency;
- (5) a description of the nature of the goods and services to be provided;
- (6) the total number of personnel, both full-time and part-time, associated with the agreement;
- (7) contact information for the agency and the public institution of higher education for the person(s) having direct oversight or knowledge of the agreement;
- (8) the amount and rate of any indirect cost recovery or overhead charges assessed by the institution of higher education related to the agreement; and,
- (9) the justification submitted to DBM for indirect cost recovery rates greater than 20%.

Further provided that DBM shall submit a consolidated report to the budget committees and the Department of Legislative Services by December 1, 2014, that contains information on all agreements between State agencies and any public institution of higher education involving potential expenditures in excess of \$100,000 that were in effect at any time during fiscal 2014.

**Explanation:** The language requires all State agencies and public institutions of higher education to report on all interagency agreements between State agencies and public institutions of higher education having a total potential expenditure over the term of the agreement in excess of \$100,000. This applies only to agreements for the purchase of goods and/or services and does not apply to grants or space agreements between State agencies and public institutions of higher education. The report also requires DBM to report on the justification for any interagency agreement with an indirect cost recovery rate greater than 20%. Further, it requires that DBM submit a consolidated report on all agreements by December 1, 2014, to the budget committees and the Department of Legislative Services.

Information Request	Author	Due Date
Consolidated report on all interagency agreements	DBM	December 1, 2014

## Sections

Add the following section:

### **Section 29    Budget Amendments**

SECTION 29. AND BE IT FURTHER ENACTED, That any budget amendment to increase the total amount of special, federal, or higher education (current restricted and current unrestricted) fund appropriations, or to make reimbursable fund transfers from the Governor's Office of Crime Control and Prevention or the Maryland Emergency Management Agency, made in Section 1 of this Act shall be subject to the following restrictions:

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



## Sections

- (iii) increase the scope of a capital project by an amount 7.5% or more over the approved estimate or 5.0% or more over the net square footage of the approved project until the amendment has been submitted to DLS and the budget committees have considered and offered comment to the Governor or 45 days have elapsed from the date of submission of the amendment. This provision does not apply to MDOT; and
  - (iv) provide for the additional appropriation of special, federal, or higher education funds of more than \$100,000 for the reclassification of a position or positions.
- (4) A budget may not be amended to increase a Federal Fund appropriation by \$100,000 or more unless documentation evidencing the increase in funds is provided with the amendment and fund availability is certified by the Secretary of Budget and Management.
- (5) No expenditure or contractual obligation of funds authorized by a proposed budget amendment may be made prior to approval of that amendment by the Governor.
- (6) Notwithstanding the provisions of this section, any federal, special, or higher education fund appropriation may be increased by budget amendment upon a declaration by the Board of Public Works that the amendment is essential to maintaining public safety, health, or welfare, including protecting the environment or the economic welfare of the State.
- (7) Budget amendments for new major Information Technology (IT) projects, as defined by Sections 3A-301 and 3A-302 of the State Finance and Procurement Article, must include an Information Technology Project Request, as defined in Section 3A-308 of the State Finance and Procurement Article.
- (8) Further provided that the fiscal 2015 appropriation detail as shown in the Governor's budget books submitted to the General Assembly in January 2015 and the supporting electronic detail shall not include appropriations for budget amendments that have not been signed by the Governor, exclusive of the MDOT pay-as-you-go capital program.
- (9) Further provided that it is the policy of the State to recognize and appropriate additional special, higher education, and federal revenues in the budget bill as approved by the General Assembly. Further provided that for the fiscal 2016 allowance, the Department of Budget and Management shall continue policies and procedures to minimize reliance on budget amendments for appropriations that could be included in a deficiency appropriation.

**Explanation:** This annual language defines the process under which budget amendments may be used.

## Sections

Add the following section:

### Section 30 Maintenance of Accounting Systems

SECTION 30. AND BE IT FURTHER ENACTED, That:

- (1) The Secretary of Health and Mental Hygiene shall maintain the accounting systems necessary to determine the extent to which funds appropriated for fiscal 2014 in program M00Q01.03 Medical Care Provider Reimbursements have been disbursed for services provided in that fiscal year and shall prepare and submit the periodic reports required under this section for that program.
- (2) The State Superintendent of Schools shall maintain the accounting systems necessary to determine the extent to which funds appropriated for fiscal 2014 to program R00A02.07 Students With Disabilities for Non-Public Placements have been disbursed for services provided in that fiscal year and to prepare periodic reports as required under this section for that program.
- (3) The Secretary of Human Resources shall maintain the accounting systems necessary to determine the extent to which funds appropriated for fiscal 2014 in program N00G00.01 Foster Care Maintenance Payments have been disbursed for services provided in that fiscal year and to prepare the periodic reports required under this section for that program.
- (4) For the programs specified, reports shall indicate total appropriations for fiscal 2014 and total disbursements for services provided during that fiscal year up through the last day of the second month preceding the date on which the report is to be submitted and a comparison to data applicable to those periods in the preceding fiscal year.
- (5) Reports shall be submitted to the budget committees, the Department of Legislative Services, the Department of Budget and Management, and the Comptroller on November 1, 2014; March 1, 2015; and June 1, 2015.
- (6) It is the intent of the General Assembly that general funds appropriated for fiscal 2014 to the programs specified that have not been disbursed within a reasonable period, not to exceed 12 months from the end of the fiscal year, shall revert.

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

## Sections

Information Request	Authors	Due Date
Report on appropriations and disbursements in M00Q01.03, R00A02.07, and N00G00.01	DHMH MSDE DHR	November 1, 2014 March 1, 2015 June 1, 2015

Add the following section:

### **Section 31 Secretary's or Acting Secretary's Nomination and Salary**

SECTION 31. AND BE IT FURTHER ENACTED, That no funds in this budget may be expended to pay the salary of a secretary or an acting secretary of any department whose nomination as secretary has been rejected by the Senate or an acting secretary who was serving in that capacity prior to the 2014 session whose nomination for the secretary position was not put forward and approved by the Senate during the 2014 session unless the acting secretary is appointed under Article II, Section 11 of the Maryland Constitution prior to July 1, 2014.

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

Add the following section:

### **Section 32 The "Rule of 100"**

SECTION 32. AND BE IT FURTHER ENACTED, That the Board of Public Works (BPW), in exercising its authority to create additional positions pursuant to Section 7-236 of the State Finance and Procurement Article, may authorize during the fiscal year no more than 100 positions in excess of the total number of authorized State positions on July 1, 2014, as determined by the Secretary of Budget and Management. Provided, however, that if the imposition of this ceiling causes undue hardship in any department, agency, board, or commission, additional positions may be created for that affected unit to the extent that positions authorized by the General Assembly for the fiscal year are abolished in that unit or in other units of State government. It is further provided that the limit of 100 does not apply to any position that may be created in conformance with specific manpower statutes that may be enacted by the State or federal government nor to any positions created to implement block grant actions or to implement a program reflecting fundamental changes in federal/State relationships. Notwithstanding anything contained in this section, BPW may authorize additional positions to meet public emergencies resulting from an act of God and violent acts of man, that are necessary to protect the health and safety of the people of Maryland.

BPW may authorize the creation of additional positions within the Executive Branch provided that 1.25 full-time equivalent contractual positions are abolished for each regular position authorized and that there be no increase in agency funds in the current budget and the next two

## Sections

subsequent budgets as the result of this action. It is the intent of the General Assembly that priority is given to converting individuals that have been in contractual positions for at least 2 years. Any position created by this method may not be counted within the limitation of 100 under this section.

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

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

The Secretary of Budget and Management shall certify and report to the General Assembly by June 30, 2015, the status of positions created with non-State funding sources during fiscal 2011, 2012, 2013, 2014, and 2015 under this provision as remaining, authorized, or abolished due to the discontinuation of funds.

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

Information Request	Author	Due Date
Certification of the status of positions created with non-State funding sources during fiscal 2011, 2012, 2013, 2014, and 2015	DBM	June 30, 2015

## Sections

Add the following section:

### **Section 33    Annual Report on Authorized Positions**

SECTION 33. AND BE IT FURTHER ENACTED, That immediately following the close of fiscal 2014, the Secretary of Budget and Management shall determine the total number of full-time equivalent (FTE) positions that are authorized as of the last day of fiscal 2014 and on the first day of fiscal 2015. Authorized positions shall include all positions authorized by the General Assembly in the personnel detail of the budgets for fiscal 2014 and 2015, including non-budgetary programs, the Maryland Transportation Authority, the University System of Maryland self-supported activities, and the Maryland Correctional Enterprises.

The Department of Budget and Management (DBM) shall also prepare during fiscal 2015 a report for the budget committees upon creation of regular FTE positions through Board of Public Works action and upon transfer or abolition of positions. This report shall also be provided as an appendix in the fiscal 2016 Governor's budget books. It shall note, at the program level:

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

Provision of contractual FTE position information in the same fashion as reported in the appendices of the fiscal 2016 Governor's budget books shall also be provided.

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

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Total number of FTEs on June 30 and July 1, 2014	DBM	July 14, 2014
Report on the creation, transfer, or abolition of regular positions	DBM	As needed

## Sections

Add the following section:

### **Section 34    Annual Executive Pay Plan Report**

SECTION 34.    AND BE IT FURTHER ENACTED, That the Department of Budget and Management and the Maryland Department of Transportation are required to submit to the Department of Legislative Services (DLS) Office of Policy Analysis:

- (1)    a report in Excel format listing the grade, salary, title, and incumbent of each position in the Executive Pay Plan (EPP) as of July 15, 2014; October 15, 2014; January 15, 2015; and April 15, 2015; and
- (2)    detail on any lump-sum increases given to employees paid on the EPP subsequent to the previous quarterly report.

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

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

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Report of all EPP positions	Department of Budget and Management	July 15, 2014; October 15, 2014; January 15, 2015; and April 15, 2015

## Sections

Add the following section:

### Section 35 Positions Abolished in the Budget

SECTION 35. AND BE IT FURTHER ENACTED, That no position identification number assigned to a position abolished in this budget may be reassigned to a job or function different from that to which it was assigned when the budget was submitted to the General Assembly. Incumbents in positions abolished may continue State employment in another position.

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

Add the following section:

### Section 36 Annual Report on Health Insurance Receipts and Spending

SECTION 36. AND BE IT FURTHER ENACTED, That the Secretary of Budget and Management shall include as an appendix in the fiscal 2016 Governor's budget books an accounting of the fiscal 2014 actual, fiscal 2015 working appropriation, and fiscal 2016 estimated revenues and expenditures associated with the employees' and retirees' health plan. This accounting shall include:

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

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

Information Request	Author	Due Date
Accounting of the employee and retiree health plan revenues and expenditures	Department of Budget and Management	With submission of Governor's fiscal 2016 budget books

## Sections

Add the following section:

### Section 37 Chesapeake Bay Restoration Spending

SECTION 37. AND BE IT FURTHER ENACTED, That it is the intent of the General Assembly that the Department of Budget and Management, the Department of Natural Resources, and the Maryland Department of the Environment provide two reports on Chesapeake Bay restoration spending. The reports shall be drafted subject to the concurrence of the Department of Legislative Services (DLS) in terms of both electronic format to be used and data to be included. The scope of the reports is as follows:

- (1) Chesapeake Bay restoration operating and capital expenditures by agency, fund type, and particular fund source based on programs that have over 50% of their activities directly related to Chesapeake Bay restoration for the fiscal 2014 actual, fiscal 2015 working appropriation, and fiscal 2016 allowance, which is to be included as an appendix in the fiscal 2016 budget volumes and submitted electronically in disaggregated form to DLS; and
- (2) 2-year milestones funding by agency, best management practice, fund type, and particular fund source along with associated nutrient and sediment reductions for fiscal 2013, 2014, 2015, and 2016, which is to be submitted electronically in disaggregated form to DLS.

**Explanation:** This language expresses the intent that the Department of Budget and Management (DBM), the Department of Natural Resources (DNR), and the Maryland Department of the Environment (MDE) provide at the time of the fiscal 2016 budget submission information on (1) Chesapeake Bay restoration spending for programs that have over 50% of their activities directly related to Chesapeake Bay restoration; and (2) two-year milestones funding.

Information Request	Authors	Due Date
Summary of Chesapeake Bay restoration spending for programs that have over 50% of their activities directly related to Chesapeake Bay restoration, and two-year milestones expenditures	DBM DNR MDE	Fiscal 2016 State budget submission



## Sections

Add the following section:

### **Section 38    Regional Greenhouse Gas Initiative Revenues**

SECTION 38. AND BE IT FURTHER ENACTED, That the Department of Budget and Management shall provide an annual report on the revenue from the Regional Greenhouse Gas Initiative (RGGI) carbon dioxide emission allowance auctions and set-aside allowances to the General Assembly in conjunction with submission of the fiscal 2016 budget and annually thereafter as an appendix to the Governor's budget books. This report shall include information for the actual fiscal 2014 budget, fiscal 2015 working appropriation, and fiscal 2016 allowance. The report shall detail revenue assumptions used to calculate the available Strategic Energy Investment Fund (SEIF) from RGGI auctions for each fiscal year including:

- (1)    the number of auctions;
- (2)    the number of allowances sold;
- (3)    the allowance price for both current and future (if offered) control period allowances sold in each auction;
- (4)    prior year fund balance from RGGI auction revenue used to support the appropriation; and
- (5)    anticipated revenue from set-aside allowances.

The report shall also include detail on the amount of the SEIF from RGGI auction revenue available to each agency that receives funding through each required allocation, separately identifying any prior year fund balance:

- (1)    energy assistance;
- (2)    residential rate relief;
- (3)    energy efficiency and conservation programs, low- and moderate-income sector;
- (4)    energy efficiency and conservation programs, all other sectors;
- (5)    renewable and clean energy programs and initiatives, education, and climate change programs;
- (6)    administrative expenditures;

## Sections

(7) dues owed to the RGGI, Inc.; and

(8) transfers made to other funds.

**Explanation:** This language requires the Department of Budget and Management (DBM) to include as an appendix in the Governor's budget books for fiscal 2016 detail on the revenue assumptions for RGGI auctions budgeted in each fiscal year as well as how those revenues are distributed to various agencies. This information increases transparency, differentiates funding from the SEIF that is available from sources other than RGGI auctions, and allows for analysis of whether the allocation of RGGI auction revenue meets statutory requirements. This language is similar to language included in prior budget bills.

Information Request	Author	Due Date
Report on revenue assumptions and use of RGGI auction revenue	DBM	With submission of the Governor's fiscal 2016 budget books and annually thereafter

Add the following section:

### **Section 39 Submission of the Uniform Crime Report**

SECTION 39. AND BE IT FURTHER ENACTED, That \$1,000,000 of the General Fund appropriation within the Department of State Police (DSP) may not be expended until DSP submits the Crime in Maryland, 2013 Uniform Crime Report (UCR) to the budget committees. The budget committees shall have 45 days to review and comment following receipt of the report. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

Further, provided that, if DSP encounters difficulty obtaining the necessary crime data on a timely basis from local jurisdictions who provide the data for inclusion in the UCR, DSP shall notify the Governor's Office of Crime Control and Prevention (GOCCP). GOCCP shall withhold a portion, totaling at least 15%, but no more than 50%, of that jurisdiction's State Aid for Police Protection (SAPP) grant for fiscal 2015 upon receipt of notification from DSP. GOCCP shall withhold SAPP funds until such a time that the jurisdiction submits its crime data to DSP. DSP and GOCCP shall submit a report to the budget committees indicating any jurisdiction from which crime data was not received on a timely basis and the amount of SAPP funding withheld from each jurisdiction.

## Sections

**Explanation:** The annual language was originally added because DSP had not been submitting its annual crime report in a timely manner due to issues related to receiving crime data from the local jurisdictions. As such, this language withholds a portion of the general fund appropriation until the budget committees receive the 2013 UCR. The language also specifies that GOCCP, upon receipt of notification from DSP, must withhold a portion of a delinquent jurisdiction's SAPP grant until certain crime data is received by DSP. Finally, DSP and GOCCP must submit a report to the budget committees that includes information on any jurisdiction that did not report crime data on a timely basis and the amount of SAPP funding that was withheld from each jurisdiction.

Information Request	Author	Due Date
2013 UCR	DSP	45 days prior to the expenditure of funds

Add the following section:

### **Section 40    Medicaid Enterprise Restructuring Project**

SECTION 40. AND BE IT FURTHER ENACTED, That no funding included in this budget for the Medicaid Enterprise Restructuring Project (MERP) may be used for expenditures on deliverables within the System Development Phase of the System Development Life Cycle (SDLC) process as defined under the Department of Information Technology (DoIT) SDLC process until DoIT and the Department of Health and Mental Hygiene (DHMH) submit to the budget committees:

- (1)    confirmation of the successful completion of all systems requirements documents and completion of draft system design documents;
- (2)    confirmation of the development of an adequate Integrated Master Schedule; and
- (3)    revised budget estimates, an updated information technology project request document, and a go-live date.

The budget committees shall have 30 days to review and comment on the submission from DoIT and DHMH.

Further provided that, beginning on July 15, 2014, and continuing until the MERP go-live date, DoIT shall provide the budget committees with quarterly updates on the progress of MERP. The updates shall be in the format used by the department in its fiscal year-end major information technology development project report.

## Sections

**Explanation:** Progress on MERP significantly deteriorated during 2013. DHMH and DoIT are currently exploring options on how best to proceed with the project. The language restricts funding for the system development phase of the project until certain project documentation is confirmed as being complete and additional information is provide to the budget committees. Additional reporting requirements are also added.

Information Request	Authors	Due Date
MERP documentation	DoIT DHMH	Prior to expenditures on system development
MERP quarterly progress reports	DoIT	Quarterly beginning July 15, 2014

Add the following section:

### **Section 41 Child Care Subsidy Eligibility**

SECTION 41. AND BE IT FURTHER ENACTED, That \$100,000 of the General Fund appropriation for the Department of Human Resources (DHR) and \$100,000 of the General Fund appropriation for the Maryland State Department of Education (MSDE) may not be expended unless, by July 1, 2014, DHR and MSDE jointly submit a report to the budget committees regarding the transfer of child care subsidy eligibility determinations from DHR to MSDE. The report shall include the following information:

- (1) how the shift in eligibility determinations improves the program for both individuals receiving the child care subsidy and MSDE;
- (2) how MSDE's vendor will implement child care subsidy eligibility determinations;
- (3) the impact on services provided to individuals who want to apply for multiple social services including the child care subsidy;
- (4) the impact on DHR's eligibility determinations function with respect to quality of performance, positions required, budgetary needs, and how DHR can reduce spending on eligibility determinations by \$13,100,000;
- (5) how and when funding will shift from DHR to MSDE and how much DHR will need as a replacement; and
- (6) an accounting of costs and savings for MSDE and the vendor contract.

## Sections

As it has been estimated that the transfer of eligibility determinations will result in budgetary savings of up to \$4,000,000 in general funds, \$2,000,000 of which is accounted for as a withdrawn appropriation from the fiscal 2014 budget, the budget committees have the expectation of an additional \$2,000,000 General Fund withdrawn appropriation during the 2015 legislative session, or a targeted reversion of that amount at the close of fiscal 2015.

A follow-up report shall be submitted by December 1, 2014 with budget costs and savings information based on the experience of DHR's eligibility determinations function and MSDE's vendor, and other substantive changes to the program from what is outlined in the July 1, 2014 report. The budget committees shall have 45 days for review and comment following receipt of the initial report. Funds restricted pending receipt of the report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

**Explanation:** Child care subsidy eligibility determinations are currently performed by DHR, but the responsibility is expected to transfer to MSDE on July 1, 2014, who will then use a private vendor. DHR receives funding from the Child Care and Development Fund to perform the determinations, and that funding is also expected to transfer from DHR's budget to MSDE. DHR receives \$13.1 million in fiscal 2015 for eligibility determinations.

The language restricts \$100,000 from the general fund appropriations of DHR and MSDE until a report is submitted with more information about the transfer of eligibility determinations, including how it improves the program for both recipients of the subsidy and MSDE, how MSDE's vendor will perform eligibility determinations, the impact on individuals who wish to apply for multiple services, the impact on DHR's other eligibility determination functions, DHR's position and budgetary needs, and the expected cost savings. The report is due July 1, 2014. The language requests a follow-up report by December 1, 2014, with updated budget information based on the experience of DHR and MSDE's vendor, and substantive changes to the eligibility determination process.

MSDE believes transitioning to a private vendor could reduce costs by \$3 million to \$4 million. The Governor's fiscal 2015 budget plan already accounts for some of the cost savings, withdrawing \$2 million in general funds from MSDE's fiscal 2014 working budget. The budget languages adds the expectation of the budget committees that an additional \$2 million in general fund cost savings will be recognized either through a withdrawn appropriation during the 2015 legislative session or at the closing of the fiscal 2015 budget.

Information Request	Authors	Due Date
Information in transitioning child care subsidy eligibility determinations from DHR to MSDE	DHR MSDE	July 1, 2014 December 1, 2014

## Sections

Amend the following language:

### **Section 42 Historical and Projected Chesapeake Bay Restoration Spending-Report**

~~SECTION 42. AND BE IT FURTHER ENACTED, That it is the intent of the General Assembly that the Maryland Department of Planning, the Department of Natural Resources, the Maryland Department of Agriculture, the Maryland Department of the Environment, and the Department of Budget and Management provide a report to the budget committees by December 1, 2014, on Chesapeake Bay restoration spending including:~~

- ~~(1) fiscal 1988 to 2014 annual spending by fund, fund source, program, and State and local government agency; associated nutrient and sediment reduction; and the impact on living resources and ambient water quality criteria for dissolved oxygen, water clarity, and “chlorophyll a” for the Chesapeake Bay and its tidal tributaries;~~
- ~~(2) projected fiscal 2015 to 2025 annual spending by fund, fund source, program, and State and local government agency; associated nutrient and sediment reductions; and the impact on living resources and ambient water quality criteria for dissolved oxygen, water clarity, and “chlorophyll a” for the Chesapeake Bay and its tidal tributaries; and~~
- ~~(3) an overall framework discussing the needed regulations, revenues, laws, and administrative actions and their impacts on individuals, organizations, governments, and businesses by year from fiscal 2015 to 2025 in order to reach the calendar 2025 requirement of having all best management practices in place to meet water quality standards for restoring the Chesapeake Bay.~~

~~SECTION 42. AND BE IT FURTHER ENACTED, That it is the intent of the General Assembly that the Maryland Department of Planning, the Department of Natural Resources, the Maryland Department of Agriculture, the Maryland Department of the Environment, and the Department of Budget and Management provide a report to the budget committees by December 1, 2014, on Chesapeake Bay restoration and spending including:~~

- ~~(1) calendar 1985 to 2013 (1) modeled loads of nitrogen, phosphorus, and sediment; and (2) trends in Maryland Chesapeake Bay and tidal tributary monitoring data on nitrogen, dissolved oxygen, water clarity, and “chlorophyll a” concentrations;~~
- ~~(2) projected calendar 2015 to 2025 modeled nutrient and sediment reductions in Maryland’s portion of the Chesapeake Bay per current Watershed Implementation Plan projections; and~~

## Sections

- (3) an overall framework for achieving the calendar 2025 Chesapeake Bay restoration goal that examines sources of funding and the potential investments needed between calendar 2015 and 2025, provides recommendations for using State programs as catalysts for leveraging local and private funding, and provides a template for tracking and reporting return on investment for State programs on an annual basis.

**Explanation:** ~~This language expresses the intent that the Maryland Department of Planning (MDP), the Department of Natural Resources (DNR), the Maryland Department of Agriculture (MDA), the Maryland Department of the Environment (MDE), and the Department of Budget and Management (DBM) provide a report by December 1, 2014, on historical and projected Chesapeake Bay restoration spending and associated impacts and the overall framework to meet the calendar 2025 requirement of having all best management practices in place to meet water quality standards for restoring the Chesapeake Bay.~~ *This language expresses the intent that the Maryland Department of Planning (MDP), the Department of Natural Resources (DNR), the Maryland Department of Agriculture (MDA), the Maryland Department of the Environment (MDE), and the Department of Budget and Management (DBM) provide a report by December 1, 2014, on historical and projected Chesapeake Bay restoration nutrient and sediment reductions and water quality and on an overall framework for potential investments needed between calendar 2015 and 2025 in order to meet the calendar 2025 requirement of having all best management practices in place to meet water quality standards for restoring the Chesapeake Bay.*

Information Request	Authors	Due Date
Historical and projected Chesapeake Bay restoration spending report	MDP DNR MDA MDE DBM	December 1, 2014

Amendment No.

**75**

## Sections

Amend the following language:

### Section 43 Delete Vacant Positions

SECTION 43. AND BE IT FURTHER ENACTED, That the Governor shall abolish 267 150 vacant regular full-time equivalent positions and reduce agency appropriations by at least \$17,000,000 \$10,000,000 in general funds from the Executive Branch in fiscal 2015. Further provided that abolitions shall occur on or before July 1, 2014, and an accounting of the abolished positions shall be noted in Appendix E of the fiscal 2016 budget submission. A schedule of the abolished positions and funding, by program, shall be submitted to the budget committees by July 1, 2014.

**Explanation:** This action abolishes 267 150 vacant positions and at least \$17 \$10 million in general funds from the Executive Branch.

Information Request	Author	Due Date
Vacant position reduction	Department of Budget and Management	July 1, 2014, and with submission of Governor's fiscal 2016 budget books

Amendment No.

76

Amend the following language:

### Section 44 Weather-related Closures

SECTION 44. AND BE IT FURTHER ENACTED, That it is the intent of the General Assembly that, in fiscal 2014 and fiscal 2015, the Developmental Disabilities Administration within the Department of Health and Mental Hygiene shall:

- (1) determine all cost savings realized due to nonpayment to providers for weather-related closures;
- (2) implement a methodology to distribute funds from cost savings realized due to nonpayment to providers for weather-related closures to:
  - (i) providers that experienced loss of revenue due to weather-related closures; and
  - (ii) residential service providers that experienced weather-related costs including staff overtime, resident relocation, snow removal, or other costs necessary to ensure health and safety; and



## Sections

- (3) distribute, based on the proportion of financial loss reported by each provider and to the extent funds are available in the budget, all funds from cost savings realized due to nonpayment to providers for weather-related closures to providers submitting required information.

To be eligible to receive redistributed funds from cost savings realized due to nonpayment to providers for weather-related closures, a provider shall report to the department:

- ~~(1) the date of any weather-related closure; and~~
- ~~(2) either the total amount of operating revenue losses or the total increase in operating costs due to the weather-related closure.~~
- (1) the date or dates of each weather-related absence for which a claim is being submitted;
- (2) a detailed listing of financial losses and/or increased costs directly attributed to each weather-related absence; and
- (3) an explanation of how the claimed amount of financial losses and increased costs were determined.

The department shall prepare guidelines and instructions for providers to submit weather-related claims. In addition, the department must, within 30 days after the end of the fiscal year, report to the committees the amount of funds from cost savings realized due to nonpayment to providers that is distributed to providers in fiscal 2014 and 2015.

**Explanation:** In fiscal 2012, the Developmental Disabilities Administration (DDA) changed its reimbursement policies with regard to absence days in residential, day, and supported employment services. Historically, DDA had paid standard daily rates to providers when individuals did not attend the fee payment system programs. Beginning July 1, 2011, DDA increased the rate for present days in these programs and reduced the number of bed hold days or absence days to residential programs to align with the Federal Center for Medicare and Medicaid Services reimbursable limit of 33 days. For day habilitation and supported employment programs, DDA eliminated payment for absence days on which matching federal funds cannot be claimed. This language expresses the intent that funds from cost savings realized due to nonpayment to providers in fiscal 2014 and 2015 for weather-related closures be distributed to providers, based on the proportion of financial loss reported by each provider and to the extent funds are available in the budget, to providers submitting required information.

## Sections

Information Request	Author	Due Date
Weather-related closures	Department of Health and Mental Hygiene	Within 30 days after the end of fiscal 2014 and 2015

Amendment No.

**77**

Add the following section:

### ***Section 45 Maintain Rainy Day Fund***

SECTION 45. AND BE IT FURTHER ENACTED, That for fiscal 2015, no funds may be transferred from the Revenue Stabilization Account of the State Reserve Fund to the General Fund.

***Explanation:*** This action precludes the transfer of balance out of the Rainy Day Fund and into the general fund. Legislative action leaves a fund balance of 5% in the Rainy Day Fund.

Amendment No.

**78**

## Technical Amendment

Renumber as SECTION 45. as SECTION 46. and SECTION 46. as SECTION 47..

Amendment No.

**79**