

HOUSE BILL 72

B1

5lr0118
CF SB 57

By: The Speaker (By Request – Administration)

Introduced and read first time: January 23, 2015

Assigned to: Appropriations

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 15, 2015

CHAPTER _____

1 AN ACT concerning

2 **Budget Reconciliation and Financing Act of 2015**

3 FOR the purpose of authorizing or altering the distribution of certain revenue; altering or
4 repealing certain required appropriations; authorizing the use of certain funds for
5 certain purposes; ~~repealing a certain requirement for a certain notice relating to~~
6 ~~abandoned property to be published in certain newspapers; requiring the~~
7 ~~Comptroller to maintain an abandoned property database containing the names and~~
8 ~~last known addresses, if any, of persons listed in certain reports; requiring the~~
9 ~~Comptroller to maintain a certain Internet Web site relating to the abandoned~~
10 ~~property database; requiring the Comptroller to publish certain notices on a certain~~
11 ~~Internet Web site; altering the time period year by which the Maryland Agricultural~~
12 ~~and Resource-Based Industry Development Corporation is to become self-sufficient~~
13 ~~and in no further need of certain operating support; altering the date for requiring~~
14 ~~the establishment of a certain library; altering the method for calculating certain~~
15 ~~income tax disparity grants; requiring a local school system that has a certain~~
16 structural deficit to provide certain notifications under certain circumstances;
17 requiring the State Superintendent of Schools to require a local school system to
18 submit a certain plan and to file certain reports under certain circumstances;
19 requiring the State Superintendent to include certain information concerning local
20 school system structural deficits in certain reports to the Governor and General
21 Assembly; authorizing the Office of Legislative Audits to request certain information
22 pertaining to certain structural deficits; providing that certain payments in certain
23 ~~fiscal years be based on certain revenues; prohibiting certain payments in certain~~
24 ~~fiscal years; altering the applicability of a certain provision of law relating to the~~

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.*Italics indicate opposite chamber/conference committee amendments.*

1 percentage of a community provider's total operating expenses that must be spent on
2 certain employee salaries, wages, and fringe benefits; altering the calculation of the
3 percentage of a community provider's total operating expenses that must be spent on
4 certain employee salaries, wages, and fringe benefits; repealing the State Police
5 Helicopter Replacement Fund; ~~altering certain penalties for liquidated damages that~~
6 ~~apply to certain violations related to certain prevailing wage rates; expanding the~~
7 purposes for which the Maryland Energy Administration is required to use a certain
8 fund; altering ~~a certain provision that authorizes a certain refund to make it~~ certain
9 provisions concerning the State and county earned income credits to make them
10 applicable to State residents only; altering the amount of certificates for certain tax
11 credits that the Secretary of Business and Economic Development may issue;
12 providing an exemption from the personal property tax for an interest of a person in
13 cranes at Maryland Port Administration facilities; authorizing, rather than
14 requiring, the Maryland Aviation Administration Fire Rescue Service to charge a
15 certain ambulance transport fee; making conforming and clarifying changes to
16 provisions of law relating to a certain ambulance transport fee; altering the date and
17 method by which the Governor is required to reduce a certain assessment by a
18 certain amount each fiscal year; clarifying language regarding a certain
19 appropriation; requiring the Health Services Cost Review Commission to ~~enact~~ adopt
20 certain policies to achieve certain savings for ~~certain fiscal years; a certain fiscal~~
21 year; requiring the Health Services Cost Review Commission to submit, on or before
22 a certain date, a certain alternative plan to achieve certain savings to the
23 Department of Health and Mental Hygiene and the Department of Budget and
24 Management under certain circumstances; altering the requirements of a study to be
25 performed by the Maryland Transportation Authority; altering, for a certain fiscal
26 year, the criteria to be used for a certain program that provides stipends to certain
27 teachers and school-based employees; repealing the authority to provide certain
28 stipends to certain teachers and school-based employees; altering a certain required
29 appropriation so as to require an appropriation of a certain amount to certain
30 accumulation funds of the State Retirement and Pension System; altering the method
31 of calculating a certain contribution to be paid on behalf of certain members of
32 certain State retirement and pension systems; repealing certain provisions that
33 provide for a certain method of calculating a certain contribution to be paid on behalf
34 of certain members of certain State retirement and pension systems; repealing
35 certain obsolete provisions; altering certain requirements for certain fiscal years that
36 the Governor include in the budget bill certain supplemental contributions to certain
37 accumulation funds of certain State retirement and pension systems; setting certain
38 limits on increases in payments to certain providers for a certain fiscal year;
39 prohibiting the payment of certain merit increases ~~or cost-of-living adjustments~~ for
40 certain State employees, except under certain circumstances; prohibiting certain
41 plans of compensation for State positions of employment to be amended to provide a
42 rate of compensation lower than the rate in effect on a certain date; requiring that the
43 amount of salary lost by a State employee as a result of a certain reduction in the
44 employee's rate of compensation on or after a certain date be included in the
45 calculation of the employee's earnable compensation by the State Retirement and
46 Pension System for the purpose of determining retirement benefits; authorizing the
47 Board of Trustees for the State Retirement and Pension System to adopt certain

1 policies and procedures; requiring certain reports; providing that certain payments
 2 be deposited into the General Fund for certain fiscal years; providing for the transfer
 3 of certain funds; providing that on or after a certain date certain revenues be credited
 4 to the General Fund rather than the State Police Helicopter Replacement Fund;
 5 ~~setting certain limits on increases on certain required appropriations;~~ requiring ~~that~~
 6 certain Managed Care Organizations, on or before a certain date, to reimburse the
 7 Department of Health and Mental Hygiene ~~make adjustments to certain rates for~~
 8 insufficient loss ratios for a certain fiscal year; providing for a certain reimbursement
 9 under certain circumstances; prohibiting the Baltimore City Board of School
 10 Commissioners from being required to contribute to the Baltimore City Public School
 11 Construction Financing Fund for a certain fiscal year; prohibiting the State
 12 Comptroller from withholding a certain amount from a certain installment due the
 13 Baltimore City Board of School Commissioners for a certain fiscal year; reducing
 14 certain unexpended appropriations and providing for their reversion to the General
 15 Fund; requiring, under certain circumstances, a county to pay certain costs beyond
 16 a certain amount restricted in the State budget to implement a certain Court of
 17 Appeals decision; providing that a certain budgetary authorization represents a
 18 one-time allocation and provides no authority for certain actions without certain
 19 statutory or budgetary authority; requiring that certain money received by the State
 20 as a result of a certain approved merger between Exelon Corporation and Pepco
 21 Holdings, Inc. be expended only in a certain manner; prohibiting the State Health
 22 Services Cost Review Commission from assessing certain hospital rate assessments
 23 for the operation and administration of the Maryland Health Insurance Plan for a
 24 certain fiscal year; ~~setting certain limits, for a certain fiscal year, on the State's share~~
 25 ~~of certain operating deficits of the Baltimore Convention Center and the Ocean City~~
 26 ~~Convention facility;~~ altering and repealing the definition of certain terms; defining a
 27 ~~certain term~~ certain terms; making the provisions of this Act severable; providing
 28 for the application of this Act; providing for a delayed effective date for certain
 29 provisions of this Act; and generally relating to the financing of State and local
 30 government.

31 ~~BY repealing~~

32 ~~Article — Commercial Law~~

33 ~~Section 17-311(a) and (b)~~

34 ~~Annotated Code of Maryland~~

35 ~~(2013 Replacement Volume and 2014 Supplement)~~

36 ~~BY adding to~~

37 ~~Article — Commercial Law~~

38 ~~Section 17-311(a), (b), and (c)~~

39 ~~Annotated Code of Maryland~~

40 ~~(2013 Replacement Volume and 2014 Supplement)~~

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

42 ~~Article — Commercial Law~~

43 ~~Section 17-311(e)~~

44 ~~Annotated Code of Maryland~~

1 ~~(2013 Replacement Volume and 2014 Supplement)~~

2 BY repealing and reenacting, with amendments,
3 Article – Economic Development
4 Section 10–523(a)(3)(i) and (c)
5 Annotated Code of Maryland
6 (2008 Replacement Volume and 2014 Supplement)

7 BY repealing and reenacting, with amendments,
8 Article – Education
9 Section ~~5–202(a)(13)(ii), (iii), and (iv), 5–202(a)(13)(ii), (iii), and (iv) and (k)(5) 5–114,~~
10 ~~5–202(k)(5), 6–306(b), 16–305(c)(1)(i), 16–512(a)(1)(x) and (xi), 17–104(a)(1)~~
11 ~~17–104(a), 23–108(a), 23–205(e), (d), and (e) 23–205(c) and (d), and~~
12 ~~23–503(b)(1)~~
13 Annotated Code of Maryland
14 (2014 Replacement Volume and 2014 Supplement)

15 BY adding to
16 Article – Education
17 ~~Section 5–202(a)(13)(v) and (vi), 16–305(e)(1)(iii) and (iv), and 17–104(a)(2) and (3)~~
18 ~~Section 5–202(a)(13)(v) and (vi) and 16–305(c)(1)(v)~~
19 Annotated Code of Maryland
20 (2014 Replacement Volume and 2014 Supplement)

21 BY repealing and reenacting, without amendments,
22 Article – Education
23 Section 16–305(c)(1)(iii) and (iv) ~~and 17–104(a)(2) and (3)~~
24 Annotated Code of Maryland
25 (2014 Replacement Volume and 2014 Supplement)

26 ~~BY repealing and reenacting, with amendments,~~
27 ~~Article – Health – General~~
28 ~~Section 2–302(b)(3) and 7–307(d)(1)~~
29 ~~Annotated Code of Maryland~~
30 ~~(2009 Replacement Volume and 2014 Supplement)~~

31 ~~BY repealing~~
32 ~~Article – Health – General~~
33 ~~Section 13–1116(a)(1)~~
34 ~~Annotated Code of Maryland~~
35 ~~(2009 Replacement Volume and 2014 Supplement)~~

36 ~~BY adding to~~
37 ~~Article – Health – General~~
38 ~~Section 13–1116(a)(1)~~
39 ~~Annotated Code of Maryland~~
40 ~~(2009 Replacement Volume and 2014 Supplement)~~

1 ~~BY repealing and reenacting, with amendments,~~
 2 ~~Article – Insurance~~
 3 ~~Section 31-107.2(a)~~
 4 ~~Annotated Code of Maryland~~
 5 ~~(2011 Replacement Volume and 2014 Supplement)~~

6 ~~BY repealing and reenacting, with amendments,~~
 7 ~~Article – Local Government~~
 8 ~~Section 16-501(e)~~
 9 ~~Annotated Code of Maryland~~
 10 ~~(2013 Replacement Volume and 2014 Supplement)~~

11 ~~BY adding to~~
 12 ~~Article – Local Government~~
 13 ~~Section 16-501(f)~~
 14 ~~Annotated Code of Maryland~~
 15 ~~(2013 Replacement Volume and 2014 Supplement)~~

16 *BY repealing and reenacting, with amendments,*
 17 *Article – Health – General*
 18 *Section 7-306.3(b)(1) and (2) and 7-307(d)*
 19 *Annotated Code of Maryland*
 20 *(2009 Replacement Volume and 2014 Supplement)*

21 BY repealing and reenacting, with amendments,
 22 Article – Natural Resources
 23 ~~Section 5-212(g)(2), 5-212.1(g)(2), and 8-709(d)~~ *Section 8-709(d)*
 24 Annotated Code of Maryland
 25 (2012 Replacement Volume and 2014 Supplement)

26 BY repealing
 27 Article – Public Safety
 28 Section 2-801 and the subtitle “Subtitle 8. State Police Helicopter Replacement
 29 Fund”
 30 Annotated Code of Maryland
 31 (2011 Replacement Volume and 2014 Supplement)

32 BY repealing and reenacting, with amendments,
 33 Article – Public Safety
 34 Section 4-506(a)
 35 Annotated Code of Maryland
 36 (2011 Replacement Volume and 2014 Supplement)

37 BY repealing and reenacting, with amendments,
 38 Article – State Finance and Procurement
 39 Section ~~7-311(j)(1) and 7-325(a) 17-220(d)(2) and 17-222(a)~~ *7-311(j)(1)*

1 Annotated Code of Maryland
2 (2009 Replacement Volume and 2014 Supplement)

3 BY repealing and reenacting, with amendments,
4 Article – State Government
5 Section 9-20B-05(f)
6 Annotated Code of Maryland
7 (2014 Replacement Volume)

8 BY adding to
9 Article – Tax – General
10 Section 2-606(h)
11 Annotated Code of Maryland
12 (2010 Replacement Volume and 2014 Supplement)

13 BY repealing and reenacting, with amendments,
14 Article – Tax – General
15 Section 2-1302.1(b), ~~10-704(b)(2)(i)~~ 10-704(a), (b)(2)(i), (c)(2)(iii), and (d),
16 ~~10-730(f)(1),~~ and 10-733(f)(3)(iv)
17 Annotated Code of Maryland
18 (2010 Replacement Volume and 2014 Supplement)

19 ~~BY repealing and reenacting, without amendments,~~
20 ~~Article – Tax – General~~
21 ~~Section 10-704(d)~~
22 ~~Annotated Code of Maryland~~
23 ~~(2010 Replacement Volume and 2014 Supplement)~~

24 BY repealing and reenacting, with amendments,
25 Article – Tax – Property
26 Section ~~7-211(d) and 13-209(f)(2) and (h), (g), and (h)~~
27 Annotated Code of Maryland
28 (2012 Replacement Volume and 2014 Supplement)

29 BY repealing
30 Article – Tax – Property
31 Section 13-209(g)
32 Annotated Code of Maryland
33 (2012 Replacement Volume and 2014 Supplement)

34 BY repealing and reenacting, with amendments,
35 Article – Transportation
36 Section 5-415
37 Annotated Code of Maryland
38 (2008 Replacement Volume and 2014 Supplement)

39 ~~BY repealing~~

1 ~~Article – Tax – Property~~
 2 ~~Section 13–200(g)~~
 3 ~~Annotated Code of Maryland~~
 4 ~~(2012 Replacement Volume and 2014 Supplement)~~

5 ~~BY repealing and reenacting, with amendments,~~
 6 ~~Article – Transportation~~
 7 ~~Section 8–613.3~~
 8 ~~Annotated Code of Maryland~~
 9 ~~(2008 Replacement Volume and 2014 Supplement)~~

10 BY repealing and reenacting, with amendments,
 11 Chapter 397 of the Acts of the General Assembly of 2011, as amended by Chapter
 12 425 of the Acts of the General Assembly of 2013, and Chapter 464 of the Acts
 13 of the General Assembly of 2014
 14 Section 16

15 BY repealing and reenacting, with amendments,
 16 Chapter 397 of the Acts of the General Assembly of 2014
 17 Section 1(b)

18 BY repealing and reenacting, with amendments,
 19 Article – State Finance and Procurement
 20 Section 7–311(j)(1)
 21 Annotated Code of Maryland
 22 (2009 Replacement Volume and 2014 Supplement)
 23 (As enacted by Section 1 of this Act)

24 BY repealing and reenacting, with amendments,
 25 Article – State Personnel and Pensions
 26 Section 21–304(a) and (b)(1) and 21–308(a)
 27 Annotated Code of Maryland
 28 (2009 Replacement Volume and 2014 Supplement)

29 BY repealing and reenacting, without amendments,
 30 Article – State Personnel and Pensions
 31 Section 21–304(b)(2) and (3)
 32 Annotated Code of Maryland
 33 (2009 Replacement Volume and 2014 Supplement)

34 BY repealing
 35 Article – State Personnel and Pensions
 36 Section 21–304(e) and (f)
 37 Annotated Code of Maryland
 38 (2009 Replacement Volume and 2014 Supplement)

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

3 ~~Article—Commercial Law~~

4 ~~17-311.~~

5 ~~[(a) (1) Within 365 days from the filing of the report required by § 17-310 of~~
6 ~~this subtitle, the Administrator shall cause notice to be published in a newspaper of general~~
7 ~~circulation in the county in the State within which is located the last known address of any~~
8 ~~person to be named in the notice.~~

9 ~~(2) If an address is not listed or if the address is outside the State, the~~
10 ~~notice shall be published in the county within which the person who held the abandoned~~
11 ~~property has the principal place of business in this State.~~

12 ~~(b) The published notice shall be entitled “Notice of Names of Persons Appearing~~
13 ~~to Be Owners of Abandoned Property” and shall contain:~~

14 ~~(1) The names in alphabetical order and last known addresses, if any, of~~
15 ~~persons listed in the report and entitled to notice in the county specified in this section;~~

16 ~~(2) A statement that information concerning the amount or description of~~
17 ~~the property and the name and address of the person who held the property may be~~
18 ~~obtained by any person who possesses an interest in the property, by addressing an inquiry~~
19 ~~to the Administrator; and~~

20 ~~(3) A statement that a proof of claim may be presented by the owner to the~~
21 ~~Administrator.]~~

22 ~~(A) IN THIS SECTION, “ABANDONED PROPERTY DATABASE” MEANS AN~~
23 ~~ELECTRONIC DATABASE CONTAINING THE NAMES AND LAST KNOWN ADDRESSES, IF~~
24 ~~ANY, OF PERSONS WHO APPEAR TO BE OWNERS OF ABANDONED PROPERTY.~~

25 ~~(B) (1) THE ADMINISTRATOR SHALL MAINTAIN AN ABANDONED~~
26 ~~PROPERTY DATABASE.~~

27 ~~(2) WITHIN 365 DAYS AFTER THE FILING OF THE REPORT REQUIRED~~
28 ~~BY § 17-310 OF THIS SUBTITLE, THE ADMINISTRATOR SHALL ADD TO THE~~
29 ~~ABANDONED PROPERTY DATABASE THE NAMES AND LAST KNOWN ADDRESSES, IF~~
30 ~~ANY, OF PERSONS LISTED IN THE REPORT.~~

31 ~~(3) THE ADMINISTRATOR SHALL MAINTAIN AN INTERNET WEB SITE~~
32 ~~THAT:~~

1 ~~(I) PROVIDES REASONABLE MEANS BY WHICH A PERSON MAY~~
2 ~~SEARCH THE ABANDONED PROPERTY DATABASE REQUIRED BY THIS SUBSECTION;~~

3 ~~(II) CONTAINS A STATEMENT THAT INFORMATION CONCERNING~~
4 ~~THE AMOUNT OR DESCRIPTION OF THE PROPERTY AND THE NAME AND ADDRESS OF~~
5 ~~THE PERSON WHO HELD THE PROPERTY MAY BE OBTAINED BY ANY PERSON WHO~~
6 ~~POSSESSES AN INTEREST IN THE PROPERTY, BY ADDRESSING AN INQUIRY TO THE~~
7 ~~ADMINISTRATOR;~~

8 ~~(III) CONTAINS A STATEMENT THAT A PROOF OF CLAIM MAY BE~~
9 ~~PRESENTED BY THE OWNER TO THE ADMINISTRATOR; AND~~

10 ~~(IV) INCLUDES A LINK TO AN ABANDONED PROPERTY CLAIM~~
11 ~~FORM.~~

12 ~~[(c)] (4) The Administrator is not required to [publish in the notice] INCLUDE~~
13 ~~ON THE WEB SITE any item valued at less than \$100 unless the Administrator considers~~
14 ~~the [publication] INCLUSION to be in the public interest.~~

15 ~~(c) (1) THE ADMINISTRATOR SHALL PUBLISH NOTICE ON THE INTERNET~~
16 ~~WEB SITE REQUIRED BY SUBSECTION (B)(3) OF THIS SECTION.~~

17 ~~(2) THE NOTICE:~~

18 ~~(i) SHALL ALSO BE PUBLISHED AT LEAST ONCE EACH~~
19 ~~CALENDAR QUARTER IN ONE OR MORE NEWSPAPERS OF GENERAL CIRCULATION IN~~
20 ~~EACH COUNTY OF THE STATE; AND~~

21 ~~(ii) SHALL CONTAIN:~~

22 ~~1. A STATEMENT THAT THE ADMINISTRATOR~~
23 ~~MAINTAINS RECORDS OF THE NAMES AND LAST KNOWN ADDRESSES, IF ANY, OF~~
24 ~~PERSONS WHO APPEAR TO BE OWNERS OF ABANDONED PROPERTY;~~

25 ~~2. A STATEMENT THAT ANY PERSON MAY SEARCH THE~~
26 ~~ADMINISTRATOR'S ABANDONED PROPERTY RECORDS THROUGH THE~~
27 ~~ADMINISTRATOR'S INTERNET WEB SITE;~~

28 ~~3. THE ADDRESS OF THE INTERNET WEB SITE; AND~~

29 ~~4. A PHONE NUMBER THAT A PERSON MAY CALL FOR~~
30 ~~ASSISTANCE IF THEY LACK INTERNET ACCESS.~~

1 10–523.

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

- 5 1. [for fiscal year 2011, \$2,750,000;
- 6 2. for fiscal year 2012, \$2,750,000;
- 7 3. for fiscal year 2013, \$2,875,000;
- 8 4. for fiscal year 2014, \$2,875,000;
- 9 5.] for fiscal year 2015, \$2,875,000; and

10 [6.] 2. for each of the fiscal years 2016 through [2021]
11 2024, [\$4,000,000] \$2,875,000.

12 (c) The Corporation shall conduct its financial affairs so that, by [the] FISCAL
13 year [2021] 2025, it is self-sufficient and in no further need of general operating support
14 by the State.

15 Article – Education

16 5–114.

17 (a) (1) In this section[,"deficit"] THE FOLLOWING WORDS HAVE THE
18 MEANINGS INDICATED.

19 (2) “DEFICIT” means a negative fund balance in the General Fund [of 1%
20 or more of General Fund revenue] at the end of the fiscal year.

21 (3) “STRUCTURAL DEFICIT” MEANS A PROJECTED NEGATIVE FUND
22 BALANCE IN THE GENERAL FUND THAT REQUIRES THE TRANSFER OF RESERVE
23 FUNDS IN ORDER TO AVOID A DEFICIT.

24 (b) The State Superintendent and the Department shall monitor the financial
25 status of each local school system.

26 (c) If a local school system does not file the annual audit results in a timely
27 manner with the State Superintendent as required by § 5–109 of this subtitle, the State
28 Superintendent shall:

29 (1) Immediately notify:

1 (i) The Department of Legislative Services;

2 (ii) The county governing body; and

3 (iii) The local board and local superintendent or chief executive
4 officer of the local school system; and

5 (2) Order that the audit report be filed within 10 days.

6 (d) (1) A local school system may not carry a deficit as reported in the annual
7 audit under § 5–109 of this subtitle.

8 (2) If a local school system has a deficit, the State Superintendent shall
9 immediately notify the Governor, the General Assembly, the Department of Legislative
10 Services, and county governing body and shall require the local school system to:

11 (i) Develop and submit for approval a corrective action cost
12 containment plan within 15 days;

13 (ii) File monthly status reports with the State Superintendent and
14 county governing body demonstrating actions taken to close the deficit and the effect of the
15 actions taken on the deficit; and

16 (iii) Include information on the corrective action cost containment
17 plan, actions taken to close the deficit, and status of the deficit in the annual audit under §
18 5–109 of this subtitle filed with the State Superintendent and county governing body.

19 (3) **(I) IF A LOCAL SCHOOL SYSTEM HAS A STRUCTURAL DEFICIT**
20 **AND TRANSFERS RESERVE FUNDS INTO THE GENERAL FUND IN ORDER TO AVOID A**
21 **DEFICIT, THE LOCAL SCHOOL SYSTEM IMMEDIATELY SHALL NOTIFY THE**
22 **GOVERNOR, THE GENERAL ASSEMBLY, THE STATE SUPERINTENDENT, THE**
23 **DEPARTMENT OF LEGISLATIVE SERVICES, AND THE COUNTY GOVERNING BODY.**

24 **(II) THE STATE SUPERINTENDENT SHALL REQUIRE A LOCAL**
25 **SCHOOL SYSTEM DESCRIBED IN SUBPARAGRAPH (I) OF THIS PARAGRAPH TO SUBMIT**
26 **A CORRECTIVE ACTION COST CONTAINMENT PLAN WITHIN 15 DAYS AND FILE**
27 **MONTHLY STATUS REPORTS WITH THE STATE SUPERINTENDENT AND COUNTY**
28 **GOVERNING BODY DEMONSTRATING ACTIONS TAKEN TO ELIMINATE THE**
29 **STRUCTURAL DEFICIT, THE EFFECT OF THE ACTIONS TAKEN ON THE STRUCTURAL**
30 **DEFICIT, AND A SCHEDULE TO REPAY THE RESERVE FUND.**

31 (4) The State Superintendent shall include information on any local school
32 system deficit OR STRUCTURAL DEFICIT, corrective action cost containment plan, actions
33 taken to close a local school system deficit OR STRUCTURAL DEFICIT, and status of any

1 local school system deficit OR STRUCTURAL DEFICIT in a quarterly report to the Governor
 2 and the General Assembly, in accordance with § 2–1246 of the State Government Article.

3 ~~[(4)]~~ **(5)** If a local school system has a deficit OR STRUCTURAL DEFICIT:

4 (i) The Office of Legislative Audits may request any financial
 5 information pertaining to the deficit OR STRUCTURAL DEFICIT and the corrective action
 6 cost containment plan; and

7 (ii) The local superintendent or chief executive officer of a local
 8 school system shall provide the requested information.

9 (e) If a local school system fails to comply with the requirements of this section,
 10 the State Superintendent, with the approval of the State Board of Education, shall notify
 11 the State Comptroller, who shall withhold 10% of the next installment and each subsequent
 12 installment due the local school system from the General State School Fund until the State
 13 Superintendent notifies the Comptroller that the local school system is in full compliance
 14 with the requirements of this section.

15 5–202.

16 (a) ~~(13)~~ ~~“Target per pupil foundation amount” means:~~

17 (ii) ~~Except as provided in items (iii) [and], (iv), (V), AND (VI) of this~~
 18 ~~paragraph, in subsequent fiscal years:~~

19 ~~1. The target per pupil foundation amount for the prior fiscal~~
 20 ~~year increased by the same percentage as the lesser of:~~

21 ~~A. The increase in the implicit price deflator for State and~~
 22 ~~local government expenditures for the second prior fiscal year;~~

23 ~~B. The Consumer Price Index for All Urban Consumers for~~
 24 ~~the Washington–Baltimore metropolitan area, or any successor index, for the second prior~~
 25 ~~fiscal year; or~~

26 ~~C. 5%; or~~

27 ~~2. If there is no increase in the implicit price deflator for~~
 28 ~~State and local government expenditures for the second prior fiscal year or in the Consumer~~
 29 ~~Price Index for All Urban Consumers for the Washington–Baltimore metropolitan area, or~~
 30 ~~any successor index, for the second prior fiscal year, the target per pupil foundation amount~~
 31 ~~for the prior fiscal year;~~

32 (iii) ~~In fiscal year 2012, \$6,694; [and]~~

33 (iv) ~~In each of fiscal years 2013 through 2015;~~

~~1. The target per pupil foundation amount for the prior fiscal year increased by the same percentage as the lesser of:~~

~~A. The increase in the implicit price deflator for State and local government expenditures for the second prior fiscal year;~~

~~B. The Consumer Price Index for All Urban Consumers for the Washington-Baltimore metropolitan area, or any successor index, for the second prior fiscal year; or~~

~~C. 1%; or~~

~~2. If there is no increase in the implicit price deflator for State and local government expenditures for the second prior fiscal year or in the Consumer Price Index for All Urban Consumers for the Washington-Baltimore metropolitan area, or any successor index, for the second prior fiscal year, the target per pupil foundation amount for the prior fiscal year;~~

~~(v) IN FISCAL YEAR 2016, \$6,860; AND~~

~~(vi) IN EACH OF FISCAL YEARS 2017 THROUGH 2020:~~

~~1. THE TARGET PER PUPIL FOUNDATION AMOUNT FOR THE PRIOR FISCAL YEAR INCREASED BY THE SAME PERCENTAGE AS THE LESSER OF:~~

~~A. THE INCREASE IN THE IMPLICIT PRICE DEFLATOR FOR STATE AND LOCAL GOVERNMENT EXPENDITURES FOR THE SECOND PRIOR FISCAL YEAR;~~

~~B. THE CONSUMER PRICE INDEX FOR ALL URBAN CONSUMERS FOR THE WASHINGTON-BALTIMORE METROPOLITAN AREA, OR ANY SUCCESSOR INDEX, FOR THE SECOND PRIOR FISCAL YEAR; OR~~

~~C. 1%; AND~~

~~2. IF THERE IS NO INCREASE IN THE IMPLICIT PRICE DEFLATOR FOR STATE AND LOCAL GOVERNMENT EXPENDITURES FOR THE SECOND PRIOR FISCAL YEAR OR IN THE CONSUMER PRICE INDEX FOR ALL URBAN CONSUMERS FOR THE WASHINGTON-BALTIMORE METROPOLITAN AREA, OR ANY SUCCESSOR INDEX, FOR THE SECOND PRIOR FISCAL YEAR, THE TARGET PER PUPIL FOUNDATION AMOUNT SHALL BE THE AMOUNT FOR THE PRIOR FISCAL YEAR.~~

(a) (13) "Target per pupil foundation amount" means:

1 (ii) Except as provided in items (iii) [and], (iv), (V), AND (VI) of this
2 paragraph, in subsequent fiscal years:

3 1. The target per pupil foundation amount for the prior fiscal
4 year increased by the same percentage as the lesser of:

5 A. The increase in the implicit price deflator for State and
6 local government expenditures for the second prior fiscal year;

7 B. The Consumer Price Index for All Urban Consumers for the
8 Washington–Baltimore metropolitan area, or any successor index, for the second prior fiscal
9 year; or

10 C. 5%; or

11 2. If there is no increase in the implicit price deflator for State
12 and local government expenditures for the second prior fiscal year or in the Consumer Price
13 Index for All Urban Consumers for the Washington–Baltimore metropolitan area, or any
14 successor index, for the second prior fiscal year, the target per pupil foundation amount for
15 the prior fiscal year;

16 (iii) In fiscal year 2012, \$6,694; [and]

17 (iv) In each of fiscal years 2013 through 2015:

18 1. The target per pupil foundation amount for the prior fiscal
19 year increased by the same percentage as the lesser of:

20 A. The increase in the implicit price deflator for State and
21 local government expenditures for the second prior fiscal year;

22 B. The Consumer Price Index for All Urban Consumers for the
23 Washington–Baltimore metropolitan area, or any successor index, for the second prior fiscal
24 year; or

25 C. 1%; or

26 2. If there is no increase in the implicit price deflator for State
27 and local government expenditures for the second prior fiscal year or in the Consumer Price
28 Index for All Urban Consumers for the Washington–Baltimore metropolitan area, or any
29 successor index, for the second prior fiscal year, the target per pupil foundation amount for
30 the prior fiscal year;

31 (V) IN FISCAL YEAR 2016, \$6,954; AND

32 (VI) IN EACH OF FISCAL YEARS 2017 THROUGH 2020:

1 **1. THE TARGET PER PUPIL FOUNDATION AMOUNT FOR**
 2 **THE PRIOR FISCAL YEAR INCREASED BY THE SAME PERCENTAGE AS THE LESSER OF:**

3 **A. THE INCREASE IN THE IMPLICIT PRICE DEFLATOR FOR**
 4 **STATE AND LOCAL GOVERNMENT EXPENDITURES FOR THE SECOND PRIOR FISCAL**
 5 **YEAR;**

6 **B. THE CONSUMER PRICE INDEX FOR ALL URBAN**
 7 **CONSUMERS FOR THE WASHINGTON–BALTIMORE METROPOLITAN AREA, OR ANY**
 8 **SUCCESSOR INDEX, FOR THE SECOND PRIOR FISCAL YEAR; OR**

9 **C. 1.5%; OR**

10 **2. IF THERE IS NO INCREASE IN THE IMPLICIT PRICE**
 11 **DEFLATOR FOR STATE AND LOCAL GOVERNMENT EXPENDITURES FOR THE SECOND**
 12 **PRIOR FISCAL YEAR OR IN THE CONSUMER PRICE INDEX FOR ALL URBAN**
 13 **CONSUMERS FOR THE WASHINGTON–BALTIMORE METROPOLITAN AREA, OR ANY**
 14 **SUCCESSOR INDEX, FOR THE SECOND PRIOR FISCAL YEAR, THE TARGET PER PUPIL**
 15 **FOUNDATION AMOUNT SHALL BE THE AMOUNT FOR THE PRIOR FISCAL YEAR.**

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

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

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

24 (iii) For fiscal year 2016, [60] 40 percent of the difference between
 25 the two calculations;

26 (iv) For fiscal year 2017, [80] 60 percent of the difference between
 27 the two calculations; [and]

28 (v) For fiscal year 2018, 80 PERCENT OF THE DIFFERENCE
 29 BETWEEN THE TWO CALCULATIONS; AND

30 (VI) FOR FISCAL YEAR 2019, and each fiscal year thereafter, the full
 31 amount of the calculation.

1 (c) (1) (i) [The] **EXCEPT AS PROVIDED IN ~~SUBPARAGRAPH (IV)~~**
2 **SUBPARAGRAPHS (III), (IV), AND (V) OF THIS PARAGRAPH, THE** total State operating
3 fund per full-time equivalent student to the community colleges for each fiscal year [other
4 than fiscal year 2013,] as requested by the Governor shall be:

5 1. ~~I~~In fiscal year 2009, not less than an amount equal to
6 26.25% of the State's General Fund appropriation per full-time equivalent student to the
7 4-year public institutions of higher education in the State as designated by the Commission
8 for the purpose of administering the Joseph A. Sellinger Program under Title 17 of this
9 article in the previous fiscal year;

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

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

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

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

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

35 7. ~~I~~In fiscal year 2016, not less than an amount equal to
36 20.0% of the State's General Fund appropriation per full-time equivalent student to the
37 4-year public institutions of higher education in the State as designated by the Commission
38 for the purpose of administering the Joseph A. Sellinger Program under Title 17 of this
39 article in the same fiscal year;

1 8.] In fiscal year 2017, not less than an amount equal to 20.5%
2 of the State's General Fund appropriation per full-time equivalent student to the 4-year
3 public institutions of higher education in the State as designated by the Commission for
4 the purpose of administering the Joseph A. Sellinger Program under Title 17 of this article
5 in the same fiscal year;

6 [9.] ~~2.~~ 8. In fiscal year 2018, not less than an amount equal
7 to ~~21.0%~~ 20.75% of the State's General Fund appropriation per full-time equivalent
8 student to the 4-year public institutions of higher education in the State as designated by
9 the Commission for the purpose of administering the Joseph A. Sellinger Program under
10 Title 17 of this article in the same fiscal year;

11 [10.] ~~3.~~ 9. In fiscal year 2019, not less than an amount equal
12 to ~~22.0%~~ 21% of the State's General Fund appropriation per full-time equivalent student
13 to the 4-year public institutions of higher education in the State as designated by the
14 Commission for the purpose of administering the Joseph A. Sellinger Program under Title
15 17 of this article in the same fiscal year;

16 [11.] ~~4.~~ 10. In fiscal year 2020, not less than an amount equal
17 to ~~23%~~ 21% of the State's General Fund appropriation per full-time equivalent student to
18 the 4-year public institutions of higher education in the State as designated by the
19 Commission for the purpose of administering the Joseph A. Sellinger Program under Title
20 17 of this article in the same fiscal year;

21 [12.] ~~5.~~ 11. In fiscal year 2021, not less than an amount equal
22 to 25% of the State's General Fund appropriation per full-time equivalent student to the
23 4-year public institutions of higher education in the State as designated by the Commission
24 for the purpose of administering the Joseph A. Sellinger Program under Title 17 of this
25 article in the same fiscal year;

26 [13.] ~~6.~~ 12. In fiscal year 2022, not less than an amount equal
27 to 27% of the State's General Fund appropriation per full-time equivalent student to the
28 4-year public institutions of higher education in the State as designated by the Commission
29 for the purpose of administering the Joseph A. Sellinger Program under Title 17 of this
30 article in the same fiscal year; and

31 [14.] ~~7.~~ 13. In fiscal year 2023 and each fiscal year thereafter,
32 not less than an amount equal to 29% of the State's General Fund appropriation per
33 full-time equivalent student to the 4-year public institutions of higher education in the
34 State as designated by the Commission for the purpose of administering the Joseph A.
35 Sellinger Program under Title 17 of this article in the same fiscal year.

36 ¶(iii) Notwithstanding the provisions of subparagraph (i) of this
37 paragraph, the total State operating funds to be distributed under this subsection to the
38 community colleges for each of fiscal years 2011 and 2012 shall be \$194,407,432.

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(iv) In fiscal year 2013, the total State operating funds for community colleges shall be \$199,176,114, to be distributed as follows:

- 1. Allegany College\$4,773,622;
- 2. Anne Arundel Community College\$27,235,329;
- 3. Community College of Baltimore County.....\$34,398,366;
- 4. Carroll Community College\$6,851,515;
- 5. Cecil Community College\$4,645,751;
- 6. College of Southern Maryland\$10,902,580;
- 7. Chesapeake College\$5,675,815;
- 8. Frederick Community College\$8,145,648;
- 9. Garrett College\$2,246,709;
- 10. Hagerstown Community College\$6,965,064;
- 11. Harford Community College\$9,990,806;
- 12. Howard Community College\$12,584,485;
- 13. Montgomery College.....\$35,998,553;
- 14. Prince George’s Community College..... \$22,013,074; and
- 15. Wor–Wic Community College \$6,748,796.†

~~(iii)~~ (v) IN FISCAL YEAR 2016, THE TOTAL STATE OPERATING FUNDS FOR COMMUNITY COLLEGES SHALL BE ~~\$218,744,622~~ \$222,744,620, TO BE DISTRIBUTED AS FOLLOWS:

- 1. ALLEGANY COLLEGE ~~\$4,592,847~~ \$4,850,443;
- 2. ANNE ARUNDEL COMMUNITY COLLEGE..... ~~\$27,461,464~~ \$28,715,483;
- 3. COMMUNITY COLLEGE OF BALTIMORE COUNTY..... ~~\$38,157,317~~ \$38,637,668;

1	4.	CARROLL	COMMUNITY
2	COLLEGE.....	\$7,194,863	<u>\$7,345,653;</u>
3	5.	CECIL	COMMUNITY
4	COLLEGE.....	\$4,964,098	<u>\$5,108,064;</u>
5	6.	COLLEGE	OF
6	MARYLAND.....	\$12,950,598	<u>\$13,017,885;</u>
7	7.	CHESAPEAKE COLLEGE	\$6,009,400 <u>\$6,142,473;</u>
8	8.	FREDERICK	COMMUNITY
9	COLLEGE.....	\$8,795,333	<u>\$8,975,284;</u>
10	9.	GARRETT COLLEGE	\$2,515,927 <u>\$2,561,002;</u>
11	10.	HAGERSTOWN COMMUNITY COLLEGE	\$7,500,700
12			<u>\$7,620,412;</u>
13	11.	HARFORD COMMUNITY COLLEGE	\$10,754,623
14			<u>\$10,865,634;</u>
15	12.	HOWARD COMMUNITY COLLEGE.....	\$15,643,389
16			<u>\$15,723,055;</u>
17	13.	MONTGOMERY COLLEGE ..	\$39,679,904 <u>\$40,000,786;</u>
18	14.	PRINCE	GEORGE'S
19	COLLEGE.....	\$25,800,203	<u>\$26,072,537;</u> AND
20	15.	WOR-WIC COMMUNITY COLLEGE.....	\$6,723,956
21			<u>\$7,108,241.</u>

22 (iv) ~~NOTWITHSTANDING THE PROVISIONS OF SUBPARAGRAPH~~
 23 ~~(i) OF THIS PARAGRAPH, FOR FISCAL YEAR 2017 AND EACH FISCAL YEAR~~
 24 ~~THEREAFTER, THE PERCENTAGE INCREASE IN APPROPRIATION OVER THE~~
 25 ~~PREVIOUS FISCAL YEAR MAY NOT EXCEED THE PERCENTAGE BY WHICH THE~~
 26 ~~PROJECTED TOTAL GENERAL FUND REVENUES FOR THE UPCOMING FISCAL YEAR~~
 27 ~~EXCEED THE REVISED ESTIMATE OF TOTAL GENERAL FUND REVENUES FOR THE~~
 28 ~~CURRENT FISCAL YEAR, AS REFLECTED IN THE DECEMBER REPORT OF ESTIMATED~~
 29 ~~STATE REVENUES SUBMITTED BY THE BOARD OF REVENUE ESTIMATES TO THE~~
 30 ~~GOVERNOR UNDER § 6-106(B) OF THE STATE FINANCE AND PROCUREMENT~~
 31 ~~ARTICLE, LESS 1%.~~

1 16-512.

2 (a) (1) The total State operating fund per full-time equivalent student
3 appropriated to Baltimore City Community College for each fiscal year other than fiscal year
4 2013, as requested by the Governor shall be:

5 (x) In fiscal year 2019, not less than an amount equal to [61%] 60%
6 of the State's General Fund appropriation per full-time equivalent student to the 4-year
7 public institutions of higher education in the State as designated by the Commission for the
8 purpose of administering the Joseph A. Sellinger Program under Title 17 of this article in
9 the same fiscal year;

10 (xi) In fiscal year 2020, not less than an amount equal to [62.5%] 60%
11 of the State's General Fund appropriation per full-time equivalent student to the 4-year
12 public institutions of higher education in the State as designated by the Commission for the
13 purpose of administering the Joseph A. Sellinger Program under Title 17 of this article in
14 the same fiscal year;

15 17-104.

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

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

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

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

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

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

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

5 (vii) [In fiscal year 2016, an amount not less than 9.6% of the State’s
6 General Fund per full–time equivalent student appropriation to the 4–year public
7 institutions of higher education in this State for the same fiscal year;

8 (viii)] In fiscal year 2017, an amount not less than ~~10.1%~~ 9.6% of the
9 State’s General Fund per full–time equivalent student appropriation to the 4–year public
10 institutions of higher education in this State for the same fiscal year;

11 [(ix)] ~~(H)~~ (VIII) In fiscal year 2018, an amount not less than ~~10.5%~~
12 9.6% of the State’s General Fund per full–time equivalent student appropriation to the
13 4–year public institutions of higher education in this State for the same fiscal year;

14 [(x)] ~~(H)~~ (IX) In fiscal year 2019, an amount not less than ~~10.8%~~
15 9.6% of the State’s General Fund per full–time equivalent student appropriation to the
16 4–year public institutions of higher education in this State for the same fiscal year;

17 [(xi)] ~~(IV)~~ (X) In fiscal year 2020, an amount not less than ~~11.1%~~
18 9.6% of the State’s General Fund per full–time equivalent student appropriation to the
19 4–year public institutions of higher education in this State for the same fiscal year; and

20 [(xii)] ~~(V)~~ (XI) In fiscal year 2021 and each fiscal year thereafter,
21 an amount not less than 15.5% of the State’s General Fund per full–time equivalent student
22 appropriation to the 4–year public institutions of higher education in this State for the
23 same fiscal year.

24 ¶(2) For each of fiscal years 2011 and 2012, the total amount of the aid
25 provided under this subtitle shall be \$38,445,958, to be allocated among the institutions
26 that qualify under this subtitle in proportion to the number of full–time equivalent students
27 enrolled at each institution during the fall semester of the fiscal year preceding the fiscal
28 year for which the aid apportionment is made, as determined by the Maryland Higher
29 Education Commission.

30 (3) In fiscal year 2013, the total amount of aid due to all institutions shall
31 be \$38,056,175.†

32 ~~(2) IN FISCAL YEAR 2016, THE TOTAL AMOUNT OF AID DUE TO ALL~~
33 ~~INSTITUTIONS SHALL BE \$41,422,240 TO BE DISTRIBUTED AS FOLLOWS:~~

34 ~~(1) CAPITOL COLLEGE\$497,370;~~

1	(H) NOTRE DAME OF MARYLAND UNIVERSITY.....	\$1,460,006;
2	(HH) WASHINGTON ADVENTIST UNIVERSITY.....	\$834,640;
3	(IV) GOUCHER COLLEGE.....	\$1,638,923;
4	(V) HOOD COLLEGE\$.....	1,542,917;
5	(VI) JOHNS HOPKINS UNIVERSITY.....	\$18,108,588;
6	(VII) LOYOLA UNIVERSITY MARYLAND.....	\$4,792,569;
7	(VIII) MARYLAND INSTITUTE OF ART.....	\$2,040,049;
8	(IX) MCDANIEL COLLEGE.....	\$2,184,320;
9	(X) MOUNT ST. MARY'S UNIVERSITY.....	\$1,754,630;
10	(XI) ST. JOHN'S COLLEGE.....	\$548,433;
11	(XII) SOJOURNER DOUGLASS COLLEGE.....	\$855,898;
12	(XIII) STEVENSON UNIVERSITY.....	\$3,653,834; AND
13	(XIV) WASHINGTON COLLEGE.....	\$1,510,054.

14 ~~(3) NOTWITHSTANDING THE PROVISIONS OF PARAGRAPH (1) OF THIS~~
 15 ~~SUBSECTION, FOR FISCAL YEAR 2017 AND EACH FISCAL YEAR THEREAFTER, THE~~
 16 ~~PERCENTAGE INCREASE IN APPROPRIATION OVER THE PREVIOUS FISCAL YEAR MAY~~
 17 ~~NOT EXCEED THE PERCENTAGE BY WHICH THE PROJECTED TOTAL GENERAL FUND~~
 18 ~~REVENUES FOR THE UPCOMING FISCAL YEAR EXCEED THE REVISED ESTIMATE OF~~
 19 ~~TOTAL GENERAL FUND REVENUES FOR THE CURRENT FISCAL YEAR, AS REFLECTED~~
 20 ~~IN THE DECEMBER REPORT OF ESTIMATED STATE REVENUES SUBMITTED BY THE~~
 21 ~~BOARD OF REVENUE ESTIMATES TO THE GOVERNOR UNDER § 6-106(B) OF THE~~
 22 ~~STATE FINANCE AND PROCUREMENT ARTICLE, LESS 1%.~~

23 (4) IN FISCAL YEAR 2016, THE TOTAL AMOUNT OF THE AID PROVIDED
 24 UNDER THIS SUBTITLE SHALL BE \$42,822,240, TO BE ALLOCATED AMONG THE
 25 INSTITUTIONS THAT QUALIFY UNDER THIS SUBTITLE IN PROPORTION TO THE
 26 NUMBER OF FULL-TIME EQUIVALENT STUDENTS ENROLLED AT EACH INSTITUTION
 27 DURING THE FALL SEMESTER OF FISCAL YEAR 2015, AS DETERMINED BY THE
 28 MARYLAND HIGHER EDUCATION COMMISSION.

~~(a) [The] ON OR AFTER OCTOBER 1, 2015, THE Division of Library Development and Services shall establish the Deaf Culture Digital Library as the primary information center on deaf resources for library customers and staff in the State.~~

23-205.

(c) (1) Each year each participating regional resource center shall receive a minimum amount of funding for each resident of the area served, to be used for operating and capital expenses.

(2) The allocation shall be calculated as follows:

(i) For each of fiscal years 2011 through 2015.....\$6.75 per each resident of the area served;

(ii) For fiscal year 2016.....~~[\$7.50]~~ **\$6.95** per each resident of the area served;

(iii) For fiscal year 2017..... ~~[\$8.25]~~ **\$7.15** per each resident of the area served;

(iv) For fiscal year 2018..... ~~[\$8.50]~~ **\$7.35** per each resident of the area served; [and]

(V) FOR FISCAL YEAR 2019..... . \$7.55 PER EACH RESIDENT OF THE AREA SERVED;

(VI) FOR FISCAL YEAR 2020..... \$7.75 PER EACH RESIDENT OF THE AREA SERVED;

(VII) FOR FISCAL YEAR 2021..... \$7.95 PER EACH RESIDENT OF THE AREA SERVED;

(VIII) FOR FISCAL YEAR 2022..... \$8.15 PER EACH RESIDENT OF THE AREA SERVED;

(IX) FOR FISCAL YEAR 2023..... \$8.35 PER EACH RESIDENT OF THE AREA SERVED;

(X) FOR FISCAL YEAR 2024..... \$8.55 PER EACH RESIDENT OF THE AREA SERVED; AND

~~[(v)]~~ **(XI)** For fiscal year ~~[2019]~~ **2025** and each fiscal year thereafter..... \$8.75 per each resident of the area served.

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1 (d) (1) Each year the State Library Resource Center shall receive a minimum
2 amount of funding for each State resident in the previous fiscal year, to be used for
3 operating and capital expenses.

4 (2) The allocation shall be calculated as follows:

5 (i) For each of fiscal years 2010 through 2016.....\$1.67 per State
6 resident;

7 (ii) For fiscal year 2017.....[\$1.73] **\$1.69** per State resident;

8 (iii) For fiscal year 2018.....[\$1.79] **\$1.71** per State resident;

9 [and]

10 (IV) **FOR FISCAL YEAR 2019\$1.73 PER STATE RESIDENT;**

11 (V) **FOR FISCAL YEAR 2020\$1.75 PER STATE RESIDENT;**

12 (VI) **FOR FISCAL YEAR 2021\$1.77 PER STATE RESIDENT;**

13 (VII) **FOR FISCAL YEAR 2022\$1.79 PER STATE RESIDENT;**

14 (VIII) **FOR FISCAL YEAR 2023\$1.81 PER STATE RESIDENT;**

15 (IX) **FOR FISCAL YEAR 2024 ...\$1.83 PER STATE RESIDENT; AND**

16 [(iv)] (X) For fiscal year [2019] **2025** and each fiscal year
17 thereafter.....\$1.85 per State resident.

18 ~~(e) [Beginning in fiscal year 2016 and in each fiscal year thereafter, the] THE~~
19 ~~Maryland Library for the Blind and Physically Handicapped shall receive an amount~~
20 ~~equivalent to [at least 25%] THE PERCENTAGE of the amount received by the State~~
21 ~~Library Resource Center for the same fiscal year under subsection (d) of this section AS~~
22 ~~FOLLOWS:~~

23 ~~(1) FOR FISCAL YEAR 2016, 2.5%;~~

24 ~~(2) FOR FISCAL YEAR 2017, 5%;~~

25 ~~(3) FOR FISCAL YEAR 2018, 7.5%;~~

26 ~~(4) FOR FISCAL YEAR 2019, 10%;~~

27 ~~(5) FOR FISCAL YEAR 2020, 12.5%;~~

~~(3) For EACH OF fiscal [year] YEARS 2015 and [each subsequent fiscal year] 2016, \$41,743,209; AND~~

~~(4) FOR FISCAL YEAR 2017 AND EACH SUBSEQUENT FISCAL YEAR, the amount of funding for the preceding fiscal year adjusted for:~~

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

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

~~7-307.~~

~~(d) (1) The Governor's proposed budget for fiscal year 2016 shall include a [3.5%] 1.75% rate increase for community service providers over the funding provided in the legislative appropriation for Object 08 Contractual Services in Program M00M01.02 Community Services for fiscal year 2015.~~

~~13-1116.~~

~~(a) [(1) (i) For each of fiscal years 2011 and 2012:~~

~~1. The Governor shall include at least \$2,400,000 in the annual budget in appropriations for the Statewide Academic Health Center Cancer Research Grants under this section; and~~

~~2. The Grants shall be distributed between the Statewide Academic Health Centers as follows:~~

~~A. \$2,007,300 to the University of Maryland Medical Group; and~~

~~B. \$392,700 to the Johns Hopkins Institutions.~~

~~(ii) For fiscal year 2013 and each fiscal year thereafter:~~

~~1. The Governor shall include at least \$13,000,000 in the annual budget in appropriations for the Statewide Academic Health Center Cancer Research Grants under this section; and~~

~~2. The Grants shall be distributed according to historical allocations between the Academic Health Centers.]~~

~~(1) FOR FISCAL YEAR 2016 AND EACH FISCAL YEAR THEREAFTER, THE GOVERNOR SHALL INCLUDE AT LEAST \$5,800,000 IN THE ANNUAL BUDGET IN APPROPRIATIONS FOR THE STATEWIDE ACADEMIC HEALTH CENTER CANCER RESEARCH GRANTS UNDER THIS SECTION.~~

~~Article Insurance~~

~~31-107.2.~~

~~(a) [(1)] For State fiscal year 2015 and for each State fiscal year thereafter, from the funds received from the distribution of the premium tax under § 6-103.2 of this article, the Governor shall provide an appropriation in the State budget adequate to fully fund the operations of the Exchange.~~

~~[(2) (i) For State fiscal year 2015, the appropriation shall be no less than \$10,000,000.~~

~~(ii) For each State fiscal year thereafter, the appropriation shall be no less than \$35,000,000.]~~

~~Article Local Government~~

~~16-501.~~

~~(e) (1) THIS SUBSECTION DOES NOT APPLY TO FISCAL YEARS BEGINNING WITH FISCAL YEAR 2016.~~

~~(2) Except as provided in paragraph [(2)] (3) of this subsection, for fiscal year 2011 and each subsequent fiscal year, the distribution provided to any county or Baltimore City under this section may not exceed the amount distributed to the county or Baltimore City for fiscal year 2010.~~

~~[(2)] (3) (i) If a county or Baltimore City has a county income tax rate of at least 2.8% but less than 3%, the county or Baltimore City may receive a minimum of 20% of the amount determined under subsection (e)(3) of this section.~~

~~(ii) If a county or Baltimore City has a county income tax rate of at least 3% but less than 3.2%, the county or Baltimore City may receive a minimum of 40% of the amount determined under subsection (e)(3) of this section.~~

~~(iii) If a county or Baltimore City has a county income tax rate of at least 3.2%, the county or Baltimore City may receive a minimum of 60% of the amount determined under subsection (e)(3) of this section.~~

~~(F) (1) NOTWITHSTANDING ANY OTHER PROVISION OF THIS SECTION, IN FISCAL YEAR 2016 AND EACH FISCAL YEAR THEREAFTER THE TOTAL AMOUNT OF~~

~~THE DISTRIBUTION PROVIDED UNDER THIS SECTION MAY NOT EXCEED \$127,708,537.~~

~~(2) IF THE TOTAL AMOUNT REQUIRED BY CALCULATING THE GRANTS UNDER SUBSECTION (C) OF THIS SECTION WOULD EXCEED \$127,708,537, THE GRANTS SHALL BE ALLOCATED IN THE SAME PROPORTION AS WOULD BE PROVIDED UNDER SUBSECTION (C) OF THIS SECTION.~~

Article – Health – General

7-306.3.

(b) (1) (I) [This] EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH, THIS subsection applies in fiscal [2015] YEAR 2016 and each fiscal year thereafter before the earlier of:

[(i)] 1. The implementation of the payment system required under § 7-306.2 of this subtitle; or

[(ii)] 2. The end of fiscal year 2019.

(II) THIS SUBSECTION DOES NOT APPLY IN ANY FISCAL YEAR IN WHICH THE RATE INCREASE FOR COMMUNITY SERVICE PROVIDERS IS LESS THAN 3.0% OVER THE FUNDING PROVIDED IN THE LEGISLATIVE APPROPRIATION FOR OBJECT 08 CONTRACTUAL SERVICES PROGRAM M00M01.02 COMMUNITY SERVICES IN THE PRIOR FISCAL YEAR.

(2) The percentage of a community provider's total reported operating expenses, excluding interest on capital and other capital expenses, that is spent on direct support employee salaries, wages, and fringe benefits for a fiscal year, as reported to the Department by the provider in its fiscal year cost report data form, may not be less than the percentage of the community provider's total reported operating expenses spent on direct support employee salaries, wages, and fringe benefits for [fiscal year 2014] THE LAST FISCAL YEAR IN WHICH THE RATE INCREASE FOR COMMUNITY SERVICE PROVIDERS IS LESS THAN 3.0% OVER THE FUNDING PROVIDED IN THE LEGISLATIVE APPROPRIATION FOR OBJECT 08 CONTRACTUAL SERVICES IN PROGRAM M00M01.02 COMMUNITY SERVICES IN THE PRIOR FISCAL YEAR.

7-307.

(d) (1) The Governor's proposed budget for fiscal year 2016 shall include a [3.5%] 3.0% rate increase for community service providers over the funding provided in the legislative appropriation for Object 08 Contractual Services in Program M00M01.02 Community Services for fiscal year 2015.

1 (d) Notwithstanding the provisions of subsection (a) of this section:

2 (1) For fiscal year 2006 through fiscal year 2009, as provided in the State
3 budget, the Department may use up to the following percentage of the moneys in the
4 Waterway Improvement Fund for administrative expenses directly relating to
5 implementing the purposes of the Waterway Improvement Fund:

6 (i) In fiscal year 2006, 8%;

7 (ii) In fiscal year 2007, 6%;

8 (iii) In fiscal year 2008, 4%; and

9 (iv) In fiscal year 2009, 2%; and

10 (2) **[For] EXCEPT AS PROVIDED IN PARAGRAPH (3) OF THIS**
11 **SUBSECTION, FOR EACH OF THE** fiscal years after fiscal year 2009, the Department may
12 use up to \$750,000 in the Waterway Improvement Fund for administrative expenses
13 directly relating to implementing the purposes of the Waterway Improvement Fund.

14 **(3) FOR FISCAL YEAR 2016 ONLY, THE DEPARTMENT MAY USE UP TO**
15 **\$1,625,000 IN THE WATERWAY IMPROVEMENT FUND FOR ADMINISTRATIVE**
16 **EXPENSES DIRECTLY RELATING TO IMPLEMENTING THE PURPOSES OF THE**
17 **WATERWAY IMPROVEMENT FUND.**

18 Article – Public Safety

19 [Subtitle 8. State Police Helicopter Replacement Fund.]

20 [2–801.

21 (a) In this section, “Fund” means the State Police Helicopter Replacement Fund.

22 (b) There is a State Police Helicopter Replacement Fund.

23 (c) (1) The Fund is a special, nonlapsing fund that is not subject to § 7–302 of
24 the State Finance and Procurement Article.

25 (2) The Treasurer shall hold the Fund separately and the Comptroller shall
26 account for the Fund.

27 (d) The Fund consists of:

28 (1) money received by the Fund under § 7–301(f) of the Courts Article;

1 (2) investment earnings of the Fund; and

2 (3) money received by the Fund from any other source.

3 (e) Any investment earnings of the Fund shall be separately accounted for and
4 credited to the Fund and are not subject to § 6–226(a) of the State Finance and Procurement
5 Article.

6 (f) The money in the Fund may be used only for the procurement by the
7 Department of new helicopters and auxiliary helicopter equipment, ground support
8 equipment, and other capital equipment related to helicopters.]

9 4–506.

10 (a) (1) [Subject] **EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS**
11 **SUBSECTION AND SUBJECT** to § 4–507 of this subtitle and the limitations and
12 requirements provided in this subtitle, each fiscal year the State shall pay to each county
13 and each qualifying municipality, in the manner provided in this subtitle, an amount
14 determined as provided in this section.

15 (2) **NOTWITHSTANDING ANY OTHER PROVISION OF THIS SUBTITLE,**
16 **FOR EACH OF FISCAL YEARS 2015 AND 2016, THE TOTAL AMOUNT OF THE GRANTS**
17 **PROVIDED UNDER THIS SUBTITLE SHALL BE \$67,277,067.**

18 **Article – State Finance and Procurement**

19 7–311.

20 (j) (1) Except as provided in paragraph (2) of this subsection [and § 13–209(g)
21 of the Tax – Property Article], for fiscal year 2007 and for each subsequent fiscal year, the
22 Governor shall include in the budget bill an appropriation to the Account equal to the
23 amount by which the unappropriated General Fund surplus as of June 30 of the second
24 preceding fiscal year exceeds \$10,000,000.

25 ~~7–311.~~

26 (j) (1) ~~Except as provided in paragraph (2) of this subsection [and § 13–209(g)~~
27 ~~of the Tax – Property Article], for fiscal year 2007 and for each subsequent fiscal year, the~~
28 ~~Governor shall include in the budget bill an appropriation to the Account equal to the~~
29 ~~amount by which the unappropriated General Fund surplus as of June 30 of the second~~
30 ~~preceding fiscal year exceeds \$10,000,000.~~

31 ~~7–325.~~

32 (a) (1) ~~[In each of fiscal years 2011 and 2012, the Governor shall include in the~~
33 ~~annual budget bill submitted to the General Assembly a General Fund appropriation for~~

~~the Maryland State Arts Council of not less than \$13,298,434] FOR FISCAL YEAR 2016, THE GOVERNOR SHALL INCLUDE IN THE ANNUAL BUDGET BILL SUBMITTED TO THE GENERAL ASSEMBLY A GENERAL FUND APPROPRIATION FOR THE MARYLAND STATE ARTS COUNCIL OF \$15,418,942.~~

~~(2) For fiscal year [2013] 2017 and each fiscal year thereafter, the Governor shall include in the annual budget bill submitted to the General Assembly a General Fund appropriation for the Maryland State Arts Council in an amount not less than the amount of the General Fund appropriation for the Council as approved in the State budget as enacted by the General Assembly for the prior fiscal year, increased by not less than the percentage by which the projected total General Fund revenues for the upcoming fiscal year exceed the revised estimate of total General Fund revenues for the current fiscal year, as contained in the report of estimated State revenues submitted by the Board of Revenue Estimates to the Governor under § 6-106(b) of this article.~~

~~17-220.~~

~~(d) If a contractor is late in submitting copies of the payroll records required under subsection (b) of this section:~~

~~(2) the contractor shall be liable to the public body for liquidated damages of [\$10] \$250 for each calendar day the records are late.~~

~~17-222.~~

~~(a) A contractor under a public work contract is liable to the public body for liquidated damages of [\$20] \$250 for each laborer or other employee for each day for which:~~

~~(1) the laborer is paid less than the prevailing wage rate of a mechanic while performing a task required to be performed by a mechanic or mechanic's apprentice; or~~

~~(2) the employee is paid less than the prevailing wage rate.~~

Article – State Government

~~9-20B-05.~~

~~(f) The Administration shall use the Fund:~~

~~(1) to invest in the promotion, development, and implementation of:~~

~~(i) cost-effective energy efficiency and conservation programs, projects, or activities, including measurement and verification of energy savings;~~

~~(ii) renewable and clean energy resources;~~

1 (iii) climate change programs directly related to reducing or
2 mitigating the effects of climate change; and

3 (iv) demand response programs that are designed to promote changes
4 in electric usage by customers in response to:

5 1. changes in the price of electricity over time; or

6 2. incentives designed to induce lower electricity use at times
7 of high wholesale market prices or when system reliability is jeopardized;

8 (2) to provide targeted programs, projects, activities, and investments to
9 reduce electricity consumption by customers in the low-income and moderate-income
10 residential sectors;

11 (3) to provide supplemental funds for low-income energy assistance through
12 the Electric Universal Service Program established under § 7-512.1 of the Public Utilities
13 Article and other electric assistance programs in the Department of Human Resources;

14 (4) to provide rate relief by offsetting electricity rates of residential
15 customers, including an offset of surcharges imposed on ratepayers under § 7-211 of the
16 Public Utilities Article;

17 (5) to provide grants, loans, and other assistance and investment as
18 necessary and appropriate to implement the purposes of the Program as set forth in §
19 9-20B-03 of this subtitle;

20 (6) to implement energy-related public education and outreach initiatives
21 regarding reducing energy consumption and greenhouse gas emissions;

22 (7) to provide rebates under the Electric Vehicle Recharging Equipment
23 Rebate Program established under § 9-2009 of this title; [and]

24 (8) TO PROVIDE GRANTS TO ENCOURAGE COMBINED HEAT AND
25 POWER PROJECTS AT INDUSTRIAL FACILITIES; AND

26 [(8)] (9) to pay the expenses of the Program.

27 **Article – Tax – General**

28 2-606.

29 **(H) (1) ON OR BEFORE JUNE 30, 2015, THE COMPTROLLER SHALL**
30 **DISTRIBUTE \$100,000,000 FROM THE LOCAL RESERVE ACCOUNT ESTABLISHED TO**
31 **COMPLY WITH THIS SECTION TO THE GENERAL FUND OF THE STATE.**

1 **(2) IN EACH OF FISCAL YEARS 2017 THROUGH 2025, IN ADDITION TO**
 2 **THE AMOUNTS DISTRIBUTED UNDER SUBSECTION (B) OF THIS SECTION, THE**
 3 **COMPTROLLER SHALL DISTRIBUTE \$10,000,000 OF THE REMAINING INCOME TAX**
 4 **REVENUE FROM INDIVIDUALS TO THE LOCAL RESERVE ACCOUNT TO REPAY THE**
 5 **\$100,000,000 TRANSFER TO THE GENERAL FUND REQUIRED UNDER PARAGRAPH**
 6 **(1) OF THIS SUBSECTION.**

7 2-1302.1.

8 (b) For each fiscal year beginning on or before July 1, [2014] **2015**, after the
 9 distribution required under subsection (a)(1) of this section, the Comptroller shall
 10 distribute the remainder of the sales and use tax collected on short-term vehicle rentals
 11 under § 11-104(c) of this article as follows:

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

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

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

15 (iii) \$14,535,845 for the fiscal year beginning July 1, 2013; and]

16 [(iv)] \$9,249,199 for the fiscal year beginning July 1, 2014; and

17 **(II) \$8,639,632 FOR THE FISCAL YEAR BEGINNING JULY 1, 2015;**

18 **AND**

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

20 10-704.

21 (a) (1) **[An individual] A RESIDENT may claim a credit against the State**
 22 **income tax for a taxable year in the amount determined under subsection (b) of this section**
 23 **for earned income.**

24 (2) **[An individual] A RESIDENT may claim a credit against the county**
 25 **income tax for a taxable year in the amount determined under subsection (c) of this section**
 26 **for earned income.**

27 (b) (2) (i) **[An individual] ~~EXCEPT AS PROVIDED IN~~ SUBJECT TO**
 28 **SUBSECTION (D) OF THIS SECTION ~~FOR A PART-YEAR RESIDENT,~~ A RESIDENT** may
 29 claim a refund in the amount, if any, by which the applicable percentage specified in
 30 subparagraph (ii) of this paragraph of the earned income credit allowable for the taxable
 31 year under § 32 of the Internal Revenue Code exceeds the State income tax for the taxable
 32 year.

1 (c) (2) (iii) If a county provides for a refundable county earned income credit
 2 under this paragraph, [an individual] A RESIDENT may claim a refund of the amount, if
 3 any, by which the product of multiplying the credit allowable for the taxable year under §
 4 32 of the Internal Revenue Code by 5 times the county income tax rate for the taxable year
 5 exceeds the county income tax for the taxable year.

6 (d) For an individual who ~~is a nonresident or~~ is a resident of the State for only a
 7 part of the year, the amount of the credit or refund allowed under this section shall be
 8 determined based on the part of the earned income credit allowable for the taxable year
 9 under § 32 of the Internal Revenue Code that is attributable to Maryland, determined by
 10 multiplying the federal earned income credit by a fraction:

11 (1) the numerator of which is the Maryland adjusted gross income of the
 12 individual; and

13 (2) the denominator of which is the federal adjusted gross income of the
 14 individual.

15 ~~10-730.~~

16 ~~(f) (1) Except as provided in paragraph (2) of this subsection, the Secretary~~
 17 ~~may not issue tax credit certificates for credit amounts in the aggregate totaling more than:~~

18 ~~(i) for fiscal year 2014, \$25,000,000;~~

19 ~~(ii) for fiscal year 2015, \$7,500,000; and~~

20 ~~(iii) for fiscal year 2016, [\$7,500,000] \$6,816,237.~~

21 10-733.

22 (f) (3) (iv) 1. [For] **EXCEPT AS PROVIDED IN SUBSUBPARAGRAPH 2**
 23 **OF THIS SUBPARAGRAPH, FOR** each fiscal year, the Governor shall include in the budget
 24 bill an appropriation of at least \$2,000,000 to the Reserve Fund.

25 2. **IN FISCAL YEAR 2016, THE GOVERNOR SHALL**
 26 **INCLUDE IN THE BUDGET BILL AN APPROPRIATION OF AT LEAST \$1,500,000 TO THE**
 27 **RESERVE FUND.**

28 Article – Tax – Property

29 7-211.

30 (d) (1) In this subsection, “port facility” includes at least 1 or a combination of:

1 (i) lands, piers, docks, wharves, warehouses, sheds, transit sheds,
 2 elevators, compressors, refrigeration storage plants, buildings, structures, and other
 3 facilities, appurtenances, and equipment that is useful or designed for use in connection with
 4 shipbuilding, ship repair, or the operation of a port;

5 (ii) every kind of terminal, storage structure, or facility that is useful
 6 or designed for use in handling, storing, loading, or unloading freight or passengers at
 7 marine terminals; and

8 (iii) every kind of transportation facility that is useful or designed for
 9 use in connection with any of these.

10 (2) An interest of a person in property in a port facility that is owned by the
 11 federal government or the State, any of their agencies or instrumentalities, or a county or
 12 municipal corporation is not subject to the property tax.

13 **(3) AN INTEREST OF A PERSON IN CRANES USED AT MARYLAND PORT**
 14 **ADMINISTRATION FACILITIES IS NOT SUBJECT TO THE PROPERTY TAX.**

15 13-209.

16 (f) (2) For any fiscal year in which the actual transfer tax revenue collections
 17 are less than the revenue estimates used as the basis for the appropriations required under
 18 this section, the amount of the deficiency shall be reconciled as follows:

19 (i) for the first \$3,000,000 of any deficiency, the allocation to the
 20 special fund under subsection (a) of this section as provided under subsections (c) and (d)
 21 of this section for the second fiscal year following the deficiency shall be reduced by either
 22 the amount of the deficiency or \$3,000,000, whichever is less; [and]

23 (ii) for any deficiency in excess of \$3,000,000, the amount in excess
 24 of \$3,000,000 shall be reconciled either by the reduction of the allocation to the special fund
 25 under subsection (a) of this section as provided under subsections (c) and (d) of this section
 26 for the second fiscal year following the deficiency or by the deauthorization of projects
 27 authorized in prior fiscal years; ~~AND~~

28 **(III) FOR THE ALLOCATION OF THE SPECIAL FUND UNDER**
 29 **SUBSECTION (A) OF THIS SECTION, IN THE FISCAL YEAR BEGINNING JULY 1, 2016,**
 30 **TRANSFER TAX REVENUE UNDER-ATTAINMENT FROM THE FISCAL YEAR BEGINNING**
 31 **JULY 1, 2014, WILL NOT BE APPLIED; AND**

32 **(IV) TRANSFER TAX REVENUE IN FISCAL YEAR 2015, THAT IS IN**
 33 **EXCESS OF \$161,016,000 MAY BE TRANSFERRED BY BUDGET AMENDMENT IN FISCAL**
 34 **YEAR 2016 FOR:**

1 1. ADMINISTRATIVE EXPENSES RELATED TO LAND
2 ACQUISITION FOR PROGRAM OPEN SPACE;

3 2. CRITICAL MAINTENANCE PROJECTS IN THE
4 DEPARTMENT OF NATURAL RESOURCES;

5 3. NATURAL RESOURCES DEVELOPMENT FUND
6 PROJECTS IN THE DEPARTMENT OF NATURAL RESOURCES; AND

7 4. REPLACEMENT OF GENERAL FUND APPROPRIATIONS
8 IN THE MARYLAND PARK SERVICE.

9 ~~[(g) (1) Notwithstanding § 7-311(j) of the State Finance and Procurement~~
10 ~~Article, subject to paragraph (3) of this subsection, for fiscal year 2016 2019 and for each~~
11 ~~subsequent fiscal year, if the unappropriated General Fund surplus as of June 30 of the~~
12 ~~second preceding year exceeds \$10,000,000, the Governor shall include in the budget bill a~~
13 ~~General Fund appropriation to the special fund under subsection (a) of this section in an~~
14 ~~amount equal to at least the lesser of \$50,000,000 or the excess surplus over \$10,000,000.~~

15 ~~(2) For any fiscal year to which this subsection applies:~~

16 ~~(i) unless the unappropriated General Fund surplus as of June 30~~
17 ~~of the second preceding fiscal year exceeds the sum of \$10,000,000 and the amount required~~
18 ~~to be appropriated to the special fund under paragraph (1) of this subsection, the~~
19 ~~appropriation to the Revenue Stabilization Account under § 7-311(j) of the State Finance~~
20 ~~and Procurement Article is not required; and~~

21 ~~(ii) if the unappropriated General Fund surplus as of June 30 of the~~
22 ~~second preceding fiscal year exceeds the sum of \$10,000,000 and the amount required to be~~
23 ~~appropriated to the special fund under paragraph (1) of this subsection, the appropriation~~
24 ~~required to the Revenue Stabilization Account under § 7-311(j) of the State Finance and~~
25 ~~Procurement Article shall equal the amount by which that surplus exceeds the sum of~~
26 ~~\$10,000,000 and the amount appropriated to the special fund under paragraph (1) of this~~
27 ~~subsection.~~

28 ~~(3) (i) The cumulative amount required to be appropriated to the~~
29 ~~special fund under paragraph (1) of this subsection for all fiscal years shall equal the~~
30 ~~cumulative amount of any appropriation or transfer from the special fund to the General~~
31 ~~Fund for fiscal year 2006 and for each subsequent fiscal year, reduced by:~~

32 ~~1. the amount of any appropriation or transfer from the~~
33 ~~General Fund to the special fund for any fiscal year in excess of the amount required under~~
34 ~~paragraph (1) of this subsection for that fiscal year; and~~

~~2. the amount of any appropriation or transfer from the General Fund to the special fund for any fiscal year in which the appropriation under paragraph (1) of this subsection is not required.~~

~~(ii) This subsection does not apply to any fiscal year if a cumulative amount has been appropriated to the special fund for prior fiscal years under this subsection equal to the cumulative amount of any appropriation or transfer from the special fund to the General Fund for fiscal year 2006 and for each subsequent fiscal year, reduced by:~~

~~1. the amount of any appropriation or transfer from the General Fund to the special fund for any fiscal year in excess of the amount required under paragraph (1) of this subsection for that fiscal year; and~~

~~2. the amount of any appropriation or transfer from the General Fund to the special fund for any fiscal year in which the appropriation under paragraph (1) of this subsection is not required.]~~

~~(h) (G)~~ (G) (1) The distributions required under this subsection may not be utilized or considered for the purposes of calculating any allocation or appropriation under subsection (f) ~~or (g)~~ of this section.

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

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

(ii) for the fiscal year beginning July 1, 2014, \$144,188,544;

(iii) for the fiscal year beginning July 1, 2015, ~~[\$77,654,000]~~
\$115,366,700;

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

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

Article – Transportation

5-415.

(a) In this section, “Fire Rescue Service” means the Maryland Aviation Administration Fire Rescue Service.

(b) Subject to [subsection (c)] SUBSECTIONS (C) AND (E) of this section, the Fire Rescue Service [shall] MAY charge an ambulance transport fee [set in regulations adopted under subsection (d) of this section] to an individual if the Fire Rescue Service transports

1 the individual to a hospital from property owned by the Administration or property subject
 2 to a mutual aid agreement to which the Administration is a party.

3 (c) [(1)] The Fire Rescue Service may not:

4 [(i)] (1) Question an individual about ability to pay [the] AN
 5 ambulance transport fee at the time that ambulance transportation is requested or provided;
 6 or

7 [(ii)] (2) Fail to provide ambulance transportation and emergency
 8 medical services because of an individual's actual or perceived inability to pay [the] AN
 9 ambulance transport fee.

10 [(2)] (D) The Administration may procure the services of a third party
 11 billing company to administer [its] AN ambulance transport fee program UNDER THIS
 12 SECTION.

13 [(d)] (E) [The] BEFORE THE FIRE RESCUE SERVICE MAY CHARGE AN
 14 AMBULANCE TRANSPORT FEE UNDER THIS SECTION, THE Administration shall adopt
 15 regulations to:

16 (1) Set the AMOUNT OF THE ambulance transport fee; and

17 (2) Administer the collection of the ambulance transport fee, including
 18 regulations governing:

19 (i) A waiver of the ambulance transport fee in the event of financial
 20 hardship;

21 (ii) The acceptance of reduced payments by commercial insurers and
 22 other third-party payors, including Medicare and Medicaid; and

23 (iii) A requirement that each individual receiving an ambulance
 24 transport provide financial information, including the individual's insurance coverage, and
 25 assign insurance benefits to the Administration.

26 [(e)] (F) The Administration shall deposit the fees collected under this section in
 27 the Transportation Trust Fund.

28 ~~Article Transportation~~

29 ~~§ 613.3.~~

30 ~~The Governor shall include in the annual operating or capital budget OF THE~~
 31 ~~DEPARTMENT an appropriation [to the Administration] to be used to comply with the~~
 32 ~~Watershed Implementation Plan in the amount of:~~

1 ~~Mental Hygiene shall model the methodology for calculating General Fund savings in the~~
 2 ~~Medicaid program by comparing an average baseline of Maryland Medicaid total risk-~~
 3 ~~adjusted hospital expenditures per beneficiary over a reasonable period of time before the~~
 4 ~~implementation of the Maryland all-payer model contract to the actual Maryland Medicaid~~
 5 ~~total risk-adjusted hospital expenditures per beneficiary during the period under~~
 6 ~~Maryland's all-payer model contract. ANNUALLY BY \$20,000,000 \$25,000,000 OVER~~
 7 ~~THE ASSESSMENT LEVEL FOR THE PRIOR YEAR.~~

8 **(3)** To the extent that the Commission takes other actions that reduce
 9 Medicaid costs, those savings shall also be used to reduce the budgeted Medicaid Deficit
 10 Assessment.

11 **(4)** To the maximum extent possible, the Commission and the Department
 12 of Health and Mental Hygiene shall adopt policies that preserve the State's Medicare
 13 waiver.

14 **(D) (1) FROM THE RECOGNITION OF ADDITIONAL HOSPITAL INPATIENT**
 15 **AND OUTPATIENT SAVINGS DUE TO A DECREASE IN UNCOMPENSATED CARE, THE**
 16 **HEALTH SERVICES COST REVIEW COMMISSION SHALL ~~ENACT~~ ADOPT POLICIES**
 17 **THAT WILL ACHIEVE GENERAL FUND SAVINGS TO THE MEDICAID PROGRAM OF AT**
 18 **LEAST:**

19 ~~(I) \$8,000,000 IN FISCAL YEAR 2015; AND~~

20 ~~(H) \$16,700,000 IN FISCAL YEAR 2016.~~

21 **(2) (I) IF THE POLICIES ~~ENACTED~~ ADOPTED UNDER PARAGRAPH**
 22 **(1) OF THIS SUBSECTION FAIL TO ACHIEVE THE REQUIRED SAVINGS IN ~~EACH FISCAL~~**
 23 **~~YEAR~~ FISCAL YEAR 2016, THE HEALTH SERVICES COST REVIEW COMMISSION**
 24 **SHALL ~~ENACT POLICIES TO LOWER HOSPITAL BILLING RATES FOR MEDICARE AND~~**
 25 **~~MEDICAID PATIENTS SUFFICIENT TO ACHIEVE THE TOTAL SAVINGS REQUIRED FOR~~**
 26 **~~EACH FISCAL YEAR~~ SUBMIT, ON OR BEFORE SEPTEMBER 1, 2015, AN ALTERNATIVE**
 27 **PLAN FOR GENERAL FUND SAVINGS TO THE DEPARTMENT OF HEALTH AND**
 28 **MENTAL HYGIENE AND THE DEPARTMENT OF BUDGET AND MANAGEMENT FOR**
 29 **REVIEW.**

30 **(II) THE PLAN SUBMITTED UNDER SUBPARAGRAPH (I) OF THIS**
 31 **PARAGRAPH SHALL PROVIDE FOR SAVINGS IN THE MEDICAID PROGRAM THAT,**
 32 **WHEN COMBINED WITH THE SAVINGS UNDER PARAGRAPH (1) OF THIS SUBSECTION,**
 33 **ARE SUFFICIENT TO ACHIEVE TOTAL GENERAL FUND SAVINGS OF AT LEAST**
 34 **\$16,700,000 IN FISCAL YEAR 2016.**

35 ~~**(3) IF THE POLICIES ENACTED UNDER PARAGRAPHS (1) AND (2) OF**~~
 36 ~~**THIS SUBSECTION FAIL TO ACHIEVE THE REQUIRED SAVINGS IN EACH FISCAL YEAR,**~~
 37 ~~**THE HEALTH SERVICES COST REVIEW COMMISSION SHALL ENACT POLICIES TO**~~

1 ~~INCREASE THE MEDICAID DEFICIT ASSESSMENT TO A LEVEL SUFFICIENT TO~~
 2 ~~ACHIEVE THE TOTAL SAVINGS REQUIRED FOR EACH FISCAL YEAR.~~

3 ~~(4)~~ THE SAVINGS REQUIRED UNDER THIS SUBSECTION SHALL BE IN
 4 ADDITION TO THE AMOUNT PROVIDED FOR IN SUBSECTION (C) OF THIS SECTION.

5 Chapter 397 of the Acts of 2014

6 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,

7 That:

8 (b) (1) The Authority shall complete a study and submit a report on the status
 9 of its initiative to implement all-electronic tolling in accordance with this subsection.

10 (2) The study shall include:

11 (i) an analysis of all-electronic tolling in other states and a
 12 description of various all-electronic tolling programs;

13 (ii) an analysis of electronic toll collection interoperability;

14 (iii) an analysis of:

15 1. alternative payment methods that do not exceed the
 16 existing cash toll rate at each project;

17 2. a video toll rate based on an analysis of actual costs and
 18 potential savings to collect video tolls; [and]

19 3. a toll rate needed to address concerns with video toll
 20 collection associated with trucks AND CORRESPONDING AXLE COMBINATIONS;

21 4. INNOVATIVE PROCUREMENT MODELS IMPLEMENTED
 22 IN OTHER STATES, INCLUDING MODELS FOR SELECTING THE BEST ROADSIDE AND
 23 BACK OFFICE SYSTEMS FOR TOLL COLLECTION AND SYSTEM PROCESSING; AND

24 5. THE ECONOMIC BENEFITS OF ENSURING A HIGHLY
 25 COMPETITIVE PROCUREMENT MODEL;

26 (iv) an analysis of issues and factors related to all-electronic tolling
 27 that must be addressed before all-electronic tolling becomes effective at each project;

28 (v) an overview of revisions, if any, to the Authority's initial
 29 all-electronic tolling proposal; and

1 (5) (4) (i) 1. The State Board shall establish a program to
 2 support locally negotiated incentives, governed under Subtitles 4 and 5 of this title, for
 3 highly effective classroom teachers and principals to work in public schools that are:

4 A. In improvement, corrective action, or restructuring;

5 B. Categorized by the local school system as a Title I school;
 6 or

7 C. In the highest 25% of schools in the State based on a
 8 ranking of the percentage of students who receive free and reduced priced meals.

9 2. The program established under subparagraph 1 of this
 10 subparagraph may include financial incentives, leadership changes, or other incentives.

11 (ii) 1. The State Board shall adopt guidelines to implement this
 12 paragraph.

13 2. Nothing in this paragraph shall be construed to prohibit a
 14 local school system from employing more stringent standards than the guidelines adopted
 15 under this subparagraph.

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

18 **Article – State Finance and Procurement**

19 7-311.

20 (i) (1) Except as provided in paragraph (2) of this subsection, for fiscal year
 21 [2007] 2017 and for each subsequent fiscal year, the Governor shall include in the budget
 22 bill an appropriation to:

23 (I) the Account equal to ONE-HALF OF the amount by which the
 24 unappropriated General Fund surplus as of June 30 of the second preceding fiscal year
 25 exceeds \$10,000,000; AND

26 (II) THE ACCUMULATION FUNDS OF THE STATE RETIREMENT
 27 AND PENSION SYSTEM EQUAL TO ONE-HALF OF THE AMOUNT BY WHICH THE
 28 UNAPPROPRIATED GENERAL FUND SURPLUS AS OF JUNE 30 OF THE SECOND
 29 PRECEDING FISCAL YEAR EXCEEDS \$10,000,000.

30 **Article – State Personnel and Pensions**

31 21-304.

1 (a) (1) In this section the following words have the meanings indicated.

2 (2) With respect to local employees, “aggregate annual earnable
3 compensation” means the total annual earnable compensation payable by a local employer
4 to all of its local employees, calculated as of June 30 of the second prior fiscal year before
5 the fiscal year for which the calculation is made under this section, adjusted by any
6 actuarial assumed salary increases that were used in the actuarial valuation prepared
7 under § 21–125(b) of this title for the immediate prior fiscal year.

8 [(3) “Full funding rate” means the sum of:

9 (i) the aggregate normal rate that is based on the normal
10 contribution rate calculated under subsection (c) of this section and adjusted to incorporate
11 legislative changes in benefits to reflect changes to the normal cost; and

12 (ii) the aggregate unfunded accrued liability contribution rate that
13 is based on the unfunded accrued liability contribution rate under subsection (d)(1) and (2)
14 of this section.

15 (4) “Funding ratio for the employees’ systems” means the actuarial value
16 of assets for the employees’ systems divided by the actuarial accrued liability for the
17 employees’ systems.

18 (5) “Funding ratio for the teachers’ systems” means the actuarial value of
19 assets for the teachers’ systems divided by the actuarial accrued liability for the teachers’
20 systems.]

21 [(6)] (3) “Local employee” means a member of the Teachers’ Retirement
22 System or the Teachers’ Pension System who is an employee of a day school in the State
23 under the authority and supervision of a county board of education or the Baltimore City
24 Board of School Commissioners, employed as:

25 (i) a clerk;

26 (ii) a helping teacher;

27 (iii) a principal;

28 (iv) a superintendent;

29 (v) a supervisor; or

30 (vi) a teacher.

31 [(7)] (4) “Local employer” means a county board of education or the
32 Baltimore City Board of School Commissioners.

1 [(8) “New legislative change” means a legislative change that results in an
2 adjustment to the normal cost or accrued liabilities that has not previously been recognized
3 in an actuarial valuation under § 21–125(b) of this title.

4 (9) “Preliminary funding rate” means the full funding rate without any
5 adjustment to the normal cost or accrued liabilities for a new legislative change.]

6 [(10)] (5) “State member” does not include a member on whose behalf a
7 participating governmental unit is required to make an employer contribution under
8 § 21–305 or § 21–306 of this subtitle.

9 [(11)] (6) “Total employer contribution for local employees” means that
10 portion of the employer contribution calculated under subsection (b) of this section that is
11 attributable to all local employees.

12 (b) (1) Subject to paragraphs (4) and (5) of this subsection, each fiscal year, on
13 behalf of the State members of each State system, the State shall pay to the appropriate
14 accumulation fund an amount equal to or greater than the sum of the amount, if any,
15 required to be included in the budget bill under § 3–501(c)(2)(ii) of this article and the
16 product of multiplying:

17 (i) the aggregate annual earnable compensation of the State
18 members of that State system; and

19 (ii) [1. for State members of the Law Enforcement Officers’
20 Retirement System, State Police Retirement System, and the Judges’ Retirement System,]
21 the sum of the normal contribution rate and the accrued liability contribution rate **FOR**
22 **STATE MEMBERS OF THAT STATE SYSTEM**, as determined under this section];

23 2. for State members of the Employees’ Pension System,
24 Employees’ Retirement System, Correctional Officers’ Retirement System, and Legislative
25 Pension Plan, the employees’ systems contribution rate determined under subsection (e) of
26 this section; or

27 3. for State members of the Teachers’ Pension System and
28 Teachers’ Retirement System, the teachers’ systems contribution rate determined under
29 subsection (f) of this section].

30 (2) The amount determined under paragraph (1) of this subsection for each
31 State system shall be based on an actuarial determination of the amounts that are required
32 to preserve the integrity of the funds of the several systems using:

33 (i) the entry–age actuarial cost method; and

34 (ii) actuarial assumptions adopted by the Board of Trustees.

1 (3) For the purpose of making the determinations required under this
2 section:

3 (i) the Employees' Retirement System, the Employees' Pension
4 System, the Correctional Officers' Retirement System, and the Legislative Pension Plan
5 shall be considered together as one State system; and

6 (ii) the Teachers' Retirement System and the Teachers' Pension
7 System shall be considered together as one State system.

8 [(e) (1) Except as provided in paragraph (3) of this subsection and subject to
9 paragraph (2) of this subsection, the employees' system contribution rate shall be the sum
10 of:

11 (i) the employees' system contribution rate for the previous fiscal
12 year; and

13 (ii) 1. 20% of the difference between the full funding rate for the
14 current fiscal year and the employees' system contribution rate for the previous fiscal year;
15 or

16 2. for a fiscal year for which an adjustment to normal cost or
17 accrued liabilities for a new legislative change is first determined as a result of an actuarial
18 valuation under § 21-125(b) of this title, 20% of the difference between the preliminary
19 funding rate for the current fiscal year and the employees' system contribution rate for the
20 previous fiscal year.

21 (2) For a fiscal year for which an adjustment to normal cost or accrued
22 liabilities for a new legislative change is determined as a result of an actuarial valuation
23 under § 21-125(b) of this title, the contribution rate for the employees' systems under
24 paragraph (1) of this subsection shall be adjusted to fully reflect the cost or savings of the
25 new legislative changes that result in changes in normal contributions or accrued liabilities
26 and to amortize over the time remaining until June 30, 2038, any changes in accrued
27 liabilities of the employees' systems.

28 (3) The percentages used in paragraph (1)(ii) of this subsection shall be:

29 (i) 28% for the rate for fiscal year 2015;

30 (ii) 36% for the rate for fiscal year 2016;

31 (iii) 44% for the rate for fiscal year 2017;

32 (iv) 52% for the rate for fiscal year 2018;

33 (v) 60% for the rate for fiscal year 2019;

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- 1 (vi) 68% for the rate for fiscal year 2020;
2 (vii) 76% for the rate for fiscal year 2021;
3 (viii) 84% for the rate for fiscal year 2022;
4 (ix) 92% for the rate for fiscal year 2023; and
5 (x) 100% for the rate for fiscal year 2024 and thereafter.]

6 [(f) (1) Except as provided in paragraph (3) of this subsection and subject to
7 paragraph (2) of this subsection, the teachers' system contribution rate shall be the sum of:

8 (i) the teachers' system contribution rate for the previous fiscal
9 year; and

10 (ii) 1. 20% of the difference between the full funding rate for the
11 current fiscal year and the teachers' system contribution rate for the previous fiscal year;
12 or

13 2. for a fiscal year for which an adjustment to normal cost or
14 accrued liabilities for a new legislative change is first determined as a result of an actuarial
15 valuation under § 21-125(b) of this title, 20% of the difference between the preliminary
16 funding rate for the current fiscal year and the teachers' system contribution rate for the
17 previous fiscal year.

18 (2) For a fiscal year for which an adjustment to normal cost or accrued
19 liabilities for a new legislative change is determined as a result of an actuarial valuation
20 under § 21-125(b) of this title, the contribution rate for the teachers' systems under
21 paragraph (1) of this subsection shall be adjusted to fully reflect the cost or savings of the
22 new legislative changes that result in changes in normal contributions or accrued liabilities
23 and to amortize over the time remaining until June 30, 2038, any changes in accrued
24 liabilities of the teachers' systems.

25 (3) The percentages used in paragraph (1)(ii) of this subsection shall be:

26 (i) 28% for the rate for fiscal year 2015;

27 (ii) 36% for the rate for fiscal year 2016;

28 (iii) 44% for the rate for fiscal year 2017;

29 (iv) 52% for the rate for fiscal year 2018;

30 (v) 60% for the rate for fiscal year 2019;

31 (vi) 68% for the rate for fiscal year 2020;

1 (vii) 76% for the rate for fiscal year 2021;

2 (viii) 84% for the rate for fiscal year 2022;

3 (ix) 92% for the rate for fiscal year 2023; and

4 (x) 100% for the rate for fiscal year 2024 and thereafter.]

5 21-308.

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

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

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

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

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

20 (ii) the additional amounts as ascertained under subsection (d) of
21 this section for the State's payment to the professional and clerical employees of the
22 Department of Public Libraries of Montgomery County who are members of the Employees'
23 Retirement System of Montgomery County and are excluded from membership in the
24 Teachers' Retirement System or the Teachers' Pension System; and

25 (iii) any additional amount required to be in the budget bill under §
26 3-501(c)(2)(ii) of this article.

27 (3) The amounts that the Governor is required to include in the budget bill
28 under paragraph (2) of this subsection shall be reduced by the amount of administrative
29 and operational expenses for the Board of Trustees and the State Retirement Agency that
30 are to be paid by local employers under § 21-316 of this subtitle other than participating
31 governmental units or employers who are required to make contributions under § 21-307
32 of this subtitle.

1 (4) (i) [1. For fiscal year 2014, in addition to the annual required
2 contribution required under paragraph (2) of this subsection, the Governor shall include in
3 the budget bill a supplemental contribution of \$100,000,000.

4 2. For fiscal year 2015, in addition to the annual required
5 contribution required under paragraph (2) of this subsection, the Governor shall include in
6 the budget bill a supplemental contribution of \$100,000,000.

7 3.] For fiscal year 2016, in addition to the annual required
8 contribution required under paragraph (2) of this subsection, the Governor shall include in
9 the budget bill a supplemental contribution of ~~[\$150,000,000]~~ **\$75,000,000.**

10 4.] (II) For fiscal year 2017 AND EACH FISCAL YEAR
11 THEREAFTER, in addition to the annual required contribution required under paragraph
12 (2) of this subsection, the Governor shall include in the budget bill a supplemental
13 contribution of ~~[\$200,000,000]~~ **\$75,000,000[.**

14 5. For fiscal year 2018, in addition to the annual required
15 contribution required under paragraph (2) of this subsection, the Governor shall include in
16 the budget bill a supplemental contribution of \$250,000,000.

17 6. For fiscal year 2019 and each fiscal year thereafter, in
18 addition to the annual required contribution required under paragraph (2) of this
19 subsection, the Governor shall include in the budget bill a supplemental contribution of
20 ~~\$300,000,000,] until[:~~

21 A.] the total actuarial value of assets for the several systems
22 divided by the total actuarial accrued liability for the several systems equals a funding ratio
23 of 85%[; and

24 B. the contribution rates certified under paragraph (1)(i) of
25 this subsection are the full funding rates as defined in § 21-304(a)(3) of this subtitle].

26 [(ii) If the amount of a supplemental contribution included in the
27 budget bill for a fiscal year is less than the amount required under subparagraph (i) of this
28 paragraph, the Governor shall increase the supplemental contribution for the following
29 fiscal year by the amount of the reduction to the supplemental contribution in the previous
30 fiscal year.]

31 SECTION ~~2~~ 4. AND BE IT FURTHER ENACTED, That, notwithstanding any other
32 provision of law, for fiscal year 2016, there shall be no increase in rates to providers of
33 nonpublic placements under § 8-406 of the Education Article over the rates in effect on
34 ~~June 30~~ July 1, 2014.

1 SECTION ~~3~~ 5. AND BE IT FURTHER ENACTED, That, for fiscal year 2016,
 2 payments to providers with rates set by the Interagency Rates Committee under § 8-417
 3 of the Education Article may not increase over the rates in effect on ~~June 30~~ July 1, 2014.

4 SECTION ~~4~~ 6. AND BE IT FURTHER ENACTED, That, notwithstanding any other
 5 provision of law:

6 (a) (1) Except as otherwise provided in this section, State employees employed
 7 by any entity, including the University System of Maryland, Morgan State University, and
 8 St. Mary's College of Maryland, may not receive merit increases ~~or cost-of-living~~
 9 ~~adjustments~~ in fiscal year 2016.

10 ~~(b)~~ (2) This ~~provision~~ subsection does not affect:

11 ~~(1)~~ (i) Salaries for constitutional officers or members of the General
 12 Assembly; ~~or~~

13 ~~(2)~~ (ii) Increases necessary for the retention of faculty in the University
 14 System of Maryland, Morgan State University, or St. Mary's College of Maryland;

15 (iii) increased payments under a collective bargaining agreement
 16 negotiated with an accredited representative in accordance with § 7-601 of the
 17 Transportation Article; or

18 (iv) operationally critical staff.

19 (b) (1) This subsection does not apply to the Executive Pay Plan.

20 (2) No plan of compensation for any State position of employment may be
 21 amended to provide a rate of compensation lower than the rate provided for the position in
 22 effect on January 1, 2015.

23 (c) (1) The amount of salary lost by a State employee as a result of any
 24 reduction in the employee's rate of compensation on or after July 1, 2015, below the rate of
 25 compensation of the employee in the same position in effect on January 1, 2015, attributable
 26 to the failure to include in the fiscal 2016 budget an appropriation sufficient to continue to
 27 fund the cost-of-living adjustments for State employees that took effect on January 1, 2015,
 28 shall be included by the State Retirement and Pension Systems in the calculation of the
 29 employee's earnable compensation for the purpose of determining retirement benefits.

30 (2) The Board of Trustees for the State Retirement and Pension System may
 31 adopt any policies and procedures necessary to carry out the provisions of this subsection.

32 (d) On or before December 1, 2015, in accordance with § 2-1246 of the State
 33 Government Article, the University System of Maryland, Morgan State University, and St.
 34 Mary's College of Maryland shall each submit a report to the Senate Budget and Taxation
 35 Committee and the House Appropriations Committee that details the policies adopted by the

1 governing boards of those institutions to designate operationally critical staff, all staff
 2 identified as operationally critical under subsection (b)(4) of this section, and any merit
 3 increases awarded as a consequence of this designation.

4 (e) On or before December 1, 2015, in accordance with § 2-1246 of the State
 5 Government Article, the Department of Budget and Management shall submit a report to
 6 the Senate Budget and Taxation Committee and the House Appropriations Committee that
 7 details the policies adopted to designate operationally critical staff, all Executive Branch
 8 staff identified as operationally critical under subsection (b)(4) of this section, and any merit
 9 increases awarded as a consequence of this designation.

10 SECTION ~~5~~ 7. AND BE IT FURTHER ENACTED, That, notwithstanding any other
 11 provision of law, for fiscal year 2016 the Department of Housing and Community
 12 Development may use up to \$2,400,000 of the funds in the Housing Counseling and
 13 Foreclosure Mediation Fund established under § 4-507 of the Housing and Community
 14 Development Article for administrative expenses.

15 SECTION ~~6~~ 8. AND BE IT FURTHER ENACTED, That, notwithstanding any other
 16 provision of law:

17 (a) Subject to subsection (b) of this section, for fiscal year 2015, funds in the
 18 Maryland Health Insurance Plan Fund established under § 14-504 of the Insurance Article
 19 may be used by the Department of Health and Mental Hygiene to fund provider
 20 reimbursements in the Medicaid program.

21 (b) The amount of funds that may be used under this section shall be the greater
 22 of:

23 (1) ~~\$45,000,000~~ \$55,000,000; or

24 ~~(2) The nonfederal share of the Medicare or Medicaid programs.~~

25 (2) The estimated percentage of the fund balance obtained from payers
 26 other than the federal Medicare program or the federal portion of the Medicaid program.

27 SECTION ~~7~~ 9. AND BE IT FURTHER ENACTED, That, notwithstanding any other
 28 provision of law, for fiscal years 2015 and 2016, any payment received by the Department
 29 of Business and Economic Development as a repayment of a loan under § 7-314 of the State
 30 Finance and Procurement Article shall be deposited in the General Fund.

31 SECTION ~~8~~ 10. AND BE IT FURTHER ENACTED, That, notwithstanding any
 32 other provision of law, on or before June 30, 2015, the Governor may transfer to the General
 33 Fund:

34 \$10,500,000 from the unencumbered balance in the accounts of Program Open Space
 35 established under Title 5, Subtitle 9 of the Natural Resources Article;

1 \$6,000,000 of the funds ~~is~~ from a combination of the efficiency and conservation
2 programs accounts, renewable and clean energy programs account, and administrative
3 expense account of the Maryland Strategic Energy Investment Fund established under §
4 9–20B–05 of the State Government Article;

5 ~~\$4,000,000~~ \$3,500,000 of the funds in the accounts of the Baltimore City Community
6 College;

7 \$4,000,000 of the funds in the reserve account established by the State to pay
8 unemployment compensation for State employees;

9 \$3,000,000 of the funds in the Jane E. Lawton Conservation Fund established under
10 § 9–20A–07 of the State Government Article;

11 \$3,000,000 from the funds of the Mortgage Lender–Originator Fund established
12 under § 11–610 of the Financial Institutions Article;

13 \$2,500,000 of the funds in the Board of Nursing Fund established under § 8–206 of
14 the Health Occupations Article;

15 \$2,180,000 of the funds in the Waterway Improvement Fund established under §
16 8–707 of the Natural Resources Article;

17 \$1,800,000 of the funds in the Board of Physicians Fund established under § 14–207
18 of the Health Occupations Article;

19 \$1,700,000 of the funds in the accounts of the Health Personnel Shortage Incentive
20 Grant Program established under § 18–803 of the Education Article that are paid to the
21 Program from the Board of Physicians Fund under § 14–207(c)(2)(i) of the Health
22 Occupations Article;

23 \$1,600,000 of the funds in the State Board of Pharmacy Fund established under §
24 12–206 of the Health Occupations Article;

25 \$1,375,000 of the funds in the Bay Restoration Fund established under § 9–1605.2
26 of the Environment Article; ~~and~~

27 ~~\$1,000,000~~ \$500,000 of the funds in the Spinal Cord Injury Research Trust Fund
28 established under § 13–1406 of the Health – General Article; and

29 \$58,000 of the funds in the Sustainable Communities Tax Credit Reserve Fund
30 established under § 5A–303 of the State Finance and Procurement Article.

31 SECTION ~~9~~ 11. AND BE IT FURTHER ENACTED, That, notwithstanding any
32 other provision of law, on or before June 30, 2015, the Governor may transfer to the General
33 Fund the balance of the funds in the State Police Helicopter Replacement Fund established
34 under § 2–801 of the Public Safety Article.

1 SECTION 12. AND BE IT FURTHER ENACTED, That, notwithstanding any other
2 provision of law, on or after July 1, 2015, the revenue attributable to the surcharge under
3 § 7-301(f) of the Courts Article on citations issued before October 1, 2010 (the effective date
4 of Chapter 735 of the Acts of 2010) that would have otherwise been credited to the State
5 Police Helicopter Replacement Fund, but for the repeal of the Fund under this Act, shall be
6 credited to the General Fund.

7 ~~SECTION 10, 13.~~ AND BE IT FURTHER ENACTED, That, notwithstanding any
8 other provision of law, on or before June 30, 2016, the Governor may transfer to the General
9 Fund;

10 \$4,000,000 of the funds in the reserve account established by the State to pay
11 unemployment compensation for State employees; and

12 \$500,000 of the funds in the Spinal Cord Injury Research Trust Fund established
13 under § 13-1406 of the Health – General Article.

14 ~~SECTION 11. AND BE IT FURTHER ENACTED, That, notwithstanding any other~~
15 ~~provision of law:~~

16 (a) ~~In fiscal year 2015, \$4,073,964 of the funds that would otherwise be allocated~~
17 ~~as video lottery terminal local impact grants under § 9-1A-31 of the State Government~~
18 ~~Article shall be allocated to the Education Trust Fund; and~~

19 (b) ~~In fiscal year 2016, \$3,887,697 of the funds that would otherwise be allocated~~
20 ~~as video lottery terminal local impact grants under § 9-1A-31 of the State Government~~
21 ~~Article shall be allocated to the Education Trust Fund.~~

22 ~~SECTION 12. AND BE IT FURTHER ENACTED, That:~~

23 (a) ~~On or before June 30, 2015, the Comptroller shall distribute \$100,000,000~~
24 ~~from the Local Reserve Account established under § 2-606 of the Tax – General Article to~~
25 ~~the General Fund; and~~

26 (b) ~~During fiscal year 2016, the State shall pay \$100,000,000 to the Local Reserve~~
27 ~~Account established under § 2-606 of the Tax – General Article to repay the transfer to the~~
28 ~~General Fund authorized under subsection (a) of this section.~~

29 ~~SECTION 13. AND BE IT FURTHER ENACTED, That, notwithstanding any other~~
30 ~~provision of law, for fiscal year 2017 and each fiscal year thereafter:~~

31 (a) ~~For any appropriation that is required by statute, the percentage funding~~
32 ~~increase over the previous fiscal year may not exceed the percentage by which the projected~~
33 ~~total General Fund revenues for the upcoming fiscal year exceed the revised estimate of~~
34 ~~total General Fund revenues for the current fiscal year, as reflected in the December report~~

~~of estimated State revenues submitted by the Board of Revenue Estimates to the Governor under § 6-106(b) of the State Finance and Procurement Article, less 1%.~~

~~(b) Subsection (a) of this section does not apply to:~~

~~(1) funding required for State aid to public elementary and secondary education as provided under Title 5, Subtitle 2 and §§ 8-310.3, 8-317, 8-406, 8-415, and 23-503 of the Education Article; or~~

~~(2) the State's employer contribution to the State Retirement and Pension System required under § 21-308 of the State Personnel and Pensions Article.~~

SECTION 14. AND BE IT FURTHER ENACTED, That, on or before June 30, 2015, each Managed Care Organization that the Department of Health and Mental Hygiene estimates to have an insufficient loss ratio for calendar year 2014, shall make adjustments to Managed Care Organization capitation rates, including at least \$10,000,000 in general funds, reimburse the Department for the amount of the estimated insufficient loss ratios in calendar year 2014 ratio. The adjustments reimbursements under this section shall be credited toward the maximum adjustment amount based on each Managed Care Organization's final calendar year 2014 loss ratio, as determined under Code of Maryland Regulations 10.09.65.19-5. To the extent that the Department determines that the maximum adjustment amount based on a Managed Care Organization's final calendar year 2014 loss ratio is less than the adjustment reimbursement paid by the Managed Care Organization to the Department under this section, the Department shall reimburse the Managed Care Organization shall be reimbursed at an amount equal to the difference.

SECTION 15. AND BE IT FURTHER ENACTED, That, notwithstanding any other provision of law, for fiscal year 2016, a stipend granted under:

(1) Section 6-306(b)(2) and (4) of the Education Article may only be granted to a teacher or an employee in a public school identified by the State Board of Education for fiscal year 2014 as having comprehensive needs; and

(2) Section 6-206(b)(3) of the Education Article may only be granted to a teacher or an employee in a public school not identified by the State Board of Education for fiscal year 2014 as having comprehensive needs.

SECTION 16. AND BE IT FURTHER ENACTED, That, notwithstanding any other provision of law, for fiscal year 2016 only:

(1) the Baltimore City Board of School Commissioners may not be required to contribute any funds to the Baltimore City Public School Construction Financing Fund established under § 10-656 of the Economic Development Article; and

(2) the State Comptroller may not withhold, under § 10-645(h) of the Economic Development Article, an amount from any installment due the Baltimore City Board of School Commissioners from the General Fund.

1 SECTION 17. AND BE IT FURTHER ENACTED, That the unexpended
2 appropriation for the Autism Waiver, within the Maryland State Department of Education,
3 Program R00A02.07 Students with Disabilities – Aid to Education, that was included in
4 the fiscal year 2015 operating budget (Chapter 462 of the Acts of 2014) is reduced by
5 \$2,800,000 and shall revert to the General Fund.

6 SECTION 18. AND BE IT FURTHER ENACTED, That the unexpended
7 appropriation for the Out-of-County Placements, within the Maryland State Department
8 of Education, Program R00A02.05 Formula Programs for Specific Populations – Aid to
9 Education, that was included in the fiscal year 2015 operating budget (Chapter 462 of the
10 Acts of 2014) is reduced by \$900,000 and shall revert to the General Fund.

11 SECTION 19. AND BE IT FURTHER ENACTED, That, in implementing the holding
12 of the Court of Appeals in DeWolfe v. Richmond, 434 Md. 403 (2012) and 434 Md. 444
13 (2013), if attorneys are appointed in a county to provide legal representation at an initial
14 appearance before a District Court commissioner, in fiscal year 2016, the total amount of
15 the costs of compensating the attorneys plus the associated costs to administer the program
16 that is beyond the amount restricted for this purpose in the State budget shall be billed by
17 the appointing authority to the county in which the representation is provided and shall be
18 paid by that county. Authorization of State funds in the fiscal year 2016 State budget for
19 this purpose represents a one-time allocation and provides no authority for additional
20 State expenditures or commitment of funds without separate statutory authority or
21 separate authorization in the State budget as passed by the General Assembly.

22 SECTION 20. AND BE IT FURTHER ENACTED, That any money received by the
23 State as a result of conditions of an approved merger between Exelon Corporation and
24 Pepco Holdings, Inc. shall be expended only as specifically authorized in the State budget
25 bill as enacted and not subject to transfer by budget amendment.

26 SECTION 21. AND BE IT FURTHER ENACTED, That, notwithstanding any other
27 provision of law, for fiscal year 2016 only, the State Health Services Cost Review
28 Commission may not assess hospital rate assessments under § 19-214 of the Health –
29 General Article for the operation and administration of the Maryland Health Insurance
30 Plan established under Title 14, Subtitle 5 of the Insurance Article.

31 ~~SECTION 22. AND BE IT FURTHER ENACTED, That, notwithstanding any other~~
32 ~~provision of law, for fiscal year 2016, the State's share of any operating deficits for:~~

33 ~~(1) the Baltimore Convention Center under § 10-641 of the Economic~~
34 ~~Development Article may not exceed \$6,060,375; and~~

35 ~~(2) the Ocean City Convention facility under § 10-643 of the Economic~~
36 ~~Development Article may not exceed \$1,482,444.~~

37 SECTION ~~23~~ 22. AND BE IT FURTHER ENACTED, That, notwithstanding any
38 other provision of law, for fiscal year 2016 only, the Transportation Trust Fund may be

1 used as the source of funding for the appropriation required under § 8-613.3 of the
 2 Transportation Article to comply with the Watershed Implementation Plan.

3 SECTION 23. AND BE IT FURTHER ENACTED, That, notwithstanding any other
 4 provision of law, on or before June 30, 2016, the Governor may transfer from the Special
 5 Fund for Preservation of Cultural Arts in Maryland established under § 4-801 of the
 6 Economic Development Article:

7 (1) \$50,000 as a grant to the Board of Trustees of Sotterley Plantation
 8 Museum;

9 (2) \$125,000 as a grant to the Maryland Historical Society;

10 (3) \$225,000 as a grant to the Maryland Humanities Council;

11 (4) \$790,042 as a grant to the Maryland State Arts Council for the purpose
 12 of making grants to arts organizations;

13 (5) \$467,000 as a grant to the Maryland Academy of Sciences; and

14 (6) \$342,958 to the General Fund.

15 SECTION ~~15~~ 24. AND BE IT FURTHER ENACTED, That, if any provision of this
 16 Act or the application thereof to any person or circumstance is held invalid for any reason
 17 in a court of competent jurisdiction, the invalidity does not affect other provisions or any
 18 other application of this Act that can be given effect without the invalid provision or
 19 application, and for this purpose the provisions of this Act are declared severable.

20 SECTION ~~16~~ 25. AND BE IT FURTHER ENACTED, That § 10-704 of the Tax –
 21 General Article, as enacted by Section 1 of this Act, shall be applicable to all taxable years
 22 beginning after December 31, 2014.

23 SECTION 26. AND BE IT FURTHER ENACTED, That § 7-211(d) of the Tax –
 24 Property Article, as enacted by Section 1 of this Act, shall be applicable to all taxable years
 25 beginning after December 31, 2015.

26 SECTION ~~26~~ 27. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall
 27 take effect July 1, 2016.

28 SECTION ~~27~~ 28. AND BE IT FURTHER ENACTED, That Section 3 of this Act shall
 29 take effect July 1, 2015.

30 SECTION ~~17~~ ~~28~~ 29. AND BE IT FURTHER ENACTED, That, except as provided
 31 in Sections ~~26 and 27~~ 27 and 28 of this Act, this Act shall take effect June 1, 2015.