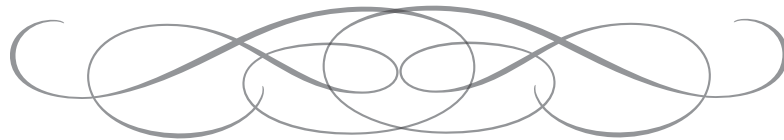


Report of the
Senate Budget and Taxation Committee
to the Maryland Senate



2014 SESSION



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

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Overview
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Department of General Services
Executive Department
Boards, Commissions, and Offices
Governor
General Assembly of Maryland
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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

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Department of Information Technology
Public Debt
State Reserve Fund

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Chesapeake Bay Overview
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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

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Social Services Administration
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Governor's Office for Children and Interagency Fund

Matthew D. Klein

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Capital Fiscal Briefing (PAYGO Overview)

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Maryland Insurance Administration
Maryland Public Broadcasting Commission
Secretary of State
Subsequent Injury Fund
Uninsured Employers' Fund
Workers' Compensation Commission

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Maryland Transportation Authority
Maryland Department of Transportation
Maryland Aviation Administration
Maryland Port Administration

Steven D. McCulloch

Maryland Department of Transportation
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Jordan D. More

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Simon G. Powell

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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
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Criminal Injuries Compensation Board
Inmate Grievance Office
Maryland Commission on Correctional Standards
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Jody J. Sprinkle

Canal Place Preservation and Development Authority
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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
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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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Senate Budget and Taxation Committee – Reductions

	Agency	General Funds	Special Funds	Federal Funds	Higher Education Funds	Total Funds	Positions
	2015 Budget Request						
XVII.	Judiciary	\$10,000,000	\$0	\$0	\$0	\$10,000,000	47.0
	Office of the Attorney General	179,091	0	0	0	179,091	
	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 of Crime Control and Prevention	1,150,000	0	0	0	1,150,000	
	Governor’s Office for Children and Interagency Fund	46,383	0	0	0	46,383	
	Department of Planning	42,473	0	18,204	0	60,677	1.0
	Department of Veterans Affairs	5,000	0	0	0	5,000	
	Comptroller of Maryland	815,134	162,358	0	0	977,492	
	State Department of Assessments and Taxation	143,724	0	0	0	143,724	
	State Lottery and Gaming Control Agency	514,639	0	0	0	514,639	5.0
	Department of Budget and Management – 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 (MDOT) – Maryland Port Administration	0	61,737	0	0	61,737	
	Department of Natural Resources	0	3,200,000	0	0	3,200,000	
	Department of Natural Resources – PAYGO	0	51,851,510	0	0	51,851,510	
	Department of Agriculture	1,125,000	18,399,000	0	0	19,524,000	
	Department of Agriculture – PAYGO	0	17,275,034	0	0	17,275,034	

Senate Budget and Taxation Committee – Reductions

	Agency	General Funds	Special Funds	Federal Funds	Higher Education Funds	Total Funds	Positions
XVII	Department of Health and Mental Hygiene (DHMH) – Administration	82,728	0	0	0	82,728	1.0
	DHMH – Health Systems and Infrastructure Admin	0	0	20,000,000	0	20,000,000	
	DHMH – Medical Care Programs Administration	19,821,146	0	26,961,328	0	46,782,474	4.0
	Department of Human Resources (DHR) – Administration	407,483	0	120,536	0	528,019	
	DHR – Social Services	3,000,000	0	0	0	3,000,000	
	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 (DLLR) – Workforce Development	900,000	0	0	0	900,000	
	DLLR – Business Regulation	38,702	0	0	0	38,702	1.0
	Department of Public Safety and Correctional Services (DPSCS) – Administration	183,402	0	0	0	183,402	
	DPSCS – Operations	2,000,000	0	0	0	2,000,000	15.0
	Maryland State Department of Education (MSDE) – Aid to Education	287,695	0	0	0	287,695	
	MSDE – Early Childhood Development	1,000,000	0	0	0	1,000,000	
	Maryland Public Broadcasting Commission	0	0	0	0	0	5.0
	Maryland Higher Education Commission	677,884	0	0	0	677,884	
	Aid to Community Colleges	3,429,972	0	0	0	3,429,972	
	State Support for Higher Education Institutions	11,000,000	0	0	0	11,000,000	
	Department of Housing and Community Development	1,146,764	0	0	0	1,146,764	
	Department of Business and Economic Development	10,016,030	0	0	0	10,016,030	1.0
	Department of the Environment	550,000	0	0	0	550,000	

Senate Budget and Taxation Committee – Reductions

XIX.

Agency	General Funds	Special Funds	Federal Funds	Higher Education Funds	Total Funds	Positions
Department of Juvenile Services	818,065	0	0	0	818,065	
Department of State Police	3,519,149	0	0	0	3,519,149	
Public Debt	55,000,000	0	0	0	55,000,000	
State Reserve Fund	5,500,000	0	0	0	5,500,000	
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	17,000,000	0	0	0	17,000,000	267.0
Subtotal Fiscal 2015 Regular Budget	\$348,977,176	\$109,150,179	\$58,183,972	\$0	\$516,311,327	347.0
Fiscal 2015 Total Budget	\$348,977,176	\$109,150,179	\$58,183,972	\$0	\$516,311,327	347.0
Fiscal 2014 Deficiency Budget						
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	53,246,107	0	0	0	53,246,107	
Statewide Allocation – State Personnel System	10,949,078	0	0	0	10,949,078	
Statewide Allocation – Pension Reinvestment	174,160,000	12,295,546	8,770,214	0	195,225,760	
Subtotal Fiscal 2014 Deficiency Budget	\$240,159,474	\$12,295,546	\$9,770,214	\$0	\$262,225,234	
Total Fiscal 2014 Deficiency Budget	\$240,159,474	\$12,295,546	\$9,770,214	\$0	\$262,225,234	
Grand Total Budget Bill	\$589,136,650	\$121,445,725	\$67,954,186	\$0	\$778,536,561	347.0

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.

Amendment No. **1**

Add the following language:

Further provided that a \$3,571,842 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. **2**

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	
Total Funds	65,015,469	64,696,394	319,075	

Amendment No.

3

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	
Total Funds	161,851,553	160,601,882	1,249,671	

Amendment No.

4

C00A

C00A00.06 Administrative Office of the Courts

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. 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	1,083,925	0.00

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

Amendment No.

5

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 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

C00A

Budget Amendments

C00A00.10 Clerks of the Circuit Court

Add the following language to the general fund appropriation:

, provided that this appropriation is reduced by \$3,037,621 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. **6**

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Eliminate 19 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	19.00
Total Reductions	737,866	19.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	1,410.50	1,391.50		19.00
General Fund	84,835,172	84,097,306	737,866	
Special Fund	18,471,893	18,471,893	0	
Total Funds	103,307,065	102,569,199	737,866	

Amendment No. **7**

C81C
Office of the Attorney General

Budget Amendments

Add 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.

8

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	
Total Funds	37,750,389	37,591,882	158,507	

Amendment No.

9

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.

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

D05E
Board of Public Works

Budget Amendments

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 the Governor provide an additional \$465,000 for the Science Center in fiscal 2015.

Amendment No.

10

Committee Narrative

D05E01.10 Miscellaneous Grants to Private Non-Profit Groups

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).

Information Request	Author	Due Date
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>Funds</u>	<u>Positions</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>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</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	
Total Funds	6,296,473	6,234,340	62,133	

Amendment No.

11

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

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</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	250,000 SF	

D13A13

project list sufficient to encumber more funding than is available with this action, MEA may process a budget amendment to provide additional spending authority.

Total Reductions	250,000	0.00
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<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Special Fund	2,000,000	1,750,000	250,000	
Total Funds	2,000,000	1,750,000	250,000	

Amendment No.

12

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

Add the following language to the special fund appropriation:

, 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.

13

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.

Amendment No.

14

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>Funds</u>	<u>Positions</u>
1. 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.	650,000	GF
2. 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 this purpose.	500,000	GF
Total Reductions	1,150,000	0.00

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

Amendment No.

15

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.

Information Request	Author	Due Date
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	
Total Funds	1,960,406	1,914,023	46,383	

Amendment No.

16

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.

D18A18

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

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. 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.	42,473 GF 18,204 FF	1.00
Total Reductions	60,677	1.00

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

Amendment No.

17

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.

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

D55P00
Department of Veterans Affairs

Budget Amendments

D55P00.05 Veterans Home Program

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

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
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	
Total Funds	17,281,864	17,276,864	5,000	

Amendment No.

18

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.

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	Author	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

Amendment No.

19

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.

Information Request	Authors	Due Date
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.

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.

20

E00A

COMPLIANCE DIVISION

E00A05.01 Compliance Administration

Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. Increase turnover to 5% to reflect actual turnover in recent years. The agency has sufficient vacancies to absorb this reduction.	687,096 GF 138,145 SF	
Total Reductions	825,241	0.00

<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	23,197,367	687,096	
Special Fund	8,964,719	8,826,574	138,145	
Total Funds	32,849,182	32,023,941	825,241	

Amendment No.

21

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	
Total Funds	19,733,655	19,581,404	152,251	

Amendment No.

22

E50C
State Department of Assessments and Taxation

Budget Amendments

E50C00.01 Office of the Director

Amend the following language on 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.

Amendment No.

23

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.

E50C

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

Amendment No.

24

E75D State Lottery and Gaming Control Agency

Budget Amendments

E75D00.02 Video Lottery Terminal Operations

Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. 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.	255,095 GF	5.00
2. 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.	259,544 GF	
Total Reductions	514,639	5.00

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

Amendment No.

25

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.

Information Request	Authors	Due Date
VLT cost savings	SLGCA, in consultation with DBM	June 1, 2014

F10
Department of Budget and Management

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.

Information Request	Author	Due Date
Contractual Employee Health Insurance	DBM	February 1, 2015

Budget Amendments

OFFICE OF THE SECRETARY

F10A01.03 Central Collection Unit

	<u>Funds</u>	<u>Positions</u>
Reduce appropriation for the purposes indicated:		
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

F10

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

Amendment No.

26

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

Amendment No. **27**

OFFICE OF INFORMATION TECHNOLOGY

F50B04.01 State Chief of Information Technology

Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. Increase 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	150,000 GF 9,000 SF	

F50

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 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	
Total Funds	3,700,672	3,541,672	159,000	

Amendment No.

28

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.

F50

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

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.

Information Request	Author	Due Date
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>Funds</u>	<u>Positions</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>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	192.00	192.00		0.00
Special Fund	18,534,401	18,284,401	250,000	
Total Funds	18,534,401	18,284,401	250,000	

Amendment No.

29

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.

Information Request	Author	Due Date
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.

Amendment No.

30

OFFICE OF AND 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.

H00

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.

31

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.

Amendment No.

32

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);

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- 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 to 2019 Consolidated Transportation Program (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 to 2019 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	Authors	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

Amendment No.

33

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.

J00

Information Request	Author	Due Date
Additional regular positions and contractual full-time equivalents	Maryland Department of Transportation	As needed

Amendment No.

34

Add the following language:

It is the intent of the General Assembly that funds dedicated to the Transportation Trust Fund shall be applied to purposes bearing direct relation to the State transportation program, unless directed otherwise by legislation. To implement this intent for MDOT in fiscal 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

Amendment No.

35

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.

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

Amendment No.

36

J00A01

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:

- (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

Amendment No. **37**

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.

Amendment No. **38**

J00A01

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
- (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

Amendment No. **39**

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.

Amendment No.

40

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

Amendment No.

41

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.

J00A04

Information Request

Author

Due Date

Justification for increasing
nontraditional debt
outstanding

MDOT

45 days prior to publication of
a preliminary official
statement

Amendment No.

42

J00B
State Highway Administration
Department of Transportation

Budget Amendments

STATE HIGHWAY ADMINISTRATION

J00B01.02 State System Maintenance

Add the following language to the special fund appropriation:

, 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.

43

J00D
Maryland Port Administration
Department of Transportation

Budget Amendments

MARYLAND PORT ADMINISTRATION

J00D00.01 Port Operations

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Reduce funding for 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>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	186.00	186.00		0.00
Special Fund	48,982,181	48,920,444	61,737	
Total Funds	48,982,181	48,920,444	61,737	

Amendment No.

44

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.

J00D

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

J00H01.06 Statewide Programs Operations

Add 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

J00H

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.

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.

45

K00A
Department of Natural Resources

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

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

Concur with the following language on the special fund appropriation:

, provided that this appropriation shall be reduced by \$3,200,000 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 that reduction.

K00A

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.

Amendment No.

46

L00A
Department of Agriculture

Budget Amendments

DEPARTMENT OF AGRICULTURE

Add 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 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. The analysis shall estimate the cost as well as any economic benefit of the proposed regulations 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.

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 the economic analysis.

Explanation: This language restricts funding 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 a person who is required to have a nutrient and management plan for nitrogen and phosphorus.

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.

47

L00A

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

Amendment No.

48

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.

L00A

OFFICE OF MARKETING, ANIMAL INDUSTRIES, AND CONSUMER SERVICES

L00A12.10 Marketing and Agriculture Development

Add the following language to the special fund appropriation:

, 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. **49**

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. 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.	799,000	SF
Total Reductions	799,000	0.00

L00A

<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	6,267,361	799,000	
Federal Fund	1,539,923	1,539,923	0	
Total Funds	9,242,492	8,443,492	799,000	

Amendment No.

50

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.

Amendment No.

51

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

L00A

<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	
Total Funds	4,000,000	2,875,000	1,125,000	

Amendment No. **52**

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	
Total Funds	12,155,445	9,555,445	2,600,000	

Amendment No. **53**

L00A

L00A15.04 Resource Conservation Grants

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.	15,000,000 SF	
Total Reductions	15,000,000	0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</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	
Total Funds	26,822,303	11,822,303	15,000,000	

Amendment No.

54

M00A
Office of the Secretary
Department of Health and Mental Hygiene

Budget Amendments

OFFICE OF THE SECRETARY

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	
Total Funds	27,323,287	27,240,559	82,728	

Amendment No.

55

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.

Information Request	Author	Due Date
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>Funds</u>	<u>Positions</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

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</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	
Total Funds	25,870,098	5,870,098	20,000,000	

Amendment No.

56

Committee Narrative

Community Health Workers: The committees are requesting the adoption of 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 20% of the workgroup be comprised of institutions, organizations, and individuals directly involved in the provision of nonclinical health care.

M00F0201

Information Request	Authors	Due Date
Community Health Workers	DHMH MIA	December 1, 2014

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.

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

Amendment No.

57

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.

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

Amendment No. **58**

Add the following language to the general fund appropriation:

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 of this agency's administrative appropriation may not be expended unless:

M00M

- (1) DDA 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

Amendment No. **59**

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.

M00Q

Information Request	Author	Due Date
Behavioral health services	DHMH	June 1, 2014

Amendment No. **60**

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.

Amendment No. **61**

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.

Amendment No. **62**

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.

Amendment No.

63

Concur with the following language to the general fund appropriation:

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

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

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	

M00Q

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. 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.	799,000	GF
Total Reductions	44,796,668	0.00

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

Amendment No.

64

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	
Total Funds	27,498,349	27,326,878	171,471	

Amendment No. **65**

M00Q01.05 Office of Finance

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Delete 1 new position 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

M00Q

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
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	
Total Funds	3,137,282	3,083,947	53,335	

Amendment No.

66

M00Q01.06 Kidney Disease Treatment Services

Reduce appropriation for the purposes indicated:

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

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

Amendment No.

67

M00Q

Budget Amendments

MEDICAL CARE PROGRAMS ADMINISTRATION

M00Q01.10 Medicaid Behavioral Health Provider Reimbursements

Add 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. 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. **68**

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.

Information Request	Author	Due Date
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.

Amendment No. **69**

N00B
Social Services Administration
Department of Human Resources

Committee Narrative

SOCIAL SERVICES ADMINISTRATION

N00B00.04 General Administration – State

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>Funds</u>	<u>Positions</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>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</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	
Total Funds	68,941,920	68,413,901	528,019	

Amendment No.

70

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.

Amendment No. **71**

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Reduce the Department of Human Resources (DHR) Social Services Administration foster care surplus by \$3 million. DHR is estimated to have a \$10 million surplus in the fiscal 2015 allowance.	3,000,000 GF	
Total Reductions	3,000,000	0.00

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

Amendment No. **72**

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.

Amendment No.

73

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	
Total Funds	48,724,352	48,524,352	200,000	

Amendment No. **74**

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

N00G

<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	
Total Funds	1,447,656,947	1,445,556,947	2,100,000	

Amendment No.

75

Committee Narrative

Outcomes of Temporary 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 the Temporary Assistance Program (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.

Information Request	Author	Due Date
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.

Information Request	Authors	Due Date
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>Funds</u>	<u>Positions</u>
1. 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.	900,000 GF	
Total Reductions	900,000	0.00

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

Amendment No.

76

P00

DIVISION OF LABOR AND INDUSTRY

P00D01.07 Prevailing Wage

Reduce appropriation for the purposes indicated:

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

Amendment No.

77

Q00

Department of Public Safety and Correctional Services

Budget Amendments

Add 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 correctional officer positions to the department, above fiscal 2015 staffing levels, including 100 additional correctional officer positions in fiscal 2016. This intent is in accordance with the phased-in plan established in the fiscal 2014 operating budget and, as recommended by 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.

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.

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

Amendment No.

78

Q00A
Office of the Secretary
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.

Information Request	Author	Due Date
Public Safety Compact	DPSCS	November 1, 2014

Amendment No. **79**

Q00A

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.

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

Amendment No.

80

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. 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.	183,402 GF	
Total Reductions	183,402	0.00

Q00A

<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	5,921,562	183,402	
Special Fund	730,050	730,050	0	
Total Funds	6,835,014	6,651,612	183,402	

Amendment No.

81

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.

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

Q00K00
Criminal Injuries Compensation Board
Department of Public Safety and Correctional Services

Budget Amendments

CRIMINAL INJURIES COMPENSATION BOARD

Q00K00.01 Administration and Awards

Add the following language to the special fund appropriation:

, 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. **82**

Q00N00
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, 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 report should be submitted to the budget committees no later than December 1, 2014.

Information Request	Author	Due Date
Evaluation of MCCS standards	Department of Public Safety and Correctional Services	December 1, 2014

Q00Q
Operations
Department of Public Safety and Correctional Services

Budget Amendments

Add 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.

Information Request	Author	Due Date
DPSCS – Operations abolished positions	DPSCS	July 15, 2014

Amendment No.

83

Q00Q

GENERAL ADMINISTRATION – SOUTH

Q00S01.01 General Administration

Add the following language to the general fund appropriation:

, 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 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 the Central Region Finance Office. 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 the Office of Legislative Audits confirms that the repeat findings have been resolved.

Information Request	Author	Due Date
Central Region Finance Office resolution of repeat findings	OLA	Not later than May 15, 2015

Amendment No. **84**

Q00Q

COMMUNITY SUPERVISION – CENTRAL

Q00T03.01 Community Supervision

Add the following language to the general fund appropriation:

, 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 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.

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

Amendment No.

85

R00A01
Headquarters
State Department of Education

Budget Amendments

HEADQUARTERS

R00A01.01 Office of the State Superintendent

Add the following language:

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

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

Further provided that MSDE shall provide an annual census report on the number of loaned educator contracts and any conversion of these personnel to regular positions to the General Assembly by December 16, 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.

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

Amendment No.

86

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. 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.

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

Amendment No. **87**

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.

Amendment No. **88**

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

Amendment No.

89

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.

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

Amendment No. **90**

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.

Amendment No. **91**

R00A02

R00A02.07 Students With Disabilities

Add the following language to the general fund appropriation:

, 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.

Amendment No. **92**

R00A02.13 Innovative Programs

Add the following language to the general fund appropriation:

, 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. **93**

Add the following language to the general fund appropriation:

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 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 State 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 is restricted to the purpose of providing local education agencies with funding to upgrade their information technology infrastructure 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. **94**

Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. Reduce funds for the Early College Innovation Fund.	287,695	GF
Total Reductions	287,695	0.00

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

Amendment No. **95**

R00A02.59 Child Care Subsidy Program

Add the following language to the general fund appropriation:

, 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. **96**

R00A02

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. 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.	1,000,000 GF	
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	37,847,835	36,847,835	1,000,000	
Federal Fund	45,106,764	45,106,764	0	
Total Funds	82,954,599	81,954,599	1,000,000	

Amendment No.

97

R00A03
Maryland School for the Blind

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.

Amendment No.

98

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.

Information Request	Author	Due Date
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 and 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.

Information Request	Author	Due Date
Report on Integrated Planning and Advising Services	MSU	December 15, 2014

R15P00
Maryland Public Broadcasting Commission

Budget Amendments

Add 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 five 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.

99

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.

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

R30B27
Coppin State University
University System of Maryland

Budget Amendments

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.

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. **100**

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.

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

R62I0001
Maryland Higher Education Commission

Budget Amendments

R62I00.01 General Administration

Add the following language to the general fund appropriation:

, 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 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 student financial aid programs to be reached in collaboration with the Financial Aid Advisory Committee.

Amendment No. **101**

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.

R62I0001

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. **102**

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

R62I0001

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.

Amendment No. **103**

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	
Total Reductions	677,884	0.00

<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	677,884	
Total Funds	44,845,644	44,167,760	677,884	

Amendment No. **104**

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~~

R62I0001

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

Amendment No. **105**

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 \$224,813,753 for the Cade formula and \$21,870 in hold harmless funding for Chesapeake College. This does not alter funding for miscellaneous State-funded grants to community colleges.	3,429,972 GF	
Total Reductions	3,429,972	0.00

<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	3,429,972	
Total Funds	244,887,503	241,457,531	3,429,972	

Amendment No. **106**

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).

R62I0001

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

Amendment No.

107

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.

Information Request	Author	Due Date
Report on recommendations to improve State student financial aid programs and draft legislation	MHEC	December 15, 2014

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. 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.

R62I0001

Information Request	Author	Due Date
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.

Information Request	Authors	Due Date
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 (HBCUs) 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 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.

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

R62I0001

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.

Information Request	Author	Due Date
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

Add the following language to the general fund appropriation:

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

Explanation: This language reduces the Morgan State University general fund appropriation by \$1 million. This reduction excludes general funds provided to hold tuition to the fall 2013 level.

Amendment No. **108**

Add the following language to the general fund appropriation:

Further provided that this appropriation made for the purpose of the University System of Maryland institutions shall be reduced by \$10,000,000. 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.

Explanation: This language reduces the University System of Maryland general fund appropriations by \$10.0 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.

Amendment No. **109**

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

R75T00

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. **110**

Add 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.

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.

Amendment No. **111**

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 two- and four-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,

R75T00

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), the Maryland Association of Community Colleges (MACC), and the 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 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, and the Maryland Independent College and University Association, on behalf of their teacher education programs and in collaboration with the Maryland State Department of 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	December 1, 2014

R75T00

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 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. 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

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.

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

R95C00
Baltimore City Community College

Budget Amendments

Add 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.

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.

Amendment No. **112**

BALTIMORE CITY COMMUNITY COLLEGE

R95C00.00 Baltimore City Community College

Add the following language to the unrestricted fund appropriation:

, provided that \$6,000,000 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 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. **113**

R95C00

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	Author	Due Date
ERP implementation progress report	BCCC DoIT	December 15, 2014

S00A
Department of Housing and Community Development

Budget Amendments

DIVISION OF FINANCE AND ADMINISTRATION

S00A27.01 Finance and Administration

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</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

<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	
Total Funds	12,499,261	11,352,497	1,146,764	

Amendment No. **114**

T00
Department of Business and Economic Development

Budget Amendments

DIVISION OF BUSINESS AND ENTERPRISE DEVELOPMENT

T00F00.05 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	
Total Funds	3,294,107	3,201,311	92,796	

Amendment No. **115**

T00F00.23 Maryland Economic Development Assistance Authority and Fund

Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. 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	8,923,234 GF	

T00

would leave an expected \$1.9 million in the fund. However, the department consistently underestimates this balance.

Total Reductions	8,923,234	0.00
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<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
General Fund	8,923,234	0	8,923,234	
Special Fund	19,076,766	19,076,766	0	
Total Funds	28,000,000	19,076,766	8,923,234	

Amendment No. **116**

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. 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.	1,000,000	GF
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	10,500,000	9,500,000	1,000,000	
Special Fund	300,000	300,000	0	
Total Funds	10,800,000	9,800,000	1,000,000	

Amendment No. **117**

U00A
Department of the Environment

Budget Amendments

LAND MANAGEMENT ADMINISTRATION

U00A06.01 Land Management Administration

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</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>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</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	
Total Funds	34,266,149	33,716,149	550,000	

Amendment No. **118**

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.

Information Request	Author	Due Date
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.

Information Request	Authors	Due Date
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' pre-disposition 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	
Total Funds	37,875,907	37,057,842	818,065	

Amendment No.

119

W00A
Department of State Police

Budget Amendments

Add the following language:

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

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

Amendment No. **120**

MARYLAND STATE POLICE

W00A01.02 Field Operations Bureau

Add the following language to the special fund appropriation:

, provided that \$7,000,000 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 of the special fund appropriation for the Department of State Police, Field Operations Bureau, to purchase vehicles and related equipment.

Amendment No. **121**

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 or assisting MCAC; (3) allocation of personnel, 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.

Information Request	Authors	Due Date
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

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 \$40.0 million reduction in general funds and provide fiscal 2015 with a \$20.0 million end-of-year Annuity Bond Fund balance.	40,000,000	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	0.00
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<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
General Fund	195,000,000	140,000,000	55,000,000	
Special Fund	832,932,357	832,932,357	0	
Federal Fund	11,489,645	11,489,645	0	
Total Funds	1,039,422,002	984,422,002	55,000,000	

Amendment No. **122**

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 influenced 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 Constitution's 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

Information Request	Authors	Due Date
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. 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.	5,500,000 GF	
Total Reductions	5,500,000	0.00

<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	5,500,000	
Total Funds	228,213,999	222,713,999	5,500,000	

Amendment No. **123**

Fiscal 2014 Deficiencies

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	
Total Funds	29,363,524	28,363,524	1,000,000	

Amendment No. **124**

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

Fiscal 2014 Deficiencies

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.

Amendment No. **125**

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	
Total Funds	-3,238,274	-4,938,274	1,700,000	

Amendment No. **126**

R00A01.04 Division of Accountability, Assessment and Data Systems

Add the following language to the general fund appropriation:

, 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

Fiscal 2014 Deficiencies

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.

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

Amendment No. **127**

BALTIMORE CITY REGION

V00G01.02 Baltimore City Region Community Operations

Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</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>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
General Fund	329,214	224,925	104,289	
Total Funds	329,214	224,925	104,289	

Amendment No. **128**

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		-49,644,551 <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.

Amendment No. **129**

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.

Amendment No. **130**

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.

Add the following language:

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, 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.

131

Sections

Budget Amendments

Section 12 Executive Salary Schedule

Amend the following language:

STATE TREASURER'S OFFICE

Executive V	9905	112,105
Executive V	9905	99,799
		<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.

Amendment No. **132**

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.

Amendment No. **133**

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

Sections

D38	State Board of Elections	14,143
D39	Maryland State Board of Contract Appeals	2,440
D40	Department of Planning	50,579
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		16,265,187 <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.

Amendment No. **134**

Sections

Amend the following section:

Section 20 Fiscal 2015 Pension Reinvestment Reduction

On page 203, in line 29, strike “SECTION 20” in its entirety, and following line 5 on page 207, substitute the following:

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, 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. **135**

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.

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

Amendment No. **136**

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.

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

Amendment No. **137**

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

Sections

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.

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

Amendment No. **138**

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

Sections

- (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.

Amendment No. **139**

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

Amendment No. **140**

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

Amendment No.

141

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

Sections

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 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.

Amendment No. **142**

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;

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

Sections

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

Amendment No.

145

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.

Amendment No.

146

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

Sections

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 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

Amendment No. **147**

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.

Information Request	Author	Due Date
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

Amendment No. **148**

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.

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

Amendment No. **149**

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.

Amendment No. **150**

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.

Sections

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

Amendment No.

151

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.

Sections

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

Amendment No. **152**

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.

Sections

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;
- (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

Amendment No. **153**

Sections

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.

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

Amendment No.

154

Sections

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) submits 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.

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

Amendment No. **155**

Sections

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.

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.

Sections

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

Amendment No. **156**

Add the following section:

Section 42 Historical and Projected Chesapeake Bay Restoration Spending

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:

Sections

- (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.

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.

Information Request	Authors	Due Date
Historical and projected Chesapeake Bay restoration spending	MDP DNR MDA MDE DBM	December 1, 2014

Amendment No.

157

Add the following section:

Section 43 Vacant Position Reduction

SECTION 43. AND BE IT FURTHER ENACTED, That the Governor shall abolish 267 vacant regular full-time equivalent positions and reduce agency appropriations by at least \$17,000,000 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

Sections

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 vacant positions and at least \$17 million in general funds from the Executive Branch.

Information Request	Author	Due Date
Vacant position reduction	Department of Budget and Management	July 1, 2104, and with submission of Governor's fiscal 2016 budget books

Amendment No.

158

Add the following section:

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 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
- (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.

Sections

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.

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.

Information Request	Author	Due Date
Weather-related closures	DHMH	Within 30 days after the end of fiscal 2014 and 2015

Amendment No. **159**

Technical Amendment

Technical Amendment No. 1

Renumber SECTION 21. as SECTION 45. and SECTION 22. as SECTION 46.

Amendment No.

160