

Laws  
of the  
State of Maryland

At the Session of the General Assembly Begun and Held in the  
City of Annapolis on the Thirteenth Day of January 2016  
and Ending on the Eleventh Day of April 2016

Bills vetoed by the Governor appear after the Laws

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VOLUME VI

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## Chapter 178

(Senate Bill 217)

AN ACT concerning

### State Board of Physicians – Distribution of Fees by Comptroller – Loan Assistance Repayment for Physicians and Physician Assistants

FOR the purpose of altering the circumstances under which the Comptroller is required to distribute fees received from the State Board of Physicians to the Office of Student Financial Assistance to be used to make grants under the Maryland Loan Assistance Repayment Program for Physicians and Physician Assistants *in certain fiscal years*; repealing certain provisions of law that require the Comptroller to distribute certain fees to the Health Personnel Shortage Incentive Grant Program under certain circumstances; repealing an obsolete provision of law; and generally relating to the distribution of fees received from the State Board of Physicians by the Comptroller.

BY repealing and reenacting, with amendments,  
 Article – Health Occupations  
 Section 14–207 and 15–206  
 Annotated Code of Maryland  
 (2014 Replacement Volume and 2015 Supplement)

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

#### Article – Health Occupations

14–207.

(a) There is a Board of Physicians Fund.

(b) (1) The Board may set reasonable fees for the issuance and renewal of licenses and its other services.

(2) The fees charged shall be set so as to approximate the cost of maintaining the Board, including the cost of providing a rehabilitation program for physicians under § 14–401.1(g) of this title.

(3) Funds to cover the compensation and expenses of the Board members shall be generated by fees set under this section.

(c) ~~(1)~~ The Board shall pay all fees collected under the provisions of this title to the Comptroller of the State.

**(D) (1) IN FISCAL YEAR 2017 AND FISCAL YEAR 2018, IF THE GOVERNOR DOES NOT INCLUDE IN THE STATE BUDGET AT LEAST \$550,000 FOR THE OPERATION OF THE MARYLAND LOAN ASSISTANCE REPAYMENT PROGRAM FOR PHYSICIANS AND PHYSICIAN ASSISTANTS UNDER TITLE 18, SUBTITLE 28 OF THE EDUCATION ARTICLE, AS ADMINISTERED BY THE MARYLAND HIGHER EDUCATION COMMISSION, THE COMPTROLLER SHALL DISTRIBUTE:**

**(I) \$550,000 OF THE FEES RECEIVED FROM THE BOARD TO THE OFFICE OF STUDENT FINANCIAL ASSISTANCE TO BE USED TO MAKE GRANTS UNDER THE MARYLAND LOAN ASSISTANCE REPAYMENT PROGRAM FOR PHYSICIANS AND PHYSICIAN ASSISTANTS UNDER TITLE 18, SUBTITLE 28 OF THE EDUCATION ARTICLE TO PHYSICIANS AND PHYSICIAN ASSISTANTS ENGAGED IN PRIMARY CARE OR TO MEDICAL RESIDENTS SPECIALIZING IN PRIMARY CARE WHO AGREE TO PRACTICE FOR AT LEAST 2 YEARS AS PRIMARY CARE PHYSICIANS IN A GEOGRAPHIC AREA OF THE STATE THAT HAS BEEN DESIGNATED BY THE SECRETARY OF HEALTH AND MENTAL HYGIENE AS BEING MEDICALLY UNDERSERVED; AND**

**(II) THE BALANCE OF THE FEES TO THE BOARD OF PHYSICIANS FUND.**

**(2) ~~⊕~~ ~~⊥~~ IN FISCAL YEAR 2019 AND EACH FISCAL YEAR THEREAFTER, IF** the Governor does not include in the State budget at least **[\$750,000] ~~\$350,000~~ \$400,000** for the operation of **[the Health Personnel Shortage Incentive Grant Program under § 18–803 of the Education Article and]** the Maryland Loan Assistance Repayment Program for Physicians and Physician Assistants under Title 18, Subtitle 28 of the Education Article, as administered by the Maryland Higher Education Commission, the Comptroller shall distribute:

**~~⊥~~ (I)** **[Except as provided in subparagraph (ii) of this paragraph, 12 percent] ~~\$350,000~~ \$400,000** of the fees received from the Board to the Office of Student Financial Assistance to be used **[as follows:**

A. One-half to make grants under the Health Personnel Shortage Incentive Grant Program under § 18–803 of the Education Article; and

B. One-half] to make grants under the Maryland Loan Assistance Repayment Program for Physicians and Physician Assistants under Title 18, Subtitle 28 of the Education Article to physicians and physician assistants engaged in primary care or to medical residents specializing in primary care who agree to practice for at least 2 years as primary care physicians in a geographic area of the State that has been designated by the Secretary of Health and Mental Hygiene as being medically underserved; and

**~~⊥~~ (II)** The balance of the fees to the Board of Physicians Fund.

~~(ii)~~ **(3)** [For fiscal 2008, if the Governor does not include in the State budget the funds specified under subparagraph (i) of this paragraph, the Comptroller shall distribute 14 percent of the fees received from the Board to the Office of Student Financial Assistance to be used as provided under subparagraph (i) of this paragraph.

(iii) If the Governor includes in the State budget at least ~~[\$750,000]~~ ~~\$350,000~~ ~~\$400,000~~ **THE AMOUNT SPECIFIED IN PARAGRAPH (1) OR (2) OF THIS SUBSECTION** for the operation of [the Health Personnel Shortage Incentive Grant Program under § 18–803 of the Education Article and] the Maryland Loan Assistance Repayment Program for Physicians and Physician Assistants under Title 18, Subtitle 28 of the Education Article, as administered by the Maryland Higher Education Commission, the Comptroller shall distribute the fees to the Board of Physicians Fund.

~~(d)~~ **(E)** (1) The Fund shall be used exclusively to cover the actual documented direct and indirect costs of fulfilling the statutory and regulatory duties of the Board as provided by the provisions of this title.

(2) (i) The Fund is a continuing, nonlapsing fund, not subject to § 7–302 of the State Finance and Procurement Article.

(ii) Any unspent portions of the Fund may not be transferred or revert to the General Fund of the State, but shall remain in the Fund to be used for the purposes specified in this title.

(3) Interest or other income earned on the investment of moneys in the Fund shall be paid into the Fund.

(4) No other State money may be used to support the Fund.

~~(e)~~ **(F)** (1) In addition to the requirements of subsection ~~(d)~~ **(E)** of this section, the Board shall fund the budget of the Physician Rehabilitation Program with fees set, collected, and distributed to the Fund under this title.

(2) After review and approval by the Board of a budget submitted by the Physician Rehabilitation Program, the Board may allocate moneys from the Fund to the Physician Rehabilitation Program.

~~(f)~~ **(G)** (1) The chair of the Board or the designee of the chair shall administer the Fund.

(2) Moneys in the Fund may be expended only for any lawful purpose authorized by the provisions of this title.

~~(g)~~ **(H)** The Legislative Auditor shall audit the accounts and transactions of the Fund as provided in § 2–1220 of the State Government Article.

15–206.

(a) The Board shall set reasonable fees for:

(1) The issuance and renewal of licenses; and

(2) The other services rendered by the Board in connection with physician assistants, including the cost of providing a rehabilitation program for physician assistants under § 14–401.1(g) of this article.

(b) ~~(1)~~ The Board shall pay all fees collected under this title to the Comptroller of the State.

**(C) (1) IN FISCAL YEAR 2017 AND FISCAL YEAR 2018, IF THE GOVERNOR DOES NOT INCLUDE IN THE STATE BUDGET AT LEAST \$550,000 FOR THE OPERATION OF THE MARYLAND LOAN ASSISTANCE REPAYMENT PROGRAM FOR PHYSICIANS AND PHYSICIAN ASSISTANTS UNDER TITLE 18, SUBTITLE 28 OF THE EDUCATION ARTICLE, AS ADMINISTERED BY THE MARYLAND HIGHER EDUCATION COMMISSION, THE COMPTROLLER SHALL DISTRIBUTE:**

**(I) \$550,000 OF THE FEES RECEIVED FROM THE BOARD TO THE OFFICE OF STUDENT FINANCIAL ASSISTANCE TO BE USED TO MAKE GRANTS UNDER THE MARYLAND LOAN ASSISTANCE REPAYMENT PROGRAM FOR PHYSICIANS AND PHYSICIAN ASSISTANTS UNDER TITLE 18, SUBTITLE 28 OF THE EDUCATION ARTICLE TO PHYSICIANS AND PHYSICIAN ASSISTANTS ENGAGED IN PRIMARY CARE OR TO MEDICAL RESIDENTS SPECIALIZING IN PRIMARY CARE WHO AGREE TO PRACTICE FOR AT LEAST 2 YEARS AS PRIMARY CARE PHYSICIANS IN A GEOGRAPHIC AREA OF THE STATE THAT HAS BEEN DESIGNATED BY THE SECRETARY OF HEALTH AND MENTAL HYGIENE AS BEING MEDICALLY UNDERSERVED; AND**

**(II) THE BALANCE OF THE FEES TO THE BOARD OF PHYSICIANS FUND.**

(2) ~~(1)~~ ~~¶~~ **IN FISCAL YEAR 2019 AND EACH FISCAL YEAR THEREAFTER, IF** the Governor does not include in the State budget at least ~~[\$750,000]~~ ~~\$350,000~~ **\$400,000** for the operation of [the Health Personnel Shortage Incentive Grant Program under § 18–803 of the Education Article and] the Maryland Loan Assistance Repayment Program for Physicians and Physician Assistants under Title 18, Subtitle 28 of the Education Article, as administered by the Maryland Higher Education Commission, the Comptroller shall distribute:

~~¶~~ **(I)** [12 percent] ~~\$350,000~~ **\$400,000** of the fees received from the Board to the Office of Student Financial Assistance to be used [as follows:

A. One-half to make grants under the Health Personnel Shortage Incentive Grant Program under § 18–803 of the Education Article; and

B. One-half] to make grants under the Maryland Loan Assistance Repayment Program for Physicians and Physician Assistants under Title 18, Subtitle 28 of the Education Article to physicians and physician assistants engaged in primary care or to medical residents specializing in primary care who agree to practice for at least 2 years as primary care physicians in a geographic area of the State that has been designated by the Secretary of Health and Mental Hygiene as being medically underserved; and

~~2.~~ (II) The balance of the fees to the Board of Physicians Fund.

~~(ii)~~ (3) If the Governor includes in the State budget at least ~~[\$750,000] \$350,000 \$400,000~~ THE AMOUNT SPECIFIED IN PARAGRAPH (1) OR (2) OF THIS SUBSECTION for the operation of [the Health Personnel Shortage Incentive Grant Program under § 18–803 of the Education Article and] the Maryland Loan Assistance Repayment Program for Physicians and Physician Assistants under Title 18, Subtitle 28 of the Education Article, as administered by the Maryland Higher Education Commission, the Comptroller shall distribute the fees to the Board of Physicians Fund.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect ~~October~~ July 1, 2016.

Approved by the Governor, April 26, 2016.

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## Chapter 179

(Senate Bill 218)

AN ACT concerning

**Higher Education – University System of Maryland and Morgan State  
University – Prohibition Against Inclusion**

FOR the purpose of prohibiting the inclusion of Morgan State University within the University System of Maryland; and generally relating to the University System of Maryland and Morgan State University.

BY adding to

Article – Education

Section 12–101.1 and 14–101.1

Annotated Code of Maryland

(2014 Replacement Volume and 2015 Supplement)

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

**Article – Education**

**12–101.1.**

**THE UNIVERSITY SYSTEM OF MARYLAND MAY NOT INCLUDE MORGAN STATE UNIVERSITY.**

**14–101.1.**

**MORGAN STATE UNIVERSITY MAY NOT BE INCLUDED IN THE UNIVERSITY SYSTEM OF MARYLAND.**

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016.

**Approved by the Governor, April 26, 2016.**

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**Chapter 180**

**(Senate Bill 219)**

AN ACT concerning

**Carroll County – Turkey Hunting on Private Property – Sundays**

FOR the purpose of authorizing a person to hunt turkey on private property on certain Sundays in Carroll County; making this Act an emergency measure; and generally relating to turkey hunting on Sundays in Carroll County.

BY repealing and reenacting, without amendments,  
Article – Natural Resources  
Section 10–410(a)(1)  
Annotated Code of Maryland  
(2012 Replacement Volume and 2015 Supplement)

BY repealing and reenacting, with amendments,  
Article – Natural Resources  
Section 10–410(a)(2)  
Annotated Code of Maryland



(2012 Replacement Volume and 2015 Supplement)

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

**Article – Natural Resources**

10–410.

(a) (1) Except as provided in paragraphs (2), (3), (4), (6), (7), (8), and (9) of this subsection, a person may not hunt any game bird or mammal on Sundays.

(2) The following persons may hunt the specified game birds and mammals on Sundays:

(i) A person using State certified raptors to hunt game birds or mammals during open season;

(ii) An unarmed person participating in an organized fox chase to chase foxes;

(iii) Provided that the provisions of § 10–906(b)(3) of this title are met, a person:

1. Using a regulated shooting ground under § 10–906 of this title to hunt the following pen-reared game birds:

A. Pheasants;

B. Bobwhite quail;

C. Chukar partridge;

D. Hungarian partridge;

E. Tower released flighted mallard ducks; and

F. Turkey on a regulated shooting ground that was permitted to release turkey before September 1, 1992; and

2. Having the written permission of the owner of the land or other person designated by the owner of the land, if the land is owned or leased by a person other than the person hunting on Sundays;

(iv) Subject to the provisions of § 10–411 of this subtitle, in Calvert, Caroline, Carroll, Charles, Dorchester, Harford, Queen Anne’s, St. Mary’s, Somerset, Talbot, Wicomico, and Worcester counties, a person hunting deer on private property with

a bow and arrow or crossbow during open season on the last three Sundays in October and the second Sunday in November;

(v) In Calvert County, Caroline County, **CARROLL COUNTY**, Charles County, Dorchester County, and St. Mary's County, a person hunting turkey on private property on any Sunday during the spring turkey hunting season; and

(vi) In Dorchester County, a person hunting turkey on public land that is designated for hunting by the Department on any Sunday during the spring turkey hunting season.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act is an emergency measure, is necessary for the immediate preservation of the public health or safety, has been passed by a yea and nay vote supported by three-fifths of all the members elected to each of the two Houses of the General Assembly, and shall take effect from the date it is enacted.

**Approved by the Governor, April 26, 2016.**

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## Chapter 181

**(Senate Bill 272)**

AN ACT concerning

### **Financial Aid – Deaf and Hearing Impaired Students – Out-of-State Institutions of Higher Education**

FOR the purpose of altering an exception to a certain provision of law that authorizes the use of certain student financial assistance only at a certain institution of higher education in the State; authorizing the use of a Howard P. Rawlings Educational Excellence Award at an institution of higher education that is not in the State if the applicant is a deaf or hearing impaired student attending an institution of higher education that makes certain provisions for deaf and hearing impaired students and comparable provisions are not available to the student at an institution of higher education in the State; altering a certain provision of law that prohibits the Office of Student Financial Assistance from awarding more than a certain percent of funds available for certain types of grants for use by students attending certain out-of-state schools; providing for the effective date of this Act; and generally relating to State financial aid for deaf and hearing impaired students attending out-of-state institutions of higher education.

BY repealing and reenacting, with amendments,  
Article – Education  
Section 18-103

Annotated Code of Maryland  
(2014 Replacement Volume and 2015 Supplement)  
(As enacted by Chapter 277 of the Acts of the General Assembly of 2011)

BY repealing and reenacting, with amendments,  
Article – Education  
Section 18–305  
Annotated Code of Maryland  
(2014 Replacement Volume and 2015 Supplement)

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

**Article – Education**

18–103.

Except as otherwise provided in Subtitles **3**, **4**, **5**, and **12** of this title, a scholarship, grant, loan, or other student financial assistance awarded by the Office may be used only at a public or private nonprofit institution of higher education in this State that possesses a certificate of approval from the Commission.

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

**Article – Education**

18–305.

(a) A Delegate Howard P. Rawlings Educational Excellence Award may be used:

(1) At a degree granting institution of higher education, an eligible institution with an associate degree program that provides transfer credit for an accredited baccalaureate program, or a hospital diploma school for training registered nurses if the curriculum is approved by the Commission; and

(2) For educational expenses as defined by the Commission, including:

(i) Tuition and fees; and

(ii) Room and board.

(b) Except as provided in subsection [(c)] **(D)** of this section, a Delegate Howard P. Rawlings Educational Excellence Award may be used at a school in another state if:

(1) There is a reciprocal agreement as provided in § 18–308 of this subtitle;  
and

(2) The school meets requirements of subsection (a)(1) of this section.

**(C) EXCEPT AS PROVIDED IN SUBSECTION (D) OF THIS SECTION, A DELEGATE HOWARD P. RAWLINGS EDUCATIONAL EXCELLENCE AWARD MAY BE USED AT A DEGREE GRANTING INSTITUTION OF HIGHER EDUCATION THAT IS NOT IN THE STATE IF:**

**(1) THE APPLICANT IS A DEAF OR HEARING IMPAIRED STUDENT ATTENDING AN INSTITUTION OF HIGHER EDUCATION THAT MAKES SPECIAL PROVISIONS FOR DEAF AND HEARING IMPAIRED STUDENTS; AND**

**(2) COMPARABLE SPECIAL PROVISIONS ARE NOT AVAILABLE TO THE STUDENT AT AN INSTITUTION OF HIGHER EDUCATION IN THE STATE.**

**[(c)] (D)** The Office may not award more than 10% of the funds available for each of the types of grants awarded under this subtitle for use by students attending schools in another state **AND THE DISTRICT OF COLUMBIA.**

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016, the effective date of Chapter 277 of the Acts of the General Assembly of 2011. If the effective date of Chapter 277 is amended, Section 1 of this Act shall take effect on the taking effect of Chapter 277.

SECTION 4. AND BE IT FURTHER ENACTED, That, subject to Section 3 of this Act, this Act shall take effect July 1, 2016.

**Approved by the Governor, April 26, 2016.**

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## **Chapter 182**

**(Senate Bill 307)**

AN ACT concerning

### **Calvert County – Bonding Authority**

FOR the purpose of authorizing and empowering the County Commissioners of Calvert County, from time to time, to borrow not more than \$9,410,000 to finance the construction, improvement, or development of certain public facilities in Calvert County, as herein defined, and to effect such borrowing by the issuance and sale at public or private sale of its general obligation bonds in like ~~paramount~~ *par amount*; empowering the County to fix and determine, by resolution, the form, tenor, interest rate or rates or method of determining the same, terms, conditions, maturities, and

all other details incident to the issuance and sale of the bonds; empowering the County to issue refunding bonds for the purchase or redemption of bonds in advance of maturity; empowering and directing the County to levy, impose, and collect, annually, ad valorem taxes in rate and amount sufficient to provide funds for the payment of the maturing principal of and interest on the bonds; exempting the bonds and refunding bonds and the interest thereon and any income derived therefrom from all State, county, municipal, and other taxation in the State of Maryland; providing that nothing in this Act shall prevent the County from authorizing the issuance and sale of bonds the interest on which is not excludable from gross income for federal income tax purposes; and generally relating to the issuance and sale of such bonds.

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That, as used herein, the term “County” means the body politic and corporate of the State of Maryland known as the County Commissioners of Calvert County, and the term “construction, improvement, or development of public facilities” means the acquisition, alteration, construction, reconstruction, enlargement, equipping, expansion, extension, improvement, rehabilitation, renovation, upgrading, and repair of public buildings and facilities, including but not limited to the Prince Frederick Volunteer Fire Department, West Dares Beach Road, the Appeal Landfill transfer station, and acquisition of fire and rescue apparatus, and issuance costs together with the costs of acquiring land or interests in land as well as any related architectural, financial, legal, planning, or engineering services.

SECTION 2. AND BE IT FURTHER ENACTED, That the County is hereby authorized to finance any part or all of the costs of the public facilities described in Section 1 of this Act, and to borrow money and incur indebtedness for that purpose, at one time or from time to time, in an amount not exceeding, in the aggregate, \$9,410,000 and to evidence such borrowing by the issuance and sale upon its full faith and credit of general obligation bonds in like ~~paramount~~ *par amount*, which may be issued at one time or from time to time, in one or more groups or series, as the County may determine.

SECTION 3. AND BE IT FURTHER ENACTED, That the bonds shall be issued in accordance with a resolution of the County, which shall describe generally the construction, improvement, or development of public facilities for which the proceeds of the bond sale are intended and the amount needed for those purposes. The County shall have and is hereby granted full and complete authority and discretion in the resolution to fix and determine with respect to the bonds of any issue: the designation, date of issue, denomination or denominations, form or forms, and tenor of the bonds which, without limitation, may be issued in registered form within the meaning of § 19–204 of the Local Government Article of the Annotated Code of Maryland, as amended; the rate or rates of interest payable thereon, or the method of determining the same, which may include a variable rate; the date or dates and amount or amounts of maturity, which need not be in equal par amounts or in consecutive annual installments, provided only that no bond of any issue shall mature later than 30 years from the date of its issue; the manner of selling the bonds, which may be at either public or private sale, for such price or prices as may be determined to be for the best interests of Calvert County; the manner of executing and sealing the bonds, which

may be by facsimile; the terms and conditions, if any, under which bonds may be tendered for payment or purchase prior to their stated maturity; the terms or conditions, if any, under which bonds may or shall be redeemed prior to their stated maturity; the place or places of payment of the principal of and the interest on the bonds, which may be at any bank or trust company within or without the State of Maryland; covenants relating to compliance with applicable requirements of federal income tax law, including (without limitation) covenants regarding the payment of rebate or penalties in lieu of rebate; covenants relating to compliance with applicable requirements of federal or state securities laws; and generally all matters incident to the terms, conditions, issuance, sale, and delivery thereof.

The bonds may be made redeemable before maturity, at the option of the County, at such price or prices and under such terms and conditions as may be fixed by the County prior to the issuance of the bonds, either in the resolution or in a bond order pursuant to the bond resolution. The bonds may be issued in registered form and provision may be made for the registration of the principal only. In case any officer whose signature appears on any bond ceases to be such officer before the delivery thereof, such signature shall nevertheless be valid and sufficient for all purposes as if he had remained in office until such delivery. The bonds and the issuance and sale thereof shall be exempt from the provisions of §§ 19–205 and 19–206 of the Local Government Article of the Annotated Code of Maryland, as amended.

The County may enter into agreements with agents, banks, fiduciaries, insurers, or others for the purpose of enhancing the marketability of any security for the bonds and for the purpose of securing any tender option that may be granted to holders of the bonds, all as may be determined and presented in the aforesaid resolution, which may (but need not) state as security for the performance by the County of any monetary obligations under such agreements the same security given by the County to bondholders for the performance by the County of its monetary obligations under the bonds.

If the County determines in the resolution to offer any of the bonds by solicitation of competitive bids at public sale, the resolution shall fix the terms and conditions of the public sale and shall adopt a form of notice of sale, which shall outline the terms and conditions, and a form of advertisement, which shall be published in one or more daily or weekly newspapers having a general circulation in the County and which may also be published in one or more journals having a circulation primarily among banks and investment bankers. At least one publication of the advertisement shall be made not less than 10 days before the sale of the bonds.

Upon delivery of any bonds to the purchaser or purchasers, payment therefor shall be made to the Treasurer of Calvert County or such other official of Calvert County as may be designated to receive such payment in a resolution passed by the County before such delivery.

SECTION 4. AND BE IT FURTHER ENACTED, That the net proceeds of the sale of bonds shall be used and applied exclusively and solely for the acquisition, construction, improvement, or development of public facilities for which the bonds are sold. If the

amounts borrowed shall prove inadequate to finance the projects described in the resolution, the County may issue additional bonds with the limitations hereof for the purpose of evidencing the borrowing of additional funds for such financing, provided the resolution authorizing the sale of additional bonds shall so recite, but if the net proceeds of the sale of any issue of bonds exceed the amount needed to finance the projects described in the resolution, the excess funds so borrowed and not expended shall be applied to the payment of the next principal maturity of the bonds or to the redemption of any part of the bonds which have been made redeemable or to the purchase and cancellation of bonds, unless the County shall adopt a resolution allocating the excess funds to the acquisition, construction, improvement, or development of other public facilities, as defined and within the limits set forth in this Act.

SECTION 5. AND BE IT FURTHER ENACTED, That the bonds hereby authorized shall constitute, and they shall so recite, an irrevocable pledge of the full faith and credit and unlimited taxing power of the County to the payment of the maturing principal of and interest on the bonds as and when they become payable. In each and every fiscal year that any of the bonds are outstanding, the County shall levy or cause to be levied ad valorem taxes upon all the assessable property within the corporate limits of the County in rate and amount sufficient to provide for or assure the payment, when due, of the principal of and interest on all the bonds maturing in each such fiscal year and, in the event the proceeds from the taxes so levied in any such fiscal year shall prove inadequate for such payment, additional taxes shall be levied in the succeeding fiscal year to make up any such deficiency. The County may apply to the payment of the principal of and interest on any bonds issued hereunder any funds received by it from the State of Maryland, the United States of America, any agency or instrumentality thereof, or from any other source, if such funds are granted for the purpose of assisting the County in financing the acquisition, construction, improvement, or development of the public facilities defined in this Act and, to the extent of any such funds received or receivable in any fiscal year, the taxes that are required to be levied may be reduced accordingly.

SECTION 6. AND BE IT FURTHER ENACTED, That the County is further authorized and empowered, at any time and from time to time, to issue its bonds in the manner hereinabove described for the purpose of refunding, by payment at maturity or upon purchase or redemption, any bonds issued hereunder. The validity of any such refunding bonds shall in no way be dependent upon or related to the validity or invalidity of the obligations so refunded. The powers herein granted with respect to the issuance of bonds shall be applicable to the issuance of refunding bonds. Such refunding bonds may be issued by the County in such an amount as shall be necessary for the purpose of providing it with funds to pay any of its outstanding bonds issued hereunder at maturity, for the purpose of providing it with funds to purchase in the open market any of its outstanding bonds issued hereunder, prior to the maturity thereof, or for the purpose of providing it with funds for the redemption prior to maturity of any outstanding bonds issued hereunder which are, by their terms, redeemable, for the purpose of providing it with funds to pay interest on any outstanding bonds issued hereunder prior to their payment at maturity of purchase or redemption in advance of maturity, or for the purpose of providing it with funds to pay any redemption or purchase premium in connection with the refunding of any of its outstanding bonds issued hereunder. The proceeds of the sale of any such refunding bonds

shall be segregated and set apart by the County as a separate trust fund to be used solely for the purpose of paying the purchase or redemption prices of the bonds to be refunded.

SECTION 7. AND BE IT FURTHER ENACTED, That the County may, prior to the preparation of definitive bonds, issue interim certificates or temporary bonds, exchangeable for definitive bonds when such bonds have been executed and are available for such delivery, provided, however, that any such interim certificates or temporary bonds shall be issued in all respects subject to the restrictions and requirements set forth in this Act. The County may, by appropriate resolution, provide for the replacement of any bonds issued hereunder which shall have become mutilated or lost or destroyed upon such conditions and after receiving such indemnity as the County may require.

SECTION 8. AND BE IT FURTHER ENACTED, That any and all obligations issued pursuant to the authority of this Act, their transfer, the interest payable thereon, and any income derived therefrom in the hands of the holders thereof from time to time (including any profit made in the sale thereof) shall be and are hereby declared to be at all times exempt from State, county, municipal, or other taxation of every kind and nature whatsoever within the State of Maryland. Nothing in this Act shall prevent the County from authorizing the issuance and sale of bonds the interest on which is not excludable from gross income for federal income tax purposes.

SECTION 9. AND BE IT FURTHER ENACTED, That the authority to borrow money and issue bonds conferred on the County by this Act shall be deemed to provide an additional and alternative authority for borrowing money and shall be regarded as supplemental and additional to powers conferred upon the County by other laws and shall not be regarded as in derogation of any power now existing; and all Acts of the General Assembly of Maryland heretofore passed authorizing the County to borrow money are hereby continued to the extent that the powers contained in such Acts have not been exercised, and nothing contained in this Act may be construed to impair, in any way, the validity of any bonds that may have been issued by the County under the authority of any said Acts, and the validity of the bonds is hereby ratified, confirmed, and approved. This Act, being necessary for the welfare of the inhabitants of Calvert County, shall be liberally construed to effect the purposes hereof. All Acts and parts of Acts inconsistent with the provisions of this Act are hereby repealed to the extent of such inconsistency.

SECTION 10. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2016.

**Approved by the Governor, April 26, 2016.**

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## Chapter 183

(Senate Bill 312)

AN ACT concerning



### Children – Family Child Care Homes and Child Care Centers – Advertising and Penalties

FOR the purpose of requiring advertisements for certain child care services to include certain information; authorizing certain employees of the State Department of Education ~~or a law enforcement officer to visit and serve a certain civil citation to~~ or the State Fire Marshal, a deputy State fire marshal, a special assistant State fire marshal, or a local fire marshal to visit, and authorizing the employees of the Department to serve a civil citation to, certain child care homes and child care centers if the child care home or child care center is advertised and is not registered or licensed with the Department, ~~the Department sends a warning letter to the child care provider or child care center, and the child care provider or child care center does not respond within a certain period of time or responds in a certain manner;~~ ~~authorizing certain law enforcement officers to serve a certain civil citation to certain child care homes and child care centers in certain circumstances; authorizing the State Fire Marshal, a deputy State fire marshal, or a special assistant State fire marshal, or a local fire marshal to inspect certain child care homes or child care centers under certain circumstances; altering the penalties for providing certain child care services without being registered or licensed;~~ authorizing the State Fire Marshal, a deputy State fire marshal, a special assistant State fire marshal, or a local fire marshal to take certain actions authorized by law; authorizing a certain penalty for advertising certain child care services without being licensed; stating the intent of the General Assembly that the Department expand its efforts to educate certain parents and certain child care providers about certain issues relating to child care services; requiring the Department to make a certain report on or before a certain date; defining a certain term; and generally relating to child care services in the State.

#### BY renumbering

Article – Family Law  
 Section 5–501(c) through (r), respectively  
 to be Section 5–501(d) through (s), respectively  
 Annotated Code of Maryland  
 (2012 Replacement Volume and 2015 Supplement)

#### BY repealing and reenacting, without amendments,

Article – Family Law  
 Section 5–501(a), 5–550(a) and (b), 5–551(a), 5–570(a), (c), (d), and (f), and 5–574(a)  
 Annotated Code of Maryland  
 (2012 Replacement Volume and 2015 Supplement)

#### BY adding to

Article – Family Law  
 Section 5–501(c) and 5–574(e) ~~through (g)~~ and (f)  
 Annotated Code of Maryland  
 (2012 Replacement Volume and 2015 Supplement)

BY repealing

Article – Family Law

Section 5–551(c)(10)

Annotated Code of Maryland

(2012 Replacement Volume and 2015 Supplement)

BY repealing and reenacting, with amendments,

Article – Family Law

Section 5–551(c)(11) and (12), 5–552, 5–557, 5–557.1, 5–582, 5–583, and 5–583.1

Annotated Code of Maryland

(2012 Replacement Volume and 2015 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That Section(s) 5–501(c) through (r), respectively, of Article – Family Law of the Annotated Code of Maryland be renumbered to be Section(s) 5–501(d) through (s), respectively.

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

#### **Article – Family Law**

5–501.

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

**(C) “ADVERTISEMENT” MEANS A COMMUNICATION THAT IS INTENDED TO INFLUENCE A PERSON TO ENTER INTO AN OBLIGATION OR SIGN A CONTRACT FOR SERVICES.**

5–550.

(a) In Part V of this subtitle the following words have the meanings indicated.

(b) “Department” means the State Department of Education.

5–551.

(a) The Department shall adopt regulations that relate to the registration of family child care homes and large family child care homes.

(c) At a minimum, the regulations of the Department shall provide for:

[(10) a requirement that a person who advertises a family child care home, large family child care home, or family child care service shall:

(i) indicate in the advertisement that the family child care home or large family child care home is registered; and

(ii) display in the advertisement the registration number issued to the family child care home, large family child care home, or family child care service by the Department;]

[(11)] **(10)** a requirement that each registered child care provider shall hold a current certificate indicating successful completion of approved:

(i) basic first aid training through the American Red Cross or through a program with equivalent standards; and

(ii) cardiopulmonary resuscitation (CPR) training through the American Heart Association or through a program with equivalent standards appropriate for the ages of children for whom care is provided in the family child care home or large family child care home; and

[(12)] **(11)** (i) a requirement that a family child care home or large family child care home that receives notice of a contaminated drinking water supply from the family child care home's or large family child care home's supplier of water, in accordance with § 9-410 of the Environment Article or otherwise, send notice of the drinking water contamination to the parent or legal guardian of each child attending the family child care home or large family child care home; and

(ii) a requirement that the notice sent by the family child care home or large family child care home shall:

1. be sent within 10 business days after receipt of the notice of contamination from the family child care home's or large family child care home's water supplier;

2. be in writing;

3. identify the contaminants and their levels in the family child care home's or large family child care home's water supply; and

4. describe the family child care home's or large family child care home's plan for dealing with the water contamination problem until the family child care home's or large family child care home's water is determined by the appropriate authority to be safe for consumption.

5-552.

(a) Except as otherwise provided in this section, a family child care home or large family child care home may not operate unless it is registered.

(b) A family child care home is not required to be registered if the child care provider:

(1) is related to each child by blood or marriage;

(2) is a friend of each child's parents or legal guardian and the care is provided on an occasional basis; or

(3) has received the care of the child from a child placement agency licensed by the Department of Human Resources or by a local department of social services.

(c) (1) A person may not advertise a family child care home, large family child care home, or family child care service unless the family child care home or large family child care home is registered under the provisions of this Part V of this subtitle.

(2) AN ADVERTISEMENT FOR A FAMILY CHILD CARE HOME, LARGE FAMILY CHILD CARE HOME, OR FAMILY CHILD CARE SERVICE SHALL STATE:

(I) THAT THE FAMILY CHILD CARE HOME OR LARGE FAMILY CHILD CARE HOME IS REGISTERED WITH THE DEPARTMENT; AND

(II) THE REGISTRATION NUMBER ISSUED TO THE FAMILY CHILD CARE HOME OR LARGE FAMILY CHILD CARE HOME BY THE DEPARTMENT; ~~AND~~

~~(III) THAT IT IS ILLEGAL TO PROVIDE OR ADVERTISE FOR FAMILY CHILD CARE UNLESS REGISTERED UNDER STATE LAW.~~

(3) ~~IF A CHILD CARE PROVIDER ADVERTISES A FAMILY CHILD CARE HOME OR LARGE FAMILY CHILD CARE HOME THAT IS NOT REGISTERED UNDER THE PROVISIONS OF THIS PART V OF THIS SUBTITLE, AN~~ AN EMPLOYEE OF THE DEPARTMENT CHARGED WITH THE INVESTIGATION AND ENFORCEMENT OF CHILD CARE REGULATIONS ~~OR A LAW ENFORCEMENT OFFICER, THE STATE FIRE MARSHAL, A DEPUTY STATE FIRE MARSHAL, A SPECIAL ASSISTANT STATE FIRE MARSHAL, OR A LOCAL FIRE MARSHAL~~ MAY VISIT THE HOME ~~AND~~ OF A CHILD CARE PROVIDER, AND THE EMPLOYEE OF THE DEPARTMENT MAY SERVE A CIVIL CITATION WITHOUT ANY OTHER EVIDENCE OF UNREGISTERED FAMILY CHILD CARE IF:

(I) THE CHILD CARE PROVIDER ADVERTISES A FAMILY CHILD CARE HOME OR LARGE FAMILY CHILD CARE HOME THAT IS NOT REGISTERED UNDER THE PROVISIONS OF THIS PART V OF THIS SUBTITLE;

(II) THE DEPARTMENT SENDS A WARNING LETTER TO THE CHILD CARE PROVIDER; AND

(III) THE CHILD CARE PROVIDER:

**1. DOES NOT RESPOND TO THE DEPARTMENT WITHIN 10 BUSINESS DAYS AFTER THE DEPARTMENT SENDS THE WARNING LETTER; OR**

**2. RESPONDS TO THE DEPARTMENT IN A MANNER THAT DOES NOT ADEQUATELY ADDRESS THE CHARGE IN THE WARNING LETTER.**

**(4) THE STATE FIRE MARSHAL, A DEPUTY STATE FIRE MARSHAL, A SPECIAL ASSISTANT STATE FIRE MARSHAL, OR A LOCAL FIRE MARSHAL WHO VISITS A CHILD CARE CENTER UNDER PARAGRAPH (3) OF THIS SUBSECTION MAY TAKE ANY ACTION AUTHORIZED UNDER § 6-316 OF THE PUBLIC SAFETY ARTICLE, THE STATE FIRE PREVENTION CODE, OR A LOCAL FIRE PREVENTION CODE.**

(d) An employee of the Department charged with the investigation and enforcement of child care regulations ~~OR A LAW ENFORCEMENT OFFICER~~ may serve a civil citation to a person found in violation of this section.

~~(E) THE STATE FIRE MARSHAL, A DEPUTY STATE FIRE MARSHAL, OR A SPECIAL ASSISTANT STATE FIRE MARSHAL, OR A LOCAL FIRE MARSHAL MAY INSPECT A FAMILY CHILD CARE HOME OR LARGE FAMILY CHILD CARE HOME IF:~~

~~(1) THE DEPARTMENT RECEIVES A COMPLAINT THAT THE CHILD CARE PROVIDER IN CHARGE OF THE FAMILY CHILD CARE HOME OR LARGE FAMILY CHILD CARE HOME IS IN VIOLATION OF THIS PART V OF THIS SUBTITLE;~~

~~(2) THE DEPARTMENT SENDS A WARNING LETTER TO THE CHILD CARE PROVIDER; AND~~

~~(3) THE CHILD CARE PROVIDER:~~

~~(I) DOES NOT RESPOND TO THE DEPARTMENT WITHIN 10 BUSINESS DAYS AFTER THE DEPARTMENT SENDS THE WARNING LETTER; OR~~

~~(H) RESPONDS TO THE DEPARTMENT IN A MANNER THAT DOES NOT ADEQUATELY ADDRESS THE CHARGE IN THE WARNING LETTER.~~

5-557.

A person who violates ~~§ 5-552~~ **§ 5-552(A)** of this subtitle is guilty of a misdemeanor and on conviction is subject to:

(1) a fine not exceeding ~~[\$1,500]~~ **[\$3,000]** for the first violation; and

(2) a fine not exceeding ~~[\$2,500]~~ **[\$5,000]** for a second or subsequent violation.

5-557.1.

(a) Except as provided in subsection (b) of this section and subject to the provisions of subsection (d) of this section, a person who violates any provision of this Part V of this subtitle or any rule or regulation adopted under this Part V of this subtitle is subject to a civil penalty imposed in a civil action not exceeding ~~[\$1,000]~~ ~~\$2,500~~ for each violation.

(b) (1) A person who violates ~~[§ 5-552]~~ ~~§ 5-552(A) OR (C)~~ of this subtitle and is served a civil citation under that section is subject to a civil penalty as follows:

- (i) ~~[\$250]~~ ~~\$500~~ for the first violation;
- (ii) ~~[\$500]~~ ~~\$1,000~~ for the second violation; and
- (iii) ~~[\$1,000]~~ ~~\$2,500~~ for the third and each subsequent violation.

~~(2) A PERSON WHO VIOLATES § 5-552(C) OF THIS SUBTITLE AND IS SERVED A CIVIL CITATION UNDER THAT SECTION IS SUBJECT TO A CIVIL PENALTY AS FOLLOWS:~~

- ~~(I) \$250 FOR THE FIRST VIOLATION;~~
- ~~(II) \$500 FOR THE SECOND VIOLATION; AND~~
- ~~(III) \$1,000 FOR THE THIRD AND EACH SUBSEQUENT VIOLATION.~~

~~(2)]~~ (3) Any money collected under this subsection shall be deposited into the General Fund of the State.

~~(3)]~~ (4) Any person served with a citation under this subsection may appeal the citation to the Office of Administrative Hearings in accordance with § 10-205 of the State Government Article.

(c) Each day a violation occurs is a separate violation under this section.

(d) The total amount of civil penalties imposed in an action under this section may not exceed ~~[\$5,000]~~ ~~\$10,000~~.

5-570.

(a) In this Part VII of this subtitle the following words have the meanings indicated.

(c) (1) “Child care center” means an agency, institution, or establishment that, for part or all of a day, or on a 24-hour basis on a regular schedule, and at least twice a week, offers or provides child care to children who do not have the same parentage except as otherwise provided for in law or regulation.

(2) “Child care center” shall include a nonpublic nursery school in which an instructional program is offered or provided for children who are under the age of 5 years.

(3) “Child care center” does not include:

(i) a nonpublic kindergarten in which an instructional program is offered or provided for children who are at least 5 years old;

(ii) a nonpublic elementary school in which an instructional program is offered or provided for children who are in grades 1 through 8;

(iii) a child care home, a child care institution, or other child care facility that offers or provides a residential placement for a child and is established, licensed, or registered under this subtitle, Title 9 of the Human Services Article, or Title 10 of the Health – General Article; or

(iv) a family child care home or large family child care home that is required to be registered or is registered under this subtitle.

(d) “Department” means the State Department of Education.

(f) “License” means a license issued by the State Department of Education to operate a child care center.

5–574.

(a) Except as otherwise provided in this Part VII of this subtitle, a person shall be licensed by the Department before the person may operate a child care center in this State.

**(E) (1) A PERSON MAY NOT ADVERTISE A CHILD CARE CENTER UNLESS THE PERSON IS LICENSED TO OPERATE A CHILD CARE CENTER UNDER THE PROVISIONS OF THIS PART VII OF THIS SUBTITLE.**

**(2) AN ADVERTISEMENT FOR A CHILD CARE CENTER SHALL STATE:**

**(1) THAT THE CHILD CARE CENTER IS LICENSED BY THE DEPARTMENT; AND**

~~(II) EXCEPT AS PROVIDED IN PARAGRAPH (3) OF THIS SUBSECTION, THE LICENSE NUMBER ISSUED TO THE CHILD CARE CENTER BY THE DEPARTMENT; AND~~

~~(III) THAT IT IS ILLEGAL TO PROVIDE OR ADVERTISE CHILD CARE SERVICES UNLESS LICENSED UNDER STATE LAW.~~

(3) IF AN ADVERTISEMENT IS FOR MULTIPLE CHILD CARE CENTERS OPERATED BY A SINGLE LICENSEE, THE ADVERTISEMENT SHALL STATE THE LICENSE NUMBER OF AT LEAST ONE OF THE CHILD CARE CENTERS THAT THE LICENSEE OPERATES.

~~(3) (4) IF A PERSON ADVERTISES A CHILD CARE CENTER THAT IS NOT LICENSED UNDER THE PROVISIONS OF THIS PART VII OF THIS SUBTITLE, AN AN EMPLOYEE OF THE DEPARTMENT CHARGED WITH THE INVESTIGATION AND ENFORCEMENT OF CHILD CARE REGULATIONS OR A LAW ENFORCEMENT OFFICER, THE STATE FIRE MARSHAL, A DEPUTY STATE FIRE MARSHAL, A SPECIAL ASSISTANT STATE FIRE MARSHAL, OR A LOCAL FIRE MARSHAL MAY VISIT THE CHILD CARE CENTER AND, AND THE EMPLOYEE OF THE DEPARTMENT MAY ISSUE A CIVIL CITATION WITHOUT ANY OTHER EVIDENCE OF UNLICENSED CHILD CARE IF:~~

(I) A PERSON ADVERTISES A CHILD CARE CENTER THAT IS NOT LICENSED UNDER THE PROVISIONS OF THIS PART VII OF THIS SUBTITLE;

(II) THE DEPARTMENT SENDS A WARNING LETTER TO THE PERSON; AND

(III) THE PERSON:

1. DOES NOT RESPOND TO THE DEPARTMENT WITHIN 10 BUSINESS DAYS AFTER THE DEPARTMENT SENDS THE WARNING LETTER; OR

2. RESPONDS TO THE DEPARTMENT IN A MANNER THAT DOES NOT ADEQUATELY ADDRESS THE CHARGE IN THE WARNING LETTER.

(5) THE STATE FIRE MARSHAL, A DEPUTY STATE FIRE MARSHAL, A SPECIAL ASSISTANT STATE FIRE MARSHAL, OR A LOCAL FIRE MARSHAL WHO VISITS A CHILD CARE CENTER UNDER PARAGRAPH (4) OF THIS SUBSECTION MAY TAKE ANY ACTION AUTHORIZED UNDER § 6-316 OF THE PUBLIC SAFETY ARTICLE, THE STATE FIRE PREVENTION CODE, OR A LOCAL FIRE PREVENTION CODE.

~~(F) THE STATE FIRE MARSHAL, A DEPUTY STATE FIRE MARSHAL, OR A SPECIAL ASSISTANT STATE FIRE MARSHAL, OR A LOCAL FIRE MARSHAL MAY INSPECT A CHILD CARE CENTER IF:~~



~~(1) THE DEPARTMENT RECEIVES A COMPLAINT THAT THE PERSON IN CHARGE OF THE CHILD CARE CENTER IS IN VIOLATION OF THIS PART VII OF THIS SUBTITLE;~~

~~(2) THE DEPARTMENT SENDS A WARNING LETTER TO THE PERSON;~~  
AND

~~(3) THE PERSON:~~

~~(I) DOES NOT RESPOND TO THE DEPARTMENT WITHIN 10 BUSINESS DAYS AFTER THE DEPARTMENT SENDS THE WARNING LETTER; OR~~

~~(II) RESPONDS TO THE DEPARTMENT IN A MANNER THAT DOES NOT ADEQUATELY ADDRESS THE CHARGE IN THE WARNING LETTER.~~

~~(C) (F)~~ AN EMPLOYEE OF THE DEPARTMENT CHARGED WITH THE INVESTIGATION AND ENFORCEMENT OF CHILD CARE REGULATIONS ~~OR A LAW ENFORCEMENT OFFICER~~ MAY SERVE A CIVIL CITATION TO A PERSON FOUND IN VIOLATION OF THIS SECTION.

5-582.

(A) Except as otherwise provided in this subtitle, a person may not operate a child care center in this State unless licensed by the Department.

(B) AN EMPLOYEE OF THE DEPARTMENT CHARGED WITH THE INVESTIGATION AND ENFORCEMENT OF CHILD CARE REGULATIONS ~~OR A LAW ENFORCEMENT OFFICER~~ MAY SERVE A CIVIL CITATION TO A PERSON FOUND IN VIOLATION OF THIS SECTION.

5-583.

A person who violates § 5-574(a) ~~OR (E)~~ or ~~§ 5-582~~ § 5-582(A) of this subtitle is guilty of a misdemeanor and on conviction is subject to:

(1) a fine not exceeding ~~[\$1,500]~~ ~~\$3,000~~ for the first violation; and

(2) a fine not exceeding ~~[\$2,500]~~ ~~\$5,000~~ for a second or subsequent violation.

5-583.1.

(a) [Subject] **EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION AND SUBJECT** to the provisions of subsection [(c)] (D) of this section, a person who violates

any provision of this Part VII of this subtitle or any rule or regulation adopted under this Part VII of this subtitle is subject to a civil penalty imposed in a civil action not exceeding ~~[\$1,000]~~ ~~\$2,500~~ for each violation.

~~(B) (1) A PERSON WHO VIOLATES § 5-574(A) OR § 5-582 OF THIS SUBTITLE AND IS SERVED A CIVIL CITATION UNDER EITHER SECTION IS SUBJECT TO A CIVIL PENALTY AS FOLLOWS:~~

~~(I) \$500 FOR THE FIRST VIOLATION;~~

~~(II) \$1,000 FOR THE SECOND VIOLATION; AND~~

~~(III) \$2,500 FOR THE THIRD AND EACH SUBSEQUENT VIOLATION.~~

~~(2) A PERSON WHO VIOLATES § 5-574(E) § 5-574(A) OR (E) OR § 5-582 OF THIS SUBTITLE AND IS SERVED A CIVIL CITATION UNDER THAT SECTION IS SUBJECT TO A CIVIL PENALTY AS FOLLOWS:~~

~~(I) \$250 FOR THE FIRST VIOLATION;~~

~~(II) \$500 FOR THE SECOND VIOLATION; AND~~

~~(III) \$1,000 FOR THE THIRD AND EACH SUBSEQUENT VIOLATION.~~

~~(b) (C) Each day a violation occurs is a separate violation under this section.~~

~~(c) (D) The total amount of civil penalties imposed in an action under this section may not exceed ~~[\$5,000]~~ \$10,000.~~

SECTION 3. AND BE IT FURTHER ENACTED, That:

(a) It is the intent of the General Assembly that the State Department of Education expand its efforts to educate:

(1) parents about the potential dangers of unregistered or unlicensed child care and the advantages of care provided by registered family child care homes and licensed child care centers; and

(2) unregulated, unlicensed, or prospective child care providers about the advantages of becoming registered family child care homes or licensed child care centers and the resources available to assist them in becoming registered or licensed child care providers.

(b) On or before December 1, 2017, the Department shall report to the Governor, and in accordance with § 2-1246 of the State Government Article, the General

Assembly on the status of the Department's expanded child care education efforts for providers and the general public.

SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2016.

**Approved by the Governor, April 26, 2016.**

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## Chapter 184

### (House Bill 329)

AN ACT concerning

#### **Children – Family Child Care Homes and Child Care Centers – Advertising and Penalties**

FOR the purpose of requiring advertisements for certain child care services to include certain information; ~~authorizing certain employees of the State Department of Education or a law enforcement officer to visit and serve a certain civil citation to or~~ the State Fire Marshal, a deputy State fire marshal, a special assistant State fire marshal, or a local fire marshal to visit, and authorizing the employees of the Department to serve a civil citation to, certain child care homes and child care centers if the child care home or child care center is advertised and is not registered or licensed with the Department, ~~the Department sends a warning letter to the child care provider or child care center, and the child care provider or child care center does not respond within a certain period of time or responds in a certain manner; authorizing certain law enforcement officers to serve a certain civil citation to certain child care homes and child care centers in certain circumstances; authorizing the State Fire Marshal, a deputy State fire marshal, or a special assistant State fire marshal to inspect certain child care homes or child care centers under certain circumstances; altering the penalties for providing certain child care services without being registered or licensed;~~ authorizing the State Fire Marshal, a deputy State fire marshal, a special assistant State fire marshal, or a local fire marshal to take certain actions authorized by law; authorizing a certain penalty for advertising certain child care services without being licensed; stating the intent of the General Assembly that the Department expand its efforts to educate certain parents and certain child care providers about certain issues relating to child care services; requiring the Department to make a certain report on or before a certain date; defining a certain term; and generally relating to child care services in the State.

BY renumbering

Article – Family Law

Section 5–501(c) through (r), respectively

to be Section 5–501(d) through (s), respectively

Annotated Code of Maryland  
(2012 Replacement Volume and 2015 Supplement)

BY repealing and reenacting, without amendments,

Article – Family Law

Section 5–501(a), 5–550(a) and (b), 5–551(a), 5–570(a), (c), (d), and (f), and 5–574(a)

Annotated Code of Maryland

(2012 Replacement Volume and 2015 Supplement)

BY adding to

Article – Family Law

Section 5–501(c) and 5–574(e) through ~~(g)~~ (f)

Annotated Code of Maryland

(2012 Replacement Volume and 2015 Supplement)

BY repealing

Article – Family Law

Section 5–551(c)(10)

Annotated Code of Maryland

(2012 Replacement Volume and 2015 Supplement)

BY repealing and reenacting, with amendments,

Article – Family Law

Section 5–551(c)(11) and (12), 5–552, 5–557, 5–557.1, 5–582, 5–583, and 5–583.1

Annotated Code of Maryland

(2012 Replacement Volume and 2015 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That Section(s) 5–501(c) through (r), respectively, of Article – Family Law of the Annotated Code of Maryland be renumbered to be Section(s) 5–501(d) through (s), respectively.

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

### **Article – Family Law**

5–501.

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

(C) “ADVERTISEMENT” MEANS A COMMUNICATION THAT IS INTENDED TO INFLUENCE A PERSON TO ENTER INTO AN OBLIGATION OR SIGN A CONTRACT FOR SERVICES.

5–550.

(a) In Part V of this subtitle the following words have the meanings indicated.

- (b) “Department” means the State Department of Education.

5–551.

(a) The Department shall adopt regulations that relate to the registration of family child care homes and large family child care homes.

- (c) At a minimum, the regulations of the Department shall provide for:

[(10) a requirement that a person who advertises a family child care home, large family child care home, or family child care service shall:

(i) indicate in the advertisement that the family child care home or large family child care home is registered; and

(ii) display in the advertisement the registration number issued to the family child care home, large family child care home, or family child care service by the Department;]

[(11) (10) a requirement that each registered child care provider shall hold a current certificate indicating successful completion of approved:

(i) basic first aid training through the American Red Cross or through a program with equivalent standards; and

(ii) cardiopulmonary resuscitation (CPR) training through the American Heart Association or through a program with equivalent standards appropriate for the ages of children for whom care is provided in the family child care home or large family child care home; and

[(12) (11) (i) a requirement that a family child care home or large family child care home that receives notice of a contaminated drinking water supply from the family child care home’s or large family child care home’s supplier of water, in accordance with § 9–410 of the Environment Article or otherwise, send notice of the drinking water contamination to the parent or legal guardian of each child attending the family child care home or large family child care home; and

(ii) a requirement that the notice sent by the family child care home or large family child care home shall:

1. be sent within 10 business days after receipt of the notice of contamination from the family child care home’s or large family child care home’s water supplier;

2. be in writing;

3. identify the contaminants and their levels in the family child care home's or large family child care home's water supply; and

4. describe the family child care home's or large family child care home's plan for dealing with the water contamination problem until the family child care home's or large family child care home's water is determined by the appropriate authority to be safe for consumption.

5-552.

(a) Except as otherwise provided in this section, a family child care home or large family child care home may not operate unless it is registered.

(b) A family child care home is not required to be registered if the child care provider:

(1) is related to each child by blood or marriage;

(2) is a friend of each child's parents or legal guardian and the care is provided on an occasional basis; or

(3) has received the care of the child from a child placement agency licensed by the Department of Human Resources or by a local department of social services.

(c) **(1)** A person may not advertise a family child care home, large family child care home, or family child care service unless the family child care home or large family child care home is registered under the provisions of this Part V of this subtitle.

**(2) AN ADVERTISEMENT FOR A FAMILY CHILD CARE HOME, LARGE FAMILY CHILD CARE HOME, OR FAMILY CHILD CARE SERVICE SHALL STATE:**

**(I) THAT THE FAMILY CHILD CARE HOME OR LARGE FAMILY CHILD CARE HOME IS REGISTERED WITH THE DEPARTMENT; AND**

**(II) THE REGISTRATION NUMBER ISSUED TO THE FAMILY CHILD CARE HOME OR LARGE FAMILY CHILD CARE HOME BY THE DEPARTMENT; AND**

**~~(III) THAT IT IS ILLEGAL TO PROVIDE OR ADVERTISE FOR FAMILY CHILD CARE UNLESS REGISTERED UNDER STATE LAW.~~**

**(3) ~~IF A CHILD CARE PROVIDER ADVERTISES A FAMILY CHILD CARE HOME OR LARGE FAMILY CHILD CARE HOME THAT IS NOT REGISTERED UNDER THE PROVISIONS OF THIS PART V OF THIS SUBTITLE, AN~~ AN EMPLOYEE OF THE DEPARTMENT CHARGED WITH THE INVESTIGATION AND ENFORCEMENT OF CHILD CARE REGULATIONS ~~OR A LAW ENFORCEMENT OFFICER, THE STATE FIRE MARSHAL, A DEPUTY STATE FIRE MARSHAL, A SPECIAL ASSISTANT STATE FIRE~~**

MARSHAL, OR A LOCAL FIRE MARSHAL MAY VISIT THE HOME AND OF A CHILD CARE PROVIDER, AND THE EMPLOYEE OF THE DEPARTMENT MAY SERVE A CIVIL CITATION WITHOUT ANY OTHER EVIDENCE OF UNREGISTERED FAMILY CHILD CARE IF:

(I) THE CHILD CARE PROVIDER ADVERTISES A FAMILY CHILD CARE HOME OR LARGE FAMILY CHILD CARE HOME THAT IS NOT REGISTERED UNDER THE PROVISIONS OF THIS PART V OF THIS SUBTITLE;

(II) THE DEPARTMENT SENDS A WARNING LETTER TO THE CHILD CARE PROVIDER; AND

(III) THE CHILD CARE PROVIDER:

1. DOES NOT RESPOND TO THE DEPARTMENT WITHIN 10 BUSINESS DAYS AFTER THE DEPARTMENT SENDS THE WARNING LETTER; OR

2. RESPONDS TO THE DEPARTMENT IN A MANNER THAT DOES NOT ADEQUATELY ADDRESS THE CHARGE IN THE WARNING LETTER.

(4) THE STATE FIRE MARSHAL, A DEPUTY STATE FIRE MARSHAL, A SPECIAL ASSISTANT STATE FIRE MARSHAL, OR A LOCAL FIRE MARSHAL WHO VISITS A CHILD CARE CENTER UNDER PARAGRAPH (3) OF THIS SUBSECTION MAY TAKE ANY ACTION AUTHORIZED UNDER § 6-316 OF THE PUBLIC SAFETY ARTICLE, THE STATE FIRE PREVENTION CODE, OR A LOCAL FIRE PREVENTION CODE.

(d) An employee of the Department charged with the investigation and enforcement of child care regulations ~~OR A LAW ENFORCEMENT OFFICER~~ may serve a civil citation to a person found in violation of this section.

~~(E) THE STATE FIRE MARSHAL, A DEPUTY STATE FIRE MARSHAL, OR A SPECIAL ASSISTANT STATE FIRE MARSHAL MAY INSPECT A FAMILY CHILD CARE HOME OR LARGE FAMILY CHILD CARE HOME IF:~~

~~(1) THE DEPARTMENT RECEIVES A COMPLAINT THAT THE CHILD CARE PROVIDER IN CHARGE OF THE FAMILY CHILD CARE HOME OR LARGE FAMILY CHILD CARE HOME IS IN VIOLATION OF THIS PART V OF THIS SUBTITLE;~~

~~(2) THE DEPARTMENT SENDS A WARNING LETTER TO THE CHILD CARE PROVIDER; AND~~

~~(3) THE CHILD CARE PROVIDER:~~

~~(I) DOES NOT RESPOND TO THE DEPARTMENT WITHIN 10 BUSINESS DAYS AFTER THE DEPARTMENT SENDS THE WARNING LETTER; OR~~

~~(H) RESPONDS TO THE DEPARTMENT IN A MANNER THAT DOES NOT ADEQUATELY ADDRESS THE CHARGE IN THE WARNING LETTER.~~

5-557.

A person who violates ~~§ 5-552~~ § 5-552(A) of this subtitle is guilty of a misdemeanor and on conviction is subject to:

- (1) a fine not exceeding ~~[\$1,500]~~ **\$3,000** for the first violation; and
- (2) a fine not exceeding ~~[\$2,500]~~ **\$5,000** for a second or subsequent violation.

5-557.1.

(a) Except as provided in subsection (b) of this section and subject to the provisions of subsection (d) of this section, a person who violates any provision of this Part V of this subtitle or any rule or regulation adopted under this Part V of this subtitle is subject to a civil penalty imposed in a civil action not exceeding ~~[\$1,000]~~ **\$2,500** for each violation.

(b) (1) A person who violates [~~§ 5-552~~] § 5-552(A) OR (C) of this subtitle and is served a civil citation under that section is subject to a civil penalty as follows:

- (i) ~~[\$250]~~ **\$500** for the first violation;
- (ii) ~~[\$500]~~ **\$1,000** for the second violation; and
- (iii) ~~[\$1,000]~~ **\$2,500** for the third and each subsequent violation.

~~(2) A PERSON WHO VIOLATES § 5-552(C) OF THIS SUBTITLE AND IS SERVED A CIVIL CITATION UNDER THAT SECTION IS SUBJECT TO A CIVIL PENALTY AS FOLLOWS:~~

- ~~(I) \$250 FOR THE FIRST VIOLATION;~~
- ~~(II) \$500 FOR THE SECOND VIOLATION; AND~~
- ~~(III) \$1,000 FOR THE THIRD AND EACH SUBSEQUENT VIOLATION.~~

~~[(2)] (3)~~ Any money collected under this subsection shall be deposited into the General Fund of the State.



~~[(3)] (4)~~ Any person served with a citation under this subsection may appeal the citation to the Office of Administrative Hearings in accordance with § 10–205 of the State Government Article.

(c) Each day a violation occurs is a separate violation under this section.

(d) The total amount of civil penalties imposed in an action under this section may not exceed ~~[\$5,000]~~ **\$10,000**.

5–570.

(a) In this Part VII of this subtitle the following words have the meanings indicated.

(c) (1) “Child care center” means an agency, institution, or establishment that, for part or all of a day, or on a 24–hour basis on a regular schedule, and at least twice a week, offers or provides child care to children who do not have the same parentage except as otherwise provided for in law or regulation.

(2) “Child care center” shall include a nonpublic nursery school in which an instructional program is offered or provided for children who are under the age of 5 years.

(3) “Child care center” does not include:

(i) a nonpublic kindergarten in which an instructional program is offered or provided for children who are at least 5 years old;

(ii) a nonpublic elementary school in which an instructional program is offered or provided for children who are in grades 1 through 8;

(iii) a child care home, a child care institution, or other child care facility that offers or provides a residential placement for a child and is established, licensed, or registered under this subtitle, Title 9 of the Human Services Article, or Title 10 of the Health – General Article; or

(iv) a family child care home or large family child care home that is required to be registered or is registered under this subtitle.

(d) “Department” means the State Department of Education.

(f) “License” means a license issued by the State Department of Education to operate a child care center.

5–574.

(a) Except as otherwise provided in this Part VII of this subtitle, a person shall be licensed by the Department before the person may operate a child care center in this State.

**(E) (1) A PERSON MAY NOT ADVERTISE A CHILD CARE CENTER UNLESS THE PERSON IS LICENSED TO OPERATE A CHILD CARE CENTER UNDER THE PROVISIONS OF THIS PART VII OF THIS SUBTITLE.**

**(2) AN ADVERTISEMENT FOR A CHILD CARE CENTER SHALL STATE:**

**(I) THAT THE CHILD CARE CENTER IS LICENSED BY THE DEPARTMENT; AND**

**(II) EXCEPT AS PROVIDED IN PARAGRAPH (3) OF THIS SUBSECTION, THE LICENSE NUMBER ISSUED TO THE CHILD CARE CENTER BY THE DEPARTMENT; ~~AND~~**

**~~(III) THAT IT IS ILLEGAL TO PROVIDE OR ADVERTISE CHILD CARE SERVICES UNLESS LICENSED UNDER STATE LAW.~~**

**(3) AN ADVERTISEMENT FOR MULTIPLE CHILD CARE CENTERS OPERATED BY A SINGLE LICENSEE SHALL STATE THE LICENSE NUMBER OF AT LEAST ONE OF THE CHILD CARE CENTERS THAT THE LICENSEE OPERATES.**

**~~(3) (4) IF A PERSON ADVERTISES A CHILD CARE CENTER THAT IS NOT LICENSED UNDER THE PROVISIONS OF THIS PART VII OF THIS SUBTITLE, AN~~ AN EMPLOYEE OF THE DEPARTMENT CHARGED WITH THE INVESTIGATION AND ENFORCEMENT OF CHILD CARE REGULATIONS OR A LAW ENFORCEMENT OFFICER, THE STATE FIRE MARSHAL, A DEPUTY STATE FIRE MARSHAL, A SPECIAL ASSISTANT STATE FIRE MARSHAL, OR A LOCAL FIRE MARSHAL MAY VISIT THE CHILD CARE CENTER ~~AND~~, AND THE EMPLOYEE OF THE DEPARTMENT MAY ISSUE A CIVIL CITATION WITHOUT ANY OTHER EVIDENCE OF UNLICENSED CHILD CARE IF:**

**(I) A PERSON ADVERTISES A CHILD CARE CENTER THAT IS NOT LICENSED UNDER THE PROVISIONS OF THIS PART VII OF THIS SUBTITLE;**

**(II) THE DEPARTMENT SENDS A WARNING LETTER TO THE PERSON; AND**

**(III) THE PERSON:**

**1. DOES NOT RESPOND TO THE DEPARTMENT WITHIN 10 BUSINESS DAYS AFTER THE DEPARTMENT SENDS THE WARNING LETTER; OR**

**2. RESPONDS TO THE DEPARTMENT IN A MANNER THAT DOES NOT ADEQUATELY ADDRESS THE CHARGE IN THE WARNING LETTER.**

**(5) THE STATE FIRE MARSHAL, A DEPUTY STATE FIRE MARSHAL, A SPECIAL ASSISTANT STATE FIRE MARSHAL, OR A LOCAL FIRE MARSHAL WHO VISITS A CHILD CARE CENTER UNDER PARAGRAPH (4) OF THIS SUBSECTION MAY TAKE ANY ACTION AUTHORIZED UNDER § 6-316 OF THE PUBLIC SAFETY ARTICLE, THE STATE FIRE PREVENTION CODE, OR A LOCAL FIRE PREVENTION CODE.**

~~**(F) THE STATE FIRE MARSHAL, A DEPUTY STATE FIRE MARSHAL, OR A SPECIAL ASSISTANT STATE FIRE MARSHAL MAY INSPECT A CHILD CARE CENTER IF:**~~

~~**(1) THE DEPARTMENT RECEIVES A COMPLAINT THAT THE PERSON IN CHARGE OF THE CHILD CARE CENTER IS IN VIOLATION OF THIS PART VII OF THIS SUBTITLE;**~~

~~**(2) THE DEPARTMENT SENDS A WARNING LETTER TO THE PERSON;**~~  
~~**AND**~~

~~**(3) THE PERSON:**~~

~~**(i) DOES NOT RESPOND TO THE DEPARTMENT WITHIN 10 BUSINESS DAYS AFTER THE DEPARTMENT SENDS THE WARNING LETTER; OR**~~

~~**(ii) RESPONDS TO THE DEPARTMENT IN A MANNER THAT DOES NOT ADEQUATELY ADDRESS THE CHARGE IN THE WARNING LETTER.**~~

~~**(G)**~~ **(F) AN EMPLOYEE OF THE DEPARTMENT CHARGED WITH THE INVESTIGATION AND ENFORCEMENT OF CHILD CARE REGULATIONS OR A LAW ENFORCEMENT OFFICER MAY SERVE A CIVIL CITATION TO A PERSON FOUND IN VIOLATION OF THIS SECTION.**

5-582.

**(A) Except as otherwise provided in this subtitle, a person may not operate a child care center in this State unless licensed by the Department.**

**(B) AN EMPLOYEE OF THE DEPARTMENT CHARGED WITH THE INVESTIGATION AND ENFORCEMENT OF CHILD CARE REGULATIONS OR A LAW ENFORCEMENT OFFICER MAY SERVE A CIVIL CITATION TO A PERSON FOUND IN VIOLATION OF THIS SECTION.**

5-583.

A person who violates § 5-574(a) ~~OR (E)~~ or ~~§ 5-582~~ § 5-582(A) of this subtitle is guilty of a misdemeanor and on conviction is subject to:

- (1) a fine not exceeding ~~[\$1,500]~~ ~~\$3,000~~ for the first violation; and
- (2) a fine not exceeding ~~[\$2,500]~~ ~~\$5,000~~ for a second or subsequent violation.

5-583.1.

(a) [Subject] **EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION AND SUBJECT** to the provisions of subsection [(c)] **(D)** of this section, a person who violates any provision of this Part VII of this subtitle or any rule or regulation adopted under this Part VII of this subtitle is subject to a civil penalty imposed in a civil action not exceeding ~~[\$1,000]~~ ~~\$2,500~~ for each violation.

~~(B) (1) A PERSON WHO VIOLATES § 5-574(A) OR § 5-582 OF THIS SUBTITLE AND IS SERVED A CIVIL CITATION UNDER EITHER SECTION IS SUBJECT TO A CIVIL PENALTY AS FOLLOWS:~~

~~(I) \$500 FOR THE FIRST VIOLATION;~~

~~(II) \$1,000 FOR THE SECOND VIOLATION; AND~~

~~(III) \$2,500 FOR THE THIRD AND EACH SUBSEQUENT VIOLATION.~~

~~(2) A PERSON WHO VIOLATES ~~§ 5-574(E)~~ § 5-574(A) OR (E) OR § 5-582 OF THIS SUBTITLE AND IS SERVED A CIVIL CITATION UNDER THAT SECTION IS SUBJECT TO A CIVIL PENALTY AS FOLLOWS:~~

~~(I) \$250 FOR THE FIRST VIOLATION;~~

~~(II) \$500 FOR THE SECOND VIOLATION; AND~~

~~(III) \$1,000 FOR THE THIRD AND EACH SUBSEQUENT VIOLATION.~~

[b] (C) Each day a violation occurs is a separate violation under this section.

[(c)] (D) The total amount of civil penalties imposed in an action under this section may not exceed ~~[\$5,000]~~ ~~\$10,000~~.

SECTION 3. AND BE IT FURTHER ENACTED, That:

(a) It is the intent of the General Assembly that the State Department of Education expand its efforts to educate:

(1) parents about the potential dangers of unregistered or unlicensed child care and the advantages of care provided by registered family child care homes and licensed child care centers; and

(2) unregulated, unlicensed, or prospective child care providers about the advantages of becoming registered family child care homes or licensed child care centers and the resources available to assist them in becoming registered or licensed child care providers.

(b) On or before December 1, 2017, the Department shall report to the Governor and, in accordance with § 2–1246 of the State Government Article, the General Assembly on the status of the Department’s expanded child care education efforts for providers and the general public.

SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2016.

**Approved by the Governor, April 26, 2016.**

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## Chapter 185

**(Senate Bill 282)**

AN ACT concerning

### **Early Childhood Development – Transfer of Provisions**

FOR the purpose of transferring certain provisions of law relating to early childhood development from the Family Law Article to the Education Article; establishing the Division of Early Childhood Development within the State Department of Education; requiring the State Board of Education to adopt certain regulations regarding certain family child care homes; renaming the Early Childhood Development Advisory Council to be the Office of Child Care Advisory Council; altering the membership of a certain council; making technical corrections; repealing certain unnecessary definitions; requiring the publisher of the Annotated Code of Maryland, in consultation with the Department of Legislative Services, to correct cross–references and terminology in the Code that are rendered incorrect by this Act; defining certain terms; and generally relating to the transfer of provisions of law regarding early childhood development.

BY renumbering

Article – Education

Section 7–1601 through 7–1608, respectively, and the subtitle “Subtitle 16. State Early Childhood Advisory Council”

to be Section 9.5–201 through 9.5–208, respectively, and the subtitle “Subtitle 2. State Early Childhood Advisory Council”  
Annotated Code of Maryland  
(2014 Replacement Volume and 2015 Supplement)

BY transferring

Article – Family Law

Section 5–550, 5–550.1, 5–551 through 5–554.1, 5–555, 5–556, 5–556.1, 5–557, 5–557.1, 5–558, and 5–559.1 through 5–559.8, respectively, and the part “Part V. Family Child Care Homes and Large Family Child Care Homes”; 5–570 through 5–580.3, 5–581 through 5–583.1, 5–584, and 5–585, respectively, and the part “Part VII. Child Care Centers”; 5–586 through 5–589.1, respectively, and the part “Part VIII. Child Care Centers in State–Occupied Buildings”; 5–594 and 5–594.1 through 5–594.8, respectively, and the part “Part X. Child Care Quality Incentive Grant Program”; 5–595 and 5–595.1 through 5–595.6, respectively, and the part “Part XI. Collective Negotiations by Family Child Care Providers”; and 5–590 through 5–593, respectively, and the part “Part IX. Early Childhood Development Advisory Council”

Annotated Code of Maryland

(2012 Replacement Volume and 2015 Supplement)

to be

Article – Education

Section 9.5–301 through 9.5–321, respectively, and the subtitle “Subtitle 3. Family Child Care Homes and Large Family Child Care Homes”; 9.5–401 through 9.5–420, respectively, and the subtitle “Subtitle 4. Child Care Centers”; 9.5–501 through 9.5–505, respectively, and the subtitle “Subtitle 5. Child Care Centers in State–Occupied Buildings”; 9.5–601 through 9.5–609, respectively, and the subtitle “Subtitle 6. Child Care Quality Incentive Grant Program”; 9.5–701 through 9.5–707, respectively, and the subtitle “Subtitle 7. Collective Negotiations by Family Child Care Providers”; and 9.5–801 through 9.5–804, respectively, and the subtitle “Subtitle 8. Early Childhood Development Advisory Council”

Annotated Code of Maryland

(2014 Replacement Volume and 2015 Supplement)

BY renumbering

Article – Family Law

Section 5–560 through 5–569, respectively, and the part “Part VI. Criminal Background Investigations for Employees of Facilities and Other Individuals That Care for or Supervise Children”

to be Section 5–550 through 5–559, respectively, and the part “Part V. Criminal Background Investigations for Employees of Facilities and Other Individuals That Care for or Supervise Children”

Annotated Code of Maryland

(2012 Replacement Volume and 2015 Supplement)

BY adding to

## Article – Education

Section 9.5–101 through 9.5–110 to be under the new title “Title 9.5. Division of Early Childhood Development”; and 9.5–801

Annotated Code of Maryland

(2014 Replacement Volume and 2015 Supplement)

BY repealing and reenacting, with amendments,

## Article – Education

Section 9.5–301, 9.5–303(a), (c), and (d), 9.5–304(c), 9.5–305(a) and (b), 9.5–306, 9.5–307(c)(4), 9.5–309, 9.5–311, 9.5–312(a) and (b)(1), 9.5–313, 9.5–321, 9.5–401, 9.5–403(a), 9.5–404(a) and (b)(6) and (11), 9.5–405(a), 9.5–407, 9.5–410, 9.5–411(a), (b), and (e), 9.5–412(c)(4), 9.5–414, 9.5–417, 9.5–418(a), 9.5–419, 9.5–501, 9.5–502(b), 9.5–503, 9.5–504(e), 9.5–505, 9.5–601, 9.5–602, 9.5–603, 9.5–604(b) and (d), 9.5–605, 9.5–606, 9.5–607, 9.5–608, 9.5–609, 9.5–701(a) and (b), 9.5–702, 9.5–703(b), 9.5–704(a) through (c) and (e)(2), 9.5–705, 9.5–706(b), and 9.5–707; and 9.5–802 and 9.5–803(b)(3) to be under the amended subtitle “Subtitle 8. Office of Child Care Advisory Council”

Annotated Code of Maryland

(2014 Replacement Volume and 2015 Supplement)

(As enacted by Section 2 of this Act)

BY repealing

## Article – Education

Section 9.5–801

Annotated Code of Maryland

(2014 Replacement Volume and 2015 Supplement)

(As enacted by Section 2 of this Act)

BY repealing and reenacting, with amendments,

## Article – Family Law

Section 5–501

Annotated Code of Maryland

(2012 Replacement Volume and 2015 Supplement)

BY repealing

## Article – Family Law

Section 5–508

Annotated Code of Maryland

(2012 Replacement Volume and 2015 Supplement)

BY repealing and reenacting, with amendments,

## Article – Family Law

Section 5–550(a), (d), and (e), 5–551(b), (c) through (g), and (h)(1), 5–552(a)(2) and (4) and (b), 5–553, 5–554(a), (b)(1)(ii), (c)(1)(iii) and (4), and (d) through (f), 5–554.1, 5–556, 5–557, 5–558(3), and 5–559(b)(1) and (4) and (e)

Annotated Code of Maryland

(2012 Replacement Volume and 2015 Supplement)  
(As enacted by Section 3 of this Act)

BY adding to

Article – Family Law

Section 5–705.3

Annotated Code of Maryland

(2012 Replacement Volume and 2015 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That Section(s) 7–1601 through 7–1608, respectively, and the subtitle “Subtitle 16. State Early Childhood Advisory Council” of Article – Education of the Annotated Code of Maryland be renumbered to be Section(s) 9.5–201 through 9.5–208, respectively, and the subtitle “Subtitle 2. State Early Childhood Advisory Council”.

SECTION 2. AND BE IT FURTHER ENACTED, That Section(s) 5–550, 5–550.1, 5–551 through 5–554.1, 5–555, 5–556, 5–556.1, 5–557, 5–557.1, 5–558, and 5–559.1 through 5–559.8, respectively, and the part “Part V. Family Child Care Homes and Large Family Child Care Homes”; 5–570 through 5–580.3, 5–581 through 5–583.1, 5–584, and 5–585, respectively, and the part “Part VII. Child Care Centers”; 5–586 through 5–589.1, respectively, and the part “Part VIII. Child Care Centers in State–Occupied Buildings”; 5–594 and 5–594.1 through 5–594.8, respectively, and the part “Part X. Child Care Quality Incentive Grant Program”; 5–595 and 5–595.1 through 5–595.6, respectively, and the part “Part XI. Collective Negotiations by Family Child Care Providers”; and 5–590 through 5–593, respectively, and the part “Part IX. Early Childhood Development Advisory Council” of Article – Family Law of the Annotated Code of Maryland be transferred to be Section(s) 9.5–301 through 9.5–321, respectively, and the subtitle “Subtitle 3. Family Child Care Homes and Large Family Child Care Homes”; 9.5–401 through 9.5–420, respectively, and the subtitle “Subtitle 4. Child Care Centers”; 9.5–501 through 9.5–505, respectively, and the subtitle “Subtitle 5. Child Care Centers in State–Occupied Buildings”; 9.5–601 through 9.5–609, respectively, and the subtitle “Subtitle 6. Child Care Quality Incentive Grant Program”; 9.5–701 through 9.5–707, respectively, and the subtitle “Subtitle 7. Collective Negotiations by Family Child Care Providers”; and 9.5–801 through 9.5–804, respectively, and the subtitle “Subtitle 8. Early Childhood Development Advisory Council” of Article – Education of the Annotated Code of Maryland.

SECTION 3. AND BE IT FURTHER ENACTED, That Section(s) 5–560 through 5–569, respectively, and the part “Part VI. Criminal Background Investigations for Employees of Facilities and Other Individuals That Care for or Supervise Children” of Article – Family Law of the Annotated Code of Maryland be renumbered to be Section(s) 5–550 through 5–559, respectively, and the part “Part V. Criminal Background Investigations for Employees of Facilities and Other Individuals That Care for or Supervise Children”.

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



**Article – Education****TITLE 9.5. DIVISION OF EARLY CHILDHOOD DEVELOPMENT.****SUBTITLE 1. ESTABLISHED.****9.5–101.**

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

(B) “CHILD CARE CENTER” HAS THE MEANING STATED IN § 9.5–401 OF THIS TITLE.

(C) “FAMILY CHILD CARE HOME” HAS THE MEANING STATED IN § 9.5–301 OF THIS TITLE.

(D) “LARGE FAMILY CHILD CARE HOME” HAS THE MEANING STATED IN § 9.5–301 OF THIS TITLE.

(E) “LICENSE” MEANS A LICENSE ISSUED BY THE DEPARTMENT TO OPERATE A CHILD CARE CENTER.

(F) “REGISTRATION” MEANS A REGISTRATION ISSUED BY THE DEPARTMENT TO A FAMILY CHILD CARE HOME OR A LARGE FAMILY CHILD CARE HOME.

**9.5–102.**

(A) THE GENERAL ASSEMBLY DECLARES THAT:

(1) MINOR CHILDREN ARE NOT CAPABLE OF PROTECTING THEMSELVES; AND

(2) WHEN A PARENT HAS RELINQUISHED THE CARE OF THE PARENT’S MINOR CHILD TO OTHERS, THERE IS A POSSIBILITY OF CERTAIN RISKS TO THE CHILD THAT REQUIRE COMPENSATING MEASURES.

(B) IT IS THE POLICY OF THE STATE:

(1) TO PROTECT MINOR CHILDREN WHOSE CARE HAS BEEN RELINQUISHED TO OTHERS BY THE CHILD’S PARENT;

(2) TO RESOLVE DOUBTS IN FAVOR OF THE CHILD WHEN THERE IS A CONFLICT BETWEEN THE INTERESTS OF A MINOR CHILD AND THE INTERESTS OF AN ADULT; AND

(3) TO ENCOURAGE THE DEVELOPMENT OF CHILD CARE SERVICES FOR MINOR CHILDREN IN A SAFE, HEALTHY, AND HOME-LIKE ENVIRONMENT.

**9.5-103.**

THERE IS A DIVISION OF EARLY CHILDHOOD DEVELOPMENT IN THE DEPARTMENT.

**9.5-104.**

A LICENSE OR REGISTRATION IS EFFECTIVE UNTIL THE LICENSE OR REGISTRATION IS SUSPENDED OR REVOKED UNDER § 9.5-106 OF THIS SUBTITLE.

**9.5-105.**

WITHIN 60 DAYS AFTER RECEIVING THE LICENSE OR REGISTRATION APPLICATION, THE DEPARTMENT SHALL ISSUE OR DENY A LICENSE OR REGISTRATION AND GIVE NOTICE OF THE ACTION TO THE APPLICANT.

**9.5-106.**

SUBJECT TO THE HEARING PROVISIONS OF § 9.5-107 OF THIS SUBTITLE:

(1) IF A LICENSEE VIOLATES ANY PROVISION OF THIS TITLE OR OF A RULE OR REGULATION ADOPTED UNDER THIS TITLE, THE DEPARTMENT MAY SUSPEND THE LICENSE FOR A PERIOD NOT EXCEEDING 1 YEAR; AND

(2) IF A LICENSEE OR REGISTRANT VIOLATES ANY PROVISION OF THIS TITLE OR OF A RULE OR REGULATION ADOPTED UNDER THIS TITLE, THE DEPARTMENT MAY REVOKE THE LICENSE OR REGISTRATION.

**9.5-107.**

THE DEPARTMENT MAY NOT SUSPEND OR REVOKE A LICENSE OR REGISTRATION UNLESS THE DEPARTMENT GIVES TO THE LICENSEE OR REGISTRANT:

(1) NOTICE OF THE SUSPENSION OR REVOCATION AT LEAST 20 DAYS BEFORE THE SUSPENSION OR REVOCATION;

(2) A STATEMENT OF THE GROUNDS FOR THE SUSPENSION OR REVOCATION; AND

(3) AN OPPORTUNITY TO BE HEARD.

**9.5-108.**

A PERSON AGGRIEVED BY A DECISION OF THE DEPARTMENT CONCERNING A LICENSE OR REGISTRATION MAY APPEAL THE DECISION TO THE ADMINISTRATIVE APPELLATE AUTHORITY DESIGNATED BY REGULATION.

**9.5-109.**

(A) A PERSON AGGRIEVED BY A FINAL DECISION OF THE HIGHEST ADMINISTRATIVE APPELLATE AUTHORITY IN A CONTESTED CASE MAY TAKE ANY FURTHER APPEAL AS ALLOWED BY THE ADMINISTRATIVE PROCEDURE ACT.

(B) IF A FURTHER APPEAL IS TAKEN UNDER THIS SECTION:

(1) ANY CRIMINAL PROSECUTION OF THE PERSON FOR CARRYING ON WITHOUT A LICENSE OR REGISTRATION AN ACTIVITY FOR WHICH THE PERSON MUST BE LICENSED OR REGISTERED SHALL BE STAYED PENDING THE APPEAL;

(2) ANY INJUNCTION AGAINST THE PERSON FOR CARRYING ON WITHOUT A LICENSE OR REGISTRATION AN ACTIVITY FOR WHICH THE PERSON MUST BE LICENSED OR REGISTERED SHALL BE STAYED PENDING THE APPEAL; AND

(3) THE COURT HAS DISCRETION AS TO THE CARE, CUSTODY, OR CONTROL OF ANY CHILD WHOSE CARE, CUSTODY, OR CONTROL IS THE RESPONSIBILITY OF THE PERSON.

**9.5-110.**

(A) IN CONNECTION WITH THE ISSUANCE, SUSPENSION, OR REVOCATION OF A LICENSE OR REGISTRATION, THE DEPARTMENT MAY INVESTIGATE THE POLICIES, PURPOSES, PREMISES, AND FACILITIES OF A LICENSEE OR REGISTRANT OR AN APPLICANT FOR A LICENSE OR REGISTRATION.

(B) (1) THE DEPARTMENT MAY PETITION AN EQUITY COURT TO ENJOIN THE ACTIVITIES AND OPERATION OF A PERSON WHO SEEKS TO CARRY ON, WITHOUT A LICENSE OR REGISTRATION, THE ACTIVITIES FOR WHICH THE PERSON MUST BE LICENSED OR REGISTERED.

**(2) THE PETITION SHALL BE FILED IN THE CIRCUIT COURT FOR THE COUNTY IN WHICH THE PERSON IS LOCATED OR HAS A PLACE OF BUSINESS.**

~~**(3) A PERSON WHO VIOLATES THIS SUBSECTION IS GUILTY OF A MISDEMEANOR.**~~

Subtitle 3. Family Child Care Homes and Large Family Child Care Homes.

9.5–301.

(a) In [Part V of] this subtitle the following words have the meanings indicated.

(b) [“Department” means the State Department of Education] **“CHILD CARE PROVIDER” MEANS THE ADULT WHO HAS PRIMARY RESPONSIBILITY FOR THE OPERATION OF A FAMILY CHILD CARE HOME OR A LARGE FAMILY CHILD CARE HOME.**

(c) “Direct Grant Fund” means the Family Child Care Provider Direct Grant Fund.

**(D) “FAMILY CHILD CARE” MEANS THE CARE GIVEN TO A CHILD UNDER THE AGE OF 13 YEARS OR TO ANY DEVELOPMENTALLY DISABLED PERSON UNDER THE AGE OF 21 YEARS, IN PLACE OF PARENTAL CARE FOR LESS THAN 24 HOURS A DAY, IN A RESIDENCE OTHER THAN THE CHILD’S RESIDENCE, FOR WHICH THE CHILD CARE PROVIDER IS PAID.**

**(E) “FAMILY CHILD CARE HOME” MEANS A RESIDENCE IN WHICH FAMILY CHILD CARE IS PROVIDED FOR UP TO EIGHT CHILDREN.**

[(d)] **(F) “Family child care provider” means an individual who cares for children in a registered family child care home or a registered large family child care home.**

[(e) “State Superintendent” means the State Superintendent of Schools.]

**(G) “LARGE FAMILY CHILD CARE HOME” MEANS A RESIDENCE IN WHICH FAMILY CHILD CARE IS PROVIDED FOR AT LEAST NINE CHILDREN, BUT NOT MORE THAN 12 CHILDREN.**

**(H) “UNREGISTERED FAMILY CHILD CARE HOME” MEANS A RESIDENCE IN WHICH FAMILY CHILD CARE IS PROVIDED AND IN WHICH THE CHILD CARE PROVIDER:**

**(1) HAS NOT OBTAINED A CERTIFICATE OF REGISTRATION FROM THE DEPARTMENT;**

(2) IS NOT RELATED BY BLOOD OR MARRIAGE TO EACH CHILD IN THE PROVIDER'S CARE;

(3) IS NOT A FRIEND OF EACH CHILD'S PARENTS OR LEGAL GUARDIAN AND IS PROVIDING CARE ON A REGULAR BASIS; AND

(4) HAS NOT RECEIVED THE CARE OF THE CHILD FROM A CHILD PLACEMENT AGENCY LICENSED BY THE DEPARTMENT OF HUMAN RESOURCES OR BY A LOCAL DEPARTMENT OF SOCIAL SERVICES.

9.5-303.

(a) The [Department] **STATE BOARD** shall adopt regulations that relate to the registration of family child care homes and large family child care homes.

(c) At a minimum, the regulations [of the Department] shall provide for:

(1) Minimum standards of environmental health and safety, including provisions for:

(i) Adequate and safe physical surroundings, including requirements for window coverings in accordance with § 5-505 of [this subtitle] **THE FAMILY LAW ARTICLE**;

(ii) The physical and mental health of child care providers; and

(iii) Investigation of any criminal record of a child care provider;

(2) A thorough evaluation of each prospective family child care home, large family child care home, and child care provider, to be completed before the Department accepts an initial registration;

(3) An initial family child care registration that expires 2 years after its effective date;

(4) A continuing family child care registration that:

(i) Upon application by the child care provider that meets the requirements set by the Department, is issued to the provider before the end of the initial registration period; and

(ii) Once issued, remains in effect until surrendered, suspended, revoked, or replaced by a conditional registration;

(5) Reporting of any changed circumstances that relate to the requirements, by the child care provider, at the time the change occurs;

(6) An orientation to be provided to prospective child care providers by the Department before initial registration;

(7) Announced inspection by the Department of each registered family child care home and large family child care home prior to issuance of an initial or continuing registration to determine whether applicable requirements are being met;

(8) Unannounced inspection by the Department of each registered family child care home and large family child care home at least once during each 12-month period that an initial or continuing registration is in effect to determine whether safe and appropriate child care is being provided;

(9) Procedures to be followed by the Department in response to a complaint about a family child care home or large family child care home;

(10) A requirement that a person who advertises a family child care home, large family child care home, or family child care service shall:

(i) Indicate in the advertisement that the family child care home or large family child care home is registered; and

(ii) Display in the advertisement the registration number issued to the family child care home, large family child care home, or family child care service by the Department;

(11) A requirement that each registered child care provider shall hold a current certificate indicating successful completion of approved:

(i) Basic first aid training through the American Red Cross or through a program with equivalent standards; and

(ii) Cardiopulmonary resuscitation (CPR) training through the American Heart Association or through a program with equivalent standards appropriate for the ages of children for whom care is provided in the family child care home or large family child care home; and

(12) (i) A requirement that a family child care home or large family child care home that receives notice of a contaminated drinking water supply from the family child care home's or large family child care home's supplier of water, in accordance with § 9-410 of the Environment Article or otherwise, send notice of the drinking water contamination to the parent or legal guardian of each child attending the family child care home or large family child care home; and

(ii) A requirement that the notice sent by the family child care home or large family child care home shall:

1. Be sent within 10 business days after receipt of the notice of contamination from the family child care home's or large family child care home's water supplier;
2. Be in writing;
3. Identify the contaminants and their levels in the family child care home's or large family child care home's water supply; and
4. Describe the family child care home's or large family child care home's plan for dealing with the water contamination problem until the family child care home's or large family child care home's water is determined by the appropriate authority to be safe for consumption.

(d) The [Department] **STATE BOARD** shall adopt regulations that:

(1) Require a family child care provider to have a written emergency preparedness plan for emergency situations that require evacuation, sheltering in place, or other protection of children such as in the event of fire, natural disaster, or other threatening situation that may pose a health or safety hazard to the children in the family child care home or large family child care home;

(2) Require the plan under item (1) of this subsection to include:

(i) A designated relocation site and evacuation route;

(ii) Procedures for notifying parents or other adults responsible for the child of the relocation;

(iii) Procedures to address the needs of individual children including children with special needs;

(iv) Procedures for the reassignment of staff duties during an emergency, as appropriate; and

(v) procedures for communicating with local emergency management officials or other appropriate State or local authorities; and

(3) Require a family child care provider to train staff and ensure that staff are familiar with the plan.

9.5-304.

(c) A person may not advertise a family child care home, large family child care home, or family child care service unless the family child care home or large family child care home is registered under the provisions of this [Part V of this] subtitle.

9.5–305.

(a) For purposes of this [Part V of this] subtitle, a child care provider's own children under the age of 2 years shall be counted as children served.

(b) (1) In a family child care home:

(i) There may not be more than:

1. 8 children in care at any given time; and
2. 4 children under the age of 2 years; and

(ii) There shall be an adult to child ratio of at least 1 adult to every 2 children under the age of 2 years.

(2) In a large family child care home:

(i) There may not be more than 12 children in care at any given time; and

(ii) There shall be a limit on the number of children under the age of 2 years and an adult to child ratio that comply with regulations adopted by the Department under [§ 5–551] **§ 9.5–303** of this [Part V of this] subtitle.

9.5–306.

(a) A registration under this [Part V of this] subtitle may be revoked, a child care provider may appeal from the revocation, and the operation of an unregistered family child care home may be enjoined.

(b) (1) Revocation, appeal, or injunction under this [Part V of this] subtitle shall be in accordance with [§§ 5–513, 5–515, 5–516, 5–517, 5–518, and 5–519 of this subtitle] **SUBTITLE 1 OF THIS TITLE**.

(2) Subject to paragraph (1) of this subsection, the State Superintendent or the State Superintendent's designee shall exercise the authority granted to the Department.

9.5–307.

(c) A judge of a District Court or circuit court in the jurisdiction in which the unregistered family child care home is located may issue an administrative search warrant on finding that:



(4) The Department has shown probable cause for the issuance of the warrant by specific evidence:

(i) Of an existing violation of [§ 5-552] **§ 9.5-304** of this subtitle;  
and

(ii) That the health, safety, and welfare of the children in the unregistered family child care home are substantially threatened due to conditions in the unregistered family child care home.

9.5-309.

(a) [In addition to any other provision of law relating to child abuse and neglect, a local department that receives a report of suspected child abuse under § 5-704 or § 5-705 of this title that concerns a family child care home or large family child care home shall notify the State Superintendent's designee within 48 hours.

(b) Upon receipt of the notification required under [subsection (a) of this section] **§ 5-705.3 OF THE FAMILY LAW ARTICLE**, the State Superintendent's designee shall convene, either in person or by telephone, a multidisciplinary team to coordinate procedures in accordance with the agreement developed under § 5-706(f) of [this title] **THE FAMILY LAW ARTICLE** to be followed in investigating and otherwise responding to the report.

[(c)] **(B)** The multidisciplinary team shall be chaired by the State Superintendent's designee and shall include:

(1) Representatives of the local department and law enforcement agency that are investigating the report under § 5-706 of [this title] **THE FAMILY LAW ARTICLE**;

(2) Representation from the office of the local State's Attorney; and

(3) Appropriate medical, including mental health, expertise.

[(d)] **(C)** Notwithstanding any other provision of law, the members of the multidisciplinary team shall share information necessary to carry out the team's responsibility under this section.

[(e)] **(D)** Any information shared by the multidisciplinary team shall be confidential and may be disclosed only in accordance with the provisions of §§ 1-201, 1-202, 1-204, and 1-205 of the Human Services Article.

[(f)] **(E)** Upon request, the Department of State Police shall provide technical assistance to a local law enforcement agency which is investigating a report of suspected child abuse concerning a family child care home or large family child care home.

9.5–311.

A person who violates [§ 5–552] § 9.5–304 of this subtitle is guilty of a misdemeanor and on conviction is subject to:

- (1) A fine not exceeding \$1,500 for the first violation; and
- (2) A fine not exceeding \$2,500 for a second or subsequent violation.

9.5–312.

(a) Except as provided in subsection (b) of this section and subject to the provisions of subsection (d) of this section, a person who violates any provision of this [Part V of this] subtitle or any rule or regulation adopted under this [Part V of this] subtitle is subject to a civil penalty imposed in a civil action not exceeding \$1,000 for each violation.

(b) (1) A person who violates [§ 5–552] § 9.5–304 of this subtitle and is served a civil citation under that section is subject to a civil penalty as follows:

- (i) \$250 for the first violation;
- (ii) \$500 for the second violation; and
- (iii) \$1,000 for the third and each subsequent violation.

9.5–313.

This [Part V of this] subtitle may not be construed to impair or limit the authority granted to the Department of Human Resources, the [State] Department [of Education], or the Department of Health and Mental Hygiene under any other provision of the Code unless that provision necessarily is inconsistent with this [Part V of this] subtitle.

9.5–321.

The [Department] **STATE BOARD** shall promulgate such rules as are necessary to carry out the purposes of this subtitle.

Subtitle 4. Child Care Centers.

9.5–401.

(a) In this [Part VII of this] subtitle the following words have the meanings indicated.

- (b) “Child” means an individual under the age of 16 years.

(c) (1) “Child care center” means an agency, institution, or establishment that, for part or all of a day, or on a 24-hour basis on a regular schedule, and at least twice a week, offers or provides child care to children who do not have the same parentage except as otherwise provided for in law or regulation.

(2) “Child care center” shall include a nonpublic nursery school in which an instructional program is offered or provided for children who are under the age of 5 years.

(3) “Child care center” does not include:

(i) A nonpublic kindergarten in which an instructional program is offered or provided for children who are at least 5 years old;

(ii) A nonpublic elementary school in which an instructional program is offered or provided for children who are in grades 1 through 8;

(iii) A child care home, a child care institution, or other child care facility that offers or provides a residential placement for a child and is established, licensed, or registered under this subtitle, Title 9 of the Human Services Article, or Title 10 of the Health – General Article; or

(iv) A family child care home or large family child care home that is required to be registered or is registered under this subtitle.

(d) [“Department” means the State Department of Education.

(e) [“Letter of compliance” means a letter issued by the [State] Department [of Education] to a religious organization that meets the requirements under [§ 5–573] § **9.5–404** of this subtitle.

[f) “License” means a license issued by the State Department of Education to operate a child care center.

(g) “Person” includes a State, county, or municipal corporation.

(h) “State Superintendent” means the State Superintendent of Schools or the State Superintendent’s designee.]

9.5–403.

(a) This [Part VII of this] subtitle does not supersede:

(1) Any right or power of the Department of Health and Mental Hygiene or any local health officer;

(2) Any right or power of a county department of education;

(3) Any building code or zoning provision;

(4) Any right or power of the Administration within the Department of Human Resources or any local department; or

(5) Any right or power of the Department of Human Resources to regulate residential child care facilities.

9.5–404.

(a) The State [Superintendent] **BOARD** shall adopt rules and regulations for licensing and operating child care centers.

(b) These rules and regulations shall:

(6) Carry out otherwise the purposes and requirements of this [Part VII of this] subtitle, including imposition of intermediate sanctions to ensure compliance;

(11) Require a child care center to have window coverings in accordance with § 5–505 of [this subtitle] **THE FAMILY LAW ARTICLE**.

9.5–405.

(a) Except as otherwise provided in this [Part VII of this] subtitle, a person shall be licensed by the Department before the person may operate a child care center in this State.

9.5–407.

The Department shall issue a license to any applicant who meets the requirements of this [Part VII of this] subtitle and of the rules and regulations adopted under it.

9.5–410.

A license issued under this [Part VII of this] subtitle is not transferable.

9.5–411.

(a) Subject to the hearing requirements of this section, the Department may deny a license or letter of compliance to any applicant or deny approval for a change under [§ 5–577] § **9.5–408** of this subtitle if the applicant or proposed change does not meet the requirements of this subtitle.

(b) Subject to the hearing requirements of this section and [§ 5-581] § 9.5-415 of this subtitle, the State Superintendent may suspend or revoke a license or letter of compliance if the licensee:

(1) Violates a provision of this [Part VII of this] subtitle or any rule or regulation adopted under it; or

(2) Does not meet the current requirements for a new license or letter of compliance.

(e) The State Superintendent may petition the circuit court in the county in which the child care center is located to enjoin the activities and operations of a person who operates a child care center without a license or letter of compliance as required by this [Part VII] SUBTITLE, including when a license or letter of compliance has been denied, revoked, or suspended in accordance with this [Part VII] SUBTITLE.

9.5-412.

(c) A judge of a District Court or circuit court in the jurisdiction in which the unlicensed child care center is located may issue an administrative search warrant on finding that:

(4) The Department has shown probable cause for the issuance of the warrant by specific evidence:

(i) Of an existing violation of [§ 5-574(a) or § 5-582] §§ 9.5-405(A) AND 9.5-416 of this subtitle; and

(ii) That the health, safety, and welfare of the children in the child care center are substantially threatened due to conditions in the child care center.

9.5-414.

(a) [(1) The requirements of this subsection apply only to an employee hired on or after October 1, 2005.

(2) Each employee, as defined in [§ 5-560] § 5-550 of [this subtitle] THE FAMILY LAW ARTICLE, of a child care center that is required to be licensed or to hold a letter of compliance under this subtitle shall apply to the Department of Human Resources, on or before the first day of actual employment, for a child abuse and neglect clearance.

(b) The Department may prohibit the operator of a child care center that is required to be licensed or to hold a letter of compliance under this subtitle from employing an individual who:

(1) Has received a conviction, a probation before judgment disposition, a not criminally responsible disposition, or a pending charge for any crime or attempted crime enumerated in the regulations adopted by the Department of Public Safety and Correctional Services under [Part VI of this subtitle] **TITLE 5, SUBTITLE 5, PART VI OF THE FAMILY LAW ARTICLE**; or

(2) Has been identified as responsible for child abuse or neglect.

(c) The operator of a child care center that is required to be licensed or to hold a letter of compliance under this subtitle shall immediately notify the Department of a criminal history records check of an employee that reports a conviction, a probation before judgment disposition, a not criminally responsible disposition, or a pending charge for any crime or attempted crime enumerated in the regulations adopted by the Department of Public Safety and Correctional Services under [Part VI of this subtitle] **TITLE 5, SUBTITLE 5, PART VI OF THE FAMILY LAW ARTICLE**.

9.5–417.

A person who violates [§ 5–574(a) or § 5–582] **§ 9.5–405(A) OR § 9.5–416** of this subtitle is guilty of a misdemeanor and on conviction is subject to:

- (1) A fine not exceeding \$1,500 for the first violation; and
- (2) A fine not exceeding \$2,500 for a second or subsequent violation.

9.5–418.

(a) Subject to the provisions of subsection (c) of this section, a person who violates any provision of this [Part VII of this] subtitle or any rule or regulation adopted under this [Part VII of this] subtitle is subject to a civil penalty imposed in a civil action not exceeding \$1,000 for each violation.

9.5–419.

(a) [In addition to any other provision of law relating to child abuse and neglect, a local department that receives a report of suspected child abuse under § 5–704 or § 5–705 of this title that concerns a child care center, shall notify the State Superintendent’s designee within 48 hours.

(b) On receipt of the notification required under [subsection (a) of this section] **§ 5–705.3 OF THE FAMILY LAW ARTICLE**, the State Superintendent’s designee shall convene, either in person or by telephone, a multidisciplinary team to coordinate procedures in accordance with the agreement developed under § 5–706(f) of [this title] **THE FAMILY LAW ARTICLE** to be followed in investigating and otherwise responding to the report.

**[(c)] (B)** The multidisciplinary team shall be chaired by the State Superintendent's designee and shall include:

- (1) Representatives of the local department and law enforcement agency that are investigating the report under § 5–706 of [this title] **THE FAMILY LAW ARTICLE**;
- (2) Representation from the office of the local State's Attorney; and
- (3) Appropriate medical, including mental health, expertise.

**[(d)] (C)** Notwithstanding any other provision of law, the members of the multidisciplinary team shall share information necessary to carry out the team's responsibility under this section.

**[(e)] (D)** Any information shared by the multidisciplinary team shall be confidential and may be disclosed only in accordance with the provisions of §§ 1–201, 1–202, 1–204, and 1–205 of the Human Services Article.

**[(f)] (E)** On request, the Department of State Police shall provide technical assistance to a local law enforcement agency which is investigating a report of suspected child abuse concerning a child care center.

#### Subtitle 5. Child Care Centers in State–Occupied Buildings.

9.5–501.

(a) In this [Part VIII of this] subtitle the following words have the meanings indicated.

(b) [“Department” means the State Department of Education.

(c) “Employee” means a State employee.

**[(d)] (C)** “Employee occupant” means a State employee who is assigned or will be assigned to a State–occupied building.

**[(e)] (D)** “Occupying agency” means a State agency or department which is or will be located in a State–occupied building.

**[(f)] (E)** “State complex” means more than 1 State–occupied building or facility situated either adjacent to or within reasonable proximity to another State–occupied building or facility.

**[(g)] (F)** “State–occupied building” means:

(1) An office building acquired through any means by the State for use by a State agency or department; and

(2) An office building constructed by or for the State for occupancy by a State agency or department.

[(h) “State Superintendent” means the State Superintendent of Schools.]

9.5–502.

(b) Before the State acquires or constructs an office building that accommodates 700 or more employees, the [State] Department [of Education] shall:

(1) Survey the employees who will be assigned to the building regarding the employees’ child care needs;

(2) Determine whether child care services for more than 29 children are needed; and

(3) If sufficient need is demonstrated, determine how much space is required and request that the Department of General Services designate the required amount of space within the building or acquire the designated amount of space within a nearby building for a child care center.

9.5–503.

(a) The Department of Health and Mental Hygiene and the Department of General Services shall cooperate with and assist the Department in carrying out the purposes of this [Part VIII of this] subtitle.

(b) The Department shall:

(1) Provide the guidance and means for establishing child care centers for the children of State employees in State–occupied buildings or nearby buildings in accordance with this [Part VIII of this] subtitle;

(2) Provide for licensing of child care centers for children of State employees;

(3) Ensure that space designated within a State–occupied building or nearby buildings for a child care center complies with the prevailing local and State safety building codes for child care centers;

(4) Apply the regulations adopted under [Part VII] **SUBTITLE 4 OF THIS TITLE** for child care centers; and



(5) Contract for child care services in the space provided. Contract providers must provide proof of financial responsibility.

(c) (1) The Department of General Services shall:

(i) Construct or acquire the required space to be used by the child care center, which space shall be submetered for utilities and the costs of which shall be paid by the child care center; and

(ii) Inspect the facility monthly and inform child care center personnel of maintenance deficiencies to be corrected by the child care center.

(2) If any deficiencies under paragraph (1)(ii) of this subsection are not corrected within a reasonable time, the Department of General Services shall notify the [State] Department [of Education] which will exact compliance in accordance with the terms of the child care center contract.

(3) The child care center shall pay for any costs of operation of the child care center.

(d) Space originally set aside for a child care center may be used for other purposes if:

(1) The building has been fully occupied for 180 days; and

(2) An application to operate a child care center has not been filed under [Part VII of this subtitle] **SUBTITLE 4 OF THIS TITLE**.

(e) Children of State employees shall have priority over other children in admission to a child care center in a State-occupied building or nearby buildings.

(f) (1) After a child care center for children of State employees has been established, the Department shall assess the child care needs of the State employees using the center at least every 5 years.

(2) If the assessment demonstrates that the service is no longer needed or feasible, the State Superintendent may close the center.

(3) The State Superintendent shall give the child care center 90 days' written notice of closure.

9.5-504.

(e) (1) The Department shall contract with child care providers to operate the child care centers established under this section.

(2) The contract for operating a child care center shall require the child care provider:

(i) To be responsible for entering into agreements, and making arrangements with the employees, for the provision of child care;

(ii) To provide proof of financial responsibility;

(iii) To be licensed under [Part VII and this Part VIII of this subtitle] **THIS SUBTITLE AND SUBTITLE 4 OF THIS TITLE**;

(iv) To comply with any laws or regulations governing child care centers;

(v) To obtain and keep in effect liability insurance in an amount determined to be sufficient by the State Superintendent; and

(vi) To comply with any other requirement the State Superintendent considers reasonable and necessary.

(3) The child care provider may not be held responsible for providing the necessary space for the operation of the child care center.

9.5–505.

(A) Within 30 days after a child under the age of 6 years enters care in a child care center in a State-occupied building, a parent or guardian of the child shall provide to the child care center evidence of an appropriate screening for lead poisoning.

(B) This evidence may include documentation from the child's continuing care health care provider that the child was screened through an initial questionnaire and was determined not be at risk for lead poisoning.

#### Subtitle 6. Child Care Quality Incentive Grant Program.

9.5–601.

(a) In this [part] **SUBTITLE** the following words have the meanings indicated.

(b) "Child care center" has the meaning stated in [§ 5–570] **§ 9.5–401** of this [subtitle] **TITLE**.

(c) "Child care provider" means a family child care provider or a child care center.

(d) "Direct incentive grant" means a grant awarded under the Child Care Quality Incentive Grant Program.

(e) “Family child care provider” has the meaning stated in [§ 5-550(d)] § 9.5-301 of this [subtitle] TITLE.

9.5-602.

(a) There is a Child Care Quality Incentive Grant Program administered by the [State] Department [of Education].

(b) To administer direct incentive grants to child care providers, the [State] Department [of Education] may contract with other State agencies and nonprofit organizations.

9.5-603.

(a) The State Superintendent may delegate the authority to approve direct incentive grants to any board that exists or may be created in the [State] Department [of Education].

(b) A direct incentive grant made under this [part] SUBTITLE shall be awarded as an incentive for a child care provider to improve the quality of care being provided to children through the purchase of supplies, materials, and equipment.

9.5-604.

(b) The Child Care Quality Incentive Grant Program shall be used to:

(1) Pay all expenses and disbursements authorized by the [State] Department [of Education] for administering the Child Care Quality Incentive Grant Program; and

(2) Award direct incentive grants to child care providers.

(d) Grants made under this [part] SUBTITLE shall be limited to:

(1) Child care centers located in Title I communities;

(2) Child care centers where at least 25% of the children enrolled receive subsidies through the purchase of child care program; and

(3) Family child care homes and large family child care homes that serve children who receive child care subsidies through the purchase of child care program.

9.5-605.

The [State] Department [of Education] may award a direct incentive grant to an applicant only if:

- (1) The applicant meets the qualifications required by this subtitle;
- (2) The direct incentive grant does not exceed \$2,500; and
- (3) Federal funds are available to cover the cost of the grant.

9.5–606.

(a) To apply for a direct incentive grant, an applicant shall submit to the [State] Department [of Education] an application on the form that the [State] Department [of Education] requires.

(b) The application shall include:

- (1) The name and address of the child care provider;
- (2) An itemization of known and estimated costs including a statement from the child care provider as to how the grant funds will be used;
- (3) The total amount of funds required by the provider to purchase supplies, material, and equipment;
- (4) The funds available to the applicant to purchase supplies, material, and equipment;
- (5) The amount of direct incentive grant funds sought from the [State] Department [of Education];
- (6) The number of children that the child care provider serves who receive child care subsidies through the purchase of child care program; and
- (7) Any other relevant information that the [State] Department [of Education] requests.

9.5–607.

(a) Except as otherwise provided in this [part] SUBTITLE, the [State] Department [of Education] may set the terms and conditions for direct incentive grants.

(b) On an annual basis, the [State] Department [of Education] may establish priorities for the distribution of direct incentive grants based on the categories of children child care providers serve, including infants, toddlers, and preschool and school-age children.

9.5–608.

(a) A person may not knowingly make or cause any false statement or report to be made in any application or in any document furnished to the [State] Department [of Education] under this [part] **SUBTITLE**.

(b) A person may not knowingly make or cause any false statement or report to be made for the purpose of influencing the action of the [State] Department [of Education] on an application for a direct incentive grant or for the purpose of influencing any action of the [State] Department [of Education] affecting a direct incentive grant whether or not such a grant may have already been awarded.

(c) Any person or any aider or abettor who violates any provision of this part is guilty of a misdemeanor, and on conviction is subject to a fine not exceeding \$1,000 or imprisonment in the penitentiary not exceeding 1 year or both.

9.5–609.

The State Superintendent shall adopt regulations necessary to carry out the purposes of this [part] **SUBTITLE**.

Subtitle 7. Collective Negotiations by Family Child Care Providers.

9.5–701.

(a) In this [Part XI of this] subtitle the following words have the meanings indicated.

(b) “Family child care provider” means an individual who participates in the Maryland Child Care Subsidy Program who is:

(1) A registered provider as defined in [§ 5–550(d)] **§ 9.5–301(C)** of this [subtitle] **TITLE**; or

(2) Exempt from the registration requirements under [§ 5–552(b)] **§ 9.5–304** of this [subtitle] **TITLE**.

9.5–702.

In according family child care providers and their representatives rights under this [Part XI of this] subtitle, it is the legislative intent of the General Assembly that the State action exemption to the application of federal and State antitrust laws be fully available to the extent that the activities of the family child care providers and their representatives are authorized under this title.

9.5–703.

(b) Family child care providers may designate, in accordance with the provisions of this [Part XI of this] subtitle, which provider organization, if any, shall be the exclusive representative of all family child care providers in the State.

9.5–704.

(a) The [State] Department [of Education] shall designate appropriate representatives to participate in collective bargaining with the provider organization certified as the exclusive representative of family child care providers.

(b) Except as otherwise provided in this [Part XI of this] subtitle, the parties shall adhere to the bargaining process set forth in § 3–501 of the State Personnel and Pensions Article.

(c) The [State] Department [of Education] shall negotiate in consultation with the Department of Budget and Management regarding all matters that require appropriation of State funds.

(e) (2) A family child care provider whose religious beliefs are opposed to joining or financially supporting any collective bargaining organization is:

(i) Not required to pay a service fee; and

(ii) Required to pay an amount of money as determined in collective bargaining negotiations, not to exceed any service fee negotiated under paragraph (1) of this subsection, to any charitable organization exempt from taxation under § 501(c)(3) of the Internal Revenue Code and to furnish to the [State] Department [of Education] and the exclusive representative written proof of the payment.

9.5–705.

The certification of an exclusive representative of family child care providers by the [State] Department [of Education] does not prevent the certified provider organization or any other organization or individual from communicating with any State official on matters of interest, including appearing before or making proposals to the [State] Department [of Education] at a public meeting or hearing or at any other forum of the [State] Department [of Education].

9.5–706.

(b) This [Part XI of this] subtitle may not be construed to grant any right, or imply that family child care providers have any right, to engage in a strike or other collective cessation of the delivery of services.

9.5–707.

(a) This [Part XI of this] subtitle may not be construed to make family child care providers employees of the State.

(b) This [Part XI of this] subtitle may not alter in any way the role of parents in selecting, directing, and terminating the services of family child care providers.

Subtitle 8. [Early Childhood Development] **OFFICE OF CHILD CARE** Advisory Council.

[9.5–801.

(a) In this Part IX of this subtitle the following words have the meanings indicated.

(b) “Council” means the Early Childhood Development Advisory Council.

(c) “State Superintendent” means the State Superintendent of Schools.]

**9.5–801.**

**IN THIS SUBTITLE, “COUNCIL” MEANS THE OFFICE OF CHILD CARE ADVISORY COUNCIL.**

9.5–802.

There is an [Early Childhood Development] **OFFICE OF CHILD CARE** Advisory Council.

9.5–803.

(b) The members shall include:

(3) [at] **AT** least 1 representative, appointed by the Secretary, from:

(i) [the] **THE** Department of Health and Mental Hygiene;

(ii) [the Governor’s Office for Children;

(iii) the] **THE** Head Start Program;

[(iv)] **(III)** [the] **THE** [State] Department [of Education];

[(v)] **(IV)** [the] **THE** Office of the State Fire Marshal;

[(vi)] **(V)** [a] **A** local government;

[(vii)] (VI) [a] A child care advocacy organization;

[(viii)] (VII) [an] AN independent school, which may include a religious, nonsectarian, or nursery school;

[(ix)] (VIII) [a] A child care resource and referral agency;

[(x)] (IX) [the] THE Department of the Environment;

[(xi)] (X) [a] A community college with an early childhood education program;

[(xii)] (XI) [the] THE Maryland Association of Social Services Directors; and

[(xiii)] (XII) [a] A professional organization concerned with the quality of early childhood programs;

#### Article – Family Law

5–501.

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

(b) “Administration” means:

(1) the Social Services Administration of the Department; or

(2) any other unit within the Department to which the Secretary of Human Resources has delegated in writing specified responsibilities of the Administration under this subtitle.

(c) [“Child care provider” means the adult who has primary responsibility for the operation of a family child care home or large family child care home.

(d) “Family child care” means the care given to a child under the age of 13 years or to any developmentally disabled person under the age of 21 years, in place of parental care for less than 24 hours a day, in a residence other than the child’s residence, for which the child care provider is paid.

(e) “Family child care home” means a residence in which family child care is provided for up to 8 children.

(f) “Foster care” means continuous 24–hour care and supportive services provided for a minor child placed by a child placement agency in an approved family home.



**[(g)] (D)** “Group care” means continuous 24-hour care and supportive services provided for a minor child placed in a licensed group facility.

**[(h)] (E)** “Kinship care” means continuous 24-hour care and supportive services provided for a minor child placed by a child placement agency in the home of a relative related by blood or marriage within the 5th degree of consanguinity or affinity under the civil law rule.

**[(i)]** “Large family child care home” means a residence in which family child care is provided for at least 9 but not more than 12 children.]

**[(j)] (F)** (1) “License” means a license issued by the Administration under this subtitle.

(2) “License” includes:

(i) a child placement agency license;

(ii) [a child care home license;

(iii)] a child care institution license; and

**[(iv)] (III)** a residential educational facility license.

**[(k)] (G)** “Local board” means a local citizen board of review for children in out-of-home care.

**[(l)] (H)** “Out-of-home care” means:

(1) out-of-home placement; and

(2) the monitoring of and services provided to a child in aftercare following a child’s out-of-home placement.

**[(m)] (I)** “Out-of-home placement” means placement of a child into foster care, kinship care, group care, or residential treatment care.

**[(n)] (J)** “Residential educational facility” means:

(1) a facility that:

(i) provides special education and related services for students with disabilities;

(ii) holds a certificate of approval issued by the State Board of Education; and

(iii) provides continuous 24-hour care and supportive services to children in a residential setting; or

(2) one of the following schools:

(i) the Benedictine School;

(ii) the Linwood School;

(iii) the Maryland School for the Blind; or

(iv) the Maryland School for the Deaf.

**[(o)] (K)** “Residential treatment care” means continuous 24-hour care and supportive services for a minor child placed in a facility that provides formal programs of basic care, social work, and health care services.

**[(p)] (L)** “State Board” means the State Citizens Review Board for Children.

**[(q)]** “Unregistered family child care home” means a residence in which family child care is provided and in which the child care provider:

(1) has not obtained a certificate of registration from the State Department of Education;

(2) is not related by blood or marriage to each child in the provider’s care;

(3) is not a friend of each child’s parents or legal guardian and is providing care on a regular basis; and

(4) has not received the care of the child from a child placement agency licensed by the Administration or by a local department.]

**[(r)] (M)** “Voluntary placement agreement” means a binding, written agreement that:

(1) is voluntarily entered into between a local department and:

(i) the parent or legal guardian of a minor child; or

(ii) a former CINA whose commitment to the local department was rescinded after the individual reached the age of 18 years but before the individual reached the age of 20 years and 6 months; and

(2) specifies, at a minimum:

(i) the legal status of the child or former CINA; and

(ii) the rights and obligations of the parent or legal guardian, the child or former CINA, and the local department while the child or former CINA is in placement.

[5-508.

(a) Except as otherwise provided in this section, a person shall be licensed by the Administration as a child care home before the person may exercise care, custody, or control of a minor child.

(b) This section does not apply:

(1) to a parent of the child;

(2) to an individual related to the child by blood or marriage within five degrees of consanguinity or affinity under the civil law rule;

(3) to a guardian of the child;

(4) to a person who exercises temporary care, custody, or control over the child at the request of a parent or guardian of the child and who is not required otherwise to be licensed;

(5) to an individual with whom the child is placed in foster care by:

(i) a child placement agency that is licensed under § 5-507 of this subtitle;

(ii) a local department;

(iii) the Department of Juvenile Services;

(iv) the Secretary of Health and Mental Hygiene; or

(v) a court of competent jurisdiction;

(6) to a person who has the care, custody, or control of the child through placement for adoption by a parent or grandparent of the child, if the requirements of § 5-3B-12 of this title are met;

(7) to an institution that has a child care institution license under this subtitle or under § 9-236 of the Human Services Article; or

(8) to an institution that is operated by an agency of this State or any political subdivision of this State.]

5-550.

(a) In this Part [VI] V of this subtitle the following words have the meanings indicated.

(d) (1) “Employee” means a person that for compensation is employed to work in a facility identified in [§ 5-561] § 5-551 of this subtitle and who:

(i) cares for or supervises children in the facility; or

(ii) has access to children who are cared for or supervised in the facility.

(2) “Employee” includes a person who:

(i) participates in a pool described in subsection (e)(2) of this section;

(ii) for compensation will be employed on a substitute or temporary basis to work in a facility identified in [§ 5-561(b)(1)] § 5-551(B)(1) or (2) of this subtitle; and

(iii) will care for or supervise children in the facility or will have access to children who are cared for or supervised in the facility.

(3) “Employee” does not include any person employed to work for compensation by the Department of Juvenile Services.

(e) (1) “Employer” means an owner, operator, proprietor, or manager of a facility identified in [§ 5-561] § 5-551 of this subtitle who has frequent contact with children who are cared for or supervised in the facility.

(2) For purposes of [§§ 5-561(g), 5-564(a)(2)(i) and (c)(1)(i) and (2), and 5-567] §§ 5-551(G), 5-554(A)(2)(I) AND (C)(1)(I) AND (2), AND 5-557 of this subtitle, “employer” includes a child care resource and referral center, an association of registered family child care providers, and an association of licensed child care centers to the extent that the center or association establishes and maintains a pool of individuals who are qualified to work as substitute or temporary employees in a facility identified in [§ 5-561(b)(1)] § 5-551(B)(1) or (2) of this subtitle.

(3) “Employer” does not include a State or local agency responsible for the temporary or permanent placement of children in a facility identified in [§ 5-561] § 5-551 of this subtitle.

5-551.

(b) The following facilities shall require employees and employers to obtain a criminal history records check under this Part [VI] V of this subtitle:

(1) a child care center required to be licensed under [Part VII of this subtitle] **TITLE 9.5, SUBTITLE 4 OF THE EDUCATION ARTICLE;**

(2) a family child care home or large family child care home required to be registered under [Part V of this subtitle] **TITLE 9.5, SUBTITLE 3 OF THE EDUCATION ARTICLE;**

(3) a child care home required to be licensed under this subtitle or under Title 9 of the Human Services Article;

(4) a child care institution required to be licensed under this subtitle or under Title 9 of the Human Services Article;

(5) a juvenile detention, correction, or treatment facility provided for in Title 9 of the Human Services Article;

(6) a public school as defined in Title 1 of the Education Article;

(7) a private or nonpublic school required to report annually to the State Board of Education under Title 2 of the Education Article;

(8) a foster care family home or group facility as defined under this subtitle;

(9) a recreation center or recreation program operated by the State, a local government, or a private entity primarily serving minors;

(10) a day or residential camp, as defined in Title 10, Subtitle 16 of the Code of Maryland Regulations, primarily serving minors; or

(11) a home health agency or residential service agency licensed by the Department of Health and Mental Hygiene and authorized under Title 19 of the Health – General Article to provide home– or community–based health services for minors.

(c) The following individuals shall obtain a criminal history records check under this Part [VI] V of this subtitle:

(1) an individual who is seeking to adopt a child through a child placement agency;

- (2) an individual who is seeking to become a guardian through a local department;
- (3) an individual whom the juvenile court appoints as a guardian of a child;
- (4) an adult relative with whom a child, committed to a local department, is placed by the local department;
- (5) any adult known by a local department or the State Department of Education to be residing in:
  - (i) a family child care home or large family child care home required to be registered under this title;
  - (ii) a home where informal child care, as defined in child care subsidy regulations adopted under Title 13A of the Code of Maryland Regulations, is being provided or will be provided to a child who does not reside there;
  - (iii) a home of an adult relative of a child with whom the child, committed to a local department, is placed by the local department;
  - (iv) a foster care home or child care home required to be approved under this title;
  - (v) a home of an individual seeking to adopt a child through a child placement agency; or
  - (vi) a home of an individual seeking to become a guardian through a local department;
- (6) an individual who agrees to provide, or to continue providing, informal child care, as defined in child care subsidy regulations, adopted under Title 13A of the Code of Maryland Regulations; and
- (7) if requested by a local department:
  - (i) a parent or guardian of a child who is committed to the local department and is or has been placed in an out-of-home placement within the past year; and
  - (ii) any adult known by the local department to be residing in the home of the parent or guardian.
- (d) An employer at a facility under subsection (b) of this section may require a volunteer at the facility to obtain a criminal history records check under this Part **[VI] V** of this subtitle.

(e) A local department may require a volunteer of that department who works with children to obtain a criminal history records check under this Part [VI] V of this subtitle.

(f) An employer at a facility not identified in subsection (b) of this section who employs individuals to work with children may require employees, including volunteers, to obtain a criminal history records check under this Part [VI] V of this subtitle.

(g) An employer, as defined in [§ 5-560(e)(1)] § 5-550(E)(2) of this subtitle, shall require an employee, as defined in [§ 5-560(d)(2)] § 5-550(D)(2) of this subtitle, to obtain a criminal history records check under this Part [VI] V of this subtitle.

(h) (1) Except as provided in paragraph (2) of this subsection, a person who is required to have a criminal history records check under this Part [VI] V of this subtitle shall pay for:

(i) the mandatory processing fee required by the Federal Bureau of Investigation for a national criminal history records check;

(ii) reasonable administrative costs to the Department, not to exceed 10% of the processing fee; and

(iii) the fee authorized under § 10-221(b)(7) of the Criminal Procedure Article for access to Maryland criminal history records.

5-552.

(a) (2) On or before the 1st day of actual operation of a facility identified in [§ 5-561] § 5-551 of this subtitle, an employer shall apply to the Department for a printed statement.

(4) Within 5 days after a local department places a child who is committed to the local department with an adult relative, an individual identified in [§ 5-561(c)] § 5-551(C) or (e) of this subtitle shall apply to the Department for a printed statement.

(b) As part of the application for a criminal history records check, the employee, employer, and individual identified in [§ 5-561(c)] § 5-551(C), (d), (e), or (f) of this subtitle shall submit:

(1) except as provided in subsection (c) of this section, a complete set of legible fingerprints at any designated State or local law enforcement office in the State or other location approved by the Department;

(2) the disclosure statement required under [§ 5-563] § 5-553 of this subtitle; and

- (3) payment for the costs of the criminal history records check.

5–553.

As part of the application process for a criminal history records check, the employee, employer, and individual identified in [§ 5–561(c)] **§ 5–551(C)**, (d), (e), or (f) of this subtitle shall complete and sign a sworn statement or affirmation disclosing the existence of a criminal conviction, probation before judgment disposition, not criminally responsible disposition, or pending criminal charges without a final disposition.

5–554.

(a) (1) (i) The Department shall conduct the criminal history records check and issue the printed statement provided for under this Part [VI] V of this subtitle.

(ii) It shall update an initial criminal history records check for an employee, employer, or individual identified in [§ 5–561(c)] **§ 5–551(C)**, (d), (e), or (f) of this subtitle and issue a revised printed statement in accordance with federal law and regulations on dissemination of FBI identification records.

(2) The Department shall adopt regulations requiring:

(i) employers to verify periodically the continuing employment of an employee and the continuing assignment of a volunteer;

(ii) State or local agencies that license, register, approve, or certify any of the facilities identified in [§ 5–561(b)] **§ 5–551(B)** of this subtitle to verify periodically the continuing licensure, registration, approval, or certification of a facility or the continuing assignment of individuals identified in [§ 5–561(e)] **§ 5–551(E)** of this subtitle; and

(iii) child placement agencies that place a child as described in [§ 5–561(c)] **§ 5–551(C)** of this subtitle to verify periodically the continuing participation or presence of individuals identified in [§ 5–561(c)] **§ 5–551(C)** of this subtitle.

(3) The employee, employer, volunteer, or other individual identified in [§ 5–561] **§ 5–551** of this subtitle is not responsible for payment of any fee to update criminal history records checks.

(b) (1) The Department shall provide an initial and a revised statement of the applicant's State criminal record to:

(ii) the State Department of Education if the applicant is:



1. an employee of, or an adult resident in, a child care center that is required to be licensed or to hold a letter of compliance under [Part VII of this subtitle] **TITLE 9.5, SUBTITLE 4 OF THE EDUCATION ARTICLE**;

2. an employee of, or an adult resident in, a family child care home or large family child care home that is required to be registered under [Part V of this subtitle] **TITLE 9.5, SUBTITLE 3 OF THE EDUCATION ARTICLE**; or

3. an individual who provides or agrees to provide informal child care or an adult who resides in a home where informal child care is being provided or will be provided to a child who does not reside there.

(c) (1) Upon completion of the criminal history records check of an employee, the Department shall submit the printed statement to:

(iii) for an employee of a child care center that is required to be licensed or to hold a letter of compliance under [Part VII of this subtitle] **TITLE 9.5, SUBTITLE 4 OF THE EDUCATION ARTICLE** or an employee of a family child care home that is required to be registered under [Part V of this subtitle] **TITLE 9.5, SUBTITLE 3 OF THE EDUCATION ARTICLE**, the State Department of Education.

(4) Upon completion of the criminal history records check of an individual identified in [§ 5-561(c)] **§ 5-551(C)**, (d), (e), or (f) of this subtitle, the Department shall submit the printed statement to the appropriate child placement or registering agency.

(d) Information obtained from the Department under this Part [VI] **V** of this subtitle shall be confidential and may be disseminated only to the individual who is the subject of the criminal history records check and to the participants in the hiring or approval process.

(e) Information obtained from the Department under this Part [VI] **V** of this subtitle may not:

(1) be used for any purpose other than that for which it was disseminated;  
or

(2) be redisseminated.

(f) Information obtained from the Department under this Part [VI] **V** of this subtitle shall be maintained in a manner to insure the security of the information.

5-554.1.

The State Department of Education shall conduct a cross-reference check, including cross-referencing the individual and the individual's address, with the central registry of

registrants transmitted weekly by the Department under § 11–713 of the Criminal Procedure Article, of:

(1) an employee, employer, or individual identified in [§ 5–561(b)(1)] § 5–551(B)(1), (b)(2), or (c)(5)(i) of this subtitle; and

(2) an individual who provides or agrees to provide informal child care, as defined in child care subsidy regulations adopted under Title 13A of the Code of Maryland Regulations.

5–556.

(a) An individual who fails to disclose a conviction, a probation before judgment disposition, a not criminally responsible disposition, or the existence of pending charges for a criminal offense or attempted criminal offense as required under [§ 5–563] § 5–553 of this subtitle shall be guilty of perjury and upon conviction is subject to the penalty provided by law.

(b) Unless otherwise provided, a person who violates any provision of this Part [VI] V of this subtitle is guilty of a misdemeanor and on conviction is subject to a fine not exceeding \$1,000 or imprisonment not exceeding 1 year or both.

5–557.

The following governmental units or persons shall have the immunity from civil or criminal liability described under § 5–619 of the Courts Article in connection with a criminal history records check under this Part [VI] V of this subtitle:

(1) an employer; and

(2) a State or local agency, including a local department.

5–558.

On or before August 15, 1986, the Secretary shall:

(3) adopt rules and regulations necessary and reasonable to administer this Part [VI] V of this subtitle.

5–559.

(b) (1) If a child is placed in an emergency out-of-home placement, a local department may request that a designated State or local law enforcement agency in the State or other location approved by the Department perform a federal name-based check on any individual described in [§ 5–561(c)(4)] § 5–551(C)(4), (5)(iii), and (7)(ii) of this subtitle.

(4) Within 15 calendar days after the date on which the name-based check was performed, the Department shall perform a criminal history records check, in accordance with [~~§ 5-564~~] **§ 5-554** of this subtitle.

(e) An individual who is required to submit to a criminal history records check under this section shall pay the fees required under [~~§ 5-561(h)~~] **§ 5-551(H)** of this subtitle.

### **5-705.3.**

**IN ADDITION TO ANY OTHER PROVISION OF LAW RELATING TO CHILD ABUSE AND NEGLECT, A LOCAL DEPARTMENT THAT RECEIVES A REPORT OF SUSPECTED CHILD ABUSE UNDER § 5-704 OR § 5-705 OF THIS TITLE SHALL NOTIFY THE STATE SUPERINTENDENT OF SCHOOL'S DESIGNEE WITHIN 48 HOURS IF THE REPORT CONCERNS:**

**(1) A FAMILY CHILD CARE HOME OR LARGE FAMILY CHILD CARE HOME; OR**

**(2) A CHILD CARE CENTER.**

SECTION 5. AND BE IT FURTHER ENACTED, That the publisher of the Annotated Code of Maryland, in consultation with and subject to the approval of the Department of Legislative Services, shall correct, with no further action required by the General Assembly, cross-references and terminology rendered incorrect by this Act or by any other Act of the General Assembly of 2016 that affects provisions enacted by this Act. The publisher shall adequately describe any such correction in an editor's note following the section affected.

SECTION 6. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2016.

**Approved by the Governor, April 26, 2016.**

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## **Chapter 186**

**(Senate Bill 314)**

AN ACT concerning

**State Government – Financial Education and Capability Commission –  
Composition**

FOR the purpose of altering the composition of the Financial Education and Capability Commission; and generally relating to the Financial Education and Capability Commission.

BY repealing and reenacting, without amendments,  
Article – State Government  
Section 9–802  
Annotated Code of Maryland  
(2014 Replacement Volume and 2015 Supplement)

BY repealing and reenacting, with amendments,  
Article – State Government  
Section 9–803  
Annotated Code of Maryland  
(2014 Replacement Volume and 2015 Supplement)

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

### **Article – State Government**

9–802.

There is a Financial Education and Capability Commission.

9–803.

(a) The Commission consists of the following members:

(1) two members of the Senate of Maryland, appointed by the President of the Senate;

(2) two members of the House of Delegates, appointed by the Speaker of the House;

(3) the State Superintendent of Schools, or the Superintendent's designee;

(4) the Secretary of Housing and Community Development, or the Secretary's designee;

(5) the Commissioner of Financial Regulation in the Department of Labor, Licensing, and Regulation, or the Commissioner's designee;

(6) the Executive Director of the Family Investment Administration in the Department of Human Resources, or the Executive Director's designee;

(7) the Chief of the Consumer Protection Division of the Office of the Attorney General, or the Chief's designee;

(8) the State Treasurer, or the State Treasurer's designee;

(9) the Comptroller, or the Comptroller's designee;

(10) the Secretary of Higher Education, or the Secretary's designee; and

(11) the following members, appointed by the Governor:

(i) one member of the Board of Trustees of the Maryland Teachers and State Employees Supplemental Retirement Plans;

(ii) one member of the College Savings Plans of Maryland Board;

(iii) one member of the Maryland State Education Association who teaches a course involving principles of financial education;

(iv) one representative of the Maryland CASH Campaign;

(v) one representative of a community-focused nonprofit organization that provides free financial education in the State;

(vi) one representative of a philanthropic organization that provides funding for financial education in the State;

(vii) one representative of the Maryland Council on Economic Education or the Maryland Coalition for Financial Literacy;

(viii) one representative of a bank, whether or not State-chartered, that has a branch in the State;

(ix) one representative of a credit union, whether or not State-chartered, that has a branch in the State;

(x) one licensed mortgage broker holding the Maryland Association of Mortgage Brokers' "Lending Seal of Integrity"; [and]

(xi) one member of the Maryland Association of CPAs; AND

**(XII) ONE REPRESENTATIVE OF A NONPROFIT ORGANIZATION IN THE STATE THAT PROVIDES FINANCIAL ASSISTANCE AND FREE FINANCIAL EDUCATION TO STATE RESIDENTS FOR POSTSECONDARY EDUCATION.**

(b) (1) The term of an appointed member of the Commission is 4 years.

(2) The terms of the appointed members are staggered as required by the terms provided for appointed members of the Commission on October 1, 2012.

(3) At the end of a term, an appointed member continues to serve until a successor is appointed and qualifies.

(4) A member who is appointed after a term has begun serves only for the remainder of the term and until a successor is appointed and qualifies.

(c) (1) The President of the Senate shall designate one of the members appointed from the Senate as co-chair of the Commission.

(2) The Speaker of the House of Delegates shall designate one of the members appointed from the House as co-chair of the Commission.

(d) The Maryland CASH Campaign shall provide staff for the Commission.

(e) A member of the Commission:

(1) may not receive compensation as a member of the Commission; but

(2) is entitled to reimbursement for expenses under the Standard State Travel Regulations, as provided in the State budget.

(f) The Commission shall meet at least two times each year at the times and places determined by the Commission.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2016.

**Approved by the Governor, April 26, 2016.**

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## **Chapter 187**

### **(House Bill 136)**

AN ACT concerning

#### **State Government – Financial Education and Capability Commission – Composition**

FOR the purpose of altering the composition of the Financial Education and Capability Commission; and generally relating to the Financial Education and Capability Commission.

BY repealing and reenacting, without amendments,  
Article – State Government  
Section 9–802  
Annotated Code of Maryland  
(2014 Replacement Volume and 2015 Supplement)

BY repealing and reenacting, with amendments,  
Article – State Government  
Section 9–803  
Annotated Code of Maryland  
(2014 Replacement Volume and 2015 Supplement)

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

**Article – State Government**

9–802.

There is a Financial Education and Capability Commission.

9–803.

(a) The Commission consists of the following members:

- (1) two members of the Senate of Maryland, appointed by the President of the Senate;
- (2) two members of the House of Delegates, appointed by the Speaker of the House;
- (3) the State Superintendent of Schools, or the Superintendent's designee;
- (4) the Secretary of Housing and Community Development, or the Secretary's designee;
- (5) the Commissioner of Financial Regulation in the Department of Labor, Licensing, and Regulation, or the Commissioner's designee;
- (6) the Executive Director of the Family Investment Administration in the Department of Human Resources, or the Executive Director's designee;
- (7) the Chief of the Consumer Protection Division of the Office of the Attorney General, or the Chief's designee;
- (8) the State Treasurer, or the State Treasurer's designee;

- (9) the Comptroller, or the Comptroller’s designee;
  - (10) the Secretary of Higher Education, or the Secretary’s designee; and
  - (11) the following members, appointed by the Governor:
    - (i) one member of the Board of Trustees of the Maryland Teachers and State Employees Supplemental Retirement Plans;
    - (ii) one member of the College Savings Plans of Maryland Board;
    - (iii) one member of the Maryland State Education Association who teaches a course involving principles of financial education;
    - (iv) one representative of the Maryland CASH Campaign;
    - (v) one representative of a community–focused nonprofit organization that provides free financial education in the State;
    - (vi) one representative of a philanthropic organization that provides funding for financial education in the State;
    - (vii) one representative of the Maryland Council on Economic Education or the Maryland Coalition for Financial Literacy;
    - (viii) one representative of a bank, whether or not State–chartered, that has a branch in the State;
    - (ix) one representative of a credit union, whether or not State–chartered, that has a branch in the State;
    - (x) one licensed mortgage broker holding the Maryland Association of Mortgage Brokers’ “Lending Seal of Integrity”; [and]
    - (xi) one member of the Maryland Association of CPAs; **AND**
    - (XII) ONE REPRESENTATIVE OF A NONPROFIT ORGANIZATION IN THE STATE THAT PROVIDES FINANCIAL ASSISTANCE AND FREE FINANCIAL EDUCATION TO STATE RESIDENTS FOR POSTSECONDARY EDUCATION.**
- (b) (1) The term of an appointed member of the Commission is 4 years.
- (2) The terms of the appointed members are staggered as required by the terms provided for appointed members of the Commission on October 1, 2012.



(3) At the end of a term, an appointed member continues to serve until a successor is appointed and qualifies.

(4) A member who is appointed after a term has begun serves only for the remainder of the term and until a successor is appointed and qualifies.

(c) (1) The President of the Senate shall designate one of the members appointed from the Senate as co-chair of the Commission.

(2) The Speaker of the House of Delegates shall designate one of the members appointed from the House as co-chair of the Commission.

(d) The Maryland CASH Campaign shall provide staff for the Commission.

(e) A member of the Commission:

(1) may not receive compensation as a member of the Commission; but

(2) is entitled to reimbursement for expenses under the Standard State Travel Regulations, as provided in the State budget.

(f) The Commission shall meet at least two times each year at the times and places determined by the Commission.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2016.

**Approved by the Governor, April 26, 2016.**

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## Chapter 188

(Senate Bill 343)

AN ACT concerning

**Employees' and Teachers' Pension Systems – Alternate Contributory Pension Selection and Reformed Contributory Pension Benefit – ~~Eligibility Service~~ Clarifications**

FOR the purpose of repealing the date by which certain individuals who were subject to the Alternate Contributory Pension Selection in the Employees' Pension System or Teachers' Pension System before separating from employment must resume employment in order to resume participation in the Alternate Contributory Pension Selection; making a certain requirement for the Board of Trustees for the State Retirement and Pension System to report on the number of certain members who

*resume employment in certain systems and resume participation in the Alternate Contributory Pension Selection to be an ongoing requirement for an annual report; clarifying that a member of the Employees' Pension System or the Teachers' Pension System is eligible to receive certain prorated eligibility service credit if the member is subject to the Reformed Contributory Pension Benefit and works less than a certain number of hours in a fiscal year; clarifying that certain eligibility service rules relating to a member's break in service do not apply to a member who is subject to the Reformed Contributory Pension Benefit; clarifying that eligibility service for a member who is subject to the Reformed Contributory Pension Benefit and has transferred between the Employees' Pension System and the Teachers' Pension System includes certain eligibility service under the previous system; and generally relating to the Alternate Contributory Pension Selection and the Reformed Contributory Pension Benefit of the Employees' Pension System and the Teachers' Pension System.*

BY repealing and reenacting, with amendments,  
Article – State Personnel and Pensions  
Section 23-215.1, 23-302(d), 23-303(b), and 23-304  
Annotated Code of Maryland  
(2015 Replacement Volume)

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

**Article – State Personnel and Pensions**

23-215.1.

(a) This section applies to a member who:

(1) on or before June 30, 2011, is subject to the Alternate Contributory Pension Selection;

(2) (i) is separated from employment for 4 years or less;

(ii) 1. is separated from employment for more than 4 years for military service that meets the requirements of the federal Uniformed Services Employment and Reemployment Rights Act; and

2. resumes employment within 1 year of leaving military service in a position that is included in the Employees' Pension System or Teachers' Pension System; or

(iii) 1. is separated from employment for more than 4 years; and

2. on or before June 30, 2011, accrues the minimum eligibility service needed to be eligible for a vested allowance in the Alternate Contributory Pension Selection under Title 29, Subtitle 3 of this article;

(3) does not withdraw the member's accumulated contributions; and

(4) does not become a retiree.

(b) A member described in subsection (a) of this section who [on or before June 30, 2016,] resumes employment in a position that is included in the Employees' Pension System or Teachers' Pension System, shall resume participation in the Alternate Contributory Pension Selection if the employer participates in the Alternate Contributory Pension Selection.

(c) On or before October 1[, 2012, and each October 1 through October 1, 2016] OF EACH YEAR, the Board of Trustees shall submit a report in accordance with § 2-1246 of the State Government Article to the Joint Committee on Pensions that provides the number of members described under subsection (a) of this section who were:

(1) rehired in the preceding fiscal year into a position included in the Employees' Pension System or Teachers' Pension System; and

(2) participating in the Alternate Contributory Pension Selection.

23-302.

(d) If a member who is subject to the contributory pension benefit [or], the Alternate Contributory Pension Selection, **OR THE REFORMED CONTRIBUTORY PENSION BENEFIT** completes less than 500 hours of employment while a member, the Board of Trustees shall prorate the member's eligibility service based on the number of hours worked.

23-303.

(b) (1) This section applies to a member of the Employees' Pension System or the Teachers' Pension System who was a member of one of those State systems.

(2) This section does not apply to:

(i) a retiree of the Employees' Pension System or the Teachers' Pension System; or

(ii) a member of the Employees' Pension System or Teachers' Pension System who is subject to the contributory pension benefit [or], the Alternate Contributory Pension Selection, **OR THE REFORMED CONTRIBUTORY PENSION BENEFIT**.

23–304.

A member is entitled to eligibility service that equals:

(1) the member's service credit transferred from a retirement or pension system under Title 37 of this article;

(2) for a member who has transferred to the Employees' Pension System from the Employees' Retirement System or to the Teachers' Pension System from the Teachers' Retirement System, the member's creditable service recognized under the previous system through the date before the member became a member of the current system;

(3) for a member of the Employees' Pension System, the member's service credit transferred from a retirement or pension system under Title 31, Subtitle 1 of this article; and

(4) for a member who has transferred between the Employees' Pension System and the Teachers' Pension System, the member's eligibility service under the previous system through the date before the member became a member of the current system if the member:

(i) is not subject to the noncontributory pension benefit in both the current and previous systems;

(ii) is subject to the contributory pension benefit in both the current and previous systems; [or]

(iii) is subject to the Alternate Contributory Pension Selection in both the current and previous systems; **OR**

**(IV) IS SUBJECT TO THE REFORMED CONTRIBUTORY PENSION BENEFIT IN BOTH THE CURRENT AND PREVIOUS SYSTEMS.**

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016.

**Approved by the Governor, April 26, 2016.**

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**Chapter 189**

**(Senate Bill 344)**

AN ACT concerning

**State Retirement and Pension System – Local Fire and Police System –  
Commingling of Assets**

FOR the purpose of repealing obsolete language authorizing the commingling of Local Fire and Police System assets with other State Retirement and Pension System assets; making conforming changes; and generally relating to the Local Fire and Police System in the State Retirement and Pension System.

BY repealing and reenacting, with amendments,  
Article – State Personnel and Pensions  
Section 21–123(e)  
Annotated Code of Maryland  
(2015 Replacement Volume)

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

**Article – State Personnel and Pensions**

21–123.

(e) (1) The Board of Trustees may commingle assets of the several systems, including the Postretirement Health Benefits Trust Fund, if the Board of Trustees keeps [seven] **SEPARATE** sets of records **FOR EACH STATE SYSTEM OR GROUP OF STATE SYSTEMS LISTED IN PARAGRAPH (2) OF THIS SUBSECTION** that show:

(i) the percentage of participation of each State system or group of State systems, including the Postretirement Health Benefits Trust Fund;

(ii) the percentage of income, gains, and losses applicable to each State system or group of State systems, including the Postretirement Health Benefits Trust Fund; and

(iii) the total contributions and disbursements applicable to each State system or group of State systems, including the Postretirement Health Benefits Trust Fund.

(2) The Board of Trustees shall keep records required by paragraph (1) of this subsection for each of the following:

(i) the group that consists of the Correctional Officers' Retirement System, the Employees' Pension System, the Employees' Retirement System, and the Legislative Pension Plan;

(ii) the Judges' Retirement System;

(iii) [the Local Fire and Police System;

(iv)] the Law Enforcement Officers' Pension System;

[(v)] (IV) the State Police Retirement System;

[(vi)] (V) the group that consists of the Teachers' Pension System and the Teachers' Retirement System; and

[(vii)] (VI) the Postretirement Health Benefits Trust Fund.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016.

**Approved by the Governor, April 26, 2016.**

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## Chapter 190

(Senate Bill 345)

AN ACT concerning

### State Retirement and Pension System – Optional Retirement Allowances – Designated Beneficiaries

FOR the purpose of repealing as redundant certain language relating to members of the Judges' Retirement System designating multiple beneficiaries under a certain optional retirement allowance in the State Retirement and Pension System; clarifying that certain members of the State Retirement and Pension System may designate multiple beneficiaries under certain optional retirement allowances; and generally relating to optional retirement allowances for members of the State Retirement and Pension System.

BY repealing and reenacting, with amendments,

Article – State Personnel and Pensions

Section 21–403(a) and (d)

Annotated Code of Maryland

(2015 Replacement Volume)

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

### Article – State Personnel and Pensions

21-403.

(a) (1) Under Option 1, if a retiree dies before receiving payments equal to the actuarial equivalent present value of the retiree's basic allowance computed at the time of retirement, the Board of Trustees shall pay the balance as a single payment:

- (i) to the designated beneficiary; or
- (ii) if there is no designated beneficiary, to the retiree's estate.

(2) (i) At the time of retirement, a member [of the Judges' Retirement System described in § 21-401(a)(2) of this subtitle] may designate more than one beneficiary for the optional benefit provided in paragraph (1) of this subsection.

(ii) If, at the time of retirement, a member [of the Judges' Retirement System] does designate more than one beneficiary for the optional benefit provided in paragraph (1) of this subsection, the single payment will be paid in equal shares to each of the designated beneficiaries.

(d) (1) Under Option 4, if a retiree dies before receiving payments equal to the value of the retiree's accumulated contributions at the time of retirement, the Board of Trustees shall pay the balance as a single payment:

- [(1)] (I) to the designated beneficiary; or
- [(2)] (II) if there is no designated beneficiary, to the retiree's estate.

**(2) (I) AT THE TIME OF RETIREMENT, A MEMBER MAY DESIGNATE MORE THAN ONE BENEFICIARY FOR THE OPTIONAL BENEFIT PROVIDED IN PARAGRAPH (1) OF THIS SUBSECTION.**

**(II) IF, AT THE TIME OF RETIREMENT, A MEMBER DOES DESIGNATE MORE THAN ONE BENEFICIARY FOR THE OPTIONAL BENEFIT PROVIDED IN PARAGRAPH (1) OF THIS SUBSECTION, THE SINGLE PAYMENT WILL BE PAID IN EQUAL SHARES TO EACH OF THE DESIGNATED BENEFICIARIES.**

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016.

Approved by the Governor, April 26, 2016.

AN ACT concerning

**Maryland Health Care Commission – Certificate of Need Review – Interested Party**

FOR the purpose of altering the definition of “interested party”, for the purpose of certificate of need review of certain ~~health-care-facility~~ *hospital* projects, to include a jurisdiction ~~that does not contain~~ *within the region served by a certain regional health system that does not contain* a certain ~~health-care-facility~~ *hospital* project; and generally relating to interested parties in certificate of need reviews by the Maryland Health Care Commission.

BY repealing and reenacting, with amendments,  
Article – Health – General  
Section 19–126(d)  
Annotated Code of Maryland  
(2015 Replacement Volume)

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

**Article – Health – General**

19–126.

(d) (1) The Commission alone shall have final nondelegable authority to act upon an application for a certificate of need, except as provided in this subsection.

(2) A majority of the full authorized membership of the Commission shall be a quorum to act on an application for a certificate of need.

(3) After an application is filed, the staff of the Commission:

(i) Shall review the application for completeness within 10 working days of the filing of the application; and

(ii) May request further information from the applicant.

(4) The Commission may delegate to a reviewer the responsibility for review of an application for a certificate of need, including:

(i) The holding of an evidentiary hearing if the Commission, in accordance with criteria it has adopted by regulation, considers an evidentiary hearing appropriate due to the magnitude of the impact the proposed project may have on the health care delivery system; and



(ii) Preparation of a recommended decision for consideration by the full Commission.

(5) The Commission shall designate a single Commissioner to act as a reviewer for the application and any competing applications.

(6) The Commission shall delegate to its staff the responsibility for an initial review of an application, including, in the event that no written comments on an application are submitted by any interested party other than the staff of the Commission, the preparation of a recommended decision for consideration by the full Commission.

(7) Any “interested party” may submit written comments on the application in accordance with procedural regulations adopted by the Commission.

(8) The Commission shall define the term “interested party” to include, at a minimum:

(i) The staff of the Commission;

(ii) Any applicant who has submitted a competing application;

(iii) Any other person who can demonstrate that the person would be adversely affected by the decision of the Commission on the application; [and]

(iv) A local health planning agency for a jurisdiction or region in which the proposed facility or service will be located; AND

**(V) IN THE REVIEW OF A REPLACEMENT ~~HEALTH CARE FACILITY~~ ACUTE GENERAL HOSPITAL PROJECT PROPOSED BY OR ON BEHALF OF A REGIONAL HEALTH SYSTEM THAT SERVES *MULTIPLE* CONTIGUOUS JURISDICTIONS, A JURISDICTION WITHIN THE REGION SERVED BY THE REGIONAL HEALTH SYSTEM THAT DOES NOT CONTAIN THE PROPOSED REPLACEMENT ~~HEALTH CARE FACILITY~~ ACUTE GENERAL HOSPITAL PROJECT.**

(9) The reviewer shall review the application, any written comments on the application, and any other materials permitted by this section or by the Commission’s regulations, and present a recommended decision on the application to the full Commission.

(10) (i) An applicant and any interested party may request the opportunity to present oral argument to the reviewer, in accordance with regulations adopted by the Commission, before the reviewer prepares a recommended decision on the application for consideration by the full Commission.

(ii) The reviewer may grant, deny, or impose limitations on an interested party’s request to present oral argument to the reviewer.

(11) Any interested party who has submitted written comments under paragraph (7) of this subsection may submit written exceptions to the proposed decision and make oral argument to the Commission, in accordance with regulations adopted by the Commission, before the Commission takes final action on the application.

(12) The Commission shall, after determining that the recommended decision is complete, vote to approve, approve with conditions, or deny the application on the basis of the recommended decision, the record before the staff or the reviewer, and exceptions and arguments, if any, before the Commission.

(13) The decision of the Commission shall be by a majority of the quorum present and voting.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2016.

**Approved by the Governor, April 26, 2016.**

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## **Chapter 192**

**(Senate Bill 368)**

AN ACT concerning

### **Baltimore City – Police Commissioner – Length of Term**

FOR the purpose of repealing a provision requiring that the Police Commissioner of Baltimore City be appointed for a term of a certain number of years; providing that the Police Commissioner shall serve at the pleasure of the Mayor of Baltimore City; and generally relating to the appointment and term of office for the Police Commissioner of Baltimore City.

BY repealing and reenacting, with amendments,  
The Public Local Laws of Baltimore City  
Section 16–5(a)  
Article 4 – Public Local Laws of Maryland  
(1979 Edition and 1997 Supplement, and 2000 Supplement, as amended)

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

### **Article 4 – Baltimore City**

16–5.

(a) **(1)** The Police Commissioner of Baltimore City shall be appointed by the Mayor of Baltimore City, subject to confirmation by the City Council by a majority vote of its members, [for a term of six years, the first term to commence July 1, 1978, and continue until a successor is appointed and qualified as herein provided] **AND SHALL SERVE AT THE PLEASURE OF THE MAYOR OF BALTIMORE CITY**, but no person is eligible for the appointment unless that person is a citizen of the United States, not less than 30 years of age, and has not had less than five years' administrative experience that is sufficiently broad, responsible and technical to prepare that person to function effectively at the desired level as police commissioner.

**(2)** In determining and assessing the qualifications for appointment to the office of police commissioner, the Mayor shall give full consideration to the depth, breadth, quality and importance of relevant experience, the degree of progression achieved therein, and in educational subjects related thereto, and shall further consider evidence of demonstrated ability to accept and successfully meet increasing responsibilities, as well as evidence respecting excellence of character, professional reputation and employment record.

**(3)** To assure selection of the most qualified individual available for the office, the Mayor may employ any recognized testing agency to evaluate and make recommendations concerning the qualifications of prospective appointees.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2016.

**Approved by the Governor, April 26, 2016.**

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## Chapter 193

**(House Bill 384)**

AN ACT concerning

### Baltimore City – Police Commissioner – Length of Term

FOR the purpose of repealing a provision requiring that the Police Commissioner of Baltimore City be appointed for a term of a certain number of years; providing that the Police Commissioner shall serve at the pleasure of the Mayor of Baltimore City; and generally relating to the appointment and term of office for the Police Commissioner of Baltimore City.

BY repealing and reenacting, with amendments,  
The Public Local Laws of Baltimore City  
Section 16–5(a)

Article 4 – Public Local Laws of Maryland  
(1979 Edition and 1997 Supplement, and 2000 Supplement, as amended)

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

**Article 4 – Baltimore City**

16–5.

(a) **(1)** The Police Commissioner of Baltimore City shall be appointed by the Mayor of Baltimore City, subject to confirmation by the City Council by a majority vote of its members, [for a term of six years, the first term to commence July 1, 1978, and continue until a successor is appointed and qualified as herein provided] **AND SHALL SERVE AT THE PLEASURE OF THE MAYOR OF BALTIMORE CITY**, but no person is eligible for the appointment unless that person is a citizen of the United States, not less than 30 years of age, and has not had less than five years' administrative experience that is sufficiently broad, responsible and technical to prepare that person to function effectively at the desired level as police commissioner.

**(2)** In determining and assessing the qualifications for appointment to the office of police commissioner, the Mayor shall give full consideration to the depth, breadth, quality and importance of relevant experience, the degree of progression achieved therein, and in educational subjects related thereto, and shall further consider evidence of demonstrated ability to accept and successfully meet increasing responsibilities, as well as evidence respecting excellence of character, professional reputation and employment record.

**(3)** To assure selection of the most qualified individual available for the office, the Mayor may employ any recognized testing agency to evaluate and make recommendations concerning the qualifications of prospective appointees.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2016.

**Approved by the Governor, April 26, 2016.**

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**Chapter 194**

**(Senate Bill 372)**

AN ACT concerning

~~Horse Racing—Track Winnings—Intercepts for Restitution and Child Support Payments~~

~~Task Force to Study~~ Study of Intercepting Horse Racing Winnings for Child Support and Restitution

~~FOR the purpose of authorizing the Central Collection Unit and Child Support Enforcement Administration to certify to the State Racing Commission or a licensee of the Commission that an obligor is in arrears on certain restitution or child support payments; requiring the certification to contain certain information; requiring a licensee to provide an obligor who wins a certain prize with a certain notice; requiring the Commission or a licensee to withhold and make certain transfers of a certain amount of the prize of an obligor; authorizing an obligor to appeal a transfer; requiring the Commission or a licensee to honor interception requests in a certain order; authorizing the Secretary of Budget and Management, the Secretary of Human Resources, and the Commission to adopt certain regulations; providing that a licensee may not be held liable for certain acts; providing for the application of this Act; and generally relating to the interception of certain prizes at horse racing tracks.~~

~~BY adding to~~

~~Article—Business Regulation  
Section 11-215  
Annotated Code of Maryland  
(2015 Replacement Volume and 2015 Supplement)~~

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

~~Article—Criminal Procedure  
Section 11-616(b)  
Annotated Code of Maryland  
(2008 Replacement Volume and 2015 Supplement)~~

~~FOR the purpose of establishing a Task Force to Study Intercepting Horse Racing Winnings for Child Support and Restitution; providing for the composition, chair, and staffing of the Task Force; prohibiting a member of the Task Force from receiving certain compensation, but authorizing the reimbursement of certain expenses; requiring the Task Force to study and make recommendations regarding certain matters; requiring the Department of Information Technology to analyze the logistics of intercepting horse racing winnings to pay for certain child support or restitution arrears, study the use of certain intercept methods by the State for child support enforcement and restitution collection, and make recommendations regarding certain matters; requiring the Task Force Department to report its findings and recommendations to the General Assembly on or before a certain date; providing for the termination of this Act; and generally relating to the Task Force to Study Intercepting Horse Racing Winnings for Child Support and Restitution and generally relating to a certain study of intercepting horse racing winnings for child support and restitution.~~

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

~~Article Business Regulation~~

~~11-215.~~

~~(A) IN THIS SECTION, "ADMINISTRATION" MEANS THE CHILD SUPPORT ENFORCEMENT ADMINISTRATION OF THE DEPARTMENT OF HUMAN RESOURCES.~~

~~(B) THE ADMINISTRATION MAY CERTIFY TO THE COMMISSION OR A LICENSEE THE NAME OF ANY OBLIGOR WHO IS IN ARREARS ON CHILD SUPPORT PAYMENTS IN THE AMOUNT OF \$150 OR MORE IF:~~

~~(1) THE ADMINISTRATION HAS ACCEPTED AN ASSIGNMENT OF SUPPORT UNDER § 5-312(B)(2) OF THE HUMAN SERVICES ARTICLE; OR~~

~~(2) THE RECIPIENT OF SUPPORT PAYMENTS HAS FILED AN APPLICATION FOR SUPPORT ENFORCEMENT SERVICES WITH THE ADMINISTRATION.~~

~~(C) THE CERTIFICATION OF ARREARAGE ON RESTITUTION PAYMENTS UNDER § 11-616 OF THE CRIMINAL PROCEDURE ARTICLE OR CHILD SUPPORT PAYMENTS UNDER SUBSECTION (B) OF THIS SECTION SHALL CONTAIN:~~

~~(1) THE FULL NAME OF THE OBLIGOR AND ANY OTHER NAME KNOWN TO BE USED BY THE OBLIGOR;~~

~~(2) THE SOCIAL SECURITY NUMBER OF THE OBLIGOR; AND~~

~~(3) THE AMOUNT OF THE ARREARAGE.~~

~~(D) IF AN OBLIGOR WHO IS OVERDUE IN RESTITUTION OR CHILD SUPPORT PAYMENTS WINS A PRIZE AT A TRACK REQUIRING THE ISSUANCE OF INTERNAL REVENUE SERVICE FORM W-2G OR A SUBSTANTIALLY EQUIVALENT FORM BY A LICENSEE, THE LICENSEE SHALL SEND A NOTICE TO THE OBLIGOR THAT:~~

~~(1) THE OBLIGOR HAS WON A PRIZE TO BE PAID BY CASH OR CHECK DIRECTLY BY THE LICENSEE;~~

~~(2) THE COMMISSION HAS RECEIVED NOTICE FROM THE CENTRAL COLLECTION UNIT OR ADMINISTRATION OF THE OBLIGOR'S ARREARAGE IN THE AMOUNT SPECIFIED;~~

~~(3) STATE LAW REQUIRES THE LICENSEE TO WITHHOLD THE PRIZE AND PAY IT TOWARDS THE OBLIGOR'S ARREARAGE;~~

~~(4) THE OBLIGOR HAS 15 DAYS TO APPEAL TO THE CENTRAL COLLECTION UNIT OR ADMINISTRATION IF THE OBLIGOR DISPUTES THE EXISTENCE OR THE AMOUNT OF THE ARREARAGE; AND~~

~~(5) ON INTERCEPTION OF THE PRIZE, THE LICENSEE WILL TRANSFER THE PRIZE OR THE PART OF THE PRIZE THAT EQUALS THE ARREARAGE TO THE CENTRAL COLLECTION UNIT OR ADMINISTRATION.~~

~~(E) THE COMMISSION OR THE LICENSEE SHALL:~~

~~(1) WITHHOLD AND TRANSFER ALL OR PART OF THE PRIZE UP TO THE AMOUNT OF THE ARREARAGE TO THE CENTRAL COLLECTION UNIT OR ADMINISTRATION; AND~~

~~(2) PAY THE EXCESS TO THE OBLIGOR.~~

~~(F) (1) ON RECEIPT OF A NOTICE FROM THE COMMISSION OR A LICENSEE, AN OBLIGOR WHO DISPUTES THE EXISTENCE OR AMOUNT OF THE ARREARAGE MAY APPEAL THE TRANSFER.~~

~~(2) IF THE OBLIGOR APPEALS THE TRANSFER, AFTER A HEARING BEFORE THE CENTRAL COLLECTION UNIT OR ADMINISTRATION, THE WITHHELD PRIZE SHALL BE:~~

~~(I) PAID TO THE OBLIGOR;~~

~~(II) RETAINED BY THE CENTRAL COLLECTION UNIT OR ADMINISTRATION; OR~~

~~(III) PARTLY PAID TO THE OBLIGOR AND PARTLY RETAINED BY THE CENTRAL COLLECTION UNIT OR ADMINISTRATION.~~

~~(3) IF NO APPEAL IS FILED WITHIN 15 DAYS, THE CENTRAL COLLECTION UNIT OR ADMINISTRATION MAY RETAIN THE WITHHELD PRIZE.~~

~~(G) THE COMMISSION OR LICENSEE SHALL HONOR PRIZE INTERCEPTION REQUESTS UNDER THIS SECTION IN THE FOLLOWING ORDER:~~

~~(1) AN INTERCEPTION REQUEST FROM THE ADMINISTRATION; AND~~

~~(2) AN INTERCEPTION REQUEST FROM THE CENTRAL COLLECTION UNIT.~~

~~(H) THE SECRETARY OF BUDGET AND MANAGEMENT, THE SECRETARY OF HUMAN RESOURCES, AND THE COMMISSION MAY JOINTLY ADOPT REGULATIONS TO CARRY OUT THIS SECTION.~~

~~(I) A LICENSEE MAY NOT BE HELD LIABLE FOR AN ACT OR OMISSION TAKEN IN GOOD FAITH TO COMPLY SUBSTANTIALLY WITH THE REQUIREMENTS OF THIS SECTION.~~

### ~~Article – Criminal Procedure~~

~~11-616.~~

~~(b) Subject to subsection (c) of this section, the Central Collection Unit may:~~

~~(1) collect overdue restitution in accordance with Title 3, Subtitle 3 of the State Finance and Procurement Article; and~~

~~(2) certify a restitution obligor who is in arrears on restitution payments exceeding \$30 under the judgment of restitution to:~~

~~(i) the Comptroller for income tax refund interception in accordance with Title 13, Subtitle 9, Part III of the Tax – General Article; [and]~~

~~(ii) the State Lottery and Gaming Control Agency for State lottery prize and video lottery facility prize payout interception in accordance with § 11-618 of this subtitle; AND~~

~~(H) THE STATE RACING COMMISSION OR A LICENSEE OF THE STATE RACING COMMISSION FOR PRIZE PAYOUT INTERCEPTION IN ACCORDANCE WITH § 11-215 OF THE BUSINESS REGULATION ARTICLE.~~

~~SECTION 2. AND BE IT FURTHER ENACTED, That this Act does not apply to a prize won at a track on or before June 1, 2017.~~

~~SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2016.~~

~~(a) There is a Task Force to Study Intercepting Horse Racing Winnings for Child Support and Restitution in the Governor's Office of Crime Control and Prevention.~~

~~(b) The Task Force consists of the following members:~~

~~(1) a member of the Senate of Maryland, appointed by the President of the Senate;~~



~~(2) a member of the House of Delegates, appointed by the Speaker of the House; and~~

~~(3) the following members, appointed by the Governor:~~

~~(i) a representative of the Department of Human Resources;~~

~~(ii) a representative of the Department of Budget and Management;~~

~~(iii) a representative of the Department of Information Technology;~~

~~(iv) a representative the horse racing industry;~~

~~(v) a representative of account wagering entities;~~

~~(vi) a representative of the State Board of Victims Services;~~

~~(vii) a representative of entities assisting child support recipients;~~

~~(viii) a representative of entities assisting the recipients of restitution;~~

~~and~~

~~(ix) a representative of the casino industry in the State.~~

~~(c) The Governor shall designate the chair of the Task Force.~~

~~(d) The Governor's Office of Crime Control and Prevention shall provide staff for the Task Force.~~

~~(e) A member of the Task Force:~~

~~(1) may not receive compensation as a member of the Task Force; but~~

~~(2) is entitled to reimbursement for expenses under the Standard State Travel Regulations, as provided in the State budget.~~

~~(f) (a) The Task Force Department of Information Technology shall:~~

~~(1) analyze the logistics of intercepting horse racing winnings to pay for the child support *or* restitution arrears of the winner as proposed by Senate Bill 372 (First Reading File Bill) and House Bill 707 (First Reading File Bill) of 2016 to include account wagering entities;~~

~~(2) study the effectiveness of the current interfaces used by the State for child support enforcement and restitution collection for income tax intercepts, lottery intercepts, video lottery intercepts, State vendor payments intercepts, and other means of~~

collecting child support and restitution, including if other uniform interface options would be possible and the cost of such options; and

(3) make recommendations regarding implementing a means of intercepting horse racing winnings for the purpose of paying the child support or restitution arrears of the winner.

(e) (b) On or before December 31, 2016, the ~~Task Force~~ Department shall report its findings and recommendations, in accordance with § 2-1246 of the State Government Article, to the General Assembly.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2016. It shall remain effective for a period of 1 year and, at the end of May 31, 2017, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.

Approved by the Governor, April 26, 2016.

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## Chapter 195

(House Bill 707)

AN ACT concerning

~~Horse Racing Track Winnings Intercepts for Restitution and Child Support Payments~~

Study of Intercepting Horse Racing Winnings for Child Support and Restitution

~~FOR the purpose of authorizing the Central Collection Unit and Child Support Enforcement Administration to certify to the State Racing Commission or a licensee of the Commission that an obligor is in arrears on certain restitution or child support payments; requiring the certification to contain certain information; requiring a licensee to provide an obligor who wins a certain prize with a certain notice; requiring the Commission or a licensee to withhold and make certain transfers of a certain amount of the prize of an obligor; authorizing an obligor to appeal a transfer; requiring the Commission or a licensee to honor interception requests in a certain order; authorizing the Secretary of Budget and Management, the Secretary of Human Resources, and the Commission to adopt certain regulations; providing that a licensee may not be held liable for certain acts; providing for the application of this Act; and generally relating to the interception of certain prizes at horse racing tracks.~~

BY adding to

~~Article — Business Regulation~~

~~Section 11-215~~

~~Annotated Code of Maryland~~

~~(2015 Replacement Volume and 2015 Supplement)~~

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

~~Article — Criminal Procedure~~

~~Section 11-616(b)~~

~~Annotated Code of Maryland~~

~~(2008 Replacement Volume and 2015 Supplement)~~

FOR the purpose of requiring the Department of Information Technology to analyze the logistics of intercepting horse racing winnings to pay for certain child support or restitution arrears, study the use of certain intercept methods by the State for child support enforcement and restitution collection, and make recommendations regarding certain matters; requiring the Department to report its findings and recommendations to the General Assembly on or before a certain date; and generally relating to a certain study of intercepting horse racing winnings for child support and restitution.

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

~~Article — Business Regulation~~

~~11-215.~~

~~(A) IN THIS SECTION, “ADMINISTRATION” MEANS THE CHILD SUPPORT ENFORCEMENT ADMINISTRATION OF THE DEPARTMENT OF HUMAN RESOURCES.~~

~~(B) THE ADMINISTRATION MAY CERTIFY TO THE COMMISSION OR A LICENSEE THE NAME OF ANY OBLIGOR WHO IS IN ARREARS ON CHILD SUPPORT PAYMENTS IN THE AMOUNT OF \$150 OR MORE IF:~~

~~(1) THE ADMINISTRATION HAS ACCEPTED AN ASSIGNMENT OF SUPPORT UNDER § 5-312(B)(2) OF THE HUMAN SERVICES ARTICLE; OR~~

~~(2) THE RECIPIENT OF SUPPORT PAYMENTS HAS FILED AN APPLICATION FOR SUPPORT ENFORCEMENT SERVICES WITH THE ADMINISTRATION.~~

~~(C) THE CERTIFICATION OF ARREARAGE ON RESTITUTION PAYMENTS UNDER § 11-616 OF THE CRIMINAL PROCEDURE ARTICLE OR CHILD SUPPORT PAYMENTS UNDER SUBSECTION (B) OF THIS SECTION SHALL CONTAIN:~~

~~(1) THE FULL NAME OF THE OBLIGOR AND ANY OTHER NAME KNOWN TO BE USED BY THE OBLIGOR;~~

~~(2) THE SOCIAL SECURITY NUMBER OF THE OBLIGOR; AND~~

~~(3) THE AMOUNT OF THE ARREARAGE.~~

~~(D) IF AN OBLIGOR WHO IS OVERDUE IN RESTITUTION OR CHILD SUPPORT PAYMENTS WINS A PRIZE AT A TRACK REQUIRING THE ISSUANCE OF INTERNAL REVENUE SERVICE FORM W-2G OR A SUBSTANTIALLY EQUIVALENT FORM BY A LICENSEE, THE LICENSEE SHALL SEND A NOTICE TO THE OBLIGOR THAT:~~

~~(1) THE OBLIGOR HAS WON A PRIZE TO BE PAID BY CASH OR CHECK DIRECTLY BY THE LICENSEE;~~

~~(2) THE COMMISSION HAS RECEIVED NOTICE FROM THE CENTRAL COLLECTION UNIT OR ADMINISTRATION OF THE OBLIGOR'S ARREARAGE IN THE AMOUNT SPECIFIED;~~

~~(3) STATE LAW REQUIRES THE LICENSEE TO WITHHOLD THE PRIZE AND PAY IT TOWARDS THE OBLIGOR'S ARREARAGE;~~

~~(4) THE OBLIGOR HAS 15 DAYS TO APPEAL TO THE CENTRAL COLLECTION UNIT OR ADMINISTRATION IF THE OBLIGOR DISPUTES THE EXISTENCE OR THE AMOUNT OF THE ARREARAGE; AND~~

~~(5) ON INTERCEPTION OF THE PRIZE, THE LICENSEE WILL TRANSFER THE PRIZE OR THE PART OF THE PRIZE THAT EQUALS THE ARREARAGE TO THE CENTRAL COLLECTION UNIT OR ADMINISTRATION.~~

~~(E) THE COMMISSION OR THE LICENSEE SHALL:~~

~~(1) WITHHOLD AND TRANSFER ALL OR PART OF THE PRIZE UP TO THE AMOUNT OF THE ARREARAGE TO THE CENTRAL COLLECTION UNIT OR ADMINISTRATION; AND~~

~~(2) PAY THE EXCESS TO THE OBLIGOR.~~

~~(F) (1) ON RECEIPT OF A NOTICE FROM THE COMMISSION OR A LICENSEE, AN OBLIGOR WHO DISPUTES THE EXISTENCE OR AMOUNT OF THE ARREARAGE MAY APPEAL THE TRANSFER.~~

~~(2) IF THE OBLIGOR APPEALS THE TRANSFER, AFTER A HEARING BEFORE THE CENTRAL COLLECTION UNIT OR ADMINISTRATION, THE WITHHELD PRIZE SHALL BE:~~

~~(i) PAID TO THE OBLIGOR;~~

~~(II) RETAINED BY THE CENTRAL COLLECTION UNIT OR ADMINISTRATION; OR~~

~~(III) PARTLY PAID TO THE OBLIGOR AND PARTLY RETAINED BY THE CENTRAL COLLECTION UNIT OR ADMINISTRATION.~~

~~(3) IF NO APPEAL IS FILED WITHIN 15 DAYS, THE CENTRAL COLLECTION UNIT OR ADMINISTRATION MAY RETAIN THE WITHHELD PRIZE.~~

~~(C) THE COMMISSION OR LICENSEE SHALL HONOR PRIZE INTERCEPTION REQUESTS UNDER THIS SECTION IN THE FOLLOWING ORDER:~~

~~(1) AN INTERCEPTION REQUEST FROM THE ADMINISTRATION; AND~~

~~(2) AN INTERCEPTION REQUEST FROM THE CENTRAL COLLECTION UNIT.~~

~~(H) THE SECRETARY OF BUDGET AND MANAGEMENT, THE SECRETARY OF HUMAN RESOURCES, AND THE COMMISSION MAY JOINTLY ADOPT REGULATIONS TO CARRY OUT THIS SECTION.~~

~~(I) A LICENSEE MAY NOT BE HELD LIABLE FOR AN ACT OR OMISSION TAKEN IN GOOD FAITH TO COMPLY SUBSTANTIALLY WITH THE REQUIREMENTS OF THIS SECTION.~~

#### ~~Article Criminal Procedure~~

~~11-616.~~

~~(b) Subject to subsection (c) of this section, the Central Collection Unit may:~~

~~(1) collect overdue restitution in accordance with Title 3, Subtitle 3 of the State Finance and Procurement Article; and~~

~~(2) certify a restitution obligor who is in arrears on restitution payments exceeding \$30 under the judgment of restitution to:~~

~~(i) the Comptroller for income tax refund interception in accordance with Title 13, Subtitle 9, Part III of the Tax General Article; [and]~~

~~(ii) the State Lottery and Gaming Control Agency for State lottery prize and video lottery facility prize payout interception in accordance with § 11-618 of this subtitle; AND~~

~~(III) THE STATE RACING COMMISSION OR A LICENSEE OF THE STATE RACING COMMISSION FOR PRIZE PAYOUT INTERCEPTION IN ACCORDANCE WITH § 11-215 OF THE BUSINESS REGULATION ARTICLE.~~

~~SECTION 2. AND BE IT FURTHER ENACTED, That this Act does not apply to a prize won at a track on or before June 1, 2017.~~

(a) The Department of Information Technology shall:

(1) analyze the logistics of intercepting horse racing winnings to pay for the child support or restitution arrears of the winner as proposed by Senate Bill 372 (First Reading File Bill) and House Bill 707 (First Reading File Bill) of 2016 to include account wagering entities;

(2) study the effectiveness of the current interfaces used by the State for child support enforcement and restitution collection for income tax intercepts, lottery intercepts, video lottery intercepts, State vendor payments intercepts, and other means of collecting child support and restitution, including if other uniform interface options would be possible and the cost of such options; and

(3) make recommendations regarding implementing a means of intercepting horse racing winnings for the purpose of paying the child support or restitution arrears of the winner.

(b) On or before December 31, 2016, the Department shall report its findings and recommendations, in accordance with § 2-1246 of the State Government Article, to the General Assembly.

~~SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October~~ SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
~~June 1, 2016.~~

**Approved by the Governor, April 26, 2016.**

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## Chapter 196

(Senate Bill 373)

AN ACT concerning

### Teachers' Retirement and Pension Systems – Reemployment of Retirees – Clarification

FOR the purpose of clarifying the number of retirees of the Teachers' Retirement System or the Teachers' Pension System that are exempt from a certain offset of a retirement allowance if they are reemployed in certain positions in a local school system or the

Maryland School for the Deaf; and generally relating to the reemployment of retirees of the teachers' retirement and pension systems.

BY repealing and reenacting, without amendments,

Article – State Personnel and Pensions

Section 22–406(c)(4)(iv), (v), (vi), and (xi), (5), and (6) and 23–407(c)(4)(iv), (v), and (ix), (5), and (6)

Annotated Code of Maryland  
(2015 Replacement Volume)

BY repealing and reenacting, with amendments,

Article – State Personnel and Pensions

Section 22–406(c)(8) and 23–407(c)(8)

Annotated Code of Maryland  
(2015 Replacement Volume)

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

### **Article – State Personnel and Pensions**

22–406.

(c) (4) Except for an individual whose allowance is subject to a reduction as provided under paragraphs (1)(iii) and (3) of this subsection, the reduction of an allowance under this subsection does not apply to:

(iv) a retiree of the Teachers' Retirement System:

1. who retired and was reemployed by a participating employer other than the State on or before September 30, 1994; and

2. whose employment compensation does not derive, in whole or in part, from State funds;

(v) a retiree of the Teachers' Retirement System who:

1. is or has been certified to teach in the State;

2. has verification of satisfactory or better performance in the last assignment prior to retirement;

3. based on the retired teacher's qualifications, has been appointed in accordance with § 4–103 of the Education Article; and

4. receives verification of satisfactory or better performance each year the teacher is employed under paragraph (5) of this subsection;

(vi) a retiree of the Teachers' Retirement System who:

1. A. was employed as a principal within 5 years of retirement; or

B. was employed as a principal not more than 10 years before retirement and was employed in a position supervising principals in the retiree's last assignment prior to retirement;

2. has verification of satisfactory performance for each year as a principal and, if applicable, in a position supervising principals prior to retirement;

3. based on the retiree's qualifications, has been hired as a principal; and

4. receives verification of satisfactory performance each year the retiree is employed as a principal under paragraph (6) of this subsection;

(xi) a retiree of the Teachers' Retirement System who is reemployed by a local school system or the Maryland School for the Deaf and is rehired in accordance with subsection (c)(8) of this section.

(5) (i) An individual who is rehired under paragraph (4)(v) of this subsection shall be employed as a classroom teacher, substitute classroom teacher, or teacher mentor in:

1. a public school that:

A. is not making adequate yearly progress or is a school in need of improvement as defined under the federal No Child Left Behind Act of 2001 and as implemented by the State Department of Education;

B. is receiving funds under Title 1 of the federal No Child Left Behind Act of 2001;

C. has more than 50% of the students attending that school who are eligible for free and reduced-price meals established by the United States Department of Agriculture; or

D. provides an alternative education program for adjudicated youths or students who have been expelled, suspended, or identified for suspension or expulsion from a public school; or

2. the Maryland School for the Deaf.



(ii) An individual rehired at a school described under subparagraph (i) of this paragraph shall teach:

1. in an area of critical shortage;
  2. a special education class for students with special needs;
- or
3. a class for students with limited English proficiency.

(6) An individual who is rehired under paragraph (4)(vi) of this subsection shall be employed as a principal at:

(i) a public school that:

1. is not making adequate yearly progress or is a school in need of improvement as defined under the federal No Child Left Behind Act of 2001 and as implemented by the State Department of Education;
2. is receiving funds under Title 1 of the federal No Child Left Behind Act of 2001;
3. has more than 50% of the students attending that school who are eligible for free and reduced-price meals established by the United States Department of Agriculture; or
4. provides an alternative education program for adjudicated youths or students who have been expelled, suspended, or identified for suspension or expulsion from a public school; or

(ii) the Maryland School for the Deaf.

(8) **(I) [Notwithstanding] IN ADDITION TO ANY INDIVIDUALS REHIRED IN ACCORDANCE WITH paragraph (5) of this subsection, AND SUBJECT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH,** each superintendent of a local school system and the superintendent of the Maryland School for the Deaf may rehire a maximum of five individuals who are retirees of the Teachers' Retirement System in any position at any school in the superintendent's local school system or the Maryland School for the Deaf.

**(II) THE NUMBER OF INDIVIDUALS REHIRED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH FOR EACH LOCAL SCHOOL SYSTEM OR THE MARYLAND SCHOOL FOR THE DEAF MAY NOT EXCEED A TOTAL OF FIVE RETIREES AT ANY ONE TIME WHEN ADDED TO THE NUMBER OF INDIVIDUALS REHIRED UNDER § 23-407(C)(8)(I) OF THIS ARTICLE FOR THAT SAME LOCAL SCHOOL SYSTEM OR THE MARYLAND SCHOOL FOR THE DEAF.**

23–407.

(c) (4) Except for an individual whose allowance is subject to a reduction as provided under paragraphs (1)(iii) and (3) of this subsection, the reduction of an allowance under this subsection does not apply to:

(iv) a retiree of the Teachers' Pension System who:

1. is or has been certified to teach in the State;
2. has verification of satisfactory or better performance in the last assignment prior to retirement;
3. based on the retired teacher's qualifications, has been appointed in accordance with § 4–103 of the Education Article; and
4. receives verification of satisfactory or better performance each year the teacher is employed under paragraph (5) of this subsection;

(v) a retiree of the Teachers' Pension System who:

1. A. was employed as a principal within 5 years of retirement; or  
B. was employed as a principal not more than 10 years before retirement and was employed in a position supervising principals in the retiree's last assignment prior to retirement;
2. has verification of satisfactory performance for each year as a principal and, if applicable, in a position supervising principals prior to retirement;
3. based on the retiree's qualifications, has been hired as a principal; and
4. receives verification of satisfactory performance each year the retiree is employed as a principal under paragraph (6) of this subsection;

(ix) a retiree of the Teachers' Pension System who is reemployed by a local school system or the Maryland School for the Deaf and is rehired in accordance with subsection (c)(8) of this section.

(5) (i) An individual who is rehired under paragraph (4)(iv) of this subsection shall be employed as a classroom teacher, substitute classroom teacher, or teacher mentor in:

1. a public school that:

A. is not making adequate yearly progress or is a school in need of improvement as defined under the federal No Child Left Behind Act of 2001 and as implemented by the State Department of Education;

B. is receiving funds under Title 1 of the federal No Child Left Behind Act of 2001;

C. has more than 50% of the students attending that school who are eligible for free and reduced-price meals established by the United States Department of Agriculture; or

D. provides an alternative education program for adjudicated youths or students who have been expelled, suspended, or identified for suspension or expulsion from a public school; or

2. the Maryland School for the Deaf.

(ii) An individual rehired at a school described under subparagraph (i) of this paragraph shall teach:

1. in an area of critical shortage;

2. a special education class for students with special needs;

or

3. a class for students with limited English proficiency.

(6) An individual who is rehired under paragraph (4)(v) of this subsection shall be employed as a principal at:

(i) a public school that:

1. is not making adequate yearly progress or is a school in need of improvement as defined under the federal No Child Left Behind Act of 2001 and as implemented by the State Department of Education;

2. is receiving funds under Title 1 of the federal No Child Left Behind Act of 2001;

3. has more than 50% of the students attending that school who are eligible for free and reduced-price meals established by the United States Department of Agriculture; or

4. provides an alternative education program for adjudicated youths or students who have been expelled, suspended, or identified for suspension or expulsion from a public school; or

(ii) the Maryland School for the Deaf.

(8) (I) [Notwithstanding] IN ADDITION TO ANY INDIVIDUALS REHIRED IN ACCORDANCE WITH paragraph (5) of this subsection, AND SUBJECT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH, each superintendent of a local school system and the superintendent of the Maryland School for the Deaf may rehire a maximum of five individuals who are retirees of the Teachers' Pension System in any position at any school in the superintendent's local school system or the Maryland School for the Deaf.

(II) THE NUMBER OF INDIVIDUALS REHIRED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH FOR EACH LOCAL SCHOOL SYSTEM OR THE MARYLAND SCHOOL FOR THE DEAF MAY NOT EXCEED A TOTAL OF FIVE RETIREES AT ANY ONE TIME WHEN ADDED TO THE NUMBER OF INDIVIDUALS REHIRED UNDER § 22-406(C)(8)(I) OF THIS ARTICLE FOR THAT SAME LOCAL SCHOOL SYSTEM OR THE MARYLAND SCHOOL FOR THE DEAF.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016.

Approved by the Governor, April 26, 2016.

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## Chapter 197

(Senate Bill 374)

AN ACT concerning

### **Income Tax Subtraction Modification – College Savings Plans – Contributions**

FOR the purpose of providing a subtraction modification under the Maryland income tax for contributions made by certain individuals to certain college savings accounts subject to certain limitations; defining certain terms; providing for the application of this Act; and generally relating to a subtraction modification under the Maryland income tax for contributions made to certain college savings accounts.

BY repealing and reenacting, without amendments,

Article – Tax – General

Section 10-208(a)

Annotated Code of Maryland

(2010 Replacement Volume and 2015 Supplement)

BY repealing and reenacting, with amendments,

Article – Tax – General

Section 10-208(n) and (o)

Annotated Code of Maryland  
(2010 Replacement Volume and 2015 Supplement)

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

**Article – Tax – General**

10–208.

(a) In addition to the modification under § 10–207 of this subtitle, the amounts under this section are subtracted from the federal adjusted gross income of a resident to determine Maryland adjusted gross income.

(n) (1) (i) In this subsection the following words have the meanings indicated.

(ii) “Account holder” has the meaning stated in § 18–1901 of the Education Article.

(iii) **“CONTRIBUTOR” MEANS AN INDIVIDUAL WHO CONTRIBUTES FUNDS TO A MARYLAND PREPAID COLLEGE TRUST ACCOUNT UNDER TITLE 18, SUBTITLE 19 OF THE EDUCATION ARTICLE.**

(IV) “Qualified higher education expenses” has the meaning stated in § 529 of the Internal Revenue Code.

(2) The subtraction under subsection (a) of this section includes the amount of advance payments of qualified higher education expenses made by an account holder **OR A CONTRIBUTOR** during the taxable year as provided under a prepaid contract in accordance with the Maryland Prepaid College Trust.

(3) Subject to paragraph (4) of this subsection, for each prepaid contract, the subtraction under paragraph (2) of this subsection may not exceed \$2,500 for any taxable year.

(4) The amount disallowed as a subtraction under this subsection for any taxable year as a result of the limitation under paragraph (3) of this subsection shall be treated as having been made in the next succeeding taxable year and, subject to the \$2,500 annual limitation for each prepaid contract, may be carried over to succeeding taxable years until the full amount of the advance payments has been allowed as a subtraction.

(o) (1) (i) In this subsection the following words have the meanings indicated.

(ii) “Account holder” means an account holder as defined in § 18–19A–01 or § 18–19B–01 of the Education Article.

(iii) **“CONTRIBUTOR” MEANS AN INDIVIDUAL WHO CONTRIBUTES FUNDS TO A MARYLAND COLLEGE INVESTMENT PLAN OR BROKER–DEALER COLLEGE INVESTMENT PLAN ACCOUNT UNDER TITLE 18, SUBTITLE 19A OR SUBTITLE 19B OF THE EDUCATION ARTICLE.**

(IV) “Investment account” means an investment account as defined in § 18–19A–01 or § 18–19B–01 of the Education Article.

[(iv)] (V) “Qualified designated beneficiary” means a qualified designated beneficiary as defined in § 18–19A–01 or § 18–19B–01 of the Education Article.

(2) Subject to the limitation under paragraph (3) of this subsection, the subtraction under subsection (a) of this section includes the amount contributed by an account holder **OR A CONTRIBUTOR** during the taxable year to an investment account.

(3) (i) Subject to paragraph (4) of this subsection, for each account holder **OR CONTRIBUTOR** for all investment accounts maintained in the Maryland College Investment Plan and the Maryland Broker–Dealer College Investment Plan for the same qualified designated beneficiary, the subtraction under paragraph (2) of this subsection may not exceed \$2,500 for any taxable year per qualified designated beneficiary.

(ii) For purposes of the limitation under this paragraph, each spouse on a joint return shall be treated separately.

(4) Subject to the \$2,500 annual limitation for each account holder **OR CONTRIBUTOR** for each qualified designated beneficiary, the amount disallowed as a subtraction under this subsection for any taxable year as a result of the limitation under paragraph (3) of this subsection may be carried over until used to the next 10 succeeding taxable years as a subtraction.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016, and shall be applicable to all taxable years beginning after December 31, 2015.

**Approved by the Governor, April 26, 2016.**

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## Chapter 198

(Senate Bill 379)

AN ACT concerning

**Creation of a State Debt – Qualified Zone Academy Bonds**

FOR the purpose of authorizing the creation of a State Debt in the amount of \$4,680,000, the proceeds to be used as grants to the Interagency Committee on School Construction and the Maryland State Department of Education for certain development or improvement purposes; providing for disbursement of the loan proceeds and the further grant of funds to eligible school systems for certain purposes, subject to a requirement that the grantees document the provision of a required matching fund; providing that, after a certain date, any bonds authorized under this Act shall be canceled and be of no further effect; providing that the proceeds of the loan under this Act shall be expended not later than a certain number of years after the issuance of the bonds authorized under this Act; authorizing the Board of Public Works to sell certain bonds at certain sales in proportion to the documented matching fund; establishing that proceeds from the sale of certain bonds may only be spent on certain eligible costs; and providing generally for the issuance and sale of bonds evidencing the loan.

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

(1) The Board of Public Works may borrow money and incur indebtedness on behalf of the State of Maryland through a State loan to be known as the Qualified Zone Academy Bonds Loan of 2016 in a total principal amount of \$4,680,000. This loan shall be evidenced by the issuance, sale, and delivery of State general obligation qualified zone academy bonds, as defined in § 54E of the Internal Revenue Code of the United States, as amended, authorized by a resolution of the Board of Public Works and issued, sold, and delivered in accordance with §§ 8–117 through 8–124 and 8–131.2 of the State Finance and Procurement Article and §§ 54A and 54E of the Internal Revenue Code, as amended.

(2) The bonds to evidence this loan or installments of this loan may be sold as a single issue or may be consolidated and sold as part of a single issue of bonds under § 8–122 of the State Finance and Procurement Article. Notwithstanding §§ 8–123 and 8–124 of the State Finance and Procurement Article, the Board of Public Works may sell the bonds authorized herein at one or more private sales that best meet the terms and conditions of sale set by the Board. The bonds authorized under this Act shall be issued and sold no later than December 31, 2016.

(3) The cash proceeds from the sale of the bonds shall be paid to the Treasurer and first shall be applied to the payment of the expenses of issuing, selling, and delivering the bonds, unless funds for this purpose are otherwise provided, and then shall be credited on the books of the Comptroller, and held separately in a qualified zone academy bond account. The remaining proceeds from the sale of the bonds, including any interest earned from the investment of such proceeds, shall be expended, as determined and approved by the Board of Public Works, for the following public purposes: as grants to the Interagency Committee on School Construction and the Maryland State Department of Education (referred to hereafter in this Act as the “grantees”) for the renovation, repair, and capital improvements of qualified zone academies, as defined in § 54E(d)(1) of the Internal Revenue

Code, as amended, in accordance with the criteria established under the Aging Schools Program as follows:

(a) for competitively awarded grants by the Interagency Committee on School Construction to eligible school systems for qualified academies, including public charter schools; and

(b) for targeted grants awarded by the Maryland State Department of Education to eligible school systems for qualified academies, including public charter schools, under the Breakthrough Center Program.

(4) An annual State tax is imposed on all assessable property in the State in rate and amount sufficient to pay the principal of and interest, if any, on the bonds as and when due and until paid in full. The principal shall be discharged within 15 years after the date of issuance of the bonds.

(5) (a) The grantees shall document the provision of a matching fund as provided in this paragraph.

(b) No part of the matching fund may be provided, either directly or indirectly, from funds of the State or any other governmental body, whether appropriated or unappropriated. No part of the fund may consist of real property. The fund shall consist of private business contributions as required under § 54E(b) of the Internal Revenue Code, as amended, and may consist of funds or in kind contributions or funds other than funds of the State or any other governmental body. In case of any dispute as to what money or assets may qualify as matching funds, the Board of Public Works shall determine the matter and the Board's decision is final.

(c) The grantees shall present evidence to the satisfaction of the Board of Public Works of the provision and documentation of the matching fund, and the Board of Public Works shall authorize the sale of the bonds in proportion to the documented matching fund and shall authorize the disbursement of the proceeds for the purposes set forth in Section 1(3) above.

(6) After December 31, 2016, any bonds authorized under this Act that have not been issued and sold by the Board of Public Works shall be canceled and be of no further effect.

(7) The proceeds of the loan, including any interest earned on the investment of the proceeds, shall be expended for the purposes provided in this Act not later than 3 years after the issuance of the bonds authorized under this Act.

SECTION 2. AND BE IT FURTHER ENACTED, That proceeds from the sale of the qualified zone academy bonds may only be spent on costs that were eligible under the rules and regulations governing the program that were in effect on January 1, 2016.



SECTION ~~2~~ 3 AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2016.

Approved by the Governor, April 26, 2016.

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## Chapter 199

### (Senate Bill 393)

AN ACT concerning

#### **Maryland Nurse Practice Act – Peer Review and Advisory Committees and Penalties**

FOR the purpose of repealing the requirement that the State Board of Nursing appoint certain peer review committees to oversee the use of certain insurance and certain benefits; authorizing the Board to appoint peer advisory committees to provide the Board with certain advice; providing that a member of a peer advisory committee is entitled to receive certain compensation and reimbursement for certain expenses; altering the maximum amount of a certain civil fine the Board may impose for certain violations; altering the application of certain criminal penalties; altering the maximum amount of a certain fine and the maximum term of imprisonment to which a certain person is subject for certain violations; repealing the exemption from certain penalties for certain persons who are licensed, certified, or otherwise authorized to provide health care services under certain provisions of law; repealing certain definitions; and generally relating to the Maryland Nurse Practice Act.

BY repealing

Article – Health Occupations  
Section 8–503  
Annotated Code of Maryland  
(2014 Replacement Volume and 2015 Supplement)

BY adding to

Article – Health Occupations  
Section 8–503  
Annotated Code of Maryland  
(2014 Replacement Volume and 2015 Supplement)

BY repealing and reenacting, with amendments,

Article – Health Occupations  
Section 8–707 and 8–710  
Annotated Code of Maryland  
(2014 Replacement Volume and 2015 Supplement)

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

**Article – Health Occupations**

[8–503.

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

(2) “Nurse anesthetist” means a registered nurse who is:

(i) Certified under this title to practice nurse anesthesia; and

(ii) Certified by the Council on Certification or the Council on Recertification of Nurse Anesthetists.

(b) “Nurse midwife” means a registered nurse who is certified under this title to practice nurse midwifery and who is also certified by the American College of Nurse Midwives.

(c) The Board shall appoint separate peer review committees to oversee the use of health insurance and medical assistance benefits by:

(1) Certified nurse anesthetists;

(2) Certified nurse midwives;

(3) Certified nurse practitioners; and

(4) Any other licensee with a nursing specialty that has been approved for third party reimbursement conditioned on peer review.]

**8–503.**

**(A) THE BOARD MAY APPOINT PEER ADVISORY COMMITTEES TO PROVIDE THE BOARD WITH EXPERT ADVICE RELATED TO THE PRACTICE OF NURSING BY ADVANCE PRACTICE NURSES.**

**(B) A MEMBER OF A PEER ADVISORY COMMITTEE IS ENTITLED TO RECEIVE:**

**(1) COMPENSATION, AS DETERMINED BY THE BOARD; AND**

**(2) REIMBURSEMENT FOR EXPENSES UNDER THE STANDARD STATE TRAVEL REGULATIONS, AS PROVIDED IN THE STATE BUDGET.**

8–707.

(a) Subject to the hearing provisions of § 8-317 of this title and in addition to any other sanction authorized for a violation of §§ 8-701 through 8-706 of this subtitle, the Board may issue a public cease and desist order, impose a civil fine of not more than ~~[\$5,000]~~ **\$20,000** per offense, or both.

(b) For the purposes of this section, each violation is a separate offense if the violation occurs:

- (1) At a different time, date, or location; or
- (2) On the same date and location at a different time.

8-710.

(a) ~~(1) Except [for a violation of § 8-701(a) through (e) of this subtitle] AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, a~~ **A** person who violates any provision **OF § 8-701(A) THROUGH (E) (E-1), § 8-703, § 8-704, OR § 8-705** of this subtitle is guilty of a misdemeanor and on conviction is subject to a fine not exceeding ~~[\$5,000]~~ **\$10,000** or imprisonment not exceeding ~~[1 year]~~ **5 YEARS** or both.

~~(2) PARAGRAPH (1) OF THIS SUBSECTION DOES NOT APPLY TO A LICENSEE OR CERTIFICATE HOLDER WHO HAS FAILED TO RENEW THE LICENSE OR CERTIFICATE WHO VIOLATES ANY PROVISION OF § 8-701(A) THROUGH (E) OR § 8-703 OF THIS SUBTITLE.~~

(b) [(1) Except as otherwise provided in this section, subject] **SUBJECT** to the appropriate hearing and appeals provisions, the Board, on the affirmative vote of the majority of its members, may reprimand a licensee or certificate holder, place a licensee or certificate holder on probation, or suspend or revoke a license or certificate of a person who violates any provision of this subtitle.

[(2) A person who is licensed, certified, or otherwise authorized to provide health care services under this article is not subject to the penalty provided in subsections (a) and (b) of this section for a violation of § 8-701(f) and (g) of this subtitle.]

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2016.

Approved by the Governor, April 26, 2016.

AN ACT concerning

**Maryland Nurse Practice Act – Peer Review and Advisory Committees and Penalties**

FOR the purpose of repealing the requirement that the State Board of Nursing appoint certain peer review committees to oversee the use of certain insurance and certain benefits; authorizing the Board to appoint peer advisory committees to provide the Board with certain advice; providing that a member of a peer advisory committee is entitled to receive certain compensation and reimbursement for certain expenses; altering the maximum amount of a certain civil fine the Board may impose for certain violations; altering the application of certain criminal penalties; altering the maximum amount of a certain fine and the maximum term of imprisonment to which a certain person is subject for certain violations; repealing the exemption from certain penalties for certain persons who are licensed, certified, or otherwise authorized to provide health care services under certain provisions of law; repealing certain definitions; and generally relating to the Maryland Nurse Practice Act.

BY repealing

Article – Health Occupations  
Section 8–503  
Annotated Code of Maryland  
(2014 Replacement Volume and 2015 Supplement)

BY adding to

Article – Health Occupations  
Section 8–503  
Annotated Code of Maryland  
(2014 Replacement Volume and 2015 Supplement)

BY repealing and reenacting, with amendments,

Article – Health Occupations  
Section 8–707 and 8–710  
Annotated Code of Maryland  
(2014 Replacement Volume and 2015 Supplement)

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

**Article – Health Occupations**

[8–503.

- (a) (1) In this section the following words have the meanings indicated.
- (2) “Nurse anesthetist” means a registered nurse who is:

(i) Certified under this title to practice nurse anesthesia; and

(ii) Certified by the Council on Certification or the Council on Recertification of Nurse Anesthetists.

(b) “Nurse midwife” means a registered nurse who is certified under this title to practice nurse midwifery and who is also certified by the American College of Nurse Midwives.

(c) The Board shall appoint separate peer review committees to oversee the use of health insurance and medical assistance benefits by:

(1) Certified nurse anesthetists;

(2) Certified nurse midwives;

(3) Certified nurse practitioners; and

(4) Any other licensee with a nursing specialty that has been approved for third party reimbursement conditioned on peer review.]

### 8-503.

**(A) THE BOARD MAY APPOINT PEER ADVISORY COMMITTEES TO PROVIDE THE BOARD WITH EXPERT ADVICE RELATED TO THE PRACTICE OF NURSING BY ADVANCE PRACTICE NURSES.**

**(B) A MEMBER OF A PEER ADVISORY COMMITTEE IS ENTITLED TO RECEIVE:**

**(1) COMPENSATION, AS DETERMINED BY THE BOARD; AND**

**(2) REIMBURSEMENT FOR EXPENSES UNDER THE STANDARD STATE TRAVEL REGULATIONS, AS PROVIDED IN THE STATE BUDGET.**

### 8-707.

(a) Subject to the hearing provisions of § 8-317 of this title and in addition to any other sanction authorized for a violation of §§ 8-701 through 8-706 of this subtitle, the Board may issue a public cease and desist order, impose a civil fine of not more than ~~[\$5,000]~~ **\$20,000** per offense, or both.

(b) For the purposes of this section, each violation is a separate offense if the violation occurs:

(1) At a different time, date, or location; or

- (2) On the same date and location at a different time.

8-710.

(a) ~~(1) Except [for a violation of § 8-701(a) through (e) of this subtitle] AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, a~~ **A** person who violates any provision **OF § 8-701(A) THROUGH (E) (E-1), § 8-703, § 8-704, OR § 8-705** of this subtitle is guilty of a misdemeanor and on conviction is subject to a fine not exceeding **[\$5,000] \$10,000** or imprisonment not exceeding **[1 year] 5 YEARS** or both.

~~(2) PARAGRAPH (1) OF THIS SUBSECTION DOES NOT APPLY TO A LICENSEE OR CERTIFICATE HOLDER WHO HAS FAILED TO RENEW THE LICENSE OR CERTIFICATE WHO VIOLATES ANY PROVISION OF § 8-701(A) THROUGH (E) OR § 8-703 OF THIS SUBTITLE.~~

(b) [(1) Except as otherwise provided in this section, subject] **SUBJECT** to the appropriate hearing and appeals provisions, the Board, on the affirmative vote of the majority of its members, may reprimand a licensee or certificate holder, place a licensee or certificate holder on probation, or suspend or revoke a license or certificate of a person who violates any provision of this subtitle.

[(2) A person who is licensed, certified, or otherwise authorized to provide health care services under this article is not subject to the penalty provided in subsections (a) and (b) of this section for a violation of § 8-701(f) and (g) of this subtitle.]

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2016.

**Approved by the Governor, April 26, 2016.**

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## Chapter 201

(Senate Bill 395)

AN ACT concerning

### **Ethics – Local Government – Conflict of Interest and Financial Disclosure**

FOR the purpose of requiring that certain authorized modifications of local conflict of interest and financial disclosure laws and regulations be made in accordance with regulations adopted by the State Ethics Commission and consistent with certain intent; authorizing rather than requiring a county or municipal corporation to modify certain local financial disclosure laws under certain circumstances; and

generally relating to local conflict of interest and financial disclosure laws and regulations.

BY repealing and reenacting, without amendments,

Article – General Provisions

Section 5–807

Annotated Code of Maryland

(2014 Volume and 2015 Supplement)

BY repealing and reenacting, with amendments,

Article – General Provisions

Section 5–808, 5–809, 5–816, and 5–817

Annotated Code of Maryland

(2014 Volume and 2015 Supplement)

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

### **Article – General Provisions**

5–807.

(a) Subject to § 5–209 of this title, each county and each municipal corporation shall enact provisions to govern the public ethics of local officials relating to:

- (1) conflicts of interest;
- (2) financial disclosure; and
- (3) lobbying.

(b) On or before October 1 of each year, each local ethics commission or appropriate entity shall certify to the Ethics Commission that the county or municipal corporation is in compliance with the requirements of this part for elected local officials.

5–808.

(a) Except as provided in subsection (b) of this section, the conflict of interest provisions enacted by a county or municipal corporation under § 5–807 of this subtitle:

- (1) shall be similar to the provisions of Subtitle 5 of this title; but

(2) **IN ACCORDANCE WITH REGULATIONS ADOPTED BY THE ETHICS COMMISSION AND CONSISTENT WITH THE INTENT OF THIS TITLE**, may be modified to the extent necessary to make the provisions relevant to the prevention of conflicts of interest in that jurisdiction.

(b) The conflict of interest provisions for elected local officials enacted by a county or municipal corporation under § 5–807 of this subtitle:

(1) shall be equivalent to or exceed the requirements of Subtitle 5 of this title; but

(2) **IN ACCORDANCE WITH REGULATIONS ADOPTED BY THE ETHICS COMMISSION AND CONSISTENT WITH THE INTENT OF THIS TITLE**, may be modified to the extent necessary to make the provisions relevant to the prevention of conflicts of interest in that jurisdiction.

5–809.

(a) In this section, “local official” includes an individual who is designated as a local official and whose position is funded wholly or partly by the State.

(b) (1) Except as provided in paragraph (2) of this subsection and subsection (c) of this section, the financial disclosure provisions enacted by a county or municipal corporation under § 5–807 of this subtitle:

(i) shall be similar to the provisions of Subtitle 6 of this title; but

(ii) **[shall] IN ACCORDANCE WITH REGULATIONS ADOPTED BY THE ETHICS COMMISSION AND CONSISTENT WITH THE INTENT OF THIS TITLE, MAY** be modified to the extent necessary to make the provisions relevant to the prevention of conflicts of interest in that jurisdiction.

(2) The financial disclosure provisions for elected local officials enacted by a county or municipal corporation under § 5–807 of this subtitle:

(i) shall be equivalent to or exceed the requirements of Subtitle 6 of this title; but

(ii) **[shall] IN ACCORDANCE WITH REGULATIONS ADOPTED BY THE ETHICS COMMISSION AND CONSISTENT WITH THE INTENT OF THIS TITLE, MAY** be modified to the extent necessary to make the provisions relevant to the prevention of conflicts of interest in that jurisdiction.

(c) (1) This subtitle does not compel the governing body of a county or municipal corporation to require a local official to file a financial disclosure statement except when the personal interest of the local official will present a potential conflict with the public interest in connection with an anticipated public action of the local official.

(2) The governing body of a county or municipal corporation shall require a local official to file a financial disclosure statement at least annually to report on gifts received by the local official.



(3) The financial disclosure provisions shall require that a statement be filed:

(i) under paragraph (1) of this subsection sufficiently in advance of the action to provide adequate disclosure to the public; and

(ii) by an elected local official under subsection (b)(2) of this section on or before April 30 of each year.

(d) Financial disclosure provisions applicable to a candidate shall be consistent with the provisions applicable to an incumbent holding the office involved.

5–816.

(a) In accordance with this section, a school board:

(1) may adopt conflict of interest regulations applicable to officials and employees of the school system; and

(2) shall adopt conflict of interest regulations applicable to members of the school board.

(b) (1) The conflict of interest regulations adopted by a school board under subsection (a)(1) of this section:

(i) shall be similar to the provisions of Subtitle 5 of this title; but

(ii) **IN ACCORDANCE WITH REGULATIONS ADOPTED BY THE ETHICS COMMISSION AND CONSISTENT WITH THE INTENT OF THIS TITLE**, may be modified to the extent necessary to make the regulations relevant to the prevention of conflicts of interest in that school system.

(2) The conflict of interest regulations adopted by a school board under subsection (a)(2) of this section:

(i) shall be equivalent to or exceed the requirements of Subtitle 5 of this title; but

(ii) **IN ACCORDANCE WITH REGULATIONS ADOPTED BY THE ETHICS COMMISSION AND CONSISTENT WITH THE INTENT OF THIS TITLE**, may be modified to the extent necessary to make the regulations relevant to the prevention of conflicts of interest in that school system.

(c) Unless a school board adopts and maintains conflict of interest regulations under subsection (a)(1) of this section, the provisions enacted by the county under § 5–808 of this subtitle shall apply to officials and employees of that school system.

5–817.

(a) (1) In accordance with this section, a school board:

(i) may adopt financial disclosure regulations applicable to officials and employees of that school system; and

(ii) shall adopt financial disclosure regulations applicable to members of the school board.

(2) (i) The regulations adopted under paragraph (1)(i) of this subsection shall apply to:

1. the superintendent of that school system; and

2. those other officials and employees of that school system designated by the school board, subject to subparagraph (iii) of this paragraph.

(ii) The regulations adopted under paragraph (1)(ii) of this subsection shall apply to:

1. each member of the school board; and

2. if the school board is an elected board under Title 3, Subtitle 1, Part III of the Education Article, each candidate for election to the school board.

(iii) The regulations may not apply to a classroom teacher unless the teacher has additional duties, not normally expected of classroom teachers, that cause the teacher for other reasons to be covered by the financial disclosure regulations.

(b) (1) Except as provided in subsection (c) of this section, the regulations adopted under subsection (a)(1)(i) of this section:

(i) shall be similar to the provisions of Subtitle 6 of this title; but

(ii) **IN ACCORDANCE WITH REGULATIONS ADOPTED BY THE ETHICS COMMISSION AND CONSISTENT WITH THE INTENT OF THIS TITLE**, may be modified to the extent necessary to make the regulations relevant to the prevention of conflicts of interest in that school system.

(2) The regulations adopted under subsection (a)(1)(ii) of this section:

(i) shall be equivalent to or exceed the requirements of Subtitle 6 of this title; but

(ii) **IN ACCORDANCE WITH REGULATIONS ADOPTED BY THE ETHICS COMMISSION AND CONSISTENT WITH THE INTENT OF THIS TITLE**, may be modified to the extent necessary to make the regulations relevant to the prevention of conflicts of interest in that school system.

(c) (1) (i) This section does not compel a school board to require an individual to file a financial disclosure statement except:

1. when the personal interest of the individual will present a potential conflict with the public interest in connection with an anticipated public action of the individual; and

2. at least annually to report on gifts received by the individual.

(ii) The regulations adopted under subsection (a)(1)(i) of this section shall require that a statement filed under subparagraph (i)1 of this paragraph be filed sufficiently in advance of the public action to provide adequate disclosure to the public.

(2) The regulations adopted under subsection (a)(1)(ii) of this section shall require that a statement filed by a member of a school board be filed on or before April 30 of each year.

(d) Except as provided for a school board member under this part, unless a school board adopts and maintains financial disclosure regulations under this subtitle, the provisions enacted by the county under § 5–809 of this subtitle shall apply to:

(1) the superintendent of that school system; and

(2) the other officials and employees of the school system designated by the governing body of that county.

**SECTION 2. AND BE IT FURTHER ENACTED**, That this Act shall take effect October 1, 2016.

**Approved by the Governor, April 26, 2016.**

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## Chapter 202

(Senate Bill 408)

AN ACT concerning

**Election Law – State Elected Officials – Campaign Fund–Raising During  
General Assembly Session – Civil Penalty**

FOR the purpose of clarifying that certain persons are prohibited from soliciting a contribution during the General Assembly session; authorizing the State Board of Elections to impose a civil penalty for a violation by a campaign finance entity of the prohibition on fund-raising during the General Assembly session; authorizing the State Board to impose a lesser civil penalty than prescribed by law for certain violations under certain circumstances; repealing provisions of law that authorized the State Board, represented by the State Prosecutor, to institute a civil action in a circuit court against a campaign finance entity for a violation of the prohibition on fund-raising during the General Assembly session; and generally relating to campaign fund-raising during the General Assembly session and civil penalties.

BY repealing and reenacting, with amendments,

Article – Election Law

Section 13–235 and 13–604.1

Annotated Code of Maryland

(2010 Replacement Volume and 2015 Supplement)

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

#### **Article – Election Law**

13–235.

(a) This section applies to the following officials:

- (1) the Governor;
- (2) the Lieutenant Governor;
- (3) the Attorney General;
- (4) the Comptroller; and
- (5) a member of the General Assembly.

(b) Except as provided in subsection (c), (d), or (e) of this section, during a regular session of the General Assembly an official described in subsection (a) of this section, or a person acting on behalf of the official, may not, as to a candidate for federal, State, or local office, or a campaign finance entity of the candidate or any other campaign finance entity organized under this title and operated in coordination with a candidate:

- (1) receive a contribution;
- (2) conduct a fund-raising event;

(3) solicit ~~or sell a ticket to a fund-raising event~~ A CONTRIBUTION; or

(4) deposit or use any contribution of money that was not deposited prior to the session.

(c) An official described in subsection (a) of this section, or a person acting on behalf of the official, is not subject to this section when engaged in activities solely related to the official's election to an elective federal or local office for which the official is a filed candidate.

(d) Under the Public Financing Act, a gubernatorial ticket, during the year of the election only, may accept eligible private contributions and any disbursement of funds by the State Board that is based on the eligible private contributions.

(e) An official described in subsection (a) of this section, or a person acting on behalf of the official, may deposit a contribution during the legislative session if the contribution was made electronically before the start of the session.

(f) (1) As to a violation of this section, the campaign finance entity of the official in violation is liable for a civil penalty as provided in [this subsection] ~~§ 13-604~~ § 13-604.1 OF THIS TITLE.

[(2) The State Board, represented by the State Prosecutor, may institute a civil action in the circuit court for any county seeking the civil penalty provided in this subsection.

(3) A campaign finance entity that receives a contribution as a result of the violation shall:

(i) refund the contribution to the contributor; and

(ii) pay a civil penalty that equals the sum of \$1,000 plus the amount of the contribution.]

[(4) (2) A civil penalty imposed under this subsection shall be distributed to the Fair Campaign Financing Fund established under § 15-103 of this article.

13-604.1.

(a) In this section, "person" includes a political committee.

(b) The State Board may impose a civil penalty in accordance with this section for the following violations:

(1) making a disbursement in a manner not authorized in § 13-218(b)(2), (c), and (d) of this title;

(2) failure to maintain a campaign bank account as required in § 13–220(a) of this title;

(3) making a disbursement by a method not authorized in § 13–220(d) of this title;

(4) failure to maintain detailed and accurate account books and records as required in § 13–221 of this title;

**(5) FUND–RAISING DURING THE GENERAL ASSEMBLY SESSION IN A MANNER NOT AUTHORIZED IN § 13–235 OF THIS TITLE;**

~~[(5)] (6)~~ failure to report all contributions received and expenditures made as required in § 13–304(b) of this title;

~~[(6)] (7)~~ failure to include an authority line on campaign material as required in § 13–401 of this title; or

~~[(7)] (8)~~ failure to retain a copy of campaign material as required in § 13–403 of this title.

(c) A civil penalty imposed under this section for a violation specified in subsection (b) of this section is in addition to any other sanction provided by law.

(d) **(1) [The] EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, THE** amount of a civil penalty imposed under this section may not exceed \$500 for each violation.

**(2) AS TO A VIOLATION OF § 13–235 OF THIS TITLE, THE CAMPAIGN FINANCE ENTITY THAT RECEIVES A CONTRIBUTION AS A RESULT OF A VIOLATION SHALL:**

**(I) REFUND THE CONTRIBUTION TO THE CONTRIBUTOR; AND**

**(II) PAY A CIVIL PENALTY THAT EQUALS \$1,000 PLUS THE AMOUNT OF THE CONTRIBUTION, UNLESS THE STATE BOARD AT ITS DISCRETION ASSESSES A LESSER PENALTY FOR GOOD CAUSE.**

(e) The civil penalty is payable to the State Board by the person charged in a citation within 20 calendar days after service of the citation.

(f) (1) Subject to paragraphs (2) and (3) of this subsection, a civil penalty imposed under this section shall be paid by the campaign finance entity.

(2) If the campaign finance entity has insufficient funds with which to pay the full amount of the civil penalty in a timely manner, after the campaign account of the finance entity is exhausted the balance of the civil penalty is the joint and several liability of the responsible officers.

(3) If a violation is committed by a person not acting on behalf of, or at the request or suggestion of, a candidate or a campaign finance entity, the civil penalty shall be paid by the person who committed the violation.

(g) The State Board may issue a citation to any person the State Board believes is committing or has committed a violation specified in subsection (b) of this section.

(h) The citation shall be served on the defendant in accordance with the Maryland Rules.

(i) The citation shall contain:

(1) the certification by the State Board attesting to the truth of the matter set forth in the citation;

(2) the name and address of the person charged;

(3) the nature, time, and place of the violation;

(4) the manner in which the violation occurred;

(5) the amount of the penalty assessed;

(6) the manner, time, and location to pay the penalty;

(7) a statement that the person receiving the citation has a right to trial in the District Court; and

(8) the effect of failing to pay the assessed fine or of failing to demand a trial within the prescribed time.

(j) (1) A person charged in a citation may elect to stand trial for the violation by notifying the State Board in writing of the person's intent to stand trial.

(2) The written notice shall be given at least 5 days before the date of payment as set forth in the citation.

(k) (1) On receipt of the written notice of intent to stand trial, the State Board shall forward to the State Prosecutor a copy of the citation and the written notice.

(2) The State Prosecutor shall forward to the District Court having venue a copy of the citation and the written notice.

(3) On receipt of the citation and the written notice:

(i) the State Prosecutor shall assume responsibility for prosecuting the violation; and

(ii) the District Court shall schedule the case for trial, notify the defendant of the trial date, and summon the defendant to appear.

(l) (1) If a person charged in a citation fails to pay the penalty by the date of payment set forth in the citation and fails to deliver to the State Board the written notice of intent to stand trial, the person is liable for the assessed penalty.

(2) The State Prosecutor, on behalf of the State Board, may double the penalty to an amount not to exceed \$1,000 and request adjudication of the case through the District Court by filing a demand for judgment on affidavit.

(m) The defendant's failure to respond to the summons of the District Court shall result in the entry of judgment against the defendant in favor of the State Board in the amount set forth in the citation if a proper demand for judgment on affidavit has been made.

(n) If a person is found by the District Court to have committed a violation:

(1) (i) the District Court shall order the person to pay the penalty set forth in the citation and may double the amount of the penalty to an amount not to exceed \$1,000;

(ii) the penalty imposed shall constitute a judgment in favor of the State Board; and

(iii) if the penalty remains unpaid for 30 days following the date of its entry, the judgment shall be enforceable in the same manner and to the same extent as other civil judgments for money unless the court has suspended or deferred payment of the penalty as provided in item (2) of this subsection;

(2) the District Court may suspend or defer the payment of any penalty under conditions that the court sets;

(3) the defendant shall be liable for the costs of the proceedings in the District Court; and

(4) the District Court may order the person to abate the violation.

(o) If a defendant fails to pay any penalty or cost imposed by the District Court without good cause, the District Court may punish the failure as contempt of court.



(p) Adjudication of a violation under this section:

(1) is not a criminal conviction; and

(2) does not impose any of the civil disabilities that arise from a criminal conviction.

(q) In a District Court proceeding relating to a violation under this section:

(1) the State Prosecutor has the burden to prove that the defendant has committed the violation by clear and convincing evidence;

(2) the District Court shall apply the evidentiary standards as provided by law or rule for the trial of civil causes;

(3) the District Court shall ensure that the defendant has received a copy of the charges against the defendant and that the defendant understands those charges;

(4) the defendant may cross-examine all witnesses who appear against the defendant, produce evidence or witnesses in the defendant's own behalf, or testify in the defendant's own behalf;

(5) the defendant shall be entitled to be represented by counsel of the defendant's own selection and at the defendant's own expense;

(6) the defendant may enter a plea of guilty or not guilty of the violation as charged; and

(7) the verdict of the District Court shall be guilty of a violation or not guilty of a violation, or the District Court may, before rendering judgment, place the defendant on probation.

(r) The State Board shall consider the following in determining the amount of a penalty under this section:

(1) the severity of the violation for which the penalty is to be assessed;

(2) the good faith of the violator; and

(3) any history of prior violations.

(s) Penalties collected under this section shall be distributed to the Fair Campaign Financing Fund established under § 15-103 of this article.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2016.

Approved by the Governor, April 26, 2016.

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## Chapter 203

### (House Bill 241)

AN ACT concerning

#### **Election Law – State Elected Officials – Campaign Fund–Raising During General Assembly Session – Civil Penalty**

FOR the purpose of clarifying that certain persons are prohibited from soliciting a contribution during the General Assembly session; authorizing the State Board of Elections to impose a civil penalty for a violation by a campaign finance entity of the prohibition on fund–raising during the General Assembly session; authorizing the State Board to impose a lesser civil penalty than prescribed by law for certain violations under certain circumstances; repealing provisions of law that authorized the State Board, represented by the State Prosecutor, to institute a civil action in a circuit court against a campaign finance entity for a violation of the prohibition on fund–raising during the General Assembly session; and generally relating to campaign fund–raising during the General Assembly session and civil penalties.

BY repealing and reenacting, with amendments,  
Article – Election Law  
Section 13–235 and 13–604.1  
Annotated Code of Maryland  
(2010 Replacement Volume and 2015 Supplement)

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

#### **Article – Election Law**

13–235.

- (a) This section applies to the following officials:
- (1) the Governor;
  - (2) the Lieutenant Governor;
  - (3) the Attorney General;
  - (4) the Comptroller; and

(5) a member of the General Assembly.

(b) Except as provided in subsection (c), (d), or (e) of this section, during a regular session of the General Assembly an official described in subsection (a) of this section, or a person acting on behalf of the official, may not, as to a candidate for federal, State, or local office, or a campaign finance entity of the candidate or any other campaign finance entity organized under this title and operated in coordination with a candidate:

(1) receive a contribution;

(2) conduct a fund-raising event;

(3) solicit ~~or sell a ticket to a fund-raising event~~ A CONTRIBUTION; or

(4) deposit or use any contribution of money that was not deposited prior to the session.

(c) An official described in subsection (a) of this section, or a person acting on behalf of the official, is not subject to this section when engaged in activities solely related to the official's election to an elective federal or local office for which the official is a filed candidate.

(d) Under the Public Financing Act, a gubernatorial ticket, during the year of the election only, may accept eligible private contributions and any disbursement of funds by the State Board that is based on the eligible private contributions.

(e) An official described in subsection (a) of this section, or a person acting on behalf of the official, may deposit a contribution during the legislative session if the contribution was made electronically before the start of the session.

(f) (1) As to a violation of this section, the campaign finance entity of the official in violation is liable for a civil penalty as provided in ~~[this subsection] § 13-604 § 13-604.1~~ **OF THIS TITLE.**

[(2) The State Board, represented by the State Prosecutor, may institute a civil action in the circuit court for any county seeking the civil penalty provided in this subsection.

(3) A campaign finance entity that receives a contribution as a result of the violation shall:

(i) refund the contribution to the contributor; and

(ii) pay a civil penalty that equals the sum of \$1,000 plus the amount of the contribution.]

**[(4)] (2)** A civil penalty imposed under this subsection shall be distributed to the Fair Campaign Financing Fund established under § 15–103 of this article.

13–604.1.

(a) In this section, “person” includes a political committee.

(b) The State Board may impose a civil penalty in accordance with this section for the following violations:

(1) making a disbursement in a manner not authorized in § 13–218(b)(2), (c), and (d) of this title;

(2) failure to maintain a campaign bank account as required in § 13–220(a) of this title;

(3) making a disbursement by a method not authorized in § 13–220(d) of this title;

(4) failure to maintain detailed and accurate account books and records as required in § 13–221 of this title;

**(5) FUND–RAISING DURING THE GENERAL ASSEMBLY SESSION IN A MANNER NOT AUTHORIZED IN § 13–235 OF THIS TITLE;**

**[(5)] (6)** failure to report all contributions received and expenditures made as required in § 13–304(b) of this title;

**[(6)] (7)** failure to include an authority line on campaign material as required in § 13–401 of this title; or

**[(7)] (8)** failure to retain a copy of campaign material as required in § 13–403 of this title.

(c) A civil penalty imposed under this section for a violation specified in subsection (b) of this section is in addition to any other sanction provided by law.

(d) **(1) [The] EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, THE** amount of a civil penalty imposed under this section may not exceed \$500 for each violation.

**(2) AS TO A VIOLATION OF § 13–235 OF THIS TITLE, THE CAMPAIGN FINANCE ENTITY THAT RECEIVES A CONTRIBUTION AS A RESULT OF A VIOLATION SHALL:**

**(I) REFUND THE CONTRIBUTION TO THE CONTRIBUTOR; AND**

**(II) PAY A CIVIL PENALTY THAT EQUALS \$1,000 PLUS THE AMOUNT OF THE CONTRIBUTION, UNLESS THE STATE BOARD AT ITS DISCRETION ASSESSES A LESSER PENALTY FOR GOOD CAUSE.**

(e) The civil penalty is payable to the State Board by the person charged in a citation within 20 calendar days after service of the citation.

(f) (1) Subject to paragraphs (2) and (3) of this subsection, a civil penalty imposed under this section shall be paid by the campaign finance entity.

(2) If the campaign finance entity has insufficient funds with which to pay the full amount of the civil penalty in a timely manner, after the campaign account of the finance entity is exhausted the balance of the civil penalty is the joint and several liability of the responsible officers.

(3) If a violation is committed by a person not acting on behalf of, or at the request or suggestion of, a candidate or a campaign finance entity, the civil penalty shall be paid by the person who committed the violation.

(g) The State Board may issue a citation to any person the State Board believes is committing or has committed a violation specified in subsection (b) of this section.

(h) The citation shall be served on the defendant in accordance with the Maryland Rules.

(i) The citation shall contain:

(1) the certification by the State Board attesting to the truth of the matter set forth in the citation;

(2) the name and address of the person charged;

(3) the nature, time, and place of the violation;

(4) the manner in which the violation occurred;

(5) the amount of the penalty assessed;

(6) the manner, time, and location to pay the penalty;

(7) a statement that the person receiving the citation has a right to trial in the District Court; and

(8) the effect of failing to pay the assessed fine or of failing to demand a trial within the prescribed time.

(j) (1) A person charged in a citation may elect to stand trial for the violation by notifying the State Board in writing of the person's intent to stand trial.

(2) The written notice shall be given at least 5 days before the date of payment as set forth in the citation.

(k) (1) On receipt of the written notice of intent to stand trial, the State Board shall forward to the State Prosecutor a copy of the citation and the written notice.

(2) The State Prosecutor shall forward to the District Court having venue a copy of the citation and the written notice.

(3) On receipt of the citation and the written notice:

(i) the State Prosecutor shall assume responsibility for prosecuting the violation; and

(ii) the District Court shall schedule the case for trial, notify the defendant of the trial date, and summon the defendant to appear.

(l) (1) If a person charged in a citation fails to pay the penalty by the date of payment set forth in the citation and fails to deliver to the State Board the written notice of intent to stand trial, the person is liable for the assessed penalty.

(2) The State Prosecutor, on behalf of the State Board, may double the penalty to an amount not to exceed \$1,000 and request adjudication of the case through the District Court by filing a demand for judgment on affidavit.

(m) The defendant's failure to respond to the summons of the District Court shall result in the entry of judgment against the defendant in favor of the State Board in the amount set forth in the citation if a proper demand for judgment on affidavit has been made.

(n) If a person is found by the District Court to have committed a violation:

(1) (i) the District Court shall order the person to pay the penalty set forth in the citation and may double the amount of the penalty to an amount not to exceed \$1,000;

(ii) the penalty imposed shall constitute a judgment in favor of the State Board; and

(iii) if the penalty remains unpaid for 30 days following the date of its entry, the judgment shall be enforceable in the same manner and to the same extent as other civil judgments for money unless the court has suspended or deferred payment of the penalty as provided in item (2) of this subsection;

(2) the District Court may suspend or defer the payment of any penalty under conditions that the court sets;

(3) the defendant shall be liable for the costs of the proceedings in the District Court; and

(4) the District Court may order the person to abate the violation.

(o) If a defendant fails to pay any penalty or cost imposed by the District Court without good cause, the District Court may punish the failure as contempt of court.

(p) Adjudication of a violation under this section:

(1) is not a criminal conviction; and

(2) does not impose any of the civil disabilities that arise from a criminal conviction.

(q) In a District Court proceeding relating to a violation under this section:

(1) the State Prosecutor has the burden to prove that the defendant has committed the violation by clear and convincing evidence;

(2) the District Court shall apply the evidentiary standards as provided by law or rule for the trial of civil causes;

(3) the District Court shall ensure that the defendant has received a copy of the charges against the defendant and that the defendant understands those charges;

(4) the defendant may cross-examine all witnesses who appear against the defendant, produce evidence or witnesses in the defendant's own behalf, or testify in the defendant's own behalf;

(5) the defendant shall be entitled to be represented by counsel of the defendant's own selection and at the defendant's own expense;

(6) the defendant may enter a plea of guilty or not guilty of the violation as charged; and

(7) the verdict of the District Court shall be guilty of a violation or not guilty of a violation, or the District Court may, before rendering judgment, place the defendant on probation.

(r) The State Board shall consider the following in determining the amount of a penalty under this section:

(1) the severity of the violation for which the penalty is to be assessed;

- (2) the good faith of the violator; and
- (3) any history of prior violations.

(s) Penalties collected under this section shall be distributed to the Fair Campaign Financing Fund established under § 15–103 of this article.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2016.

**Approved by the Governor, April 26, 2016.**

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## Chapter 204

(Senate Bill 421)

AN ACT concerning

### **Special Education – Translations of Individualized Education Programs or Individualized Family Service Plans – Native Language**

FOR the purpose of authorizing the parents of a child with a disability to request the translation into their native language of a completed individualized education program or a completed individualized family service plan under certain circumstances; requiring certain school personnel to provide the parents with a certain translation of a completed individualized education program or a completed individualized family service plan within a certain time frame; requiring the State Department of Education and county boards of education to submit certain reports on or before certain dates; defining certain terms; and generally relating to individualized education programs and individualized family service plans.

BY repealing and reenacting, with amendments,  
Article – Education  
Section 8–405  
Annotated Code of Maryland  
(2014 Replacement Volume and 2015 Supplement)

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

### **Article – Education**

8–405.



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

(2) “Accessible copy” includes a copy of a document provided to an individual in a format as defined in § 8–408 of this subtitle.

(3) “Extenuating circumstance” means:

(i) A death in the family;

(ii) A personal emergency;

(iii) A natural disaster; or

(iv) Any other similar situation defined by the Department.

**(4) “INDIVIDUALIZED EDUCATION PROGRAM” AND “INDIVIDUALIZED FAMILY SERVICE PLAN” HAVE THE SAME MEANING AS PROVIDED IN THE FEDERAL INDIVIDUALS WITH DISABILITIES EDUCATION ACT.**

(b) (1) When a team of qualified professionals and the parents meet for the purpose of discussing the identification, evaluation, educational program, or the provision of a free appropriate public education of a child with a disability:

(i) The parents of the child shall be afforded the opportunity to participate and shall be provided reasonable notice in advance of the meeting; and

(ii) Reasonable notice shall be at least 10 calendar days in advance of the meeting, unless an expedited meeting is being conducted to:

1. Address disciplinary issues;

2. Determine the placement of the child with a disability not currently receiving educational services; or

3. Meet other urgent needs of a child with a disability to ensure the provision of a free appropriate public education.

(2) (i) At the initial evaluation meeting, the parents of the child shall be provided, in plain language, a verbal and written explanation of the parents’ rights and responsibilities in the individualized education program process and a program procedural safeguards notice.

(ii) The parents may request the information provided under subparagraph (i) of this paragraph at any subsequent meeting.

(c) The individualized education program team shall determine, on at least an annual basis, whether the child requires extended year services in order to ensure that the

child is not deprived of a free appropriate public education by virtue of the normal break in the regular school year.

(d) (1) (i) Except as provided in paragraph (2) of this subsection, and subject to subparagraphs (ii) and (iii) of this paragraph, at least 5 business days before a scheduled meeting of the individualized education program team or other multidisciplinary education team for any purpose for a child with a disability, appropriate school personnel shall provide the parents of the child with an accessible copy of each assessment, report, data chart, draft individualized education program, or other document that either team plans to discuss at the meeting.

(ii) Subject to subparagraph (i) of this paragraph, an assessment, report, data chart, or other document prepared by a school psychologist or other medical professional that either team plans to discuss at the meeting may be provided to the parents of the child orally and in writing prior to the meeting.

(iii) The parents of a child may notify appropriate school personnel that they do not want to receive the documents required to be provided under subparagraph (i) of this paragraph.

(2) (i) Subject to subparagraph (ii) of this paragraph, appropriate school personnel are not required to comply with paragraph (1) of this subsection in the event of an extenuating circumstance.

(ii) In the event of an extenuating circumstance, appropriate school personnel who fail to comply with paragraph (1) of this subsection shall document the extenuating circumstance and communicate that information to the parents of the child.

(e) (1) Not later than 5 business days after a scheduled meeting of the individualized education program team or other multidisciplinary team for a child with a disability, appropriate school personnel shall provide the parents of the child with a copy of the completed individualized education program.

(2) If the individualized education program has not been completed by the 5th business day after the meeting, the parents shall be provided with the draft copy of the individualized education program.

(3) The completed or draft individualized education program shall be provided to the parents in an accessible format.

**(4) (I) IF THE NATIVE LANGUAGE SPOKEN BY THE PARENTS OF A CHILD WITH A COMPLETED INDIVIDUALIZED EDUCATION PROGRAM OR A COMPLETED INDIVIDUALIZED FAMILY SERVICE PLAN IS SPOKEN BY MORE THAN 1 PERCENT OF THE STUDENT POPULATION IN THE LOCAL SCHOOL SYSTEM, THE PARENTS MAY REQUEST THE DOCUMENT TO BE TRANSLATED INTO THE PARENTS' NATIVE LANGUAGE.**

**(II) IF A PARENT MAKES A REQUEST UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH, APPROPRIATE SCHOOL PERSONNEL SHALL PROVIDE THE PARENTS WITH THE TRANSLATED DOCUMENT WITHIN 30 DAYS AFTER THE DATE OF THE REQUEST.**

(f) To fulfill the purposes of this section, school personnel may provide the documents required under this section through:

- (1) Electronic delivery;
- (2) Home delivery with the student; or
- (3) Any other reasonable and legal method of delivery.

(g) Failure to comply with this section does not constitute a substantive violation of the requirement to provide a student with a free appropriate public education.

(h) The Department shall adopt:

(1) Regulations that define what information should be provided in the verbal and written explanations of the parents' rights and responsibilities in the individualized education program process; and

(2) Any other regulations necessary to carry out subsection (b)(2) of this section.

SECTION 2. AND BE IT FURTHER ENACTED, That, on or before December 1, 2016, the State Department of Education shall report to the Governor and, in accordance with § 2-1246 of the State Government Article, the Senate Education, Health, and Environmental Affairs Committee and the House Committee on Ways and Means regarding:

(1) whether there are economies of scale that can be utilized to lessen the financial impact of this Act; and

(2) how the needs of students whose parents speak a native language that is spoken by less than 1% of the student population in the local school system can be addressed.

SECTION 3. AND BE IT FURTHER ENACTED, That:

(1) on or before August 1, 2018, each county board of education shall report to the State Department of Education regarding the number of requests received under § 8-405(e)(4)(i) of the Education Article, as enacted by Section 1 of this Act, the cost of implementing these requests, whether it would be feasible to have this number increase, and if so, by how many requests; and

(2) on or before September 1, 2018, the State Department of Education shall compile the information received under item (1) of this section and submit the information to the Governor and, in accordance with § 2-1246 of the State Government Article, the Senate Education, Health, and Environmental Affairs Committee and the House Committee on Ways and Means.

SECTION ~~2~~ 4. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016.

Approved by the Governor, April 26, 2016.

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## Chapter 205

### (House Bill 86)

AN ACT concerning

#### **Special Education – Translations of Individualized Education Programs or Individualized Family Service Plans – Native Language**

FOR the purpose of authorizing the parents of a child with a disability to request the translation into their native language of a completed individualized education program or a completed individualized family service plan under certain circumstances; requiring certain school personnel to provide the parents with a certain translation of a completed individualized education program or a completed individualized family service plan within a certain time frame; requiring the State Department of Education and county boards of education to submit certain reports on or before certain dates; defining certain terms; and generally relating to individualized education programs and individualized family service plans.

BY repealing and reenacting, with amendments,  
Article – Education  
Section 8-405  
Annotated Code of Maryland  
(2014 Replacement Volume and 2015 Supplement)

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

#### **Article – Education**

8-405.

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

(2) “Accessible copy” includes a copy of a document provided to an individual in a format as defined in § 8–408 of this subtitle.

(3) “Extenuating circumstance” means:

- (i) A death in the family;
- (ii) A personal emergency;
- (iii) A natural disaster; or
- (iv) Any other similar situation defined by the Department.

**(4) “INDIVIDUALIZED EDUCATION PROGRAM” AND “INDIVIDUALIZED FAMILY SERVICE PLAN” HAVE THE SAME MEANING AS PROVIDED IN THE FEDERAL INDIVIDUALS WITH DISABILITIES EDUCATION ACT.**

(b) (1) When a team of qualified professionals and the parents meet for the purpose of discussing the identification, evaluation, educational program, or the provision of a free appropriate public education of a child with a disability:

(i) The parents of the child shall be afforded the opportunity to participate and shall be provided reasonable notice in advance of the meeting; and

(ii) Reasonable notice shall be at least 10 calendar days in advance of the meeting, unless an expedited meeting is being conducted to:

- 1. Address disciplinary issues;
- 2. Determine the placement of the child with a disability not currently receiving educational services; or
- 3. Meet other urgent needs of a child with a disability to ensure the provision of a free appropriate public education.

(2) (i) At the initial evaluation meeting, the parents of the child shall be provided, in plain language, a verbal and written explanation of the parents’ rights and responsibilities in the individualized education program process and a program procedural safeguards notice.

(ii) The parents may request the information provided under subparagraph (i) of this paragraph at any subsequent meeting.

(c) The individualized education program team shall determine, on at least an annual basis, whether the child requires extended year services in order to ensure that the

child is not deprived of a free appropriate public education by virtue of the normal break in the regular school year.

(d) (1) (i) Except as provided in paragraph (2) of this subsection, and subject to subparagraphs (ii) and (iii) of this paragraph, at least 5 business days before a scheduled meeting of the individualized education program team or other multidisciplinary education team for any purpose for a child with a disability, appropriate school personnel shall provide the parents of the child with an accessible copy of each assessment, report, data chart, draft individualized education program, or other document that either team plans to discuss at the meeting.

(ii) Subject to subparagraph (i) of this paragraph, an assessment, report, data chart, or other document prepared by a school psychologist or other medical professional that either team plans to discuss at the meeting may be provided to the parents of the child orally and in writing prior to the meeting.

(iii) The parents of a child may notify appropriate school personnel that they do not want to receive the documents required to be provided under subparagraph (i) of this paragraph.

(2) (i) Subject to subparagraph (ii) of this paragraph, appropriate school personnel are not required to comply with paragraph (1) of this subsection in the event of an extenuating circumstance.

(ii) In the event of an extenuating circumstance, appropriate school personnel who fail to comply with paragraph (1) of this subsection shall document the extenuating circumstance and communicate that information to the parents of the child.

(e) (1) Not later than 5 business days after a scheduled meeting of the individualized education program team or other multidisciplinary team for a child with a disability, appropriate school personnel shall provide the parents of the child with a copy of the completed individualized education program.

(2) If the individualized education program has not been completed by the 5th business day after the meeting, the parents shall be provided with the draft copy of the individualized education program.

(3) The completed or draft individualized education program shall be provided to the parents in an accessible format.

**(4) (I) IF THE NATIVE LANGUAGE SPOKEN BY THE PARENTS OF A CHILD WITH A COMPLETED INDIVIDUALIZED EDUCATION PROGRAM OR A COMPLETED INDIVIDUALIZED FAMILY SERVICE PLAN IS SPOKEN BY MORE THAN 1 PERCENT OF THE STUDENT POPULATION IN THE LOCAL SCHOOL SYSTEM, THE PARENTS MAY REQUEST THE DOCUMENT TO BE TRANSLATED INTO THE PARENTS' NATIVE LANGUAGE.**

**(II) IF A PARENT MAKES A REQUEST UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH, APPROPRIATE SCHOOL PERSONNEL SHALL PROVIDE THE PARENTS WITH THE TRANSLATED DOCUMENT WITHIN 30 DAYS AFTER THE DATE OF THE REQUEST.**

(f) To fulfill the purposes of this section, school personnel may provide the documents required under this section through:

- (1) Electronic delivery;
- (2) Home delivery with the student; or
- (3) Any other reasonable and legal method of delivery.

(g) Failure to comply with this section does not constitute a substantive violation of the requirement to provide a student with a free appropriate public education.

(h) The Department shall adopt:

(1) Regulations that define what information should be provided in the verbal and written explanations of the parents' rights and responsibilities in the individualized education program process; and

(2) Any other regulations necessary to carry out subsection (b)(2) of this section.

*SECTION 2. AND BE IT FURTHER ENACTED, That, on or before December 1, 2016, the State Department of Education shall report to the Governor and, in accordance with § 2-1246 of the State Government Article, the Senate Education, Health, and Environmental Affairs Committee and the House Committee on Ways and Means regarding:*

*(1) whether there are economies of scale that can be utilized to lessen the financial impact of this Act; and*

*(2) how the needs of students whose parents speak a native language that is spoken by less than 1% of the student population in the local school system can be addressed.*

*SECTION 3. AND BE IT FURTHER ENACTED, That:*

*(1) on or before August 1, 2018, each county board of education shall report to the State Department of Education regarding the number of requests received under § 8-405(e)(4)(i) of the Education Article, as enacted by Section 1 of this Act, the cost of implementing these requests, whether it would be feasible to have this number increase, and if so, by how many requests; and*

(2) on or before September 1, 2018, the State Department of Education shall compile the information received under item (1) of this section and submit the information to the Governor and, in accordance with § 2-1246 of the State Government Article, the Senate Education, Health, and Environmental Affairs Committee and the House Committee on Ways and Means.

SECTION ~~2~~ 4. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016.

**Approved by the Governor, April 26, 2016.**

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## Chapter 206

(Senate Bill 431)

AN ACT concerning

### **Allegany County and Garrett County – Annual Financial Reports – Filing Date**

FOR the purpose of altering the date by which Allegany County and Garrett County are required to file certain financial reports with the Department of Legislative Services; and generally relating to the date by which Allegany County and Garrett County are required to file financial reports.

BY repealing and reenacting, with amendments,  
Article – Local Government  
Section 16–304  
Annotated Code of Maryland  
(2013 Volume and 2015 Supplement)

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

### **Article – Local Government**

16–304.

(a) (1) Except as provided in paragraph (2) of this subsection, on or before October 31 after the close of its fiscal year, each county, municipality, and special taxing district shall file with the Department of Legislative Services a financial report for that fiscal year.

(2) (i) A county, municipality, or special taxing district with a population of over 400,000 may file its financial report on or before December 31 after the close of its fiscal year.



(ii) Unless subparagraph (i) of this paragraph applies, Howard County may file its financial report on or before November 30 after the close of its fiscal year.

(iii) **ALLEGANY COUNTY**, Calvert County, Caroline County, Frederick County, **GARRETT COUNTY**, Queen Anne's County, St. Mary's County, Talbot County, and Wicomico County may file the county's financial report on or before December 31 after the close of the county's fiscal year.

(b) The financial report required under subsection (a) of this section shall be:

(1) prepared on the form established by the Department of Legislative Services; and

(2) verified by the chief executive officer of the county, municipality, or special taxing district.

(c) If a county, municipality, or special taxing district does not comply with subsection (a) of this section, the Comptroller, on notice from the Executive Director of the Department of Legislative Services, may order the discontinuance of all money, grants, or State aid that the county, municipality, or special taxing district is entitled to receive under State law, including money from:

- (1) the income tax;
- (2) the tax on racing;
- (3) the recordation tax;
- (4) the admissions and amusement tax; and
- (5) the license tax.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2016.

**Approved by the Governor, April 26, 2016.**

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## Chapter 207

(Senate Bill 436)

AN ACT concerning

**Insurance – Surplus Lines – Short-Term Medical Insurance**

FOR the purpose of altering the scope of certain provisions of law governing surplus lines insurance to authorize the use of surplus lines insurance for certain short-term medical insurance coverage; authorizing the procurement of short-term medical insurance from a nonadmitted insurer under certain circumstances; specifying the conditions under which short-term medical insurance may be procured from a nonadmitted insurer; prohibiting the inclusion of certain provisions in a short-term medical insurance policy procured from a nonadmitted insurer; requiring the Maryland Insurance Commissioner to develop and make available on the Web site of the Maryland Insurance Administration a certain consumer guide; requiring a certain affidavit to include certain information; altering a certain requirement for an applicant for a certain certificate of qualification; providing for the application of this Act; and generally relating to surplus lines insurance and short-term medical insurance.

BY repealing and reenacting, without amendments,  
Article – Insurance  
Section 3–301(a), (c), and (g)  
Annotated Code of Maryland  
(2011 Replacement Volume and 2015 Supplement)

BY repealing and reenacting, with amendments,  
Article – Insurance  
Section 3–302 ~~and~~ 3–306.2, 3–307, and 3–311  
Annotated Code of Maryland  
(2011 Replacement Volume and 2015 Supplement)

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

**Article – Insurance**

3–301.

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

(c) “Admitted insurer” means an insurer that is authorized to engage in the business of insurance in the State.

(g) (1) “Nonadmitted insurer” means an insurer that is not authorized to engage in the business of insurance in the State.

(2) “Nonadmitted insurer” does not include a risk retention group.

3–302.

(a) This subtitle does not apply to:

- (1) life insurance;
- (2) health insurance, except as provided in subsection (c) of this section;
- (3) annuities;
- (4) reinsurance;
- (5) wet marine and transportation insurance, except as provided in subsection (b) of this section;
- (6) insurance on a subject that is located, resident, or to be performed wholly outside the State;
- (7) insurance on vehicles or aircraft owned and principally garaged outside the State;
- (8) insurance on property or operation of railroads engaged in interstate commerce;
- (9) insurance:
  - (i) on aircraft owned or operated by aircraft manufacturers or operated in scheduled interstate flight;
  - (ii) on cargo of the aircraft described in subitem (i) of this item; or
  - (iii) against liability arising out of the ownership, maintenance, or use of the aircraft described in subitem (i) of this item, other than workers' compensation or employer's liability; or
- (10) medical stop-loss insurance, as defined in § 15-129 of this article.

(b) This subtitle applies to wet marine and transportation insurance on:

- (1) a pleasure craft under 60 feet in length that is owned and used for pleasure and not for business, hire, or other commercial use;
- (2) fishing vessels under 50 gross tons that are not part of a fleet of 3 or more vessels; and
- (3) charter or head boats under 50 gross tons that are not part of a fleet of 3 or more vessels.

(c) Subject to § 3-306.2 of this subtitle, this subtitle applies to:

(1) disability insurance that:

[(1)] (I) provides for lost income, revenue, or proceeds in the event that an illness, accident, or injury results in a disability that impairs an insured's ability to work or otherwise generate income, revenue, or proceeds that the insurance is intended to replace; and

[(2)] (II) does not include payment for medical expenses, dismemberment, or accidental death; AND

(2) **SHORT-TERM MEDICAL INSURANCE THAT PROVIDES LIMITED HEALTH INSURANCE BENEFITS FOR A LIMITED PERIOD OF TIME TO:**

(I) **RESIDENTS OF THE UNITED STATES WHO TRAVEL TO ANOTHER COUNTRY WITHIN 30 DAYS AFTER THE EFFECTIVE DATE OF COVERAGE; AND**

(II) **RESIDENTS OF ANOTHER COUNTRY WHO:**

1. **TRAVEL TO THE UNITED STATES WITHIN 30 DAYS AFTER THE EFFECTIVE DATE OF COVERAGE; AND**

2. **ARE NOT TRAVELING TO THE UNITED STATES FOR THE PURPOSE OF ATTENDING AN INSTITUTION OF HIGHER EDUCATION, AS DEFINED IN § 10-101 OF THE EDUCATION ARTICLE.**

3-306.2.

(a) ~~Disability~~ **SUBJECT TO SUBSECTIONS (B) THROUGH (E) OF THIS SECTION, DISABILITY** insurance AND **SHORT-TERM MEDICAL INSURANCE** under § 3-302(c) of this subtitle may be procured from a nonadmitted insurer if the coverage procured is in excess of coverage available from, or is not available from, an admitted insurer that writes that particular kind and class of insurance in the State.

(b) Procurement of disability insurance under this section from a nonadmitted insurer is subject to:

(1) the diligent search requirements of §§ 3-306 and 3-306.1 of this subtitle; and

(2) all other requirements of this subtitle.

(c) **PROCUREMENT OF SHORT-TERM MEDICAL INSURANCE UNDER THIS SECTION FROM A NONADMITTED INSURER IS SUBJECT TO:**

(1) A POLICY TERM THAT:

(I) MAY NOT EXCEED 11 MONTHS; AND

(II) MAY NOT BE EXTENDED OR RENEWED;

(2) THE PROVISION OF WRITTEN NOTICE TO THE APPLICANT, ON A FORM APPROVED BY THE COMMISSIONER:

(I) STATING THAT COVERAGE MAY BE AVAILABLE UNDER THE AFFORDABLE CARE ACT WITHOUT MEDICAL UNDERWRITING; ~~AND~~

(II) PROVIDING CONTACT INFORMATION FOR THE MARYLAND HEALTH BENEFIT EXCHANGE;

(III) STATING THAT THE SHORT-TERM MEDICAL INSURANCE MAY BE AVAILABLE FROM AN ADMITTED INSURER;

(IV) STATING THAT SIMILAR COVERAGE MAY BE AVAILABLE FROM AN ADMITTED INSURER OFFERING TRAVEL INSURANCE, AS DEFINED IN § 10-101 OF THIS ARTICLE; AND

(V) STATING THAT:

1. THE SHORT-TERM MEDICAL INSURANCE DOES NOT MEET THE REQUIREMENTS FOR MINIMUM ESSENTIAL COVERAGE UNDER THE AFFORDABLE CARE ACT; AND

2. A PURCHASER OF THE SHORT-TERM MEDICAL INSURANCE MAY BE SUBJECT TO TAX PENALTIES FOR NOT HAVING MINIMUM ESSENTIAL COVERAGE;

(3) THE DILIGENT SEARCH REQUIREMENTS OF §§ 3-306 AND 3-306.1 OF THIS SUBTITLE; AND

(4) ALL OTHER REQUIREMENTS OF THIS SUBTITLE.

(D) SHORT-TERM MEDICAL INSURANCE MAY NOT BE PROCURED FROM A NONADMITTED INSURER UNLESS:

(1) THE INSURANCE IS PROCURED THROUGH A QUALIFIED SURPLUS LINES BROKER;

(2) IF THE INSURANCE IS OFFERED ON A WEB SITE ON THE INTERNET, THE WEB SITE IDENTIFIES THE QUALIFIED SURPLUS LINES BROKER THROUGH WHOM THE INSURANCE MAY BE PROCURED; AND

(3) THE DILIGENT SEARCH REQUIRED UNDER §§ 3-306 AND 3-306.1 OF THIS SUBTITLE INCLUDES A SEARCH OF THE SHORT-TERM MEDICAL INSURANCE POLICIES OFFERED FOR SALE BY ADMITTED INSURERS.

(E) A SHORT-TERM MEDICAL INSURANCE POLICY PROCURED FROM A NONADMITTED INSURER MAY NOT INCLUDE:

(1) A PREEXISTING CONDITION EXCLUSION, UNLESS THE EXCLUSION RELATES TO A CONDITION THAT WAS FIRST MANIFESTED, TREATED, OR DIAGNOSED BEFORE THE EFFECTIVE DATE OF THE POLICY; OR

(2) A DEFINITION OF SICKNESS OR ILLNESS THAT EXCLUDES ANY SICKNESS OR ILLNESS THAT BEGAN, EXISTED, OR HAD ITS ORIGIN BEFORE THE EFFECTIVE DATE OF THE POLICY, UNLESS THE SICKNESS OR ILLNESS WAS FIRST MANIFESTED, TREATED, OR DIAGNOSED BEFORE THE EFFECTIVE DATE OF THE POLICY.

(F) THE COMMISSIONER SHALL DEVELOP AND MAKE AVAILABLE ON THE ADMINISTRATION'S WEB SITE A CONSUMER GUIDE ON SHORT-TERM MEDICAL INSURANCE THAT INCLUDES INFORMATION ON:

(1) THE AVAILABILITY OF COVERAGE FROM ADMITTED INSURERS; AND

(2) THE TYPES OF COVERAGE AND PROVISIONS IN SHORT-TERM MEDICAL INSURANCE POLICIES THAT MAY BE IMPORTANT TO CONSUMERS.

3-307.

(a) An affidavit that sets forth the facts referred to in § 3-306 of this subtitle and any other facts required by the Commissioner must be personally executed by the surplus lines broker or the originating insurance producer at the time the surplus lines insurance is placed.

(b) The affidavit must be filed with the Commissioner on or before the 45th day after the last day of the calendar quarter in which the surplus lines insurance was placed.

(c) FOR SHORT-TERM MEDICAL INSURANCE PROCURED FROM A NONADMITTED INSURER UNDER THIS SUBTITLE, THE AFFIDAVIT SHALL INCLUDE, FOR EACH DECLINING AUTHORIZED INSURER, THE REASON FOR THE DECLINATION.

3-311.

An applicant for a certificate of qualification [must be] SHALL:

(1) BE qualified as an insurance producer [for property insurance and casualty insurance];

(2) HOLD AN INSURANCE PRODUCER'S LICENSE FOR THE KIND OF INSURANCE BEING SOLICITED OR SOLD; and

~~(2)~~ (3) BE competent and trustworthy, as determined by the Commissioner.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall apply to all policies and contracts of surplus lines insurance for short-term medical insurance issued, delivered, or renewed in the State on or after October 1, 2016.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2016.

**Approved by the Governor, April 26, 2016.**

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## Chapter 208

**(House Bill 554)**

AN ACT concerning

### **Insurance – Surplus Lines – Short-Term Medical Insurance**

FOR the purpose of altering the scope of certain provisions of law governing surplus lines insurance to authorize the use of surplus lines insurance for certain short-term medical insurance coverage; authorizing the procurement of short-term medical insurance from a nonadmitted insurer under certain circumstances; specifying the conditions under which short-term medical insurance may be procured from a nonadmitted insurer; prohibiting the inclusion of certain provisions in a short-term medical insurance policy procured from a nonadmitted insurer; requiring the Maryland Insurance Commissioner to develop and make available on the Web site of the Maryland Insurance Administration a certain consumer guide; requiring a certain affidavit to include certain information; altering a certain requirement for an applicant for a certain certificate of qualification; providing for the application of this Act; and generally relating to surplus lines insurance and short-term medical insurance.

BY repealing and reenacting, without amendments,  
Article – Insurance  
Section 3–301(a), (c), and (g)  
Annotated Code of Maryland  
(2011 Replacement Volume and 2015 Supplement)

BY repealing and reenacting, with amendments,  
Article – Insurance  
Section 3–302 ~~and~~, 3–306.2, 3–307, and 3–311  
Annotated Code of Maryland  
(2011 Replacement Volume and 2015 Supplement)

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

### Article – Insurance

3–301.

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

(c) “Admitted insurer” means an insurer that is authorized to engage in the business of insurance in the State.

(g) (1) “Nonadmitted insurer” means an insurer that is not authorized to engage in the business of insurance in the State.

(2) “Nonadmitted insurer” does not include a risk retention group.

3–302.

(a) This subtitle does not apply to:

(1) life insurance;

(2) health insurance, except as provided in subsection (c) of this section;

(3) annuities;

(4) reinsurance;

(5) wet marine and transportation insurance, except as provided in subsection (b) of this section;

(6) insurance on a subject that is located, resident, or to be performed wholly outside the State;



(7) insurance on vehicles or aircraft owned and principally garaged outside the State;

(8) insurance on property or operation of railroads engaged in interstate commerce;

(9) insurance:

(i) on aircraft owned or operated by aircraft manufacturers or operated in scheduled interstate flight;

(ii) on cargo of the aircraft described in subitem (i) of this item; or

(iii) against liability arising out of the ownership, maintenance, or use of the aircraft described in subitem (i) of this item, other than workers' compensation or employer's liability; or

(10) medical stop-loss insurance, as defined in § 15-129 of this article.

(b) This subtitle applies to wet marine and transportation insurance on:

(1) a pleasure craft under 60 feet in length that is owned and used for pleasure and not for business, hire, or other commercial use;

(2) fishing vessels under 50 gross tons that are not part of a fleet of 3 or more vessels; and

(3) charter or head boats under 50 gross tons that are not part of a fleet of 3 or more vessels.

(c) Subject to § 3-306.2 of this subtitle, this subtitle applies to:

(1) disability insurance that:

[(1)] (I) provides for lost income, revenue, or proceeds in the event that an illness, accident, or injury results in a disability that impairs an insured's ability to work or otherwise generate income, revenue, or proceeds that the insurance is intended to replace; and

[(2)] (II) does not include payment for medical expenses, dismemberment, or accidental death; AND

(2) **SHORT-TERM MEDICAL INSURANCE THAT PROVIDES LIMITED HEALTH INSURANCE BENEFITS FOR A LIMITED PERIOD OF TIME TO:**

**(I) RESIDENTS OF THE UNITED STATES WHO TRAVEL TO ANOTHER COUNTRY WITHIN 30 DAYS AFTER THE EFFECTIVE DATE OF COVERAGE; AND**

**(II) RESIDENTS OF ANOTHER COUNTRY WHO:**

**1. TRAVEL TO THE UNITED STATES WITHIN 30 DAYS AFTER THE EFFECTIVE DATE OF COVERAGE; AND**

**2. ARE NOT TRAVELING TO THE UNITED STATES FOR THE PURPOSE OF ATTENDING AN INSTITUTION OF HIGHER EDUCATION, AS DEFINED IN § 10-101 OF THE EDUCATION ARTICLE.**

3-306.2.

(a) ~~Disability~~ **SUBJECT TO SUBSECTIONS (B) THROUGH (E) OF THIS SECTION, DISABILITY** insurance **AND SHORT-TERM MEDICAL INSURANCE** under § 3-302(c) of this subtitle may be procured from a nonadmitted insurer if the coverage procured is in excess of coverage available from, or is not available from, an admitted insurer that writes that particular kind and class of insurance in the State.

(b) Procurement of disability insurance under this section from a nonadmitted insurer is subject to:

(1) the diligent search requirements of §§ 3-306 and 3-306.1 of this subtitle; and

(2) all other requirements of this subtitle.

**(C) PROCUREMENT OF SHORT-TERM MEDICAL INSURANCE UNDER THIS SECTION FROM A NONADMITTED INSURER IS SUBJECT TO:**

**(1) A POLICY TERM THAT:**

**(I) MAY NOT EXCEED 11 MONTHS; AND**

**(II) MAY NOT BE EXTENDED OR RENEWED;**

**(2) THE PROVISION OF WRITTEN NOTICE TO THE APPLICANT, ON A FORM APPROVED BY THE COMMISSIONER:**

**(I) STATING THAT COVERAGE MAY BE AVAILABLE UNDER THE AFFORDABLE CARE ACT WITHOUT MEDICAL UNDERWRITING; ~~AND~~**

(II) PROVIDING CONTACT INFORMATION FOR THE MARYLAND HEALTH BENEFIT EXCHANGE;

(III) STATING THAT THE SHORT-TERM MEDICAL INSURANCE MAY BE AVAILABLE FROM AN ADMITTED INSURER;

(IV) STATING THAT SIMILAR COVERAGE MAY BE AVAILABLE FROM AN ADMITTED INSURER OFFERING TRAVEL INSURANCE, AS DEFINED IN § 10-101 OF THIS ARTICLE; AND

(V) STATING THAT:

1. THE SHORT-TERM MEDICAL INSURANCE DOES NOT MEET THE REQUIREMENTS FOR MINIMUM ESSENTIAL COVERAGE UNDER THE AFFORDABLE CARE ACT; AND

2. A PURCHASER OF THE SHORT-TERM MEDICAL INSURANCE MAY BE SUBJECT TO TAX PENALTIES FOR NOT HAVING MINIMUM ESSENTIAL COVERAGE;

(3) THE DILIGENT SEARCH REQUIREMENTS OF §§ 3-306 AND 3-306.1 OF THIS SUBTITLE; AND

(4) ALL OTHER REQUIREMENTS OF THIS SUBTITLE.

(D) SHORT-TERM MEDICAL INSURANCE MAY NOT BE PROCURED FROM A NONADMITTED INSURER UNLESS:

(1) THE INSURANCE IS PROCURED THROUGH A QUALIFIED SURPLUS LINES BROKER;

(2) IF THE INSURANCE IS OFFERED ON A WEB SITE ON THE INTERNET, THE WEB SITE IDENTIFIES THE QUALIFIED SURPLUS LINES BROKER THROUGH WHOM THE INSURANCE MAY BE PROCURED; AND

(3) THE DILIGENT SEARCH REQUIRED UNDER §§ 3-306 AND 3-306.1 OF THIS SUBTITLE INCLUDES A SEARCH OF THE SHORT-TERM MEDICAL INSURANCE POLICIES OFFERED FOR SALE BY ADMITTED INSURERS.

(E) A SHORT-TERM MEDICAL INSURANCE POLICY PROCURED FROM A NONADMITTED INSURER MAY NOT INCLUDE:

**(1) A PREEXISTING CONDITION EXCLUSION, UNLESS THE EXCLUSION RELATES TO A CONDITION THAT WAS FIRST MANIFESTED, TREATED, OR DIAGNOSED BEFORE THE EFFECTIVE DATE OF THE POLICY; OR**

**(2) A DEFINITION OF SICKNESS OR ILLNESS THAT EXCLUDES ANY SICKNESS OR ILLNESS THAT BEGAN, EXISTED, OR HAD ITS ORIGIN BEFORE THE EFFECTIVE DATE OF THE POLICY, UNLESS THE SICKNESS OR ILLNESS WAS FIRST MANIFESTED, TREATED, OR DIAGNOSED BEFORE THE EFFECTIVE DATE OF THE POLICY.**

**(F) THE COMMISSIONER SHALL DEVELOP AND MAKE AVAILABLE ON THE ADMINISTRATION'S WEB SITE A CONSUMER GUIDE ON SHORT-TERM MEDICAL INSURANCE THAT INCLUDES INFORMATION ON:**

**(1) THE AVAILABILITY OF COVERAGE FROM ADMITTED INSURERS;**  
**AND**

**(2) THE TYPES OF COVERAGE AND PROVISIONS IN SHORT-TERM MEDICAL INSURANCE POLICIES THAT MAY BE IMPORTANT TO CONSUMERS.**

3-307.

**(a) An affidavit that sets forth the facts referred to in § 3-306 of this subtitle and any other facts required by the Commissioner must be personally executed by the surplus lines broker or the originating insurance producer at the time the surplus lines insurance is placed.**

**(b) The affidavit must be filed with the Commissioner on or before the 45th day after the last day of the calendar quarter in which the surplus lines insurance was placed.**

**(C) FOR SHORT-TERM MEDICAL INSURANCE PROCURED FROM A NONADMITTED INSURER UNDER THIS SUBTITLE, THE AFFIDAVIT SHALL INCLUDE, FOR EACH DECLINING AUTHORIZED INSURER, THE REASON FOR THE DECLINATION.**

3-311.

**An applicant for a certificate of qualification [must be] SHALL:**

**(1) BE qualified as an insurance producer [for property insurance and casualty insurance];**

**(2) HOLD AN INSURANCE PRODUCER'S LICENSE FOR THE KIND OF INSURANCE BEING SOLICITED OR SOLD; and**

[(2)] (3) BE competent and trustworthy, as determined by the Commissioner.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall apply to all policies and contracts of surplus lines insurance for short-term medical insurance issued, delivered, or renewed in the State on or after October 1, 2016.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2016.

**Approved by the Governor, April 26, 2016.**

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## Chapter 209

(Senate Bill 450)

AN ACT concerning

### Health Care Provider Malpractice Insurance – Scope of Coverage

FOR the purpose of authorizing the inclusion, in a policy that insures a health care provider against damages due to medical injury arising from providing or failing to provide health care, of coverage for the defense of a health care provider in a certain disciplinary hearing if the cost of the included coverage is itemized in a certain document and reported to the Maryland Insurance Commissioner in a certain manner; and generally relating to malpractice insurance coverage for health care providers.

BY repealing and reenacting, with amendments,  
 Article – Insurance  
 Section 19–104  
 Annotated Code of Maryland  
 (2011 Replacement Volume and 2015 Supplement)

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

### Article – Insurance

19–104.

(a) Each policy that insures a health care provider against damages due to medical injury arising from providing or failing to provide health care shall contain provisions that:

(1) are consistent with the requirements of Title 3, Subtitle 2A of the Courts Article; and

(2) authorize the insurer, without restriction, to negotiate and effect a compromise of claims within the limits of the insurer's liability, if the entire amount settled on is to be paid by the insurer.

(b) (1) An insurer may make payments to or on behalf of claimants for reasonable hospital and medical costs, loss of wages, and expenses for rehabilitation services and treatment, within the limits of the insurer's liability, before a final disposition of the claim.

(2) A payment made under this subsection:

(i) is not an admission of liability to or of damages sustained by a claimant; and

(ii) does not prejudice the insurer or any other party with respect to any right, claim, or defense.

(c) (1) A policy issued or delivered under subsection (a) of this section may [not] include coverage for the defense of a health care provider in a disciplinary hearing arising out of the practice of the health care provider profession **IF THE COST OF THE INCLUDED COVERAGE IS:**

~~(1)~~ **(I) ITEMIZED IN THE BILLING STATEMENT, INVOICE, OR DECLARATIONS PAGE FOR THE POLICY; AND**

~~(2)~~ **(II) REPORTED TO THE COMMISSIONER IN A FORM AND MANNER REQUIRED BY THE COMMISSIONER.**

(2) A policy providing coverage for the defense of a health care provider in a disciplinary hearing arising out of the practice of the health care provider's profession may be offered and priced separately from a policy issued or delivered under subsection (a) of this section.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2016.

Approved by the Governor, April 26, 2016.

AN ACT concerning

**Health Care Provider Malpractice Insurance – Scope of Coverage**

FOR the purpose of ~~repealing a prohibition on~~ authorizing the inclusion, in a policy that insures a health care provider against damages due to medical injury arising from providing or failing to provide health care, of coverage for the defense of a health care provider in a certain disciplinary hearing if the cost of the included coverage is itemized in a certain document and reported to the Maryland Insurance Commissioner in a certain manner; ~~repealing a provision of law that authorizes a policy providing coverage for the defense of a health care provider in a certain disciplinary hearing to be offered and priced separately from a policy insuring a health care provider against damages due to medical injury;~~ and generally relating to malpractice insurance coverage for health care providers.

BY repealing and reenacting, with amendments,  
 Article – Insurance  
 Section 19–104  
 Annotated Code of Maryland  
 (2011 Replacement Volume and 2015 Supplement)

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

**Article – Insurance**

19–104.

(a) Each policy that insures a health care provider against damages due to medical injury arising from providing or failing to provide health care shall contain provisions that:

(1) are consistent with the requirements of Title 3, Subtitle 2A of the Courts Article; and

(2) authorize the insurer, without restriction, to negotiate and effect a compromise of claims within the limits of the insurer's liability, if the entire amount settled on is to be paid by the insurer.

(b) (1) An insurer may make payments to or on behalf of claimants for reasonable hospital and medical costs, loss of wages, and expenses for rehabilitation services and treatment, within the limits of the insurer's liability, before a final disposition of the claim.

(2) A payment made under this subsection:

(i) is not an admission of liability to or of damages sustained by a claimant; and

(ii) does not prejudice the insurer or any other party with respect to any right, claim, or defense.

‡(c) (1) A policy issued or delivered under subsection (a) of this section may ~~not~~ include coverage for the defense of a health care provider in a disciplinary hearing arising out of the practice of the health care provider profession **IF THE COST OF THE INCLUDED COVERAGE IS:**

**(I) ITEMIZED IN THE BILLING STATEMENT, INVOICE, OR DECLARATIONS PAGE FOR THE POLICY; AND**

**(II) REPORTED TO THE COMMISSIONER IN A FORM AND MANNER REQUIRED BY THE COMMISSIONER.**

(2) A policy providing coverage for the defense of a health care provider in a disciplinary hearing arising out of the practice of the health care provider's profession may be offered and priced separately from a policy issued or delivered under subsection (a) of this section.‡

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2016.

**Approved by the Governor, April 26, 2016.**

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## Chapter 211

(Senate Bill 473)

AN ACT concerning

### **Correctional Officers' Retirement System – Clifton T. Perkins Maximum Security Guards – ~~Vested~~ Allowances**

FOR the purpose of altering the age at which a normal service retirement allowance begins for a member of the Correctional Officers' Retirement System who is a maximum security attendant at the Clifton T. Perkins Hospital Center ~~and begins membership after a certain date~~; altering the age at which a vested allowance begins for ~~a member~~ certain members of the Correctional Officers' Retirement System who ~~is a~~ serve as maximum security ~~attendant~~ attendants at the Clifton T. Perkins Hospital Center ~~and begins membership after a certain date~~; providing for the application of certain



provisions of this Act; and generally relating to allowances for members of the Correctional Officers' Retirement System.

BY repealing and reenacting, with amendments,  
 Article – State Personnel and Pensions  
 Section 25–401(a) and 29–302(c)  
 Annotated Code of Maryland  
 (2015 Replacement Volume)

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

**Article – State Personnel and Pensions**

25–401.

(a) A member may retire with a normal service retirement allowance if:

(1) on or before the date of retirement, the member:

(i) has at least 20 years of eligibility service; **OR**

(ii) is at least 55 years old and has:

1. at least 5 years of eligibility service credit, if the member is a member on or before June 30, 2011; or

2. at least 10 years of eligibility service credit, if the member becomes a member on or after July 1, 2011; [or] **AND**

~~(iii) is a maximum security attendant at the Clifton T. Perkins Hospital Center who is at least 60 years old and has:~~

~~1. at least 5 years of eligibility service credit, if the member is a member on or before June 30, 2011; or~~

~~2. at least 10 years of eligibility service credit, if the member becomes a member on or after July 1, 2011, BUT BEFORE JULY 1, 2016; [and] OR~~

~~(iv) IS A MAXIMUM SECURITY ATTENDANT AT THE CLIFTON T. PERKINS HOSPITAL CENTER WHO IS AT LEAST 55 YEARS OLD AND HAS AT LEAST 10 YEARS OF ELIGIBILITY SERVICE CREDIT, IF THE MEMBER BECOMES A MEMBER ON OR AFTER JULY 1, 2016; AND~~

(2) the member completes and submits a written application to the Board of Trustees stating the date when the member desires to retire.

29–302.

(c) A vested allowance is a deferred allowance starting at:

(1) normal retirement age for members of:

- (i) the Employees' Retirement System;
- (ii) the State Police Retirement System; and
- (iii) the Teachers' Retirement System;

(2) except as provided in item (3) of this subsection, age 55 for a member of the Correctional Officers' Retirement System; or

(3) age 60 for a member of the Correctional Officers' Retirement System who:

**(I) is SERVED AS a maximum security attendant at the Clifton T. Perkins Hospital Center AND IS A MEMBER OF THE CORRECTIONAL OFFICERS' RETIREMENT SYSTEM BEFORE JULY 1, 2016;**

**(II) SEPARATED FROM EMPLOYMENT AS A MAXIMUM SECURITY ATTENDANT AT THE CLIFTON T. PERKINS HOSPITAL CENTER BEFORE JULY 1, 2016; AND**

**(III) DOES NOT RESUME EMPLOYMENT IN A POSITION ELIGIBLE FOR MEMBERSHIP IN THE CORRECTIONAL OFFICERS' RETIREMENT SYSTEM.**

SECTION 2. AND BE IT FURTHER ENACTED, That the provisions of this Act relating to a normal service retirement under § 25–401 of the State Personnel and Pensions Article shall be construed to apply only prospectively to an individual who retires on or after the effective date of this Act and may not be applied or interpreted to have any effect on or application to an individual who retires before the effective date of this Act.

SECTION ~~2~~ 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016.

Approved by the Governor, April 26, 2016.

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Chapter 212

(Senate Bill 477)

AN ACT concerning

**State Retirement and Pension System – Reemployment of Ordinary Disability Retirees – Earnings Limitation**

FOR the purpose of exempting from a certain reemployment earnings limitation certain retirees whose average final compensation was less than a certain amount and who are reemployed while receiving an ordinary disability retirement allowance from the State Retirement and Pension System; making stylistic changes; and generally relating to the reemployment earnings limitation for ordinary disability retirees in the State Retirement and Pension System.

BY repealing and reenacting, with amendments,  
 Article – State Personnel and Pensions  
 Section 29–116  
 Annotated Code of Maryland  
 (2015 Replacement Volume)

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

**Article – State Personnel and Pensions**

29–116.

(a) This section does not apply to a **DISABILITY** retiree [who is]:

(1) **(I)** **WHO IS** a retiree of:

~~(i)~~ **1.** the State Police Retirement System;

~~(ii)~~ **2.** the Law Enforcement Officers' Pension System;

~~(iii)~~ **3.** the Local Fire and Police System; or

~~(iv)~~ **4.** the Employees' Retirement System or the Employees' Pension System, if at the time of retirement the retiree was a law enforcement officer for a participating employer under § 26–201(a) of this article; and

~~(2)~~ **(II)** **WHO IS** reemployed by a participating employer in any position other than a probationary status law enforcement officer, a law enforcement officer, or chief, as defined in § 3–101 of the Public Safety Article; **OR**

~~(3)~~ **(2)** **(I)** **WHOSE AVERAGE FINAL COMPENSATION WAS LESS THAN \$25,000; AND**

**(II) WHO IS REEMPLOYED BY A PARTICIPATING EMPLOYER.**

(b) The Board of Trustees shall reduce the pension of a retiree on ordinary disability if:

(1) the retiree is under normal retirement age;

(2) the medical board certifies in a report to the Board of Trustees that the retiree is employed by a participating employer at an annual compensation that is greater than the difference between:

(i) the retiree's retirement allowance at retirement; and

(ii) the retiree's average final compensation plus \$5,000;

(3) the Board of Trustees agrees with the medical board's report; and

(4) the retiree's allowance has not been temporarily suspended as provided in § 29–115 of this subtitle.

(c) The Board of Trustees shall reduce the pension of a retiree who has been receiving an ordinary disability retirement allowance for:

(1) less than 10 years, by \$1 for every \$2 that the retiree's current compensation exceeds the limit under subsection (b) of this section; or

(2) at least 10 years, by \$1 for every \$5 that the retiree's current compensation exceeds the limit under subsection (b) of this section.

(d) The pension to be reduced under this section is the pension at retirement without any cost-of-living adjustment.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016.

**Approved by the Governor, April 26, 2016.**

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**Chapter 213**

**(Senate Bill 494)**

AN ACT concerning

**State Department of Education – Community–Partnered School Behavioral  
Health Services Programs – Reporting System and Report  
(School Behavioral Health Accountability Act)**

FOR the purpose of requiring the State Department of Education, in consultation with the Department of Health and Mental Hygiene, county boards of education, and certain other stakeholders, to develop and implement a certain reporting system to determine the effectiveness of community–partnered school behavioral health services programs; requiring a certain reporting system to use certain measures designed for a certain purpose; requiring the Department to submit certain reports to the Governor and the General Assembly on or before certain dates; defining certain terms; and generally relating to community–partnered school behavioral health services programs.

BY adding to

Article – Education

Section 7–438

Annotated Code of Maryland

(2014 Replacement Volume and 2015 Supplement)

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

**Article – Education**

**7–438.**

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

**(2) “BEHAVIORAL HEALTH SERVICES” MEANS PREVENTION, INTERVENTION, AND TREATMENT SERVICES FOR THE SOCIAL–EMOTIONAL, PSYCHOLOGICAL, BEHAVIORAL, AND PHYSICAL HEALTH OF STUDENTS, INCLUDING MENTAL HEALTH AND SUBSTANCE ABUSE DISORDERS.**

**(3) (I) “COMMUNITY–PARTNERED SCHOOL BEHAVIORAL HEALTH SERVICES PROGRAM” MEANS A PROGRAM THAT PROVIDES BEHAVIORAL HEALTH SERVICES TO STUDENTS BY COMMUNITY BEHAVIORAL HEALTH PROVIDERS IN PARTNERSHIP WITH PUBLIC SCHOOLS AND FAMILIES THAT AUGMENT THE BEHAVIORAL HEALTH SERVICES AND SUPPORTS PROVIDED BY PUBLIC SCHOOLS.**

**(II) “COMMUNITY–PARTNERED SCHOOL BEHAVIORAL HEALTH SERVICES PROGRAM” DOES NOT INCLUDE SCHOOL–BASED HEALTH CENTERS.**

**(B) (1) THE DEPARTMENT, IN CONSULTATION WITH THE DEPARTMENT OF HEALTH AND MENTAL HYGIENE, COUNTY BOARDS, AND OTHER INTERESTED**

STAKEHOLDERS, AS DETERMINED BY THE DEPARTMENT, SHALL DEVELOP AND IMPLEMENT A STANDARDIZED REPORTING SYSTEM TO DETERMINE THE EFFECTIVENESS OF COMMUNITY–PARTNERED SCHOOL BEHAVIORAL HEALTH SERVICES PROGRAMS.

(2) THE STANDARDIZED REPORTING SYSTEM DEVELOPED UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL USE MEASURES THAT COLLECT DATA ON THE OUTCOMES OF STUDENTS WHO RECEIVE BEHAVIORAL HEALTH SERVICES FROM COMMUNITY–PARTNERED SCHOOL BEHAVIORAL HEALTH SERVICES PROGRAMS, INCLUDING A STUDENT’S ACADEMIC, BEHAVIORAL, SOCIAL, AND EMOTIONAL FUNCTIONING AND PROGRESS.

(c) ON OR BEFORE DECEMBER 1, 2017, AND EVERY 2 YEARS THEREAFTER, THE DEPARTMENT SHALL SUBMIT A REPORT TO THE GOVERNOR AND, IN ACCORDANCE WITH § 2–1246 OF THE STATE GOVERNMENT ARTICLE, THE GENERAL ASSEMBLY THAT PROVIDES AN ANALYSIS OF THE EFFECTIVENESS OF COMMUNITY–PARTNERED SCHOOL BEHAVIORAL HEALTH SERVICES PROGRAMS.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016.

Approved by the Governor, April 26, 2016.

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## Chapter 214

(House Bill 713)

AN ACT concerning

**State Department of Education – Community–Partnered School Behavioral Health Services Programs – Reporting System and Report  
(School Behavioral Health Accountability Act)**

FOR the purpose of requiring the State Department of Education, in consultation with the Department of Health and Mental Hygiene, county boards of education, and certain other stakeholders, to develop and implement a certain reporting system to determine the effectiveness of community–partnered school behavioral health services programs; requiring a certain reporting system to use certain measures designed for a certain purpose; requiring the Department to submit certain reports to the Governor and the General Assembly on or before certain dates; defining certain terms; and generally relating to community–partnered school behavioral health services programs.

BY adding to

Article – Education  
Section 7–438  
Annotated Code of Maryland  
(2014 Replacement Volume and 2015 Supplement)

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

**Article – Education**

**7–438.**

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

**(2) “BEHAVIORAL HEALTH SERVICES” MEANS PREVENTION, INTERVENTION, AND TREATMENT SERVICES FOR THE SOCIAL–EMOTIONAL, PSYCHOLOGICAL, BEHAVIORAL, AND PHYSICAL HEALTH OF STUDENTS, INCLUDING MENTAL HEALTH AND SUBSTANCE ABUSE DISORDERS.**

**(3) (I) “COMMUNITY–PARTNERED SCHOOL BEHAVIORAL HEALTH SERVICES PROGRAM” MEANS A PROGRAM THAT PROVIDES BEHAVIORAL HEALTH SERVICES TO STUDENTS BY COMMUNITY BEHAVIORAL HEALTH PROVIDERS IN PARTNERSHIP WITH PUBLIC SCHOOLS AND FAMILIES THAT AUGMENT THE BEHAVIORAL HEALTH SERVICES AND SUPPORTS PROVIDED BY PUBLIC SCHOOLS.**

**(II) “COMMUNITY–PARTNERED SCHOOL BEHAVIORAL HEALTH SERVICES PROGRAM” DOES NOT INCLUDE SCHOOL–BASED HEALTH CENTERS.**

**(B) (1) THE DEPARTMENT, IN CONSULTATION WITH THE DEPARTMENT OF HEALTH AND MENTAL HYGIENE, COUNTY BOARDS, AND OTHER INTERESTED STAKEHOLDERS, AS DETERMINED BY THE DEPARTMENT, SHALL DEVELOP AND IMPLEMENT A STANDARDIZED REPORTING SYSTEM TO DETERMINE THE EFFECTIVENESS OF COMMUNITY–PARTNERED SCHOOL BEHAVIORAL HEALTH SERVICES PROGRAMS.**

**(2) THE STANDARDIZED REPORTING SYSTEM DEVELOPED UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL USE MEASURES THAT COLLECT DATA ON THE OUTCOMES OF STUDENTS WHO RECEIVE BEHAVIORAL HEALTH SERVICES FROM COMMUNITY–PARTNERED SCHOOL BEHAVIORAL HEALTH SERVICES PROGRAMS, INCLUDING A STUDENT’S ACADEMIC, BEHAVIORAL, SOCIAL, AND EMOTIONAL FUNCTIONING AND PROGRESS.**

**(C) ON OR BEFORE DECEMBER 1, 2017, AND EVERY 2 YEARS THEREAFTER, THE DEPARTMENT SHALL SUBMIT A REPORT TO THE GOVERNOR AND, IN**

ACCORDANCE WITH § 2–1246 OF THE STATE GOVERNMENT ARTICLE, THE GENERAL ASSEMBLY THAT PROVIDES AN ANALYSIS OF THE EFFECTIVENESS OF COMMUNITY–PARTNERED SCHOOL BEHAVIORAL HEALTH SERVICES PROGRAMS.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016.

Approved by the Governor, April 26, 2016.

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## Chapter 215

(Senate Bill 499)

AN ACT concerning

### Admissions and Amusement Tax – Baltimore City – Amateur Sports League Fees

FOR the purpose of authorizing the Mayor and City Council of Baltimore City to exempt from the admissions and amusement tax certain gross receipts from any charge or fee to participate in an amateur recreational sports event or league; prohibiting in Baltimore City the imposition of the admissions and amusement tax for certain gross receipts from a charge or fee to participate in an amateur recreational sports event or league collected on or before a certain date; and generally relating to certain exemptions from the admissions and amusement tax.

BY adding to

Article – Tax – General

Section 4–104(f)

Annotated Code of Maryland

(2010 Replacement Volume and 2015 Supplement)

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

#### Article – Tax – General

4–104.

**(F) THE MAYOR AND CITY COUNCIL OF BALTIMORE CITY MAY EXEMPT, BY LAW, FROM THE ADMISSIONS AND AMUSEMENT TAX GROSS RECEIPTS FROM ANY CHARGE OR FEE TO PARTICIPATE IN AN AMATEUR RECREATIONAL SPORTS EVENT OR LEAGUE.**



SECTION 2. AND BE IT FURTHER ENACTED, That in Baltimore City the admissions and amusement tax authorized under Title 4 of the Tax – General Article may not be imposed on the gross receipts from any charge or fee that is collected on or before July 1, 2016 for participation in an amateur recreational sports event or league.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016.

**Approved by the Governor, April 26, 2016.**

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## Chapter 216

### (House Bill 1227)

AN ACT concerning

#### **Admissions and Amusement Tax – Baltimore City – Amateur Sports League Fees**

FOR the purpose of authorizing the Mayor and City Council of Baltimore City to exempt from the admissions and amusement tax certain gross receipts from any charge or fee to participate in an amateur recreational sports event or league; prohibiting in Baltimore City the imposition of the admissions and amusement tax for certain gross receipts from a charge or fee to participate in an amateur recreational sports event or league collected on or before a certain date; and generally relating to certain exemptions from the admissions and amusement tax.

BY adding to

Article – Tax – General

Section 4–104(f)

Annotated Code of Maryland

(2010 Replacement Volume and 2015 Supplement)

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

#### **Article – Tax – General**

4–104.

**(F) THE MAYOR AND CITY COUNCIL OF BALTIMORE CITY MAY EXEMPT, BY LAW, FROM THE ADMISSIONS AND AMUSEMENT TAX GROSS RECEIPTS FROM ANY CHARGE OR FEE TO PARTICIPATE IN AN AMATEUR RECREATIONAL SPORTS EVENT OR LEAGUE.**

SECTION 2. AND BE IT FURTHER ENACTED, That in Baltimore City the admissions and amusement tax authorized under Title 4 of the Tax – General Article may not be imposed on the gross receipts from any charge or fee that is collected on or before July 1, 2016 for participation in an amateur recreational sports event or league.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016.

**Approved by the Governor, April 26, 2016.**

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## **Chapter 217**

### **(Senate Bill 517)**

AN ACT concerning

#### **Washington County – Contributions to Nonprofit Organizations – Process**

FOR the purpose of altering the process by which the County Commissioners of Washington County make contributions to certain nonprofit organizations in Washington County; altering the deadline for submission of applications for contributions; requiring the County Commissioners to hold a public hearing on the applications; authorizing the County Commissioners to remove certain organizations from a certain list and, on request by the organization, to revise or amend the name of an organization; and generally relating to contributions made to nonprofit organizations by the County Commissioners of Washington County.

BY repealing and reenacting, with amendments,  
The Public Local Laws of Washington County  
Section 1–108  
Article 22 – Public Local Laws of Maryland  
(2007 Edition and October 2010 Supplement, as amended)

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

#### **Article 22 – Washington County**

1–108.

(a) Subject to subsections (b) and (c) of this section, the County Commissioners may contribute annually to the care, operation, maintenance, or capital expense of non–profit organizations in Washington County, if the amount is included in the regular annual budget of Washington County for that fiscal year.

(b) (1) The County Commissioners shall maintain a list of non-profit organizations that are eligible to receive funds under this section.

(2) The County Commissioners may include on the list of non-profit organizations any organization approved by Public Local Law or by the County Commissioners on or before September 30, 1998 without requiring an application or hearing before inclusion on the list.

(c) (1) The County Commissioners may add to the list under subsection (b) of this section upon application by an organization.

(2) The application shall be made [at least 90 days before the county's fiscal year begins and after a public hearing on the request for funds has been held] **ON OR BEFORE THE FIRST DAY OF AUGUST PRECEDING THE FISCAL YEAR IN WHICH THE ORGANIZATION PLANS TO REQUEST FUNDING.**

**(3) THE COUNTY COMMISSIONERS SHALL HOLD A PUBLIC HEARING ON THE APPLICATION.**

(d) (1) The County Commissioners shall make the list under this section available for public inspection and may publish it in the manner the County Commissioners consider appropriate.

**(2) THE COUNTY COMMISSIONERS MAY REMOVE FROM THE LIST ANY ORGANIZATION THAT CEASES OPERATIONS OR IS NO LONGER IN GOOD STANDING WITH THE STATE.**

**(3) ON REQUEST BY AN ORGANIZATION ON THE LIST, THE COUNTY COMMISSIONERS MAY REVISE OR AMEND THE NAME OF THE ORGANIZATION.**

(e) The County Commissioners may not reduce in the county budget the total amount of appropriations to nonprofit organizations below the total amount of appropriations made to nonprofit organizations in the budget for fiscal year 1996.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2016.

**Approved by the Governor, April 26, 2016.**

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## Chapter 218

**(Senate Bill 532)**

### Correctional Officers' Retirement System – Membership – Correctional Case Management Specialist

FOR the purpose of altering the membership of the Correctional Officers' Retirement System to include certain correctional case management specialists, supervisors, or managers; ~~authorizing certain individuals to transfer membership to the Correctional Officers' Retirement System; clarifying that certain individuals who do not elect to transfer are not members of the Correctional Officers' Retirement System; requiring certain individuals to deposit certain amounts in the annuity savings fund of the Correctional Officers' Retirement System; requiring the Board of Trustees for the State Retirement and Pension System to transfer certain funds to the annuity savings fund of the Correctional Officers' Retirement System; providing that certain accumulated contributions shall reduce the amount of a required deposit to the annuity savings fund of the Correctional Officers' Retirement System; prohibiting an individual who transfers membership to the Correctional Officers' Retirement System under this Act from receiving certain benefits if the individual retires within a certain number of years after transferring to the Correctional Officers' Retirement System; providing that certain members of the Correctional Officers' Retirement System who meet certain criteria may receive a normal service retirement allowance that is based on certain creditable service; requiring the State Retirement Agency, on or before a certain date, to notify certain individuals affected by this Act of their rights to transfer certain service credit to the Correctional Officers' Retirement System; and generally relating to membership in the Correctional Officers' Retirement System.~~

BY repealing and reenacting, with amendments,  
Article – State Personnel and Pensions  
Section 25-201, ~~25-202~~, and 25-401  
Annotated Code of Maryland  
(2015 Replacement Volume)

~~BY repealing and reenacting, without amendments,  
Article – State Personnel and Pensions  
Section 25-203.1 and 29-302(e) and (d)  
Annotated Code of Maryland  
(2015 Replacement Volume)~~

BY adding to  
~~Article – State Personnel and Pensions  
Section 25-203.2 and 29-302(g)  
Annotated Code of Maryland  
(2015 Replacement Volume)~~

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

**Article – State Personnel and Pensions**

25–201.

(a) Except as provided in subsection (b) of this section, this subtitle applies only to:

- (1) correctional officers serving in any of the first six job classifications;
- (2) security attendants at Clifton T. Perkins Hospital Center;
- (3) a detention center officer employed by a participating governmental unit that on or after July 1, 2006, has elected to participate in the Correctional Officers' Retirement System;
- (4) an individual serving as a correctional dietary, maintenance, laundry, or supply officer;
- (5) an individual serving as a Maryland Correctional Enterprises officer, officer trainee, plant supervisor, plant manager, or regional manager; [and]
- (6) a correctional officer serving as a security chief, a facility administrator, an assistant warden, or a warden who:
  - (i) begins employment in that position on or after July 1, 2014; or
  - (ii) is serving in that position on June 30, 2014, and elects to transfer to the Correctional Officers' Retirement System from:
    1. the Employees' Pension System on or before December 31, 2014; or
    2. the Employees' Retirement System on or before December 31, 2015; AND

**(7) AN INDIVIDUAL SERVING AS A CORRECTIONAL CASE MANAGEMENT SPECIALIST, SUPERVISOR, OR MANAGER ON OR AFTER JULY 1, 2016.**

(b) This subtitle does not apply to:

- (1) an employee of the Baltimore City Jail as of June 30, 1991, who:
  - (i) became an employee of the Baltimore City Detention Center on July 1, 1991; and
  - (ii) did not elect to become a member of the Correctional Officers' Retirement System on that date;

(2) a detention center officer employed by a participating governmental unit as a local detention center officer on the effective date of participation on or after July 1, 2006, who did not elect to become a member of the Correctional Officers' Retirement System within 6 months of the effective date of participation; ~~for~~

(3) a correctional officer serving as a security chief, a facility administrator, an assistant warden, or a warden who is in that position on June 30, 2014, and does not elect to transfer membership to the Correctional Officers' Retirement System from:

(i) the Employees' Pension System on or before December 31, 2014;

or

(ii) the Employees' Retirement System on or before December 31, 2015; ~~OR~~

~~(4) AN INDIVIDUAL SERVING AS A CORRECTIONAL CASE MANAGEMENT SPECIALIST WHO IS IN THAT POSITION ON JUNE 30, 2016, AND DOES NOT ELECT TO TRANSFER MEMBERSHIP TO THE CORRECTIONAL OFFICERS' RETIREMENT SYSTEM FROM THE EMPLOYEES' PENSION SYSTEM OR THE EMPLOYEES' RETIREMENT SYSTEM ON OR BEFORE DECEMBER 31, 2016.~~

~~25-202.~~

~~(a) Except as provided in subsection (b) of this section, an individual described in § 25-201(a) of this subtitle is a member of the Correctional Officers' Retirement System as a condition of employment.~~

~~(b) (1) Subject to paragraph (2) of this subsection, membership in the Correctional Officers' Retirement System is optional for an individual described in § 25-201 of this subtitle who:~~

~~(I) was employed by a participating governmental unit as a local detention center officer on the effective date of participation on or after July 1, 2006, for that participating governmental unit and who elects membership within 6 months of the effective date of participation; AND~~

~~(II) IS SERVING AS A CORRECTIONAL CASE MANAGEMENT SPECIALIST ON JUNE 30, 2016, AND ELECTS TO TRANSFER MEMBERSHIP TO THE CORRECTIONAL OFFICERS' RETIREMENT SYSTEM FROM THE EMPLOYEES' PENSION SYSTEM OR THE EMPLOYEES' RETIREMENT SYSTEM ON OR BEFORE DECEMBER 31, 2016.~~

~~(2) To elect to be a member of the Correctional Officers' Retirement System, an individual shall file a written application with the State Retirement Agency.~~

~~(3) If an individual does not elect membership during the applicable period specified under paragraph (1) of this subsection, the individual may not become a member of the Correctional Officers' Retirement System.~~

~~25-203.1.~~

~~For members who transfer from the Employees' Pension System or the Employees' Retirement System, the Board of Trustees shall transfer to the accumulation fund of the Correctional Officers' Retirement System the employer contributions that were made to the Employees' Pension System or the Employees' Retirement System on behalf of those members who transferred, plus the interest earned on those contributions through the date of transfer.~~

~~25-203.2.~~

~~(A) THIS SECTION APPLIES TO AN INDIVIDUAL SERVING AS A CORRECTIONAL CASE MANAGEMENT SPECIALIST WHO IS IN THAT POSITION ON JUNE 30, 2016, AND ELECTS TO TRANSFER MEMBERSHIP TO THE CORRECTIONAL OFFICERS' RETIREMENT SYSTEM FROM THE EMPLOYEES' PENSION SYSTEM OR THE EMPLOYEES' RETIREMENT SYSTEM ON OR BEFORE DECEMBER 31, 2016.~~

~~(B) A MEMBER SHALL DEPOSIT IN THE ANNUITY SAVINGS FUND OF THE CORRECTIONAL OFFICERS' RETIREMENT SYSTEM:~~

~~(1) AN AMOUNT EQUAL TO THE MEMBER CONTRIBUTIONS THAT WOULD HAVE BEEN MADE IF THE RATE OF MEMBER CONTRIBUTIONS WAS THE SAME AS THE RATE SPECIFIED UNDER § 25-203 OF THIS SUBTITLE WHEN THE SERVICE BEING TRANSFERRED WAS EARNED; AND~~

~~(2) REGULAR INTEREST ON THE CONTRIBUTIONS REQUIRED UNDER ITEM (1) OF THIS SUBSECTION AT THE RATE OF 4% PER YEAR COMPOUNDED ANNUALLY.~~

~~(C) (1) THE BOARD OF TRUSTEES SHALL TRANSFER A MEMBER'S ACCUMULATED CONTRIBUTIONS FROM THE ANNUITY SAVINGS FUND OF THE EMPLOYEES' PENSION SYSTEM OR THE EMPLOYEES' RETIREMENT SYSTEM TO THE ANNUITY SAVINGS FUND OF THE CORRECTIONAL OFFICERS' RETIREMENT SYSTEM.~~

~~(2) THE AMOUNT A MEMBER IS REQUIRED TO DEPOSIT UNDER SUBSECTION (B) OF THIS SECTION SHALL BE REDUCED BY THE AMOUNT OF ACCUMULATED CONTRIBUTIONS TRANSFERRED UNDER THIS SUBSECTION.~~

25-401.

(a) A member may retire with a normal service retirement allowance if:

(1) on or before the date of retirement, the member:

(i) has at least 20 years of eligibility service;

**(II) 1. IS A CORRECTIONAL CASE MANAGEMENT SPECIALIST, SUPERVISOR, OR MANAGER ON OR BEFORE JUNE 30, 2016;**

**2. IS VESTED IN THE CORRECTIONAL OFFICERS' RETIREMENT SYSTEM; AND**

**3. HAS A COMBINED TOTAL OF AT LEAST 20 YEARS OF ELIGIBILITY SERVICE FROM:**

**A. THE CORRECTIONAL OFFICERS' RETIREMENT SYSTEM AND THE EMPLOYEES' RETIREMENT SYSTEM; OR**

**B. THE CORRECTIONAL OFFICERS' RETIREMENT SYSTEM AND THE EMPLOYEES' PENSION SYSTEM;**

~~(ii)~~ **(III)** is at least 55 years old and has:

1. at least 5 years of eligibility service credit, if the member is a member on or before June 30, 2011; or

2. at least 10 years of eligibility service credit, if the member becomes a member on or after July 1, 2011; or

~~(iii)~~ **(IV)** is a maximum security attendant at the Clifton T. Perkins Hospital Center who is at least 60 years old and has:

1. at least 5 years of eligibility service credit, if the member is a member on or before June 30, 2011; or

2. at least 10 years of eligibility service credit, if the member becomes a member on or after July 1, 2011; and

(2) the member completes and submits a written application to the Board of Trustees stating the date when the member desires to retire.

(b) On retirement under this section, a member is entitled to receive a normal service retirement allowance that equals one fifty-fifth of the member's average final compensation multiplied by the number of years of creditable service.

~~(c) (1) THIS SUBSECTION APPLIES ONLY TO AN INDIVIDUAL SERVING AS A CORRECTIONAL CASE MANAGEMENT SPECIALIST WHO IS IN THAT POSITION ON~~



~~JUNE 30, 2016, AND ELECTS TO TRANSFER MEMBERSHIP TO THE CORRECTIONAL OFFICERS' RETIREMENT SYSTEM FROM THE EMPLOYEES' PENSION SYSTEM OR THE EMPLOYEES' RETIREMENT SYSTEM ON OR BEFORE DECEMBER 31, 2016.~~

~~(2) NOTWITHSTANDING SUBSECTION (B) OF THIS SECTION, IF AN INDIVIDUAL DESCRIBED IN PARAGRAPH (1) OF THIS SUBSECTION RETIRES WITHIN 5 YEARS AFTER TRANSFERRING INTO THE CORRECTIONAL OFFICERS' RETIREMENT SYSTEM, THE BENEFITS PAYABLE WITH RESPECT TO THE TRANSFERRED SERVICE CREDIT MAY NOT BE GREATER THAN THE BENEFITS THAT WOULD HAVE BEEN PAYABLE BY THE PREVIOUS SYSTEM WITH RESPECT TO THE SERVICE IF THE INDIVIDUAL HAD REMAINED IN THE PREVIOUS SYSTEM.~~

~~20-302.~~

~~(e) A vested allowance is a deferred allowance starting at:~~

~~(1) normal retirement age for members of:~~

~~(i) the Employees' Retirement System;~~

~~(ii) the State Police Retirement System; and~~

~~(iii) the Teachers' Retirement System;~~

~~(2) except as provided in item (3) of this subsection, age 55 for a member of the Correctional Officers' Retirement System; or~~

~~(3) age 60 for a member of the Correctional Officers' Retirement System who is a maximum security attendant at the Clifton T. Perkins Hospital Center.~~

~~(d) A vested allowance:~~

~~(1) is computed as a normal service retirement allowance on the basis of the former member's creditable service and average final compensation at the time of separation from employment; and~~

~~(2) may be paid in one of the optional forms of allowances under § 21-403 of this article.~~

~~(G) (1) THIS SUBSECTION APPLIES ONLY TO AN INDIVIDUAL SERVING AS A CORRECTIONAL CASE MANAGEMENT SPECIALIST WHO IS IN THAT POSITION ON JUNE 30, 2016, AND ELECTS TO TRANSFER MEMBERSHIP TO THE CORRECTIONAL OFFICERS' RETIREMENT SYSTEM FROM THE EMPLOYEES' PENSION SYSTEM OR THE EMPLOYEES' RETIREMENT SYSTEM ON OR BEFORE DECEMBER 31, 2016.~~

~~(2) NOTWITHSTANDING SUBSECTION (D) OF THIS SECTION, IF AN INDIVIDUAL DESCRIBED IN PARAGRAPH (1) OF THIS SUBSECTION RETIRES WITHIN 5 YEARS AFTER TRANSFERRING INTO THE CORRECTIONAL OFFICERS' RETIREMENT SYSTEM, THE BENEFITS PAYABLE WITH RESPECT TO THE TRANSFERRED SERVICE CREDIT MAY NOT BE GREATER THAN THE BENEFITS THAT WOULD HAVE BEEN PAYABLE BY THE PREVIOUS SYSTEM WITH RESPECT TO THE SERVICE IF THE INDIVIDUAL HAD REMAINED IN THE PREVIOUS SYSTEM.~~

(C) (1) THIS SUBSECTION APPLIES ONLY TO A CORRECTIONAL CASE MANAGEMENT SPECIALIST, SUPERVISOR, OR MANAGER WHO HAS A COMBINED TOTAL OF 20 YEARS OF ELIGIBILITY SERVICE AS PROVIDED IN SUBSECTION (A)(1)(II) OF THIS SECTION.

(2) A MEMBER IS ENTITLED TO RECEIVE A NORMAL SERVICE RETIREMENT ALLOWANCE THAT EQUALS AN ALLOWANCE BASED ON THE CREDITABLE SERVICE THE MEMBER HAS IN THE CORRECTIONAL OFFICERS' RETIREMENT SYSTEM.

SECTION 2. AND BE IT FURTHER ENACTED, That, on or before October 1, 2016, the State Retirement Agency shall notify the individuals who are affected by this Act of their right to transfer service credit from the Employees' Retirement System or the Employees' Pension System to the Correctional Officers' Retirement System.

SECTION ~~2~~ 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016.

Approved by the Governor, April 26, 2016.

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## Chapter 219

(House Bill 1438)

AN ACT concerning

### Correctional Officers' Retirement System – Membership – Correctional Case Management Specialist

FOR the purpose of altering the membership of the Correctional Officers' Retirement System to include certain correctional case management specialists, supervisors, or managers; ~~authorizing certain individuals to transfer membership to the Correctional Officers' Retirement System; clarifying that certain individuals who do not elect to transfer are not members of the Correctional Officers' Retirement System; requiring certain individuals to deposit certain amounts in the annuity savings fund of the Correctional Officers' Retirement System; requiring the Board of~~

~~Trustees for the State Retirement and Pension System to transfer certain funds to the annuity savings fund of the Correctional Officers' Retirement System; providing that certain accumulated contributions shall reduce the amount of a required deposit to the annuity savings fund of the Correctional Officers' Retirement System; prohibiting an individual who transfers membership to the Correctional Officers' Retirement System under this Act from receiving certain benefits if the individual retires within a certain number of years after transferring to the Correctional Officers' Retirement System; providing that certain members of the Correctional Officers' Retirement System who meet certain criteria may receive a normal service retirement allowance that is based on certain creditable service; requiring the State Retirement Agency, on or before a certain date, to notify certain individuals affected by this Act of their rights to transfer certain service credit to the Correctional Officers' Retirement System; and generally relating to membership in the Correctional Officers' Retirement System.~~

BY repealing and reenacting, with amendments,  
 Article – State Personnel and Pensions  
 Section 25–201, ~~25–202~~, and 25–401  
 Annotated Code of Maryland  
 (2015 Replacement Volume)

~~BY repealing and reenacting, without amendments,  
 Article – State Personnel and Pensions  
 Section 25–203.1 and 29–302(e) and (d)  
 Annotated Code of Maryland  
 (2015 Replacement Volume)~~

~~BY adding to  
 Article – State Personnel and Pensions  
 Section 25–203.2 and 29–302(g)  
 Annotated Code of Maryland  
 (2015 Replacement Volume)~~

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

### Article – State Personnel and Pensions

25–201.

(a) Except as provided in subsection (b) of this section, this subtitle applies only to:

- (1) correctional officers serving in any of the first six job classifications;
- (2) security attendants at Clifton T. Perkins Hospital Center;

(3) a detention center officer employed by a participating governmental unit that on or after July 1, 2006, has elected to participate in the Correctional Officers' Retirement System;

(4) an individual serving as a correctional dietary, maintenance, laundry, or supply officer;

(5) an individual serving as a Maryland Correctional Enterprises officer, officer trainee, plant supervisor, plant manager, or regional manager; **[and]**

(6) a correctional officer serving as a security chief, a facility administrator, an assistant warden, or a warden who:

(i) begins employment in that position on or after July 1, 2014; or

(ii) is serving in that position on June 30, 2014, and elects to transfer to the Correctional Officers' Retirement System from:

1. the Employees' Pension System on or before December 31, 2014; or

2. the Employees' Retirement System on or before December 31, 2015; **AND**

**(7) AN INDIVIDUAL SERVING AS A CORRECTIONAL CASE MANAGEMENT SPECIALIST, SUPERVISOR, OR MANAGER ON OR AFTER JULY 1, 2016.**

(b) This subtitle does not apply to:

(1) an employee of the Baltimore City Jail as of June 30, 1991, who:

(i) became an employee of the Baltimore City Detention Center on July 1, 1991; and

(ii) did not elect to become a member of the Correctional Officers' Retirement System on that date;

(2) a detention center officer employed by a participating governmental unit as a local detention center officer on the effective date of participation on or after July 1, 2006, who did not elect to become a member of the Correctional Officers' Retirement System within 6 months of the effective date of participation; **[or]**

(3) a correctional officer serving as a security chief, a facility administrator, an assistant warden, or a warden who is in that position on June 30, 2014, and does not elect to transfer membership to the Correctional Officers' Retirement System from:

(i) the Employees' Pension System on or before December 31, 2014;  
or

(ii) the Employees' Retirement System on or before December 31, 2015;~~OR~~

~~(4) AN INDIVIDUAL SERVING AS A CORRECTIONAL CASE MANAGEMENT SPECIALIST WHO IS IN THAT POSITION ON JUNE 30, 2016, AND DOES NOT ELECT TO TRANSFER MEMBERSHIP TO THE CORRECTIONAL OFFICERS' RETIREMENT SYSTEM FROM THE EMPLOYEES' PENSION SYSTEM OR THE EMPLOYEES' RETIREMENT SYSTEM ON OR BEFORE DECEMBER 31, 2016.~~

~~25-202.~~

~~(a) Except as provided in subsection (b) of this section, an individual described in § 25-201(a) of this subtitle is a member of the Correctional Officers' Retirement System as a condition of employment.~~

~~(b) (1) Subject to paragraph (2) of this subsection, membership in the Correctional Officers' Retirement System is optional for an individual described in § 25-201 of this subtitle who:~~

~~(I) was employed by a participating governmental unit as a local detention center officer on the effective date of participation on or after July 1, 2006, for that participating governmental unit and who elects membership within 6 months of the effective date of participation; AND~~

~~(II) IS SERVING AS A CORRECTIONAL CASE MANAGEMENT SPECIALIST ON JUNE 30, 2016, AND ELECTS TO TRANSFER MEMBERSHIP TO THE CORRECTIONAL OFFICERS' RETIREMENT SYSTEM FROM THE EMPLOYEES' PENSION SYSTEM OR THE EMPLOYEES' RETIREMENT SYSTEM ON OR BEFORE DECEMBER 31, 2016.~~

~~(2) To elect to be a member of the Correctional Officers' Retirement System, an individual shall file a written application with the State Retirement Agency.~~

~~(3) If an individual does not elect membership during the applicable period specified under paragraph (1) of this subsection, the individual may not become a member of the Correctional Officers' Retirement System.~~

~~25-203.1.~~

~~For members who transfer from the Employees' Pension System or the Employees' Retirement System, the Board of Trustees shall transfer to the accumulation fund of the Correctional Officers' Retirement System the employer contributions that were made to the Employees' Pension System or the Employees' Retirement System on behalf of those~~

~~members who transferred, plus the interest earned on those contributions through the date of transfer.~~

~~25-203.2.~~

~~(A) THIS SECTION APPLIES TO AN INDIVIDUAL SERVING AS A CORRECTIONAL CASE MANAGEMENT SPECIALIST WHO IS IN THAT POSITION ON JUNE 30, 2016, AND ELECTS TO TRANSFER MEMBERSHIP TO THE CORRECTIONAL OFFICERS' RETIREMENT SYSTEM FROM THE EMPLOYEES' PENSION SYSTEM OR THE EMPLOYEES' RETIREMENT SYSTEM ON OR BEFORE DECEMBER 31, 2016.~~

~~(B) A MEMBER SHALL DEPOSIT IN THE ANNUITY SAVINGS FUND OF THE CORRECTIONAL OFFICERS' RETIREMENT SYSTEM:~~

~~(1) AN AMOUNT EQUAL TO THE MEMBER CONTRIBUTIONS THAT WOULD HAVE BEEN MADE IF THE RATE OF MEMBER CONTRIBUTIONS WAS THE SAME AS THE RATE SPECIFIED UNDER § 25-203 OF THIS SUBTITLE WHEN THE SERVICE BEING TRANSFERRED WAS EARNED; AND~~

~~(2) REGULAR INTEREST ON THE CONTRIBUTIONS REQUIRED UNDER ITEM (1) OF THIS SUBSECTION AT THE RATE OF 4% PER YEAR COMPOUNDED ANNUALLY.~~

~~(C) (1) THE BOARD OF TRUSTEES SHALL TRANSFER A MEMBER'S ACCUMULATED CONTRIBUTIONS FROM THE ANNUITY SAVINGS FUND OF THE EMPLOYEES' PENSION SYSTEM OR THE EMPLOYEES' RETIREMENT SYSTEM TO THE ANNUITY SAVINGS FUND OF THE CORRECTIONAL OFFICERS' RETIREMENT SYSTEM.~~

~~(2) THE AMOUNT A MEMBER IS REQUIRED TO DEPOSIT UNDER SUBSECTION (B) OF THIS SECTION SHALL BE REDUCED BY THE AMOUNT OF ACCUMULATED CONTRIBUTIONS TRANSFERRED UNDER THIS SUBSECTION.~~

25-401.

(a) A member may retire with a normal service retirement allowance if:

(1) on or before the date of retirement, the member:

(i) has at least 20 years of eligibility service;

(ii) 1. IS A CORRECTIONAL CASE MANAGEMENT SPECIALIST, SUPERVISOR, OR MANAGER ON OR BEFORE JUNE 30, 2016;

2. IS VESTED IN THE CORRECTIONAL OFFICERS' RETIREMENT SYSTEM; AND

**3. HAS A COMBINED TOTAL OF AT LEAST 20 YEARS OF ELIGIBILITY SERVICE FROM:**

**A. THE CORRECTIONAL OFFICERS' RETIREMENT SYSTEM AND THE EMPLOYEES' RETIREMENT SYSTEM; OR**

**B. THE CORRECTIONAL OFFICERS' RETIREMENT SYSTEM AND THE EMPLOYEES' PENSION SYSTEM;**

~~(ii)~~ **(III)** is at least 55 years old and has:

1. at least 5 years of eligibility service credit, if the member is a member on or before June 30, 2011; or

2. at least 10 years of eligibility service credit, if the member becomes a member on or after July 1, 2011; or

~~(iii)~~ **(IV)** is a maximum security attendant at the Clifton T. Perkins Hospital Center who is at least 60 years old and has:

1. at least 5 years of eligibility service credit, if the member is a member on or before June 30, 2011; or

2. at least 10 years of eligibility service credit, if the member becomes a member on or after July 1, 2011; and

(2) the member completes and submits a written application to the Board of Trustees stating the date when the member desires to retire.

(b) On retirement under this section, a member is entitled to receive a normal service retirement allowance that equals one fifty-fifth of the member's average final compensation multiplied by the number of years of creditable service.

~~(c) (1) THIS SUBSECTION APPLIES ONLY TO AN INDIVIDUAL SERVING AS A CORRECTIONAL CASE MANAGEMENT SPECIALIST WHO IS IN THAT POSITION ON JUNE 30, 2016, AND ELECTS TO TRANSFER MEMBERSHIP TO THE CORRECTIONAL OFFICERS' RETIREMENT SYSTEM FROM THE EMPLOYEES' PENSION SYSTEM OR THE EMPLOYEES' RETIREMENT SYSTEM ON OR BEFORE DECEMBER 31, 2016.~~

~~(2) NOTWITHSTANDING SUBSECTION (B) OF THIS SECTION, IF AN INDIVIDUAL DESCRIBED IN PARAGRAPH (1) OF THIS SUBSECTION RETIRES WITHIN 5 YEARS AFTER TRANSFERRING INTO THE CORRECTIONAL OFFICERS' RETIREMENT SYSTEM, THE BENEFITS PAYABLE WITH RESPECT TO THE TRANSFERRED SERVICE CREDIT MAY NOT BE GREATER THAN THE BENEFITS THAT WOULD HAVE BEEN~~

~~PAYABLE BY THE PREVIOUS SYSTEM WITH RESPECT TO THE SERVICE IF THE INDIVIDUAL HAD REMAINED IN THE PREVIOUS SYSTEM.~~

~~29-302.~~

~~(e) A vested allowance is a deferred allowance starting at:~~

~~(1) normal retirement age for members of:~~

~~(i) the Employees' Retirement System;~~

~~(ii) the State Police Retirement System; and~~

~~(iii) the Teachers' Retirement System;~~

~~(2) except as provided in item (3) of this subsection, age 55 for a member of the Correctional Officers' Retirement System; or~~

~~(3) age 60 for a member of the Correctional Officers' Retirement System who is a maximum security attendant at the Clifton T. Perkins Hospital Center.~~

~~(d) A vested allowance:~~

~~(1) is computed as a normal service retirement allowance on the basis of the former member's creditable service and average final compensation at the time of separation from employment; and~~

~~(2) may be paid in one of the optional forms of allowances under § 21-403 of this article.~~

~~(G) (1) THIS SUBSECTION APPLIES ONLY TO AN INDIVIDUAL SERVING AS A CORRECTIONAL CASE MANAGEMENT SPECIALIST WHO IS IN THAT POSITION ON JUNE 30, 2016, AND ELECTS TO TRANSFER MEMBERSHIP TO THE CORRECTIONAL OFFICERS' RETIREMENT SYSTEM FROM THE EMPLOYEES' PENSION SYSTEM OR THE EMPLOYEES' RETIREMENT SYSTEM ON OR BEFORE DECEMBER 31, 2016.~~

~~(2) NOTWITHSTANDING SUBSECTION (D) OF THIS SECTION, IF AN INDIVIDUAL DESCRIBED IN PARAGRAPH (1) OF THIS SUBSECTION RETIRES WITHIN 5 YEARS AFTER TRANSFERRING INTO THE CORRECTIONAL OFFICERS' RETIREMENT SYSTEM, THE BENEFITS PAYABLE WITH RESPECT TO THE TRANSFERRED SERVICE CREDIT MAY NOT BE GREATER THAN THE BENEFITS THAT WOULD HAVE BEEN PAYABLE BY THE PREVIOUS SYSTEM WITH RESPECT TO THE SERVICE IF THE INDIVIDUAL HAD REMAINED IN THE PREVIOUS SYSTEM.~~

(C) (1) THIS SUBSECTION APPLIES ONLY TO A CORRECTIONAL CASE MANAGEMENT SPECIALIST, SUPERVISOR, OR MANAGER WHO HAS A COMBINED



TOTAL OF 20 YEARS OF ELIGIBILITY SERVICE AS PROVIDED IN SUBSECTION (A)(1)(II) OF THIS SECTION.

(2) A MEMBER IS ENTITLED TO RECEIVE A NORMAL SERVICE RETIREMENT ALLOWANCE THAT EQUALS AN ALLOWANCE BASED ON THE CREDITABLE SERVICE THE MEMBER HAS IN THE CORRECTIONAL OFFICERS' RETIREMENT SYSTEM.

SECTION 2. AND BE IT FURTHER ENACTED, That, on or before October 1, 2016, the State Retirement Agency shall notify the individuals who are affected by this Act of their right to transfer service credit from the Employees' Retirement System or the Employees' Pension System to the Correctional Officers' Retirement System.

SECTION ~~2~~ 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016.

Approved by the Governor, April 26, 2016.

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**Chapter 220**

**(Senate Bill 542)**

AN ACT concerning

**State Retirement and Pension System – Forfeiture of Benefits**

FOR the purpose of authorizing a certain assignment of benefits; establishing that certain public employees who are certain State officers may be subject to forfeiture of benefits from the State Retirement and Pension System; prohibiting the payment of certain benefits to a public employee who is found guilty of, pleads guilty to, or enters a plea of nolo contendere to a qualifying crime; prohibiting the forfeiture of benefits if the forfeiture negatively affects or invalidates the tax qualified status of ~~a plan~~ any of the several systems within the State Retirement and Pension System; requiring that certain forfeitures of benefits be reversed under certain circumstances; requiring the forfeiture of benefits, in whole or in part, for a public employee who is convicted of a qualifying crime; requiring the Attorney General or State's Attorney to file a certain complaint in circuit court; requiring notice of the complaint to be sent to certain persons; requiring the State Retirement Agency to provide certain information to the Attorney General or State's Attorney under certain circumstances; establishing certain findings that shall be made when entering an order requiring the forfeiture of benefits; requiring the forfeiture order to indicate the amount of benefits forfeit; requiring a court to consider certain factors when determining the amount of benefits subject to forfeiture; clarifying that only certain service is subject to forfeiture; authorizing a court to ~~order~~ enter a domestic relations

order that provides that some or all of the forfeited benefits ~~to~~ be paid to certain individuals subject to certain limitations; prohibiting a forfeiture order from impairing or altering ~~a domestic relations order~~ certain domestic relations orders; clarifying that a public employee may receive benefits as a beneficiary; clarifying that a public employee's interest in benefits of a former spouse is not subject to forfeiture; authorizing the Board of Trustees for the State Retirement and Pension System to recover certain payments made to a public employee subject to a forfeiture order; limiting the amount that may be recovered; authorizing certain public employees to submit an application for retirement; prohibiting the State Retirement Agency from processing a certain application for retirement until certain conditions are met; requiring a forfeiture order to be rescinded under certain circumstances; requiring certain payments to be made when a conviction is overturned; providing that a public employee subject to a forfeiture order is entitled to a return of employee contributions on request; authorizing certain employee contributions to be reduced under certain circumstances; requiring the Board of Trustees to adopt certain regulations; providing for the application of this Act; defining certain terms; providing for a delayed effective date; and generally relating to the forfeiture of certain retirement benefits by certain constitutional officers with a criminal conviction.

BY repealing and reenacting, with amendments,  
 Article – State Personnel and Pensions  
 Section 21–502  
 Annotated Code of Maryland  
 (2015 Replacement Volume)

BY adding to  
 Article – State Personnel and Pensions  
 Section 21–701 through 21–709 to be under the new subtitle “Subtitle 7. Forfeiture  
 of Benefits”  
 Annotated Code of Maryland  
 (2015 Replacement Volume)

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

### **Article – State Personnel and Pensions**

21–502.

(a) (1) Except as provided in paragraph (2) of this subsection, a person may not attach, execute, garnish, or otherwise seize any current or future benefit under this Division II or any money in a fund created under this Division II.

(2) ~~A~~ IN ACCORDANCE WITH REGULATIONS ADOPTED BY THE BOARD OF TRUSTEES, A court of competent jurisdiction may expressly order that a benefit under

this Division II be assigned in a decree or order of alimony, child support, or divorce, or in a court-approved property settlement incident to a court decree or order.

**(3) A COURT OF COMPETENT JURISDICTION MAY EXPRESSLY ORDER THAT A BENEFIT UNDER THIS DIVISION II BE ASSIGNED TO A SPOUSE, ~~DEPENDENT, OR DESIGNATED BENEFICIARY~~ FORMER SPOUSE, CHILD, OR OTHER DEPENDENT WHEN AN ORDER OF BENEFIT FORFEITURE IS ISSUED IN ACCORDANCE WITH § 21-704 OF THIS TITLE.**

(b) An assignment under this section only applies to benefits paid after the Board of Trustees receives:

- (1) written notice of the court decree or order; and
- (2) any additional information that the Board of Trustees requires.

(c) The Board of Trustees is not liable for an improper payment to a person because the Board of Trustees did not receive written notice of a court decree or order.

#### SUBTITLE 7. FORFEITURE OF BENEFITS.

#### 21-701.

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

(B) “DOMESTIC RELATIONS ORDER” MEANS AN ORDER ISSUED IN ACCORDANCE WITH § 21-502(A)(2) OF THIS TITLE ~~ASSIGNING A BENEFIT IN, § 414(P) OF THE INTERNAL REVENUE CODE, AND REGULATIONS ADOPTED BY THE BOARD OF TRUSTEES THAT ASSIGNS A BENEFIT TO A SPOUSE, FORMER SPOUSE, CHILD, OR OTHER DEPENDENT OF A PUBLIC EMPLOYEE IN CONNECTION WITH A DECREE OR ORDER OF ALIMONY, CHILD SUPPORT, OR DIVORCE.~~

(C) “FINAL ADJUDICATION” MEANS ADJUDICATION BY A TRIAL COURT RESULTING IN FINAL DISPOSITION OF ALL CHARGES THAT CONSTITUTE A QUALIFYING CRIME.

(D) “PUBLIC EMPLOYEE” MEANS AN INDIVIDUAL WHO:

- (1) IS EMPLOYED IN A POSITION LISTED IN § 21-702 OF THIS SUBTITLE; AND
- (2) HAS BEEN CHARGED WITH A QUALIFYING CRIME.

(E) “QUALIFYING CRIME” MEANS A FELONY:

(1) THAT IS COMMITTED IN THE COURSE OF A PUBLIC EMPLOYEE'S DUTIES AND RESPONSIBILITIES;

(2) THAT IS COMMITTED THROUGH THE USE OF THE PUBLIC EMPLOYEE'S AUTHORITY DERIVED FROM THE POSITION OF EMPLOYMENT; AND

(3) THE COMMISSION OF WHICH RESULTS IN, OR IS ATTEMPTED TO RESULT IN, GAIN, PROFIT, OR ADVANTAGE FOR THE PUBLIC EMPLOYEE.

**21-702.**

(A) THIS SUBTITLE APPLIES TO AN INDIVIDUAL WHO:

(1) IS A MEMBER, FORMER MEMBER, OR RETIREE OF THE EMPLOYEES' RETIREMENT SYSTEM OR THE EMPLOYEES' PENSION SYSTEM; AND

(2) HAS EARNED CREDITABLE SERVICE WHILE EMPLOYED AS:

(I) THE ATTORNEY GENERAL OF THE STATE;

(II) THE COMPTROLLER OF THE STATE;

(III) THE GOVERNOR OF THE STATE;

(IV) THE LIEUTENANT GOVERNOR OF THE STATE;

(V) THE SECRETARY OF STATE; OR

(VI) THE TREASURER OF THE STATE.

(B) THIS SUBTITLE DOES NOT APPLY TO ANY SERVICE EARNED BEFORE ~~JULY 1, 2016~~ JANUARY 9, 2019.

**21-703.**

(A) BENEFITS UNDER THIS DIVISION II OF THIS ARTICLE PAYABLE TO A PUBLIC EMPLOYEE ARE SUBJECT TO FORFEITURE IN WHOLE OR IN PART IN ACCORDANCE WITH THIS SUBTITLE IF THE PUBLIC EMPLOYEE IS FOUND GUILTY OF, PLEADS GUILTY TO, OR ENTERS A PLEA OF NOLO CONTENDERE TO A QUALIFYING CRIME.

(B) (1) BENEFITS UNDER THIS DIVISION II MAY NOT BE FORFEITED OR REDUCED IF THE INTERNAL REVENUE SERVICE DETERMINES THAT THE FORFEITURE OR REDUCTION WILL NEGATIVELY AFFECT OR INVALIDATE THE TAX

~~QUALIFIED STATUS OF ANY PLAN WITHIN THE STATE RETIREMENT AND PENSION SYSTEM OF THE SEVERAL SYSTEMS.~~

(2) IF THE INTERNAL REVENUE SERVICE DETERMINES THAT THE APPLICATION OF THIS SUBTITLE WOULD NEGATIVELY AFFECT OR INVALIDATE THE TAX QUALIFIED STATUS OF ANY OF THE SEVERAL SYSTEMS, ANY FORFEITURE OF BENEFITS THAT TOOK PLACE BEFORE THE INTERNAL REVENUE SERVICE'S DETERMINATION SHALL BE REVERSED IN ACCORDANCE WITH § 21-707 OF THIS SUBTITLE TO THE EXTENT NECESSARY TO COMPLY WITH THE DETERMINATION.

21-704.

(A) IF THE FINAL ADJUDICATION OF CHARGES RESULTS IN CONVICTION OF A PUBLIC EMPLOYEE, THE PUBLIC EMPLOYEE'S RETIREMENT ALLOWANCE SHALL BE FORFEITED IN WHOLE OR IN PART IN ACCORDANCE WITH THIS SECTION.

(B) (1) ON CONVICTION OF A PUBLIC EMPLOYEE, THE ATTORNEY GENERAL OR STATE'S ATTORNEY SHALL FILE A COMPLAINT IN CIRCUIT COURT TO FORFEIT THE PUBLIC EMPLOYEE'S BENEFITS IN WHOLE OR IN PART.

(2) NOTICE OF THE COMPLAINT FILED UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL BE SERVED ON:

- (I) THE PUBLIC EMPLOYEE;
- (II) ANY KNOWN SPOUSE OF THE PUBLIC EMPLOYEE;
- (III) ANY KNOWN DEPENDENTS OF THE PUBLIC EMPLOYEE;
- (IV) THE PUBLIC EMPLOYEE'S DESIGNATED BENEFICIARIES;
- (V) ANY FORMER SPOUSE WHO HAS BEEN ASSIGNED BENEFITS UNDER ~~A~~ AN EXISTING DOMESTIC RELATIONS ORDER; AND
- (VI) THE STATE RETIREMENT AGENCY.

(3) NOTWITHSTANDING § 4-312 OF THE GENERAL PROVISIONS ARTICLE, ON WRITTEN REQUEST, THE STATE RETIREMENT AGENCY SHALL PROVIDE THE ATTORNEY GENERAL OR STATE'S ATTORNEY WITH AVAILABLE INFORMATION FROM THE RETIREMENT RECORDS OF THE PUBLIC EMPLOYEE TO ASSIST THE ATTORNEY GENERAL OR STATE'S ATTORNEY IN PROVIDING THE NOTICE REQUIRED UNDER THIS SUBSECTION.

(C) THE COURT SHALL ENTER AN ORDER REQUIRING THE FORFEITURE, IN WHOLE OR IN PART, OF THE PUBLIC EMPLOYEE'S BENEFITS IF THE COURT FINDS BY CLEAR AND CONVINCING EVIDENCE THAT:

(1) THE PUBLIC EMPLOYEE WAS CONVICTED OF A QUALIFYING CRIME;

(2) THE PUBLIC EMPLOYEE WAS A MEMBER OF THE EMPLOYEES' PENSION SYSTEM OR THE EMPLOYEES' RETIREMENT SYSTEM; AND

(3) THE QUALIFYING CRIME FOR WHICH THE PUBLIC EMPLOYEE WAS CONVICTED WAS COMMITTED WHILE THE PUBLIC EMPLOYEE WAS AN ACTIVE MEMBER OF THE EMPLOYEES' PENSION SYSTEM OR THE EMPLOYEES' RETIREMENT SYSTEM.

(D) ONLY SERVICE CREDIT IN THE STATE SYSTEM IN WHICH THE PUBLIC EMPLOYEE IS A MEMBER WHEN THE QUALIFYING CRIME IS COMMITTED IS ELIGIBLE FOR FORFEITURE UNDER THIS SECTION.

(E) (1) AN ORDER REQUIRING FORFEITURE OF BENEFITS SHALL INDICATE THE AMOUNT OF BENEFITS ~~THAT ARE FORFEIT~~ TO BE FORFEITED.

(2) WHEN DETERMINING THE AMOUNT OF BENEFITS ~~THAT ARE FORFEIT~~ TO BE FORFEITED, THE COURT SHALL CONSIDER:

(I) THE SEVERITY OF THE CRIME;

(II) THE AMOUNT OF MONETARY LOSS SUFFERED BY THE STATE, A COUNTY, A POLITICAL SUBDIVISION, OR A PERSON AS A RESULT OF THE CRIME;

(III) THE DEGREE OF PUBLIC TRUST PLACED IN THE PUBLIC EMPLOYEE;

(IV) THE FINANCIAL NEEDS AND RESOURCES OF THE PUBLIC EMPLOYEE;

(V) THE FINANCIAL NEEDS AND RESOURCES OF THE PUBLIC EMPLOYEE'S SPOUSE, ~~DEPENDENTS, AND DESIGNATED BENEFICIARIES~~ CHILDREN, OR OTHER DEPENDENTS;

(VI) ANY INTEREST IN BENEFITS OF A FORMER SPOUSE ESTABLISHED UNDER ~~A~~ AN EXISTING DOMESTIC RELATIONS ORDER; AND

(VII) ANY OTHER FACTORS THE COURT DETERMINES RELEVANT.

(F) (1) IF THE COURT ENTERS AN ORDER REQUIRING THE FORFEITURE OF BENEFITS, THE COURT MAY ENTER A DOMESTIC RELATIONS ORDER THAT PROVIDES THAT SOME OR ALL OF THE FORFEITED BENEFITS BE PAID TO ~~AN INNOCENT~~ A SPOUSE, ~~DEPENDENT, OR BENEFICIARY~~ FORMER SPOUSE, CHILD, OR OTHER DEPENDENT FOR PURPOSES OF CHILD SUPPORT, ALIMONY, OR MARITAL PROPERTY RIGHTS.

(2) ~~A SPOUSE, DEPENDENT, OR BENEFICIARY WHO RECEIVES BENEFITS UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL RECEIVE BENEFITS IN THE SAME MANNER AS A FORMER SPOUSE MAY RECEIVE BENEFITS UNDER A DOMESTIC RELATIONS ORDER~~ WHEN DETERMINING WHETHER TO ENTER A DOMESTIC RELATIONS ORDER UNDER PARAGRAPH (1) OF THIS SUBSECTION, THE COURT SHALL CONSIDER WHETHER THE PUBLIC EMPLOYEE'S SPOUSE, FORMER SPOUSE, CHILDREN, OR DEPENDENTS WERE CULPABLE OR COMPLICIT IN THE COMMISSION OF THE QUALIFYING CRIME.

(3) ~~THE COURT MAY NOT ORDER BENEFITS TO BE PAID TO AN INNOCENT SPOUSE, DEPENDENT, OR BENEFICIARY~~ A PUBLIC EMPLOYEE'S SPOUSE, FORMER SPOUSE, CHILD, OR OTHER DEPENDENT IN A MANNER THAT IS INCONSISTENT WITH THE PAYMENT OF BENEFITS IN THE STATE SYSTEM IN WHICH THE PUBLIC EMPLOYEE WAS A MEMBER.

(G) (1) AN ORDER REQUIRING A FORFEITURE OF BENEFITS ISSUED UNDER THIS SECTION MAY NOT IMPAIR OR ALTER ~~A~~ AN EXISTING DOMESTIC RELATIONS ORDER PROVIDING BENEFITS TO A FORMER SPOUSE OF A PUBLIC EMPLOYEE.

(2) A PUBLIC EMPLOYEE'S INTEREST IN A BENEFIT OF A FORMER SPOUSE ESTABLISHED BY A DOMESTIC RELATIONS ORDER MAY NOT BE SUBJECT TO A FORFEITURE OR REDUCTION UNDER THIS SUBTITLE.

(H) BENEFITS AVAILABLE TO A PUBLIC EMPLOYEE AS A BENEFICIARY MAY NOT BE SUBJECT TO A FORFEITURE UNDER THIS SUBTITLE.

21-705.

(A) IF A PUBLIC EMPLOYEE HAS RETIRED BEFORE A FORFEITURE ORDER IS ISSUED UNDER § 21-704 OF THIS SUBTITLE, THE BOARD OF TRUSTEES MAY RECOVER FROM THE PUBLIC EMPLOYEE THE AMOUNT OF BENEFITS PAID TO THE PUBLIC EMPLOYEE BEFORE THE ORDER.

(B) THE RECOVERY UNDER SUBSECTION (A) OF THIS SECTION IS LIMITED TO AN AMOUNT EQUAL TO THE BENEFITS THAT WOULD HAVE BEEN FORFEITED HAD THE FORFEITURE ORDER BEEN ISSUED BEFORE THE PUBLIC EMPLOYEE BEGAN RECEIVING ANY BENEFITS AS A RETIREE.

**21-706.**

(A) THIS SECTION APPLIES TO A PUBLIC EMPLOYEE WHO IS NOT A RETIREE.

(B) SUBJECT TO SUBSECTION (C) OF THIS SECTION, A PUBLIC EMPLOYEE MAY SUBMIT AN APPLICATION FOR RETIREMENT.

(C) IF A PUBLIC EMPLOYEE IS ELIGIBLE TO APPLY FOR A RETIREMENT ALLOWANCE, A PUBLIC EMPLOYEE'S APPLICATION FOR RETIREMENT BENEFITS:

(1) SHALL BE ~~ACCEPTED BY~~ CONSIDERED SUBMITTED ON THE FIRST DAY OF THE MONTH AFTER IT IS PROPERLY COMPLETED AND SUBMITTED TO THE STATE RETIREMENT AGENCY; AND

(2) MAY NOT BE PROCESSED BY THE STATE RETIREMENT AGENCY UNLESS AND UNTIL THE FINAL ADJUDICATION OF THE CHARGE THAT DOES NOT RESULT IN CONVICTION.

**21-707.**

(A) (1) ON RECEIPT OF AN ORDER THAT REVERSES OR OVERTURNS A CONVICTION OF A PUBLIC EMPLOYEE, THE COURT THAT ISSUED A FORFEITURE ORDER UNDER § 21-704 OF THIS SUBTITLE SHALL RESCIND THE FORFEITURE ORDER AND ORDER THE BOARD OF TRUSTEES TO PAY ANY BENEFITS THAT ARE PAYABLE UNDER THIS DIVISION II OF THIS ARTICLE TO THE PUBLIC EMPLOYEE.

(2) WHEN A COURT RESCINDS A FORFEITURE ORDER UNDER PARAGRAPH (1) OF THIS SUBSECTION, THE COURT SHALL ALSO RESCIND ANY DOMESTIC RELATIONS ORDER ENTERED IN ACCORDANCE WITH § 21-704(F) OF THIS SUBTITLE.

(B) IF A CONVICTION OF A PUBLIC EMPLOYEE WHO WAS A RETIREE BEFORE THE DATE OF CONVICTION IS OVERTURNED:

(1) THE PUBLIC EMPLOYEE'S BENEFITS SHALL BE RESTORED BACK TO THE DATE THE BENEFIT PAYMENTS CEASED;

(2) THE PUBLIC EMPLOYEE'S ALLOWANCE SHALL:



(I) BE PAID BEGINNING THE MONTH AFTER THE STATE RETIREMENT AGENCY IS NOTIFIED THAT THE CONVICTION IS OVERTURNED; AND

(II) INCLUDE ANY COST-OF-LIVING ADJUSTMENTS THAT WOULD HAVE BEEN MADE IN THE TIME BETWEEN THE CONVICTION AND THE TIME BENEFIT PAYMENTS ARE RESTORED; AND

(3) BENEFIT PAYMENTS THAT WOULD HAVE BEEN MADE DURING THE TIME FROM THE DATE OF CONVICTION TO THE DATE THE CONVICTION IS OVERTURNED SHALL BE MADE TO THE PUBLIC EMPLOYEE, LESS ANY PAYMENTS MADE IN ACCORDANCE WITH ~~AN A DOMESTIC RELATIONS ORDER DIRECTING PAYMENT OF BENEFITS TO AN INNOCENT SPOUSE, DEPENDENT, OR DESIGNATED BENEFICIARY~~ A SPOUSE, FORMER SPOUSE, CHILD, OR OTHER DEPENDENT.

(C) IF A CONVICTION OF A PUBLIC EMPLOYEE WHO WAS NOT A RETIREE BEFORE THE DATE OF CONVICTION IS OVERTURNED, THE PUBLIC EMPLOYEE MAY RECEIVE BENEFITS IN ACCORDANCE WITH THIS DIVISION II OF THIS ARTICLE.

**21-708.**

(A) A PUBLIC EMPLOYEE SUBJECT TO A FORFEITURE ORDER ISSUED UNDER § 21-704 OF THIS SUBTITLE IS ENTITLED TO A RETURN OF THE INDIVIDUAL'S ACCUMULATED CONTRIBUTIONS ON REQUEST UNDER § 29-501 OF THIS ARTICLE.

(B) THE PUBLIC EMPLOYEE'S ACCUMULATED CONTRIBUTIONS SHALL BE REDUCED BY AN AMOUNT EQUAL TO ANY BENEFIT PAYMENTS RECEIVED BY THE PUBLIC EMPLOYEE THAT WOULD HAVE BEEN SUBJECT TO FORFEITURE AND HAVE NOT BEEN RECOVERED BY THE BOARD OF TRUSTEES UNDER § 21-705 OF THIS SUBTITLE.

**21-709.**

THE BOARD OF TRUSTEES SHALL ADOPT REGULATIONS TO IMPLEMENT THIS SUBTITLE.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall be construed to apply only prospectively and may not be applied or interpreted to have any effect on or application to any crime committed before the effective date of this Act.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect ~~July 1, 2016~~ January 9, 2019.

Approved by the Governor, April 26, 2016.

**Chapter 221****(Senate Bill 571)**

AN ACT concerning

**Maryland Trust Act – Nonjudicial Settlement Agreements**

FOR the purpose of authorizing, on or after a certain date, certain interested persons to enter into a certain nonjudicial settlement agreement with respect to a matter involving a trust; providing that the nonjudicial settlement agreement is valid only to a certain extent; authorizing an interested person to request a court to make certain determinations with respect to the agreement; defining a certain term; and generally relating to the Maryland Trust Act and certain nonjudicial settlement agreements.

BY adding to

Article – Estates and Trusts

Section 14.5–111

Annotated Code of Maryland

(2011 Replacement Volume and 2015 Supplement)

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

**Article – Estates and Trusts****14.5–111.**

**(A) IN THIS SECTION, “INTERESTED PERSON” MEANS A PERSON WHOSE CONSENT WOULD BE REQUIRED IN ORDER TO ACHIEVE A BINDING SETTLEMENT WERE THE SETTLEMENT TO BE APPROVED BY THE COURT.**

**(B) EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (C) OF THIS SECTION, ON OR AFTER OCTOBER 1, 2016, INTERESTED PERSONS MAY ENTER INTO A BINDING NONJUDICIAL SETTLEMENT AGREEMENT WITH RESPECT TO A MATTER INVOLVING A TRUST.**

**(C) A NONJUDICIAL SETTLEMENT AGREEMENT IS VALID ONLY TO THE EXTENT THE SETTLEMENT DOES NOT VIOLATE A MATERIAL PURPOSE OF THE TRUST AND INCLUDES TERMS AND CONDITIONS THAT COULD BE PROPERLY APPROVED BY THE COURT UNDER THIS TITLE OR OTHER APPLICABLE LAW.**

**(D) MATTERS THAT MAY BE RESOLVED BY A NONJUDICIAL SETTLEMENT AGREEMENT INCLUDE:**

**(1) THE INTERPRETATION OR CONSTRUCTION OF THE TERMS OF THE TRUST;**

**(2) THE APPROVAL OF A REPORT OR ACCOUNTING OF A TRUSTEE;**

**(3) DIRECTION TO A TRUSTEE TO REFRAIN FROM PERFORMING A PARTICULAR ACT OR THE GRANT TO A TRUSTEE OF A NECESSARY OR DESIRABLE POWER;**

**(4) THE RESIGNATION OR APPOINTMENT OF A TRUSTEE AND THE DETERMINATION OF THE COMPENSATION OF A TRUSTEE;**

**(5) TRANSFER OF THE PRINCIPAL PLACE OF ADMINISTRATION OF A TRUST; AND**

**(6) LIABILITY OF A TRUSTEE FOR AN ACTION RELATING TO THE TRUST.**

**(E) AN INTERESTED PERSON MAY REQUEST THE COURT TO:**

**(1) DETERMINE WHETHER THE REPRESENTATION AS PROVIDED IN SUBTITLE 3 OF THIS TITLE WAS ADEQUATE; AND**

**(2) DETERMINE WHETHER THE AGREEMENT CONTAINS TERMS AND CONDITIONS THE COURT COULD HAVE PROPERLY APPROVED.**

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2016.

**Approved by the Governor, April 26, 2016.**

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**Chapter 222**

**(House Bill 888)**

AN ACT concerning

**Maryland Trust Act – Nonjudicial Settlement Agreements**

FOR the purpose of authorizing, on or after a certain date, certain interested persons to enter into a certain nonjudicial settlement agreement with respect to a matter involving a trust; providing that the nonjudicial settlement agreement is valid only to a certain extent; authorizing an interested person to request a court to make certain determinations with respect to the agreement; defining a certain term; and generally relating to the Maryland Trust Act and certain nonjudicial settlement agreements.

BY adding to

Article – Estates and Trusts

Section 14.5–111

Annotated Code of Maryland

(2011 Replacement Volume and 2015 Supplement)

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

**Article – Estates and Trusts**

**14.5–111.**

**(A) IN THIS SECTION, “INTERESTED PERSON” MEANS A PERSON WHOSE CONSENT WOULD BE REQUIRED IN ORDER TO ACHIEVE A BINDING SETTLEMENT WERE THE SETTLEMENT TO BE APPROVED BY THE COURT.**

**(B) EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (C) OF THIS SECTION, ON OR AFTER OCTOBER 1, 2016, INTERESTED PERSONS MAY ENTER INTO A BINDING NONJUDICIAL SETTLEMENT AGREEMENT WITH RESPECT TO A MATTER INVOLVING A TRUST.**

**(C) A NONJUDICIAL SETTLEMENT AGREEMENT IS VALID ONLY TO THE EXTENT THE SETTLEMENT DOES NOT VIOLATE A MATERIAL PURPOSE OF THE TRUST AND INCLUDES TERMS AND CONDITIONS THAT COULD BE PROPERLY APPROVED BY THE COURT UNDER THIS TITLE OR OTHER APPLICABLE LAW.**

**(D) MATTERS THAT MAY BE RESOLVED BY A NONJUDICIAL SETTLEMENT AGREEMENT INCLUDE:**

**(1) THE INTERPRETATION OR CONSTRUCTION OF THE TERMS OF THE TRUST;**

**(2) THE APPROVAL OF A REPORT OR ACCOUNTING OF A TRUSTEE;**

(3) DIRECTION TO A TRUSTEE TO REFRAIN FROM PERFORMING A PARTICULAR ACT OR THE GRANT TO A TRUSTEE OF A NECESSARY OR DESIRABLE POWER;

(4) THE RESIGNATION OR APPOINTMENT OF A TRUSTEE AND THE DETERMINATION OF THE COMPENSATION OF A TRUSTEE;

(5) TRANSFER OF THE PRINCIPAL PLACE OF ADMINISTRATION OF A TRUST; AND

(6) LIABILITY OF A TRUSTEE FOR AN ACTION RELATING TO THE TRUST.

(E) AN INTERESTED PERSON MAY REQUEST THE COURT TO:

(1) DETERMINE WHETHER THE REPRESENTATION AS PROVIDED IN SUBTITLE 3 OF THIS TITLE WAS ADEQUATE; AND

(2) DETERMINE WHETHER THE AGREEMENT CONTAINS TERMS AND CONDITIONS THE COURT COULD HAVE PROPERLY APPROVED.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2016.

Approved by the Governor, April 26, 2016.

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## Chapter 223

(Senate Bill 597)

AN ACT concerning

### **Recordation and Transfer Taxes – Transfer of Controlling Interest – Exemptions**

FOR the purpose of altering a certain exemption from recordation and transfer taxes so as to provide that a transfer of a controlling interest in a real property entity is not subject to recordation and transfer taxes if the transfer of the real property owned by the real property entity between the same transferor and transferee of the controlling interest under the same circumstances would have been exempt under certain provisions of law; altering a certain exemption from recordation and transfer taxes so as to provide that the recordation and transfer tax is not imposed on the transfer of a controlling interest in a real property entity to another entity if the ownership interests in the transferee entity are owned by the same persons and in

the same proportion who own the transferor entity or the real property entity the controlling interest of which was transferred; repealing a provision of law providing that recordation and transfer taxes are not imposed on the transfer of a controlling interest in a real property entity if each transferor, each transferee, and each real property entity are certain types of business entities; and generally relating to exemptions from recordation and transfer taxes for certain transfers of controlling interests in a real property entity.

BY repealing and reenacting, with amendments,  
Article – Tax – Property  
Section 12–117  
Annotated Code of Maryland  
(2012 Replacement Volume and 2015 Supplement)

BY repealing and reenacting, without amendments,  
Article – Tax – Property  
Section 13–103  
Annotated Code of Maryland  
(2012 Replacement Volume and 2015 Supplement)

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

**Article – Tax – Property**

12–117.

- (a) (1) In this section the following words have the meanings indicated.
- (2) “Controlling interest” means:
- (i) more than 80% of the total value of all classes of stock of a corporation;
  - (ii) more than 80% of the total interest in capital and profits of a partnership, association, limited liability company, or other unincorporated form of doing business; or
  - (iii) more than 80% of the beneficial interest in a trust.
- (3) “Final transfer” means that transfer of any portion of a controlling interest that completes the transfer of a controlling interest in a real property entity.
- (4) (i) “Plan of transfer” means an intentional plan or program to transfer the controlling interest in a real property entity.

(ii) “Plan of transfer” does not include a series of sales of shares of a publicly traded entity.

(5) (i) “Real property” means real property located in the State.

(ii) “Real property” does not include:

1. a leasehold, unless created by a lease that is required to be recorded under § 3–101(a) of the Real Property Article; or

2. any mortgage, deed of trust, or other lien on or security interest in real property that secures an indebtedness.

(6) (i) “Real property entity” means a corporation, partnership, association, limited liability company, limited liability partnership, other unincorporated form of doing business, or trust that directly or beneficially owns real property that:

1. constitutes at least 80% of the value of its assets; and

2. has an aggregate value of at least \$1,000,000.

(ii) For the purposes of this paragraph, the value of real property shall be determined without reduction for any mortgage, deed of trust, or other lien on or security interest in the real property.

(iii) “Real property entity” does not include an entity with land holdings that, other than homesites or areas of commercial activity related to agricultural production, are entirely subject to an agricultural use assessment under § 8–209 of this article.

(b) (1) The recordation tax is imposed on the transfer of a controlling interest in a real property entity as if the real property, directly or beneficially owned by the real property entity, was conveyed by an instrument of writing that is recorded with the clerk of the circuit court for a county or filed with the Department under § 12–102 of this title.

(2) (i) The recordation tax is imposed on the consideration payable for the transfer of the controlling interest in the real property entity.

(ii) The consideration to which the recordation tax applies includes the amount of:

1. any mortgage, deed of trust, or other lien on or security interest in the real property directly or beneficially owned by the real property entity; and

2. any other debt or encumbrance of the real property entity.

(iii) The consideration to which the recordation tax applies is reduced by the amount allocable to the assets of the real property entity other than real property.

(iv) The real property entity has the burden of establishing to the satisfaction of the Department the consideration referred to in subparagraph (i) of this paragraph and the amount of any consideration allocable to assets other than real property referred to in subparagraph (iii) of this paragraph.

(v) If the real property entity fails to establish the amount of consideration referred to in subparagraph (i) of this paragraph, the recordation tax is imposed on the value of the real property, directly or beneficially owned by the real property entity, determined by the Department at the date of finality immediately before the date of the final transfer.

(3) Except as otherwise provided in § 12–103(d) of this title, the recordation tax is applied at the rate set under § 12–103(b) of this title by the county where the real property is located.

(c) (1) The transfer of a controlling interest in a real property entity is not subject to recordation tax if the transfer of the real property **[by an instrument of writing] OWNED BY THE REAL PROPERTY ENTITY** between the same **[parties] TRANSFEROR AND TRANSFEREE OF THE CONTROLLING INTEREST** and under the same circumstances would have been exempt under § 12–108 of this title.

(2) The recordation tax is not imposed on the transfer of a controlling interest in a real property entity effected in more than one transaction if:

(i) the transfer is completed over a period of more than 12 months;  
or

(ii) the transfer is not made in accordance with a plan of transfer.

(3) The recordation tax is not imposed on the transfer of a controlling interest in a real property entity to another **[business] ENTITY** if the ownership interests in the transferee **[business] entity** are **[held] OWNED, DIRECTLY OR INDIRECTLY**, by the same persons and in the same ~~proportion~~ **[as in] WHO PROPORTIONS AS THOSE PERSONS OWN, DIRECTLY OR INDIRECTLY, the TRANSFEROR ENTITY OR THE** real property entity the controlling interest of which was transferred.

(4) **[The recordation tax is not imposed on the transfer of a controlling interest in a real property entity if each transferor, each transferee, and each real property entity is:**

(i) a subsidiary corporation, all of the stock of which is owned, directly or indirectly, by a common parent corporation;



(ii) a partnership, all of the interests in which are owned, directly or indirectly, by one or more subsidiaries or the common parent corporation; or

(iii) the common parent corporation.

**(5)]** The recordation tax is not imposed on the transfer of a controlling interest in a real property entity if the transferee of the controlling interest in the real property entity is:

(i) a nonstock corporation organized under Title 5, Subtitle 2 of the Corporations and Associations Article; and

(ii) registered with the Department of Aging as a continuing care retirement community under § 10-408 of the Human Services Article.

**[(6) (5)]** The real property entity has the burden of establishing to the satisfaction of the Department the applicability of any exemption referred to in paragraphs (1) through **[(5)](4)** of this subsection.

(d) (1) The real property entity shall file with the Department a report of any transfer of a controlling interest in the real property entity that is completed within a period of 12 months or less within 30 days following the date of the final transfer.

(2) The report shall include all information to establish to the satisfaction of the Department:

(i) the consideration referred to in subsection (b)(2)(i) of this section;

(ii) the amount of assets other than real estate referred to in subsection (b)(2)(ii) of this section; and

(iii) any exemption provided for in subsection (c) of this section.

(3) The report shall be accompanied by payment of:

(i) a \$20 filing fee; and

(ii) any tax, interest, and penalty that is due.

(e) (1) If any tax due under this section remains unpaid for 30 days after the date of the final transfer:

(i) interest on the unpaid amount shall accrue thereafter at the rate of 1% per month; and

(ii) a penalty of 10% of the unpaid amount shall be due.

(2) Any tax, interest, and penalty due under this section is an obligation of the real property entity.

(3) For reasonable cause, the Department may waive the imposition of interest or penalty.

(f) This section does not apply to:

(1) a pledge of stock or other interest in a real property entity as security for a loan; or

(2) the admission to the real property entity of additional shareholders, partners, beneficial owners, or other members incident to the raising of additional capital through a public or private offering of stock or other interests in the real property entity if:

(i) the effective management of the real property entity is not substantially changed; and

(ii) under the terms of the offering, none of the new members is expected to participate in the day-to-day management of the real property entity.

(g) (1) The Department shall adopt regulations to administer this section.

(2) The regulations shall include any additional standards and exemptions to assure that:

(i) a tax is imposed when a transaction is structured involving a controlling interest in a real property entity to avoid payment of the recordation tax;

(ii) exemptions provided by law when real property is transferred by an instrument of writing are applicable; and

(iii) there is no double taxation of a single transaction.

13–103.

(a) In this section, “controlling interest”, “real property”, and “real property entity” have the meanings stated in § 12–117 of this article.

(b) (1) The taxes under this title are imposed on the transfer of a controlling interest in a real property entity as if the real property, directly or beneficially owned by the real property entity, was conveyed by an instrument of writing that is recorded with the clerk of the circuit court for a county or filed with the Department under § 13–202 of this title.

(2) The taxes under this section are imposed on the consideration payable for the transfer of the controlling interest in the real property entity or on the value of the

real property directly or beneficially owned by the real property entity, as provided in § 12–117(b)(2) of this article.

(3) (i) Except for the county transfer tax, the taxes under this section shall be applied at the rates established in this title.

(ii) The county transfer tax shall be applied at the rate imposed by the county where the real property is located.

(c) The taxes under this title are not imposed on the transfer of a controlling interest in a real property entity in any of the circumstances described:

(1) in § 13–207 of this title that exempts an instrument of writing from the transfer tax; or

(2) in § 12–117(c) of this article that exempts the transfer of a controlling interest in a real property entity from the recordation tax.

(d) In each instance in which a controlling interest in a real property entity is transferred, the provisions of § 12–117(d) and (e) of this article are applicable.

(e) This section does not apply in the circumstances described in § 12–117(f) of this article.

(f) The Department shall adopt regulations to administer this section in the same manner as in § 12–117(g) of this article.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016.

**Approved by the Governor, April 26, 2016.**

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## Chapter 224

### (House Bill 1226)

AN ACT concerning

#### **Recordation and Transfer Taxes – Transfer of Controlling Interest – Exemptions**

FOR the purpose of altering a certain exemption from recordation and transfer taxes so as to provide that a transfer of a controlling interest in a real property entity is not subject to recordation and transfer taxes if the transfer of the real property owned by the real property entity between the same transferor and transferee of the controlling interest under the same circumstances would have been exempt under

certain provisions of law; altering a certain exemption from recordation and transfer taxes so as to provide that the recordation and transfer tax is not imposed on the transfer of a controlling interest in a real property entity to another entity if the ownership interests in the transferee entity are owned by the same persons and in the same proportion who own the transferor entity or the real property entity the controlling interest of which was transferred; repealing a provision of law providing that recordation and transfer taxes are not imposed on the transfer of a controlling interest in a real property entity if each transferor, each transferee, and each real property entity are certain types of business entities; and generally relating to exemptions from recordation and transfer taxes for certain transfers of controlling interests in a real property entity.

BY repealing and reenacting, with amendments,

Article – Tax – Property

Section 12–117

Annotated Code of Maryland

(2012 Replacement Volume and 2015 Supplement)

BY repealing and reenacting, without amendments,

Article – Tax – Property

Section 13–103

Annotated Code of Maryland

(2012 Replacement Volume and 2015 Supplement)

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

### **Article – Tax – Property**

12–117.

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

(2) “Controlling interest” means:

(i) more than 80% of the total value of all classes of stock of a corporation;

(ii) more than 80% of the total interest in capital and profits of a partnership, association, limited liability company, or other unincorporated form of doing business; or

(iii) more than 80% of the beneficial interest in a trust.

(3) “Final transfer” means that transfer of any portion of a controlling interest that completes the transfer of a controlling interest in a real property entity.

(4) (i) “Plan of transfer” means an intentional plan or program to transfer the controlling interest in a real property entity.

(ii) “Plan of transfer” does not include a series of sales of shares of a publicly traded entity.

(5) (i) “Real property” means real property located in the State.

(ii) “Real property” does not include:

1. a leasehold, unless created by a lease that is required to be recorded under § 3–101(a) of the Real Property Article; or

2. any mortgage, deed of trust, or other lien on or security interest in real property that secures an indebtedness.

(6) (i) “Real property entity” means a corporation, partnership, association, limited liability company, limited liability partnership, other unincorporated form of doing business, or trust that directly or beneficially owns real property that:

1. constitutes at least 80% of the value of its assets; and

2. has an aggregate value of at least \$1,000,000.

(ii) For the purposes of this paragraph, the value of real property shall be determined without reduction for any mortgage, deed of trust, or other lien on or security interest in the real property.

(iii) “Real property entity” does not include an entity with land holdings that, other than homesites or areas of commercial activity related to agricultural production, are entirely subject to an agricultural use assessment under § 8–209 of this article.

(b) (1) The recordation tax is imposed on the transfer of a controlling interest in a real property entity as if the real property, directly or beneficially owned by the real property entity, was conveyed by an instrument of writing that is recorded with the clerk of the circuit court for a county or filed with the Department under § 12–102 of this title.

(2) (i) The recordation tax is imposed on the consideration payable for the transfer of the controlling interest in the real property entity.

(ii) The consideration to which the recordation tax applies includes the amount of:

1. any mortgage, deed of trust, or other lien on or security interest in the real property directly or beneficially owned by the real property entity; and

2. any other debt or encumbrance of the real property entity.

(iii) The consideration to which the recordation tax applies is reduced by the amount allocable to the assets of the real property entity other than real property.

(iv) The real property entity has the burden of establishing to the satisfaction of the Department the consideration referred to in subparagraph (i) of this paragraph and the amount of any consideration allocable to assets other than real property referred to in subparagraph (iii) of this paragraph.

(v) If the real property entity fails to establish the amount of consideration referred to in subparagraph (i) of this paragraph, the recordation tax is imposed on the value of the real property, directly or beneficially owned by the real property entity, determined by the Department at the date of finality immediately before the date of the final transfer.

(3) Except as otherwise provided in § 12–103(d) of this title, the recordation tax is applied at the rate set under § 12–103(b) of this title by the county where the real property is located.

(c) (1) The transfer of a controlling interest in a real property entity is not subject to recordation tax if the transfer of the real property [by an instrument of writing] **OWNED BY THE REAL PROPERTY ENTITY** between the same [parties] **TRANSFEROR AND TRANSFEREE OF THE CONTROLLING INTEREST** and under the same circumstances would have been exempt under § 12–108 of this title.

(2) The recordation tax is not imposed on the transfer of a controlling interest in a real property entity effected in more than one transaction if:

(i) the transfer is completed over a period of more than 12 months;  
or

(ii) the transfer is not made in accordance with a plan of transfer.

(3) The recordation tax is not imposed on the transfer of a controlling interest in a real property entity to another [business] **ENTITY** if the ownership interests in the transferee [business] entity are [held] **OWNED, DIRECTLY OR INDIRECTLY**, by the same persons and in the same ~~proportion~~ **[as in] WHO PROPORTIONS AS THOSE PERSONS OWN, DIRECTLY OR INDIRECTLY, the TRANSFEROR ENTITY OR THE** real property entity the controlling interest of which was transferred.

(4) [The recordation tax is not imposed on the transfer of a controlling interest in a real property entity if each transferor, each transferee, and each real property entity is:

(i) a subsidiary corporation, all of the stock of which is owned, directly or indirectly, by a common parent corporation;

(ii) a partnership, all of the interests in which are owned, directly or indirectly, by one or more subsidiaries or the common parent corporation; or

(iii) the common parent corporation.

**[(5)]** The recordation tax is not imposed on the transfer of a controlling interest in a real property entity if the transferee of the controlling interest in the real property entity is:

(i) a nonstock corporation organized under Title 5, Subtitle 2 of the Corporations and Associations Article; and

(ii) registered with the Department of Aging as a continuing care retirement community under § 10–408 of the Human Services Article.

**[(6)] (5)** The real property entity has the burden of establishing to the satisfaction of the Department the applicability of any exemption referred to in paragraphs (1) through **[(5)] (4)** of this subsection.

(d) (1) The real property entity shall file with the Department a report of any transfer of a controlling interest in the real property entity that is completed within a period of 12 months or less within 30 days following the date of the final transfer.

(2) The report shall include all information to establish to the satisfaction of the Department:

(i) the consideration referred to in subsection (b)(2)(i) of this section;

(ii) the amount of assets other than real estate referred to in subsection (b)(2)(ii) of this section; and

(iii) any exemption provided for in subsection (c) of this section.

(3) The report shall be accompanied by payment of:

(i) a \$20 filing fee; and

(ii) any tax, interest, and penalty that is due.

(e) (1) If any tax due under this section remains unpaid for 30 days after the date of the final transfer:

(i) interest on the unpaid amount shall accrue thereafter at the rate of 1% per month; and

(ii) a penalty of 10% of the unpaid amount shall be due.

(2) Any tax, interest, and penalty due under this section is an obligation of the real property entity.

(3) For reasonable cause, the Department may waive the imposition of interest or penalty.

(f) This section does not apply to:

(1) a pledge of stock or other interest in a real property entity as security for a loan; or

(2) the admission to the real property entity of additional shareholders, partners, beneficial owners, or other members incident to the raising of additional capital through a public or private offering of stock or other interests in the real property entity if:

(i) the effective management of the real property entity is not substantially changed; and

(ii) under the terms of the offering, none of the new members is expected to participate in the day-to-day management of the real property entity.

(g) (1) The Department shall adopt regulations to administer this section.

(2) The regulations shall include any additional standards and exemptions to assure that:

(i) a tax is imposed when a transaction is structured involving a controlling interest in a real property entity to avoid payment of the recordation tax;

(ii) exemptions provided by law when real property is transferred by an instrument of writing are applicable; and

(iii) there is no double taxation of a single transaction.

13–103.

(a) In this section, “controlling interest”, “real property”, and “real property entity” have the meanings stated in § 12–117 of this article.

(b) (1) The taxes under this title are imposed on the transfer of a controlling interest in a real property entity as if the real property, directly or beneficially owned by the real property entity, was conveyed by an instrument of writing that is recorded with the clerk of the circuit court for a county or filed with the Department under § 13–202 of this title.



(2) The taxes under this section are imposed on the consideration payable for the transfer of the controlling interest in the real property entity or on the value of the real property directly or beneficially owned by the real property entity, as provided in § 12-117(b)(2) of this article.

(3) (i) Except for the county transfer tax, the taxes under this section shall be applied at the rates established in this title.

(ii) The county transfer tax shall be applied at the rate imposed by the county where the real property is located.

(c) The taxes under this title are not imposed on the transfer of a controlling interest in a real property entity in any of the circumstances described:

(1) in § 13-207 of this title that exempts an instrument of writing from the transfer tax; or

(2) in § 12-117(c) of this article that exempts the transfer of a controlling interest in a real property entity from the recordation tax.

(d) In each instance in which a controlling interest in a real property entity is transferred, the provisions of § 12-117(d) and (e) of this article are applicable.

(e) This section does not apply in the circumstances described in § 12-117(f) of this article.

(f) The Department shall adopt regulations to administer this section in the same manner as in § 12-117(g) of this article.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016.

**Approved by the Governor, April 26, 2016.**

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## Chapter 225

**(Senate Bill 608)**

AN ACT concerning

### **Employees' Pension System – Redeposit of Contributions**

FOR the purpose of authorizing individuals who meet certain criteria to redeposit certain withdrawn accumulated contributions with the State Retirement and Pension

System; requiring individuals who redeposit certain accumulated contributions to be enrolled in a certain benefit in the Employees' Pension System and to receive certain credit for prior service; requiring certain individuals to complete a certain form provided by the State Retirement and Pension System when redepositing certain accumulated contributions; providing for the termination of this Act; and generally relating to enrollment in and service credit earned in the Employees' Pension System.

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

(a) This section applies to an individual who:

(1) on or after September 1, 2009, began membership in the Employees' Pension System through employment with the Maryland Department of Planning;

(2) on or before December 31, 2012, ceased employment with the Maryland Department of Planning;

(3) on or after March 30, 2013, received a refund of the individual's accumulated contributions in the Employees' Pension System through employment with the Maryland Department of Planning; and

(4) on or after January 1, 2014, again began membership in the Employees' Pension System through employment with the Maryland Department of Business and Economic Development.

(b) If, on or before December 31, 2016, an individual described under subsection (a) of this section redeposits the individual's withdrawn contributions with the State Retirement and Pension System, the individual shall:

(1) be enrolled in the Alternate Contributory Pension Selection of the Employees' Pension System; and

(2) be credited with eligibility service and creditable service in the Alternate Contributory Pension Selection in an amount equal to the eligibility service and creditable service the individual had accumulated in the Alternate Contributory Pension Selection before withdrawing the individual's accumulated contributions.

(c) To redeposit an individual's accumulated contributions under subsection (b) of this section, an individual shall complete a request to redeposit the individual's accumulated contributions on a form provided by the Board of Trustees for the State Retirement and Pension System and file it with the Board of Trustees on or before December 31, 2016.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016. It shall remain effective for a period of 6 months and, at the end of December 31,

2016, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.

**Approved by the Governor, April 26, 2016.**

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## **Chapter 226**

### **(Senate Bill 682)**

AN ACT concerning

#### **Garrett County – Alcoholic Beverages – Sunday Sales**

FOR the purpose of submitting to a referendum of the qualified voters of certain election districts and precincts of election districts in Garrett County the question of whether the holders of certain alcoholic beverages licenses in Garrett County should be authorized to sell alcoholic beverages for off-premises consumption on certain Sundays under certain circumstances; submitting to a referendum of the qualified voters of certain election districts and precincts of election districts in Garrett County the question of whether the holders of certain alcoholic beverages licenses in Garrett County should be authorized to sell alcoholic beverages for on- or off-premises consumption on certain Sundays under certain circumstances; requiring the Board of County Commissioners and the Board of Supervisors of Elections of Garrett County to take certain actions regarding each referendum required under this Act; requiring the County Board of License Commissioners to report certain information to the Department of Legislative Services by a certain date; requiring the publishers of the Annotated Code of Maryland to list in the Annotated Code each district and precinct in Garrett County that has approved the sale of alcoholic beverages by certain license holders on Sundays; submitting this Act to a referendum of the qualified voters of certain election districts and precincts of election districts in Garrett County; and generally relating to the sale of alcoholic beverages in Garrett County on Sundays.

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

(a) (1) In accordance with Title 21 of the Alcoholic Beverages Article, a question substantially similar to the following shall be submitted to a referendum of the qualified voters of the following election districts or precincts of election districts in Garrett County at the general election to be held in November of 2016: 2, 3-1, 12, and 16:

“Do you favor authorizing Sunday sales of alcoholic beverages for off-premises consumption, if applicable, in your election district by holders of alcoholic beverages licenses, in accordance with Title 21 of the Alcoholic Beverages Article, from 1 p.m. until

10 p.m. and requiring the payment of additional fees by license holders who wish to sell alcoholic beverages on Sundays?”

(2) In accordance with Title 21 of the Alcoholic Beverages Article, a question substantially similar to the following shall be submitted to a referendum of the qualified voters of the following election districts or precincts of election districts in Garrett County at the general election to be held in November of 2016: 4, 8–1, 8–2, 13, and 14–2:

“Do you favor authorizing Sunday sales of alcoholic beverages for on– and off–premises consumption, if applicable, in your election district by holders of alcoholic beverages licenses, in accordance with Title 21 of the Alcoholic Beverages Article, from 1 p.m. until 10 p.m. and requiring the payment of additional fees by license holders who wish to sell alcoholic beverages on Sundays?”

(b) (1) The Board of County Commissioners and the Board of Supervisors of Elections in Garrett County shall do those things necessary and proper to provide for and hold each referendum required by this section. If a majority of the votes cast on the question in an election district or a precinct of an election district are “For Sunday sales of alcoholic beverages”, the authority to sell alcoholic beverages on Sunday, in accordance with Title 21 of the Alcoholic Beverages Article, shall become effective in that election district or precinct on December 15, 2016; but if a majority of the votes cast on the question in an election district or precinct of an election district are “Against Sunday sales of alcoholic beverages”, the sale of alcoholic beverages on Sunday shall be prohibited in that election district or precinct.

(2) The Board of Supervisors of Elections of Garrett County shall notify the Department of Legislative Services concerning the results of each referendum required under this section in each election district and precinct of an election district.

(3) The Garrett County Board of License Commissioners shall provide to the Department of Legislative Services, by December 1, 2016, a complete list of all election districts and precincts in Garrett County in which Sunday sales of alcoholic beverages are authorized.

SECTION 2. AND BE IT FURTHER ENACTED, That the publishers of the Annotated Code of Maryland, in consultation with and subject to the approval of the Department of Legislative Services, shall list, in an annotation to the appropriate sections of Title 21 of the Alcoholic Beverages Article, each district and precinct in Garrett County in which the voters have approved the sale of alcoholic beverages on Sundays.

SECTION 3. AND BE IT FURTHER ENACTED, That before this Act becomes effective it shall first be submitted to a referendum of the qualified voters of certain election districts and precincts of election districts in Garrett County at the general election to be held in November of 2016. The County governing body and the Garrett County Board of Elections shall do those things necessary and proper to provide for and hold the referendum required by this section. If a majority of the votes cast on the question are “For the referred law” the provisions of this Act shall become effective on December 15, 2016, but if a majority

of the votes cast on the question are “Against the referred law” the provisions of this Act are of no effect and null and void.

SECTION 4. AND BE IT FURTHER ENACTED, That, subject to the provisions of Section 3 of this Act and for the sole purpose of providing for the referendum required by Section 3 of this Act, the Act shall take effect July 1, 2016.

**Approved by the Governor, April 26, 2016.**

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## Chapter 227

### (House Bill 1028)

AN ACT concerning

#### **Garrett County – Alcoholic Beverages – Sunday Sales**

FOR the purpose of submitting to a referendum of the qualified voters of certain election districts and precincts of election districts in Garrett County the question of whether the holders of certain alcoholic beverages licenses in Garrett County should be authorized to sell alcoholic beverages for off–premises consumption on certain Sundays under certain circumstances; submitting to a referendum of the qualified voters of certain election districts and precincts of election districts in Garrett County the question of whether the holders of certain alcoholic beverages licenses in Garrett County should be authorized to sell alcoholic beverages for on– or off–premises consumption on certain Sundays under certain circumstances; requiring the Board of County Commissioners and the Board of Supervisors of Elections of Garrett County to take certain actions regarding each referendum required under this Act; requiring the County Board of License Commissioners to report certain information to the Department of Legislative Services by a certain date; requiring the publishers of the Annotated Code of Maryland to list in the Annotated Code each district and precinct in Garrett County that has approved the sale of alcoholic beverages by certain license holders on Sundays; submitting this Act to a referendum of the qualified voters of certain election districts and precincts of election districts in Garrett County; and generally relating to the sale of alcoholic beverages in Garrett County on Sundays.

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

(a) (1) In accordance with Title 21 of the Alcoholic Beverages Article, a question substantially similar to the following shall be submitted to a referendum of the qualified voters of the following election districts or precincts of election districts in Garrett County at the general election to be held in November of 2016: 2, 3–1, 12, and 16:

“Do you favor authorizing Sunday sales of alcoholic beverages for off–premises consumption, if applicable, in your election district by holders of alcoholic beverages licenses, in accordance with Title 21 of the Alcoholic Beverages Article, from 1 p.m. until 10 p.m. and requiring the payment of additional fees by license holders who wish to sell alcoholic beverages on Sundays?”

(2) In accordance with Title 21 of the Alcoholic Beverages Article, a question substantially similar to the following shall be submitted to a referendum of the qualified voters of the following election districts or precincts of election districts in Garrett County at the general election to be held in November of 2016: 4, 8–1, ~~8–2~~, 13, and 14–2:

“Do you favor authorizing Sunday sales of alcoholic beverages for on– and off–premises consumption, if applicable, in your election district by holders of alcoholic beverages licenses, in accordance with Title 21 of the Alcoholic Beverages Article, from 1 p.m. until 10 p.m. and requiring the payment of additional fees by license holders who wish to sell alcoholic beverages on Sundays?”

(b) (1) The Board of County Commissioners and the Board of Supervisors of Elections in Garrett County shall do those things necessary and proper to provide for and hold each referendum required by this section. If a majority of the votes cast on the question in an election district or a precinct of an election district are “For Sunday sales of alcoholic beverages”, the authority to sell alcoholic beverages on Sunday, in accordance with Title 21 of the Alcoholic Beverages Article, shall become effective in that election district or precinct on December 15, 2016; but if a majority of the votes cast on the question in an election district or precinct of an election district are “Against Sunday sales of alcoholic beverages”, the sale of alcoholic beverages on Sunday shall be prohibited in that election district or precinct.

(2) The Board of Supervisors of Elections of Garrett County shall notify the Department of Legislative Services concerning the results of each referendum required under this section in each election district and precinct of an election district.

(3) The Garrett County Board of License Commissioners shall provide to the Department of Legislative Services, by December 1, 2016, a complete list of all election districts and precincts in Garrett County in which Sunday sales of alcoholic beverages are authorized.

SECTION 2. AND BE IT FURTHER ENACTED, That the publishers of the Annotated Code of Maryland, in consultation with and subject to the approval of the Department of Legislative Services, shall list, in an annotation to the appropriate sections of Title 21 of the Alcoholic Beverages Article, each district and precinct in Garrett County in which the voters have approved the sale of alcoholic beverages on Sundays.

SECTION 3. AND BE IT FURTHER ENACTED, That before this Act becomes effective it shall first be submitted to a referendum of the qualified voters of certain election districts and precincts of election districts in Garrett County at the general election to be held in November of 2016. The County governing body and the Garrett County Board of

Elections shall do those things necessary and proper to provide for and hold the referendum required by this section. If a majority of the votes cast on the question are “For the referred law” the provisions of this Act shall become effective on December 15, 2016, but if a majority of the votes cast on the question are “Against the referred law” the provisions of this Act are of no effect and null and void.

SECTION 4. AND BE IT FURTHER ENACTED, That, subject to the provisions of Section 3 of this Act and for the sole purpose of providing for the referendum required by Section 3 of this Act, the Act shall take effect July 1, 2016.

**Approved by the Governor, April 26, 2016.**

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## Chapter 228

(Senate Bill 725)

AN ACT concerning

### **Alcoholic Beverages – Cross-References and Corrections**

FOR the purpose of correcting certain cross-references to the Alcoholic Beverages Article in the Annotated Code of Maryland; correcting certain errors in the Alcoholic Beverages Article; and generally relating to the Alcoholic Beverages Article and cross-references and corrections to it.

BY repealing and reenacting, with amendments,  
 Article – Agriculture  
 Section 10–1201(e) and (f)  
 Annotated Code of Maryland  
 (2007 Replacement Volume and 2015 Supplement)

BY adding to

Article – Alcoholic Beverages

Section 1–302.1

Annotated Code of Maryland

(As enacted by Chapter 41 (S.B. 724) of the Acts of the General Assembly of 2016)

BY repealing and reenacting, with amendments,

Article – Alcoholic Beverages

Section 2–131(b), 4–105(a), 4–109(a)(3), (11), and (13), 16–2004(b)(2)(i), 21–903(d), 21–905(e)(1) and (2), 21–1304(c), ~~and~~ 21–1310(e) 23–1404(a), 23–1406(a), 23–1407, 23–1703(a), and 23–2602

Annotated Code of Maryland

(As enacted by Chapter 41 (S.B. 724) of the Acts of the General Assembly of 2016)

- BY repealing and reenacting, with amendments,  
Article – Business Regulation  
Section 15–203(a)(5)  
Annotated Code of Maryland  
(2015 Replacement Volume and 2015 Supplement)
- BY repealing and reenacting, with amendments,  
Article – Courts and Judicial Proceedings  
Section 7–409(a)(2)(xv)  
Annotated Code of Maryland  
(2013 Replacement Volume and 2015 Supplement)
- BY repealing and reenacting, with amendments,  
Article – Criminal Law  
Section 10–114(a)(1), 10–118(a)(1), 10–119(b)(1)(iii), 10–121(a), and 10–125(d)  
Annotated Code of Maryland  
(2012 Replacement Volume and 2015 Supplement)
- BY repealing and reenacting, with amendments,  
Article – Criminal Procedure  
Section 4–101(c)(1)(ii)1.  
Annotated Code of Maryland  
(2008 Replacement Volume and 2015 Supplement)
- BY repealing and reenacting, with amendments,  
Article – Election Law  
Section 16–207(a)  
Annotated Code of Maryland  
(2010 Replacement Volume and 2015 Supplement)
- BY repealing and reenacting, with amendments,  
Article – Health – General  
Section 24–501(e)(2)  
Annotated Code of Maryland  
(2015 Replacement Volume)
- BY repealing and reenacting, with amendments,  
Article – Insurance  
Section 2–401(c)(4)(vii) and 27–801(c)(3)(vii)  
Annotated Code of Maryland  
(2011 Replacement Volume and 2015 Supplement)
- BY repealing and reenacting, with amendments,  
Article – Local Government  
Section 5–105(a) and 18–203(a)(5)  
Annotated Code of Maryland  
(2013 Volume and 2015 Supplement)



BY repealing and reenacting, with amendments,  
 Article – Public Safety  
 Section 11–116(a)(2)(xii) and (b)(2)(xii)  
 Annotated Code of Maryland  
 (2011 Replacement Volume and 2015 Supplement)

BY repealing and reenacting, with amendments,  
 Article – Real Property  
 Section 14–123(e)(2)(iii), 14–124(e)(2)(iii), 14–125(e)(2)(iii), and 14–125.1(g)(2)(iii)  
 Annotated Code of Maryland  
 (2015 Replacement Volume)

BY repealing and reenacting, with amendments,  
 Article – State Government  
 Section 9–1A–24(b)(4), 9–1A–37(a), and 12–101(a)(9)  
 Annotated Code of Maryland  
 (2014 Replacement Volume and 2015 Supplement)

BY repealing and reenacting, with amendments,  
 Article – Tax – General  
 Section 5–301(c), 5–302, 10–735(a)(5), 13–834(b)(2), and 13–841(a)(1)  
 Annotated Code of Maryland  
 (2010 Replacement Volume and 2015 Supplement)

BY repealing and reenacting, with amendments,  
 Article – Tax – General  
 Section 11–101(m)(13)  
 Annotated Code of Maryland  
 (2010 Replacement Volume and 2015 Supplement)  
 (As enacted by Chapter 3 of the Acts of the General Assembly of 2016)

BY repealing and reenacting, with amendments,  
 Article – Transportation  
 Section 21–903(d)  
 Annotated Code of Maryland  
 (2012 Replacement Volume and 2015 Supplement)

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

#### **Article – Agriculture**

10–1201.

(e) “Wine” has the meaning stated in [Article 2B, § 1–102 of the Code] **§ 1–101 OF THE ALCOHOLIC BEVERAGES ARTICLE.**

(f) “Winery” means an establishment that has a winery license or limited winery license under [Article 2B, § 2–204 or § 2–205 of the Code] **§ 2–205 OR § 2–206 OF THE ALCOHOLIC BEVERAGES ARTICLE.**

**Article – Alcoholic Beverages**

**1–302.1.**

**BY REGULATION, THE COMPTROLLER MAY:**

**(1) ESTABLISH OR PROHIBIT THE MAXIMUM DISCOUNTS THAT MAY BE ALLOWED BY A MANUFACTURER, WHOLESALER, OR NONRESIDENT WINERY PERMIT HOLDER IN THE SALE AND DISTRIBUTION OF WINE AND LIQUOR; OR**

**(2) PROHIBIT THE GIVING OF DISCOUNTS BY A MANUFACTURER, WHOLESALER, OR NONRESIDENT WINERY PERMIT HOLDER IN THE SALE AND DISTRIBUTION OF WINE AND LIQUOR.**

**2–131.**

(b) [The Comptroller] A LOCAL LICENSING BOARD may issue the permit to a nonprofit organization, as defined by [§ 501(c)(3)] § 501(C) of the Internal Revenue Code, that meets the requirements of this section.

**4–105.**

(a) (1) A license for the use of a limited liability company shall be applied for and issued to AUTHORIZED PERSONS OF THE LIMITED LIABILITY COMPANY, as individuals[:].

(2) (i) [all] ALL of the authorized individuals SHALL APPLY FOR THE LICENSE, if the limited liability company has fewer than three authorized individuals[: or].

(ii) [three] THREE authorized individuals SHALL APPLY FOR THE LICENSE, if the limited liability company has three or more authorized individuals.

**[(2)](3) At least one of the authorized individuals shall:**

(i) have been a resident of the jurisdiction or municipality for at least 2 years before the application is filed; and

(ii) be a registered voter and taxpayer of the jurisdiction or municipality when the application is filed.

4-109.

(a) [On a] A license application[, an applicant] shall state:

(3) that [the] AT LEAST ONE applicant is a citizen of the United States;

(11) [that] WHETHER the applicant has a financial interest in the business to be conducted under the license;

(13) that the applicant or a person on behalf of whom the application is filed does not have a financial interest [in the jurisdiction] in any other place of business in the jurisdiction for which an alcoholic beverage license has been applied for or issued;

16-2004.

(b) (2) A holder of a 7-day Class B beer and wine license may sell beer and wine for off-premises consumption:

(i) on Monday through Saturday from 8 a.m. to 11 p.m. [the following day]; and

21-903.

(d) A license holder of a Class BDR license may acquire the catering option authorized under [§ 21-901] § 21-902 of this subtitle.

21-905.

(e) (1) For a Class D (on-sale) beer, wine, and liquor license without a catering [privilege] OPTION, the annual fee is \$1,500, and the one-time issuance fee for a new license is \$1,500.

(2) For a Class D (on-sale) beer, wine, and liquor license with a catering [privilege] OPTION, the annual fee is \$2,000, and the issuance fee for a new license is \$2,000.

21-1304.

(c) The license authorizes the holder to display and sell beer that is:

(1) manufactured and processed in [the State] ANY STATE; and

(2) distributed in the State when the license application is filed.

21-1310.

- (e) The fee for a Class C multiple [day] EVENT license is:
- (1) \$125 for not more than 5 events per year;
  - (2) \$250 for not more than 12 events per year;
  - (3) \$375 for not more than 18 events per year; and
  - (4) \$500 for not more than 24 events per year.

23-1404.

(a) Except as provided in subsection (c) of this section, [an applicant] AT LEAST ONE OF THE APPLICANTS for a new license for a corporation or limited liability company shall certify that as long as the applicant is the holder of the license, the applicant shall:

- (1) own at least 10% of the stock in the corporation or interest in the limited liability company; or
- (2) (i) serve as the manager or supervisor of the corporation or limited liability company; and  
(ii) be physically present on a full-time basis at the licensed premises of the corporation or limited liability company to conduct the daily business involving transactions concerning alcoholic beverages sales.

23-1406.

(a) [An applicant] AT LEAST ONE OF THE APPLICANTS shall include with the application a petition of support signed by at least three residents who are owners of real property and registered voters in the district where the business is to be conducted stating that the applicant:

- (1) is known personally to the residents; and
- (2) subject to subsection (b) of this section, has been a resident of the County for 2 years immediately preceding the presentation of the application to the residents.

23-1407.

[An applicant for a license shall:]

[(1)](A) AT LEAST ONE OF THE APPLICANTS FOR A LICENSE SHALL be a resident of the County[;].

[(2)](B) [in] IN the determination of the Board, EACH APPLICANT SHALL:

(1) be of good character; and

[(3)](2) include the following information with the application:

(i) a statement that the applicant is at least 18 years old; and

(ii) a checklist and police consent form.

23-1703.

(a) Except as provided in subsection (c) of this section, [an applicant] AT LEAST ONE OF THE APPLICANTS for the transfer of a license for a corporation or limited liability company shall certify that as long as the applicant is the holder of the license, the applicant shall:

(1) own at least 10% of the stock in the corporation or interest in the limited liability company; or

(2) (i) serve as the manager or supervisor of the corporation or limited liability company; and

(ii) be physically present on a full-time basis at the licensed premises of the corporation or limited liability company to conduct the daily business involving transactions concerning alcoholic beverages sales.

23-2602.

(a) The Board may subpoena records pertaining to a licensed establishment.

(b) (1) The Board may petition the circuit court if a witness refuses to produce a subpoenaed record.

(2) The court [may] SHALL proceed by attachment against the witness as if the refusal had been by a witness summoned to appear in a case pending before the court.

### Article – Business Regulation

15-203.

(a) An innkeeper may refuse to provide lodging or services to or may remove from a lodging establishment an individual who:

(5) the innkeeper reasonably believes is using the lodging establishment for the unlawful possession or use of a controlled dangerous substance in violation of Title 5 of the Criminal Law Article or for the consumption of alcohol by an individual under the

age of 21 years in violation of [Article 2B, § 12–108 of the Code] **§ 6–304, § 6–307, § 6–308, OR § 6–309 OF THE ALCOHOLIC BEVERAGES ARTICLE;**

### Article – Courts and Judicial Proceedings

7–409.

(a) (2) “Crime” means an act committed by a person in the State that is:

(xv) A crime under [Article 2B, Title 22 or § 18–104 of the Code] **§ 6–301 OR § 33–2503 OF THE ALCOHOLIC BEVERAGES ARTICLE;**

### Article – Criminal Law

10–114.

(a) Except as provided in subsection (b)(1) of this section, and subject to subsection (b)(2) of this section, an individual under the age of 21 years may not:

(1) possess or have under the individual’s charge or control an alcoholic beverage unless the individual is a bona fide employee of the license holder as defined in [Article 2B, § 1–102 of the Code] **§ 1–101 OF THE ALCOHOLIC BEVERAGES ARTICLE** and the alcoholic beverage is in the possession or under the charge or control of the individual in the course of the individual’s employment and during regular working hours; or

10–118.

(a) Except for a person licensed as an alcoholic beverages licensee under [Article 2B of the Code] **THE ALCOHOLIC BEVERAGES ARTICLE** who possesses a keg in the course of that person’s business, a person may not knowingly:

(1) possess a keg that has not been registered under or does not have a registration form affixed to it as required by [Article 2B, § 21–106 of the Code] **§ 5–303 OF THE ALCOHOLIC BEVERAGES ARTICLE;** or

10–119.

(b) (1) A citation for a violation of §§ 10–113 through 10–115 or a violation of § 10–118 of this part may be issued by:

(iii) subject to paragraphs (2) and (3) of this subsection, in Anne Arundel County, Frederick County, Harford County, Kent County, Montgomery County, Prince George’s County, and Talbot County, and only in the inspector’s jurisdiction, an alcoholic beverages inspector who investigates license violations under [Article 2B of the Code] **THE ALCOHOLIC BEVERAGES ARTICLE.**

10–121.

(a) This section does not apply to a person who:

(1) was acting in the capacity of a licensee, or an employee of a licensee, under [Article 2B of the Code] **THE ALCOHOLIC BEVERAGES ARTICLE**; and

(2) has committed a violation of and is subject to the penalties under [Article 2B, § 12–108 of the Code] **§ 6–304, § 6–307, § 6–308, OR § 6–309 OF THE ALCOHOLIC BEVERAGES ARTICLE**.

10–125.

(d) Notwithstanding [Article 2B, Title 19 of the Code] **§ 6–320, § 6–321, OR § 6–322 OF THE ALCOHOLIC BEVERAGES ARTICLE**, or any other provision of law, the prohibitions contained in this section apply throughout the State.

#### **Article – Criminal Procedure**

4–101.

(c) (1) (ii) Subject to paragraph (2) of this subsection, in addition to any other law allowing a crime to be charged by citation, a police officer may charge by citation for:

1. sale of an alcoholic beverage to an underage drinker or intoxicated person under [Article 2B, § 12–108 of the Code] **§ 6–304, § 6–307, § 6–308, OR § 6–309 OF THE ALCOHOLIC BEVERAGES ARTICLE**;

#### **Article – Election Law**

16–207.

(a) In this section, “alcoholic beverages” has the meaning provided in [Article 2B, § 1–102 of the Code] **§ 1–101 OF THE ALCOHOLIC BEVERAGES ARTICLE**.

#### **Article – Health – General**

24–501.

(e) “Indoor area open to the public” means:

(2) An indoor area of any establishment licensed or permitted under [Article 2B of the Code] **THE ALCOHOLIC BEVERAGES ARTICLE** for the sale or possession of alcoholic beverages.

**Article – Insurance**

2–401.

(c) “Insurance fraud” means:

(4) any other fraudulent activity that is committed by or against a person regulated under this article and is a violation of:

(vii) [Article 2B, Title 22 of the Code] **§ 6–301 OF THE ALCOHOLIC BEVERAGES ARTICLE;**

27–801.

(c) “Insurance fraud” means:

(3) any other fraudulent activity that is committed by or against a person regulated under this article and is a violation of:

(vii) [Article 2B, Title 22 of the Code] **§ 6–301 OF THE ALCOHOLIC BEVERAGES ARTICLE;**

**Article – Local Government**

5–105.

(a) The legislative body of a municipality may adopt an ordinance regulating the licensing, location, and operation in the municipality of a business establishment that allows on its premises any activity involving nudity and sexual displays listed under [Article 2B, § 10–405(c) through (f) of the Code] **§ 4–605 OF THE ALCOHOLIC BEVERAGES ARTICLE.**

18–203.

(a) The Mayor and City Council of Ocean City may:

(5) grant, on the basis of competitive bidding, concessions on the premises of the Convention Center for the sale of food or beverages, including, subject to [Article 2B of the Code] **THE ALCOHOLIC BEVERAGES ARTICLE**, alcoholic beverages; and

**Article – Public Safety**

11–116.



(a) (2) Paragraph (1) of this subsection does not apply to a person who neither intended to use nor used the explosives involved in violation of:

(xii) [Article 2B, Title 22 or § 18–104 of the Code] **§ 6–301 OR § 33–2503 OF THE ALCOHOLIC BEVERAGES ARTICLE;**

(b) (2) Paragraph (1) of this subsection does not apply to a person who had probable cause to believe that the explosives involved would be used for a purpose other than the violation of:

(xii) [Article 2B, Title 22 or § 18–104 of the Code] **§ 6–301 OR § 33–2503 OF THE ALCOHOLIC BEVERAGES ARTICLE;**

### Article – Real Property

14–123.

(e) (2) This section may not be construed as to grant standing for an action:

(iii) Involving any violation of alcoholic beverages laws under [Article 2B of the Code] **THE ALCOHOLIC BEVERAGES ARTICLE;** or

14–124.

(e) (2) This section may not be construed as granting standing for an action:

(iii) Involving any violation of alcoholic beverages laws under [Article 2B of the Code] **THE ALCOHOLIC BEVERAGES ARTICLE;** or

14–125.

(e) (2) This section may not be construed as granting standing for an action:

(iii) Involving any violation of alcoholic beverages laws under [Article 2B of the Code] **THE ALCOHOLIC BEVERAGES ARTICLE;** or

14–125.1.

(g) (2) This section may not be construed as granting standing for an action:

(iii) Involving any violation of alcoholic beverages laws under [Article 2B of the Code] **THE ALCOHOLIC BEVERAGES ARTICLE;** or

### Article – State Government

9–1A–24.

(b) (4) A video lottery operation licensee may provide food at no cost to individuals to the same extent allowed under [Article 2B, § 12–106 of the Code] **§ 5–303 OF THE ALCOHOLIC BEVERAGES ARTICLE** for a person engaged in the sale or barter of spirituous, malt, or intoxicating liquors and licensed under the laws of Maryland.

9–1A–37.

(a) (1) The Commission may consider and make recommendations on proposed changes to this subtitle, Subtitle 1 of this title, and any provisions of [Article 2B of the Code] **THE ALCOHOLIC BEVERAGES ARTICLE** that relate to the regulation of alcoholic beverages at video lottery facilities.

(2) On request of the Governor or the presiding officer of either house of the General Assembly, the Commission shall consider and make recommendations on proposed changes to this subtitle, Subtitle 1 of this title, and any provisions of [Article 2B of the Code] **THE ALCOHOLIC BEVERAGES ARTICLE** that relate to the regulation of alcoholic beverages at video lottery facilities.

(3) A video lottery facility may request that the Commission consider and make recommendations on proposed changes to this subtitle and any provisions of [Article 2B of the Code] **THE ALCOHOLIC BEVERAGES ARTICLE** that relate to the regulation of alcoholic beverages at video lottery facilities.

12–101.

(a) In this subtitle, unless the context clearly requires otherwise, “State personnel” means:

(9) a member of a board of license commissioners of a county or Baltimore City appointed under the provisions of [Article 2B of the Code] **THE ALCOHOLIC BEVERAGES ARTICLE**, or an employee of a board of license commissioners;

### Article – Tax – General

5–301.

(c) A person who holds a nonresident winery permit under [Article 2B, § 2–101(u) of the Code] **§ 2–135 OF THE ALCOHOLIC BEVERAGES ARTICLE** that sells or delivers wine to retail dealers in the State shall pay the alcoholic beverage tax on that wine, in the manner that the Comptroller requires, with the return that covers the period in which the wine manufacturer who holds a nonresident winery permit sells or delivers that wine.

5–302.

Unless otherwise authorized in this title or in [Article 2B of the Code] **THE ALCOHOLIC BEVERAGES ARTICLE**, a person may not buy, possess, sell, store, transport, or allow another person to buy, store, sell, or transport an alcoholic beverage on which the alcoholic beverage tax is not paid.

10-735.

(a) (5) “Winery” means an establishment licensed by the Comptroller as either a Class 3 or Class 4 winery under [Article 2B, §§ 2-204 and 2-205 of the Code] **§ 2-205 OR § 2-206 OF THE ALCOHOLIC BEVERAGES ARTICLE**.

11-101.

(m) “Taxable service” means:

(13) the privilege given to an individual under [Article 2B, § 12-107(b)(10) of the Code] **§ 4-1102 OF THE ALCOHOLIC BEVERAGES ARTICLE** to consume wine that is not purchased from or provided by a restaurant, club, or hotel.

13-834.

(b) “Contraband alcoholic beverage” means an alcoholic beverage, as defined in § 5-101 of this article:

(2) that is delivered, possessed, sold, or transported in the State in a manner not authorized under Title 5 of this article or [Article 2B of the Code] **THE ALCOHOLIC BEVERAGES ARTICLE**.

13-841.

(a) (1) Contraband alcoholic beverages that are seized under this title and forfeited may be disposed of or destroyed in the manner allowed under [Article 2B, § 1-201(f)(5) and (6) and (g) of the Code] **§§ 6-105, 6-106, AND 6-328 OF THE ALCOHOLIC BEVERAGES ARTICLE**.

### Article – Transportation

21-903.

(d) Notwithstanding [Article 2B, Title 19 of the Code] **§ 6-320, § 6-321, OR § 6-322 OF THE ALCOHOLIC BEVERAGES ARTICLE**, or any other provision of law, the prohibition contained in this section applies throughout the State.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016.

Approved by the Governor, April 26, 2016.

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## Chapter 229

### (Senate Bill 764)

AN ACT concerning

#### **Education – Student Journalists – Freedom of Speech and Freedom of the Press**

FOR the purpose of authorizing certain student journalists to exercise freedom of speech and freedom of the press in school–sponsored media; making certain student journalists responsible for determining certain content of school–sponsored media; providing for the construction of certain provisions of this Act; prohibiting certain student media advisors from using their position to influence a student journalist to promote certain positions; prohibiting a county board of education from exercising prior restraint, except under certain circumstances; specifying that the administration of a certain public school will have the burden of proving certain justification under certain circumstances; prohibiting the discipline of certain student journalists and certain media advisors under certain circumstances; requiring certain county boards and certain institutions of higher education to adopt certain policies; defining certain terms; and generally relating to the freedom of speech and the freedom of the press for student journalists in school–sponsored media.

BY adding to

Article – Education

Section 7–121 and 15–119

Annotated Code of Maryland

(2014 Replacement Volume and 2015 Supplement)

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

#### **Article – Education**

**7–121.**

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

(2) (I) “SCHOOL–SPONSORED MEDIA” MEANS ANY MATERIAL THAT IS:

1. PREPARED, WRITTEN, PUBLISHED, OR BROADCAST BY A STUDENT JOURNALIST AT A PUBLIC SCHOOL;

2. DISTRIBUTED OR GENERALLY MADE AVAILABLE TO MEMBERS OF THE STUDENT BODY; AND

3. PREPARED UNDER THE DIRECTION OF A STUDENT MEDIA ADVISOR.

(II) "SCHOOL-SPONSORED MEDIA" DOES NOT INCLUDE MATERIAL THAT IS INTENDED FOR DISTRIBUTION OR TRANSMISSION SOLELY IN THE CLASSROOM IN WHICH THE MATERIAL IS PRODUCED.

(3) "STUDENT JOURNALIST" MEANS A PUBLIC SCHOOL STUDENT WHO GATHERS, COMPILES, WRITES, EDITS, PHOTOGRAPHS, RECORDS, OR PREPARES INFORMATION FOR DISSEMINATION IN SCHOOL-SPONSORED MEDIA.

(4) "STUDENT MEDIA ADVISOR" MEANS AN INDIVIDUAL EMPLOYED, APPOINTED, OR DESIGNATED BY A COUNTY BOARD OR A PUBLIC SCHOOL TO SUPERVISE OR PROVIDE INSTRUCTION RELATING TO SCHOOL-SPONSORED MEDIA.

(B) (1) SUBJECT TO SUBSECTION (D) OF THIS SECTION, A STUDENT JOURNALIST MAY EXERCISE FREEDOM OF SPEECH AND FREEDOM OF THE PRESS IN SCHOOL-SPONSORED MEDIA.

(2) PARAGRAPH (1) OF THIS SUBSECTION MAY NOT BE CONSTRUED TO BE LIMITED BY THE FACT THAT THE SCHOOL-SPONSORED MEDIA IS:

(I) SUPPORTED FINANCIALLY BY THE LOCAL SCHOOL SYSTEM, OR BY THE PUBLIC SCHOOL, OR BY USE OF FACILITIES OWNED BY THE COUNTY BOARD; OR

(II) PRODUCED IN CONJUNCTION WITH A CLASS IN WHICH THE STUDENT JOURNALIST IS ENROLLED.

(C) (1) SUBJECT TO SUBSECTION (D) OF THIS SECTION, A STUDENT JOURNALIST IS RESPONSIBLE FOR DETERMINING THE NEWS, OPINION, FEATURE, AND ADVERTISING CONTENT OF SCHOOL-SPONSORED MEDIA.

(2) PARAGRAPH (1) OF THIS SUBSECTION MAY NOT BE CONSTRUED TO PREVENT A STUDENT MEDIA ADVISOR FROM TEACHING PROFESSIONAL STANDARDS OF ENGLISH AND JOURNALISM TO STUDENT JOURNALISTS.

(D) THIS SECTION MAY NOT BE CONSTRUED TO AUTHORIZE OR PROTECT CONTENT OF SCHOOL-SPONSORED MEDIA BY A STUDENT JOURNALIST THAT:

- (1) IS LIBELOUS OR SLANDEROUS;
- (2) CONSTITUTES AN UNWARRANTED INVASION OF PRIVACY;
- (3) VIOLATES FEDERAL OR STATE LAW; OR
- (4) INCITES STUDENTS TO CREATE A CLEAR AND PRESENT DANGER OF THE COMMISSION OF AN UNLAWFUL ACT, THE VIOLATION OF COUNTY BOARD POLICIES, OR THE MATERIAL AND SUBSTANTIAL DISRUPTION OF THE ORDERLY OPERATION OF THE PUBLIC SCHOOL.

(E) A STUDENT MEDIA ADVISOR MAY NOT USE THE ADVISOR'S POSITION TO INFLUENCE A STUDENT JOURNALIST TO PROMOTE AN OFFICIAL POSITION OF A COUNTY BOARD OR A PUBLIC SCHOOL.

~~(E)~~ (F) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, A COUNTY BOARD MAY NOT EXERCISE PRIOR RESTRAINT OF ANY SCHOOL-SPONSORED MEDIA.

(2) A COUNTY BOARD MAY EXERCISE PRIOR RESTRAINT OF SCHOOL-SPONSORED MEDIA DESCRIBED UNDER SUBSECTION (D) OF THIS SECTION.

~~(F)~~ (G) THE ADMINISTRATION OF A PUBLIC SCHOOL SHALL HAVE THE BURDEN OF PROVING JUSTIFICATION WITHOUT UNDUE DELAY BEFORE AN ACTION IS TAKEN UNDER SUBSECTION ~~(E)(2)~~ (F)(2) OF THIS SECTION.

~~(G)~~ (H) (1) A STUDENT JOURNALIST MAY NOT BE DISCIPLINED FOR ACTING IN ACCORDANCE WITH SUBSECTIONS (B) OR (C) OF THIS SECTION.

(2) A STUDENT MEDIA ADVISOR MAY NOT BE DISMISSED, SUSPENDED, DISCIPLINED, REASSIGNED, TRANSFERRED, OR OTHERWISE RETALIATED AGAINST FOR:

(I) ACTING TO PROTECT A STUDENT JOURNALIST ENGAGED IN CONDUCT UNDER SUBSECTIONS (B) OR (C) OF THIS SECTION; OR

(II) REFUSING TO INFRINGE ON CONDUCT THAT IS PROTECTED BY SUBSECTIONS (B) OR (C) OF THIS SECTION, THE FIRST AMENDMENT TO THE UNITED STATES CONSTITUTION, OR ARTICLE 40 OF THE MARYLAND DECLARATION OF RIGHTS.

~~(H)~~ (I) (1) EACH COUNTY BOARD SHALL ADOPT A WRITTEN POLICY CONCERNING THE PROVISIONS OF THIS SECTION.

(2) THE POLICY ADOPTED UNDER PARAGRAPH (1) OF THIS SUBSECTION:

(I) SHALL INCLUDE REASONABLE PROVISIONS FOR THE TIME, PLACE, AND MANNER OF EXPRESSION BY A STUDENT JOURNALIST IN SCHOOL-SPONSORED MEDIA; AND

(II) NOTWITHSTANDING THE PROVISIONS OF SUBSECTIONS (B) AND (C) OF THIS SECTION, MAY INCLUDE LIMITATIONS ON LANGUAGE THAT MAY BE DEFINED AS PROFANE, ~~HARASSING, THREATENING, OR INTIMIDATING~~ VULGAR, LEWD, OR OBSCENE, OR LANGUAGE THAT HAS THE INTENT TO HARASS, THREATEN, OR INTIMIDATE.

15-119.

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

(2) (I) "SCHOOL-SPONSORED MEDIA" MEANS ANY MATERIAL THAT IS:

1. PREPARED, WRITTEN, PUBLISHED, OR BROADCAST BY A STUDENT JOURNALIST AT A PUBLIC INSTITUTION OF HIGHER EDUCATION;

2. DISTRIBUTED OR GENERALLY MADE AVAILABLE TO MEMBERS OF THE STUDENT BODY; AND

3. PREPARED UNDER THE DIRECTION OF A STUDENT MEDIA ADVISOR.

(II) "SCHOOL-SPONSORED MEDIA" DOES NOT INCLUDE MATERIAL THAT IS INTENDED FOR DISTRIBUTION OR TRANSMISSION SOLELY IN THE CLASSROOM IN WHICH THE MATERIAL IS PRODUCED.

(3) "STUDENT JOURNALIST" MEANS A STUDENT AT A PUBLIC INSTITUTION OF HIGHER EDUCATION WHO GATHERS, COMPILES, WRITES, EDITS, PHOTOGRAPHS, RECORDS, OR PREPARES INFORMATION FOR DISSEMINATION IN SCHOOL-SPONSORED MEDIA.

(4) “STUDENT MEDIA ADVISOR” MEANS AN INDIVIDUAL EMPLOYED, APPOINTED, OR DESIGNATED BY A PUBLIC INSTITUTION OF HIGHER EDUCATION TO SUPERVISE OR PROVIDE INSTRUCTION RELATING TO SCHOOL–SPONSORED MEDIA.

(B) (1) SUBJECT TO SUBSECTION (D) OF THIS SECTION, A STUDENT JOURNALIST MAY EXERCISE FREEDOM OF SPEECH AND FREEDOM OF THE PRESS IN SCHOOL–SPONSORED MEDIA.

(2) PARAGRAPH (1) OF THIS SUBSECTION MAY NOT BE CONSTRUED TO BE LIMITED BY THE FACT THAT THE SCHOOL–SPONSORED MEDIA IS:

(I) SUPPORTED FINANCIALLY BY THE PUBLIC INSTITUTION OF HIGHER EDUCATION OR BY USE OF FACILITIES OWNED BY THE INSTITUTION; OR

(II) PRODUCED IN CONJUNCTION WITH A CLASS IN WHICH THE STUDENT JOURNALIST IS ENROLLED.

(C) (1) SUBJECT TO SUBSECTION (D) OF THIS SECTION, A STUDENT JOURNALIST IS RESPONSIBLE FOR DETERMINING THE NEWS, OPINION, FEATURE, AND ADVERTISING CONTENT OF SCHOOL–SPONSORED MEDIA.

(2) PARAGRAPH (1) OF THIS SUBSECTION MAY NOT BE CONSTRUED TO PREVENT A STUDENT MEDIA ADVISOR FROM TEACHING PROFESSIONAL STANDARDS OF ENGLISH AND JOURNALISM TO STUDENT JOURNALISTS.

(D) THIS SECTION MAY NOT BE CONSTRUED TO AUTHORIZE OR PROTECT CONTENT OF SCHOOL–SPONSORED MEDIA BY A STUDENT JOURNALIST THAT:

(1) IS LIBELOUS OR SLANDEROUS;

(2) CONSTITUTES AN UNWARRANTED INVASION OF PRIVACY;

(3) VIOLATES FEDERAL OR STATE LAW; OR

(4) INCITES STUDENTS TO CREATE A CLEAR AND PRESENT DANGER OF THE COMMISSION OF AN UNLAWFUL ACT, THE VIOLATION OF POLICIES OF THE PUBLIC INSTITUTION OF HIGHER EDUCATION, OR THE MATERIAL AND SUBSTANTIAL DISRUPTION OF THE ORDERLY OPERATION OF THE INSTITUTION.

(E) A STUDENT MEDIA ADVISOR MAY NOT USE THE ADVISOR’S POSITION TO INFLUENCE A STUDENT JOURNALIST TO PROMOTE AN OFFICIAL POSITION OF A PUBLIC INSTITUTION OF HIGHER EDUCATION.



~~(E)~~ (F) (1) A STUDENT JOURNALIST MAY NOT BE DISCIPLINED FOR ACTING IN ACCORDANCE WITH SUBSECTIONS (B) OR (C) OF THIS SECTION.

(2) A STUDENT MEDIA ADVISOR MAY NOT BE DISMISSED, SUSPENDED, DISCIPLINED, REASSIGNED, TRANSFERRED, OR OTHERWISE RETALIATED AGAINST FOR:

(I) ACTING TO PROTECT A STUDENT JOURNALIST ENGAGED IN CONDUCT UNDER SUBSECTIONS (B) OR (C) OF THIS SECTION; OR

(II) REFUSING TO INFRINGE ON CONDUCT THAT IS PROTECTED BY SUBSECTIONS (B) OR (C) OF THIS SECTION, THE FIRST AMENDMENT TO THE UNITED STATES CONSTITUTION, OR ARTICLE 40 OF THE MARYLAND DECLARATION OF RIGHTS.

~~(F)~~ (G) (1) EACH PUBLIC INSTITUTION OF HIGHER EDUCATION SHALL ADOPT A WRITTEN POLICY CONCERNING THE PROVISIONS OF THIS SECTION.

(2) THE POLICY ADOPTED UNDER PARAGRAPH (1) OF THIS SUBSECTION:

(I) SHALL INCLUDE REASONABLE PROVISIONS FOR THE TIME, PLACE, AND MANNER OF EXPRESSION BY A STUDENT JOURNALIST IN SCHOOL-SPONSORED MEDIA; AND

(II) NOTWITHSTANDING THE PROVISIONS OF SUBSECTIONS (B) AND (C) OF THIS SECTION, MAY INCLUDE LIMITATIONS ON LANGUAGE THAT ~~MAY BE DEFINED AS PROFANE, HARASSING, THREATENING, OR INTIMIDATING VULGAR, LEWD, OR OBSCENE, OR LANGUAGE THAT HAS THE INTENT TO HARASS, THREATEN, OR INTIMIDATE AN INDIVIDUAL.~~

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2016.

Approved by the Governor, April 26, 2016.

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## Chapter 230

(Senate Bill 770)

AN ACT concerning

Education – Public High Schools – Agriculture Science

FOR the purpose of ~~requiring~~ encouraging each county board of education, beginning in a certain school year, to implement a certain agriculture science curriculum in a certain number of public high schools in each county or a certain number of career and technology education centers in each county; requiring that the agriculture science curriculum be selected from existing curricula developed by the State Department of Education or be developed by a county board and approved by the Department; and generally relating to the implementation of an agriculture science curriculum in each county.

BY adding to

Article – Education

Section 4–111.3

Annotated Code of Maryland

(2014 Replacement Volume and 2015 Supplement)

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

#### **Article – Education**

#### **4–111.3.**

**(A) BEGINNING IN THE 2018–2019 SCHOOL YEAR, EACH COUNTY BOARD ~~SHALL~~ IS ENCOURAGED TO IMPLEMENT AN AGRICULTURE SCIENCE CURRICULUM SPECIFIED IN SUBSECTION (B) OF THIS SECTION IN:**

**(1) AT LEAST ONE PUBLIC HIGH SCHOOL IN THE COUNTY; OR**

**(2) AT LEAST ONE CAREER AND TECHNOLOGY EDUCATION CENTER IN THE COUNTY.**

**(B) THE AGRICULTURE SCIENCE CURRICULUM IMPLEMENTED UNDER SUBSECTION (A) OF THIS SECTION SHALL BE:**

**(1) SELECTED FROM EXISTING CURRICULA THAT ~~HAS~~ HAVE BEEN DEVELOPED BY THE DEPARTMENT; OR**

**(2) DEVELOPED BY A COUNTY BOARD AND APPROVED BY THE DEPARTMENT.**

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2016.

**Approved by the Governor, April 26, 2016.**

**Chapter 231****(Senate Bill 774)**

AN ACT concerning

**Motor Vehicles – Autocycles – Standards and Requirements**

FOR the purpose of establishing that an autocycle is considered to be a motorcycle for the purposes of the Maryland Vehicle Law; defining the term “autocycle”; establishing certain driver’s licensing requirements for an operator of an autocycle; prohibiting certain persons from towing certain vehicles when driving an autocycle; prohibiting an applicant for a certain driver skills examination from using an autocycle for the examination; restricting the course of instruction for certain motorcycle safety courses to the use and operation of certain motorcycles; requiring that the form for certain written accident reports distinguish autocycles from motorcycles; restricting the requirement that a person ride on a motorcycle in a certain manner to persons riding certain motorcycles; requiring the Motor Vehicle Administration and the Department of State Police to adopt certain regulations establishing equipment standards for autocycles; making certain conforming changes; making a certain stylistic change; and generally relating to the application of the Maryland Vehicle Law to autocycles.

BY adding to

Article – Transportation

Section 11–103.3

Annotated Code of Maryland

(2012 Replacement Volume and 2015 Supplement)

BY repealing and reenacting, with amendments,

Article – Transportation

Section 11–136, 16–104.1, 16–110(e), 16–601, 20–113, 21–1302(d) and (e), 22–412, and 23–104

Annotated Code of Maryland

(2012 Replacement Volume and 2015 Supplement)

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

**Article – Transportation****11–103.3.****“AUTOCYCLE” MEANS A MOTOR VEHICLE THAT:**

- (1) HAS TWO FRONT WHEELS AND ONE REAR WHEEL;**

**(2) HAS A STEERING WHEEL;**

**(3) HAS PERMANENT SEATS ON WHICH THE OPERATOR OR A PASSENGER IS NOT REQUIRED TO SIT ASTRIDE;**

**(4) HAS FOOT PEDALS TO CONTROL ACCELERATION, BRAKING, AND, IF APPLICABLE, A CLUTCH; AND**

**(5) IS MANUFACTURED TO COMPLY WITH FEDERAL SAFETY STANDARDS FOR MOTORCYCLES.**

11–136.

(a) “Motorcycle” means a motor vehicle that:

(1) **(I)** Has motive power;

**[(2)] (II)** Has a seat or saddle for the use of the rider;

**[(3)] (III)** Is designed to travel:

**[(i)] 1.** On not more than three wheels in contact with the ground;

and

**[(ii)] 2.** At speeds exceeding 35 miles per hour; and

**[(4)] (IV)** Is of a type required to comply with all motor vehicle safety standards applicable to motorcycles under federal law; **OR**

**(2) IS AN AUTOCYCLE.**

(b) A detachable sidecar is an accessory to and not a part of a motorcycle.

16–104.1.

(a) (1) A noncommercial Class A driver’s license authorizes the licensee to drive combinations of Class F (tractor) and Class G (trailer) vehicles and any vehicle that a noncommercial Class B driver’s license authorizes its holder to drive, except:

(i) Commercial motor vehicles; and

(ii) Motorcycles **OTHER THAN AUTOCYCLES.**

(2) An individual who is issued a noncommercial Class A driver’s license under this subsection may not drive or attempt to drive a motor vehicle on any highway in

this State unless a noncommercial Class A driver's license authorizes the individual to drive a vehicle of the class that the individual is driving or attempting to drive.

(b) (1) A noncommercial Class B driver's license authorizes the licensee to drive any single vehicle or combinations of vehicles with a gross vehicle weight rating (GVWR) or gross combination weight rating (GCWR), as defined in § 16–803 of this title, of 26,001 pounds and more and any vehicle that a noncommercial Class C driver's license authorizes its holder to drive, except:

- (i) Commercial motor vehicles;
- (ii) Motorcycles **OTHER THAN AUTOCYCLES**; and
- (iii) Combinations of Class F (tractor) and Class G (trailer) vehicles.

(2) An individual who is issued a noncommercial Class B driver's license under this subsection may not drive or attempt to drive a motor vehicle on any highway in this State unless a noncommercial Class B driver's license authorizes the individual to drive a vehicle of the class that the individual is driving or attempting to drive.

(c) (1) A noncommercial Class C driver's license authorizes the licensee to drive any vehicle or combination of vehicles with a gross vehicle weight rating (GVWR), as defined in § 16–803 of this title, of less than 26,001 pounds, except:

- (i) Commercial motor vehicles; and
- (ii) Motorcycles **OTHER THAN AUTOCYCLES**.

(2) An individual who is issued a noncommercial Class C driver's license under this subsection may not drive or attempt to drive a motor vehicle on any highway in this State unless a noncommercial Class C driver's license authorizes the individual to drive a vehicle of the class that the individual is driving or attempting to drive.

(d) (1) A Class M driver's license authorizes the licensee to drive motorcycles **OTHER THAN AUTOCYCLES**.

(2) An individual who is issued a Class M driver's license under this subsection may not drive or attempt to drive a motor vehicle on any highway in this State unless a Class M driver's license authorizes the individual to drive a vehicle of the class that the individual is driving or attempting to drive.

(e) (1) [Except] **THIS SUBSECTION DOES NOT APPLY TO AN AUTOCYCLE OR** when the towing vehicle is a commercial motor vehicle[and subject].

(2) **SUBJECT** to the provisions of this section, a noncommercial Class A, B, or C license holder may:

- [(1)] (I) Tow any travel trailer as defined in § 11–170 of this article;
- [(2)] (II) Tow any camping trailer as defined in § 11–106 of this article; or
- [(3)] (III) Tow any boat trailer as defined in § 11–104.1 of this article.

(f) This section applies to any license issued or renewed on or after January 1, 1990.

16–110.

(e) (1) (I) [For] SUBJECT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH, FOR a required driver skills examination or driver road examination, each applicant shall provide a motor vehicle of a type appropriate to test the applicant’s ability to drive all vehicles that may be driven under the license class applied for.

(II) AN APPLICANT MAY NOT USE AN AUTOCYCLE TO TEST THE APPLICANT’S ABILITY TO DRIVE UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH.

(2) Except as provided in paragraphs (3) and (4) of this subsection, when the holder of a learner’s instructional permit appears for the driving test, the permit holder shall be accompanied by an individual qualified under § 16–105 of this subtitle to accompany the holder of a learner’s permit while driving on a highway. That individual shall have his driver’s license with him.

(3) The holder of a Class M (motorcycle) learner’s instructional permit may:

(i) Transport a motorcycle to the driving test by truck or other vehicle unaccompanied by another individual, if the permit holder is licensed to drive the truck or other vehicle; or

(ii) Be accompanied by a person transporting a motorcycle to the test by truck or other vehicle, if that person is licensed to drive the truck or other vehicle.

(4) The holder of a learner’s instructional permit may be driven to the examination station and to the starting point where the examiner begins the test by any individual authorized to drive the class of vehicle in which the test is being given. That individual shall have a valid driver’s license in the individual’s possession.

16–601.

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

(b) “Mobile training center” means a mobile unit equipped and managed by the Administration that may be available for the offering of motorcycle safety courses and for conducting public awareness activities at various locations in the State.

(c) “Motorcycle safety courses” and “courses” mean courses of instruction, designated and approved by the Administration and offered by a training center, in the safe use and operation of motorcycles **OPERATED UNDER A CLASS M DRIVER’S LICENSE**, including instruction in the safe on-road operation of motorcycles, the rules of the road, and the laws of this State relating to motor vehicles.

(d) “Motorcycle safety training center” and “training center” mean places designated and approved by the Administration where approved motorcycle safety courses are offered.

20–113.

(a) (1) The Administration shall prepare and, on request, supply to police departments, sheriffs, and other appropriate agencies or individuals, forms for the written accident reports required by § 20–107 of this title.

(2) The forms shall:

(I) [require] REQUIRE sufficiently detailed information to disclose the cause of the reported accident, the conditions then existing, and the persons and vehicles involved; AND

(II) DISTINGUISH AUTOCYCLES FROM MOTORCYCLES.

(b) Each written accident report required by § 20–107 of this title shall be made on the form that the Administration requires and shall contain all the available information required by the report.

21–1302.

(d) A person may ride on a motorcycle **OPERATED UNDER A CLASS M DRIVER’S LICENSE** only while sitting astride the seat, facing forward, with one leg on each side of the motorcycle.

(e) A person may not operate a motorcycle while carrying any package, bundle, or other article that prevents [him] **THE PERSON** from keeping both hands on the [handlebars] **STEERING MECHANISM**.

22–412.

(a) Every motor vehicle registered in this State and manufactured or assembled after June 1, 1964, shall be equipped with two sets of seat belts on the front seat of the vehicle.

(b) Every motor vehicle registered in this State and manufactured or assembled with a rear seat after June 1, 1969, shall be equipped with two sets of seat belts on the rear seat of the vehicle.

(c) A person may not sell or offer for sale any vehicle in violation of this section.

(d) For the purpose of this section only, “motor vehicle” does not include any motorcycle **OTHER THAN AN AUTOCYCLE**, bus, truck, or taxicab.

(e) For the purpose of this section only, “seat belt” means any belt, strap, harness, or like device.

(f) A seat belt may not be sold or offered for sale for use in connection with the operation of a motor vehicle in this State after June 1, 1964, unless it meets applicable federal motor vehicle safety standards.

23–104.

(a) Every vehicle driven on the highways in this State shall, where applicable, have the following equipment, meeting or exceeding the standards established jointly by the Administration and the Division: brakes, steering, suspension, horn, door handles, mirrors, tires, exhaust system, lights, glazing, windshield wipers, odometer, speedometer, bumpers, properly aligned wheels, wheels and wheel lugs, fenders, floor pans, hood, hood catches, emissions equipment, fuel system, front seat, motor mounts, gear selection indicator for automatic transmissions, universal joints, and seat belts or combination seat belt–shoulder harness if required as original equipment under § 22–412 or § 22–412.1 of this article.

(b) (1) The Administration and the Division jointly may establish standards by rule or regulation for this equipment.

(2) The Administration and the Division shall adopt, consistent with federal law, regulations establishing equipment, performance, and other technical standards for [low]:

(I) **AUTOCYCLES; AND**

(II) **LOW** speed vehicles.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect ~~October~~ July 1, 2016.

**Approved by the Governor, April 26, 2016.**



## Chapter 232

(Senate Bill 781)

AN ACT concerning

### Education – Maryland Seal of Biliteracy Act – Establishment

FOR the purpose of establishing the Maryland Seal of Biliteracy Program; providing for the purpose of the Program; providing that participation in the Program by a local school system is voluntary; providing that, beginning with a certain graduating class, certain students shall receive a certain seal under certain circumstances; requiring the State Board of Education to establish certain criteria and requirements by a certain date; requiring the State Board to provide certain information regarding the Program to certain local school systems by a certain date; requiring certain local school systems to maintain certain records; requiring certain local school systems to affix a certain seal to certain academic documents under certain circumstances; requiring the State Board to adopt certain regulations; defining certain terms; and generally relating to the Maryland Seal of Biliteracy Program.

BY adding to

Article – Education

Section 7–208

Annotated Code of Maryland

(2014 Replacement Volume and 2015 Supplement)

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

#### Article – Education

7–208.

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

(2) “ELIGIBLE STUDENT” MEANS A STUDENT WHO ATTENDS A PUBLIC HIGH SCHOOL THAT PARTICIPATES IN THE MARYLAND SEAL OF BILITERACY PROGRAM.

(3) (I) “FOREIGN LANGUAGE” MEANS A LANGUAGE OTHER THAN ENGLISH.

(II) “FOREIGN LANGUAGE” INCLUDES AMERICAN SIGN LANGUAGE AND ANY NATIVE AMERICAN LANGUAGE.

**(4) “PROGRAM” MEANS THE MARYLAND SEAL OF BILITERACY PROGRAM.**

**(B) THERE IS A MARYLAND SEAL OF BILITERACY PROGRAM THAT RECOGNIZES PUBLIC HIGH SCHOOL GRADUATES IN THE STATE WHO HAVE ATTAINED PROFICIENCY IN SPEAKING, READING, AND WRITING IN ONE OR MORE LANGUAGES IN ADDITION TO ENGLISH.**

**(C) THE PURPOSE OF THE PROGRAM IS TO PROMOTE LINGUISTIC PROFICIENCY AND CULTURAL LITERACY IN ONE OR MORE LANGUAGES IN ADDITION TO ENGLISH AND TO PROVIDE RECOGNITION OF THE ATTAINMENT OF THOSE SKILLS BY AFFIXING A SEAL OF BILITERACY TO THE STUDENT’S DIPLOMA OR TRANSCRIPT AT GRADUATION, AT NO COST TO THE STUDENT.**

**(D) (1) PARTICIPATION IN THE PROGRAM BY A LOCAL SCHOOL SYSTEM IS VOLUNTARY.**

**(2) IF A LOCAL SCHOOL SYSTEM CHOOSES TO PARTICIPATE IN THE PROGRAM, AN INDIVIDUAL SCHOOL MAY NOT OPT OUT OF PARTICIPATION IN THE PROGRAM.**

**(E) (1) BEGINNING WITH THE GRADUATING CLASS OF 2017, EACH ELIGIBLE STUDENT WHO MEETS THE CRITERIA AND REQUIREMENTS ESTABLISHED BY THE STATE BOARD IN ACCORDANCE WITH SUBSECTION (F)(1) OF THIS SECTION SHALL RECEIVE A SEAL OF BILITERACY.**

**(2) A SEAL OF BILITERACY SHALL BE AFFIXED TO THE STUDENT’S DIPLOMA OR TRANSCRIPT AT GRADUATION.**

**(F) ON OR BEFORE OCTOBER 1, 2016, THE STATE BOARD SHALL:**

**(1) ESTABLISH CRITERIA AND REQUIREMENTS A STUDENT MUST MEET TO RECEIVE A SEAL OF BILITERACY; AND**

**(2) PROVIDE INFORMATION TO EACH LOCAL SCHOOL SYSTEM REGARDING HOW TO PARTICIPATE IN AND HOW TO IMPLEMENT THE PROGRAM.**

**(G) A LOCAL SCHOOL SYSTEM PARTICIPATING IN THE PROGRAM SHALL:**

**(1) MAINTAIN RECORDS NECESSARY FOR DETERMINING A STUDENT’S ELIGIBILITY FOR A SEAL OF BILITERACY; AND**

**(2) AFFIX A SEAL OF BILITERACY TO THE DIPLOMA OR TRANSCRIPT OF EVERY ELIGIBLE STUDENT MEETING THE CRITERIA AND REQUIREMENTS ESTABLISHED BY THE STATE BOARD IN ACCORDANCE WITH SUBSECTION (F)(1) OF THIS SECTION.**

**(H) THE STATE BOARD SHALL ADOPT REGULATIONS TO CARRY OUT THIS SECTION.**

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016.

**Approved by the Governor, April 26, 2016.**

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## **Chapter 233**

**(Senate Bill 821)**

AN ACT concerning

### **Participating Governmental Units – Amortization Schedule**

FOR the purpose of altering the calculation of the accrued liability contributions required to be paid by a participating governmental unit on account of members of the Employees' Retirement System and Employees' Pension System who are employees of a participating governmental unit; clarifying the application of a certain amortization period to certain changes; and generally relating to the funding of the State Retirement and Pension System.

BY repealing and reenacting, with amendments,

Article – State Personnel and Pensions

Section 21–305.2

Annotated Code of Maryland

(2015 Replacement Volume)

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

### **Article – State Personnel and Pensions**

21–305.2.

(a) In this section, “employees’ systems” means the Employees’ Pension System and the Employees’ Retirement System.

(b) As part of each actuarial valuation, the actuary shall determine the accrued liability contributions on account of members of the employees' systems who are employees of participating governmental units.

(c) [Beginning July 1, 2001, each] **EACH** year the Board of Trustees shall set contribution rates for each State system that shall amortize:

(1) all unfunded liabilities or surpluses accrued as of June 30, [2000] **2016**, over [20] **100** years;

**(2) ALL UNFUNDED LIABILITIES OR SURPLUSES ACCRUED AS OF JUNE 30, 2017, OVER 40 YEARS;**

**(3) ALL UNFUNDED LIABILITIES OR SURPLUSES ACCRUED AS OF JUNE 30, 2018, OVER 35 YEARS;**

**(4) ALL UNFUNDED LIABILITIES OR SURPLUSES ACCRUED AS OF JUNE 30, 2019, OVER 30 YEARS;**

**(5) ALL UNFUNDED LIABILITIES OR SURPLUSES ACCRUED AS OF JUNE 30, 2020, OVER 25 YEARS;**

**(6) ALL UNFUNDED LIABILITIES OR SURPLUSES ACCRUED AS OF JUNE 30, 2021, OVER 22 YEARS;**

**(7) ALL UNFUNDED LIABILITIES OR SURPLUSES ACCRUED AS OF JUNE 30, 2022, OVER 20 YEARS; and**

**[(2)] (8) BEGINNING JULY 1, 2023**, any new unfunded liabilities or surpluses that have accrued from July 1 of the preceding fiscal year over **[25 years] THE TIME REMAINING UNTIL JUNE 30, 2041**, to reflect:

(i) experience gains and losses;

(ii) the effect of changes in actuarial assumptions; and

(iii) the effect of legislation effective on or after July 1, **[2001] 2023**.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016.

Approved by the Governor, April 26, 2016.

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## Chapter 234

(Senate Bill 823)

AN ACT concerning

### Task Force to Study the Implementation of a Dyslexia Education Program ~~– Extension –~~ Membership, Duties, and Extension

FOR the purpose of altering the ~~date by which~~ membership and duties of the Task Force to Study the Implementation of a Dyslexia Education Program; altering the date by which the Task Force is required to submit certain findings and recommendations; extending the termination date of the Task Force; and generally relating to the Task Force to Study the Implementation of a Dyslexia Education Program.

BY repealing and reenacting, with amendments,  
Chapter 411 of the Acts of the General Assembly of 2015  
Section ~~1(e)~~ 1(b), (f), and (g) and 2

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

#### Chapter 411 of the Acts of 2015

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

(b) The Task Force consists of the following members:

(1) one member of the Senate of Maryland, appointed by the President of the Senate;

(2) one member of the House of Delegates, appointed by the Speaker of the House;

(3) the State Superintendent of Schools, or the Superintendent's designee;

(4) one representative of the Maryland Association of Boards of Education, appointed by the Executive Director of the Association;

(5) one representative of the Public School Superintendents Association of Maryland, appointed by the Executive Director of the Association;

(6) one representative of the Maryland State Education Association, appointed by the Executive Director of the Association;

(7) one representative of the Maryland School Psychologists' Association, appointed by the President of the Association; and

(8) the following members, appointed by the Governor:

(i) one representative of an employee organization of public school teachers;

(ii) one representative of a local school system;

(iii) two representatives of the dyslexia education community;

(iv) one representative of an organization that certifies dyslexia identification methodologies;

(v) one consumer member who has experience with dyslexia identification, education, and treatment; [and]

(vi) one representative of Decoding Dyslexia Maryland;

**(VII) ONE MEMBER WHO IS AN ADMINISTRATOR OF A TEACHER TRAINING PROGRAM; AND**

**(VIII) ONE MEMBER WHO IS EMPLOYED BY AN INSTITUTION OF HIGHER EDUCATION WITH EXPERTISE IN RESEARCH METHODOLOGY.**

(f) The Task Force shall:

**(1) MAKE RECOMMENDATIONS REGARDING HOW THE TERMS “DYSLEXIA” AND “TARGETED STUDENTS” SHOULD BE DEFINED;**

~~[(1)]~~ **(2) determine current practices for identifying and treating dyslexia in students in Maryland public schools;**

~~[(2)]~~ **(3) determine current practices for identifying and treating dyslexia in other states;**

**(4) DETERMINE THE COMPONENTS AND COSTS OF SUCCESSFUL DYSLEXIA EDUCATION PROGRAMS ESTABLISHED IN OTHER STATES;**

~~[(3)]~~ **(5) determine the appropriate structure for establishing a dyslexia education program and make recommendations on:**

(i) the feasibility of funding a dyslexia education program through the State Department of Education or alternative funding mechanisms and sources or both, INCLUDING RESEARCHING GRANT OPPORTUNITIES;

(ii) the methodologies that should be used to test students and identify dyslexia and pre-dyslexia tendencies in students;

(iii) the appropriate age to begin testing for dyslexia and pre-dyslexia tendencies; and

(iv) the best practices for treating and educating students identified as having dyslexia or pre-dyslexia tendencies; and

[(4)] (6) develop a pilot program to initiate the implementation of the recommendations of the Task Force in an appropriately limited geographical area.

(g) On or before December 30, [2015] **2016**, the Task Force shall report its findings and recommendations to the Governor and, in accordance with § 2-1246 of the State Government Article, the Senate Education, Health, and Environmental Affairs Committee and the House Ways and Means Committee.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2015. It shall remain effective for a period of [1 year] **2 YEARS** and 1 month and, at the end of June 30, [2016] **2017**, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2016.

**Approved by the Governor, April 26, 2016.**

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## Chapter 235

**(House Bill 895)**

AN ACT concerning

**Task Force to Study the Implementation of a Dyslexia Education Program**  
~~– Extension –~~ **Membership, Duties, and Extension**

FOR the purpose of altering the ~~date by which~~ membership and duties of the Task Force to Study the Implementation of a Dyslexia Education Program; altering the date by which the Task Force is required to submit certain findings and recommendations; extending the termination date of the Task Force; and generally relating to the Task Force to Study the Implementation of a Dyslexia Education Program.

BY repealing and reenacting, with amendments,  
 Chapter 411 of the Acts of the General Assembly of 2015

Section ~~1(e)~~ 1(b), (f), and (g) and 2

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

**Chapter 411 of the Acts of 2015**

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

(b) The Task Force consists of the following members:

(1) one member of the Senate of Maryland, appointed by the President of the Senate;

(2) one member of the House of Delegates, appointed by the Speaker of the House;

(3) the State Superintendent of Schools, or the Superintendent's designee;

(4) one representative of the Maryland Association of Boards of Education, appointed by the Executive Director of the Association;

(5) one representative of the Public School Superintendents Association of Maryland, appointed by the Executive Director of the Association;

(6) one representative of the Maryland State Education Association, appointed by the Executive Director of the Association;

(7) one representative of the Maryland School Psychologists' Association, appointed by the President of the Association; and

(8) the following members, appointed by the Governor:

(i) one representative of an employee organization of public school teachers;

(ii) one representative of a local school system;

(iii) two representatives of the dyslexia education community;

(iv) one representative of an organization that certifies dyslexia identification methodologies;

(v) one consumer member who has experience with dyslexia identification, education, and treatment; [and]



(vi) one representative of Decoding Dyslexia Maryland;

**(VII) ONE MEMBER WHO IS AN ADMINISTRATOR OF A TEACHER TRAINING PROGRAM; AND**

**(VIII) ONE MEMBER WHO IS EMPLOYED BY AN INSTITUTION OF HIGHER EDUCATION WITH EXPERTISE IN RESEARCH METHODOLOGY.**

(f) The Task Force shall:

**(1) MAKE RECOMMENDATIONS REGARDING HOW THE TERMS “DYSLEXIA” AND “TARGETED STUDENTS” SHOULD BE DEFINED;**

[(1)] (2) determine current practices for identifying and treating dyslexia in students in Maryland public schools;

[(2)] (3) determine current practices for identifying and treating dyslexia in other states;

**(4) DETERMINE THE COMPONENTS AND COSTS OF SUCCESSFUL DYSLEXIA EDUCATION PROGRAMS ESTABLISHED IN OTHER STATES;**

[(3)] (5) determine the appropriate structure for establishing a dyslexia education program and make recommendations on:

(i) the feasibility of funding a dyslexia education program through the State Department of Education or alternative funding mechanisms and sources or both, INCLUDING RESEARCHING GRANT OPPORTUNITIES;

(ii) the methodologies that should be used to test students and identify dyslexia and pre-dyslexia tendencies in students;

(iii) the appropriate age to begin testing for dyslexia and pre-dyslexia tendencies; and

(iv) the best practices for treating and educating students identified as having dyslexia or pre-dyslexia tendencies; and

**[(4)] (6) develop a pilot program to initiate the implementation of the recommendations of the Task Force in an appropriately limited geographical area.**

(g) On or before December 30, [2015] **2016**, the Task Force shall report its findings and recommendations to the Governor and, in accordance with § 2-1246 of the State Government Article, the Senate Education, Health, and Environmental Affairs Committee and the House Ways and Means Committee.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2015. It shall remain effective for a period of [1 year] **2 YEARS** and 1 month and, at the end of June 30, [2016] **2017**, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2016.

**Approved by the Governor, April 26, 2016.**

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## Chapter 236

(Senate Bill 995)

AN ACT concerning

### St. Mary's County – Local Licenses – Repeal

FOR the purpose of repealing certain provisions of law that relate to certain licenses issued in St. Mary's County.

BY repealing

The Public Local Laws of St. Mary's County  
Section 61–1 through 61–3 and the chapter “Chapter 61. Hucksters and Peddlers”  
Article 19 – Public Local Laws of Maryland  
(2007 Edition and March 2014 Supplement, as amended)

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

### Article 19 – St. Mary's County

[Chapter 61. Hucksters and Peddlers.]

[61–1.

A. (1) A huckster, hawker or peddler may not sell or offer for sale any fruits or vegetables in St. Mary's County without a license.

(2) This section does not apply to farmers or growers selling their own fruits or vegetables.

B. (1) An applicant for a license shall pay an annual license fee set by the County Commissioners, by resolution, to the Clerk of the Circuit Court of St. Mary's County.

(2) The Clerk of the Court shall pay the receipts from the issuance of the licenses to the County Treasurer for the use of the county.

C. Any person violating the provisions of this section on conviction is subject to a fine not exceeding one thousand dollars (\$1,000.00).]

[61–2.

A. A person may not conduct the business of or act as an itinerant or door-to-door peddler or salesman of goods, wares or merchandise, either by sample or otherwise, in St. Mary's County unless the person holds a current license issued by the Sheriff of the county. As used in this section, "peddler or salesman" includes one who offers for sale or solicits subscriptions for magazines or other periodical publications.

B. The Sheriff shall make available application forms for a peddler's and magazine seller's license, requiring such information as, in the opinion of the Sheriff, may be necessary to keep an appropriate listing of the persons in St. Mary's County who are engaged in these occupations. The license shall be issued on application, at an annual cost set by the County Commissioners, by resolution. The cost may not be prorated for portions of a year. The license year begins as of January 1.

C. This section may not be construed or used to apply to any person who is going from door to door in any activity or enterprise which is conducted for and on behalf of any nonprofit, charitable or eleemosynary agency or organization; or to any person who is going from door to door or utilizing roadside stands in the sale of farm produce or seafood of any kind which the person has produced or taken within the limits of St. Mary's County; or to any person who is selling or delivering newspapers.

D. Any person who violates any provision of this section is guilty of a misdemeanor and on conviction is subject to a fine not exceeding one thousand dollars (\$1,000.00) for each violation.]

[61–3.

A. An individual may not conduct business as a palm reader, fortune teller, soothsayer, or psychic in St. Mary's County without a current license issued by the Sheriff of the county.

B. The Sheriff of St. Mary's County shall make available license application forms for palm readers, fortune tellers, soothsayers, and psychics. The license shall cover a 1-year period and shall cost a fee set by the County Commissioners, by resolution.

C. The Sheriff may issue a license only upon photographing and fingerprinting the applicant and determining that the applicant has never been convicted of a felony or misdemeanor for which a sentence of unsuspended imprisonment of six (6) months or more was imposed unless the applicant:

(1) Was pardoned by the Governor of Maryland under Article II, Section 20 of the Maryland Constitution; or

(2) Was granted relief under Title 18, Section 925(c) of the United States Code.

D. Any conviction of a license holder for a felony or misdemeanor for which an unsuspended imprisonment of six (6) months or more has been imposed shall result in automatic revocation of the license.

E. This section does not apply to any activity conducted on behalf of any nonprofit or charitable agency or organization.

F. Any person violating the provisions of this section is guilty of a misdemeanor and is subject to a fine of not more than one thousand dollars (\$1,000.00) for each violation and imprisonment for not more than 60 days, or both.]

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2016.

**Approved by the Governor, April 26, 2016.**

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## **Chapter 237**

**(Senate Bill 1033)**

AN ACT concerning

### **Maryland Consolidated Capital Bond Loan of 2015 – Worcester County – Delmarva Discovery Center and Museum**

FOR the purpose of amending the Maryland Consolidated Capital Bond Loan of 2015 to add a grantee to certain grants; making this Act an emergency measure; and generally relating to amending the Maryland Consolidated Capital Bond Loan of 2015.

BY repealing and reenacting, with amendments,  
Chapter 495 of the Acts of the General Assembly of 2015  
Section 1(3) Item ZA02(BC) and Item ZA03(BQ)

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

### **Chapter 495 of the Acts of 2015**



AN ACT concerning

**Washington County – Alcoholic Beverages – License Renewal Procedures**

FOR the purpose of specifying the filing period for a renewal of an alcoholic beverages license in Washington County; requiring a license holder to file an application to renew an annual license and the required documents by a certain date; altering the penalty for late filing of an application for a license renewal; prohibiting the Washington County Board of License Commissioners from renewing a license until the license holder pays certain taxes by a certain date and submits a certain certificate to the Board; specifying certain content of a license renewal application; authorizing the Board to issue renewed licenses for the following year during a certain time period; and generally relating to alcoholic beverages in Washington County.

BY repealing and reenacting, without amendments,

Article – Alcoholic Beverages

Section 31–102

Annotated Code of Maryland

(As enacted by Chapter 41 (S.B. 724) of the Acts of the General Assembly of 2016)

BY repealing and reenacting, with amendments,

Article – Alcoholic Beverages

Section 31–1801, 31–1802, and 31–1803

Annotated Code of Maryland

(As enacted by Chapter 41 (S.B. 724) of the Acts of the General Assembly of 2016)

BY adding to

Article – Alcoholic Beverages

Section 31–1803.1 and 31–1803.2

Annotated Code of Maryland

(As enacted by Chapter 41 (S.B. 724) of the Acts of the General Assembly of 2016)

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

**Article – Alcoholic Beverages**

31–102.

This title applies only in Washington County.

31–1801.

(a) The following sections of Title 4, Subtitle 4 (“Renewal of Local Licenses”) of Division I of this article apply in the County without exception or variation:

- (1) § 4-402 (“Eligibility for renewal; process”);
- (2) § 4-403 (“Renewal application”);
- (3) § 4-406 (“Protests”);
- (4) § 4-407 (“Denial of renewal application”);
- (5) [§ 4-408 (“Issuance of renewed licenses”);
- (6)] § 4-409 (“Multiple licenses”); and
- [(7)] **(6)** § 4-410 (“Chain store, supermarket, or discount house”).

**(B) SECTION 4-404 (“FILING PERIOD FOR RENEWAL APPLICATION”) OF DIVISION I OF THIS ARTICLE DOES NOT APPLY IN THE COUNTY AND IS SUPERSEDED BY § 31-1802 OF THIS SUBTITLE.**

**[(b)] (C)** The following sections of Title 4, Subtitle 4 (“Renewal of Local Licenses”) of Division I of this article apply in the County:

(1) [§ 4-404 (“Filing period for renewal application”), subject to § 31-1802 of this subtitle; and

(2)] § 4-405 (“Contents of renewal application”), subject to [§] §§ 31-1803 AND 31-1803.1 of this subtitle; AND

**(2) § 4-408 (“ISSUANCE OF RENEWED LICENSES”), SUBJECT TO § 31-1803.2 OF THIS SUBTITLE.**

31-1802.

**(A) A RENEWAL APPLICATION SHALL BE AVAILABLE AT THE BEGINNING OF MARCH OF THE LICENSING CYCLE.**

**(B) AN APPLICATION AND THE REQUIRED DOCUMENTS TO RENEW AN ANNUAL LICENSE SHALL BE FILED BETWEEN APRIL 1 AND JUNE 15, INCLUSIVE.**

**(C)** A license holder that files a completed application for license renewal[:

(1)] between [April 2] **JUNE 16** and [April 11] **JUNE 30**, inclusive, is subject to a penalty of [\$100; or

(2) on or after April 12 is subject to a penalty of \$400] **\$50 FOR EACH DAY OF VIOLATION.**

31-1803.

The Board may not renew a license until the license holder, **BY JUNE 15:**

- (1) pays all [County] **UNDISPUTED** taxes that are due under the license **TO THE COMPTROLLER, THE MUNICIPALITY, AND THE COUNTY; [and]**
- (2) certifies by affidavit to the Board that no County taxes are due; **AND**
- (3) **SUBMITS TO THE BOARD A CERTIFICATE OF GOOD STANDING FROM THE COMPTROLLER.**

31-1803.1.

**TO BE APPROVED, A LICENSE RENEWAL APPLICATION SHALL:**

- (1) **CONTAIN ALL REQUIRED SIGNATURES THAT HAVE BEEN NOTARIZED; AND**
- (2) **BE ACCOMPANIED BY:**
  - (I) **A TRADER’S LICENSE;**
  - (II) **A SALES AND USE LICENSE; AND**
  - (III) **FOR A CLASS B RESTAURANT:**
    1. **A HEALTH DEPARTMENT PERMIT; AND**
    2. **A STATEMENT OF THE AVERAGE MONTHLY SALES OF FOOD AND ALCOHOLIC BEVERAGES FOR THE LICENSED PREMISES DURING THE PREVIOUS LICENSE TERM.**

31-1803.2.

- (A) **THE BOARD MAY ISSUE RENEWED LICENSES FOR THE FOLLOWING LICENSE YEAR BETWEEN JUNE 15 AND JULY 1, INCLUSIVE.**
- (B) **ALL RENEWED LICENSES SHALL BE DATED JULY 1.**

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016.



Approved by the Governor, April 26, 2016.

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## Chapter 239

(Senate Bill 1078)

AN ACT concerning

### Washington County – Alcoholic Beverages – Class A Beer, Wine, and Liquor – License Fee

FOR the purpose of altering the annual license fee for a Class A beer, wine, and liquor license in Washington County; and generally relating to alcoholic beverages in Washington County.

BY repealing and reenacting, without amendments,

Article – Alcoholic Beverages

Section 31–102

Annotated Code of Maryland

(As enacted by Chapter 41 (S.B. 724) of the Acts of the General Assembly of 2016)

BY repealing and reenacting, with amendments,

Article – Alcoholic Beverages

Section 31–901

Annotated Code of Maryland

(As enacted by Chapter 41 (S.B. 724) of the Acts of the General Assembly of 2016)

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

### Article – Alcoholic Beverages

31–102.

This title applies only in Washington County.

31–901.

(a) There is a Class A beer, wine, and liquor license.

(b) (1) A license under this section authorizes the license holder to sell beer, wine, and liquor at retail at the place described in the license.

(2) The license holder shall sell the beer, wine, or liquor in a sealed package or container that may not be opened or its contents consumed on the licensed premises.

(c) A license under this section may not be issued for a drugstore unless the applicant:

(1) has been doing business at the location applied for in the license for at least 1 year before the date of the application for the license;

(2) is the assignee of a business established for at least 1 year before the date of the application for the license at the location applied for; or

(3) has been engaged in the retail drug business for at least 3 years.

(d) (1) The annual license fee is [~~\$300~~] **\$600**.

(2) The fee for a Sunday permit is \$250.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016.

**Approved by the Governor, April 26, 2016.**

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## Chapter 240

**(Senate Bill 1080)**

AN ACT concerning

### **Garrett County – Property Tax Exemption – Garrett College Business Incubator**

FOR the purpose of authorizing the governing body of Garrett County to exempt from the county property tax certain real property in Garrett County that is owned by the Garrett College Board of Trustees and used as a certain business incubator; defining a certain term; providing for the application of this Act; and generally relating to an exemption from the property tax in Garrett County for certain real property used as a business incubator.

BY adding to

Article – Tax – Property

Section 7-511.1

Annotated Code of Maryland

(2012 Replacement Volume and 2015 Supplement)

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

**Article – Tax – Property**

**7-511.1.**

**(A) IN THIS SECTION, “BUSINESS INCUBATOR” HAS THE MEANING STATED IN § 9-247 OF THIS ARTICLE.**

**(B) THE GOVERNING BODY OF GARRETT COUNTY MAY EXEMPT FROM THE COUNTY PROPERTY TAX REAL PROPERTY THAT IS:**

**(1) OWNED BY THE GARRETT COLLEGE BOARD OF TRUSTEES;**

**(2) KNOWN AS THE GARRETT INFORMATION ENTERPRISE CENTER;**

**AND**

**(3) USED AS A BUSINESS INCUBATOR.**

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2016, and shall be applicable to all taxable years beginning after June 30, 2016.

**Approved by the Governor, April 26, 2016.**

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**Chapter 241**

**(Senate Bill 1081)**

AN ACT concerning

**Mental Health – Voluntary and Involuntary Admissions – Certification by  
Psychiatric Nurse Practitioners**

FOR the purpose of defining “psychiatric nurse practitioner” for purposes of certain provisions of law relating to the voluntary and involuntary admissions of individuals to certain facilities for the treatment of mental disorders; prohibiting a certificate signed by a psychiatric nurse practitioner for the involuntary admission of an individual to certain facilities for the treatment of a mental disorder from being used for an admission under certain circumstances; requiring a facility operated by the Department of Health and Mental Hygiene to receive and evaluate an individual, within a certain number of hours of notification by a psychiatric nurse practitioner, for an involuntary admission for the treatment of a mental disorder under certain circumstances; making a conforming change; making this Act an emergency measure; and generally relating to the standards for voluntary and involuntary admissions to facilities for the treatment of mental disorders.

BY repealing and reenacting, with amendments,  
Article – Health – General  
Section 10–601, 10–616, and 10–619  
Annotated Code of Maryland  
(2015 Replacement Volume)

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

**Article – Health – General**

10–601.

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

(b) “Clinical social worker” means an individual who is licensed under Title 19 of the Health Occupations Article to practice clinical social work.

(c) “Licensed clinical marriage and family therapist” means an individual who is licensed under Title 17, Subtitle 3A of the Health Occupations Article to practice clinical marriage and family therapy.

(d) “Licensed clinical professional counselor” means an individual who is licensed under Title 17, Subtitle 3A of the Health Occupations Article to practice clinical professional counseling.

(e) “Physician” means an individual who is licensed under Title 14 of the Health Occupations Article to practice medicine in this State.

**(F) “PSYCHIATRIC NURSE PRACTITIONER” MEANS AN INDIVIDUAL WHO IS:**

**(1) LICENSED AS A REGISTERED NURSE AND CERTIFIED AS A NURSE PRACTITIONER UNDER TITLE 8 OF THE HEALTH OCCUPATIONS ARTICLE; AND**

**(2) PRACTICING IN THE STATE AS A CERTIFIED REGISTERED NURSE PRACTITIONER–PSYCHIATRIC MENTAL HEALTH.**

**[(f)] (G)** “Psychologist” means an individual who is licensed under Title 18 of the Health Occupations Article to practice psychology.

10–616.

(a) (1) A certificate for involuntary admission of an individual under Part III of this subtitle shall:

(i) Be based on the personal examination of the physician, psychologist, or psychiatric nurse practitioner who signs the certificate; and

(ii) Be in the form that the Secretary adopts, by rule or regulation.

(2) The rules and regulations shall require the form to include:

(i) A diagnosis of a mental disorder of the individual;

(ii) An opinion that the individual needs inpatient care or treatment;

and

(iii) An opinion that admission to a facility or Veterans' Administration hospital is needed for the protection of the individual or another.

(b) A certificate may not be used for admission if the examination on which the certificate is made was done:

(1) More than 1 week before the certificate is signed; or

(2) More than 30 days before the facility or the Veterans' Administration hospital receives the application for admission.

(c) A certificate may not be used for an admission if the physician [or], psychologist, **OR PSYCHIATRIC NURSE PRACTITIONER** who signed the certificate:

(1) Has a financial interest, through ownership or compensation, in a proprietary facility and admission to that proprietary facility is sought for the individual whose status is being certified; or

(2) Is related, by blood or marriage, to the individual or to the applicant.

10-619.

Within 12 hours of notification by a physician [or], licensed psychologist, **OR PSYCHIATRIC NURSE PRACTITIONER** who has certified an individual under Part III of this subtitle, a facility operated by the Department of Health and Mental Hygiene shall receive and evaluate the individual certified for involuntary admission if:

(1) The individual's involuntary admission is not limited by § 10-617 of this subtitle;

(2) An application for admission has been completed;

(3) A certifying physician [or], psychologist, **OR PSYCHIATRIC NURSE PRACTITIONER** is unable to place the individual in a facility not operated by the Department; and

(4) The Department is unable to provide for the placement of the person other than in a facility operated by the Department.

~~SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2016.~~

SECTION 2. AND BE IT FURTHER ENACTED, That this Act is an emergency measure, is necessary for the immediate preservation of the public health or safety, has been passed by a ye and nay vote supported by three-fifths of all the members elected to each of the two Houses of the General Assembly, and shall take effect from the date it is enacted.

**Approved by the Governor, April 26, 2016.**

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## Chapter 242

(Senate Bill 1140)

AN ACT concerning

### **Wicomico County – Alcoholic Beverages – Youth and Civic Center License**

FOR the purpose of establishing in Wicomico County a Class B Youth and Civic Center license; authorizing the Board of License Commissioners to issue the license to a designee of the County Executive of Wicomico County for use by a certain youth and civic center; during the term of the license, requiring a certain youth and civic center to maintain a kitchen, dining space, and meeting space; authorizing a holder of the license to sell beer, wine, and liquor for on-premises consumption to individuals attending a youth and civic center event; specifying the hours that the license privilege may be exercised; authorizing the license holder to authorize a vendor to sell alcoholic beverages for on-premises consumption under a certain license; authorizing the license holder to contract to receive a proportion of the revenue derived from a vendor's sale of alcoholic beverages; specifying an annual license fee; and generally relating to alcoholic beverages in Wicomico County.

BY repealing and reenacting, without amendments,

Article – Alcoholic Beverages

Section 32-102

Annotated Code of Maryland

(As enacted by Chapter 41 (S.B. 724) of the Acts of the General Assembly of 2016)

BY adding to

Article – Alcoholic Beverages

Section 32–1005

Annotated Code of Maryland

(As enacted by Chapter 41 (S.B. 724) of the Acts of the General Assembly of 2016)

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

**Article – Alcoholic Beverages**

32–102.

This title applies only in Wicomico County.

**32–1005.**

**(A) THERE IS A CLASS B YOUTH AND CIVIC CENTER LICENSE.**

**(B) (1) THE BOARD MAY ISSUE A LICENSE TO A DESIGNEE OF THE COUNTY EXECUTIVE FOR USE AT THE WICOMICO YOUTH AND CIVIC CENTER.**

**(2) DURING THE TERM OF THE LICENSE, THE WICOMICO YOUTH AND CIVIC CENTER SHALL MAINTAIN:**

**(I) A KITCHEN;**

**(II) DINING SPACE; AND**

**(III) MEETING SPACE.**

**(C) THE LICENSE AUTHORIZES THE LICENSE HOLDER TO SELL BEER, WINE, AND LIQUOR FOR ON–PREMISES CONSUMPTION TO INDIVIDUALS ATTENDING A YOUTH AND CIVIC CENTER EVENT.**

**(D) THE LICENSE HOLDER MAY SELL BEER, WINE, AND LIQUOR DURING THE HOURS AND DAYS AS SET OUT FOR A CLASS B BEER, WINE, AND LIQUOR LICENSE UNDER § 32–2005 OF THIS TITLE.**

**(E) THE LICENSE HOLDER MAY:**

**(1) AUTHORIZE A VENDOR TO SELL ALCOHOLIC BEVERAGES FOR ON–PREMISES CONSUMPTION UNDER THE LICENSE THAT THE MANAGER OF THE YOUTH AND CIVIC CENTER IS ISSUED; AND**

(2) CONTRACT TO RECEIVE PART OF THE REVENUE DERIVED FROM THE VENDOR'S SALE OF ALCOHOLIC BEVERAGES.

(F) THE ANNUAL LICENSE FEE IS \$1,500.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016.

Approved by the Governor, April 26, 2016.

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## Chapter 243

(Senate Bill 1173)

AN ACT concerning

~~Department of Labor, Licensing and Regulation – Adult Education – Adult High Schools~~  
Task Force to Study the Adult High School Concept

FOR the purpose of ~~repealing certain provisions of law relating to the establishment and maintenance of certain schools for adults by county boards of education; requiring the Department of Labor, Licensing, and Regulation, in consultation with the State Department of Education, by regulation and on or before a certain date, to develop standards for the establishment of adult high schools; providing for the content of certain standards; prohibiting the Department from requiring public funding for approval of the establishment of adult high schools; defining a certain term; and generally relating to adult high schools and the Department of Labor, Licensing, and Regulation~~ establishing the Task Force to Study the Adult High School Concept; providing for the composition, chair, and staffing of the Task Force; prohibiting a member of the Task Force from receiving certain compensation, but authorizing the reimbursement of certain expenses; requiring the Task Force to study and make recommendations regarding certain matters relating to the adult high school concept; requiring the Task Force to report its findings and recommendations to the presiding officers of the General Assembly and certain committees of the General Assembly on or before certain dates; providing for the termination of this Act; and generally relating to the Task Force to Study the Adult High School Concept.

~~BY repealing~~

~~Article – Labor and Employment~~

~~Section 11-805~~

~~Annotated Code of Maryland~~

~~(2008 Replacement Volume and 2015 Supplement)~~

~~BY adding to~~



~~Article — Labor and Employment  
Section 11-805  
Annotated Code of Maryland  
(2008 Replacement Volume and 2015 Supplement)~~

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

~~Article — Labor and Employment~~

~~11-805.~~

~~(a) In accordance with the applicable rules and regulations of the Department, each county board of education may establish and maintain day and evening schools for adults.~~

~~(b) The purpose of these schools for adults is to provide:~~

~~(1) a general program of continuing education for the improvement of the civic, occupational, and general intelligence of adults; and~~

~~(2) programs to enable adults to make a wise use of their leisure time.~~

~~(c) A full-time student, at the student's own expense, may register for adult education courses, if space is available, and if that student secures the written permission of the superintendent of schools, or the superintendent's designee, of the county in which the student registers.]~~

~~11-805.~~

~~(A) IN THIS SECTION, "ADULT EDUCATION" MEANS ACADEMIC INSTRUCTION AND EDUCATION SERVICES BELOW THE POSTSECONDARY LEVEL FOR INDIVIDUALS:~~

~~(1) WHO ARE AT LEAST 16 YEARS OLD;~~

~~(2) WHO ARE NOT ENROLLED OR REQUIRED TO BE ENROLLED IN HIGH SCHOOL UNDER § 7-301 OF THE EDUCATION ARTICLE; AND~~

~~(3) WHO:~~

~~(i) ARE BASIC SKILLS DEFICIENT;~~

~~(ii) DO NOT HAVE A HIGH SCHOOL DIPLOMA OR ITS RECOGNIZED EQUIVALENT AND HAVE NOT ACHIEVED AN EQUIVALENT LEVEL OF EDUCATION; OR~~

~~(H) ARE ENGLISH LANGUAGE LEARNERS.~~

~~(B) ON OR BEFORE DECEMBER 31, 2016, THE DEPARTMENT SHALL, IN CONSULTATION WITH THE STATE DEPARTMENT OF EDUCATION, BY REGULATION, DEVELOP STANDARDS FOR THE ESTABLISHMENT OF ADULT HIGH SCHOOLS.~~

~~(C) THE STANDARDS DEVELOPED UNDER SUBSECTION (B) OF THIS SECTION SHALL INCLUDE:~~

~~(1) QUALIFICATIONS FOR A NONPROFIT WORKFORCE TRAINING PROVIDER OR OTHER EDUCATIONAL PROVIDER TO OPERATE AN ADULT HIGH SCHOOL;~~

~~(2) A REQUIREMENT TO USE AN ADULT EDUCATION CURRICULUM AND CURRICULUM-ALIGNED ASSESSMENTS APPROVED BY THE STATE DEPARTMENT OF EDUCATION;~~

~~(3) A REQUIREMENT TO AWARD A MARYLAND HIGH SCHOOL DIPLOMA OR A DIPLOMA AWARDED BY A NATIONAL EXTERNAL DIPLOMA PROGRAM FOR SUCCESSFUL COMPLETION OF THE REQUIRED CURRICULUM AND ASSESSMENTS; AND~~

~~(4) A REQUIREMENT FOR CONSULTATION WITH THE STATE DEPARTMENT OF EDUCATION BEFORE APPROVAL OF AN ADULT HIGH SCHOOL.~~

~~(D) THE DEPARTMENT MAY NOT REQUIRE PUBLIC FUNDING FOR APPROVAL OF THE ESTABLISHMENT OF ADULT HIGH SCHOOLS.~~

(a) There is a Task Force to Study the Adult High School Concept.

(b) The Task Force consists of the following members:

(1) one member of the Senate of Maryland, appointed by the President of the Senate;

(2) one member of the House of Delegates, appointed by the Speaker of the House;

(3) the Secretary of Labor, Licensing, and Regulation, or the Secretary's designee;

(4) the State Superintendent of Schools, or the State Superintendent's designee;

(5) a representative of the Baltimore Metropolitan Council, appointed by the Executive Director of the Council;

(6) a representative of the Job Opportunity Task Force, appointed by the Executive Director of the Task Force;

(7) a representative of the Governor's Workforce Investment Board, appointed by the Governor;

(8) a representative of the Maryland Adult Learning Advisory Council, appointed by the Chair of the Council;

(9) a representative of the Maryland Association of Adult and Community Education, appointed by the President of the Board of Directors of the Association;

(10) a representative of the Montgomery Coalition for Adult English Literacy, appointed by the Executive Director of the Coalition;

(11) one member of the Workforce Development Committee of the Opportunity Collaborative, appointed by the cochairs of the Collaborative;

(12) one representative of a local education agency, appointed by the Executive Director of the Maryland Association of the Boards of Education;

(13) a superintendent of a local public school system in the State, appointed by the Executive Director of the Public School Superintendents Association of Maryland;

(14) a representative of the Baltimore Workforce Funders Collaborative, appointed by the Director of the Collaborative;

(15) two representatives of adult education providers, appointed by the Secretary of Labor, Licensing, and Regulation; and

(16) a representative of a community college, appointed by the Maryland Association of Community Colleges.

(c) The chair of the Task Force shall be selected by a majority vote of the members of the Task Force.

(d) The Department of Labor, Licensing, and Regulation and the State Department of Education shall provide staff for the Task Force.

(e) A member of the Task Force:

(1) may not receive compensation as a member of the Task Force; but

(2) is entitled to reimbursement for expenses under the Standard State Travel Regulations, as provided in the State budget.

(f) The Task Force shall:

(1) study, and identify best practices with regard to, the following issues:

(i) eligibility requirements and financial stability and capacity standards for adult high school operators;

(ii) accreditation of adult high school operators, teachers, and instructors, including the appropriate accrediting agencies, standards for accreditation, and compliance and enforcement of standards;

(iii) adult high school operator reporting requirements and data collection, including effectiveness criteria that consider matriculation rates, degree attainment, types of credit, certification, and degrees awarded, alternative high school diplomas, GED, or External Diploma Program, and job placement;

(iv) matriculation requirements, including admission criteria and identification of the entity that will certify successful completion of an adult high school program, admission policy, student residency requirements, student transfers from the secondary education system, and a process for recruiting and selecting students;

(v) curriculum content and requirements, including graduation credits and requirements, identification of the curriculum development entity, programs of study, course length and intensity requirements, the appropriate provisions of adult learner and skills services and services to underserved special needs populations and English language learners, and standards for flexibility and innovation;

(vi) funding requirements and options, including various models and model sustainability, public funding options, tuition-based models, and financial aid options; and

(vii) any other issues relevant to the development of the adult high school concept as determined by the Task Force, including limits on the numbers of adult high schools, impact of wraparound services, requirements for physical student presence at school, and online services; and

(2) make recommendations regarding enabling legislation and regulations for the establishment and regulation of adult high schools.

(g) (1) On or before December 15, 2016, the Task Force shall submit an interim report on its findings and recommendations, in accordance with § 2-1246 of the State Government Article, to the President of the Senate, the Speaker of the House of Delegates, the Senate Education, Health, and Environmental Affairs Committee, the House

Committee on Ways and Means, and the House Economic Matters Committee of the General Assembly.

(2) On or before June 30, 2017, the Task Force shall submit a final report on its findings and recommendations, in accordance with § 2-1246 of the State Government Article, to the President of the Senate, the Speaker of the House of Delegates, the Senate Education, Health, and Environmental Affairs Committee, the House Committee on Ways and Means, and the House Economic Matters Committee of the General Assembly.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016. It shall remain effective for a period of 1 year and, at the end of June 30, 2017, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.

Approved by the Governor, April 26, 2016.

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## Chapter 244

(House Bill 1406)

AN ACT concerning

~~Department of Labor, Licensing and Regulation—Adult Education—Adult High Schools~~

Task Force to Study the Adult High School Concept

FOR the purpose of ~~repealing certain provisions of law relating to the establishment and maintenance of certain schools for adults by county boards of education; requiring the Department of Labor, Licensing, and Regulation, in consultation with the State Department of Education, by regulation and on or before a certain date, to develop standards for the establishment of adult high schools; providing for the content of certain standards; prohibiting the Department from requiring public funding for approval of the establishment of adult high schools; defining a certain term; and generally relating to adult high schools and the Department of Labor, Licensing, and Regulation~~ establishing the Task Force to Study the Adult High School Concept; providing for the composition, chair, and staffing of the Task Force; prohibiting a member of the Task Force from receiving certain compensation, but authorizing the reimbursement of certain expenses; requiring the Task Force to study and make recommendations regarding certain matters relating to the adult high school concept; requiring the Task Force to report its findings and recommendations to the presiding officers of the General Assembly and certain committees of the General Assembly on or before certain dates; providing for the termination of this Act; and generally relating to the Task Force to Study the Adult High School Concept.

~~BY repealing~~

~~Article – Labor and Employment  
Section 11–805  
Annotated Code of Maryland  
(2008 Replacement Volume and 2015 Supplement)~~

~~BY adding to  
Article – Labor and Employment  
Section 11–805  
Annotated Code of Maryland  
(2008 Replacement Volume and 2015 Supplement)~~

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

~~**Article – Labor and Employment**~~

~~§ 11–805.~~

~~(a) In accordance with the applicable rules and regulations of the Department, each county board of education may establish and maintain day and evening schools for adults.~~

~~(b) The purpose of these schools for adults is to provide:~~

~~(1) a general program of continuing education for the improvement of the civic, occupational, and general intelligence of adults; and~~

~~(2) programs to enable adults to make a wise use of their leisure time.~~

~~(c) A full-time student, at the student's own expense, may register for adult education courses, if space is available, and if that student secures the written permission of the superintendent of schools, or the superintendent's designee, of the county in which the student registers.]~~

~~**11–805.**~~

~~(A) IN THIS SECTION, “ADULT EDUCATION” MEANS ACADEMIC INSTRUCTION AND EDUCATION SERVICES BELOW THE POSTSECONDARY LEVEL FOR INDIVIDUALS:~~

~~(1) WHO ARE AT LEAST 16 YEARS OLD;~~

~~(2) WHO ARE NOT ENROLLED OR REQUIRED TO BE ENROLLED IN HIGH SCHOOL UNDER § 7–301 OF THE EDUCATION ARTICLE; AND~~

~~(3) WHO:~~

~~(I) ARE BASIC SKILLS DEFICIENT;~~

~~(II) DO NOT HAVE A HIGH SCHOOL DIPLOMA OR ITS RECOGNIZED EQUIVALENT AND HAVE NOT ACHIEVED AN EQUIVALENT LEVEL OF EDUCATION; OR~~

~~(III) ARE ENGLISH LANGUAGE LEARNERS.~~

~~(B) ON OR BEFORE DECEMBER 31, 2016, THE DEPARTMENT SHALL, IN CONSULTATION WITH THE STATE DEPARTMENT OF EDUCATION, BY REGULATION, DEVELOP STANDARDS FOR THE ESTABLISHMENT OF ADULT HIGH SCHOOLS.~~

~~(C) THE STANDARDS DEVELOPED UNDER SUBSECTION (B) OF THIS SECTION SHALL INCLUDE:~~

~~(1) QUALIFICATIONS FOR A NONPROFIT WORKFORCE TRAINING PROVIDER OR OTHER EDUCATIONAL PROVIDER TO OPERATE AN ADULT HIGH SCHOOL;~~

~~(2) A REQUIREMENT TO USE AN ADULT EDUCATION CURRICULUM AND CURRICULUM ALIGNED ASSESSMENTS APPROVED BY THE STATE DEPARTMENT OF EDUCATION;~~

~~(3) A REQUIREMENT TO AWARD A MARYLAND HIGH SCHOOL DIPLOMA OR A DIPLOMA AWARDED BY A NATIONAL EXTERNAL DIPLOMA PROGRAM FOR SUCCESSFUL COMPLETION OF THE REQUIRED CURRICULUM AND ASSESSMENTS; AND~~

~~(4) A REQUIREMENT FOR CONSULTATION WITH THE STATE DEPARTMENT OF EDUCATION BEFORE APPROVAL OF AN ADULT HIGH SCHOOL.~~

~~(D) THE DEPARTMENT MAY NOT REQUIRE PUBLIC FUNDING FOR APPROVAL OF THE ESTABLISHMENT OF ADULT HIGH SCHOOLS.~~

(a) There is a Task Force to Study the Adult High School Concept.

(b) The Task Force consists of the following members:

(1) one member of the Senate of Maryland, appointed by the President of the Senate;

(2) one member of the House of Delegates, appointed by the Speaker of the House;

(3) the Secretary of Labor, Licensing, and Regulation, or the Secretary's designee;

(4) the State Superintendent of Schools, or the State Superintendent's designee;

(5) a representative of the Baltimore Metropolitan Council, appointed by the Executive Director of the Council;

(6) a representative of the Job Opportunity Task Force, appointed by the Executive Director of the Task Force;

(7) a representative of the Governor's Workforce Investment Board, appointed by the Governor;

(8) a representative of the Maryland Adult Learning Advisory Council, appointed by the Chair of the Council;

(9) a representative of the Maryland Association of Adult and Community Education, appointed by the President of the Board of Directors of the Association;

(10) a representative of the Montgomery Coalition for Adult English Literacy, appointed by the Executive Director of the Coalition;

(11) one member of the Workforce Development Committee of the Opportunity Collaborative, appointed by the Co-Chairs of the Collaborative;

(12) one representative of a local education agency, appointed by the Executive Director of the Maryland Association of the Boards of Education;

(13) a superintendent of a local public school system in the State, appointed by the Executive Director of the Public School Superintendents Association of Maryland;

(14) a representative of the Baltimore Workforce Funders Collaborative, appointed by the Director of the Collaborative;

(15) two representatives of adult education providers, appointed by the Secretary of Labor, Licensing, and Regulation; and

(16) a representative of a community college, appointed by the Maryland Association of Community Colleges.

(c) The chair of the Task Force shall be selected by a majority vote of the members of the Task Force.

(d) The Department of Labor, Licensing, and Regulation and the State Department of Education shall provide staff for the Task Force.



(e) A member of the Task Force:

(1) may not receive compensation as a member of the Task Force; but

(2) is entitled to reimbursement for expenses under the Standard State Travel Regulations, as provided in the State budget.

(f) The Task Force shall:

(1) study, and identify best practices with regard to, the following issues:

(i) eligibility requirements and financial stability and capacity standards for adult high school operators;

(ii) accreditation of adult high school operators, teachers, and instructors, including the appropriate accrediting agencies, standards for accreditation, and compliance and enforcement of standards;

(iii) adult high school operator reporting requirements and data collection, including effectiveness criteria that consider matriculation rates, degree attainment, types of credit, certification, and degrees awarded, alternative high school diplomas, GED, or External Diploma Program, and job placement;

(iv) matriculation requirements, including admission criteria and identification of the entity that will certify successful completion of an adult high school program, admission policy, student residency requirements, student transfers from the secondary education system, and a process for recruiting and selecting students;

(v) curriculum content and requirements, including graduation credits and requirements, identification of the curriculum development entity, programs of study, course length and intensity requirements, the appropriate provisions of adult learner and skills services and services to underserved special needs populations and English language learners, and standards for flexibility and innovation;

(vi) funding requirements and options, including various models and model sustainability, public funding options, tuition-based models, and financial aid options; and

(vii) any other issues relevant to the development of the adult high school concept as determined by the Task Force, including limits on the numbers of adult high schools, impact of wraparound services, requirements for physical student presence at school, and online services; and

(2) make recommendations regarding enabling legislation and regulations for the establishment and regulation of adult high schools.

(g) (1) On or before December 15, 2016, the Task Force shall submit an interim report on its findings and recommendations, in accordance with § 2–1246 of the State Government Article, to the President of the Senate, the Speaker of the House of Delegates, the Senate Education, Health, and Environmental Affairs Committee, the House Committee on Ways and Means, and the House Economic Matters Committee of the General Assembly.

(2) On or before June 30, 2017, the Task Force shall submit a final report on its findings and recommendations, in accordance with § 2–1246 of the State Government Article, to the President of the Senate, the Speaker of the House of Delegates, the Senate Education, Health, and Environmental Affairs Committee, the House Committee on Ways and Means, and the House Economic Matters Committee of the General Assembly.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016. It shall remain effective for a period of 1 year and, at the end of June 30, 2017, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.

**Approved by the Governor, April 26, 2016.**

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## Chapter 245

### (House Bill 9)

AN ACT concerning

#### **Baltimore County – Orphans’ Court Judges – Compensation**

FOR the purpose of repealing provisions of law that establish the annual compensation of the judges of the Orphans’ Court for Baltimore County; requiring the annual compensation of the judges of the Orphans’ Court for Baltimore County to be as set by the County Executive and the County Council in accordance with certain provisions of the Baltimore County Code; providing for the application of this Act; and generally relating to the compensation of the judges of the Orphans’ Court for Baltimore County.

BY repealing

Article – Estates and Trusts

Section 2–108(e)

Annotated Code of Maryland

(2011 Replacement Volume and 2015 Supplement)

BY adding to

Article – Estates and Trusts

Section 2–108(e)

Annotated Code of Maryland  
(2011 Replacement Volume and 2015 Supplement)

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

**Article – Estates and Trusts**

2–108.

[(e) (1) Each associate judge of the Court for Baltimore County shall receive an annual compensation of \$43,000 beginning July 1, 2014.

(2) The Chief Judge shall receive an annual compensation of \$45,000 beginning July 1, 2014.]

**(E) EACH OF THE JUDGES OF THE COURT FOR BALTIMORE COUNTY SHALL RECEIVE AN ANNUAL COMPENSATION AS SET BY THE COUNTY EXECUTIVE AND THE COUNTY COUNCIL IN ACCORDANCE WITH ARTICLE 4 OF THE BALTIMORE COUNTY CODE.**

SECTION 2. AND BE IT FURTHER ENACTED, That, pursuant to Article III, § 35 of the Maryland Constitution, this Act may not be construed to extend or apply to the salary or compensation of the judges of the Orphans' Court for Baltimore County while serving in a term of office beginning before the effective date of this Act, but the provisions of this Act concerning the salary or compensation of the judges of the Orphans' Court for Baltimore County shall take effect at the beginning of the next following term of office. This limitation does not apply to an individual appointed or elected after the effective date of this Act to fill out an unexpired term.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2016.

**Approved by the Governor, April 26, 2016.**

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**Chapter 246**

**(House Bill 20)**

AN ACT concerning

**Calvert County and St. Mary's County – Archery Hunting – Safety Zone**

FOR the purpose of establishing for archery hunters in Calvert County and St. Mary's County a safety zone of a certain size within which archery hunting may not take place except under certain circumstances; and generally relating to archery hunting in Calvert County and St. Mary's County.

BY repealing and reenacting, with amendments,  
Article – Natural Resources  
Section 10–410(g)  
Annotated Code of Maryland  
(2012 Replacement Volume and 2015 Supplement)

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

### Article – Natural Resources

10–410.

(g) (1) Except as provided in paragraphs (2) and (3) of this subsection, a person, other than the owner or occupant, while hunting for any wild bird or mammal may not shoot or discharge any firearm or other deadly weapon within 150 yards, known as the “safety zone”, of a dwelling house, residence, church, or other building or camp occupied by human beings, or shoot at any wild bird or mammal while it is within this area, without the specific advance permission of the owner or occupant.

(2) A person, while hunting for any wild bird or mammal, may not shoot or discharge any firearm within 300 yards of a public or nonpublic school during school hours or at a time when a school–approved activity is taking place.

(3) (i) For archery hunters in **CALVERT COUNTY**, Carroll County [or], Frederick County, **OR ST. MARY'S COUNTY**, the safety zone described in paragraph (1) of this subsection extends for 50 yards from a dwelling house, residence, church, or any other building or camp occupied by human beings.

(ii) For archery hunters in Harford County or Montgomery County, the safety zone described in paragraph (1) of this subsection extends for 100 yards from a dwelling house, residence, church, or any other building or camp occupied by human beings.

(4) During any open hunting season, a person, other than the owner or occupant, may not hunt or chase willfully any wild bird or mammal within the safety zone without the specific advance permission of the owner or occupant.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016.

**Approved by the Governor, April 26, 2016.**

**Chapter 247****(House Bill 39)**

AN ACT concerning

**Education – Orange Ribbon for Healthy School Hours – Establishment**

FOR the purpose of establishing the Orange Ribbon for Healthy School Hours certification within the State Department of Education beginning in a certain school year; providing for the purpose of the Orange Ribbon for Healthy School Hours certification; authorizing a local school system to submit to the Department an application for a certain certification; requiring that the Department grant a certain certification to a local school system that meets certain requirements; establishing the requirements for a local school system to ~~receive~~ qualify for an Orange Ribbon for Healthy School Hours certification; authorizing the Department to grant a certain limited certification to a local school system under certain circumstances; establishing the qualifications for an Orange Ribbon for Healthy School Hours – Commended certification and an Orange Ribbon for Healthy School Hours – Honorable Mention certification; requiring the State Board of Education to establish certain criteria on or before a certain date and provide certain information to certain local school systems on or before a certain date; requiring an Orange Ribbon for Healthy School Hours certification to be renewed each year under certain circumstances; requiring the Department to adopt certain regulations; defining a certain term; and generally relating to the Orange Ribbon for Healthy School Hours certification.

BY adding to

Article – Education

Section 7–121

Annotated Code of Maryland

(2014 Replacement Volume and 2015 Supplement)

Preamble

WHEREAS, Adolescent sleep deprivation is a statewide public health crisis; and

WHEREAS, Early school start times are recognized as a major but remediable contributor to adolescent sleep deprivation; and

WHEREAS, The American Academy of Pediatrics recommends that middle schools and high schools start the school day no earlier than 8:30 a.m. for the sake of students' health, safety, and academic success; and

WHEREAS, The Department of Health and Mental Hygiene and the State Department of Education routinely advise local school systems of the health and academic benefits of later school start times and encourage local school systems to conduct feasibility studies regarding the implementation of a school start time of no earlier than 8:00 a.m.; and

WHEREAS, The Department of Health and Mental Hygiene has expressed concern that ~~“by leaving school start times a matter for each local jurisdiction,~~ the State risks letting local resistance trump a strong body of scientific evidence that sleep is critical to health and academic achievement”; and

WHEREAS, Extensive and costly efforts by local school systems since the 1990s have failed to overcome local resistance to school start times that are consistent with accepted evidence about the health and safety needs of students; and

WHEREAS, Local feasibility studies as recommended by the Department of Health and Mental Hygiene and the State Department of Education involve unnecessary and wasteful expenditures of time, money, and human resources and only replicate an already extensive body of evidence about the implementation of school hours for the sake of students’ health, safety, and academic success in Maryland and nationwide; now, therefore,

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

#### **Article – Education**

**7–121.**

**(A) IN THIS SECTION, “HEALTHY SCHOOL START TIME” MEANS A SCHOOL STARTING TIME OF NO EARLIER THAN 8:00 A.M.**

**(B) (1) BEGINNING IN THE 2017–2018 SCHOOL YEAR, THERE IS AN ORANGE RIBBON FOR HEALTHY SCHOOL HOURS CERTIFICATION IN THE DEPARTMENT.**

**(2) THE PURPOSE OF THE ORANGE RIBBON FOR HEALTHY SCHOOL HOURS CERTIFICATION IS TO RECOGNIZE A LOCAL SCHOOL SYSTEM THAT CREATES, IMPLEMENTS, AND ENFORCES SCHOOL START TIMES THAT ARE CONSISTENT WITH THE SCHOOL START TIMES RECOMMENDED BY THE DEPARTMENT, THE DEPARTMENT OF HEALTH AND MENTAL HYGIENE, AND THE AMERICAN ACADEMY OF PEDIATRICS.**

**(C) (1) A LOCAL SCHOOL SYSTEM MAY SUBMIT TO THE DEPARTMENT AN APPLICATION FOR THE ORANGE RIBBON FOR HEALTHY SCHOOL HOURS CERTIFICATION.**

**(2) THE DEPARTMENT SHALL GRANT THE APPROPRIATE ORANGE RIBBON FOR HEALTHY SCHOOL HOURS CERTIFICATION TO A LOCAL SCHOOL SYSTEM THAT MEETS THE REQUIREMENTS OF THIS SECTION.**

**~~(c)~~ (D) TO ~~RECEIVE~~ QUALIFY FOR AN ORANGE RIBBON FOR HEALTHY SCHOOL HOURS CERTIFICATION, A LOCAL SCHOOL SYSTEM:**

**(1) MAY NOT HAVE:**

**(I) AN ELEMENTARY SCHOOL IN THE LOCAL SCHOOL SYSTEM THAT REQUIRES A STUDENT TO:**

- 1. BE IN CLASS BEFORE 8:00 A.M.; AND**
- 2. BOARD A SCHOOL BUS BEFORE 7:00 A.M.; AND**

**(II) A MIDDLE OR HIGH SCHOOL IN THE LOCAL SCHOOL SYSTEM THAT REQUIRES A STUDENT TO:**

- 1. BE IN CLASS BEFORE 8:30 A.M.; AND**
- 2. BOARD A SCHOOL BUS BEFORE 7:30 A.M.; AND**

**(2) SHALL:**

**(I) CONDUCT AT LEAST TWO TARGETED AND TELEVISED PUBLIC EDUCATION FORUMS FOR STUDENTS, PARENTS, TEACHERS, AND SCHOOL STAFF ON THE NECESSITY OF HEALTHY SCHOOL START TIMES, THE CONSEQUENCES OF CHRONIC SLEEP DEPRIVATION, AND THE HEALTH AND SAFETY IMPACT OF ALIGNING SCHOOL START TIMES WITH ADOLESCENT SLEEP PATTERNS;**

**(II) 1. INFORM THE FOLLOWING STAKEHOLDERS OF THE IMPORTANCE OF HEALTHY SCHOOL START TIMES:**

- A. TEACHERS;**
- B. PARENTS;**
- C. STUDENTS;**
- D. ADMINISTRATORS;**
- E. SCHOOL STAFF;**
- F. TRANSPORTATION PROVIDERS;**

G. ATHLETIC DIRECTORS;

H. LOCAL BUSINESS OWNERS;

I. COACHES;

J. CHILD CARE PROVIDERS;

K. LOCAL EMPLOYERS OF STUDENTS;

L. CITY OR COUNTY AGENCIES THAT PROVIDE SERVICES OR OPPORTUNITIES TO STUDENTS; AND

M. ORGANIZATIONS THAT USE LOCAL SCHOOL SYSTEMS' FIELDS AND FACILITIES ON A REGULAR BASIS; AND

2. ENGAGE THE STAKEHOLDERS LISTED IN ITEM 1 OF THIS ITEM IN CONVERSATIONS TO DISCUSS POSSIBLE CONTRAINDICATIONS OF ALTERING CURRENT SCHOOL START TIMES; AND

(III) NOTIFY THE PUBLIC AND STAKEHOLDERS OF ANY CHANGES TO SCHOOL START TIMES.

(E) (1) IF THE DEPARTMENT DETERMINES THAT A LOCAL SCHOOL SYSTEM DOES NOT MEET ALL OF THE REQUIREMENTS UNDER SUBSECTION (D) OF THIS SECTION, THE DEPARTMENT MAY GRANT A LIMITED CERTIFICATION IF THE LOCAL SCHOOL SYSTEM MEETS THE REQUIREMENTS FOR THE LIMITED CERTIFICATION UNDER PARAGRAPH (2) OR (3) OF THIS SUBSECTION.

(2) TO QUALIFY FOR AN ORANGE RIBBON FOR HEALTHY SCHOOL HOURS – COMMENDED CERTIFICATION, A LOCAL SCHOOL SYSTEM SHALL:

(I) MEET THE REQUIREMENTS UNDER PARAGRAPH (3) OF THIS SUBSECTION;

(II) HAVE IMPLEMENTED AND MAINTAINED A SCHOOL DISTRICT-WIDE SCHOOL TIME CHANGE THAT MOVED THE SCHOOL DISTRICT SCHEDULE CLOSER TO THE HOURS SET FORTH IN SUBSECTION (D) OF THIS SECTION; ~~OR~~ AND

(III) PROVIDE EVIDENCE OF PROGRESS TOWARD MEETING THE REQUIREMENTS OF SUBSECTION (D) OF THIS SECTION.



**(3) TO QUALIFY FOR AN ORANGE RIBBON FOR HEALTHY SCHOOL HOURS – HONORABLE MENTION CERTIFICATION, A LOCAL SCHOOL SYSTEM SHALL:**

**(I) HAVE ESTABLISHED A SCHOOL STUDY TASK FORCE WITHIN 2 YEARS AFTER THE DATE OF THE LOCAL SCHOOL SYSTEM'S APPLICATION FOR INITIAL CERTIFICATION OR RENEWAL OF A CERTIFICATION TO REVIEW POSSIBLE SOLUTIONS FOR HEALTHY SCHOOL START TIMES; AND**

**(II) 1. MEET THE REQUIREMENT UNDER SUBSECTION (D)(2)(I) OF THIS SECTION; OR**

**2. PROVIDE EVIDENCE OF A PLAN TO MOVE THE LOCAL SCHOOL SYSTEM TOWARD MEETING ALL OF THE REQUIREMENTS OF SUBSECTION (D) OF THIS SECTION.**

~~(D)~~ **(F)** (1) ON OR BEFORE OCTOBER 1, 2016, THE STATE BOARD SHALL ESTABLISH CRITERIA THAT A LOCAL SCHOOL SYSTEM MUST MEET TO PROVE THAT THE LOCAL SCHOOL SYSTEM IS ENFORCING SCHOOL START TIMES THAT ARE CONSISTENT WITH RECOMMENDATIONS FROM THE DEPARTMENT, THE DEPARTMENT OF HEALTH AND MENTAL HYGIENE, AND THE AMERICAN ACADEMY OF PEDIATRICS.

(2) ON OR BEFORE DECEMBER 1, 2016, THE STATE BOARD SHALL PROVIDE EACH LOCAL SCHOOL SYSTEM WITH:

(I) INFORMATION ON METHODS OF EFFICIENTLY ALTERING CURRENT SCHOOL START TIMES TO BE CONSISTENT WITH RECOMMENDATIONS; AND

(II) THE CRITERIA ESTABLISHED IN PARAGRAPH (1) OF THIS SUBSECTION.

~~(E)~~ **(G)** AN ORANGE RIBBON FOR HEALTHY SCHOOL HOURS CERTIFICATION GRANTED UNDER SUBSECTION (D) OR (E) OF THIS SECTION SHALL BE RENEWED EACH YEAR IF THE LOCAL SCHOOL SYSTEM PRESENTS EVIDENCE THAT THE LOCAL SCHOOL SYSTEM IS IN COMPLIANCE WITH THIS SECTION.

~~(F)~~ **(H)** THE DEPARTMENT SHALL ADOPT REGULATIONS TO CARRY OUT THE REQUIREMENTS OF THIS SECTION.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016.

Approved by the Governor, April 26, 2016.

**Chapter 248****(House Bill 46)**

AN ACT concerning

**Animal Control and Veterinary Facilities – Stray Dogs and Cats – Microchip Scans Units – Impounded Animals – Identification**

FOR the purpose of ~~requiring a certain animal control facility, veterinary office, or veterinary hospital, within a certain time period of admitting a dog or cat with an unknown owner, to scan the dog or cat for an implanted microchip, consult a certain registry or database to obtain the owner's contact information, and make a reasonable effort to notify the owner of the location of and procedure for claiming the dog or cat; prohibiting a certain animal control unit from selling, placing, or destroying a certain dog or cat~~ impounded animal until the animal has been scanned carefully inspected for an implanted a microchip; defining a certain term requiring a certain animal control unit to make a reasonable effort to notify the owner of the location of and procedure for retrieving an impounded animal; establishing a certain civil penalty; altering a certain criminal penalty; and generally relating to identifying the owners of stray dogs and cats admitted to animal control and veterinary facilities domestic animals impounded by animal control units.

~~BY repealing and reenacting, without amendments,  
Article – Agriculture  
Section 2–305(a)  
Annotated Code of Maryland  
(2007 Replacement Volume and 2015 Supplement)~~

~~BY adding to  
Article – Agriculture  
Section 2–1701 and 2–1702 to be under the new subtitle “Subtitle 17. Stray Dogs and Cats – Microchip Scans”  
Annotated Code of Maryland  
(2007 Replacement Volume and 2015 Supplement)~~

~~BY repealing and reenacting, without amendments,  
Article – Criminal Law  
Section 10–601(d)  
Annotated Code of Maryland  
(2012 Replacement Volume and 2015 Supplement)~~

BY repealing and reenacting, with amendments,  
Article – Criminal Law  
Section 10–617  
Annotated Code of Maryland

(2012 Replacement Volume and 2015 Supplement)

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

~~Article – Agriculture~~

~~2-305.~~

~~(a) In this section, “animal control facility” means a humane society, as defined in § 10-601 of the Criminal Law Article, or a county or municipal designated animal shelter.~~

~~SUBTITLE 17. STRAY DOGS AND CATS – MICROCHIP SCANS.~~

~~2-1701.~~

~~IN THIS SUBTITLE, “ANIMAL CONTROL FACILITY” HAS THE MEANING STATED IN § 2-305 OF THIS TITLE.~~

~~2-1702.~~

~~WITHIN 48 HOURS OF ADMITTING A DOG OR CAT WITH AN UNKNOWN OWNER, AN ANIMAL CONTROL FACILITY, A VETERINARY OFFICE, OR A VETERINARY HOSPITAL SHALL:~~

~~(1) SCAN THE DOG OR CAT FOR AN IMPLANTED MICROCHIP; AND~~

~~(2) IF A MICROCHIP IS FOUND:~~

~~(i) CONSULT A MICROCHIP REGISTRY OR OTHER APPROPRIATE DATABASE TO OBTAIN THE OWNER’S CONTACT INFORMATION; AND~~

~~(ii) MAKE A REASONABLE EFFORT TO NOTIFY THE OWNER OF THE LOCATION OF AND PROCEDURE FOR CLAIMING THE DOG OR CAT.~~

Article – Criminal Law

~~10-601.~~

~~(d) “Humane society” means a society or association incorporated in Maryland for the prevention of cruelty to animals.~~

10-617.

(a) In this section, “animal control unit” means the local organization or governmental unit that the appropriate local governmental body designates to house, care for, and control domestic animals of unknown ownership.

(b) An animal control unit shall dispose of an unclaimed dog or cat only by:

- (1) placing the animal in a suitable home;
- (2) retaining the animal in the animal control unit; or
- (3) humanely destroying the animal.

(c) ~~(1) [A] SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION,~~ a domestic animal that is impounded by an animal control unit may not be sold, placed, or destroyed until the animal has been carefully inspected for a tag, tattoo, **MICROCHIP**, or other identification to ascertain the owner and:

- ~~{(1)} (I)~~ 72 hours have elapsed after notice has been given to the owner;
- ~~{(2)} (II)~~ if the owner cannot be notified, 72 hours have elapsed after the animal is impounded;
- ~~{(3)} (III)~~ the animal is seriously diseased or severely injured; or
- ~~{(4)} (IV)~~ the animal is under 3 months of age.

~~(2) IN ADDITION TO THE REQUIREMENTS UNDER PARAGRAPH (1) OF THIS SUBSECTION, A DOG OR CAT THAT IS IMPOUNDED BY AN ANIMAL CONTROL UNIT MAY NOT BE SOLD, PLACED, OR DESTROYED UNTIL THE DOG OR CAT HAS BEEN SCANNED FOR AN IMPLANTED MICROCHIP.~~

(d) (1) AN ANIMAL CONTROL UNIT SHALL MAKE A REASONABLE EFFORT TO NOTIFY THE OWNER OF THE LOCATION OF AND THE PROCEDURE FOR RETRIEVING AN IMPOUNDED ANIMAL.

(2) An owner who retrieves an animal from an animal control unit shall pay all fees, costs, and expenses incurred by the animal control unit.

~~(2)~~ (3) The necessary expenses for food and attention given to an animal under this section may be collected from the owner, and the animal is not exempt from levy and sale on execution of a judgment for the expenses.

~~(3)~~ (4) A new owner with whom an animal is placed under subsection (b)(1) of this section may be charged an adoption fee.

(e) A person who violates this section:

**(1) FOR A FIRST OFFENSE, IS SUBJECT TO A CIVIL FINE NOT EXCEEDING \$500; AND**

**(2) FOR A SECOND OR SUBSEQUENT OFFENSE,** is guilty of a misdemeanor and on conviction is subject to a fine not exceeding \$500.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2016.

**Approved by the Governor, April 26, 2016.**

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## Chapter 249

**(House Bill 55)**

AN ACT concerning

### Baltimore County – Education – WhyTry Program

FOR the purpose of establishing the WhyTry Program in Baltimore County; specifying the purpose of the Program; requiring the Baltimore County Board of Education to develop and implement the Program; requiring the Board of Education to select certain schools to participate in the Program; requiring the Program to include certain teachers who have received certain training; defining a certain term; providing for the termination of this Act; and generally relating to establishing the WhyTry Program in Baltimore County.

BY adding to

Article – Education

Section 7–208

Annotated Code of Maryland

(2014 Replacement Volume and 2015 Supplement)

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

### Article – Education

**7–208.**

**(A) IN THIS SECTION, “PROGRAM” MEANS THE WHYTRY PROGRAM IN BALTIMORE COUNTY.**

(B) THIS SECTION APPLIES ONLY IN BALTIMORE COUNTY.

(C) THERE IS A WHYTRY PROGRAM IN BALTIMORE COUNTY.

(D) THE PURPOSE OF THE PROGRAM IS TO ASSIST A STUDENT WITH AN UNWEIGHTED GRADE POINT AVERAGE OF LESS THAN 2.0 PER QUARTER AND AN ATTENDANCE RATE OF LESS THAN 94% OF THE REQUIRED DAYS OF SCHOOL ATTENDANCE TO BECOME A MORE EFFECTIVE STUDENT AS EVIDENCED BY AN UNWEIGHTED GRADE POINT AVERAGE OF 2.5 OR HIGHER PER QUARTER WITHOUT A LETTER GRADE OF D OR E.

(E) THE COUNTY BOARD SHALL DEVELOP AND IMPLEMENT THE PROGRAM.

(F) THE COUNTY BOARD SHALL SELECT TWO MIDDLE SCHOOLS THAT, TO THE EXTENT PRACTICABLE, REASONABLY REFLECT THE GEOGRAPHIC, RACIAL, ETHNIC, CULTURAL, AND GENDER DIVERSITY OF THE MIDDLE SCHOOL POPULATION IN THE COUNTY IN EACH OF THE SCHOOL SYSTEM'S FIVE GEOGRAPHIC AREAS TO PARTICIPATE IN THE PROGRAM.

(G) THE PROGRAM SHALL INCLUDE A MINIMUM OF TWO TEACHERS WHO HAVE RECEIVED TWO LEVELS OF PROGRAM TRAINING IN EACH OF THE MIDDLE SCHOOLS SELECTED UNDER SUBSECTION (F) OF THIS SECTION.

(H) FUNDS FOR THE PROGRAM SHALL BE PROVIDED FROM THE EDUCATION TRUST FUND ESTABLISHED UNDER § 9-1A-30 OF THE STATE GOVERNMENT ARTICLE.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016. It shall remain effective for a period of 2 years and, at the end of June 30, 2018, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.

Approved by the Governor, April 26, 2016.

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## Chapter 250

(House Bill 85)

AN ACT concerning

**Education – Children With Disabilities – Support Services – Parental  
Notification**

FOR the purpose of requiring certain school personnel to provide the parents of a child with a disability certain written information that the parents may use to contact early intervention and special education family support services staff members and a brief description of the services provided by the staff members; ~~requiring certain school personnel to provide a translator at a certain meeting for parents who require certain information to be translated into the parents' native language;~~ requiring certain information to be provided to a parent in the parent's native language under certain circumstances; requiring a local school system to provide certain information at a certain time to the parents of a child who has an individualized education program developed in another school system; requiring a local school system to publish on its Web site certain information a parent may use to contact certain staff members and a description of the services provided by the staff members; specifying that a failure to provide certain information does not constitute grounds for a certain due process complaint; and generally relating to children with disabilities.

BY repealing and reenacting, with amendments,  
 Article – Education  
 Section 8–405  
 Annotated Code of Maryland  
 (2014 Replacement Volume and 2015 Supplement)

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

### Article – Education

8–405.

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

(2) “Accessible copy” includes a copy of a document provided to an individual in a format as defined in § 8–408 of this subtitle.

(3) “Extenuating circumstance” means:

(i) A death in the family;

(ii) A personal emergency;

(iii) A natural disaster; or

(iv) Any other similar situation defined by the Department.

(b) (1) When a team of qualified professionals and the parents meet for the purpose of discussing the identification, evaluation, educational program, or the provision of a free appropriate public education of a child with a disability:

(i) The parents of the child shall be afforded the opportunity to participate and shall be provided reasonable notice in advance of the meeting; and

(ii) Reasonable notice shall be at least 10 calendar days in advance of the meeting, unless an expedited meeting is being conducted to:

1. Address disciplinary issues;
2. Determine the placement of the child with a disability not currently receiving educational services; or
3. Meet other urgent needs of a child with a disability to ensure the provision of a free appropriate public education.

(2) (i) **1.** At the initial evaluation meeting, the parents of the child shall be provided[, in]:

~~1.~~ **A.** IN plain language, a verbal and written explanation of the parents' rights and responsibilities in the individualized education program process and a program procedural safeguards notice; AND

~~2.~~ **B.** WRITTEN INFORMATION THAT THE PARENTS MAY USE TO CONTACT EARLY INTERVENTION AND SPECIAL EDUCATION FAMILY SUPPORT SERVICES STAFF MEMBERS WITHIN THE LOCAL SCHOOL SYSTEM AND A BRIEF DESCRIPTION OF THE SERVICES PROVIDED BY THE STAFF MEMBERS.

**2.** IF A PARENT'S NATIVE LANGUAGE IS NOT ENGLISH, THE INFORMATION IN SUBSUBPARAGRAPH 1B OF THIS SUBPARAGRAPH SHALL BE PROVIDED TO THE PARENT IN THE PARENT'S NATIVE LANGUAGE.

(ii) The parents may request the information provided under subparagraph (i) of this paragraph at any subsequent meeting.

~~(III) IF THE PARENTS REQUIRE THE INFORMATION PROVIDED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH TO BE TRANSLATED INTO THE PARENTS' NATIVE LANGUAGE, THE INDIVIDUALIZED EDUCATION PROGRAM TEAM SHALL PROVIDE A TRANSLATOR FOR THE PARENTS AT THE INITIAL EVALUATION MEETING.~~

~~(IV)~~ **(III)** IF A CHILD WHO HAS AN INDIVIDUALIZED EDUCATION PROGRAM DEVELOPED IN ANOTHER SCHOOL SYSTEM MOVES INTO A DIFFERENT LOCAL SCHOOL SYSTEM, THAT LOCAL SCHOOL SYSTEM SHALL PROVIDE THE INFORMATION REQUIRED UNDER SUBPARAGRAPH (I)2 OF THIS PARAGRAPH SUBPARAGRAPH (I)1B OF THIS PARAGRAPH AT THE TIME OF THE FIRST WRITTEN



**COMMUNICATION WITH THE PARENTS REGARDING THE CHILD'S INDIVIDUALIZED EDUCATION PROGRAM OR SPECIAL EDUCATION SERVICES.**

~~(v)~~ **(IV)** A LOCAL SCHOOL SYSTEM SHALL PUBLISH INFORMATION THAT A PARENT MAY USE TO CONTACT EARLY INTERVENTION AND SPECIAL EDUCATION FAMILY SUPPORT SERVICES STAFF MEMBERS WITHIN THE LOCAL SCHOOL SYSTEM AND A BRIEF DESCRIPTION OF THE SERVICES PROVIDED BY THE STAFF MEMBERS IN A PROMINENT PLACE ON THE SECTION OF ITS WEB SITE RELATING TO SPECIAL EDUCATION SERVICES.

**(3)** ~~F~~ **FAILURE TO PROVIDE THE INFORMATION REQUIRED UNDER SUBPARAGRAPH (I)2 OF THIS PARAGRAPH** PARAGRAPH (2)(I)1B OF THIS SUBSECTION DOES NOT CONSTITUTE GROUNDS FOR A DUE PROCESS COMPLAINT UNDER § 8-413 OF THIS SUBTITLE.

(c) The individualized education program team shall determine, on at least an annual basis, whether the child requires extended year services in order to ensure that the child is not deprived of a free appropriate public education by virtue of the normal break in the regular school year.

(d) (1) (i) Except as provided in paragraph (2) of this subsection, and subject to subparagraphs (ii) and (iii) of this paragraph, at least 5 business days before a scheduled meeting of the individualized education program team or other multidisciplinary education team for any purpose for a child with a disability, appropriate school personnel shall provide the parents of the child with an accessible copy of each assessment, report, data chart, draft individualized education program, or other document that either team plans to discuss at the meeting.

(ii) Subject to subparagraph (i) of this paragraph, an assessment, report, data chart, or other document prepared by a school psychologist or other medical professional that either team plans to discuss at the meeting may be provided to the parents of the child orally and in writing prior to the meeting.

(iii) The parents of a child may notify appropriate school personnel that they do not want to receive the documents required to be provided under subparagraph (i) of this paragraph.

(2) (i) Subject to subparagraph (ii) of this paragraph, appropriate school personnel are not required to comply with paragraph (1) of this subsection in the event of an extenuating circumstance.

(ii) In the event of an extenuating circumstance, appropriate school personnel who fail to comply with paragraph (1) of this subsection shall document the extenuating circumstance and communicate that information to the parents of the child.

(e) (1) Not later than 5 business days after a scheduled meeting of the individualized education program team or other multidisciplinary team for a child with a disability, appropriate school personnel shall provide the parents of the child with a copy of the completed individualized education program.

(2) If the individualized education program has not been completed by the 5th business day after the meeting, the parents shall be provided with the draft copy of the individualized education program.

(3) The completed or draft individualized education program shall be provided to the parents in an accessible format.

(f) To fulfill the purposes of this section, school personnel may provide the documents required under this section through:

(1) Electronic delivery;

(2) Home delivery with the student; or

(3) Any other reasonable and legal method of delivery.

(g) Failure to comply with this section does not constitute a substantive violation of the requirement to provide a student with a free appropriate public education.

(h) The Department shall adopt:

(1) Regulations that define what information should be provided in the verbal and written explanations of the parents' rights and responsibilities in the individualized education program process; and

(2) Any other regulations necessary to carry out subsection (b)(2) of this section.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016.

**Approved by the Governor, April 26, 2016.**

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## Chapter 251

**(House Bill 107)**

AN ACT concerning

**Higher Education – Walter Sondheim Jr. Public Service Internship Scholarship Program – Scholarship Amount**

FOR the purpose of establishing certain minimum and maximum scholarship award amounts for the Walter Sondheim Jr. Public Service Internship Scholarship Program; and generally relating to the Walter Sondheim Jr. Public Service Internship Scholarship Program.

BY repealing and reenacting, with amendments,  
Article – Education  
Section 18–1702  
Annotated Code of Maryland  
(2014 Replacement Volume and 2015 Supplement)

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

**Article – Education**

18–1702.

(a) There is a scholarship program known as the Walter Sondheim Jr. Public Service Internship Scholarship Program in the State.

(b) The purpose of the Program is to assist college and graduate students to explore public service career opportunities through internships.

(c) The Shriver Center shall administer the Program.

(d) An institution of higher education in the State may nominate eligible students to participate in the Program on or before:

(1) January 1 of each year for summer and fall internships; and

(2) October 1 of each year for spring internships.

(e) Priority for participation in the Program shall be given to an eligible student who:

(1) Is a resident of the State;

(2) Has demonstrated an interest in a career in public service; and

(3) Assists in providing:

(i) Legal services:

legal services; or

1. To low-income residents in the State who cannot afford

2. In a public service position;

- (ii) Social work services to low-income residents in the State;

- (iii) Nursing services in nursing shortage areas in the State as defined in § 18-802 of this title; or

- (iv) Other services in the public or nonprofit sectors in which there is a shortage of qualified practitioners to low-income or underserved residents or areas of the State.

(f) (1) Subject to paragraph (2) of this subsection, for eligible students who have agreed to serve in a public service internship, the Shriver Center shall award scholarships on or before:

- (i) January 15 of each year for spring internships;

- (ii) May 1 of each year for summer internships; and

- (iii) August 1 of each year for fall internships.

(2) Funds for the scholarships awarded under this subtitle shall be as provided in the State budget.

(g) Subject to the availability of funds, the scholarship award under the Program shall be **AT LEAST \$2,000 AND NO MORE THAN \$3,000**.

(h) The Shriver Center shall serve as a clearinghouse for public and nonprofit entities that wish to hire public service interns participating in the Program.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016.

**Approved by the Governor, April 26, 2016.**

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## Chapter 252

**(House Bill 112)**

AN ACT concerning

**Election Law – Campaign Finance Entities – ~~Activity~~ Expenditures Made and the Attribution of Contributions Received and ~~Forfeiture of Salary~~**

FOR the purpose of authorizing a campaign finance entity to make a disbursement to compensate a responsible officer of the campaign finance entity only by check; requiring the treasurer of an authorized candidate campaign committee to provide certain individuals with a copy of a certain bank statement within a certain time period; requiring, under certain circumstances, a campaign finance entity to submit certain documentation to the State Board of Elections before making a disbursement for certain compensation; ~~expanding the application of certain provisions of law regarding the forfeiture of salary by an individual holding public office in the State; requiring the State Administrator of Elections or the State Administrator's designee, rather than the State Board of Elections, to take certain action regarding the forfeiture of salary by certain individuals; making conforming changes; altering the reporting requirements for certain contributions by certain business entities whose subsidiaries do not have a contract doing public business; defining a certain term;~~ and generally relating to the activity of campaign finance entities.

BY repealing and reenacting, with amendments,

Article – Election Law

Section ~~13-220(d)~~ 13-220(d), 14-101(a), and 14-105(e) and ~~13-334~~

Annotated Code of Maryland

(2010 Replacement Volume and 2015 Supplement)

BY adding to

Article – Election Law

Section ~~13-220(e) and 13-248~~, 13-248, and 14-101(l)

Annotated Code of Maryland

(2010 Replacement Volume and 2015 Supplement)

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

**Article – Election Law**

13-220.

(d) (1) **[A] SUBJECT TO PARAGRAPH (3) OF THIS SUBSECTION,** A campaign finance entity may make a disbursement only by:

(i) check; or

(ii) an electronic method that the State Board authorizes by regulation.

(2) An electronic method of making a disbursement that the State Board authorizes under this subsection shall ensure that:

verified;

- (i) the identity of the person making the disbursement may be verified;
- (ii) the transaction is secure; and
- (iii) there is an adequate record of the transaction.

**(3) A CAMPAIGN FINANCE ENTITY MAY MAKE A DISBURSEMENT TO COMPENSATE A RESPONSIBLE OFFICER OF THE CAMPAIGN FINANCE ENTITY ONLY BY CHECK.**

**(E) WITHIN 30 DAYS AFTER FILING A CAMPAIGN FINANCE REPORT AT THE STATE BOARD, THE TREASURER OF AN AUTHORIZED CANDIDATE CAMPAIGN COMMITTEE SHALL PROVIDE BOTH THE CANDIDATE AND THE CHAIRMAN WITH A COPY OF THE MOST RECENT CAMPAIGN ACCOUNT BANK STATEMENT.**

13-248.

**IF A RESPONSIBLE OFFICER OF A CAMPAIGN FINANCE ENTITY HAS A COMPENSATION AGREEMENT WITH THE CAMPAIGN FINANCE ENTITY, BEFORE MAKING A DISBURSEMENT FOR THE COMPENSATION, THE CAMPAIGN FINANCE ENTITY SHALL SUBMIT TO THE STATE BOARD:**

**(1) A COPY OF THE COMPENSATION AGREEMENT; AND**

**(2) IF THE CAMPAIGN FINANCE ENTITY IS AN AUTHORIZED CANDIDATE CAMPAIGN COMMITTEE, THE WRITTEN CONSENT OF THE CANDIDATE.**

~~13-334.~~

~~(a) This section applies to [each] AN individual holding public office in this State [who] IF:~~

~~(1) THE INDIVIDUAL is subject to prosecution under § 13-335(b) of this subtitle; OR~~

~~(2) (i) THE INDIVIDUAL'S AUTHORIZED CANDIDATE CAMPAIGN COMMITTEE HAS FAILED TO FILE A CAMPAIGN FINANCE REPORT; AND~~

~~(ii) THE RESPONSIBLE OFFICERS OF THE AUTHORIZED CANDIDATE CAMPAIGN COMMITTEE RECEIVED A NOTICE ISSUED BY THE STATE BOARD UNDER § 13-335(A) OF THIS SUBTITLE.~~

~~(b) The [State Board] STATE ADMINISTRATOR, OR THE STATE ADMINISTRATOR'S DESIGNEE, shall:~~

~~(1) investigate each circumstance that causes an individual to become subject to this section;~~

~~(2) notify the individual; and~~

~~(3) provide the individual an opportunity to be heard BEFORE THE STATE BOARD.~~

~~(c) If the State Board determines, after an opportunity for a hearing, that the individual OR THE INDIVIDUAL'S AUTHORIZED CANDIDATE CAMPAIGN COMMITTEE has failed to file a campaign finance report within the meaning of § 13-327 of this subtitle, THE INDIVIDUAL was OR THE RESPONSIBLE OFFICERS OF THE INDIVIDUAL'S AUTHORIZED CANDIDATE CAMPAIGN COMMITTEE WERE provided notice under §13-335 of this subtitle, and THE INDIVIDUAL OR THE INDIVIDUAL'S AUTHORIZED CANDIDATE CAMPAIGN COMMITTEE has not rectified the failure and paid any late filing fee due, the State Board shall direct the appropriate financial officer to withhold the salary of the individual as to that public office until:~~

~~(1) the failure to file is rectified and any late filing fee is paid; and~~

~~(2) any salary previously paid to the individual for the public office while the individual was in violation is restored to the State or local government involved.~~

14-101.

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

(L) (1) "SUBSIDIARY" MEANS A BUSINESS ENTITY THAT IS 30% OR MORE OWNED OR CONTROLLED BY ANOTHER BUSINESS ENTITY.

(2) "SUBSIDIARY" DOES NOT INCLUDE A BUSINESS ENTITY THAT DOES NOT HAVE A CONTRACT DOING PUBLIC BUSINESS AND IS DIRECTLY OR INDIRECTLY OWNED OR CONTROLLED BY ANOTHER BUSINESS ENTITY:

(I) THE SECURITIES OF WHICH ARE TRADED ON A NATIONAL EXCHANGE;

(II) FOR WHICH NO INDIVIDUAL OWNS OR CONTROLS MORE THAN 10% OF THE BUSINESS ENTITY; AND

(III) THAT IS DEFINED UNDER 12 U.S.C. § 184(A).

14-105.

*(e) (1) Business done with a governmental entity by a subsidiary of a business entity shall be attributed to the business entity [if 30% or more of the equity of the subsidiary is owned or controlled by the business entity].*

*(2) Applicable contributions made by or attributed to a subsidiary [described in paragraph (1) of this subsection] shall be attributed to the business entity.*

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2016.

**Approved by the Governor, April 26, 2016.**

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## Chapter 253

(House Bill 147)

AN ACT concerning

### **Somerset County Code of Public Local Laws – 2016 Edition – Legalization**

FOR the purpose of legalizing the 2016 Edition of the Somerset County Code of Public Local Laws and any supplement to the extent to which that code or supplement contains laws enacted by the General Assembly; and generally relating to the 2016 Edition of the Somerset County Code of Public Local Laws.

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the 2016 Edition of the Somerset County Code of Public Local Laws and any supplement to the 2016 Edition of the Somerset County Code of Public Local Laws, to the extent to which that code or supplement contains laws enacted by the General Assembly of Maryland, is legalized. The 2016 Edition of the Somerset County Code of Public Local Laws and any supplement shall be deemed and taken in all the courts of the State and by all public officials of the State and its political subdivisions to be evidence of the law enacted by the General Assembly contained in the code or a supplement to it.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016.

**Approved by the Governor, April 26, 2016.**

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**Chapter 254****(House Bill 205)**

AN ACT concerning

**Carroll County – Public Facilities Bonds**

FOR the purpose of authorizing and empowering the County Commissioners of Carroll County, from time to time, to borrow not more than \$31,000,000 in order to finance the construction, improvement, or development of certain public facilities in Carroll County, including water and sewer projects, to finance loans for fire or emergency-related equipment, buildings, and other facilities of volunteer fire departments in the County, and to effect such borrowing by the issuance and sale at public or private sale of its general obligation bonds in like par amount; empowering the County to fix and determine, by resolution, the form, tenor, interest rate or rates or method of determining the same, terms, conditions, maturities, and all other details incident to the issuance and sale of the bonds; empowering the County to issue refunding bonds for the purchase or redemption of bonds in advance of maturity; providing that such borrowing may be undertaken by the County in the form of installment purchase obligations executed and delivered by the County for the purpose of acquiring agricultural land and woodland preservation easements; empowering and directing the County to levy, impose, and collect, annually, ad valorem taxes in rate and amount sufficient to provide funds for the payment of the maturing principal of and interest on the bonds; exempting the bonds and refunding bonds and the interest thereon and any income derived therefrom from all State, County, municipal, and other taxation in the State of Maryland; providing that nothing in this Act shall prevent the County from authorizing the issuance and sale of bonds the interest on which is not excludable from gross income for federal income tax purposes; and generally relating to the issuance and sale of such bonds.

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That, as used herein, the term “County” means the body politic and corporate of the State of Maryland known as the County Commissioners of Carroll County, and the term “construction, improvement, or development of public facilities” means the acquisition, alteration, construction, reconstruction, enlargement, equipping, expansion, extension, improvement, rehabilitation, renovation, upgrading, and repair of public buildings and facilities and public works projects, including, but not limited to, public works projects such as roads, bridges and storm drains, public school buildings and facilities, landfills, Carroll Community College buildings and facilities, public operational buildings and facilities such as buildings and facilities for County administrative use, public safety, health and social services, libraries, refuse disposal buildings and facilities, water and sewer infrastructure facilities, easements or similar or related rights in land that restrict the use of agricultural land or woodland to maintain the character of the land as agricultural land or woodland, and parks and recreation buildings and facilities, together with the costs of acquiring land or interests in land as well as any related architectural, financial, legal, planning, or engineering services.

SECTION 2. AND BE IT FURTHER ENACTED, That the County is hereby authorized to finance any part or all of the costs of the construction, improvements or development of public facilities described in Section 1 of this Act, to make loans to each and every volunteer fire department in the County upon such terms and conditions as may be determined by the County for the purpose of financing certain fire or emergency–related equipment, buildings, or other facilities of volunteer fire departments, and to borrow money and incur indebtedness for those purposes, at one time or from time to time, in an amount not exceeding, in the aggregate, \$31,000,000 and to evidence such borrowing by the issuance and sale upon its full faith and credit of general obligation bonds in like par amount, which may be issued at one time or from time to time, in one or more groups or series, as the County may determine.

SECTION 3. AND BE IT FURTHER ENACTED, That the bonds shall be issued in accordance with a resolution of the County, which shall describe generally the construction, improvement, or development of public facilities, including water and sewer projects, the fire or emergency–related equipment, buildings, or other facilities of volunteer fire departments in the County for which the proceeds of the bond sale are intended and the amount needed for those purposes. The County shall have and is hereby granted full and complete authority and discretion in the resolution to fix and determine with respect to the bonds of any issue: the designation, date of issue, denomination or denominations, form or forms, and tenor of the bonds which, without limitation, may be issued in registered form within the meaning of § 19–204 of the Local Government Article, as amended; the rate or rates of interest payable thereon, or the method of determining the same, which may include a variable rate; the date or dates and amount or amounts of maturity, which need not be in equal par amounts or in consecutive annual installments, provided only that no bond of any issue shall mature later than 30 years from the date of its issue; the manner of selling the bonds, which may be at either public or private sale, for such price or prices as may be determined to be for the best interests of Carroll County; the manner of executing and sealing the bonds, which may be by facsimile; the terms and conditions of any loans made to volunteer fire departments; the terms and conditions, if any, under which bonds may be tendered for payment or purchase prior to their stated maturity; the terms or conditions, if any, under which bonds may or shall be redeemed prior to their stated maturity; the place or places of payment of the principal of and the interest on the bonds, which may be at any bank or trust company within or without the State of Maryland; covenants relating to compliance with applicable requirements of federal income tax law, including (without limitation) covenants regarding the payment of rebate or penalties in lieu of rebate; covenants relating to compliance with applicable requirements of federal or State securities laws; and generally all matters incident to the terms, conditions, issuance, sale, and delivery thereof.

The bonds may be made redeemable before maturity, at the option of the County, at such price or prices and under such terms and conditions as may be fixed by the County prior to the issuance of the bonds, either in the resolution or in subsequent resolutions. The bonds may be issued in registered form, and provision may be made for the registration of the principal only. In case any officer whose signature appears on any bond ceases to be such officer before the delivery thereof, such signature shall nevertheless be valid and

sufficient for all purposes as if the officer had remained in office until such delivery. The bonds and the issuance and sale thereof shall be exempt from the provisions of §§ 19–205 and 19–206 of the Local Government Article, as amended.

The borrowing authorized by this Act may also be undertaken by the County in the form of installment purchase obligations executed and delivered by the County for the purpose of acquiring easements or similar or related rights in land that restrict the use of agricultural land or woodland to maintain the character of the land as agricultural or woodland. The form of installment purchase obligations, the manner of accomplishing the acquisition of easements, which may be the direct exchange of installment purchase obligations for easement, and all matters incident to the execution and delivery of the installment purchase obligations and acquisition of the easements by the County shall be determined in the resolution. Except where the provisions of this Act would be inapplicable to installment purchase obligations, the term “bonds” used in this Act shall include installment purchase obligations and matters pertaining to the bonds under this Act, such as the security for the payment of the bonds, the exemption of the bonds from State, County, municipal, or other taxation, and authorization to issue refunding bonds and the limitation on the aggregate principal amount of bonds authorized for issuance, shall be applicable to installment purchase obligations.

The County may enter into agreements with agents, banks, fiduciaries, insurers, or others for the purpose of enhancing the marketability of any security for the bonds and for the purpose of securing any tender option that may be granted to holders of the bonds, all as may be determined and presented in the aforesaid resolution, which may (but need not) state as security for the performance by the County of any monetary obligations under such agreements the same security given by the County to bondholders for the performance by the County of its monetary obligations under the bonds.

If the County determines in the resolution to offer any of the bonds by solicitation of competitive bids at public sale, the resolution shall fix the terms and conditions of the public sale and shall adopt a form of notice of sale, which shall outline the terms and conditions, and a form of advertisement, which shall be published in one or more daily or weekly newspapers having a general circulation in the County and which may also be published in one or more journals having a circulation primarily among banks and investment bankers. At least one publication of the advertisement shall be made not less than 10 days before the sale of the bonds.

Upon delivery of any bonds to the purchaser or purchasers, payment therefor shall be made to the Comptroller of Carroll County or such other official of Carroll County as may be designated to receive such payment in a resolution passed by the County before such delivery.

**SECTION 4. AND BE IT FURTHER ENACTED,** That the net proceeds of the sale of bonds shall be used and applied exclusively and solely for the acquisition, construction, improvement, or development of public facilities, including water and sewer projects, to make loans to volunteer fire departments for the financing of fire or emergency-related equipment, buildings, or other facilities of volunteer fire departments in the County for

which the bonds are sold. If the amounts borrowed shall prove inadequate to finance the projects described in the resolution, the County may issue additional bonds with the limitations hereof for the purpose of evidencing the borrowing of additional funds for such financing, provided the resolution authorizing the sale of additional bonds shall so recite, but if the net proceeds of the sale of any issue of bonds exceed the amount needed to finance the projects described in the resolution, the excess funds so borrowed and not expended shall be applied to the payment of the next principal maturity of the bonds or to the redemption of any part of the bonds which have been made redeemable or to the purchase and cancellation of bonds, unless the County shall adopt a resolution allocating the excess funds to the acquisition, construction, improvement, or development of other public facilities, including water and sewer projects, or to the making of loans for fire or emergency-related equipment, buildings, or other facilities of volunteer fire departments in the County, as defined and within the limits set forth in this Act.

SECTION 5. AND BE IT FURTHER ENACTED, That the bonds hereby authorized shall constitute, and they shall so recite, an irrevocable pledge of the full faith and credit and unlimited taxing power of the County to the payment of the maturing principal of and interest on the bonds as and when they become payable. In each and every fiscal year that any of the bonds are outstanding, the County shall levy or cause to be levied ad valorem taxes upon all the assessable property within the corporate limits of the County in rate and amount sufficient to provide for or assure the payment, when due, of the principal of and interest on all the bonds maturing in each such fiscal year and, in the event the proceeds from the taxes so levied in any such fiscal year shall prove inadequate for such payment, additional taxes shall be levied in the succeeding fiscal year to make up any such deficiency. The County may apply to the payment of the principal of and interest on any bonds issued hereunder any funds received by it as loan repayments from volunteer fire departments and any funds received by it from the State of Maryland, the United States of America, any agency or instrumentality thereof, or from any other source, if such funds are granted for the purpose of assisting the County in financing the acquisition, construction, improvement, or development of the public facilities defined in this Act, including the water and sewer projects or the making of loans for the aforementioned fire or emergency-related equipment, buildings, or other facilities for volunteer fire departments in the County and, to the extent of any such funds received or receivable in any fiscal year, the taxes that are required to be levied may be reduced accordingly.

SECTION 6. AND BE IT FURTHER ENACTED, That the County is further authorized and empowered, at any time and from time to time, to issue its bonds in the manner herein above described for the purpose of refunding, by payment at maturity or upon purchase or redemption, any bonds issued hereunder. The validity of any such refunding bonds shall in no way be dependent upon or related to the validity or invalidity of the obligations so refunded. The powers herein granted with respect to the issuance of bonds shall be applicable to the issuance of refunding bonds. Such refunding bonds may be issued by the County for the purpose of providing it with funds to pay any of its outstanding bonds issued hereunder at maturity, for the purpose of providing it with funds to purchase in the open market any of its outstanding bonds issued hereunder, prior to the maturity thereof, or for the purpose of providing it with funds for the redemption prior to maturity of any outstanding bonds issued hereunder which are, by their terms, redeemable, for the

purpose of providing it with funds to pay interest on any outstanding bonds issued hereunder prior to their payment at maturity of purchase or redemption in advance of maturity, or for the purpose of providing it with funds to pay any redemption or purchase premium in connection with the refunding of any of its outstanding bonds issued hereunder. The proceeds of the sale of any such refunding bonds shall be segregated and set apart by the County as a separate trust fund to be used solely for the purpose of paying the purchase or redemption prices of the bonds to be refunded.

SECTION 7. AND BE IT FURTHER ENACTED, That the County may, prior to the preparation of definitive bonds, issue interim certificates or temporary bonds, exchangeable for definitive bonds when such bonds have been executed and are available for such delivery, provided, however, that any such interim certificates or temporary bonds shall be issued in all respects subject to the restrictions and requirements set forth in this Act. The County may, by appropriate resolution, provide for the replacement of any bonds issued hereunder which shall have become mutilated or lost or destroyed upon such conditions and after receiving such indemnity as the County may require.

SECTION 8. AND BE IT FURTHER ENACTED, That any and all obligations issued pursuant to the authority of this Act, their transfer, the interest payable thereon, and any income derived therefrom in the hands of the holders thereof from time to time (including any profit made in the sale thereof) shall be and are hereby declared to be at all times exempt from State, County, municipal, or other taxation of every kind and nature whatsoever within the State of Maryland. Nothing in this Act shall prevent the County from authorizing the issuance and sale of bonds the interest on which is not excludable from gross income for federal income tax purposes.

SECTION 9. AND BE IT FURTHER ENACTED, That the authority to borrow money and issue bonds conferred on the County by this Act shall be deemed to provide an additional and alternative authority for borrowing money and shall be regarded as supplemental and additional to powers conferred upon the County by other laws and shall not be regarded as in derogation of any power now existing; and all Acts of the General Assembly of Maryland heretofore passed authorizing the County to borrow money are hereby continued to the extent that the powers contained in such Acts have not been exercised, and nothing contained in this Act may be construed to impair, in any way, the validity of any bonds that may have been issued by the County under the authority of any said Acts, and the validity of the bonds is hereby ratified, confirmed, and approved. This Act, being necessary for the welfare of the inhabitants of Carroll County, shall be liberally construed to effect the purposes hereof. All Acts and parts of Acts inconsistent with the provisions of this Act are hereby repealed to the extent of such inconsistency.

SECTION 10. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2016.

**Approved by the Governor, April 26, 2016.**

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**Chapter 255****(House Bill 217)**

AN ACT concerning

**Open Meetings Act – Requirements for ~~Providing~~ Agendas**

FOR the purpose of requiring a public body to ~~provide~~ make available an agenda containing certain information within a certain time before a certain meeting is held by a public body; providing that certain information does not need to be included in a certain agenda; authorizing methods by which a public body may ~~provide~~ make available a certain agenda; authorizing a public body to ~~provide~~ make available an agenda within a certain time after a meeting is held under certain circumstances; providing for the construction of this Act; and generally relating to requirements for agendas and the Open Meetings Act.

BY adding to

Article – General Provisions

Section 3–302.1

Annotated Code of Maryland

(2014 Volume and 2015 Supplement)

**Preamble**

WHEREAS, Requiring public bodies to ~~provide~~ make available notice of agenda items promotes open government; and

WHEREAS, Public bodies should respect the right of the public to know about government policy–making and regulatory decisions; and

WHEREAS, It is the intent of the General Assembly to uphold democracy by ~~making public participation in~~ allowing the public to observe government deliberations ~~possible~~; now, therefore,

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

**Article – General Provisions****3–302.1.**

**(A) (1) SUBJECT TO SUBSECTION (B) OF THIS SECTION, BEFORE MEETING IN AN OPEN SESSION, A PUBLIC BODY SHALL ~~PROVIDE~~ MAKE AVAILABLE TO THE PUBLIC AN AGENDA:**

(I) ~~CONTAINING AVAILABLE INFORMATION, INCLUDING AVAILABLE DOCUMENTS REGARDING MATTERS~~ KNOWN ITEMS OF BUSINESS OR TOPICS TO BE DISCUSSED AT THE PORTION OF THE MEETING THAT IS OPEN; AND

(II) INDICATING WHETHER THE PUBLIC BODY EXPECTS TO CLOSE ANY PORTION OF THE MEETING IN ACCORDANCE WITH § 3-305 OF THIS SUBTITLE.

(2) IF AN AGENDA HAS BEEN DETERMINED AT THE TIME THE PUBLIC BODY GIVES NOTICE OF THE MEETING UNDER § 3-302 OF THIS SUBTITLE, THE PUBLIC BODY SHALL ~~PROVIDE~~ MAKE AVAILABLE THE AGENDA AT THE SAME TIME THE PUBLIC BODY ~~PROVIDES~~ GIVES NOTICE OF THE MEETING.

(3) IF AN AGENDA HAS NOT BEEN DETERMINED AT THE TIME THE PUBLIC BODY GIVES NOTICE OF THE MEETING, THE PUBLIC BODY SHALL ~~PROVIDE~~ MAKE AVAILABLE THE AGENDA; AS SOON AS PRACTICABLE AFTER THE AGENDA HAS BEEN DETERMINED BUT NO LATER THAN 24 HOURS BEFORE THE MEETING.

~~(I) AS SOON AS IS PRACTICAL AFTER THE AGENDA HAS BEEN DETERMINED; OR~~

~~(II) AT LEAST 24 HOURS BEFORE THE MEETING.~~

(B) IF A PUBLIC BODY IS UNABLE TO COMPLY WITH THE PROVISIONS OF SUBSECTION (A) OF THIS SECTION BECAUSE THE MEETING WAS SCHEDULED IN RESPONSE TO AN EMERGENCY, A NATURAL DISASTER, OR ~~SIMILAR~~ ANY OTHER UNANTICIPATED SITUATION, THE PUBLIC BODY SHALL ~~PROVIDE TO THE PUBLIC~~ MAKE AVAILABLE ON REQUEST AN AGENDA OF THE MEETING WITHIN A REASONABLE TIME AFTER THE MEETING OCCURS.

(C) A PUBLIC BODY IS NOT REQUIRED TO ~~PROVIDE~~ MAKE AVAILABLE ANY INFORMATION IN THE AGENDA REGARDING THE SUBJECT MATTER OF THE PORTION OF THE MEETING THAT IS CLOSED IN ACCORDANCE WITH § 3-305 OF THIS SUBTITLE.

(D) (1) A PUBLIC BODY REQUIRED TO ~~PROVIDE~~ MAKE AVAILABLE AN AGENDA UNDER SUBSECTION (A) OF THIS SECTION MAY ~~PROVIDE~~ MAKE AVAILABLE THE AGENDA USING A METHOD AUTHORIZED FOR GIVING NOTICE UNDER § 3-302(C) OF THIS SUBTITLE.

(2) THE METHOD A PUBLIC BODY USES FOR ~~PROVIDING~~ MAKING AVAILABLE AN AGENDA MAY BE DIFFERENT FROM THE METHOD A PUBLIC BODY USES FOR GIVING NOTICE.

(E) **NOTHING IN THIS SECTION MAY BE CONSTRUED TO PREVENT A PUBLIC BODY FROM ALTERING THE AGENDA OF A MEETING AFTER THE AGENDA HAS BEEN ~~PROVIDED~~ MADE AVAILABLE TO THE PUBLIC.**

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2016.

**Approved by the Governor, April 26, 2016.**

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## Chapter 256

### (House Bill 229)

AN ACT concerning

#### **Commercial Motor Vehicles – Operation – Transportation Emergencies**

FOR the purpose of authorizing the Secretary of Transportation to waive certain safety regulations for commercial motor vehicles in intrastate travel under certain circumstances to facilitate emergency relief efforts; authorizing an empty motor carrier or the driver of an empty motor carrier to return to certain locations following the termination of a transportation emergency; establishing the authorized duration of a transportation emergency; authorizing the Secretary to renew a transportation emergency declaration beyond the authorized duration for certain periods of time; establishing the maximum total period of time that a transportation emergency may extend ~~under certain circumstances~~; authorizing the Governor to take certain action to facilitate emergency relief efforts through a declaration of a state of emergency; defining certain terms; altering a certain defined term; and generally relating to the operation of commercial motor vehicles during transportation emergencies.

BY repealing and reenacting, with amendments,

Article – Transportation

Section 25–111

Annotated Code of Maryland

(2012 Replacement Volume and 2015 Supplement)

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

#### **Article – Transportation**

25–111.

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



(2) (I) “DIRECT ASSISTANCE” MEANS THE PROVISION OF TRANSPORTATION AND OTHER RELIEF SERVICES BY A MOTOR CARRIER OR ITS DRIVERS FOR THE IMMEDIATE RESTORATION OF ESSENTIAL SERVICES OR THE DELIVERY OF ESSENTIAL SUPPLIES.

(II) “DIRECT ASSISTANCE” DOES NOT INCLUDE:

1. TRANSPORTATION RELATED TO THE LONG-TERM REHABILITATION OF DAMAGED PHYSICAL INFRASTRUCTURE; OR

2. ROUTINE COMMERCIAL DELIVERIES MADE AFTER THE INITIAL THREAT TO LIFE OR PROPERTY CAUSED BY A TRANSPORTATION EMERGENCY HAS PASSED.

(3) “EMERGENCY RELIEF” MEANS AN OPERATION FOR WHICH A MOTOR CARRIER OR DRIVER OF A COMMERCIAL MOTOR VEHICLE, IN RESPONSE TO A TRANSPORTATION EMERGENCY, PROVIDES DIRECT ASSISTANCE TO SUPPLEMENT STATE AND LOCAL EFFORTS AND CAPABILITIES TO SAVE LIVES OR PROPERTY OR TO PROTECT PUBLIC HEALTH OR SAFETY.

(4) “ESSENTIAL SERVICES” ~~MEANS~~ INCLUDES ELECTRIC OR NATURAL GAS SERVICE, MEDICAL CARE, SEWER SERVICE, WATER SERVICE, TELECOMMUNICATIONS SERVICE, OR TELECOMMUNICATION TRANSMISSIONS.

(5) “ESSENTIAL SUPPLIES” ~~MEANS~~ INCLUDES FOOD OR FUEL.

[(2)] (6) “Hazardous materials inspector” means a person who is assigned by the Department of the Environment and certified by the Department of State Police to perform an inspection authorized under this section.

(7) “NATURAL OR MAN-MADE EMERGENCY” MEANS A HURRICANE, A TORNADO, A THUNDERSTORM, A SNOWSTORM, AN ICE STORM, A BLIZZARD, A FLOOD, WIND-DRIVEN WATER, A TIDAL WAVE, A TSUNAMI, AN EARTHQUAKE, A VOLCANIC ERUPTION, A MUD SLIDE, A DROUGHT, A FOREST FIRE, AN EXPLOSION, AN ELECTRICITY BLACKOUT, OR ANY OTHER SIMILAR OCCURRENCE.

[(3)] (8) “Police officer” means:

(i) Any uniformed law enforcement officer who is certified or under the direction of a law enforcement officer who is certified by the Department of State Police to perform an inspection authorized under this section;

(ii) Any civilian employee of the Department of State Police assigned to enforce any regulation adopted under this section, but only while acting under written authorization of the Secretary of State Police;

- Police who is:
- (iii) Any civilian employee of the Maryland Transportation Authority
    - 1. Acting under the immediate direction and control of a uniformed police officer;
    - 2. Acting under the written authorization of the Secretary of State Police; and
    - 3. Certified by the Department of State Police to perform an inspection authorized under this section; or
  - (iv) Any civilian employee of a local government who is:
    - 1. Acting under the immediate direction and control of a uniformed police officer;
    - 2. Acting under the written authorization of the Secretary of State Police; and
    - 3. Certified by the Department of State Police to perform an inspection authorized under this section.

**[(4)] (9)** “Public Service Commission inspector” means a person who is assigned by the Public Service Commission and certified by the Department of State Police to perform an inspection authorized under this section.

**[(5)] (10)** “Transportation emergency” means any natural or man-made emergency that [disrupts or hinders the free flow of traffic on the State’s highways and local streets and roads for more than 8 hours so that public safety is or may be threatened as a result] **INTERRUPTS OR MAY INTERRUPT THE DELIVERY OF ESSENTIAL SERVICES OR ESSENTIAL SUPPLIES OR OTHERWISE IMMEDIATELY THREATENS HUMAN LIFE OR PUBLIC WELFARE.**

(b) (1) Upon direction by a police officer or by an electronic signal to vehicles equipped with a CVISN transponder, the driver of any vehicle that is subject to any regulation adopted under this section shall stop and submit to an inspection:

- (i) All applicable driver records, including driver’s license, driver hours of service record and certificate of physical examination;
- (ii) All load manifests, including bills of lading or other shipping documents; and
- (iii) All cargo and cargo areas.

(2) A police officer who is certified by the Department of State Police to perform an inspection authorized under this section, a Public Service Commission inspector, or a hazardous materials inspector may conduct a safety inspection of the vehicle that is subject to a regulation adopted under this section or § 22–409 of this article.

(c) The operation of a vehicle on any highway in this State constitutes the consent of the driver and the owner of the vehicle to the inspection provided for in this section.

(d) (1) The driver of a vehicle shall obey every sign and every direction of a police officer or an electronic signal to a CVISN transponder to stop the vehicle and submit to the required inspection.

(2) If a driver fails or refuses to comply with the direction of a police officer or an electronic signal to a CVISN transponder to submit a vehicle to the required inspection, the police officer shall have the authority to take the vehicle and its load into temporary custody for the purpose of inspecting the vehicle, load, its equipment, or documents.

(3) The police officer may utilize resources as specified in § 27–111(b) of this article to conduct the safety inspection.

(4) In addition to any fine or penalty attributable to the inspection, or other offense, the driver is:

(i) Subject to a fine and penalty as specified in § 27–101(l) of this article; and

(ii) Responsible for any additional costs incurred in inspecting the vehicle and its load because of the driver's failure or refusal to comply with the direction of a police officer or an electronic signal to a CVISN transponder.

(e) A sign used to direct vehicles under this section may be displayed only by a police officer who is assigned to enforce this section.

(f) (1) Except as provided in subsection (i) of this section, the Administration may adopt regulations as are necessary for the safe operation of vehicles that:

(i) Exceed a gross vehicle weight rating of 10,000 pounds;

(ii) Are required to be marked or placarded for the transportation of hazardous materials; or

(iii) Are designed to transport 16 or more passengers including the driver over the highways of this State.

(2) Any regulation adopted pursuant to this subsection shall:

(i) Be formulated jointly by the Administration and the Department of State Police;

(ii) Duplicate or be consistent with the Federal Motor Carrier Safety Regulations contained in:

1. 49 C.F.R., Part 40 (“Procedures for Transportation Workplace Drug and Alcohol Testing Programs”) and Part 382 (“Controlled Substances and Alcohol Use and Testing”), with respect to drug and alcohol testing regulations applicable to drivers required by regulation to possess a commercial driver’s license;

2. 49 C.F.R., Part 385, Subparts A, C, and D (“New Entrant Safety Assurance Program”);

3. 49 C.F.R., Part 386, Subparts F and G (“Injunctions and Imminent Hazards; Penalties”); and

4. 49 C.F.R., Parts 390 through 399 (“General Safety Requirements”);

(iii) Apply to all vehicles with a gross vehicle weight rating or gross combination weight rating over 10,000 pounds that are subject to the Federal Motor Carrier Safety Regulations; and

(iv) Apply to vehicles with a gross vehicle weight rating or gross combination weight rating over 10,000 pounds that are not subject to the Federal Motor Carrier Safety Regulations, if the regulation adopted by the Motor Vehicle Administration specifically states that it applies to the vehicle.

(3) The regulations adopted under this subsection may require that registrants of motor vehicles subject to this subsection have knowledge of applicable federal and State motor carrier safety regulations.

(g) Any motor carrier or driver operating a vehicle that is subject to the regulations adopted under this section shall, at all times when operating the vehicle on a highway in this State, comply with the regulations adopted under this section.

(h) (1) During normal business hours, a police officer, a hazardous materials inspector, or a Public Service Commission inspector may enter the premises and inspect equipment and review and copy records of motor carriers subject to the regulations adopted under § 22–409 or § 23–302 of this article, Federal Motor Carrier Safety Regulations, Federal Hazardous Materials Regulations, or Public Service Commission laws and regulations.

(2) During normal business hours, trained personnel from the Commercial Vehicle Enforcement Division of the Department of State Police may enter the premises

and inspect, review, and copy records of motor carriers subject to the regulations adopted under this section, § 22–409 of this article, or § 23–302 of this article, including:

- (i) Any record required by this section;
- (ii) Driver qualification files;
- (iii) Hours of service records;
- (iv) Drug and alcohol testing records of drivers required to be tested under this section; and
- (v) Insurance records.

(i) (1) Except as provided for in paragraph (2) of this subsection, regulations adopted under this section for intrastate motor carrier transportation may not:

(i) Apply the provisions of § 391.21, § 391.23, § 391.31, or § 391.35 of the Federal Motor Carrier Safety Regulations to:

1. A driver who is a regularly employed driver of a motor carrier for a continuous period that began before July 1, 1986, if the driver continues to be a regularly employed driver of the motor carrier; or

2. The motor carrier, with regard to a driver described under item 1 of this item, if the motor carrier continues to employ the driver;

(ii) Limit a driver's time or hours on duty if:

1. The driver operates only within a 150 air mile radius of the driver's normal work reporting location;

2. The driver returns to the driver's normal work reporting location;

3. The driver is released from work within a period of 16 consecutive hours, not more than 12 of which are dedicated to driving, and is given at least 8 consecutive hours off duty; and

4. Regardless of the number of motor carriers using the driver's services, the driver:

A. If the employing motor carrier does not operate motor vehicles every day of the week, has been on duty no more than 70 hours in a period of 7 consecutive days; or

B. If the employing motor carrier operates motor vehicles every day of the week, has been on duty no more than 80 hours in a period of 8 consecutive days;

(iii) Require a driver to maintain a record of duty status if the driver is not subject to item (ii) of this paragraph, except that, if a driver is on duty for a period of more than 12 hours, the driver shall maintain a record of the driver's duty status that:

1. For the first 12 hours of time on duty, accounts for all time dedicated to driving; and

2. For all time on duty in excess of 12 hours, conforms to the recording requirements provided in federal regulations; or

(iv) Except in the case of bus drivers, apply the provisions of § 391.41(b)(1) through (11) of the Federal Motor Carrier Safety Regulations before October 1, 2023 to any person who:

1. On October 1, 2003, was otherwise qualified to operate and operated a vehicle or vehicle combination used in intrastate commerce with a gross vehicle weight rating or gross combination weight rating of 10,001 pounds or more and, after October 1, 2003, remained qualified to operate and continued to operate such a vehicle;

2. Operates only in intrastate commerce; and

3. Has a mental or physical condition which would disqualify the person under the Federal Motor Carrier Safety Regulations and:

A. The condition existed on October 1, 2003 or at the time of the first physical examination after that date to which the person submitted as required by regulations adopted by the Administration under subsection (k) of this section; and

B. A physician who has examined the person has determined that the condition has not substantially worsened and that no other disqualifying medical or physical condition has developed since October 1, 2003 or the time of the first required physical examination after that date.

(2) Nothing contained in this subsection limits regulation of the qualifications or hours of service of a driver of a vehicle:

(i) In interstate commerce;

(ii) Transporting hazardous materials of a type and quantity requiring placarding under Federal Hazardous Materials Regulations; or

(iii) Designed to transport 16 or more passengers, including the driver.

(j) (1) Notwithstanding the provisions of § 14–107 of the Public Safety Article, the Governor may delegate the power to declare a transportation emergency to the Secretary or the Secretary's designee.

(2) (i) The Secretary or the Secretary's designee may declare a transportation emergency.

(ii) 1. During the time in which a transportation emergency declared under this subsection exists, the Secretary or the Secretary's designee [shall waive the maximum hours-of-service time limits contained in this section, or in regulations adopted under this section for all interstate and intrastate drivers providing direct assistance in restoring normal operations] **MAY WAIVE ALL OR PART OF THE FEDERAL MOTOR CARRIER SAFETY REGULATIONS CONTAINED IN 49 C.F.R. PARTS 390–399 THAT HAVE BEEN ADOPTED FOR INTRASTATE MOTOR CARRIER TRANSPORTATION UNDER THIS SECTION IF THE SECRETARY OR THE SECRETARY'S DESIGNEE REASONABLY EXPECTS THAT THE WAIVER WILL FACILITATE EMERGENCY RELIEF EFFORTS.**

2. **A.** This waiver [shall include the hours of duty status accrued by, and] shall apply only to[, drivers providing direct assistance in restoring normal operations in the State, or to drivers of emergency vehicles operated under the direction of State and local governments or their agents when providing direct assistance in clearing and opening State highways and local streets and roads to allow free flow of traffic] **MOTOR CARRIERS AND DRIVERS OPERATING COMMERCIAL MOTOR VEHICLES WHILE PROVIDING EMERGENCY RELIEF.**

**B. WHEN A TRANSPORTATION EMERGENCY TERMINATES, AN EMPTY MOTOR CARRIER OR THE DRIVER OF AN EMPTY MOTOR CARRIER MAY RETURN TO THE MOTOR CARRIER'S TERMINAL OR THE DRIVER'S NORMAL WORK REPORTING LOCATION.**

(3) (i) All declarations issued under this subsection shall indicate the nature of the transportation emergency, the area or areas threatened, and the conditions which have brought it about.

(ii) A declaration shall be disseminated by a means calculated to bring its contents to the attention of the general public, in the areas affected by the declaration.

(4) Within 10 days of the issuance of any declaration issued under this subsection, the Secretary or the Secretary's designee shall notify the Governor of the nature of the declaration.

(5) (I) A transportation emergency declared by the Secretary or the Secretary's designee [may not extend for more than 5 days, unless renewed] **LASTS FOR THE LESSER OF 5 DAYS FROM THE DATE OF THE INITIAL DECLARATION OR FOR THE DURATION OF THE EMERGENCY CONDITIONS.**

(II) **IF CONDITIONS WARRANT, THE SECRETARY OR THE SECRETARY'S DESIGNEE MAY RENEW A TRANSPORTATION EMERGENCY BEYOND THE INITIAL 5-DAY PERIOD FOR UP TO THREE RENEWAL PERIODS OF 5 DAYS EACH.**

(III) **1. A TRANSPORTATION EMERGENCY MAY NOT EXTEND FOR MORE THAN 20 DAYS UNLESS RENEWED** ~~by the Governor pursuant to § 14-107 of the Public Safety Article.~~

**2. IF THE DURATION OF THE TRANSPORTATION EMERGENCY CONDITIONS EXTENDS FOR MORE THAN 20 DAYS, THE GOVERNOR MAY TAKE ANY ACTION AUTHORIZED UNDER THIS SUBSECTION TO FACILITATE EMERGENCY RELIEF EFFORTS THROUGH A DECLARATION OF A STATE OF EMERGENCY UNDER § 14-107 OF THE PUBLIC SAFETY ARTICLE.**

(k) For the purposes of subsection (i) of this section, the Administration shall adopt regulations requiring physical examinations for intrastate commercial motor vehicle drivers.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2016.

**Approved by the Governor, April 26, 2016.**

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## Chapter 257

**(House Bill 253)**

AN ACT concerning

### **Motor Vehicle Registration – Exception for Golf Carts – City of Crisfield**

FOR the purpose of creating an exception from motor vehicle registration requirements under certain circumstances for golf carts in the City of Crisfield; providing that a person who operates a golf cart on a highway in the City of Crisfield may operate the golf cart only on certain roads at certain times and only if the golf cart is equipped with certain lighting devices; requiring a person who operates a golf cart on a highway in the City of Crisfield to keep as far to the right of the roadway as feasible and possess a valid driver's license; authorizing the State Highway Administration, in consultation with the City of Crisfield, to develop a location in the City of Crisfield



where a person operating a golf cart may cross over a certain highway; and generally relating to an exception to motor vehicle registration requirements for golf carts in the City of Crisfield.

BY repealing and reenacting, without amendments,

Article – Transportation

Section 13–402(a)(1)

Annotated Code of Maryland

(2012 Replacement Volume and 2015 Supplement)

BY repealing and reenacting, with amendments,

Article – Transportation

Section 13–402(c)

Annotated Code of Maryland

(2012 Replacement Volume and 2015 Supplement)

BY adding to

Article – Transportation

Section 21–104.2

Annotated Code of Maryland

(2012 Replacement Volume and 2015 Supplement)

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

### **Article – Transportation**

13–402.

(a) (1) Except as otherwise provided in this section or elsewhere in the Maryland Vehicle Law, each motor vehicle, trailer, semitrailer, and pole trailer driven on a highway shall be registered under this subtitle.

(c) Registration under this subtitle is not required for:

(1) A vehicle that is driven on a highway:

(i) In conformity with the provisions of this title relating to manufacturers, transporters, dealers, secured parties, owners or operators of special mobile equipment, or nonresidents; or

(ii) Under a temporary registration card issued by the Administration;

(2) A vehicle owned and used by the United States, unless an authorized officer or employee of the United States requests registration of the vehicle;

- (3) A farm tractor or any farm equipment;
  - (4) A vehicle the front or rear wheels of which are lifted from the highway;
  - (5) A towed vehicle that is attached to the towing vehicle by a tow bar and for which no driver is necessary;
  - (6) A vehicle owned by and in the possession of a licensed dealer for purpose of sale;
  - (7) A vehicle owned by a new resident of this State during the first 60 days of residency provided the vehicle displays valid registration issued by the jurisdiction of the resident's former domicile;
  - (8) New vehicles being operated as part of a shuttle, as defined in § 13–626 of this title, while following a registered vehicle displaying a shuttle permit issued by the Administration;
  - (9) A vehicle operated in connection with maritime commerce exclusively within any terminal owned or leased by the Maryland Port Administration;
  - (10) A snowmobile that is operated on highways and roadways as prescribed by § 25–102(a)(14) of this article;
  - (11) A golf cart that is operated on a highway on Smith Island, provided that the golf cart is equipped with lighting devices as required by the Administration if it is operated on a highway between dusk and dawn;
  - (12) **A GOLF CART THAT IS OPERATED ON A HIGHWAY IN THE CITY OF CRISFIELD, SOMERSET COUNTY, IN ACCORDANCE WITH § 21–104.2 OF THIS ARTICLE;**
  - (13) A golf cart that is operated on an Allegany County highway as allowed by the county under § 25–102(a)(16) of this article; or
- [(13)] (14) A vehicle owned by an accredited consular or diplomatic officer of a foreign government and operated for official or personal purposes when the vehicle displays a valid diplomatic license plate issued by the United States government.

**21–104.2.**

**(A) A PERSON WHO OPERATES A GOLF CART ON A HIGHWAY IN THE CITY OF CRISFIELD, SOMERSET COUNTY, WITHOUT REGISTRATION AS AUTHORIZED UNDER § 13–402(C)(12) OF THIS ARTICLE:**

- (1) **MAY OPERATE THE GOLF CART ONLY:**

(I) ON A HIGHWAY ~~ON~~:

1. THAT IS NOT DESIGNATED OR MAINTAINED AS A PART OR AN EXTENSION OF THE STATE OR FEDERAL HIGHWAY SYSTEM; AND

2. ON WHICH THE MAXIMUM POSTED SPEED LIMIT DOES NOT EXCEED 35 MILES PER HOUR;

(II) BETWEEN DAWN AND DUSK; AND

(III) IF THE GOLF CART IS EQUIPPED WITH LIGHTING DEVICES AS REQUIRED BY THE ADMINISTRATION; ~~AND~~

(2) SHALL KEEP THE GOLF CART AS FAR TO THE RIGHT OF THE ROADWAY AS FEASIBLE; AND

(3) SHALL POSSESS A VALID DRIVER'S LICENSE.

(B) THE STATE HIGHWAY ADMINISTRATION, IN CONSULTATION WITH THE CITY OF CRISFIELD, MAY DESIGNATE A LOCATION IN THE CITY OF CRISFIELD WHERE A PERSON OPERATING A GOLF CART MAY CROSS, AT A RIGHT ANGLE, A HIGHWAY THAT IS DESIGNATED OR MAINTAINED AS A PART OR AN EXTENSION OF THE STATE OR FEDERAL HIGHWAY SYSTEM.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2016.

Approved by the Governor, April 26, 2016.

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## Chapter 258

(House Bill 285)

AN ACT concerning

### State Education Aid – Real Property Valuation – Tax Increment Financing

FOR the purpose of requiring the ~~assessed valuation of certain real property used in calculating the wealth of a jurisdiction for purposes of education aid to remain at a certain assessment for a certain period of time under certain circumstances; defining certain terms;~~ State Department of Assessments and Taxation to certify annually the amount of assessable base for certain real property; requiring certain State education aid to be calculated in a certain manner for each fiscal year; providing for

the application of this Act; declaring the intent of the General Assembly regarding the consideration of the impact of certain economic development incentives in certain jurisdictions in making certain recommendations of a certain study; requiring a certain study and a certain commission to make certain recommendations on certain issues; providing for the termination of this Act; and generally relating to the calculation of education aid for primary and secondary education.

BY repealing and reenacting, without amendments,

Article – Education

~~Section 5–202(a)(1), (4), (9) through (11), and (14) and (b) and 16–305(a) and (b)(1)~~

Section 5–202(a)(1), (3), (4), (9) through (11), and (14) and (b)

Annotated Code of Maryland

(2014 Replacement Volume and 2015 Supplement)

BY adding to

Article – Education

Section 5–202(l)

Annotated Code of Maryland

(2014 Replacement Volume and 2015 Supplement)

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

~~Article – Education~~

~~Section 5–202(a)(3) and 16–305(b)(2)~~

~~Annotated Code of Maryland~~

~~(2014 Replacement Volume and 2015 Supplement)~~

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

### Article – Education

5–202.

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

(3) ~~(1)~~ ~~["Assessed"] EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH, "ASSESSED~~ valuation of real property” means the most recent estimate made by the State Department of Assessments and Taxation before the annual State budget is submitted to the General Assembly, of the assessed value of real property for State purposes as of July 1 of the first completed fiscal year before the school year for which the calculation of State aid is made under this section.

~~(II) 1. FOR THE PURPOSE OF THE CALCULATIONS UNDER THIS SUBTITLE ONLY, FOR REAL PROPERTY THAT IS LOCATED IN A DEVELOPMENT DISTRICT ESTABLISHED UNDER TITLE 12, SUBTITLE 2 OF THE ECONOMIC DEVELOPMENT ARTICLE OR ARTICLE II, § 62 OF THE CHARTER OF BALTIMORE~~

~~CITY, THE STATE DEPARTMENT OF ASSESSMENTS AND TAXATION SHALL USE THE ASSESSABLE BASE AS OF JANUARY 1 OF THIS YEAR IN WHICH THE ORDINANCE OR RESOLUTION ESTABLISHING THE DEVELOPMENT DISTRICT BECOMES EFFECTIVE IN THE MOST RECENT ESTIMATE OF "ASSESSED VALUATION OF REAL PROPERTY".~~

~~2. THE ASSESSED VALUATION OF REAL PROPERTY UNDER SUBSUBPARAGRAPH 1 OF THIS SUBPARAGRAPH SHALL BE USED UNTIL THE ORDINANCE OR RESOLUTION ADOPTED UNDER TITLE 12, SUBTITLE 2 OF THE ECONOMIC DEVELOPMENT ARTICLE OR ARTICLE II, § 62 OF THE CHARTER OF BALTIMORE CITY ESTABLISHING THE DEVELOPMENT DISTRICT IS NO LONGER IN EFFECT.~~

(4) "Assessed value of personal property" means the most recent estimate by the State Department of Assessments and Taxation before the annual State budget is submitted to the General Assembly of the assessed value for county purposes of personal property as of July 1 of the first completed fiscal year before the school year for which the calculation is made under this section.

(9) "Net taxable income" means the amount certified by the State Comptroller for the second completed calendar year before the school year for which the calculation of State aid under this section is made, based on tax returns filed on or before:

- (i) September 1 after the current calendar year; and
- (ii) November 1 after the current calendar year.

(10) "Personal property" means all property classified as personal property under § 8-101(c) of the Tax – Property Article.

(11) "Real property" means all property classified as real property under § 8-101(b) of the Tax – Property Article.

(14) "Wealth" means the sum of:

- (i) Net taxable income;
  - (ii) 100 percent of the assessed value of the operating real property of public utilities;
  - (iii) 40 percent of the assessed valuation of all other real property;
- and
- (iv) 50 percent of assessed value of personal property.

(b) Subject to the other provisions of this section, each year the State shall distribute the State share of the foundation program to each county board.

(L) (1) EXCEPT FOR SUBSECTION (K) OF THIS SECTION, THIS SUBSECTION APPLIES TO EDUCATION PROGRAMS THAT USE WEALTH TO CALCULATE STATE AID FORMULAS UNDER THIS SUBTITLE.

(2) (I) THE CALCULATIONS IN THIS PARAGRAPH APPLY ONLY TO A COUNTY THAT:

1. ESTABLISHES A DEVELOPMENT DISTRICT UNDER TITLE 12, SUBTITLE 2 OF THE ECONOMIC DEVELOPMENT ARTICLE OR ARTICLE II, § 62 OF THE CHARTER OF BALTIMORE CITY AFTER MAY 1, 2016; AND

2. QUALIFIES FOR A DISPARITY GRANT UNDER § 16-501 OF THE LOCAL GOVERNMENT ARTICLE.

(II) THE STATE DEPARTMENT OF ASSESSMENTS AND TAXATION SHALL CERTIFY THE ORIGINAL AMOUNT OF ASSESSABLE BASE FOR REAL PROPERTY THAT IS LOCATED IN A DEVELOPMENT DISTRICT THAT MEETS THE REQUIREMENTS IN SUBPARAGRAPH (I) OF THIS PARAGRAPH AS OF JANUARY 1 OF THE YEAR PRECEDING THE YEAR IN WHICH THE ORDINANCE OR RESOLUTION ESTABLISHING THE DEVELOPMENT DISTRICT BECOMES EFFECTIVE.

(III) FOR A DEVELOPMENT DISTRICT THAT MEETS THE REQUIREMENTS IN SUBPARAGRAPH (I) OF THIS PARAGRAPH AND IS STILL IN EFFECT, THE STATE DEPARTMENT OF ASSESSMENTS AND TAXATION SHALL ANNUALLY CERTIFY THE AMOUNT OF ASSESSABLE BASE FOR REAL PROPERTY THAT IS LOCATED IN THE DEVELOPMENT DISTRICT AS OF JULY 1 OF THE FIRST COMPLETED FISCAL YEAR BEFORE THE SCHOOL YEAR FOR WHICH THE CALCULATION IS MADE UNDER THIS SECTION.

(IV) THE DIFFERENCE BETWEEN THE AMOUNT OF ASSESSABLE BASE FOR REAL PROPERTY CERTIFIED UNDER SUBPARAGRAPHS (II) AND (III) OF THIS PARAGRAPH IS THE TAX INCREMENT FOR THE DEVELOPMENT DISTRICT.

(3) FOR EACH FISCAL YEAR, USING NET TAXABLE INCOME BASED ON TAX RETURNS FILED ON OR BEFORE NOVEMBER 1, STATE AID SHALL BE CALCULATED AS FOLLOWS:

(I) ONCE USING THE ASSESSED VALUATION OF REAL PROPERTY ESTIMATE UNDER SUBSECTION (A) OF THIS SECTION; AND

(II) AGAIN USING THE ASSESSED VALUATION OF REAL PROPERTY ESTIMATE UNDER SUBSECTION (A) OF THIS SECTION REDUCED BY THE

SUM OF THE TAX INCREMENTS CALCULATED UNDER PARAGRAPH (2) OF THIS SUBSECTION.

(4) IF THE AMOUNT OF STATE AID CALCULATED UNDER PARAGRAPH (3)(II) OF THIS SUBSECTION IS GREATER THAN THE AMOUNT CALCULATED UNDER PARAGRAPH (3)(I) OF THIS SUBSECTION, THE ADDITIONAL STATE AID SHALL BE PROVIDED AS A GRANT TO THE COUNTY BOARD.

~~16-305.~~

~~(a) The formula used for the distribution of funds to the community colleges in the State shall be known as the Senator John A. Cade Funding Formula.~~

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

~~(2) "Assessed valuation of real property" means [assessed valuation of real property as determined for purposes of the State aid calculated under § 5-202 of this article] THE MOST RECENT ESTIMATE MADE BY THE STATE DEPARTMENT OF ASSESSMENTS AND TAXATION BEFORE THE ANNUAL STATE BUDGET IS SUBMITTED TO THE GENERAL ASSEMBLY OF THE ASSESSED VALUE OF REAL PROPERTY FOR STATE PURPOSES AS OF JULY 1 OF THE FIRST COMPLETED FISCAL YEAR BEFORE THE SCHOOL YEAR FOR WHICH THE CALCULATION OF STATE AID IS MADE UNDER THIS SECTION.~~

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall be applicable to the calculation of payment of State aid to counties and Baltimore City for fiscal years beginning after June 30, ~~2016~~ 2017.

SECTION 3. AND BE IT FURTHER ENACTED, That:

(a) It is the intent of the General Assembly that the final recommendations of the study of the adequacy of education funding being conducted as required by Chapter 288 of 2002, as amended by Chapter 397 of 2011, and any commission that may be established to make recommendations on the adequacy study, shall consider the impact of economic development incentives in low wealth jurisdictions on State education aid, including the exclusion provided under § 5-202(l) of the Education Article as enacted by this Act.

(b) The adequacy study and any commission shall make recommendations on:

(1) whether the assessed value of tax increment financing districts should be excluded from the calculation of wealth for State education aid purposes and, if so, any limits on the exclusions that should be considered; and

(2) the continuation of the hold harmless grants established by this Act.

SECTION ~~3~~ 4. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2016. It shall remain effective for a period of 3 years and 1 month and, at the end of June 30, 2019, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.

Approved by the Governor, April 26, 2016.

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## Chapter 259

### (House Bill 318)

AN ACT concerning

#### **Kent County – Fisheries – Use of Haul Seines**

FOR the purpose of authorizing in Kent County a person to catch certain fish with a haul seine during the period from Friday midnight until sunrise on Monday under certain circumstances; requiring the Department of Natural Resources to adopt certain regulations; and generally relating to the use of haul seines in Kent County.

BY repealing and reenacting, with amendments,  
Article – Natural Resources  
Section 4–713  
Annotated Code of Maryland  
(2012 Replacement Volume and 2015 Supplement)

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

#### **Article – Natural Resources**

4–713.

(a) A person who fishes with haul seine equipment shall carry a tidal fish license to catch finfish.

(b) A Natural Resources police officer shall inspect every haul seine prior to its use in any portion of the waters of the Chesapeake Bay or its tributaries. If the Natural Resources police officer determines that the seine complies with the provisions of this section, he shall affix a seal and number certifying that the haul seine is inspected and in compliance with provisions of this section. Any haul seine without a State seal or with a broken seal is an illegal one, and a person may not operate it.



(c) Haul seines shall be limited to a depth or width of 15 feet graduating to a width of 22 feet at the bunt or back. A haul seine may not have a length of its bunt or back greater than 100 feet, which is a “hung” measure.

(d) A person may not use a seine exceeding 50 feet in length and 5 feet in width to catch minnows in the tidal waters of the State.

(e) If the haul seine is used in the Chesapeake Bay, the length of brail line used on either end of the haul seine may not exceed 1500 feet. If the haul seine is used in the rivers and tributaries of the Chesapeake Bay, the maximum length of brail line may not exceed 750 feet.

(f) A person may not drag or haul any seine with two or more vessels or boats propelled by power, or use any haul seine more than 1800 feet in length. A power winch anchored in a vessel or boat, not propelled by power, may be used if the winch boat is anchored in 4 feet depth of water or less.

(g) A person may not empty a seine on the shore or beach, or in any water less than 12 inches deep so as to leave the small fish to perish. A person always shall empty the seine in waters of sufficient depth to enable the small fish to return to the waters for growth.

(h) A person may not haul any seine in waters covering leased oyster ground unless the permission of the lessee is obtained.

(i) (1) Except as provided in [paragraph (2)] **PARAGRAPHS (2) AND (3)** of this subsection, a person may not fish with a haul seine during the period from Friday midnight until sunrise on Monday in the tidal waters of the State.

(2) (i) In Baltimore County and Harford County, on prior notification to the Department a person may catch carp during the period from Friday midnight until sunrise on Monday, except in areas where it is prohibited by the Department.

(ii) Except in areas where it is prohibited by the Department, a person may set a licensed haul seine at a distance greater than one-third the distance across a river, creek, cove, or inlet in any of the tributary waters of Baltimore County or Harford County only to catch carp and catfish, notwithstanding any other provision of this subtitle regarding the distance across which a haul seine may be set. A person may not set the licensed haul seine to impede or obstruct navigation or block in any way the main channel of the river, creek, cove, or inlet. Any person who catches fish of a variety other than carp or catfish in any licensed haul seine shall return them immediately to the water unharmed. A person always shall attend a licensed haul seine for catching carp or catfish. Any person whose licensed haul seine is found more than one-third the distance across the waters where it is set without a person in attendance is guilty of violating this subsection.

(iii) The Department, by regulation:

1. Shall establish procedures for the prior notification required under subparagraph (2)(i) of this subsection; and

2. May prohibit fishing for carp and catfish in certain areas as provided in subparagraph (2)(ii) of this subsection.

**(3) (I) IN KENT COUNTY, ON PRIOR NOTIFICATION TO THE DEPARTMENT, A PERSON MAY CATCH GIZZARD SHAD, ALSO KNOWN AS MUD SHAD, CARP, OR CATFISH, WITH A HAUL SEINE DURING THE PERIOD FROM FRIDAY MIDNIGHT UNTIL SUNRISE ON MONDAY.**

**(II) THE DEPARTMENT, BY REGULATION, SHALL ESTABLISH PROCEDURES FOR THE PRIOR NOTIFICATION REQUIRED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH.**

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2016.

**Approved by the Governor, April 26, 2016.**

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## Chapter 260

**(House Bill 319)**

AN ACT concerning

### **Oysters and Clams – Dredging by Auxiliary Yawl – Authorized Boats**

FOR the purpose of clarifying that certain provisions of law governing dredging by use of an auxiliary yawl apply only to certain boats; establishing certain standards for dredge boats that harvest oysters and clams by use of an auxiliary yawl; repealing the requirement that certain persons attach certain numbers to certain boats in a certain manner; making certain conforming changes; making certain stylistic changes; making a certain technical correction; and generally relating to oyster and clam dredge boats propelled by use of an auxiliary yawl.

BY repealing and reenacting, with amendments,

Article – Natural Resources

Section 4–1013

Annotated Code of Maryland

(2012 Replacement Volume and 2015 Supplement)

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

**Article – Natural Resources**

4-1013.

(a) **(1) THIS ~~SECTION~~ SUBSECTION APPLIES ONLY TO A DREDGE BOAT THAT:**

**~~(1)~~ (I) IS A FUNCTIONAL SAILING VESSEL USED TO CATCH OYSTERS OR CLAMS BY DREDGE;**

**~~(2)~~ (II) IS BUILT IN THE STYLE OF A TRADITIONAL CHESAPEAKE BAY BUGEYE, SCHOONER, OR SKIPJACK;**

**~~(3)~~ (III) USES A SAILING RIG COMPOSED OF AT LEAST ONE MAST AND ONE BOOM CAPABLE OF HOLDING SAILS AND CONFIGURED FOR SAILING;**

**~~(4)~~ (IV) INCLUDES A SET OF DAVITS CAPABLE OF REMOVING AN AUXILIARY YAWL BOAT FROM THE WATER;**

**~~(5)~~ (V) DOES NOT HAVE A SCREW, A PROPELLER, AN ENGINE, A TURBINE, OR ANY OTHER DEVICE FOR SELF-PROPULSION USED IN CATCHING OYSTERS BY DREDGE; AND**

**~~(6)~~ (VI) MEETS ALL UNITED STATES COAST GUARD REQUIREMENTS.**

**~~(B)~~ (2) Any person who owns or is in charge of operating any dredge boat shall have a license to catch oysters by dredge boat.**

[(b) The captain or master of any dredge boat shall securely attach the two numbers, furnished by the Department for each dredge boat, to the shrouds of the foremast on the port and starboard sides of the boat, with the bottom or lower edge of the number not less than 4 feet above the deck. The numbers shall be displayed in an upright position to provide maximum visibility at all times during the dredging season, and may not be concealed or defaced. Each number shall be painted in black figures on white durable material 2 feet by 2 feet in size. The material shall be selected by the Department. The numbers on the material may not be less than 16 inches in height and a proportionate width.]

**~~(E)~~ ~~(1)~~ (3) The owner, captain, master, or any crew member of any DREDGE boat capable of self-propulsion by any motor, turbine, or other engine attached to the DREDGE boat, may not have on board the DREDGE boat, or in tow, or permit on board or in tow, any scoop, handscrape, dredge, or similar instrument used in dredging, or any winch, spool, winder, or other tackle used in dredging, unless the DREDGE boat is**

permitted by the Department to dredge on leased land, or is engaged in taking seed oysters under the surveillance and with the permission of the Department.

~~(2)~~ **(4)** Notwithstanding any other provisions of this subtitle, the Department may designate by [rule or] regulation a period of time not to exceed 3 days in any one week during which dredge boats licensed under [the provisions of] this subtitle may be propelled by means of the auxiliary yawl boat carried on the dredge boat in the waters of the Chesapeake Bay.

~~(3)~~ **(B)** The Department may prescribe the maximum daily **HARVEST** limit on any day.

~~(d)~~ **(C)** The owner, captain, master, or any crew member of any ~~DREDGE~~ boat may not catch oysters by scoop, handscrape, or dredge, or permit oysters to be caught by scoop, handscrape, or dredge, on any land in the State leased for cultivating oysters unless the ~~DREDGE~~ boat is permitted by the Department for dredging on leased land, and the owner, captain, or master of the ~~DREDGE~~ boat has on board the written consent of the lessee or tenant of the leased land from which any oysters are caught.

~~(e)~~ **(D)** **(1)** All submerged land of the State not leased for cultivation of oysters nor designated as dredging territory by [the provisions of] this subtitle shall be reserved for tongers exclusively.

**(2)** The owner, captain, master or any crew member of any ~~DREDGE~~ boat may not catch oysters by scoop, handscrape, or dredge, or attempt or conspire to catch oysters by scoop, handscrape, or dredge, from any submerged land of the State reserved for tongers exclusively or closed by any [rule or regulation,] **REGULATION** or order of the Department.

**(3)** The taking of oysters by scoop, dredge or handscrape by hand may be authorized by the Secretary upon the recommendations of the appropriate county tongers committee, in areas reserved for tonging when areas which are designated for tonging oysters are closed because of icing conditions at least 7 consecutive days.

**(4)** Handscraping may be authorized on a day for working day basis according to the number of days when tonging is not possible because of ice cover, but not to exceed 14 working days.

**(5)** The Secretary may specify areas to be opened and restrictions on gear.

**(6)** There shall be a limit of 10 bushels per [man] **PERSON** and no more than 30 bushels per boat.

**(7)** A person may not handscrape for oysters after 12 noon.

(8) [However, this] **THIS** subsection does not apply to catching seed oysters under the surveillance and with the permission of the Department.

~~(E)~~ **(E)** A person may not catch oysters in the waters of the State or possess any scoop, dredge, handscrape, or similar instrument having a tooth bar more than 42 inches in length measuring from the outside teeth on dredges used in dredging on rock bottoms or 44 inches in length measuring from the outside teeth on dredges used in dredging on mud bottoms, or of a weight exceeding 200 pounds.

~~(F)~~ **(F)** Subject to the laws relating to firearms, the captain, master or any person on board or having control of any dredge boat, may not have or permit to be kept on the dredge boat more than two shotguns not larger than a number ten gauge and using shot not larger than number one.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2016.

Approved by the Governor, April 26, 2016.

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## Chapter 261

(House Bill 352)

AN ACT concerning

### Office of Legislative Audits – Local School System Audits—~~Repeal~~

FOR the purpose of ~~repealing the requirement that the Office of Legislative Audits conduct audits of certain local school systems within certain periods of time; repealing the requirement for the Legislative Auditor to appoint professional staff to conduct audits of local school systems; repealing the authorization for the Office of Legislative Audits to have access to certain information to perform audits of local school systems; repealing the requirement for the Office of Legislative Audits to provide certain information to a local school system and the Joint Audit Committee following a certain review; repealing the authorization for the Joint Audit Committee to take certain actions relating to a certain review; requiring the Office of Legislative Audits to conduct an audit or a review of certain local school systems under certain circumstances; making conforming changes exempting a local school system from a certain audit requirement under certain circumstances; authorizing the Joint Audit Committee to direct the Office of Legislative Audits to conduct an audit of a local school system; and generally relating to the repeal of~~ audits of local school systems by the Office of Legislative Audits.

~~BY~~ repealing

Article—State Government

~~Section 2-1210(e), 2-1220(e), and 2-1224(g)(7) through (9)  
Annotated Code of Maryland  
(2014 Replacement Volume and 2015 Supplement)~~

~~BY repealing and reenacting, with amendments,  
Article – State Government  
Section 2-1220(b) and 2-1223(a)(3)  
Annotated Code of Maryland  
(2014 Replacement Volume and 2015 Supplement)~~

~~BY renumbering  
Article – State Government  
Section 2-1220(f)  
to be Section 2-1220(e)  
Annotated Code of Maryland  
(2014 Replacement Volume and 2015 Supplement)~~

BY repealing and reenacting, with amendments,  
Article – State Government  
Section 2-1220(e)  
Annotated Code of Maryland  
(2014 Replacement Volume and 2015 Supplement)

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

### Article – State Government

~~2-1219.~~

~~[(e) With the approval of the Executive Director, the Legislative Auditor shall appoint professional staff to conduct audits of local school systems in accordance with § 2-1220(e) of this subtitle.]~~

2-1220.

~~(b) If the General Assembly, by resolution, or the Joint Audit Committee so directs, the Office of Legislative Audits shall conduct an audit or review of a corporation, LOCAL SCHOOL SYSTEM, or association to which the General Assembly has appropriated money or that has received funds from an appropriation from the State Treasury.~~

[(e) (1) ~~At~~ **EXCEPT AS PROVIDED IN PARAGRAPH (4) OF THIS SUBSECTION,** AT least once every 6 years, the Office of Legislative Audits shall conduct an audit of each local school system to evaluate the effectiveness and efficiency of the financial management practices of the local school system.

(2) The audits may be performed concurrently or separately.

(3) The Office of Legislative Audits shall provide information regarding the audit process to the local school system before the audit is conducted.†

**(4) ~~BEGINNING (I) SUBJECT TO THE LIMITATION UNDER SUBPARAGRAPH (II) OF THIS PARAGRAPH, BEGINNING IN FISCAL YEAR 2017, A LOCAL SCHOOL SYSTEM SHALL BE EXEMPT FROM THE AUDIT REQUIREMENT UNDER PARAGRAPH (1) OF THIS SUBSECTION IF THE COUNTY GOVERNING BODY, THE COUNTY BOARD OF EDUCATION, AND THE COUNTY DELEGATION TO THE MARYLAND GENERAL ASSEMBLY CONSISTING OF THE COUNTY SENATORS AND DELEGATES EACH SUBMITS A LETTER TO THE JOINT AUDIT COMMITTEE REQUESTING AN EXEMPTION ON OR BEFORE NOVEMBER 1 OF FISCAL YEAR 2017, OR ON OR BEFORE NOVEMBER 1 OF THE LAST YEAR OF A 6-YEAR AUDIT CYCLE UNDER PARAGRAPH (1) OF THIS SUBSECTION, AS DETERMINED BY THE OFFICE OF LEGISLATIVE AUDITS.~~**

**(II) A LOCAL SCHOOL SYSTEM MAY NOT BE EXEMPT FOR 2 CONSECUTIVE 6-YEAR AUDIT CYCLES.**

**(5) NOTWITHSTANDING PARAGRAPH (4) OF THIS SUBSECTION, THE JOINT AUDIT COMMITTEE MAY DIRECT THE OFFICE OF LEGISLATIVE AUDITS TO CONDUCT AN AUDIT OF A LOCAL SCHOOL SYSTEM AT ANY TIME.**

~~2-1223.~~

~~(a) (3) The employees or authorized representatives of the Office of Legislative Audits shall have access to and may inspect the records, including those that are confidential by law, of:~~

~~(i) any local school system [to perform the audits authorized under § 2-1220 of this subtitle or] in accordance with a request for information as provided in § 5-114(d) of the Education Article; and~~

~~(ii) the Board of Liquor License Commissioners for Baltimore City to perform the audits authorized under [§ 2-1220(f)] § 2-1220(E) of this subtitle.~~

~~2-1224.~~

~~(g) [(7) The Legislative Auditor shall review each local school system's response to an audit conducted under § 2-1220(c) of this subtitle and advise the local school system of the results of the review. The Legislative Auditor shall advise the Joint Audit Committee when a local school system:~~

~~(i) does not make a response to a recommendation;~~

~~(ii) does not indicate action to be taken in response to a recommendation;~~

~~(iii) has not taken the action the local school system indicated in its response to a recommendation; or~~

~~(iv) responds in a manner that is not considered appropriate to carry out the recommendation.~~

~~(8) The Executive Director or the Joint Audit Committee may direct the Legislative Auditor to undertake a review to determine the extent to which action has been taken by a local school system to implement a report recommendation.~~

~~(9) With respect to findings and recommendations made to a local school system, the Joint Audit Committee may make recommendations to the Governor, State Superintendent of Schools, the local school governing board, or local school officials after reviewing a local school system's response to a recommended action.]~~

~~SECTION 2. AND BE IT FURTHER ENACTED, That Section(s) 2-1220(f) of Article – State Government of the Annotated Code of Maryland be renumbered to be Section(s) 2-1220(e).~~

SECTION ~~2~~ 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2016.

Approved by the Governor, April 26, 2016.

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## Chapter 262

(House Bill 365)

AN ACT concerning

### Public Schools – Bullying, Harassment, and Intimidation Policies – Update

FOR the purpose of altering the definition of “electronic communication” to include certain social media communications; requiring the State Board of Education by a certain date to update a certain model policy on bullying, harassment, and intimidation on or before a certain date ~~to include provisions that relate to prohibiting an electronic communication of a photograph, an audio recording, or a video recording of certain acts of bullying, harassment, or intimidation or of certain other conduct that is transmitted for a certain purpose~~; requiring certain county boards of education ~~by a certain date~~ to update certain policies based on the State Board’s update of the model policy and to submit the updated policies to the State Superintendent of Schools on or before certain dates; ~~providing that a school employee who reports a certain act is~~



~~not civilly liable under certain circumstances;~~ and generally relating to bullying, harassment, and intimidation in public schools.

BY repealing and reenacting, with amendments,  
 Article – Education  
 Section 7–424.1  
 Annotated Code of Maryland  
 (2014 Replacement Volume and 2015 Supplement)

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

### Article – Education

7–424.1.

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

(2) “Bullying, harassment, or intimidation” means intentional conduct, including verbal, physical, or written conduct, or an intentional electronic communication, that:

(i) Creates a hostile educational environment by substantially interfering with a student’s educational benefits, opportunities, or performance, or with a student’s physical or psychological well-being and is:

1. Motivated by an actual or a perceived personal characteristic including race, national origin, marital status, sex, sexual orientation, gender identity, religion, ancestry, physical attribute, socioeconomic status, familial status, or physical or mental ability or disability; or

2. Threatening or seriously intimidating; and

(ii) 1. Occurs on school property, at a school activity or event, or on a school bus; or

2. Substantially disrupts the orderly operation of a school.

(3) **(I)** “Electronic communication” means a communication transmitted by means of an electronic device, including a telephone, cellular phone, computer, or pager.

**(II) “ELECTRONIC COMMUNICATION” INCLUDES A SOCIAL MEDIA COMMUNICATION.**

(b) (1) By March 31, 2009, the State Board, after consultation with and input from local school systems, shall develop a model policy prohibiting bullying, harassment, or intimidation in schools.

(2) The model policy developed under paragraph (1) of this subsection shall include:

(i) A statement prohibiting bullying, harassment, and intimidation in schools;

(ii) A statement prohibiting reprisal or retaliation against individuals who report acts of bullying, harassment, or intimidation;

(iii) A definition of bullying, harassment, or intimidation that is either the same as set forth in subsection (a)(2) of this section or a definition that is not less inclusive than that definition;

(iv) Standard consequences and remedial actions for persons committing acts of bullying, harassment, or intimidation and for persons engaged in reprisal or retaliation;

(v) Standard consequences and remedial actions for persons found to have made false accusations;

(vi) Model procedures for reporting acts of bullying, harassment, and intimidation;

(vii) Model procedures for the prompt investigation of acts of bullying, harassment, and intimidation;

(viii) Information about the types of support services available to the student bully, victim, and any bystanders; and

(ix) Information regarding the availability and use of the bullying, harassment, or intimidation form under § 7-424 of this subtitle.

**(3) BY SEPTEMBER 1, 2016, AND EVERY 5 YEARS THEREAFTER, THE STATE BOARD, AFTER CONSULTATION WITH LOCAL SCHOOL SYSTEMS, SHALL UPDATE THE MODEL POLICY REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION ~~TO INCLUDE:~~**

~~(1) 1. A STATEMENT PROHIBITING AN ELECTRONIC COMMUNICATION OF A PHOTOGRAPH, AN AUDIO RECORDING, OR A VIDEO RECORDING OF AN ACT OF BULLYING, HARASSMENT, OR INTIMIDATION; AND~~

~~2. A STATEMENT PROHIBITING AN ELECTRONIC COMMUNICATION THAT:~~

~~A. IS TRANSMITTED FOR THE PURPOSE OF EMBARRASSMENT; AND~~

~~B. IS A PHOTOGRAPH, AN AUDIO RECORDING, OR A VIDEO RECORDING OF CONDUCT THAT OCCURRED ON SCHOOL PROPERTY, AT A SCHOOL ACTIVITY OR EVENT, OR ON A SCHOOL BUS;~~

~~(II) A STATEMENT PROHIBITING REPRISAL OR RETALIATION AGAINST AN INDIVIDUAL WHO REPORTS AN ELECTRONIC COMMUNICATION PROHIBITED UNDER ITEM (I) OF THIS PARAGRAPH;~~

~~(III) STANDARD CONSEQUENCES AND REMEDIAL ACTIONS FOR PERSONS FOUND TO HAVE TRANSMITTED ELECTRONIC COMMUNICATIONS PROHIBITED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH;~~

~~(IV) STANDARD CONSEQUENCES AND REMEDIAL ACTIONS FOR PERSONS FOUND TO HAVE MADE FALSE ACCUSATIONS OF ELECTRONIC COMMUNICATIONS PROHIBITED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH;~~

~~(V) MODEL PROCEDURES FOR REPORTING AN ELECTRONIC COMMUNICATION PROHIBITED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH; AND~~

~~(VI) MODEL PROCEDURES FOR THE PROMPT INVESTIGATION OF AN ELECTRONIC COMMUNICATION PROHIBITED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH.~~

(c) (1) Each county board shall establish a policy prohibiting bullying, harassment, or intimidation at school based on the model policy.

(2) The policy shall address the components of the model policy specified in subsection (b)(2) of this section.

(3) A county board shall develop the policy in consultation with representatives of the following groups:

- (i) Parents or guardians of students;
- (ii) School employees and administrators;
- (iii) School volunteers;

- (iv) Students; and
- (v) Members of the community.

**(4) BY JANUARY 1, 2017, AND EVERY 5 YEARS THEREAFTER, EACH COUNTY BOARD SHALL UPDATE ITS POLICY BASED ON THE STATE BOARD'S UPDATE OF THE MODEL POLICY UNDER SUBSECTION (B)(3) OF THIS SECTION.**

(d) Each county board shall publicize its policy in student handbooks, school system Web sites, and any other location or venue the county board determines is necessary or appropriate.

(e) Each county board policy shall include information on the procedure for reporting incidents of bullying, harassment, or intimidation, including:

(1) A chain of command in the reporting process; and

(2) The name and contact information for an employee of the Department, designated by the Department, who is familiar with the reporting and investigation procedures in the applicable school system.

(f) **(1) [Each] BY JULY 1, 2009, EACH** county board shall submit its policy to the State Superintendent [by July 1, 2009].

**(2) BY JANUARY 1, 2017, AND EVERY 5 YEARS THEREAFTER, EACH COUNTY BOARD SHALL SUBMIT ITS UPDATED POLICY TO THE STATE SUPERINTENDENT.**

(g) Each county board shall develop the following educational programs in its efforts to prevent bullying, harassment, and intimidation in schools:

(1) An educational bullying, harassment, and intimidation prevention program for students, staff, volunteers, and parents; and

(2) A teacher and administrator development program that trains teachers and administrators to implement the policy.

(h) (1) A school employee who reports an act of bullying, harassment, or intimidation under this section in accordance with the county board's policy established under subsection (c) of this section is not civilly liable for any act or omission in reporting or failing to report an act of bullying, harassment, or intimidation under this section.

~~**(2) A SCHOOL EMPLOYEE WHO REPORTS AN ELECTRONIC COMMUNICATION IN ACCORDANCE WITH THE COUNTY BOARD'S POLICY ESTABLISHED UNDER SUBSECTION (C) OF THIS SECTION IS NOT CIVILLY LIABLE FOR**~~

~~ANY ACT OR OMISSION IN REPORTING OR FAILING TO REPORT AN ELECTRONIC COMMUNICATION UNDER THIS SECTION.~~

~~(2)~~ (3) The provisions of this section may not be construed to limit the legal rights of a victim of bullying, harassment, or intimidation.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016.

Approved by the Governor, April 26, 2016.

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## Chapter 263

(House Bill 400)

AN ACT concerning

### Higher Education – Tuition Waivers for Foster Care Recipients and Unaccompanied Homeless Youth – Modifications

FOR the purpose of altering the definition of “foster care recipient” in relation to when certain individuals have to reside in a certain out-of-home placement to be eligible for a certain tuition waiver; altering a certain requirement that certain foster care recipients and certain unaccompanied homeless youth apply for certain financial aid by a certain time; requiring certain public institutions of higher education and the Maryland Higher Education Commission to make certain annual reports on or before certain dates; and generally relating to tuition waivers for foster care recipients and unaccompanied homeless youth.

BY repealing and reenacting, with amendments,  
 Article – Education  
 Section 15–106.1  
 Annotated Code of Maryland  
 (2014 Replacement Volume and 2015 Supplement)

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

#### Article – Education

15–106.1.

- (a) (1) In this section the following words have the meanings indicated.
- (2) (i) “Foster care recipient” means an individual who:

1. Was placed in an out-of-home placement by the Maryland Department of Human Resources; and

2. A. Resided in an out-of-home placement [in the State at the time the individual graduated from high school or successfully completed a general equivalency development examination (GED)] **ON THE INDIVIDUAL'S 18TH BIRTHDAY;**  
or

B. Resided in an out-of-home placement [in the State] on the individual's 13th birthday and was placed into guardianship or adopted out of an out-of-home placement after the individual's 13th birthday.

(ii) "Foster care recipient" includes a younger sibling of an individual described in subparagraph (i) of this paragraph if the younger sibling is concurrently placed into guardianship or adopted out of an out-of-home placement by the same guardianship or adoptive family.

(3) "Out-of-home placement" has the meaning stated in § 5-501 of the Family Law Article.

(4) (i) "Tuition" means the charges imposed by a public institution of higher education for enrollment at the institution.

(ii) "Tuition" includes charges for registration and all fees required as a condition of enrollment.

(5) "Unaccompanied homeless youth" means a child or youth who:

(i) Has had a consistent presence in the State for at least 1 year before enrollment in a public institution of higher education that is documented by school, employment, or other records;

(ii) Is not in the physical custody of a parent or guardian;

(iii) Is a homeless child or youth, as defined by the McKinney-Vento Homeless Assistance Act; and

(iv) Was determined to be a homeless child or youth by:

1. A Maryland local school system homeless liaison, as defined by the McKinney-Vento Homeless Assistance Act;

2. A Director or a designee of the Director of a Maryland-based program funded under the Runaway and Homeless Youth Act;

3. A Director or a designee of the Director of a Maryland-based program funded under Title IV, Subtitle B of the McKinney-Vento Homeless Assistance Act; or

4. The financial aid director at the public institution of higher education in which the youth seeks to enroll.

(b) When determining whether a youth is an unaccompanied homeless youth, a financial aid administrator shall verify annually that the youth qualifies as an independent student under the federal College Cost Reduction and Access Act, 20 U.S.C. § 1087vv(d)(1)(H).

(c) (1) A foster care recipient or an unaccompanied homeless youth is exempt from paying any tuition at a public institution of higher education, regardless of that foster care recipient's or unaccompanied homeless youth's receipt of any scholarship or grant if:

(i) The foster care recipient or unaccompanied homeless youth is enrolled at the institution on or before the date that the foster care recipient or unaccompanied homeless youth reaches the age of 25 years;

(ii) The foster care recipient or unaccompanied homeless youth is enrolled as a candidate for a vocational certificate, an associate's degree, or a bachelor's degree; and

(iii) The foster care recipient or unaccompanied homeless youth has filed for federal and State financial aid [by March 1 each year].

(2) If a foster care recipient or an unaccompanied homeless youth receives a scholarship or grant for postsecondary study and is enrolled before the recipient's 25th birthday as a candidate for a vocational certificate, an associate's degree, or bachelor's degree at a public institution of higher education, the scholarship or grant may not be applied to the tuition for the foster care recipient or unaccompanied homeless youth.

(3) A foster care recipient or an unaccompanied homeless youth who is exempt from tuition under this section continues to be exempt until the earlier of:

(i) 5 years after first enrolling as a candidate for an associate's degree or a bachelor's degree at a public institution of higher education in the State; or

(ii) The date that the foster care recipient or unaccompanied homeless youth is awarded a bachelor's degree.

**(D) (1) ON OR BEFORE JUNE 1 OF EACH YEAR, EACH PUBLIC INSTITUTION OF HIGHER EDUCATION IN THE STATE SHALL REPORT TO THE COMMISSION ON THE AGGREGATE AND DISAGGREGATE NUMBER OF FOSTER CARE RECIPIENTS AND UNACCOMPANIED HOMELESS YOUTH WHO:**

(I) RECEIVED A TUITION EXEMPTION UNDER THIS SECTION DURING THE PRIOR ACADEMIC YEAR;

(II) RECEIVED A TUITION EXEMPTION UNDER THIS SECTION AT ANY POINT DURING THEIR ENROLLMENT AT THE INSTITUTION; AND

(III) EARNED A BACHELOR'S DEGREE, AN ASSOCIATE'S DEGREE, OR A VOCATIONAL CERTIFICATE FROM THE INSTITUTION DURING THE PRIOR ACADEMIC YEAR.

(2) ON OR BEFORE SEPTEMBER 1 OF EACH YEAR, THE COMMISSION SHALL:

(I) COMPILE THE REPORTS RECEIVED IN ACCORDANCE WITH PARAGRAPH (1) OF THIS SUBSECTION; AND

(II) SUBMIT THE COMPILATION OF REPORTS TO THE GENERAL ASSEMBLY IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016.

Approved by the Governor, April 26, 2016.

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## Chapter 264

(House Bill 412)

AN ACT concerning

**Education – ~~Administration of Assessments~~ – Administration and Provision of Information**

FOR the purpose of extending the period of time by which the State Department of Education is required to develop a certain assessment in a certain core content area; requiring certain county boards of education to provide certain information relating to certain assessments administered in a local school system under certain circumstances; requiring certain information relating to certain assessments to be updated, posted online, and included in a certain master plan on or before a certain date each year; defining a certain term; and generally relating to the provision of information regarding the administration of assessments.



BY repealing and reenacting, with amendments,

Article – Education

Section 7–203(b)(3)

Annotated Code of Maryland

(2014 Replacement Volume and 2015 Supplement)

BY adding to

Article – Education

Section 7–203.3

Annotated Code of Maryland

(2014 Replacement Volume and 2015 Supplement)

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

### **Article – Education**

7–203.

(b) (3) (i) After the 2014–2015 school year, the State Board shall determine whether the assessments at the middle school and high school levels required under paragraph (2)(iii)3 of this subsection adequately measure the skills and knowledge set forth in the State’s adopted curricula for the core content areas of reading, language, mathematics, science, and social studies.

(ii) If the State Board makes a determination under subparagraph (i) of this paragraph that an assessment does not adequately measure the skills and knowledge set forth in the State’s adopted curricula for a core content area, the Department shall develop a State–specific assessment in that core content area to be implemented in the [2016–2017] 2018–2019 school year.

**7–203.3.**

**(A) (1) IN THIS SECTION, “ASSESSMENT” MEANS A LOCALLY, STATE, OR FEDERALLY MANDATED TEST THAT IS INTENDED TO MEASURE A STUDENT’S ACADEMIC READINESS, LEARNING PROGRESS, AND SKILL ACQUISITION.**

**(2) “ASSESSMENT” DOES NOT INCLUDE A TEACHER–DEVELOPED QUIZ OR TEST.**

**(B) THIS SECTION DOES NOT APPLY TO AN ASSESSMENT OR TEST GIVEN TO A STUDENT RELATING TO:**

**(1) A STUDENT’S 504 PLAN;**

(2) THE FEDERAL INDIVIDUALS WITH DISABILITIES EDUCATION ACT, 20 U.S.C. 1400; OR

(3) FEDERAL LAW RELATING TO ENGLISH LANGUAGE LEARNERS.

~~(A)~~ (C) FOR EACH ASSESSMENT ADMINISTERED IN A LOCAL SCHOOL SYSTEM, EACH COUNTY BOARD SHALL PROVIDE THE FOLLOWING INFORMATION:

(1) THE TITLE OF THE ASSESSMENT;

(2) THE PURPOSE OF THE ASSESSMENT;

~~(3) WHETHER THE ASSESSMENT IS A LOCAL, STATE, OR FEDERAL ASSESSMENT;~~

~~(4)~~ (3) WHETHER THE ASSESSMENT IS MANDATED BY A LOCAL, STATE, OR FEDERAL ENTITY;

~~(5)~~ (4) THE GRADE LEVEL OR SUBJECT AREA, AS APPROPRIATE, TO WHICH THE TEST IS ADMINISTERED;

~~(6) THE SUBJECT AREA OF THE ASSESSMENT;~~

~~(7)~~ (5) THE TESTING WINDOW OF THE ASSESSMENT; AND

~~(8) HOW LONG A STUDENT HAS TO COMPLETE THE ASSESSMENT;~~

~~(9)~~ (6) WHETHER ACCOMMODATIONS ARE AVAILABLE FOR STUDENTS WITH SPECIAL NEEDS AND WHAT THE ACCOMMODATIONS ARE;

~~(10) WHETHER THE ASSESSMENT REQUIRES A CHANGE IN THE SCHOOL SCHEDULE; AND~~

~~(11) IF THE ASSESSMENT RESULTS IN A LOSS OF CLASSROOM INSTRUCTION TIME, HOW MUCH TIME AND IN WHICH SUBJECT AREAS.~~

~~(B)~~ (D) ON OR BEFORE OCTOBER 15 OF EACH YEAR, THE INFORMATION REQUIRED UNDER SUBSECTION (A) OF THIS SECTION SHALL BE:

(1) UPDATED;

(2) POSTED ON THE WEB SITE OF THE COUNTY BOARD; AND

(3) INCLUDED IN THE ANNUAL UPDATE OF THE COUNTY BOARD'S MASTER PLAN REQUIRED UNDER § 5-401 OF THIS ARTICLE.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016.

Approved by the Governor, April 26, 2016.

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## Chapter 265

(House Bill 413)

AN ACT concerning

~~Open Meetings Act – Minutes – Maryland General Assembly – Pilot Program on~~  
Closed Captioning for Video and Audio Streaming

FOR the purpose of ~~altering the circumstances under which a public body need not prepare written minutes of an open session under the Open Meetings Act; and generally relating to minutes under the Open Meetings Act~~ requiring the Office of Information Systems in the Department of Legislative Services to establish the Pilot Program on Closed Captioning for Video Streaming; establishing the purpose of the Pilot Program; requiring that the Pilot Program allow for testing of a certain process during a certain session of the Maryland General Assembly; requiring the Office of Information Systems to report to certain committees of the Maryland General Assembly on or before a certain date; providing for the termination of this Act; and generally relating to a pilot program on closed captioning for video streaming.

~~BY repealing and reenacting, with amendments,  
 Article – General Provisions  
 Section 3–306  
 Annotated Code of Maryland  
 (2014 Volume and 2015 Supplement)~~

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

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

(a) The Office of Information Systems in the Department of Legislative Services shall establish a Pilot Program on Closed Captioning for Video Streaming.

(b) The purpose of the Pilot Program is to determine an efficient and cost-effective process for providing the public with closed captioning for live and archived video streaming on the Maryland General Assembly Web site.

(c) (1) During the 2017 Session of the Maryland General Assembly, the Pilot Program shall allow for the testing of a process for providing the public with closed captioning for live and archived video of meetings conducted in two standing committee rooms of the Maryland General Assembly.

(2) On or before October 1, 2017, the Office of Information Systems shall report to the Senate Education, Health, and Environmental Affairs Committee and the House Health and Government Operations Committee, in accordance with § 2-1246 of the State Government Article, on the results of the testing required by paragraph (1) of this subsection and whether the process may be applied to other live and archived videos streamed on the Maryland General Assembly Web site.

### ~~Article – General Provisions~~

~~§ 306.~~

~~(a) This section does not:~~

~~(1) require any change in the form or content of the Journal of the Senate of Maryland or Journal of the House of Delegates of Maryland; or~~

~~(2) limit the matters that a public body may include in its minutes.~~

~~(b) (1) Subject to paragraphs (2) and (3) of this subsection, as soon as practicable after a public body meets, it shall have written minutes of its session prepared.~~

~~(2) A public body need not prepare written minutes of an open session if:~~

~~(i) 1. live and archived video [or audio] streaming of the open session is available; [or]~~

~~2. THE LIVE AND ARCHIVED VIDEO STREAMING IS CLOSED CAPTIONED OR A WRITTEN TRANSCRIPT OF THE VIDEO STREAMING IS AVAILABLE ON REQUEST; AND~~

~~3. AN ELECTRONIC INDEX THAT ALLOWS AN INDIVIDUAL TO NAVIGATE DIRECTLY TO THE RELEVANT AGENDA ITEM OR PORTION OF THE MEETING ACCOMPANIES THE ARCHIVED VIDEO STREAMING; OR~~

~~(ii) the public body votes on legislation and the individual votes taken by each member of the public body who participates in the voting are posted promptly on the Internet.~~

~~(3) The information specified under paragraph (2) of this subsection shall be deemed the minutes of the open session.~~

~~(e) (1) The written minutes shall reflect:~~

~~(i) each item that the public body considered;~~

~~(ii) the action that the public body took on each item; and~~

~~(iii) each vote that was recorded.~~

~~(2) If a public body meets in closed session, the written minutes for its next open session shall include:~~

~~(i) a statement of the time, place, and purpose of the closed session;~~

~~(ii) a record of the vote of each member as to closing the session;~~

~~(iii) a citation of the authority under § 3-305 of this subtitle for closing the session; and~~

~~(iv) a listing of the topics of discussion, persons present, and each action taken during the session.~~

~~(3) (i) A session may be tape recorded by a public body.~~

~~(ii) Except as otherwise provided in paragraph (4) of this subsection, the written minutes and any tape recording of a closed session shall be sealed and may not be open to public inspection.~~

~~(4) The written minutes and any tape recording shall be unsealed and open to inspection as follows:~~

~~(i) for a meeting closed under § 3-305(b)(5) of this subtitle, when the public body invests the funds;~~

~~(ii) for a meeting closed under § 3-305(b)(6) of this subtitle, when the public securities being discussed have been marketed; or~~

~~(iii) on request of a person or on the public body's own initiative, if a majority of the members of the public body present and voting vote in favor of unsealing the written minutes and any tape recording.~~

~~(d) Except as provided in subsection (c) of this section, written minutes of a public body are public records and shall be open to public inspection during ordinary business hours.~~

~~(e) A public body shall keep a copy of the written minutes of each session and any tape recording made under subsection (b)(2)(i) or (c)(3)(i) of this section for at least 1 year after the date of the session.~~

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect ~~October~~ July 1, 2016. It shall remain effective for a period of 2 years and, at the end of June 30, 2018, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.

Approved by the Governor, April 26, 2016.

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## Chapter 266

### (House Bill 429)

AN ACT concerning

#### Task Force to Combat Habitual Student Truancy

FOR the purpose of establishing the Task Force to Combat Habitual Student Truancy; providing for the composition, chair, and staffing of the Task Force; prohibiting a member of the Task Force from receiving certain compensation, but authorizing the reimbursement of certain expenses; requiring the Task Force to study and make recommendations regarding certain matters relating to habitual student truancy; requiring the Task Force to report its findings and recommendations to the Governor and the General Assembly on or before a certain date; providing for the termination of this Act; and generally relating to the Task Force to Combat Habitual Student Truancy.

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

- (a) There is a Task Force to Combat Habitual Student Truancy.
- (b) The Task Force consists of the following members:
  - (1) one member of the Senate of Maryland, appointed by the President of the Senate;
  - (2) one member of the House of Delegates, appointed by the Speaker of the House;
  - (3) the Attorney General of Maryland, or the Attorney General's designee;
  - (4) ~~one member of the Judiciary, appointed by the Chief Judge of the Court of Appeals;~~
  - (5) the Secretary of Juvenile Services, or the Secretary's designee;

~~(6)~~ (5) the Secretary of Health and Mental Hygiene, or the Secretary's designee;

~~(7)~~ (6) the Secretary of Human Resources, or the Secretary's designee;

~~(8)~~ (7) ~~the State Superintendent of Schools, or the Superintendent's designee~~ one representative of Morgan State University, appointed by the President of the University;

~~(9)~~ (8) one representative of the Maryland Association of Community Colleges, appointed by the Executive Director of the Association;

~~(10)~~ (9) one representative of the Maryland Association of Boards of Education, appointed by the Executive Director of the Association;

~~(11)~~ (10) one representative of the Public School Superintendents Association of Maryland, appointed by the Executive Director of the Association;

~~(12)~~ (11) one representative of the Maryland State Education Association, appointed by the Executive Director of the Association;

~~(13)~~ (12) one representative of the Maryland Association of Pupil Personnel, appointed by the President of the Association;

~~(14)~~ (13) one representative of the Maryland School Psychologists' Association, appointed by the President of the Association;

~~(15)~~ (14) one representative of the Maryland School Counselor Association, appointed by the President of the Association;

~~(16)~~ (15) one representative of the Maryland Association of Secondary School Principals, appointed by the President of the Association;

~~(17)~~ (16) one representative of the Maryland Association of Elementary School Principals, appointed by the President of the Association;

~~(18)~~ (17) one representative of the Maryland Parent Teacher Association, appointed by the President of the Association;

~~(19)~~ (18) one representative of the Advocates for Children and Youth, appointed by the Executive Director of the organization;

~~(20)~~ (19) one representative of the Maryland Center for School Safety, appointed by the Executive Director of the organization; ~~and~~

~~(21)~~ (20) one representative of the Y of Central Maryland, appointed by the Chief Executive Officer of the organization; and

(21) one representative of the Student Services and Strategic Planning Branch of the State Department of Education, appointed by the Executive Director of the Student Services and Strategic Planning Branch.

(c) ~~The State Superintendent of Schools or the Superintendent's designee~~ member who is a representative of Morgan State University shall chair the Task Force.

(d) ~~The State Department of Education~~ Morgan State University shall provide staff for the Task Force.

(e) A member of the Task Force:

(1) may not receive compensation as a member of the Task Force; but

(2) is entitled to reimbursement for expenses under the Standard State Travel Regulations, as provided in the State budget.

(f) The Task Force shall:

(1) study and assess how the structure and effectiveness of the State's existing truancy courts can be improved;

(2) study the State's chronic student absentee rates and assess whether chronic student absenteeism influences student truancy rates;

(3) identify best practices regarding:

(i) how records relating to student absences are gathered and maintained; and

(ii) the proper time a pupil personnel worker should be notified of a student's chronic absenteeism or habitual truancy;

(4) determine methods of encouraging State agencies to work collaboratively to reduce habitual student truancy;

(5) determine whether the following actions would be helpful in combating habitual student truancy:

(i) requiring each local school system to provide evening high school programs;

(ii) revamping current admissions policies to alternative programs;



(iii) expanding the Child in Need of Supervision pilot program to all counties in the State; and

(iv) allowing school personnel to file a Child in Need of Assistance petition with the appropriate court; and

(6) make recommendations on how best to combat habitual student truancy in the State.

(g) On or before July 1, 2017, the Task Force shall report its findings and recommendations to the Governor and, in accordance with § 2–1246 of the State Government Article, the General Assembly.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016. It shall remain effective for a period of 2 years and, at the end of June 30, 2018, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.

Approved by the Governor, April 26, 2016.

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## Chapter 267

(House Bill 494)

AN ACT concerning

### Agriculture – Animal Shelters – Uniform Standards of Operation and Care (Animal Shelters Standards Act of 2016)

FOR the purpose of ~~developing and making reasonable efforts to adhere to~~ establishing a certain written veterinary care protocol on or before a certain date; establishing certain requirements for the written veterinary protocol; ~~requiring an animal shelter to meet certain veterinary care requirements; requiring an animal shelter to maintain certain holding periods for certain stray animals; requiring an animal shelter to take certain steps to determine the identity of an animal in its custody; requiring an animal shelter to make certain efforts to accommodate a person intending to adopt, foster, reclaim, or transfer sheltered animals; specifying certain euthanasia requirements and protocol for an animal shelter; prohibiting an animal shelter from knowingly loaning a humane animal capture trap to the public for a lethal purpose; requiring an animal shelter to obtain certain information from an individual borrowing a humane animal capture trap; requiring an animal shelter to take certain actions for animals reported as lost;~~ authorizing an animal shelter to disregard a certain written veterinary care protocol under certain circumstances; requiring an animal shelter to make a certain written veterinary care protocol available to the public and the Department of Agriculture on request; requiring an

~~animal shelter to establish and make available to the public in a certain manner a certain written protocol for reclaiming lost animals and an annual summary of certain intake and disposition data on or before a certain date; requiring an animal shelter to establish, maintain, and report to the Department of Agriculture in a certain manner a certain list of certain organizations that accept animals for adoption or foster care; requiring an animal shelter to maintain and submit to the Department certain records in a certain manner; requiring an animal shelter to make the records maintained under this Act available to the public in a certain manner; requiring the Department to annually report to the Governor and the General Assembly; making a person who violates certain provisions of this Act guilty of a misdemeanor and subject to a certain fine; authorizing a person to bring a certain civil action; requiring the court to issue a permanent injunction if the court makes a certain finding; providing immunity for an animal shelter under certain circumstances; awarding court costs and attorney's fees to a person who brings a successful action; stating that the circuit court of the county where the violation occurred has jurisdiction to enforce the provisions of this Act; stating that, notwithstanding certain provisions of law, the Department is not required to enforce the requirements of this Act; making a person who violates this Act subject to a certain civil penalty; specifying that certain criminal penalties do not apply to this Act; defining a certain term; stating the intent and findings of the General Assembly; and generally relating to animal shelters.~~

BY adding to

Article – Agriculture

Section ~~2-1701~~ through ~~2-1712~~ 2-1705 to be under the new subtitle “Subtitle 17. Animal Shelters”

Annotated Code of Maryland

(2007 Replacement Volume and 2015 Supplement)

BY repealing and reenacting, without amendments,

Article – Agriculture

Section 12-101 through 12-103

Annotated Code of Maryland

(2007 Replacement Volume and 2015 Supplement)

BY repealing and reenacting, with amendments,

Article – Agriculture

Section 12-104

Annotated Code of Maryland

(2007 Replacement Volume and 2015 Supplement)

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

### **Article – Agriculture**

#### **SUBTITLE 17. ANIMAL SHELTERS.**

2-1701.

~~(A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS, “ANIMAL SHELTER” MEANS:~~

~~(1) A COUNTY OR MUNICIPAL ANIMAL CONTROL FACILITY;~~

~~(2) AN ORGANIZATION THAT CONTRACTS WITH A COUNTY OR MUNICIPALITY FOR ANIMAL CONTROL; OR~~

~~(3) AN ORGANIZATION THAT SHELTERS ANIMALS AND HAS RECEIVED A GRANT FROM THE SPAY/NEUTER FUND UNDER SUBTITLE 16 OF THIS TITLE DURING THE PREVIOUS YEAR. INDICATED.~~

~~(B) (1) “ANIMAL RESCUE ORGANIZATION” MEANS AN ORGANIZATION:~~

~~(I) WHOSE PRIMARY MISSION INVOLVES ANIMAL WELFARE;~~  
~~AND~~

~~(II) THAT IS EXEMPT FROM TAXATION UNDER § 501(C)(3) OF THE INTERNAL REVENUE CODE.~~

~~(2) “ANIMAL RESCUE ORGANIZATION” INCLUDES:~~

~~(I) AN ANIMAL ADOPTION ORGANIZATION; AND~~

~~(II) AN ORGANIZATION FORMED FOR THE PREVENTION OF CRUELTY TO ANIMALS.~~

~~(C) “ANIMAL SHELTER” MEANS A PUBLIC OR PRIVATE FACILITY THAT:~~

~~(1) HAS A PHYSICAL STRUCTURE THAT PROVIDES TEMPORARY OR PERMANENT SHELTER TO STRAY, ABANDONED, ABUSED, OR OWNER SURRENDERED ANIMALS; AND~~

~~(2) IS OWNED, OPERATED, OR MAINTAINED BY A GOVERNMENTAL ENTITY OR AN ENTITY HAVING A CONTRACT FOR ANIMAL SHELTERING, CARE, OR CONTROL WITH A GOVERNMENTAL ENTITY.~~

~~(D) “GRAVE PHYSICAL SUFFERING” MEANS A CONDITION REFLECTING A POOR PROGNOSIS FOR AN ANIMAL TO BE ABLE TO LIVE WITHOUT SEVERE UNREMITTING PAIN.~~

~~(E) “LICENSED VETERINARIAN” MEANS A VETERINARIAN LICENSED TO PRACTICE VETERINARY MEDICINE IN THE STATE.~~

2-1702.

(A) THE GENERAL ASSEMBLY FINDS THAT ANIMAL SHELTERS PERFORM AN INTEGRAL COMMUNITY SERVICE.

(B) IT IS THE INTENT OF THE GENERAL ASSEMBLY TO ENHANCE ANIMAL SHELTER SERVICES BY PROMOTING HUMANE ANIMAL SHELTERING POLICIES AND STRENGTHENING COMMUNITY SAFETY.

2-1703.

(A) ~~AN~~ ON OR BEFORE JANUARY 1, 2017, AN ANIMAL SHELTER SHALL ~~DEVELOP AND MAKE REASONABLE EFFORTS TO ADHERE TO~~ ESTABLISH A WRITTEN VETERINARY CARE PROTOCOL FOR DOGS AND CATS THAT IS CONSISTENT WITH GUIDELINES SET FORTH IN THE MOST RECENT ASSOCIATION OF SHELTER VETERINARIANS’ GUIDELINES FOR STANDARDS OF CARE IN ANIMAL SHELTERS WITH RESPECT TO:

- (1) BASIC CARE;
- (2) SANITATION;
- (3) POPULATION MANAGEMENT;
- (4) DISEASE CONTROL AND PREVENTION;
- (5) BEHAVIORAL HEALTH AND MENTAL WELL-BEING; AND
- (6) EUTHANASIA.

(B) THE WRITTEN VETERINARY CARE PROTOCOL SHALL INCLUDE:

(1) STANDARDS THAT ARE NECESSARY TO PROTECT ~~IMPOUNDED ANIMALS’ AND SHELTERED ANIMALS’~~ SHELTERED DOGS’ AND CATS’ HEALTH, SAFETY, AND WELL-BEING; AND

- (2) A PLAN FOR:
  - (I) QUALITY OF LIFE ENRICHMENT;
  - (II) VETERINARY CARE;

(III) PREVENTION AND CONTROL OF CONTAGIOUS AND OTHER DISEASES; AND

(IV) ANY OTHER HEALTH AND ENVIRONMENTAL FACTORS THAT MATERIALLY AFFECT ~~IMPOUNDED ANIMALS' AND SHELTERED ANIMALS'~~ SHELTERED DOGS' AND CATS' HEALTH, SAFETY, AND WELL-BEING.

(C) AN ANIMAL SHELTER MAY DISREGARD ITS WRITTEN VETERINARY CARE PROTOCOL FOR A DOG OR CAT THAT IS DEEMED TO BE TOO VICIOUS OR DANGEROUS TO PERMIT SAFE HANDLING.

(D) AN ANIMAL SHELTER SHALL UPDATE ITS WRITTEN VETERINARY CARE PROTOCOL AS NECESSARY TO REASONABLY ACCOMMODATE ANY SUBSEQUENT UPDATES TO THE ASSOCIATION OF SHELTER VETERINARIANS' GUIDELINES FOR STANDARDS OF CARE IN ANIMAL SHELTERS.

(E) ON REQUEST, AN ANIMAL SHELTER SHALL MAKE ITS WRITTEN VETERINARY CARE PROTOCOL AVAILABLE TO THE PUBLIC AND THE DEPARTMENT.

~~2-1704.~~

~~AN ANIMAL SHELTER SHALL USE DUE DILIGENCE AND REASONABLE EFFORTS TO ENSURE THAT AN ANIMAL NEEDING URGENT CARE RECEIVES THE APPROPRIATE STANDARD OF VETERINARY CARE AS SOON AS POSSIBLE.~~

~~2-1705.~~

(A) ~~THIS SECTION DOES NOT APPLY TO:~~

(1) ~~HOLDING AN OWNER SURRENDERED ANIMAL; OR~~

(2) ~~HOLDING AN ANIMAL THAT IS BEING RECLAIMED BY THE ANIMAL'S OWNER OR CAREGIVER.~~

(B) (1) ~~EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, AN ANIMAL SHELTER SHALL HOLD STRAY ANIMALS IN ITS CARE FOR A MINIMUM HOLDING PERIOD OF 72 HOURS FROM INTAKE, NOT INCLUDING DAYS THE ANIMAL SHELTER IS CLOSED TO THE PUBLIC.~~

(2) ~~AN ANIMAL SHELTER MAY PLACE AT ANY TIME STRAY ANIMALS IN ITS CARE THAT ARE UNDER 12 WEEKS OLD IN FOSTER CARE OR WITH AN ANIMAL RESCUE ORGANIZATION.~~

~~(C) IF AN ANIMAL IS NOT RECLAIMED WITHIN THE ANIMAL SHELTER'S HOLDING PERIOD, THE ANIMAL SHELTER MAY:~~

~~(1) ALLOW THE ANIMAL TO BE ADOPTED; OR~~

~~(2) TRANSFER THE ANIMAL TO ANOTHER ANIMAL SHELTER OR ANIMAL RESCUE ORGANIZATION.~~

~~2-1706.~~

~~(A) (1) AN ANIMAL SHELTER SHALL INSPECT EVERY ANIMAL TAKEN INTO CUSTODY FOR ALL CURRENTLY ACCEPTABLE METHODS OF IDENTIFICATION WITHIN 24 HOURS OF INTAKE, INCLUDING:~~

~~(I) MICROCHIPS;~~

~~(II) IDENTIFICATION TAGS;~~

~~(III) TATTOOS;~~

~~(IV) LICENSES; AND~~

~~(V) ANY OTHER METHOD COMMONLY USED TO ASCERTAIN THE IDENTITY OF THE ANIMAL'S OWNER OR CAREGIVER.~~

~~(2) IF AN ANIMAL SHELTER DETERMINES THE IDENTITY OF AN ANIMAL TAKEN INTO CUSTODY, THE SHELTER SHALL MAKE REASONABLE ATTEMPTS TO NOTIFY THE OWNER WITHIN 24 HOURS AFTER INTAKE.~~

~~(B) (1) AN ANIMAL SHELTER SHALL USE DUE DILIGENCE TO DETERMINE PROOF OF OWNERSHIP AND IDENTITY FOR AN OWNER SURRENDERED ANIMAL.~~

~~(2) OWNER SURRENDERED ANIMALS SHALL BE RECEIVED DURING THE ANIMAL SHELTER'S ORDINARY BUSINESS HOURS OR BY APPOINTMENT.~~

~~2-1707.~~

~~AN ANIMAL SHELTER SHALL MAKE REASONABLE EFFORTS TO ACCOMMODATE A PERSON INTENDING TO ADOPT, FOSTER, RECLAIM, OR TRANSFER SHELTERED ANIMALS BY HAVING HOURS OF OPERATION DURING THE EVENINGS AND WEEKENDS.~~

~~2-1708.~~

~~(A) SUBJECT TO § 2-1703 OF THIS SUBTITLE, AN ANIMAL SHELTER PERFORMING EUTHANASIA ON THE PREMISES OF THE ANIMAL SHELTER OR THROUGH A SEPARATE ENTITY SHALL HAVE A CURRENT WRITTEN PROTOCOL STATING THE CRITERIA FOR DETERMINING WHICH ANIMALS MAY BE EUTHANIZED AND THE PROCEDURE FOR EUTHANASIA.~~

~~(B) (1) AN ANIMAL SHELTER MAY EUTHANIZE A DOG, A CAT, OR ANY OTHER ANIMAL UNDER THE FOLLOWING CIRCUMSTANCES:~~

~~(i) 1. THERE ARE NO EMPTY CAGES OR OTHER APPROPRIATE LIVING SPACE FOR THE ANIMAL AT THE ANIMAL SHELTER;~~

~~2. THERE ARE NO ANIMAL RESCUE ORGANIZATIONS APPROVED BY THE ANIMAL SHELTER UNDER § 2-1710(B) OF THIS SUBTITLE THAT ARE WILLING OR ABLE TO ACCEPT THE ANIMAL;~~

~~3. THERE IS NO REASONABLE ALTERNATIVE AVAILABLE;~~  
~~AND~~

~~4. THE ANIMAL SHELTER HAS FULLY COMPLIED WITH THE HOLDING PERIODS AND IDENTIFICATION PROCEDURES UNDER §§ 2-1705 AND 2-1706 OF THIS SUBTITLE;~~

~~(ii) AN ANIMAL IS SUFFERING GRAVELY OR A LICENSED VETERINARIAN DEEMS EUTHANASIA IS MEDICALLY NECESSARY; OR~~

~~(iii) TO PROTECT THE ANIMAL SHELTER'S STAFF OR OTHER SHELTERED ANIMALS FROM A CONTAGIOUS DISEASE GENERALLY KNOWN TO CAUSE DEATH OR SERIOUS PERMANENT BODILY INJURY.~~

~~(2) THE SIGNATURE OF THE ANIMAL SHELTER MANAGER OR OF THE MANAGER'S DESIGNEE ON AN ANIMAL'S EUTHANASIA RECORD SHALL BE PRESUMPTIVE EVIDENCE THAT THE CRITERIA IN PARAGRAPH (1)(i) OF THIS SUBSECTION HAVE BEEN MET.~~

~~(C) AN ANIMAL SHELTER'S APPROPRIATELY CERTIFIED STAFF MAY EUTHANIZE AN ANIMAL IF:~~

~~(1) THE NEED ARISES DURING AN EMERGENCY;~~

~~(2) THE NEED ARISES OUTSIDE THE ANIMAL SHELTER'S REGULAR HOURS OF OPERATION; OR~~

~~(3) A LICENSED VETERINARIAN IS NOT AVAILABLE.~~

~~(D) (1) ANIMAL BEHAVIOR TESTING MAY NOT BE THE SOLE REASON USED TO DETERMINE THAT A CAT MAY BE EUTHANIZED.~~

~~(2) (i) EXCEPT AS PROVIDED IN SUBPARAGRAPH (ii) OF THIS PARAGRAPH, ANIMAL BEHAVIOR TESTING MAY NOT BE THE SOLE REASON TO DETERMINE THAT A DOG MAY BE EUTHANIZED.~~

~~(ii) ANIMAL BEHAVIOR TESTING MAY BE THE SOLE REASON TO DETERMINE THAT A DOG MAY BE EUTHANIZED IF:~~

~~1. THE DOG HAS BEEN DEEMED “DANGEROUS” UNDER STATE OR LOCAL LAW AND ALL APPEALS HAVE BEEN EXHAUSTED;~~

~~2. THE DOG HAS A HISTORY OF UNPROVOKED BITING THAT HAS RESULTED IN INJURY TO A HUMAN BEING OR ANOTHER ANIMAL; OR~~

~~3. THE DOG IS A CLEAR AND PRESENT DANGER.~~

~~(E) AN OWNER SURRENDERED ANIMAL MAY NOT BE EUTHANIZED WITHIN THE FIRST 24 HOURS FROM THE ANIMAL’S INTAKE UNLESS THE ANIMAL IS BEING SURRENDERED FOR OR IN THE EVENT OF:~~

~~(1) OWNER REQUESTED EUTHANASIA;~~

~~(2) GRAVE PHYSICAL SUFFERING;~~

~~(3) MEDICAL NECESSITY; OR~~

~~(4) BEING A CLEAR AND PRESENT DANGER.~~

~~2-1709.~~

~~(A) AN ANIMAL SHELTER MAY NOT KNOWINGLY LOAN A HUMANE ANIMAL CAPTURE TRAP TO THE PUBLIC FOR A LETHAL PURPOSE.~~

~~(B) AN ANIMAL SHELTER SHALL REQUIRE AN INDIVIDUAL WHO IS BORROWING A HUMANE ANIMAL CAPTURE TRAP TO PROVIDE THE ANIMAL SHELTER WITH:~~

~~(1) THE INDIVIDUAL’S PHOTO IDENTIFICATION AND CURRENT CONTACT INFORMATION; AND~~



~~(2) THE IDENTIFICATION NUMBER OF THE HUMANE ANIMAL CAPTURE TRAP BORROWED.~~

~~2-1710.~~

~~(A) AN ANIMAL SHELTER SHALL:~~

~~(1) MAINTAIN A CURRENT LIST OF ALL ANIMALS REPORTED AS LOST;~~

~~(2) ATTEMPT TO MATCH LOST ANIMALS WITH THOSE REPORTED TO HAVE BEEN FOUND AND WITH THOSE IN THE ANIMAL SHELTER'S CUSTODY;~~

~~(3) USE DUE DILIGENCE, INCLUDING INTERNET BASED RESOURCES, TO NOTIFY THE PUBLIC OF ALL STRAY ANIMALS IN THE CUSTODY OF THE ANIMAL SHELTER;~~

~~(4) ALLOW ALL ANIMALS IN THE CUSTODY OF THE ANIMAL SHELTER TO BE PHOTOGRAPHED WITH SUFFICIENT DETAIL FOR PURPOSES OF IDENTIFICATION, NOT INCLUDING ANIMALS THAT ARE BEING:~~

~~(I) HELD FOR CRIMINAL OR DOMESTIC VIOLENCE INVESTIGATIONS;~~

~~(II) HELD FOR OWNER REQUESTED EUTHANASIA; AND~~

~~(III) RETURNED TO THE ANIMAL'S OWNER; AND~~

~~(5) ESTABLISH~~

~~2-1704.~~

ON OR BEFORE JANUARY 1, 2017, AN ANIMAL SHELTER SHALL ESTABLISH AND MAKE AVAILABLE TO THE PUBLIC ON THE ANIMAL SHELTER'S WEB SITE OR IN A CONSPICUOUS LOCATION WITHIN THE ANIMAL SHELTER'S FACILITY A:

(1) A WRITTEN PROTOCOL FOR RECLAIMING ANIMALS FROM THE ANIMAL SHELTER THAT INCLUDES:

(I) THE MINIMUM HOLDING PERIOD FOR STRAY ANIMALS;

(II) THE HOURS OF OPERATION DURING WHICH AN ANIMAL MAY BE RECLAIMED BY THE ANIMAL'S OWNER OR CAREGIVER;

(III) THE FEES ASSOCIATED WITH RECLAIMING AN ANIMAL; AND

(IV) ANY IDENTIFICATION OR DOCUMENTATION THAT MUST BE PROVIDED TO THE ANIMAL SHELTER BEFORE AN ANIMAL MAY BE RECLAIMED; AND

(2) AN ANNUAL SUMMARY OF INTAKE AND DISPOSITION DATA REPORTED TO THE DEPARTMENT IN ACCORDANCE WITH § 2-1602 OF THIS TITLE.

2-1705.

(A) A PERSON WHO VIOLATES THIS SUBTITLE IS SUBJECT TO A CIVIL PENALTY NOT EXCEEDING \$500.

(B) THE CRIMINAL PENALTIES UNDER TITLE 12, SUBTITLE 1 OF THIS ARTICLE DO NOT APPLY TO THIS SUBTITLE.

~~(B) (1) AN ANIMAL SHELTER SHALL ESTABLISH, MAINTAIN, AND REPORT TO THE DEPARTMENT AT A FREQUENCY AND IN A MANNER REQUIRED BY THE DEPARTMENT A LIST OF ANIMAL RESCUE ORGANIZATIONS APPROVED BY THE ANIMAL SHELTER TO ACCEPT ANIMALS FOR THE PURPOSE OF ADOPTION OR FOSTER CARE.~~

~~(2) THE LIST SHALL INCLUDE:~~

~~(i) THE SPECIES, TYPES, AND BREEDS OF ANIMALS ABOUT WHICH THE ORGANIZATION WISHES TO BE CONTACTED; AND~~

~~(ii) ANY OTHER INFORMATION THAT FACILITATES FOSTERING OR ADOPTING SHELTERED ANIMALS.~~

~~2-1711.~~

~~(A) (1) AN ANIMAL SHELTER SHALL MAINTAIN AND SUBMIT TO THE DEPARTMENT, AT A FREQUENCY AND IN A MANNER DETERMINED BY THE DEPARTMENT, RECORDS SPECIFYING THE FOLLOWING INFORMATION FOR EACH ANIMAL SEIZED, IMPOUNDED, OR OTHERWISE TAKEN INTO CUSTODY:~~

~~(i) INTAKE INFORMATION, INCLUDING THE DATE AND LOCATION OF WHEN AND WHERE THE ANIMAL WAS FOUND;~~

~~(ii) THE ANIMAL'S SPECIES AND GENDER AND WHETHER THE ANIMAL IS OVER 12 WEEKS OF AGE;~~

~~(iii) ALL SIGNIFICANT VETERINARY, BEHAVIORAL, AND OTHER CARE PROVIDED WHILE IN THE ANIMAL SHELTER;~~

~~(IV) IF THE ANIMAL IS EUTHANIZED, THE REASON FOR EUTHANASIA AND THE DATE EUTHANIZED;~~

~~(V) IF THE ANIMAL IS TRANSFERRED TO AN ANIMAL RESCUE ORGANIZATION OR TO A THIRD PARTY, THE NAME OF THE ORGANIZATION AND DATE TRANSFERRED;~~

~~(VI) IF THE ANIMAL IS RECLAIMED BY ITS OWNER, THE DATE RECLAIMED AND THE INFORMATION OF THE PERSON RECLAIMING THE ANIMAL; AND~~

~~(VII) ANY INTERNAL ACCESSION, TRACKING, OR OTHER SERIALIZED NUMBER USED TO IDENTIFY INDIVIDUAL ANIMALS IN THE ANIMAL SHELTER.~~

~~(2) ALL RECORDS MAINTAINED UNDER THIS SUBSECTION SHALL BE MADE AVAILABLE ON REQUEST TO THE PUBLIC:~~

~~(I) IN THEIR ORIGINAL FORM;~~

~~(II) IN AN EASILY ACCESSIBLE FORMAT; AND~~

~~(III) AT A REASONABLE COST TO THE REQUESTOR.~~

~~(B) (1) AN ANIMAL SHELTER SHALL MAINTAIN ONGOING RECORDS OF:~~

~~(I) THE NUMBER OF CATS AND DOGS TAKEN IN; AND~~

~~(II) THE NUMBER OF CATS AND DOGS DISPOSED OF, BROKEN DOWN BY METHOD OF DISPOSAL, INCLUDING EUTHANASIA.~~

~~(2) ALL RECORDS MAINTAINED UNDER THIS SUBSECTION SHALL BE RETAINED FOR A PERIOD OF 3 YEARS.~~

~~(3) ALL RECORDS MAINTAINED UNDER THIS SUBSECTION SHALL BE MADE AVAILABLE TO THE PUBLIC:~~

~~(I) ON THE ANIMAL SHELTER'S WEB SITE; OR~~

~~(II) IN A CONSPICUOUS LOCATION WITHIN THE ANIMAL SHELTER'S FACILITY.~~

~~(C) (1) THE DEPARTMENT SHALL SUBMIT AN ANNUAL REPORT TO THE GOVERNOR AND, IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT~~

~~ARTICLE, THE GENERAL ASSEMBLY THAT SUMMARIZES THE INFORMATION REPORTED TO THE DEPARTMENT BY AN ANIMAL SHELTER UNDER § 2-1710(B) OF THIS SUBTITLE AND SUBSECTION (A)(1) OF THIS SECTION.~~

~~(2) THE DEPARTMENT MAY PREPARE AND SUBMIT THE REPORT REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION IN CONJUNCTION WITH THE REPORT REQUIRED UNDER § 2-1602(I) OF THIS TITLE.~~

~~2-1712.~~

~~(A) (1) A PERSON WHO VIOLATES § 2-1708 OF THIS SUBTITLE IS GUILTY OF A MISDEMEANOR AND ON CONVICTION IS SUBJECT TO A FINE NOT EXCEEDING \$2,500 PER VIOLATION.~~

~~(2) EACH INDIVIDUAL ANIMAL HARMED SHALL BE A SEPARATE VIOLATION.~~

~~(3) A CRIMINAL ACTION FOR VIOLATION OF § 2-1708 OF THIS SUBTITLE SHALL BE PROSECUTED BY THE STATE'S ATTORNEY OF THE COUNTY IN WHICH THE VIOLATION OCCURRED.~~

~~(B) (1) A PERSON MAY BRING A CIVIL ACTION FOR MONEY DAMAGES OR TO ENJOIN A VIOLATION OF THIS SUBTITLE.~~

~~(2) THE COURT SHALL ISSUE A PERMANENT INJUNCTION IF THE COURT FINDS THAT AN ACT SOUGHT TO BE ENJOINED IS A VIOLATION OF THIS SUBTITLE OR OF ANY OTHER LAW.~~

~~(C) UNLESS AN ANIMAL SHELTER IS GROSSLY NEGLIGENT, THE ANIMAL SHELTER SHALL BE IMMUNE FROM ANY CLAIM FOR PERSONAL INJURY OR PROPERTY DAMAGE ARISING FROM AN ADOPTION, A TRANSFER, OR THE FOSTERING OF AN ANIMAL IN THE ANIMAL SHELTER'S CUSTODY, INCLUDING A CLAIM BROUGHT BY A THIRD PARTY.~~

~~(D) IF, IN AN ACTION UNDER SUBSECTION (A) OR (B) OF THIS SECTION, THE COURT FINDS THAT A PERSON VIOLATED THIS SUBTITLE, THE COURT SHALL AWARD THE PERSON WHO BROUGHT THE ACTION COURT COSTS AND ATTORNEY'S FEES.~~

~~(E) THE CIRCUIT COURT OF THE COUNTY WHERE THE VIOLATION OCCURRED SHALL HAVE JURISDICTION TO ENFORCE THE PROVISIONS OF THIS SUBTITLE.~~

~~(F) NOTWITHSTANDING ANY OTHER PROVISION OF THIS ARTICLE RELATING TO THE EXERCISE OF THE DEPARTMENT'S ENFORCEMENT AUTHORITY,~~

~~THE DEPARTMENT IS NOT REQUIRED TO ENFORCE THE REQUIREMENTS OF THIS SUBTITLE.~~

12-101.

Any person who violates any provision of this article is guilty of a misdemeanor. Unless another penalty specifically is provided elsewhere in this article, the person, upon conviction, is subject to a fine not exceeding \$500, or imprisonment not exceeding three months, or both, with costs imposed in the discretion of the court.

12-102.

Unless another penalty specifically is provided elsewhere in this article, any person found guilty of a second or subsequent violation of any provision of the same title, is subject to a fine not exceeding \$1,000, or imprisonment not exceeding one year, or both, with costs imposed in the discretion of the court. For the purposes of this section, a second or subsequent violation is one which has occurred within two years of any prior violation of this title and which arises out of a separate set of circumstances.

12-103.

In addition to any administrative penalty provided in this article, violation of any rule or regulation adopted by the Secretary pursuant to the provisions of this article is a misdemeanor and is punishable as provided in §§ 12-101 and 12-102 of this subtitle.

12-104.

This title does not apply to a violation of:

- (1) Title 1, Subtitle 3 of this article; AND
- (2) TITLE 2, SUBTITLE 17 OF THIS ARTICLE.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2016.

**Approved by the Governor, April 26, 2016.**

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**Chapter 268**  
**(House Bill 503)**

AN ACT concerning

**Washington Metropolitan Area Transit Authority Compact – Board of  
Directors – Appointing Authority for Federal Members**

FOR the purpose of requiring the ~~U.S. Secretary of Transportation~~ Secretary of the United States Department of Transportation, rather than the Administrator of General Services, to appoint the federal members and alternate federal members for the Board of Directors of the Washington Metropolitan Area Transit Authority; and generally relating to the Washington Metropolitan Area Transit Authority compact.

BY repealing and reenacting, with amendments,  
Article – Transportation  
Section 10–204 Title III Article III Section 5(a)  
Annotated Code of Maryland  
(2015 Replacement Volume and 2015 Supplement)

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

**Article – Transportation**

10–204.

Title III

Article III

5.

(a) The Authority shall be governed by a Board of eight Directors consisting of two Directors for each signatory and two for the federal government (one of whom shall be a regular passenger and customer of the bus or rail service of the Authority). For Virginia, the Directors shall be appointed by the Northern Virginia Transportation Commission; for the District of Columbia, by the Council of the District of Columbia; for Maryland, by the Washington Suburban Transit Commission; and for the federal government, by the [Administrator of General Services] ~~U.S. SECRETARY OF TRANSPORTATION~~ SECRETARY OF THE UNITED STATES DEPARTMENT OF TRANSPORTATION. For Virginia and Maryland, the Directors shall be appointed from among the members of the appointing body, except as otherwise provided herein, and shall serve for a term coincident with their term on the appointing body. A Director for a signatory may be removed or suspended from office only as provided by the law of the signatory from which he was appointed. The nonfederal appointing authorities shall also appoint an alternate for each Director. In addition, the [Administrator of General Services] ~~U.S. SECRETARY OF TRANSPORTATION~~ SECRETARY OF THE UNITED STATES DEPARTMENT OF TRANSPORTATION shall also appoint two nonvoting members who shall serve as the alternates for the federal Directors. An alternate Director may act only in the absence of the Director for whom he has been appointed an alternate, except that, in the case of the

District of Columbia where only one Director and his alternate are present, such alternate may act on behalf of the absent Director. Each alternate, including the federal nonvoting Directors, shall serve at the pleasure of the appointing authority. In the event of a vacancy in the Office of Director or alternate, it shall be filled in the same manner as an original appointment.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2016.

**Approved by the Governor, April 26, 2016.**

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## Chapter 269

### (House Bill 516)

AN ACT concerning

#### Harford County – Archery Hunting – Safety Zone

FOR the purpose of altering the size of the safety zone for archery hunters in Harford County within which archery hunting may not take place except under certain circumstances; requiring an archery hunter in Harford County to use a tree stand when hunting any wild bird or mammal within a certain distance of a certain building; and generally relating to archery hunting in Harford County.

BY repealing and reenacting, with amendments,  
 Article – Natural Resources  
 Section 10–410(g)  
 Annotated Code of Maryland  
 (2012 Replacement Volume and 2015 Supplement)

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

#### Article – Natural Resources

10–410.

(g) (1) Except as provided in paragraphs (2) and (3) of this subsection, a person, other than the owner or occupant, while hunting for any wild bird or mammal may not shoot or discharge any firearm or other deadly weapon within 150 yards, known as the “safety zone”, of a dwelling house, residence, church, or other building or camp occupied by human beings, or shoot at any wild bird or mammal while it is within this area, without the specific advance permission of the owner or occupant.

(2) A person, while hunting for any wild bird or mammal, may not shoot or discharge any firearm within 300 yards of a public or nonpublic school during school hours or at a time when a school–approved activity is taking place.

(3) (i) For archery hunters in Carroll County [or], Frederick County, **OR HARFORD COUNTY**, the safety zone described in paragraph (1) of this subsection extends for 50 yards from a dwelling house, residence, church, or any other building or camp occupied by human beings.

(ii) For archery hunters in [Harford County or] Montgomery County, the safety zone described in paragraph (1) of this subsection extends for 100 yards from a dwelling house, residence, church, or any other building or camp occupied by human beings.

(4) During any open hunting season, a person, other than the owner or occupant, may not hunt or chase willfully any wild bird or mammal within the safety zone without the specific advance permission of the owner or occupant.

**(5) IN HARFORD COUNTY, AN ARCHERY HUNTER SHALL USE A TREE STAND WHEN HUNTING ANY WILD BIRD OR MAMMAL WITHIN 50 TO 100 YARDS OF A DWELLING HOUSE, RESIDENCE, CHURCH, PUBLIC OR NONPUBLIC SCHOOL, OR OTHER BUILDING OR CAMP OCCUPIED BY HUMAN BEINGS.**

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016.

**Approved by the Governor, April 26, 2016.**

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## Chapter 270

(House Bill 541)

AN ACT concerning

### **Maryland Trust Act – Revocable Trust – Partial Revocation by Divorce or Annulment**

FOR the purpose of providing for the revocation of certain terms of a revocable trust on the absolute divorce of the settlor and the settlor’s spouse or the annulment of their marriage occurring after the creation of the settlor’s revocable trust, except under certain circumstances; requiring removal of the spouse as a trustee or an advisor on the date of the divorce or annulment; prohibiting the spouse from serving as a trustee or an advisor or exercising certain powers after the divorce or annulment; providing for the application of this Act; and generally relating to the effects of divorce or annulment on a revocable trust.



BY adding to

Article – Estates and Trusts

Section 14.5–604

Annotated Code of Maryland

(2011 Replacement Volume and 2015 Supplement)

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

**Article – Estates and Trusts**

**14.5–604.**

**(A) THIS SECTION APPLIES:**

**(1) (I) WITH RESPECT TO A FINAL JUDGMENT OF ABSOLUTE DIVORCE OF THE SETTLOR AND THE SETTLOR’S SPOUSE, IF THE FINAL JUDGMENT WAS ENTERED INTO ON OR AFTER OCTOBER 1, 2016; OR**

**(II) WITH RESPECT TO AN ANNULMENT OF THE MARRIAGE, IF THE ANNULMENT OCCURRED ON OR AFTER OCTOBER 1, 2016; AND**

**(2) UNLESS OTHERWISE EXPRESSLY PROVIDED:**

**(I) IN THE TRUST INSTRUMENT;**

**(II) BY COURT ORDER; OR**

**(III) BY WRITTEN AGREEMENT BETWEEN THE SETTLOR AND THE SETTLOR’S SPOUSE OR FORMER SPOUSE.**

**(B) ON THE ABSOLUTE DIVORCE OF THE SETTLOR AND THE SETTLOR’S SPOUSE OR THE ANNULMENT OF THE MARRIAGE OCCURRING AFTER THE CREATION OF THE SETTLOR’S REVOCABLE TRUST:**

**(1) ALL TERMS OF THE TRUST RELATING TO TRUST DISTRIBUTIONS TO OR FOR THE BENEFIT OF THE SPOUSE SHALL BE REVOKED, AND, FOR THE PURPOSES OF THE TRUST, THE SPOUSE SHALL BE DEEMED TO HAVE DIED ON THE DATE OF THE ABSOLUTE DIVORCE OR ANNULMENT;**

**(2) IF THE SPOUSE IS SERVING AS A TRUSTEE OR AS AN ADVISOR TO THE TRUSTEE OF THE TRUST, THE SPOUSE SHALL BE REMOVED AS A TRUSTEE OR AN**

ADVISOR ON THE DATE OF THE ABSOLUTE DIVORCE OR ANNULMENT WITHOUT FURTHER COURT ACTION; AND

(3) AFTER THE DIVORCE OR ANNULMENT, THE FORMER SPOUSE MAY NOT:

(I) SERVE AS A TRUSTEE OR AS AN ADVISOR TO THE TRUSTEE OF THE TRUST; OR

(II) EXERCISE ANY TRUST OR FIDUCIARY POWERS PROVIDED IN THE TERMS OF THE TRUST, INCLUDING ANY POWER OF APPOINTMENT.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2016.

Approved by the Governor, April 26, 2016.

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## Chapter 271

(House Bill 551)

AN ACT concerning

### Education – Children With Disabilities – Individualized Education Program Mediation

FOR the purpose of requiring certain individualized education program teams to provide certain parents of a child with a disability with a certain oral and written explanation of the parent's right to request mediation, certain contact information under certain circumstances, and certain information regarding certain pro bono representation *and certain other legal and related services*; authorizing certain parents to request certain information at certain times; *authorizing certain parents to request the translation of certain information under certain circumstances; requiring certain individualized education program teams to provide certain parents with a certain translation of certain information within a certain time frame*; requiring the State Department of Education to make a certain staff member available to assist certain parents in understanding certain mediation processes; *requiring the Department and county boards of education to submit certain reports on or before certain dates*; and generally relating to children with disabilities.

BY adding to

Article – Education

Section 8–405(b)(3) *and (4)* and 8–413(b)(7)

Annotated Code of Maryland

(2014 Replacement Volume and 2015 Supplement)

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

**Article – Education**

8–405.

(b) (3) (I) IF, DURING AN INDIVIDUALIZED EDUCATION PROGRAM TEAM MEETING, A PARENT DISAGREES WITH THE CHILD’S INDIVIDUALIZED EDUCATION PROGRAM OR THE SPECIAL EDUCATION SERVICES PROVIDED TO THE CHILD, THE INDIVIDUALIZED EDUCATION PROGRAM TEAM SHALL PROVIDE THE PARENT WITH, IN PLAIN LANGUAGE:

1. AN ORAL AND A WRITTEN EXPLANATION OF THE PARENT’S RIGHT TO REQUEST MEDIATION IN ACCORDANCE WITH § 8–413 OF THIS SUBTITLE;

2. CONTACT INFORMATION, INCLUDING A TELEPHONE NUMBER THAT A PARENT MAY USE TO RECEIVE MORE INFORMATION ABOUT THE MEDIATION PROCESS; AND

3. INFORMATION REGARDING PRO BONO REPRESENTATION AND OTHER FREE OR LOW-COST LEGAL AND RELATED SERVICES AVAILABLE IN THE AREA.

(II) A PARENT MAY REQUEST THE INFORMATION PROVIDED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH AT ANY INDIVIDUALIZED EDUCATION PROGRAM TEAM MEETING.

(4) (I) IF THE NATIVE LANGUAGE SPOKEN BY A PARENT WHO REQUESTS INFORMATION UNDER PARAGRAPH (3) OF THIS SUBSECTION IS SPOKEN BY MORE THAN 1% OF THE STUDENT POPULATION IN THE LOCAL SCHOOL SYSTEM, THE PARENT MAY REQUEST THAT THE INFORMATION BE TRANSLATED INTO THE PARENT’S NATIVE LANGUAGE.

(II) IF A PARENT MAKES A REQUEST UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH, THE INDIVIDUALIZED EDUCATION PROGRAM TEAM SHALL PROVIDE THE PARENT WITH THE TRANSLATED DOCUMENT WITHIN 30 DAYS AFTER THE DATE OF THE REQUEST.

8–413.

(b) (7) **THE DEPARTMENT SHALL MAKE A STAFF MEMBER AVAILABLE TO ASSIST A PARENT IN UNDERSTANDING THE MEDIATION PROCESS.**

SECTION 2. AND BE IT FURTHER ENACTED, That, on or before December 1, 2016, the State Department of Education shall report to the Governor and, in accordance with § 2-1246 of the State Government Article, the Senate Education, Health, and Environmental Affairs Committee and the House Committee on Ways and Means regarding:

(1) whether there are economies of scale that can be utilized to lessen the financial impact of this Act; and

(2) how the needs of students whose parents speak a native language that is spoken by less than 1% of the student population in the local school system can be addressed.

SECTION 3. AND BE IT FURTHER ENACTED, That:

(1) on or before August 1, 2018, each county board of education shall report to the State Department of Education regarding the number of requests received under § 8-405(b)(4)(i) of the Education Article, as enacted by Section 1 of this Act, the cost of satisfying these requests, whether it would be feasible to have the number of requests increase, and if so, by how many requests; and

(2) on or before September 1, 2018, the State Department of Education shall compile the information received under item (1) of this section and submit the information to the Governor and, in accordance with § 2-1246 of the State Government Article, the Senate Education, Health, and Environmental Affairs Committee and the House Committee on Ways and Means.

SECTION ~~2~~ 4. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016.

**Approved by the Governor, April 26, 2016.**

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## Chapter 272

(House Bill 655)

AN ACT concerning

**Howard County – Alcoholic Beverages – Class D Licenses**

**Ho. Co. 7-16**

FOR the purpose of making a Class D (on- and off-sale) beer, wine, and liquor license part of certain groups of alcoholic beverages licenses that the Board of License

Commissioners for Howard County may issue to an individual or for the use of a ~~partnership, a corporation, or an unincorporated association~~ person; making certain technical changes; and generally relating to alcoholic beverages licenses in Howard County.

~~BY repealing and reenacting, with amendments,  
Article 2B—Alcoholic Beverages  
Section 9-102(e)  
Annotated Code of Maryland  
(2011 Replacement Volume and 2015 Supplement)~~

BY repealing and reenacting, with amendments,  
Article – Alcoholic Beverages  
Section 23-1606  
Annotated Code of Maryland  
(As enacted by Chapter 41 (S.B. 724) of the Acts of the General Assembly of 2016)

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

~~Article 2B—Alcoholic Beverages~~

~~9-102.~~

~~(e) (1) Subject to paragraphs [(2)] (3) and [(3)] (4) of this subsection, and notwithstanding any other provision of law, in Howard County, the Board of License Commissioners may issue TO AN INDIVIDUAL OR FOR THE USE OF A PARTNERSHIP, A CORPORATION, OR AN UNINCORPORATED ASSOCIATION ONE OF THE FOLLOWING GROUPS OF LICENSES BUT NOT BOTH:~~

~~(I) 1 CLASS D (ON AND OFF SALE) BEER, WINE, AND LIQUOR LICENSE, 2 Class B (on sale) beer, wine and liquor licenses and 7 Class BLX (luxury restaurant) (on sale) beer, wine and liquor licenses [;]; or~~

~~(II) 1 CLASS D (ON AND OFF SALE) BEER, WINE, AND LIQUOR LICENSE AND 0 Class BLX (luxury restaurant) (on sale) beer, wine and liquor licenses [for separate premises:~~

~~(i) To an individual; or~~

~~(ii) For the use of a partnership, corporation, or unincorporated association].~~

~~(2) THE LICENSES SPECIFIED IN PARAGRAPH (1) OF THIS SUBSECTION ARE FOR SEPARATE PREMISES.~~

~~[(2)] (3)~~ A person, including a corporation, limited liability company, partnership, limited partnership, joint venture, association, or other combination of persons, whether natural or otherwise and for whatever reason formed, may not have a direct or indirect interest in any combination of more than ~~1 CLASS D AND 9 Class B and Class BLX licenses.~~

~~[(3)] (4)~~ For purposes of this subsection, an indirect interest is presumed to exist between two persons, corporations, limited liability companies, partnerships, limited partnerships, joint ventures, associations, or other combination of persons, whether natural or otherwise, if any of the following conditions exist between them:

- ~~(i) A common parent company;~~
- ~~(ii) A franchise agreement;~~
- ~~(iii) A licensing agreement;~~
- ~~(iv) A concession agreement;~~
- ~~(v) Both are part of a chain of businesses commonly owned and operated;~~
- ~~(vi) They share:
 
  - ~~1. Directors, stockholders, partners, or members; or~~
  - ~~2. Directors, stockholders, partners, or members of parents or subsidiaries;~~~~
- ~~(vii) They commonly share, directly or indirectly, profit from the sale of alcoholic beverages; or~~
- ~~(viii) They share a common trade name, trademark, logo or theme, or mode of operation identifiable by the public.~~

### Article – Alcoholic Beverages

23–1606.

(a) **(1)** Subject to subsections (b) and (c) of this section, the Board may issue to an individual or for the use of a person **ONE OF THE FOLLOWING GROUPS OF LICENSES BUT NOT BOTH:**

**[(1)](I) ONE CLASS D (ON- AND OFF-SALE) BEER, WINE, AND LIQUOR LICENSE, two Class B (on-sale) beer, wine, and liquor licenses and seven Class BLX (luxury restaurant)(on-sale) beer, wine, and liquor licenses; or**

[(2)](II) ONE CLASS D (ON- AND OFF-SALE) BEER, WINE, AND LIQUOR LICENSE AND nine Class BLX (luxury restaurant)(on-sale) beer, wine, and liquor licenses.

(2) THE LICENSES SPECIFIED IN PARAGRAPH (1) OF THIS SUBSECTION ARE FOR SEPARATE PREMISES.

(b) A person may not have a direct or indirect interest in any combination of more than ONE CLASS D AND nine Class B and Class BLX licenses.

(c) For purposes of this section, an indirect interest is presumed to exist between two persons if both:

(1) have a common parent company;

(2) are linked by a franchise agreement, licensing agreement, or a concession agreement;

(3) are part of a chain of businesses commonly owned and operated;

(4) share:

(i) directors, stockholders, partners, or members; or

(ii) directors, stockholders, partners, or members of parents or subsidiaries;

(5) share, directly or indirectly, profit from the sale of alcoholic beverages;  
or

(6) share a common trade name, trademark, logo, or theme, or mode of operation identifiable by the public.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016.

Approved by the Governor, April 26, 2016.

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**Chapter 273**

**(House Bill 657)**

AN ACT concerning

### Education – Prekindergarten and Kindergarten Assessments – Administration

FOR the purpose of requiring a certain statewide kindergarten assessment to be limited to a ~~random~~ *representative* sample of certain kindergarten students from within certain local school systems in the State, subject to a certain exception; authorizing a certain kindergarten assessment to evaluate certain skills; authorizing certain county boards of education and certain principals and teachers to administer a certain statewide kindergarten assessment under certain circumstances; prohibiting ~~certain standardized tests~~ *a statewide kindergarten assessment* from being administered to certain prekindergarten students, subject to a certain exception; requiring the State Department of Education to adopt certain regulations; *declaring the intent of the General Assembly*; and generally relating to the administration of prekindergarten and kindergarten assessments.

BY adding to

Article – Education

Section 7–208

Annotated Code of Maryland

(2014 Replacement Volume and 2015 Supplement)

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

#### Article – Education

#### 7–208.

(A) ~~A~~ **EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION, A STATEWIDE KINDERGARTEN ASSESSMENT THAT IS ADMINISTERED WITH THE PURPOSE OF MEASURING SCHOOL READINESS:**

(1) **SHALL BE LIMITED TO A ~~RANDOM SAMPLE~~ *REPRESENTATIVE SAMPLE, AS DETERMINED BY THE DEPARTMENT OF KINDERGARTEN STUDENTS FROM WITHIN EACH LOCAL SCHOOL SYSTEM IN THE STATE; AND***

(2) **MAY INCLUDE AN EVALUATION OF:**

(I) **LANGUAGE AND LITERACY SKILLS;**

(II) **ACADEMIC KNOWLEDGE IN MATHEMATICS, SCIENCE, AND SOCIAL STUDIES;**

(III) **PHYSICAL DEVELOPMENT; AND**

(IV) **SOCIAL DEVELOPMENT.**



~~(B) IN ACCORDANCE WITH A COLLECTIVE BARGAINING AGREEMENT EXECUTED UNDER TITLE 6, SUBTITLE 4 OR SUBTITLE 5 OF THIS ARTICLE, OR AN AMENDMENT TO AN EXISTING AGREEMENT, A~~ A PRINCIPAL AND A TEACHER WHO ARE IN MUTUAL AGREEMENT, OR A COUNTY BOARD, MAY ADMINISTER A STATEWIDE KINDERGARTEN ASSESSMENT WITH THE PURPOSE OF MEASURING SCHOOL READINESS IF:

(1) THE ASSESSMENT IS COMPLETED ON OR BEFORE ~~OCTOBER 1~~ AFTER THE FIRST FULL DAY OF KINDERGARTEN ~~OCTOBER 1~~; AND

(2) THE AGGREGATE RESULTS ARE RETURNED WITHIN 45 DAYS AFTER ADMINISTRATION OF THE ASSESSMENT.

~~(B)(C)~~ (1) A EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, A ~~STANDARDIZED TEST STATEWIDE KINDERGARTEN ASSESSMENT~~ MAY NOT BE ADMINISTERED TO A AN ENROLLED PREKINDERGARTEN STUDENT.

(2) A ~~STANDARDIZED TEST STATEWIDE KINDERGARTEN ASSESSMENT~~ MAY BE ADMINISTERED TO AN ENROLLED PREKINDERGARTEN STUDENT BY A SCHOOL PSYCHOLOGIST OR OTHER SCHOOL-BASED PROFESSIONAL WHO INTENDS TO USE THE RESULTS IN ORDER TO IDENTIFY A DISABILITY.

~~(C)~~ (D) THE DEPARTMENT SHALL ADOPT REGULATIONS TO IMPLEMENT THE REQUIREMENTS OF THIS SECTION.

*SECTION 2. AND BE IT FURTHER ENACTED, That it is the intent of the General Assembly that a teacher who administers a statewide kindergarten assessment in accordance with § 7-208(b) of the Education Article, as enacted by Section 1 of this Act, be paid for the time worked in accordance with a collective bargaining agreement executed under Title 6, Subtitle 4 or 5 of the Education Article.*

SECTION ~~2~~ 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016.

Approved by the Governor, April 26, 2016.

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Chapter 274

(House Bill 670)

AN ACT concerning

**Baltimore City – Remediation of Illegal Dumping – Report**

FOR the purpose of requiring the Baltimore City Department of Public Works to report annually to the members of the Baltimore City delegation to the General Assembly on actions taken to remediate illegal dumping in each legislative district during the previous year; requiring the report to be made available on the Department's Web site; and generally relating to the remediation of illegal dumping in Baltimore City.

BY repealing and reenacting, with amendments,

The Charter of Baltimore City

Article II – General Powers

Section (11)

(2007 Replacement Volume, as amended December 31, 2006)

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

**The Charter of Baltimore City****Article II – General Powers**

The Mayor and City Council of Baltimore shall have full power and authority to exercise all of the powers heretofore or hereafter granted to it by the Constitution of Maryland or by any Public General or Public Local Laws of the State of Maryland; and in particular, without limitation upon the foregoing, shall have power by ordinance, or such other method as may be provided for in its Charter, subject to the provisions of said Constitution and Public General Laws:

(11)

(A) To provide for the preservation of the health of all persons within the City; to prevent the introduction of contagious diseases within the City, and within three miles of the same upon land, and within fifteen miles thereof upon the navigable waters leading thereto; and to prevent and remove nuisances.

(B) **ON OR BEFORE JANUARY 1 EACH YEAR, THE DEPARTMENT OF PUBLIC WORKS SHALL:**

(1) **SUBMIT A REPORT TO THE MEMBERS OF THE BALTIMORE CITY DELEGATION TO THE GENERAL ASSEMBLY, IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE OF THE ANNOTATED CODE OF MARYLAND, ON THE ACTIONS THE DEPARTMENT HAS TAKEN TO REMEDIATE ILLEGAL DUMPING IN EACH LEGISLATIVE DISTRICT IN BALTIMORE CITY IN WHICH MORE THAN TEN CITATIONS FOR ILLEGAL DUMPING WERE ISSUED DURING THE PREVIOUS YEAR; AND**

**(2) MAKE THE REPORT REQUIRED UNDER ITEM (1) OF THIS SUBSECTION AVAILABLE TO THE PUBLIC ON THE DEPARTMENT'S WEB SITE.**

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2016.

**Approved by the Governor, April 26, 2016.**

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## **Chapter 275**

**(House Bill 737)**

AN ACT concerning

### **Carroll County – Alcoholic Beverages Licenses – Beginning Hour of Sale**

FOR the purpose of altering the beginning hour of sale for certain alcoholic beverages licenses issued in Carroll County; and generally relating to alcoholic beverages in Carroll County.

BY repealing and reenacting, without amendments,

Article – Alcoholic Beverages

Section 16–102

Annotated Code of Maryland

(As enacted by Chapter 41 (S.B. 724) of the Acts of the General Assembly of 2016)

BY repealing and reenacting, with amendments,

Article – Alcoholic Beverages

Section 16–2004 and 16–2005

Annotated Code of Maryland

(As enacted by Chapter 41 (S.B. 724) of the Acts of the General Assembly of 2016)

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

### **Article – Alcoholic Beverages**

16–102.

This title applies only in Carroll County.

16–2004.

(a) A holder of a Class A beer and wine license may sell or provide beer and wine on Monday through Sunday from 8 a.m. to 11 p.m.

(b) (1) A holder of a 6-day ~~or 7-day~~ Class B beer and wine license may sell or provide beer and wine for on-premises consumption[:

(i)] on Monday through Saturday from 8 a.m. to 1 a.m. the following day[; and

(ii) on Sunday from 11 a.m. to 1 a.m. the following day].

(2) A holder of a 7-day Class B beer and wine license may sell **OR PROVIDE** beer and wine for ~~ON OR off-premises~~ **ON-PREMISES** consumption[:

(i)] on Monday through [Saturday] **SUNDAY** from 8 a.m. to ~~11 p.m.~~ **1 A.M.** the following day[; and

(ii) on Sunday from 11 a.m. to 11 p.m].

**(3) A HOLDER OF A 7-DAY CLASS B BEER AND WINE LICENSE MAY SELL BEER AND WINE FOR OFF-PREMISES CONSUMPTION ON MONDAY THROUGH SUNDAY FROM 8 A.M. TO 11 P.M.**

(c) A holder of a Class C beer and wine license may sell or provide beer and wine on Monday through Saturday from 8 a.m. to 1 a.m. the following day.

(d) (1) A holder of a 6-day or 7-day Class D beer and wine license may sell or provide beer and wine on Monday through Saturday from 6 a.m. to midnight.

(2) A holder of a 7-day Class D beer and wine license may sell or provide beer and wine on Sunday from [11 a.m.] **8 A.M.** to 11 p.m.

16-2005.

(a) A holder of a Class A beer, wine, and liquor license may sell or provide beer, wine, and liquor on Monday through Sunday from 8 a.m. to 11 p.m.

(b) A holder of a Class B beer, wine, and liquor license may sell or provide beer, wine, and liquor[:

(1)] on Monday through [Saturday] **SUNDAY** from 8 a.m. to 1 a.m. the following day[; and

(2) on Sunday from 11 a.m. to 1 a.m. the following day].

(c) A holder of a Class C beer, wine, and liquor license may sell or provide beer, wine, and liquor[:

(1)] on Monday through [Saturday] **SUNDAY** from 8 a.m. to 1 a.m. the following day[; and

(2) on Sunday from 11 a.m. to 1 a.m. the following day].

(d) Reserved.

(e) A holder of a Class H beer, wine, and liquor license may sell or provide beer, wine, and liquor[:

(1)] on Monday through [Saturday] **SUNDAY** from 8 a.m. to 1 a.m. the following day[; and

(2) on Sunday from 11 a.m. to 1 a.m. the following day].

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016.

**Approved by the Governor, April 26, 2016.**

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## Chapter 276

(House Bill 747)

AN ACT concerning

### Real Estate Brokers – Licensure Requirement – Exemption for Lawyers

FOR the purpose of altering an exemption from the real estate broker licensure requirement for certain lawyers under certain circumstances; and generally relating to real estate brokerage services.

BY repealing and reenacting, with amendments,  
 Article – Business Occupations and Professions  
 Section 17–301  
 Annotated Code of Maryland  
 (2010 Replacement Volume and 2015 Supplement)

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

### Article – Business Occupations and Professions

17-301.

(a) (1) Except as otherwise provided in this title, an individual shall be licensed by the Commission as a real estate broker before the individual may provide real estate brokerage services in the State.

(2) Except as otherwise provided in this title, an individual shall be licensed by the Commission as an associate real estate broker or a real estate salesperson before the individual, while acting on behalf of a real estate broker, may provide real estate brokerage services in the State.

(b) A license is not required for:

(1) a financial institution, as defined in Title 1 of the Financial Institutions Article, a subsidiary or affiliate of such a financial institution, or mortgage loan institution incorporated under the laws of any state or of the United States to manage, lease, or sell any property that the institution or subsidiary or affiliate of a financial institution acquires in connection with a mortgage foreclosure or deed or assignment in lieu of foreclosure;

(2) a lawyer **AUTHORIZED TO PRACTICE LAW IN THE STATE** who:

(i) is not engaged regularly in the business of providing real estate brokerage services; **[and]**

(ii) does not represent to the public, by use of a sign or advertisement or otherwise, that the lawyer is in the business of providing real estate brokerage services;  
**AND**

**(III) PROVIDES REAL ESTATE BROKERAGE SERVICES WHILE REPRESENTING ANOTHER PERSON IN THE COURSE OF THE LAWYER'S REGULAR PRACTICE OF LAW;**

(3) a home builder in the rental or initial sale of a home constructed by the builder;

(4) an agent of a licensed real estate broker or of an owner of real estate while managing or leasing that real estate for the real estate broker or owner;

(5) any person in negotiating the sale, lease, or other transfer of a business enterprise if the proposed transfer does not include any interest in real property other than a lease under which the business enterprise operates; or

(6) any person to subdivide and sell unimproved property owned by that person if the person meets the requirements of § 17-302 of this subtitle.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2016.

Approved by the Governor, April 26, 2016.

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## Chapter 277

(House Bill 771)

AN ACT concerning

### **Public ~~and Nonpublic~~ Schools – ~~Student Diabetes Management Program~~ Administration of Diabetes Care Services – Guidelines**

FOR the purpose of requiring the State Department of Education and the Department of Health and Mental Hygiene, in consultation with certain other organizations, to establish certain guidelines for the ~~training of employees to become trained diabetes care providers~~ administration of certain health care services to certain students with diabetes; providing for the content of the guidelines; ~~requiring each county board of education to require certain public schools to establish a certain Student Diabetes Management Program in the school; providing that certain nonpublic schools may establish a Student Diabetes Management Program in the school; providing that a nonpublic school may conduct or contract for a course for training of employees to become trained diabetes care providers that includes certain items; providing for the purpose and requirements of the Program; authorizing certain employees to volunteer for participation in a certain Program; prohibiting public and nonpublic schools from compelling certain employees to participate in a certain Program; requiring certain trained diabetes care providers in the Program to perform certain tasks; providing that certain services performed by certain trained diabetes care providers may not be construed as performing acts of nursing under certain circumstances; establishing immunity from liability for certain employees under certain circumstances; requiring certain parents or guardians of a certain student to submit a Diabetes Medical Management Plan to the school under certain circumstances; requiring a certain meeting of certain individuals be held within a certain period of time; authorizing a certain student to perform certain diabetes care tasks under certain circumstances in accordance with a certain Plan; defining certain terms; and generally relating to a Student Diabetes Management Program~~ and public and nonpublic schools requiring the State Department of Education and the Department of Health and Mental Hygiene, in consultation with the Board of Nursing and certain stakeholders, to establish a certain plan; requiring the State Department of Education and the Department of Health and Mental Hygiene to make a certain report on or before a certain date; and generally relating to diabetic care services in public schools in the State.

BY adding to

Article – Education

Section ~~7-438 and 7-439~~ 7-426.4

Annotated Code of Maryland

(2014 Replacement Volume and 2015 Supplement)

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

**Article – Education**

~~7-438.~~

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

~~(2) “DIABETES MEDICAL MANAGEMENT PLAN” MEANS A PLAN DEVELOPED BY A STUDENT’S PHYSICIAN THAT DESCRIBES THE HEALTH CARE SERVICES NEEDED BY THE STUDENT FOR THE TREATMENT OF THE STUDENT’S DIABETES AT SCHOOL.~~

~~(3) “EMPLOYEE” MEANS AN INDIVIDUAL WHO IS EMPLOYED BY A LOCAL BOARD OF EDUCATION, INCLUDING PART-TIME EMPLOYEES, CERTIFIED AND NONCERTIFIED SUBSTITUTE TEACHERS EMPLOYED BY THE LOCAL BOARD OF EDUCATION FOR AT LEAST 7 DAYS EACH SCHOOL YEAR, AND ADMINISTRATIVE STAFF.~~

~~(4) “PROGRAM” MEANS A STUDENT DIABETES MANAGEMENT PROGRAM.~~

~~(5) “TRAINED DIABETES CARE PROVIDER” MEANS AN EMPLOYEE TRAINED IN THE RECOGNITION OF THE SYMPTOMS OF DIABETES AND THE ADMINISTRATION OF HEALTH CARE SERVICES NEEDED BY AN INDIVIDUAL WITH DIABETES.~~

~~(B) (1) THE DEPARTMENT AND THE DEPARTMENT OF HEALTH AND MENTAL HYGIENE, IN CONSULTATION WITH THE AMERICAN ASSOCIATION OF DIABETES EDUCATORS, THE AMERICAN DIABETES ASSOCIATION, THE MARYLAND ASSOCIATION OF SCHOOL HEALTH NURSES, AND THE DIABETES CONTROL PROGRAM JOINTLY SHALL ESTABLISH GUIDELINES FOR THE TRAINING OF EMPLOYEES TO BECOME TRAINED DIABETES CARE PROVIDERS.~~

~~(2) THE GUIDELINES SHALL INCLUDE INSTRUCTION ON:~~

~~(i) RECOGNITION AND TREATMENT OF HYPOGLYCEMIA AND HYPERGLYCEMIA;~~



~~(H) APPROPRIATE ACTIONS TO TAKE WHEN BLOOD GLUCOSE LEVELS ARE OUTSIDE THE TARGET RANGES DETAILED IN THE STUDENT'S DIABETES MEDICAL MANAGEMENT PLAN;~~

~~(HH) UNDERSTANDING PHYSICIAN INSTRUCTIONS REGARDING DIABETES MEDICATION DRUG DOSAGE, FREQUENCY, AND THE MANNER OF ADMINISTRATION;~~

~~(IV) PERFORMING FINGER STICK BLOOD GLUCOSE CHECKING, KETONE CHECKING, AND RESULTS RECORDATION;~~

~~(V) UNDERSTANDING THE FUNCTION AND PROTOCOL FOR THE USE OF CONTINUOUS GLUCOSE MONITORS; AND~~

~~(VI) ADMINISTERING GLUCAGON AND INSULIN IN ACCORDANCE WITH THE STUDENT'S DIABETES MANAGEMENT PLAN AND RESULTS RECORDATION.~~

~~(C) (1) EACH COUNTY BOARD SHALL REQUIRE THE PUBLIC SCHOOLS WITHIN THE JURISDICTION OF THE COUNTY BOARD TO ESTABLISH A STUDENT DIABETES MANAGEMENT PROGRAM IN THE SCHOOL.~~

~~(2) THE PURPOSE OF THE PROGRAM IS TO HAVE EMPLOYEE VOLUNTEERS AVAILABLE TO PROVIDE DIABETES CARE SERVICES TO STUDENTS WITH DIABETES IN ACCORDANCE WITH THE STUDENT'S DIABETES MEDICAL MANAGEMENT PLAN DURING SCHOOL HOURS AND, WHEN POSSIBLE, AT SCHOOL SPONSORED ACTIVITIES, INCLUDING FIELD TRIPS AND EXTRACURRICULAR ACTIVITIES.~~

~~(D) (1) THE PROGRAM SHALL:~~

~~(I) RECRUIT EMPLOYEES WHO ARE INTERESTED IN BEING TRAINED TO BECOME TRAINED DIABETES CARE PROVIDERS;~~

~~(II) PROVIDE TRAINING FOR EMPLOYEE VOLUNTEERS TO BECOME TRAINED DIABETES CARE PROVIDERS BEFORE THE COMMENCEMENT OF A SCHOOL YEAR OR WHEN REQUIRED BY THE ENROLLMENT OF A STUDENT WITH A DIABETES MEDICAL MANAGEMENT PLAN;~~

~~(III) DESIGNATE LOCATIONS WITHIN THE SCHOOL WHERE A STUDENT MAY PRIVATELY PERFORM DIABETES CARE TASKS;~~

~~(IV) REQUIRE THE SCHOOL NURSE OR A TRAINED DIABETES CARE PROVIDER TO BE ON SITE AND AVAILABLE TO PROVIDE DIABETES CARE~~

~~SERVICES TO A STUDENT WITH A DIABETES MEDICAL MANAGEMENT PLAN DURING SCHOOL HOURS AND, WHEN POSSIBLE, AT SCHOOL SPONSORED ACTIVITIES, INCLUDING FIELD TRIPS AND EXTRACURRICULAR ACTIVITIES;~~

~~(V) ESTABLISH A SYSTEM OF COMMUNICATION BETWEEN SCHOOL ADMINISTRATORS AND THE FACULTY, SCHOOL NURSE, TRAINED DIABETES CARE PROVIDERS, PARENTS OR GUARDIANS OF STUDENTS WITH A DIABETES MEDICAL MANAGEMENT PLAN, AND STUDENTS WITH A DIABETES MEDICAL MANAGEMENT PLAN;~~

~~(VI) FACILITATE THE ACCESS OF AUTHORIZED SCHOOL PERSONNEL TO STUDENT DIABETES MEDICAL MANAGEMENT PLANS; AND~~

~~(VII) ESTABLISH PROCEDURES FOR DIABETES RELATED EMERGENCIES.~~

~~(2) (I) ANY EMPLOYEE MAY VOLUNTEER TO PARTICIPATE IN THE PROGRAM AND BE TRAINED TO BECOME A TRAINED DIABETES CARE PROVIDER.~~

~~(II) A PUBLIC SCHOOL MAY NOT COMPEL ANY EMPLOYEE TO PARTICIPATE IN THE PROGRAM.~~

~~(3) A TRAINED DIABETES CARE PROVIDER WHO PARTICIPATES IN THE PROGRAM SHALL AGREE TO PERFORM DIABETES CARE TASKS FOR WHICH TRAINING HAS BEEN PROVIDED, INCLUDING:~~

~~(I) CHECKING AND RECORDING BLOOD GLUCOSE LEVELS AND KETONE LEVELS OR ASSISTING A STUDENT WITH THESE TASKS;~~

~~(II) ADMINISTERING GLUCAGON AND OTHER EMERGENCY TREATMENTS AS PRESCRIBED;~~

~~(III) ADMINISTERING INSULIN OR ASSISTING A STUDENT IN THE ADMINISTRATION OF INSULIN THROUGH THE INSULIN DELIVERY SYSTEM THAT THE STUDENT USES; AND~~

~~(IV) PROVIDING ORAL DIABETES MEDICATIONS.~~

~~(4) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, THE PROVISION OF DIABETES CARE SERVICES BY A TRAINED DIABETES CARE PROVIDER IN ACCORDANCE WITH THIS SECTION MAY NOT BE CONSTRUED AS PERFORMING ACTS OF PRACTICAL NURSING OR REGISTERED NURSING UNDER TITLE 8 OF THE HEALTH OCCUPATIONS ARTICLE.~~

~~(5) EXCEPT FOR ANY WILLFUL OR GROSSLY NEGLIGENT ACT, AN EMPLOYEE WHO RESPONDS IN GOOD FAITH TO PROVIDE DIABETES RELATED HEALTH CARE SERVICES TO A STUDENT IN ACCORDANCE WITH THIS SECTION IS IMMUNE FROM CIVIL LIABILITY FOR ANY ACT OR OMISSION IN THE COURSE OF PROVIDING CARE.~~

~~(E) (1) THE PARENT OR GUARDIAN OF A STUDENT WITH DIABETES WHO NEEDS DIABETES CARE AT SCHOOL SHALL SUBMIT A DIABETES MEDICAL MANAGEMENT PLAN TO THE SCHOOL.~~

~~(2) EACH STUDENT'S DIABETES MEDICAL MANAGEMENT PLAN SHALL BE REVIEWED IN A MEETING OF THE FOLLOWING INDIVIDUALS:~~

~~(I) THE PARENTS OR GUARDIANS OF THE STUDENT;~~

~~(II) THE STUDENT;~~

~~(III) THE SCHOOL NURSE;~~

~~(IV) THE STUDENT'S CLASSROOM TEACHER;~~

~~(V) ALL TRAINED DIABETES CARE PROVIDERS AT THE SCHOOL WHO MAY BE REQUIRED TO PROVIDE CARE TO THE STUDENT; AND~~

~~(VI) ANY OTHER INDIVIDUALS DETERMINED NECESSARY BY THE SCHOOL.~~

~~(3) A DIABETES MEDICAL MANAGEMENT PLAN REVIEW MEETING SHALL BE HELD WITHIN 30 DAYS AFTER THE DIABETES MEDICAL MANAGEMENT PLAN IS SUBMITTED.~~

~~(4) IF A STUDENT'S DIABETES MEDICAL MANAGEMENT PLAN STATES THAT THE STUDENT MAY PERFORM SPECIFIED DIABETES CARE TASKS INDEPENDENTLY, THE STUDENT MAY:~~

~~(I) PERFORM AUTHORIZED TASKS WHEREVER THE STUDENT CONSIDERS NECESSARY, INCLUDING IN THE STUDENT'S CLASSROOM, THE AREA DESIGNATED BY THE SCHOOL UNDER SUBSECTION (D) OF THIS SECTION, OR OFF SCHOOL GROUNDS;~~

~~(II) POSSESS AND CARRY ANY SUPPLIES AND EQUIPMENT NECESSARY TO PERFORM DIABETES CARE TASKS; AND~~

~~(H) POSSESS A CELLULAR PHONE TO ASK FOR ASSISTANCE WHEN NECESSARY.~~

~~7-439.~~

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

~~(2) “DIABETES MEDICAL MANAGEMENT PLAN” MEANS A PLAN DEVELOPED BY A STUDENT’S PHYSICIAN THAT DESCRIBES THE HEALTH CARE SERVICES NEEDED BY THE STUDENT FOR THE TREATMENT OF THE STUDENT’S DIABETES AT SCHOOL.~~

~~(3) “EMPLOYEE” MEANS AN INDIVIDUAL WHO IS EMPLOYED BY A NONPUBLIC SCHOOL, INCLUDING PART-TIME EMPLOYEES, TEACHERS, AND SUBSTITUTE TEACHERS EMPLOYED BY THE SCHOOL FOR AT LEAST 7 DAYS EACH SCHOOL YEAR, A SCHOOL NURSE, REGISTERED NURSE CASE MANAGER, DELEGATING NURSE, AND ADMINISTRATIVE STAFF.~~

~~(4) “PROGRAM” MEANS A STUDENT DIABETES MANAGEMENT PROGRAM.~~

~~(5) “TRAINED DIABETES CARE PROVIDER” MEANS AN EMPLOYEE TRAINED IN THE RECOGNITION OF THE SYMPTOMS OF DIABETES AND THE ADMINISTRATION OF HEALTH CARE SERVICES NEEDED BY AN INDIVIDUAL WITH DIABETES.~~

~~(B) (1) A NONPUBLIC SCHOOL MAY CONDUCT OR CONTRACT FOR A COURSE FOR THE TRAINING OF EMPLOYEES TO BECOME TRAINED DIABETES CARE PROVIDERS.~~

~~(2) A TRAINING COURSE FOR TRAINED DIABETES CARE PROVIDERS SHALL INCLUDE INSTRUCTION ON:~~

~~(i) RECOGNITION AND TREATMENT OF HYPOGLYCEMIA AND HYPERGLYCEMIA;~~

~~(ii) APPROPRIATE ACTIONS TO TAKE WHEN BLOOD GLUCOSE LEVELS ARE OUTSIDE THE TARGET RANGES DETAILED IN THE STUDENT’S DIABETES MEDICAL MANAGEMENT PLAN;~~

~~(iii) UNDERSTANDING PHYSICIAN INSTRUCTIONS REGARDING DIABETES MEDICATION DRUG DOSAGE, FREQUENCY, AND THE MANNER OF ADMINISTRATION;~~

~~(IV) PERFORMING FINGER STICK BLOOD GLUCOSE CHECKING, KETONE CHECKING, AND RESULTS RECORDATION;~~

~~(V) UNDERSTANDING THE FUNCTION AND PROTOCOL FOR THE USE OF CONTINUOUS GLUCOSE MONITORS; AND~~

~~(VI) ADMINISTERING GLUCAGON AND INSULIN IN ACCORDANCE WITH THE STUDENT'S DIABETES MANAGEMENT PLAN AND RESULTS RECORDATION.~~

~~(C) (1) A NONPUBLIC SCHOOL MAY ESTABLISH A STUDENT DIABETES MANAGEMENT PROGRAM IN THE SCHOOL.~~

~~(2) THE PURPOSE OF THE PROGRAM IS TO HAVE EMPLOYEE VOLUNTEERS AVAILABLE TO PROVIDE DIABETES CARE SERVICES TO STUDENTS WITH DIABETES IN ACCORDANCE WITH THE STUDENT'S DIABETES MEDICAL MANAGEMENT PLAN DURING SCHOOL HOURS AND, WHEN POSSIBLE, AT SCHOOL SPONSORED ACTIVITIES, INCLUDING FIELD TRIPS AND EXTRACURRICULAR ACTIVITIES.~~

~~(D) (1) THE PROGRAM SHALL:~~

~~(I) RECRUIT EMPLOYEES WHO ARE INTERESTED IN BEING TRAINED TO BECOME TRAINED DIABETES CARE PROVIDERS;~~

~~(II) PROVIDE TRAINING FOR EMPLOYEE VOLUNTEERS TO BECOME TRAINED DIABETES CARE PROVIDERS BEFORE THE COMMENCEMENT OF A SCHOOL YEAR OR WHEN REQUIRED BY THE ENROLLMENT OF A STUDENT WITH A DIABETES MEDICAL MANAGEMENT PLAN THAT INCLUDES THE ITEMS UNDER SUBSECTION (B)(2) OF THIS SECTION;~~

~~(III) DESIGNATE LOCATIONS WITHIN THE SCHOOL WHERE A STUDENT MAY PRIVATELY PERFORM DIABETES CARE TASKS;~~

~~(IV) REQUIRE THE SCHOOL NURSE OR A TRAINED DIABETES CARE PROVIDER TO BE ON SITE AND AVAILABLE TO PROVIDE DIABETES CARE SERVICES TO A STUDENT WITH A DIABETES MEDICAL MANAGEMENT PLAN DURING SCHOOL HOURS AND, WHEN POSSIBLE, AT SCHOOL SPONSORED ACTIVITIES, INCLUDING FIELD TRIPS AND EXTRACURRICULAR ACTIVITIES;~~

~~(V) ESTABLISH A SYSTEM OF COMMUNICATION BETWEEN THE SCHOOL ADMINISTRATORS AND THE FACULTY, SCHOOL NURSE, TRAINED DIABETES CARE PROVIDERS, PARENTS OR GUARDIANS OF STUDENTS WITH A DIABETES~~

~~MEDICAL MANAGEMENT PLAN, AND STUDENTS WITH A DIABETES MEDICAL MANAGEMENT PLAN;~~

~~(VI) FACILITATE THE ACCESS OF AUTHORIZED SCHOOL PERSONNEL TO STUDENT DIABETES MEDICAL MANAGEMENT PLANS; AND~~

~~(VII) ESTABLISH PROCEDURES FOR DIABETES RELATED EMERGENCIES.~~

~~(2) (I) ANY EMPLOYEE MAY VOLUNTEER TO PARTICIPATE IN THE PROGRAM AND BE TRAINED TO BECOME A TRAINED DIABETES CARE PROVIDER.~~

~~(H) A NONPUBLIC SCHOOL MAY NOT COMPEL ANY EMPLOYEE TO PARTICIPATE IN THE PROGRAM.~~

~~(3) A TRAINED DIABETES CARE PROVIDER WHO PARTICIPATES IN THE PROGRAM SHALL AGREE TO PERFORM DIABETES CARE TASKS FOR WHICH TRAINING HAS BEEN PROVIDED, INCLUDING:~~

~~(I) CHECKING AND RECORDING BLOOD GLUCOSE LEVELS AND KETONE LEVELS OR ASSISTING A STUDENT WITH THESE TASKS;~~

~~(II) ADMINISTERING GLUCAGON AND OTHER EMERGENCY TREATMENTS AS PRESCRIBED;~~

~~(III) ADMINISTERING INSULIN OR ASSISTING A STUDENT IN THE ADMINISTRATION OF INSULIN THROUGH THE INSULIN DELIVERY SYSTEM THAT THE STUDENT USES; AND~~

~~(IV) PROVIDING ORAL DIABETES MEDICATIONS.~~

~~(4) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, THE PROVISION OF DIABETES CARE SERVICES BY A TRAINED DIABETES CARE PROVIDER IN ACCORDANCE WITH THIS SECTION MAY NOT BE CONSTRUED AS PERFORMING ACTS OF PRACTICAL NURSING OR REGISTERED NURSING UNDER TITLE 8 OF THE HEALTH OCCUPATIONS ARTICLE.~~

~~(5) EXCEPT FOR ANY WILLFUL OR GROSSLY NEGLIGENT ACT, AN EMPLOYEE WHO RESPONDS IN GOOD FAITH TO PROVIDE DIABETES RELATED HEALTH CARE SERVICES TO A STUDENT IN ACCORDANCE WITH THIS SECTION IS IMMUNE FROM CIVIL LIABILITY FOR ANY ACT OR OMISSION IN THE COURSE OF PROVIDING CARE.~~

~~(E) (1) THE PARENT OR GUARDIAN OF A STUDENT WITH DIABETES WHO NEEDS DIABETES CARE AT SCHOOL SHALL SUBMIT A DIABETES MEDICAL MANAGEMENT PLAN TO THE SCHOOL.~~

~~(2) EACH STUDENT'S DIABETES MEDICAL MANAGEMENT PLAN SHALL BE REVIEWED IN A MEETING OF THE FOLLOWING INDIVIDUALS:~~

~~(I) THE PARENTS OR GUARDIANS OF THE STUDENT;~~

~~(II) THE STUDENT;~~

~~(III) THE SCHOOL NURSE;~~

~~(IV) THE STUDENT'S CLASSROOM TEACHER;~~

~~(V) IF THE PROGRAM HAS BEEN ESTABLISHED AT THE SCHOOL, ALL TRAINED DIABETES CARE PROVIDERS AT THE SCHOOL WHO MAY BE REQUIRED TO PROVIDE CARE TO THE STUDENT; AND~~

~~(VI) ANY OTHER INDIVIDUALS DETERMINED NECESSARY BY THE SCHOOL.~~

~~(3) A DIABETES MEDICAL MANAGEMENT PLAN REVIEW MEETING SHALL BE HELD WITHIN 30 DAYS AFTER THE DIABETES MEDICAL MANAGEMENT PLAN IS SUBMITTED.~~

~~(4) IF A STUDENT'S DIABETES MEDICAL MANAGEMENT PLAN STATES THAT THE STUDENT MAY PERFORM SPECIFIED DIABETES CARE TASKS INDEPENDENTLY, THE STUDENT MAY:~~

~~(I) PERFORM AUTHORIZED TASKS WHEREVER THE STUDENT CONSIDERS NECESSARY, INCLUDING IN THE STUDENT'S CLASSROOM, THE AREA DESIGNATED BY THE SCHOOL UNDER SUBSECTION (D) OF THIS SECTION, OR OFF SCHOOL GROUNDS;~~

~~(II) POSSESS AND CARRY ANY SUPPLIES AND EQUIPMENT NECESSARY TO PERFORM DIABETES CARE TASKS; AND~~

~~(III) POSSESS A CELLULAR PHONE TO ASK FOR ASSISTANCE WHEN NECESSARY.~~

(A) THE DEPARTMENT AND THE DEPARTMENT OF HEALTH AND MENTAL HYGIENE JOINTLY SHALL ESTABLISH GUIDELINES FOR PUBLIC SCHOOLS REGARDING THE ADMINISTRATION OF HEALTH CARE SERVICES TO STUDENTS WITH DIABETES.

(B) THE GUIDELINES SHALL INCLUDE:

(1) PROCEDURES FOR TREATING AND ADMINISTERING MEDICATION TO CONTROL DIABETIC SYMPTOMS;

(2) PROCEDURES FOR MONITORING BLOOD GLUCOSE AND KETONE LEVELS;

(3) A DESCRIPTION OF PARENTAL OR CAREGIVER RESPONSIBILITIES IN RELATION TO THE CARE OF THEIR CHILD WITH DIABETES, INCLUDING:

(i) NOTIFYING A SCHOOL OF A CHILD'S DIABETES DIAGNOSIS;

(ii) PROVIDING APPROPRIATE MEDICATION, DELIVERY DEVICES, AND MEDICAL CONDITION INDICATION DEVICES, INCLUDING MEDIC ALERT BRACELETS OR NECKLACES;

(iii) PROVIDING PARENTAL CONSENT FOR THE ADMINISTRATION OF MEDICATIONS; AND

(iv) PROVIDING AN EMERGENCY CARD FOR MEDICAL EMERGENCIES WITH UP-TO-DATE CONTACT NAMES AND TELEPHONE NUMBERS;

(4) A DESCRIPTION OF SCHOOL RESPONSIBILITIES IN RELATION TO THE CARE OF A STUDENT WITH DIABETES, INCLUDING:

(i) INSTRUCTION BY THE SCHOOL NURSE FOR SCHOOL HEALTH SERVICES PERSONNEL, TEACHERS, COACHES, TRANSPORTATION PERSONNEL, AND OTHER APPROPRIATE SCHOOL PERSONNEL, AS DETERMINED BY THE SCHOOL NURSE, INCLUDING INSTRUCTION ON:

1. RECOGNIZING THE SYMPTOMS OF HYPOGLYCEMIA AND HYPERGLYCEMIA AND THE APPROPRIATE ACTIONS TO TAKE TO CONTROL THE SYMPTOMS;

2. ADMINISTERING GLUCAGON IN AN EMERGENCY IN ACCORDANCE WITH HEALTH CARE PROVIDER ORDERS; AND



**3. IMPLEMENTING A STUDENT'S MEDICAL PLAN AND A STUDENT'S 504 PLAN;**

**(II) PROVIDING AND DISTRIBUTING THE REQUIRED DOCUMENTS FOR NOTIFICATION, CONSENT FOR THE ADMINISTRATION OF MEDICATIONS, MEDICAL EMERGENCY CONTACT INFORMATION, AND ANY OTHER APPROPRIATE DOCUMENTS TO THE APPROPRIATE INDIVIDUALS OR ENTITIES; AND**

**(III) ENSURING THAT APPROPRIATE SCHOOL PERSONNEL ARE AVAILABLE TO ADMINISTER INSULIN DURING THE SCHOOL DAY AND DURING OTHER SCHOOL-SPONSORED EVENTS AND ACTIVITIES;**

**(5) A DESCRIPTION OF STUDENT RESPONSIBILITIES IN RELATION TO THE STUDENT'S DIABETES CARE THAT ARE AGE AND CLINICALLY APPROPRIATE;**

**(6) ESTABLISHING PROCEDURES FOR STUDENTS WHO HAVE BEEN DETERMINED BY THE SCHOOL NURSE TO BE CAPABLE OF AND RESPONSIBLE FOR SELF-MANAGEMENT OF THEIR DIABETES IN ACCORDANCE WITH HEALTH CARE PROVIDER ORDERS; AND**

**(7) ANY OTHER ISSUE THAT IS RELEVANT TO THE ADMINISTRATION OF HEALTH CARE SERVICES TO STUDENTS WITH DIABETES.**

**(C) THE DEPARTMENT AND THE DEPARTMENT OF HEALTH AND MENTAL HYGIENE SHALL:**

**(1) PROVIDE TECHNICAL ASSISTANCE TO SCHOOLS TO:**

**(I) IMPLEMENT THE GUIDELINES ESTABLISHED UNDER THIS SECTION; AND**

**(II) INSTRUCT SCHOOL PERSONNEL AT THE LOCAL LEVEL REGARDING THE GUIDELINES ESTABLISHED UNDER THIS SECTION; AND**

**(2) DEVELOP A PROCESS TO MONITOR THE IMPLEMENTATION OF THE GUIDELINES ESTABLISHED UNDER THIS SECTION.**

**(D) (1) AN INDIVIDUAL WHO HAS RECEIVED INSTRUCTION TO PROVIDE DIABETES CARE SERVICES TO STUDENTS IN ACCORDANCE WITH THE GUIDELINES ADOPTED UNDER THIS SECTION IS NOT CIVILLY LIABLE FOR ANY ACT OR OMISSION IN THE COURSE OF PROVIDING DIABETES CARE SERVICES TO A STUDENT IF:**

**(I) THE INDIVIDUAL IS ACTING IN GOOD FAITH WHILE PROVIDING DIABETES CARE SERVICES TO A STUDENT WHO IS IN NEED OF DIABETES**

CARE SERVICES OR TO A STUDENT WHO THE INDIVIDUAL BELIEVES IN GOOD FAITH TO BE IN NEED OF DIABETES CARE SERVICES;

(II) THE DIABETES CARE SERVICES ARE PROVIDED IN A REASONABLY PRUDENT MANNER; AND

(III) THE DIABETES CARE SERVICES ARE PROVIDED TO THE STUDENT WITHOUT FEE OR OTHER COMPENSATION.

(2) PARAGRAPH (1) OF THIS SUBSECTION DOES NOT AFFECT, AND MAY NOT BE CONSTRUED TO AFFECT, ANY IMMUNITIES FROM CIVIL LIABILITY OR DEFENSES ESTABLISHED BY ANY OTHER PROVISION OF LAW TO WHICH AN INDIVIDUAL MAY BE ENTITLED.

SECTION 2. AND BE IT FURTHER ENACTED, That:

(a) The State Department of Education and the Department of Health and Mental Hygiene, in consultation with the Board of Nursing, local school systems, local health departments, and other interested stakeholders, shall establish a plan for all public school health services programs in the State to provide diabetes care services through implementation of policies and programs so students with diabetes can:

(1) remain safe in school;

(2) be supported for optimal academic achievement; and

(3) fully participate in all aspects of school programming, including after-school activities and other school-sponsored events.

(b) On or before December 1, 2016, the State Department of Education and the Department of Health and Mental Hygiene shall report to the Senate Education, Health, and Environmental Affairs Committee and the House Committee on Ways and Means on the implementation of the plan established under this section.

SECTION ~~2~~ 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016.

Approved by the Governor, April 26, 2016.

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**Chapter 278**

**(House Bill 799)**

AN ACT concerning

### Aquaculture – Liability for Trespass

FOR the purpose of establishing that certain persons who enter in a certain manner an area leased to another person for aquaculture purposes and cause certain harm are liable to certain other persons for certain civil damages in the same manner that the persons would be liable to the leaseholder of the lease for certain civil damages; and generally relating to aquaculture and liability for trespass.

BY repealing and reenacting, without amendments,  
Article – Natural Resources  
Section 4–11A–16(a)(1)  
Annotated Code of Maryland  
(2012 Replacement Volume and 2015 Supplement)

BY repealing and reenacting, with amendments,  
Article – Natural Resources  
Section 4–11A–16.1  
Annotated Code of Maryland  
(2012 Replacement Volume and 2015 Supplement)

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

#### Article – Natural Resources

4–11A–16.

(a) (1) A person, other than the leaseholder, may not willfully and without authority catch oysters on any aquaculture or submerged land lease area, or willfully destroy or transfer oysters on this land in any manner.

4–11A–16.1.

(a) Subject to subsection (b) of this section, a person who willfully, negligently, recklessly, wrongfully, or maliciously enters any area leased to another person under this subtitle to harvest, damage, or transfer shellfish or to alter, damage, or remove any markings or equipment is liable to the leaseholder **OR ANY AGENT, EMPLOYEE, BUSINESS PARTNER, OR CONTRACTOR OF THE LEASEHOLDER** for damages in an amount of:

(1) Three times the value of the shellfish harvested, damaged, or transferred;

(2) The actual restoration costs for the leased area and any altered, damaged, or removed markings or equipment; and

(3) Any attorney fees or court costs incurred by the leaseholder **OR ANY AGENT, EMPLOYEE, BUSINESS PARTNER, OR CONTRACTOR OF THE LEASEHOLDER** in the matter.

(b) Subsection (a) of this section does not apply to a person engaging in aquaculture activity on a leased area in accordance with the terms and conditions of:

(1) A shellfish aquaculture harvester registration card that is in the person's possession; or

(2) An operator card that is in the possession of the person or another person present in the lease area.

(c) On the request of a law enforcement officer, a person who enters an area leased to another person under this subtitle and engages in any act specified in subsection (a) of this section shall display a shellfish aquaculture harvester registration card or an operator card for the lease area.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2016.

**Approved by the Governor, April 26, 2016.**

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## Chapter 279

**(House Bill 831)**

AN ACT concerning

### **Washington County – Collection of Fees, Charges, Penalties, and Assessments**

FOR the purpose of authorizing Washington County to include, for the purpose of collection, certain unpaid fees, charges, penalties, and assessments on annual tax bills; requiring that certain unpaid fees, charges, penalties, and assessments be collected in the same manner as ordinary taxes, subject to the same interest and penalty for nonpayment as provided by law for the nonpayment of county taxes; and generally relating to the collection of certain fees, charges, penalties, and assessments in Washington County.

BY repealing and reenacting, with amendments,

The Public Local Laws of Washington County  
Section 6–309

Article 22 – Public Local Laws of Maryland  
(2007 Edition and October 2010 Supplement, as amended)

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

**Article 22 – Washington County**

6–309.

(a) **(1)** All unpaid allocation fees, water charges, sewerage charges, penalties, and assessments, whether billed or unbilled, constitute a lien against the property served.

**(2) FOR THE PURPOSE OF COLLECTION, THE COUNTY MAY INCLUDE UNPAID ALLOCATION FEES, WATER CHARGES, SEWERAGE CHARGES, PENALTIES, AND ASSESSMENTS ON THE ANNUAL TAX BILL OF THE PROPERTY.**

**(3) THE UNPAID ALLOCATION FEES, WATER CHARGES, SEWERAGE CHARGES, PENALTIES, AND ASSESSMENTS SHALL BE COLLECTED IN THE SAME MANNER AS ORDINARY TAXES ARE COLLECTED, SUBJECT TO THE SAME INTEREST AND PENALTY FOR NONPAYMENT AS PROVIDED BY LAW FOR NONPAYMENT OF COUNTY TAXES.**

(b) The record of unpaid charges maintained at the office of the county constitutes public notice of the liens.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2016.

**Approved by the Governor, April 26, 2016.**

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**Chapter 280**

**(House Bill 852)**

AN ACT concerning

**Local Government – Municipal Elections – Tie Votes**

FOR the purpose of requiring a municipality to ~~establish a procedure for resolving a tie vote in an election for a municipal officer; providing that a certain election procedure may be established by ordinance or charter amendment~~ *fill a vacancy that resulted from a tie vote in an election for a municipal office within a certain number of days after the date of the election;* and generally relating to tie votes in municipal elections.

BY adding to

Article – Local Government

Section 4–108.4  
Annotated Code of Maryland  
(2013 Volume and 2015 Supplement)

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

**Article – Local Government**

**4–108.4.**

~~(A) A MUNICIPALITY SHALL ESTABLISH A PROCEDURE FOR RESOLVING A TIE VOTE IN AN ELECTION FOR A MUNICIPAL OFFICER~~ FILL A VACANCY THAT RESULTED FROM A TIE VOTE IN AN ELECTION FOR A MUNICIPAL OFFICE WITHIN 90 DAYS AFTER THE DATE OF THE ELECTION.

~~(B) THE PROCEDURE REQUIRED UNDER SUBSECTION (A) OF THIS SECTION MAY BE ESTABLISHED BY ORDINANCE OR CHARTER AMENDMENT.~~

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2016.

Approved by the Governor, April 26, 2016.

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**Chapter 281**

**(House Bill 854)**

AN ACT concerning

**State Highway Administration – Relocation of Water or Sewer Lines – Cost Sharing**

FOR the purpose of requiring the State Highway Administration to notify the political subdivision or agency that owns a water or sewer line that must be relocated due to a federal project of the cost of the relocation; requiring the Administration to ~~develop a plan to share the cost of the relocation with the political subdivision or agency that owns the water or sewer line as part of the cost of the federal project~~ investigate funding sources to help the political subdivision or agency that owns the utility to meet its share of the cost of relocating the water or sewer line and, if needed, to develop a payment plan; and generally relating to sharing the cost of relocating water or sewer lines of a publicly owned utility due to certain highway projects.

BY adding to

Article – Transportation  
Section 8–657  
Annotated Code of Maryland  
(2015 Replacement Volume and 2015 Supplement)

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

**Article – Transportation**

**8–657.**

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

(2) “FEDERAL FACILITY” INCLUDES:

(I) AN INSTALLATION OF THE ARMED FORCES OF THE UNITED STATES; AND

(II) ANY PROPERTY OWNED OR LEASED BY AN AGENCY OF THE UNITED STATES.

(3) “FEDERAL PROJECT” MEANS A STATE HIGHWAY PROJECT THAT IS:

(I) FINANCED IN WHOLE OR IN PART WITH FEDERAL FUNDS; AND

(II) DESIGNED TO ENHANCE ACCESS TO A FEDERAL FACILITY.

(4) “PUBLICLY OWNED UTILITY” MEANS A UTILITY OWNED OR OPERATED BY A POLITICAL SUBDIVISION OF THE STATE OR BY A PUBLIC AGENCY CREATED UNDER THE LAWS OF THE STATE.

(5) “RELOCATE” INCLUDES TO REALIGN, RAISE, LOWER, REBUILD, OR REMOVE.

(B) IF, DUE TO A FEDERAL PROJECT, IT IS NECESSARY TO RELOCATE ANY WATER OR SEWER LINE OF A PUBLICLY OWNED UTILITY, THE ADMINISTRATION SHALL:

(1) NOTIFY THE POLITICAL SUBDIVISION OR AGENCY THAT OWNS THE UTILITY OF THE ESTIMATED COST OF RELOCATING THE WATER OR SEWER LINE; AND

~~(2) DEVELOP A PLAN TO SHARE THE COST OF THE RELOCATION WITH THE POLITICAL SUBDIVISION OR AGENCY THAT OWNS THE UTILITY AS PART OF THE COST OF THE FEDERAL PROJECT.~~

(2) INVESTIGATE FUNDING SOURCES TO HELP THE POLITICAL SUBDIVISION OR AGENCY THAT OWNS THE UTILITY TO MEET ITS SHARE OF THE COST OF RELOCATING THE WATER OR SEWER LINE AND, IF NEEDED, TO DEVELOP A PAYMENT PLAN.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016.

Approved by the Governor, April 26, 2016.

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## Chapter 282

(House Bill 873)

AN ACT concerning

### **Election Law – Special Elections – Absentee Ballots for Absent Uniformed Services Voters and Overseas Voters**

FOR the purpose of requiring a county council to set the date for a special election to fill a vacancy in certain county offices that allows the local board of elections time to provide absentee ballots for the special election to absent uniformed services voters and overseas voters at least a certain number of days before the special election; requiring the State Administrator of Elections to require local boards of elections to provide absentee ballots for a special election to fill a vacancy in the office of Representative in Congress to absent uniformed services voters and overseas voters at least a certain number of days before the special election; altering the time frame within which the Governor may set by proclamation the date for a special primary election and a special general election to fill a vacancy in the office of Representative in Congress; requiring the State Board of Elections to adopt regulations concerning notice and the process for voting by absentee ballot in special elections by absent uniformed services voters and overseas voters; and generally relating to absentee voting in special elections by absent uniformed services voters and overseas voters.

BY repealing and reenacting, with amendments,

Article – Election Law

Section 8–401 and 8–710

Annotated Code of Maryland

(2010 Replacement Volume and 2015 Supplement)



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

**Article – Election Law**

8–401.

(a) A special primary election and a special general election may be held at a time other than the date of a regular primary election and a regular general election:

(1) to fill a vacancy in the office of Representative in Congress; or

(2) to fill a vacancy in the county council or in the office of chief executive officer or county executive if the charter of that county provides for special elections.

(b) (1) Special elections to fill a vacancy in the office of Representative in Congress shall be held at the time specified in Subtitle 7 of this title.

(2) (I) Special elections to fill vacancies in a county council or in the office of chief executive officer or county executive shall be held as provided in the county charter.

(II) **THE DATE SET FOR THE SPECIAL ELECTION TO FILL A VACANCY UNDER THIS PARAGRAPH SHALL ALLOW AT LEAST 45 DAYS BETWEEN THE DATE A LOCAL BOARD MAKES AN ABSENTEE BALLOT AVAILABLE TO AN ABSENT UNIFORMED SERVICES VOTER OR OVERSEAS VOTER, AS DEFINED UNDER THE UNIFORMED AND OVERSEAS CITIZENS ABSENTEE VOTING ACT, AND THE DATE OF THE SPECIAL ELECTION.**

(c) An election to fill a vacancy in the office of United States Senator shall be held concurrently with a regular election as provided in Subtitle 6 of this title.

**(D) THE STATE BOARD SHALL ADOPT REGULATIONS TO ESTABLISH REQUIREMENTS CONCERNING:**

**(1) NOTICE TO ABSENT UNIFORMED SERVICES VOTERS AND OVERSEAS VOTERS CONCERNING A SPECIAL ~~GENERAL~~ ELECTION; AND**

**(2) ~~THE PROCESS FOR THE ABSENT UNIFORMED SERVICES VOTER OR OVERSEAS VOTER TO REQUEST AND RETURN THE ABSENTEE BALLOT FOR THE SPECIAL ELECTION IN A TIMELY MANNER~~ ABSENT UNIFORMED SERVICES VOTERS AND OVERSEAS VOTERS TO:**

**(I) REQUEST AN ABSENTEE BALLOT FOR A SPECIAL ELECTION;**

**AND**

**(II) RETURN AN ABSENTEE BALLOT BY MAIL IN A TIMELY MANNER.**

8–710.

(a) (1) Except as provided in paragraph (2) of this subsection, if there is a vacancy in the office of Representative in Congress, the Governor shall issue a proclamation, within 10 days after the date that the vacancy occurs or becomes known to the Governor, declaring that a special primary election and a special general election shall be held to fill the vacancy.

(2) If the vacancy occurs during the period beginning 60 days before the regular primary election and ending on the last day of the term, the Governor may:

- (i) decline to issue a proclamation; and
- (ii) allow the office to remain vacant for the remainder of the term.

(b) (1) The Governor's proclamation shall specify the dates of the special primary election and the special general election.

(2) The special primary election shall be held on a Tuesday that is at least [36] ~~60~~ 65 days after the date of the proclamation.

(3) The special general election shall be held on a Tuesday that is at least [36] ~~50~~ 65 days after the date of the special primary election.

(c) (1) The Governor shall:

- (i) immediately give public notice of the proclamation; and
- (ii) deliver the proclamation to the State Administrator.

(2) The State Administrator shall:

(i) immediately notify the State Board members and the local boards of the counties that comprise the congressional district; [and]

- (ii) forward to each of those local boards a copy of the proclamation;

AND

**(III) DIRECT THE LOCAL BOARDS OF ELECTION TO MAKE THE ABSENTEE BALLOT FOR THE SPECIAL PRIMARY ELECTION OR SPECIAL GENERAL ELECTION AVAILABLE TO AN ABSENT UNIFORMED SERVICES VOTER OR OVERSEAS**

**VOTER, AS DEFINED UNDER THE UNIFORMED AND OVERSEAS CITIZENS ABSENTEE VOTING ACT, AT LEAST 45 DAYS BEFORE THE DATE OF THE SPECIAL ELECTION.**

(d) (1) Notwithstanding any other provision of this section, if the vacancy occurs or becomes known to the Governor during the period beginning 120 days before the regular primary election for Representatives in Congress and ending 40 days before the primary election, the Governor's proclamation shall order that:

(i) the special primary election shall be merged with the regular primary election;

(ii) any individual who files a certificate of candidacy for the regular primary election shall be deemed to have filed a certificate of candidacy for the special primary election; and

(iii) any other qualified individual may file a certificate of candidacy, for both the special primary election and the regular primary election, not later than 9 p.m. on the day that is 2 days after the issuance of the proclamation.

(2) A vote cast for a candidate in the merged primary election shall be deemed a vote for that candidate in both the special primary election and the regular primary election.

(3) Two certificates of nomination, one for the special primary election and one for the regular primary election, shall be issued to each candidate nominated in the merged primary election.

(4) Notwithstanding any provision of this article:

(i) a nominee for the special primary election may decline the nomination by notifying the State Board not later than 5 p.m. on the Wednesday following the primary election;

(ii) the appropriate political party shall fill the vacancy in nomination not later than 5 p.m. on the Thursday following the primary election; and

(iii) a petition for recount and recanvass of the special primary election shall be filed not later than 5 p.m. on the Wednesday following the primary election.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2016.

**Approved by the Governor, April 26, 2016.**

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**Chapter 283****(House Bill 884)**

AN ACT concerning

**St. Mary's County – Taxicabs – Repeal of Local Provisions**

FOR the purpose of repealing provisions of law that relate to the regulation of taxicabs in St. Mary's County; and generally relating to the repeal of provisions of law that relate to taxicabs in St. Mary's County.

BY repealing

The Public Local Laws of St. Mary's County  
Section 133–1 through 133–3 and the chapter “Chapter 133. Taxicabs”  
Article 19 – Public Local Laws of Maryland  
(2007 Edition and March 2014 Supplement, as amended)

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

**Article 19 – St. Mary's County****[Chapter 133. Taxicabs]**

[133–1.

The term “taxicabs,” as used in this chapter, shall embrace any motor vehicle for hire designed to carry seven (7) persons or less, including the driver, operated upon any street or public highway in St. Mary's County or, on call or on demand, accepting or soliciting passengers indiscriminately for transportation for hire between such points along public streets or highways in St. Mary's County as may be directed by the passenger or passengers so being transported, provided that nothing in this chapter shall be construed to include as a taxicab a motor vehicle operated with the approval of the Public Service Commission of Maryland on fixed routes and schedules.]

[133–2.

In order to protect the public health, safety and welfare of the citizens of St. Mary's County and other persons who may use taxicab facilities therein, the County Commissioners of St. Mary's County are hereby authorized and empowered to enact, amend and repeal resolutions to fix requirements for ownership and operation of taxicabs in St. Mary's County and to provide for inspection and licensing of taxicabs, their owners and operators, provided that all necessary duties of inspection shall be performed by the office of County Sheriff. The annual license fees set by the County Commissioners pursuant to the power given them by this section shall not be less than fifty dollars (\$50.00) for the first taxicab owned and operated by any person and twenty-five dollars (\$25.00) for each

additional taxicab owned and operated by said person. The regulation herein provided for the taxicab industry in St. Mary's County shall be in addition to any regulation by the Commissioner of Motor Vehicles of Maryland or the Public Service Commission of Maryland. However, any applicant seeking a license for a taxicab who has not been in the taxicab business in St. Mary's County for at least one (1) year prior to his application shall, before the County Commissioners pass upon his application, obtain a written permit from the Public Service Commission. Said permit shall be issued by the Public Service Commission only upon written application and only if, in its judgment, after investigation, the granting of the permit would be for the public welfare and convenience. Any person, firm or corporation subject to this chapter who shall be aggrieved by any resolution of the County Commissioners of St. Mary's County, enacted pursuant to the authority herein conferred, may commence an action in the Circuit Court of St. Mary's County against the County Commissioners to vacate and set aside any such resolution on the ground that the regulation, practice, act or service established by such resolution is unreasonable or unlawful. The decision of the Circuit Court shall be appealable to the Court of Appeals of Maryland by either party, provided that such appeal is entered within twenty (20) days after the judgment of the Circuit Court is rendered.]

[133-3.

A. Any person, firm or corporation violating any resolution promulgated under the authority of § 133-2 shall be guilty of a misdemeanor and, upon conviction thereof, shall be punished by a fine of not more than two hundred fifty dollars (\$250.00) for each offense. In addition, the County Commissioners of St. Mary's County, upon proof of any violation of any ordinance promulgated under § 133-2, shall have authority to revoke or suspend any license issued under the authority of Section 189 after according reasonable opportunity to the licensee to be heard.

B. If any provision, clause, sentence, phrase or part of this chapter, or the application thereof to any person, firm or corporation or circumstances, is held invalid, the remainder of this chapter and the application of such provision to other persons, firms and corporations and circumstances shall not be affected thereby.]

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2016.

**Approved by the Governor, April 26, 2016.**

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## Chapter 284

**(House Bill 889)**

AN ACT concerning

**St. Mary’s County – Metropolitan Commission Bonds – Extension of Maximum  
Maturity Date**

FOR the purpose of altering the maximum period of time after which certain bonds issued by the St. Mary’s County Metropolitan Commission mature; and generally relating to the issuance of bonds by the St. Mary’s County Metropolitan Commission.

BY repealing and reenacting, with amendments,  
The Public Local Laws of St. Mary’s County  
Section 113–6  
Article 19 – Public Local Laws of Maryland  
(2007 Edition and March 2014 Supplement, as amended)

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

**Article 19 – St. Mary’s County**

113–6.

A. For the purpose of providing funds for the design, construction, establishment, purchase or condemnation of water supply and sewerage systems in any of the sanitary districts, the Commission, upon the approval of the County Commissioners of St. Mary’s County, is authorized and empowered to issue bonds, from time to time, upon the full faith and credit of St. Mary’s County, in such amounts as it may deem to be necessary to carry on its work, but at no time shall the total issue of bonds for all purposes under this chapter exceed twenty–five (25) percent of the total value of the property assessed for County taxation purposes within all of the sanitary districts in which public water or sewer facilities are located. Subject to the conditions contained herein, the form, tenor, manner of selling and all other matters relating to the issuance of bonds under this chapter shall be prescribed in a resolution to be adopted by the St. Mary’s County Metropolitan Commission prior to sale of the bonds. The issuance of such bonds may not be subject to any limitations or conditions contained in any other law, and the Commission may sell such bonds in such manner, either at public or private sale, and for such price, as it may determine to be for the best interests of the Commission and the County Commissioners of St. Mary’s County. The bonds shall be serial bonds issued upon the serial maturing plan and in such denominations as shall be determined by the Commission. The bonds may be redeemable before maturity at the option of the Commission at such price and under such terms and conditions as may be fixed by the Commission prior to the issuance of the bonds, shall bear interest at such rate or rates payable semiannually, as shall be determined by a resolution of the St. Mary’s County Metropolitan Commission adopted prior to the delivery of the bonds, and shall mature in not more than ~~[thirty (30)]~~ **FORTY (40)** years after date of issue and shall be forever exempt from State, City and County taxation as hereinafter provided. They shall be issued under the signature and seal of the Commission and shall be unconditionally guaranteed as to payment of both principal and interest by the County Commissioners of St. Mary’s County, a political subdivision of the State of Maryland, which guaranty shall be endorsed on each of the bonds in the following language: “The payment

of interest when due and the principal at maturity is guaranteed by the County Commissioners of St. Mary's County, Maryland." Such endorsement shall be signed on each of the bonds by the President and by the Clerk of the Board of County Commissioners of the County, or another person lawfully assigned to the functions of the Clerk, within ten (10) days after the bonds are presented by the Commission to them for endorsement.

B. The principal amount of bonds issued hereunder, the interest payable thereon, their transfer and any income derived therefrom, including any profit made in the sale or transfer thereof, shall be and remain exempt from taxation by the State of Maryland and by the several counties and municipal corporations of this State.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2016.

**Approved by the Governor, April 26, 2016.**

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## Chapter 285

### (House Bill 969)

AN ACT concerning

#### **Harford County – Alcoholic Beverages – Business Establishments Near Schools**

FOR the purpose of ~~altering the distance a business establishment in Harford County may be from a public or private school to be issued a license by~~ authorizing the Harford County Board of License Commissioners to issue a license to a business establishment in Harford County if the business establishment is not located within a certain distance of a public or private school; and generally relating to the sale of alcoholic beverages in Harford County.

BY repealing and reenacting, without amendments,

Article – Alcoholic Beverages

Section 22–102

Annotated Code of Maryland

(As enacted by Chapter 41 (S.B. 724) of the Acts of the General Assembly of 2016)

BY repealing and reenacting, with amendments,

Article – Alcoholic Beverages

Section 22–1602

Annotated Code of Maryland

(As enacted by Chapter 41 (S.B. 724) of the Acts of the General Assembly of 2016)

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

**Article – Alcoholic Beverages**

22–102.

This title applies only in Harford County.

22–1602.

(a) This section does not apply to:

(1) a license in effect on July 1, 1975, or the issuance or transfer of a Class B (on-sale) beer, wine, and liquor license for use on any premises licensed on July 1, 1975;

(2) a license in effect on July 1, 1977;

(3) the renewal, transfer, or upgrading of a license, unless the license is transferred to a new location; and

(4) the issuance of:

(i) a 1-day license that is to be used on the premises of a place of worship or school;

(ii) a Class GC (golf course) license; and

(iii) a class CCFA (continuing care facility) license.

(b) (1) (i) Except as provided in paragraph (2) of this subsection, the Board may not issue a license for an establishment that is within 300 feet of a place of worship.

(ii) The distance from the establishment to the place of worship is to be measured from the nearest point of the building of the establishment to the nearest point of the building of the place of worship.

(2) Paragraph (1) of this subsection does not apply to the issuance of:

(i) a 1-day license for use in a building;

(ii) a license issued to a hotel, motel, restaurant, club, or caterer in a municipality; and

(iii) a Class H beer, wine, and liquor license issued to a caterer for use in a banquet facility in an establishment if:

1. the construction of the establishment was completed after July 1, 1991; and



2. the establishment is used for emergency operations by a volunteer fire company.

(c) (1) (i) ~~¶~~Except as provided in paragraph (2) of this subsection, ~~the~~ ~~THE~~ Board may not issue a license to a business establishment that is within ~~¶~~~~1,000~~ ~~300~~ feet of a public or private school building.

(ii) The distance from the establishment to the public or private school is to be measured from the nearest point of the building of the establishment to the nearest point of the building of the school.

(2) ~~¶~~The Board may issue a license to a business establishment in HARFORD COUNTY AND IN a municipality IN HARFORD COUNTY if the business establishment is not located within 300 feet of a public or private school.

(3)~~¶~~ A decision of the County Board of Education to locate a public school building within ~~¶~~~~1,000~~ ~~300~~ feet of the premises of a license holder may not be the basis to revoke or deny the renewal, transfer, or upgrading of the license.

(d) The Board may waive the distance restrictions from a public or private school building and issue a Class B (on-sale) restaurant license if:

(1) the restaurant is located in a community shopping center that contains:

- (i) six or more retail uses;
- (ii) six or more retail and service uses; or
- (iii) a gross floor area of more than 20,000 square feet; and

(2) the Board takes into account comments received from parents whose children attend the public or private school.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016.

**Approved by the Governor, April 26, 2016.**

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## Chapter 286

**(House Bill 994)**

AN ACT concerning

**Allegany County – Alcoholic Beverages – Sunday Sales for Class A Licenses**

FOR the purpose of authorizing a holder of a Class A beer license, a Class A beer and light wine license, or a Class A beer, wine, and liquor license to sell certain alcoholic beverages during certain hours under certain circumstances in Allegany County; authorizing the Board of License Commissioners for Allegany County to issue a certain Sunday sales permit to holders of certain licenses under certain circumstances; specifying that an applicant for a certain Sunday sales permit need not have certain kitchen facilities on the licensed premises; providing that a certain Sunday sales permit authorizes the holder to sell certain alcoholic beverages for off-premises consumption during certain hours on not more than a certain number of Sundays in a year; specifying the fee for each time a certain Sunday sales permit is used; and generally relating to alcoholic beverages in Allegany County.

BY repealing and reenacting, without amendments,

Article – Alcoholic Beverages

Section 9–101(a) and (b), 9–102, and 9–2005

Annotated Code of Maryland

(As enacted by Chapter 41 (S.B. 724) of the Acts of the General Assembly of 2016)

BY repealing and reenacting, with amendments,

Article – Alcoholic Beverages

Section 9–2002(a), 9–2003(a), and 9–2004(a)

Annotated Code of Maryland

(As enacted by Chapter 41 (S.B. 724) of the Acts of the General Assembly of 2016)

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

**Article – Alcoholic Beverages**

9–101.

(a) In this title:

(1) except as provided in subsection (c) of this section, the definitions in § 1–101 of this article apply without exception or variation; and

(2) the following words have the meanings indicated.

(b) “Board” means the Board of License Commissioners for Allegany County.

9–102.

This title applies only in Allegany County.

9–2002.

(a) **(1)** Except as provided in § 9–2005 of this subtitle for December 31 and January 1, a holder of a Class A beer license may sell beer:

**(I)** on Monday through Saturday from 7 a.m. to 2 a.m. the following day; AND

**(II) ON SUNDAY FROM 11 A.M. TO MIDNIGHT IF THE HOLDER:**

**1. PAYS AN ADDITIONAL FEE OF \$250; OR**

**2. IS ISSUED A 2–DAY SUNDAY SALES PERMIT IN ACCORDANCE WITH PARAGRAPH (2) OF THIS SUBSECTION.**

**(2) (I) THE BOARD MAY ISSUE A 2–DAY SUNDAY SALES PERMIT TO A HOLDER OF A CLASS A BEER LICENSE.**

**(II) AN APPLICANT FOR A 2–DAY SUNDAY SALES PERMIT NEED NOT HAVE KITCHEN FACILITIES ON THE LICENSED PREMISES.**

**(III) A 2–DAY SUNDAY SALES PERMIT AUTHORIZES THE HOLDER TO SELL BEER FOR OFF–PREMISES CONSUMPTION ON NOT MORE THAN TWO SUNDAYS IN A YEAR FROM 11 A.M. TO MIDNIGHT.**

**(IV) THE PERMIT FEE IS \$50 FOR EACH TIME THE PERMIT IS USED.**

9–2003.

(a) **(1)** Except as provided in § 9–2005 of this subtitle for December 31 and January 1, a holder of a Class A beer and light wine license may sell beer and light wine:

**(I)** on Monday through Saturday from 7 a.m. to 2 a.m. the following day; AND

**(II) ON SUNDAY FROM 11 A.M. TO MIDNIGHT IF THE HOLDER:**

**1. PAYS AN ADDITIONAL FEE OF \$250; OR**

**2. IS ISSUED A 2–DAY SUNDAY SALES PERMIT IN ACCORDANCE WITH PARAGRAPH (2) OF THIS SUBSECTION.**

**(2) (I) THE BOARD MAY ISSUE A 2-DAY SUNDAY SALES PERMIT TO A HOLDER OF A CLASS A BEER AND LIGHT WINE LICENSE.**

**(II) AN APPLICANT FOR A 2-DAY SUNDAY SALES PERMIT NEED NOT HAVE KITCHEN FACILITIES ON THE LICENSED PREMISES.**

**(III) A 2-DAY SUNDAY SALES PERMIT AUTHORIZES THE HOLDER TO SELL BEER AND LIGHT WINE FOR OFF-PREMISES CONSUMPTION ON NOT MORE THAN TWO SUNDAYS IN A YEAR FROM 11 A.M. TO MIDNIGHT.**

**(IV) THE PERMIT FEE IS \$50 FOR EACH TIME THE PERMIT IS USED.**

9-2004.

(a) **(1)** Except as provided in § 9-2005 of this subtitle for December 31 and January 1, a holder of a Class A beer, wine, and liquor license may sell beer, wine, and liquor for off-premises consumption:

**(I)** on Monday through Saturday from 7 a.m. to 2 a.m. the following day; AND

**(II) ON SUNDAY FROM 11 A.M. TO MIDNIGHT IF THE HOLDER:**

**1. PAYS AN ADDITIONAL FEE OF \$250; OR**

**2. IS ISSUED A 2-DAY SUNDAY SALES PERMIT IN ACCORDANCE WITH PARAGRAPH (2) OF THIS SUBSECTION.**

**(2) (I) THE BOARD MAY ISSUE A 2-DAY SUNDAY SALES PERMIT TO A HOLDER OF A CLASS A BEER, WINE, AND LIQUOR LICENSE.**

**(II) AN APPLICANT FOR A 2-DAY SUNDAY SALES PERMIT NEED NOT HAVE KITCHEN FACILITIES ON THE LICENSED PREMISES.**

**(III) A 2-DAY SUNDAY SALES PERMIT AUTHORIZES THE HOLDER TO SELL BEER, WINE, AND LIQUOR FOR OFF-PREMISES CONSUMPTION ON NOT MORE THAN TWO SUNDAYS IN A YEAR FROM 11 A.M. TO MIDNIGHT.**

**(IV) THE PERMIT FEE IS \$50 FOR EACH TIME THE PERMIT IS USED.**

9-2005.

The Board shall determine the hours of sale for December 31 and January 1, regardless of the days of the week on which those dates fall.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016.

Approved by the Governor, April 26, 2016.

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## Chapter 287

(House Bill 1007)

AN ACT concerning

### Freedom to Vote Act

~~FOR the purpose of requiring the Motor Vehicle Administration to implement an automatic voter registration system on or before a certain date; requiring certain social service agencies to implement an automatic voter registration system on or before a certain date; requiring an automatic voter registration system to comply with certain requirements; requiring the State Board of Elections to register individuals whose voter registration information is transmitted to the State Board through an automatic voter registration system; prohibiting an agent of an automatic voter registration agency from taking certain actions; restricting the use of certain data related to automatic voter registration; authorizing the State Board to adopt regulations to implement automatic voter registration; requiring automatic voter registration agencies to submit certain reports to certain committees of the General Assembly on or before certain dates; providing that voter registration agencies that are designated automatic voter registration agencies are not subject to certain requirements; requiring voter registration agencies to ensure that certain applications may not be completed until the applicant has indicated whether the applicant wishes to register to vote; requiring a public institution of higher education to implement an electronic voter registration system on or before a certain date; requiring the State Board to register individuals whose voter registration information is transmitted to the State Board through an electronic voter registration system at a public institution of higher education; requiring the Maryland Higher Education Commission to submit certain reports to certain committees of the General Assembly on or before certain dates; requiring the State Board to adopt specified regulations regarding participants in address confidentiality programs; prohibiting a person acting under color of law from taking certain actions based on an individual's declination to register to vote or voter registration record; providing that an individual who unintentionally becomes registered to vote shall be considered to have registered to vote with the official authorization of the State Board and may not be considered to have violated certain provisions of law because of the unintended registration; requiring an automatic~~

~~voter registration agency to provide electronic records relating to certain individuals to the State Board on or before a certain date; requiring the electronic records to include certain information; requiring the State Board to provide the electronic records of eligible individuals who are not registered to vote or whose voter registration record is out of date to the local board for the county where the individual resides; requiring the local board to send by mail to each eligible individual who is not registered to vote or whose voter registration record is out of date a notice that includes certain information; requiring the State Board to promptly add to the statewide voter registration list or update the voter registration record of each eligible individual who does not decline to register to vote or update the individual's voter registration record within a certain period of time after issuance of the notice; requiring that an individual added to the statewide voter registration list who has not affirmatively selected a political party affiliation be listed as not affiliated with any political party; authorizing the State Board to adopt certain regulations; requiring the State Board and each automatic voter registration agency to jointly submit a certain report to certain committees of the General Assembly on or before a certain date; requiring the State Board, in collaboration with each automatic voter registration agency, to take appropriate measures to educate the public about automatic voter registration; repealing certain provisions of law relating to voter registration at the Motor Vehicle Administration; defining certain terms; and generally relating to automatic voter registration.~~

FOR the purpose of requiring certain State agencies that are deemed electronic voter registration agencies to implement electronic voter registration systems on or before a certain date; requiring an electronic voter registration system to comply with certain requirements; requiring the State Board of Elections to register individuals whose voter registration information is transmitted to the State Board through an electronic voter registration system; prohibiting an agent of an electronic voter registration agency who is responsible for carrying out certain voter registration functions from taking certain actions; restricting the use of certain data related to voter registration; authorizing the State Board to adopt regulations to implement electronic voter registration systems; requiring an electronic voter registration agency to submit certain reports to certain committees of the General Assembly on or before certain dates; requiring certain State agencies deemed automatic voter registration agencies to provide electronic records relating to certain individuals who have previously transacted business with the agency to the State Board on or before a certain date; requiring the electronic records to include certain information; requiring the State Board to review the electronic record of each individual it receives; requiring the State Board to provide the electronic records of individuals who are not registered to vote or whose voter registration record is eligible to be updated to the local board for the county where the individual resides; requiring the local board to send by mail to each individual who is not registered to vote or whose voter registration record is eligible to be updated certain notices that include certain information; requiring a local board to promptly add to the statewide voter registration list or update the voter registration record of each individual who does not decline to register to vote or update the individual's voter registration record within a certain period of time after issuance of the notice; requiring that an individual added to the statewide voter registration list who has not affirmatively

~~selected a political party affiliation be listed as not affiliated with any political party; providing that an individual who becomes registered to vote after receiving a certain notice shall be considered to have become registered to vote based on information provided to the State Board by an automatic voter registration agency; requiring the State Board to permanently delete an individual's voter registration record if the individual was inadvertently registered to vote under certain circumstances; requiring the State Board to follow certain procedures to update the voter registration records of individuals who are registered to vote on or before certain dates; requiring the State Board to take appropriate measures to educate the public about automatic voter registration; authorizing the State Board to adopt certain regulations; requiring the State Board and each automatic voter registration agency jointly to submit a certain report to certain committees of the General Assembly on or before a certain date; designating all one-stop career centers in the Department of Labor, Licensing, and Regulation as voter registration agencies; providing that voter registration agencies that are subject to certain requirements are not subject to certain provisions of law; requiring voter registration agencies to ensure that certain applications for service or assistance may not be completed until the applicant has indicated whether the applicant wishes to register to vote; requiring a public institution of higher education to provide a link to the online voter registration system on the home page of the online portal used by students to register for course work; requiring the Maryland Higher Education Commission to submit certain reports to certain committees of the General Assembly on or before certain dates; requiring the Department of Labor, Licensing, and Regulation to submit certain reports concerning voter registration at one-stop career centers to certain committees of the General Assembly on or before certain dates; requiring the State Board and the Department of Natural Resources to develop procedures for applicants who apply for ~~hunting and fishing licenses~~ *any license, permit, or certificate* online to register to vote through a link to the online voter registration system; *requiring the State Board and the Department of Veterans Affairs to develop procedures for individuals who use the Department of Veterans Affairs Web site or who are contacted through a certain program to register to vote through a link to the online voter registration system; requiring the State Board and the Department of Human Resources to develop and implement procedures for certain individuals who use the Department's electronic portal for certain purposes to be offered the opportunity to register to vote through a link to the State Board's online voter registration system;* requiring the State Board and the Department of Labor, Licensing, and Regulation to develop procedures for individuals who use the Maryland Workforce Exchange Web site to register to vote through a link to the online voter registration system; ~~requiring the State Board to send by mail certain information concerning voter registration to certain individuals who conducted certain transactions with certain State agencies during the previous year;~~ requiring the State Board to adopt certain regulations regarding participants in address confidentiality programs; authorizing the disclosure of information concerning an applicant for certain services and public assistance programs as necessary to administer electronic voter registration; requiring certain agencies to take certain actions to train employees of the agency concerning the requirements of this Act; repealing certain provisions of law relating to voter registration at the Motor Vehicle Administration; *requiring the Attorney*~~

General to request certain determinations from the United States Department of Labor and the Internal Revenue Service; making certain provisions of this Act contingent on certain determinations made by the United States Department of Labor; requiring the Department of Information Technology and the State Board of Elections to conduct a certain study; defining certain terms; and generally relating to voter registration.

~~BY adding to~~

~~Article – Election Law  
Section 1-101(z-1) and 3-203  
Annotated Code of Maryland  
(2010 Replacement Volume and 2015 Supplement)~~

~~BY repealing and reenacting, without amendments,~~

~~Article – Election Law  
Section 3-102  
Annotated Code of Maryland  
(2010 Replacement Volume and 2015 Supplement)~~

~~BY repealing~~

~~Article – Election Law  
Section 3-203  
Annotated Code of Maryland  
(2010 Replacement Volume and 2015 Supplement)~~

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

~~Article – Election Law  
Section 3-204, 3-506, and 16-101  
Annotated Code of Maryland  
(2010 Replacement Volume and 2015 Supplement)~~

BY adding to

Article – Election Law  
Section 1-101(b-1), 3-203, ~~3-203.1~~, 3-204(a-1), (c), and (j), and 3-204.2, ~~and~~  
~~3-204.3~~  
Annotated Code of Maryland  
(2010 Replacement Volume and 2015 Supplement)

BY repealing and reenacting, without amendments,

Article – Election Law  
Section 1-101(y) and 3-204(a)(1) and (3), (d), (e), (g), (h), and (i)  
Annotated Code of Maryland  
(2010 Replacement Volume and 2015 Supplement)

BY repealing and reenacting, without amendments,

Article – Election Law  
Section 3-102



Annotated Code of Maryland  
(2010 Replacement Volume and 2015 Supplement)  
(As enacted by Chapter 6 of the Acts of the General Assembly of 2016)

BY repealing

Article – Election Law  
Section 3-203 and 3-204(c)  
Annotated Code of Maryland  
(2010 Replacement Volume and 2015 Supplement)

BY repealing and reenacting, with amendments,

Article – Election Law  
Section ~~3-204~~ 3-204(a)(2), (b), and (f) and 3-506  
Annotated Code of Maryland  
(2010 Replacement Volume and 2015 Supplement)

BY repealing and reenacting, with amendments,

Article – Human Services  
Section 1-201  
Annotated Code of Maryland  
(2007 Volume and 2015 Supplement)

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

**Article – Election Law**

~~1-101.~~

~~(Z-1) “ELIGIBLE INDIVIDUAL” MEANS AN INDIVIDUAL WHO SATISFIES ALL THE QUALIFICATIONS TO BE A REGISTERED VOTER UNDER § 3-102 OF THIS ARTICLE.~~

~~3-102.~~

~~(a) (1) Except as provided in subsection (b) of this section, an individual may become registered to vote if the individual:~~

~~(i) is a citizen of the United States;~~

~~(ii) is at least 16 years old;~~

~~(iii) is a resident of the State as of the day the individual seeks to register; and~~

~~(iv) registers pursuant to this title.~~

~~(2) Notwithstanding paragraph (1)(ii) of this subsection, an individual under the age of 18 years:~~

~~(i) may vote in a primary election in which candidates are nominated for a general or special election that will occur when the individual is at least 18 years old; and~~

~~(ii) may not vote in any other election.~~

~~(b) An individual is not qualified to be a registered voter if the individual:~~

~~(1) has been convicted of a felony and is actually serving a court-ordered sentence of imprisonment, including any term of parole or probation, for the conviction;~~

~~(2) is under guardianship for mental disability and a court of competent jurisdiction has specifically found by clear and convincing evidence that the individual cannot communicate, with or without accommodations, a desire to participate in the voting process; or~~

~~(3) has been convicted of buying or selling votes.~~

~~§ 203.~~

~~(a) The Motor Vehicle Administration shall provide the opportunity to apply to register to vote or update a voter registration record to each individual who:~~

~~(1) applies for or renews a driver's license or identification card; or~~

~~(2) changes a name or address on an existing driver's license or identification card.~~

~~(b) (1) The Motor Vehicle Administration shall inquire orally or in writing whether the applicant wishes to register to vote or update a voter registration record during the transactions specified under subsection (a) of this section.~~

~~(2) If the applicant chooses to register to vote or to update a voter registration record:~~

~~(i) all applicable information received by the Motor Vehicle Administration in the course of completing a transaction under subsection (a) of this section shall be transferred to a voter registration application;~~

~~(ii) any additional necessary information shall be obtained by the Motor Vehicle Administration and may not duplicate any information already obtained while completing a transaction under subsection (a) of this section; and~~

~~(iii) a voter registration application with all of the applicant's voter registration information shall be presented to the applicant to sign or affirm electronically.~~

~~(3) (i) An applicant may decline to register to vote, update the applicant's voter registration record, or change the applicant's name or address by:~~

- ~~1. affirmatively indicating as such on the application; or~~
- ~~2. failing to sign the voter registration application.~~

~~(ii) The Motor Vehicle Administration shall maintain declination information in a manner specified jointly by the Motor Vehicle Administration and the State Board.~~

~~(4) Within 5 days of the receipt of an application under subsection (a) of this section, the Motor Vehicle Administration shall forward to the State Board the voter registration information in a manner and format specified jointly by the Motor Vehicle Administration and the State Board.~~

~~(e) (1) (i) In consultation with the Motor Vehicle Administration, the State Board shall prepare a voter registration application to be used for voter registration at the Motor Vehicle Administration.~~

~~(ii) Except as provided in this section, the voter registration portion of the application may not require information that duplicates information required in the driver's license or identification card portion of the application.~~

~~(2) The voter registration portion of the application shall:~~

~~(i) contain the same information as the statewide voter registration application prescribed in § 3-202(a) of this subtitle; and~~

~~(ii) require only the minimum amount of information necessary, including the applicant's telephone number:~~

- ~~1. to prevent duplicate voter registration; and~~
- ~~2. to enable the appropriate election official to assess the eligibility of an applicant and to administer voter registration and other aspects of the election process.~~

~~(3) The application shall contain a box for the applicant to check, with the statement, "I do not wish to register to vote at this time".~~

~~(d) The Motor Vehicle Administration shall follow the procedures established jointly by the Motor Vehicle Administration and the State Board to process the voter registration information received under this section.~~

~~(e) Information relating to the failure of an applicant for a driver's license or identification card to register to vote may not be used for any purpose other than the maintenance of registration statistics.]~~

~~3-203.~~

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

~~(2) "ADDRESS CONFIDENTIALITY PROGRAM" MEANS:~~

~~(I) THE ADDRESS CONFIDENTIALITY PROGRAM FOR VICTIMS OF DOMESTIC VIOLENCE UNDER TITLE 4, SUBTITLE 5, PART IV OF THE FAMILY LAW ARTICLE; OR~~

~~(II) THE HUMAN TRAFFICKING ADDRESS CONFIDENTIALITY PROGRAM UNDER TITLE 7, SUBTITLE 3 OF THE STATE GOVERNMENT ARTICLE.~~

~~(3) (I) "APPLICABLE TRANSACTION" MEANS:~~

~~1. AT THE MOTOR VEHICLE ADMINISTRATION, AN INITIAL APPLICATION FOR OR RENEWAL OF A DRIVER'S LICENSE OR IDENTIFICATION CARD, OR A CHANGE OF NAME OR ADDRESS ON AN EXISTING DRIVER'S LICENSE OR IDENTIFICATION CARD; OR~~

~~2. AT A SOCIAL SERVICE AGENCY, AN INITIAL APPLICATION FOR SERVICE OR ASSISTANCE OR AN APPLICATION FOR RECERTIFICATION, RENEWAL, OR A CHANGE OF NAME OR ADDRESS RELATING TO ANY SERVICE OR ASSISTANCE.~~

~~(II) "APPLICABLE TRANSACTION" INCLUDES ANY TRANSACTION DESCRIBED IN SUBPARAGRAPH (I) OF THIS PARAGRAPH THAT IS COMPLETED ONLINE.~~

~~(4) "AUTOMATIC VOTER REGISTRATION AGENCY" MEANS:~~

~~(I) THE MOTOR VEHICLE ADMINISTRATION; OR~~

~~(II) A SOCIAL SERVICE AGENCY.~~

~~(5) "AUTOMATIC VOTER REGISTRATION SYSTEM" MEANS A SYSTEM THAT AS AN INTEGRAL PART OF EACH APPLICABLE TRANSACTION AT AN AUTOMATIC VOTER REGISTRATION AGENCY;~~

~~(I) INFORMS AN APPLICANT:~~

~~1. THAT THE APPLICANT SHALL BE REGISTERED TO VOTE OR SHALL HAVE A VOTER REGISTRATION RECORD UPDATED, IF APPLICABLE, UNLESS THE APPLICANT DECLINES TO REGISTER TO VOTE OR IS DETERMINED NOT TO BE ELIGIBLE TO REGISTER TO VOTE;~~

~~2. A. OF THE QUALIFICATIONS TO REGISTER TO VOTE UNDER § 3-102 OF THIS TITLE;~~

~~B. THAT THE APPLICANT SHOULD NOT REGISTER IF THE APPLICANT DOES NOT MEET ALL OF THE QUALIFICATIONS; AND~~

~~C. OF THE CONSEQUENCES FOR FRAUDULENTLY REGISTERING TO VOTE; AND~~

~~3. THAT VOTER REGISTRATION IS VOLUNTARY AND THAT NEITHER REGISTERING NOR DECLINING TO REGISTER TO VOTE WILL IN ANY WAY AFFECT THE AVAILABILITY OF SERVICES OR BENEFITS; AND~~

~~(H) ELECTRONICALLY TRANSMITS THE VOTER REGISTRATION INFORMATION OF EACH APPLICANT WHO DOES NOT DECLINE TO REGISTER TO VOTE DIRECTLY TO THE APPROPRIATE STATE ELECTION OFFICIAL.~~

~~(6) "LOCAL DEPARTMENT OF SOCIAL SERVICES" INCLUDES:~~

~~(I) THE LOCAL DEPARTMENTS OF SOCIAL SERVICES IN THE DEPARTMENT OF HUMAN RESOURCES; AND~~

~~(II) THE MONTGOMERY COUNTY DEPARTMENT OF HEALTH AND HUMAN SERVICES.~~

~~(7) "SOCIAL SERVICE AGENCY" MEANS:~~

~~(I) THE LOCAL DEPARTMENTS OF SOCIAL SERVICES;~~

~~(II) THE MARYLAND HEALTH BENEFIT EXCHANGE;~~

~~(III) THE MOBILITY CERTIFICATION OFFICE IN THE MARYLAND TRANSIT ADMINISTRATION; OR~~

~~(IV) THE DIVISION OF UNEMPLOYMENT INSURANCE IN THE DEPARTMENT OF LABOR, LICENSING, AND REGULATION.~~

~~(B) (1) THE MOTOR VEHICLE ADMINISTRATION SHALL IMPLEMENT AN AUTOMATIC VOTER REGISTRATION SYSTEM ON OR BEFORE JANUARY 1, 2017.~~

~~(2) A SOCIAL SERVICE AGENCY SHALL IMPLEMENT AN AUTOMATIC VOTER REGISTRATION SYSTEM ON OR BEFORE JULY 1, 2017.~~

~~(C) AN AUTOMATIC VOTER REGISTRATION SYSTEM:~~

~~(1) MAY NOT REQUIRE ANY INFORMATION THAT DUPLICATES THE INFORMATION REQUIRED TO COMPLETE AN APPLICABLE TRANSACTION;~~

~~(2) SHALL REQUIRE ONLY THE MINIMUM AMOUNT OF INFORMATION NECESSARY FOR BOTH AN APPLICABLE TRANSACTION AND VOTER REGISTRATION:~~

~~(I) TO PREVENT DUPLICATE VOTER REGISTRATION; AND~~

~~(H) TO ENABLE ELECTION OFFICIALS TO ASSESS THE ELIGIBILITY OF AN APPLICANT AND TO ADMINISTER VOTER REGISTRATION AND OTHER ASPECTS OF THE ELECTION PROCESS; AND~~

~~(3) SHALL INFORM AN APPLICANT:~~

~~(I) THAT IF THE APPLICANT DOES NOT SELECT A POLITICAL PARTY AFFILIATION, THE INDIVIDUAL WILL BE DESIGNATED AS NOT AFFILIATED WITH A POLITICAL PARTY AND WILL BE UNABLE TO VOTE IN A PARTY PRIMARY ELECTION;~~

~~(H) THAT THE INDIVIDUAL'S VOTER REGISTRATION RECORD WILL BE SUBJECT TO PUBLIC DISCLOSURE FOR PURPOSES RELATED TO THE ELECTORAL PROCESS UNLESS:~~

~~1. THE INDIVIDUAL IS A PARTICIPANT IN AN ADDRESS CONFIDENTIALITY PROGRAM; OR~~

~~2. REGULATIONS ADOPTED BY THE STATE BOARD AUTHORIZE THE INDIVIDUAL TO APPLY TO KEEP THE INDIVIDUAL'S RESIDENCE ADDRESS CONFIDENTIAL FOR SPECIFIED SAFETY OR PRIVACY REASONS; AND~~

~~(H) OF THE MANNER IN WHICH THE INDIVIDUAL MAY APPLY TO KEEP THE INDIVIDUAL'S RESIDENCE ADDRESS CONFIDENTIAL FOR SPECIFIED SAFETY OR PRIVACY REASONS, AS PRESCRIBED BY THE STATE BOARD BY REGULATION.~~

~~(D) THE STATE BOARD SHALL ENSURE THAT EACH ELIGIBLE INDIVIDUAL WHO HAS NOT DECLINED TO REGISTER TO VOTE AND WHOSE VOTER REGISTRATION INFORMATION IS TRANSMITTED TO THE STATE BOARD THROUGH AN AUTOMATIC VOTER REGISTRATION SYSTEM IS PROMPTLY REGISTERED TO VOTE.~~

~~(E) AN AGENT OF AN AUTOMATIC VOTER REGISTRATION AGENCY WHO IS RESPONSIBLE FOR CARRYING OUT THE REQUIREMENTS OF THIS SECTION MAY NOT:~~

~~(1) SEEK TO INFLUENCE AN APPLICANT'S POLITICAL PREFERENCE OR PARTY REGISTRATION;~~

~~(2) DISPLAY ANY POLITICAL PREFERENCE OR PARTY ALLEGIANCE;~~  
~~OR~~

~~(3) MAKE ANY STATEMENT TO AN APPLICANT OR TAKE ANY ACTION THE PURPOSE OR EFFECT OF WHICH IS TO:~~

~~(I) DISCOURAGE THE APPLICANT FROM REGISTERING TO VOTE;~~

~~(II) ENCOURAGE THE APPLICANT TO REGISTER TO VOTE; OR~~

~~(III) LEAD THE APPLICANT TO BELIEVE THAT A DECISION TO REGISTER OR NOT TO REGISTER HAS ANY BEARING ON THE AVAILABILITY OF SERVICES OR BENEFITS.~~

~~(F) INFORMATION RELATING TO THE DECISION OF AN APPLICANT AT AN AUTOMATIC VOTER REGISTRATION AGENCY TO DECLINE TO REGISTER TO VOTE MAY NOT BE USED FOR ANY PURPOSE OTHER THAN THE MAINTENANCE OF REGISTRATION STATISTICS.~~

~~(G) NOTWITHSTANDING § 3-501 OF THIS TITLE AND § 4-401 OF THE GENERAL PROVISIONS ARTICLE, THE IDENTITY OF AN AUTOMATIC VOTER REGISTRATION AGENCY THROUGH WHICH A PARTICULAR VOTER HAS REGISTERED MAY NOT BE DISCLOSED TO THE PUBLIC.~~

~~(H) THE STATE BOARD MAY ADOPT REGULATIONS AS NECESSARY TO IMPLEMENT THIS SECTION.~~

~~(I) (1) EACH AUTOMATIC VOTER REGISTRATION AGENCY SHALL:~~

~~(i) ON OR BEFORE JANUARY 1, 2017, SUBMIT A REPORT, IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE, TO THE~~

~~SENATE EDUCATION, HEALTH, AND ENVIRONMENTAL AFFAIRS COMMITTEE AND THE HOUSE COMMITTEE ON WAYS AND MEANS THAT DESCRIBES:~~

~~1. THE EFFORTS OF THE AUTOMATIC VOTER REGISTRATION AGENCY TO REGISTER VOTERS IN THE PRECEDING CALENDAR YEAR;~~

~~2. THE STATUS OF IMPLEMENTATION OF AN AUTOMATIC VOTER REGISTRATION SYSTEM;~~

~~3. THE NUMBER OF INDIVIDUALS WHO COMPLETED AN APPLICABLE TRANSACTION IN THE PRECEDING CALENDAR YEAR AT THE AUTOMATIC VOTER REGISTRATION AGENCY AND THE NUMBER OF THOSE INDIVIDUALS WHO REGISTERED TO VOTE OR UPDATED A VOTER REGISTRATION RECORD; AND~~

~~4. ANY OTHER EFFORTS THE AUTOMATIC VOTER REGISTRATION AGENCY PLANS TO MAKE TO INCREASE THE NUMBER OF INDIVIDUALS WHO REGISTER TO VOTE THROUGH THE AGENCY; AND~~

~~(H) ON OR BEFORE JANUARY 1, 2018, AND JANUARY 1 OF EACH SUBSEQUENT YEAR, SUBMIT A REPORT, IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE, TO THE SENATE EDUCATION, HEALTH, AND ENVIRONMENTAL AFFAIRS COMMITTEE AND THE HOUSE COMMITTEE ON WAYS AND MEANS THAT DESCRIBES:~~

~~1. THE NUMBER OF INDIVIDUALS WHO COMPLETED AN APPLICABLE TRANSACTION IN THE PRECEDING CALENDAR YEAR AT THE AUTOMATIC VOTER REGISTRATION AGENCY AND THE NUMBER OF THOSE INDIVIDUALS WHO REGISTERED TO VOTE OR UPDATED A VOTER REGISTRATION RECORD; AND~~

~~2. ANY EFFORTS THE AUTOMATIC VOTER REGISTRATION AGENCY PLANS TO MAKE TO INCREASE THE NUMBER OF INDIVIDUALS WHO REGISTER TO VOTE THROUGH THE AGENCY.~~

~~(2) THE DEPARTMENT OF HUMAN RESOURCES SHALL SUBMIT THE REPORTS REQUIRED UNDER PARAGRAPH (1)(I) AND (H) OF THIS SUBSECTION AS SINGLE DOCUMENTS ON BEHALF OF ALL THE LOCAL DEPARTMENTS OF SOCIAL SERVICES.~~



~~(a) (1) The State Board shall designate public agencies and nongovernmental agencies as voter registration agencies where qualified individuals may apply to register to vote.~~

~~(2) The State Board shall designate the following offices as voter registration agencies:~~

~~(i) all offices in the State that provide public assistance;~~

~~(ii) all offices in the State that provide State-funded programs primarily engaged in providing services to individuals with disabilities; and~~

~~(iii) all public institutions of higher education in the State.~~

~~(3) The State Board and the Secretary of Defense shall jointly develop and implement procedures for persons to apply to register to vote at recruitment offices of the armed forces of the United States, which shall be deemed voter registration agencies.~~

~~(A-1) A VOTER REGISTRATION AGENCY THAT IS DESIGNATED AN AUTOMATIC VOTER REGISTRATION AGENCY UNDER § 3-203 OF THIS SUBTITLE:~~

~~(1) SHALL CONDUCT VOTER REGISTRATION IN THE MANNER SPECIFIED IN § 3-203 OF THIS SUBTITLE; AND~~

~~(2) IS NOT SUBJECT TO THE REQUIREMENTS OF THIS SECTION.~~

~~(b) Except for a public institution of higher education in the State, which institution shall comply with the requirements of subsection (c) of this section, each voter registration agency, as provided in subsection (a)(2) and (3) of this section, shall:~~

~~(1) distribute a voter registration application approved by the State Board or the Federal Election Commission with each application for service or assistance it renders and with each recertification, renewal, or change of address form relating to such service or assistance;~~

~~(2) provide a document to prospective registrants that includes:~~

~~(i) the question, "If you are not registered to vote where you live now, would you like to apply to register to vote here today?";~~

~~(ii) if the agency provides public assistance, the statement, "Applying to register or declining to register to vote will not affect the amount of assistance that you will be provided by this agency.";~~

~~(iii) boxes for the applicant to check to indicate whether the applicant would like to register or declines to register to vote together with the statement (in close~~

~~proximity to the boxes and in prominent type), “If you do not check either box, you will be considered to have decided not to register to vote at this time.”;~~

~~(iv) the statement, “If you would like help in filling out the voter registration application form, we will help you. The decision whether to seek or accept help is yours. You may fill out the application form in private.”;~~

~~(v) the statement, “If you believe that someone has interfered with your right to register or to decline to register to vote, your right to privacy in deciding whether to register or in applying to register to vote, or your right to choose your own political party or other political preference, you may file a complaint with the State Board of Elections.”; and~~

~~(vi) the address and toll free telephone number of the State Board;~~

~~(3) provide each applicant who does not decline to register to vote and who accepts assistance the same degree of assistance with regard to completion of the registration application as is provided by the office with regard to the completion of its own applications, unless the applicant refuses such assistance; [and]~~

~~(4) ENSURE THAT EACH APPLICATION DESCRIBED IN ITEM (1) OF THIS SUBSECTION MAY NOT BE COMPLETED UNTIL THE APPLICANT HAS INDICATED WHETHER THE APPLICANT WISHES TO REGISTER TO VOTE; AND~~

~~(5) accept the completed voter registration application for transmittal to the appropriate election board.~~

~~[(e) At the time that an individual enrolls, registers, or pays for course work provided by a public institution of higher education in the State, the institution shall provide the individual with an opportunity to request a voter registration application. If the individual requests a voter registration application, the institution shall provide, or cause to be provided, an application to the individual.]~~

~~(c) (1) (i) IN THIS SUBSECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED:~~

~~(ii) “COMMISSION” MEANS THE MARYLAND HIGHER EDUCATION COMMISSION.~~

~~(iii) “ELECTRONIC VOTER REGISTRATION SYSTEM” MEANS A SYSTEM THAT:~~

~~1. A STUDENT MAY USE TO REGISTER TO VOTE OR UPDATE A VOTER REGISTRATION RECORD BY ELECTRONICALLY SUBMITTING ALL THE INFORMATION REQUIRED TO REGISTER TO VOTE OR UPDATE THE STUDENT’S~~

~~VOTER REGISTRATION RECORD THROUGH THE ONLINE PORTAL USED TO REGISTER FOR COURSE WORK; AND~~

~~2. ELECTRONICALLY TRANSMITS THE VOTER REGISTRATION INFORMATION OF THE STUDENT DIRECTLY TO THE APPROPRIATE STATE ELECTION OFFICIAL.~~

~~(IV) "INSTITUTION OF HIGHER EDUCATION" HAS THE MEANING STATED IN § 10-101(H) OF THE EDUCATION ARTICLE.~~

~~(2) A PUBLIC INSTITUTION OF HIGHER EDUCATION SHALL IMPLEMENT AN ELECTRONIC VOTER REGISTRATION SYSTEM ON OR BEFORE JULY 1, 2017.~~

~~(3) THE STATE BOARD SHALL ENSURE THAT EACH ELIGIBLE INDIVIDUAL WHOSE VOTER REGISTRATION INFORMATION IS TRANSMITTED TO THE STATE BOARD THROUGH AN ELECTRONIC VOTER REGISTRATION SYSTEM AT A PUBLIC INSTITUTION OF HIGHER EDUCATION IS PROMPTLY REGISTERED TO VOTE.~~

~~(4) A PUBLIC INSTITUTION OF HIGHER EDUCATION SHALL:~~

~~(i) ON OR BEFORE JANUARY 1, 2017, SUBMIT A REPORT TO THE COMMISSION THAT DESCRIBES:~~

~~1. THE EFFORTS OF THE PUBLIC INSTITUTION OF HIGHER EDUCATION TO REGISTER VOTERS IN THE PRECEDING CALENDAR YEAR;~~

~~2. THE STATUS OF IMPLEMENTATION OF AN ELECTRONIC VOTER REGISTRATION SYSTEM;~~

~~3. THE NUMBER OF STUDENTS WHO ARE RESIDENTS OF THE STATE AND REGISTERED FOR COURSE WORK IN THE PRECEDING CALENDAR YEAR AT THE PUBLIC INSTITUTION OF HIGHER EDUCATION AND THE NUMBER OF THOSE STUDENTS WHO REGISTERED TO VOTE OR UPDATED A VOTER REGISTRATION RECORD; AND~~

~~4. ANY OTHER EFFORTS THE PUBLIC INSTITUTION OF HIGHER EDUCATION PLANS TO MAKE TO INCREASE THE NUMBER OF INDIVIDUALS WHO REGISTER TO VOTE THROUGH THE INSTITUTION; AND~~

~~(ii) ON OR BEFORE JANUARY 1, 2018, AND JANUARY 1 OF EACH SUBSEQUENT YEAR, SUBMIT A REPORT TO THE COMMISSION THAT DESCRIBES:~~

~~1. THE NUMBER OF STUDENTS WHO ARE RESIDENTS OF THE STATE AND REGISTERED FOR COURSE WORK IN THE PRECEDING CALENDAR YEAR AT THE PUBLIC INSTITUTION OF HIGHER EDUCATION AND THE NUMBER OF THOSE STUDENTS WHO REGISTERED TO VOTE OR UPDATED A VOTER REGISTRATION RECORD; AND~~

~~2. ANY EFFORTS THE PUBLIC INSTITUTION OF HIGHER EDUCATION PLANS TO MAKE TO INCREASE THE NUMBER OF INDIVIDUALS WHO REGISTER TO VOTE THROUGH THE INSTITUTION.~~

~~(5) THE COMMISSION SHALL COMPILE AND SUMMARIZE THE INFORMATION REPORTED BY PUBLIC INSTITUTIONS OF HIGHER EDUCATION:~~

~~(i) UNDER PARAGRAPH (4)(I) OF THIS SUBSECTION IN A SINGLE REPORT THAT THE COMMISSION SHALL SUBMIT ON OR BEFORE JANUARY 15, 2017, TO THE SENATE EDUCATION, HEALTH, AND ENVIRONMENTAL AFFAIRS COMMITTEE AND THE HOUSE COMMITTEE ON WAYS AND MEANS, IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE; AND~~

~~(ii) UNDER PARAGRAPH (4)(II) OF THIS SUBSECTION IN A SINGLE REPORT THAT THE COMMISSION SHALL SUBMIT ON OR BEFORE JANUARY 15, 2018, AND JANUARY 15 OF EACH SUBSEQUENT YEAR TO THE SENATE EDUCATION, HEALTH, AND ENVIRONMENTAL AFFAIRS COMMITTEE AND THE HOUSE COMMITTEE ON WAYS AND MEANS, IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE.~~

~~(d) An applicant may mail the voter registration application to the appropriate State election official or return it to the voter registration agency for transmittal to the appropriate election official.~~

~~(e) Within 5 days from the acceptance of a voter registration application, the voter registration agency shall forward the application to the appropriate State election official.~~

~~(f) (1) An applicant registering to vote at a voter registration agency may affirmatively consent to the use of an electronic copy of the individual's signature that is on file with the voter registration agency as the individual's signature for the application being submitted.~~

~~(2) If an applicant signs a voter registration application as provided in paragraph (1) of this subsection, the voter registration agency shall transmit an electronic copy of the applicant's signature to the State Board within 5 days after the day on which the agency accepted the application.~~

~~(g) If a voter registration agency is an office described in subsection (a)(2)(ii) of this section, which provides services to an individual with a disability at the individual's~~

~~home, the agency shall provide the services described in subsection (b) of this section at the individual's home.~~

~~(h) (1) An individual who provides any service described in subsection (b) of this section may not:~~

~~(i) seek to influence an applicant's political preference or party registration;~~

~~(ii) display any political preference or party allegiance; or~~

~~(iii) make any statement to an applicant or take any action the purpose or effect of which is to lead the applicant to believe that a decision to register or not to register has any bearing on the availability of services or benefits.~~

~~(2) No information relating to a declination to register to vote in connection with an application made at an office designated as a voter registration agency may be used for any purpose other than the maintenance of voter registration statistics.~~

~~(3) Notwithstanding § 3-501 of this title and § 4-401 of the General Provisions Article, the identity of a voter registration agency through which a particular voter has registered may not be disclosed to the public.~~

~~(i) Regulations necessary to carry out the requirements of this section and § 3-203 of this subtitle, including provisions for training the employees of voter registration agencies and the Motor Vehicle Administration, shall be adopted by the State Board in cooperation with each agency.~~

~~3-506.~~

~~(a) IN THIS SECTION, "ADDRESS CONFIDENTIALITY PROGRAM" HAS THE MEANING STATED IN § 3-203 OF THIS TITLE.~~

~~(B) (1) A copy of a list of registered voters shall be provided to a Maryland registered voter on receipt of:~~

~~(i) a written application; and~~

~~(ii) a statement, signed under oath, that the list is not intended to be used for:~~

~~1. commercial solicitation; or~~

~~2. any other purpose not related to the electoral process.~~

~~(2) In consultation with the local boards, the State Board shall adopt regulations that specify:~~

- ~~(i) the time for a list to be provided under this subsection;~~
- ~~(ii) the authorization to be required for providing a list;~~
- ~~(iii) the fee to be paid for providing a list;~~
- ~~(iv) the information to be included on a list;~~

~~(v) THAT THE RESIDENCE ADDRESS OF AN INDIVIDUAL WHO IS A PARTICIPANT IN AN ADDRESS CONFIDENTIALITY PROGRAM MAY NOT BE DISCLOSED;~~

~~(vi) THAT A PARTICIPANT IN AN ADDRESS CONFIDENTIALITY PROGRAM IS NOT REQUIRED TO APPLY TO THE STATE BOARD TO KEEP THE INDIVIDUAL'S RESIDENCE ADDRESS CONFIDENTIAL;~~

~~[(v)] (vii) the format of the information; and~~

~~[(vi)] (viii) the medium or media on which the information is to be provided.~~

~~[(b)] (c) (1) The State Administrator or a designee shall provide a copy of the statewide voter registration list and voter registration records to a jury commissioner on request and without charge by means agreed to with the Administrative Office of the Courts.~~

~~(2) On application of the Attorney General, a circuit court may compel compliance with paragraph (1) of this subsection.~~

~~[(e)] (d) A person who knowingly allows a list of registered voters, under the person's control, to be used for any purpose not related to the electoral process is guilty of a misdemeanor and, on conviction, is subject to the penalties under Title 16 of this article.~~

~~16-101.~~

~~(a) A person may not willfully and knowingly:~~

~~(1) impersonate a voter or other person in order to register or attempt to register in the name of the voter or other person;~~

~~(2) register to vote more than once;~~

~~(3) falsify residence in an attempt to register in the wrong location;~~

~~(4) secure registration through any unlawful means;~~

~~(5) cause by unlawful means the name of a qualified voter to be stricken from the statewide voter registration list;~~

~~(6) prevent, hinder, or delay a person having a lawful right to register from registering, through the use of force, threat, menace, intimidation, bribery, reward, or offer of reward;~~

~~(7) falsify any name on a registration;~~

~~(8) misrepresent any fact relating to registration; or~~

~~(9) induce or attempt to induce a person to violate any prohibition in items (1) through (8) of this subsection.~~

~~(b) A PERSON ACTING UNDER COLOR OF LAW MAY NOT WILLFULLY AND KNOWINGLY:~~

~~(1) DISCRIMINATE AGAINST AN INDIVIDUAL BASED ON THE INDIVIDUAL'S DECLINATION TO REGISTER TO VOTE OR VOTER REGISTRATION RECORD;~~

~~(2) USE AN INDIVIDUAL'S DECLINATION TO REGISTER TO VOTE FOR ANY PURPOSE OTHER THAN THE MAINTENANCE OF VOTER REGISTRATION STATISTICS; OR~~

~~(3) USE AN INDIVIDUAL'S VOTER REGISTRATION RECORD FOR ANY PURPOSE OTHER THAN ELECTION ADMINISTRATION OR PROSECUTION OF CRIMINAL VIOLATIONS OF ELECTION LAW.~~

~~(c) A person who violates this section is guilty of a misdemeanor and subject to a fine of not more than \$1,000 or imprisonment for not more than 5 years or both.~~

~~[(c)] (d) A person who violates this section is subject to § 5-106(b) of the Courts Article.~~

~~(e) AN INDIVIDUAL WHO UNINTENTIONALLY BECOMES REGISTERED TO VOTE:~~

~~(1) SHALL BE CONSIDERED TO HAVE REGISTERED TO VOTE WITH THE OFFICIAL AUTHORIZATION OF THE STATE BOARD; AND~~

~~(2) MAY NOT BE CONSIDERED TO HAVE VIOLATED THIS SECTION BECAUSE OF THE UNINTENDED REGISTRATION.~~

~~SECTION 2. AND BE IT FURTHER ENACTED, That:~~

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

~~(2) “Address confidentiality program” has the meaning stated in § 3-203 of the Election Law Article, as enacted by this Act.~~

~~(3) “Automatic voter registration agency” has the meaning stated in § 3-203 of the Election Law Article, as enacted by this Act.~~

~~(4) “Eligible individual” has the meaning stated in § 1-101 of the Election Law Article, as enacted by this Act.~~

~~(5) “Local board” means a county board of elections.~~

~~(6) “Out of date” means a voter registration record in which the voter’s name or address is inconsistent with the individual’s record on file with an automatic voter registration agency if the agency’s record has a later date than the voter registration record.~~

~~(7) “State Board” means the State Board of Elections.~~

~~(b) (1) On or before July 1, 2017, an automatic voter registration agency shall provide to the State Board an electronic record of each individual who:~~

~~(i) holds a driver’s license or identification card;~~

~~(ii) is at least 16 years old; and~~

~~(iii) has electronically stored copies of documentation on file at the agency that demonstrate that the individual is a citizen of the United States.~~

~~(2) This subsection may not be construed to require an automatic voter registration agency to obtain documents demonstrating citizenship from any existing client of the agency who has not already provided documents demonstrating citizenship in the ordinary course of transacting business with the agency.~~

~~(e) The electronic record of an individual that is provided to the State Board under subsection (b) of this section shall include:~~

~~(1) the legal name and residence address of the individual;~~

~~(2) the electronic signature of the individual; and~~

~~(3) any other information required by the State Board for purposes of voter registration.~~



~~(d) The State Board shall determine whether each individual whose electronic record the State Board receives under subsection (b) of this section is an eligible individual.~~

~~(e) The State Board shall provide the electronic record of each eligible individual who is not registered to vote or whose voter registration record is out of date to the local board for the county where the individual resides.~~

~~(f) (1) The local board shall send by mail to each eligible individual who is not registered to vote a notice that contains the following information:~~

~~(i) the qualifications to be a registered voter under § 3-102 of the Election Law Article;~~

~~(ii) that the individual will be registered to vote unless the individual declines to register to vote within 90 days after the issuance of the notice;~~

~~(iii) the manner in which the individual may decline to register to vote, as prescribed by the State Board by regulation;~~

~~(iv) the manner in which the individual may select a political party affiliation, as prescribed by the State Board by regulation;~~

~~(v) that if the individual does not select a political party affiliation, the individual will be designated as not affiliated with a political party and will be unable to vote in a party primary election;~~

~~(vi) that the individual's voter registration record will be subject to public disclosure for purposes related to the electoral process unless:~~

~~1. the individual is a participant in an address confidentiality program; or~~

~~2. regulations adopted by the State Board authorize the individual to apply to keep the individual's residence address confidential for specified safety or privacy reasons; and~~

~~(vii) the manner in which the individual may apply to keep the individual's residence address confidential for specified safety or privacy reasons, as prescribed by the State Board by regulation.~~

~~(2) The local board shall send by mail to each eligible individual whose voter registration record is out of date a notice that contains the following information:~~

~~(i) that the individual's voter registration record will be updated unless the individual declines to update the individual's voter registration record within 90 days of the issuance of the notice; and~~

~~(ii) the manner in which the individual may decline to update the individual's voter registration record, as prescribed by the State Board by regulation.~~

~~(3) Subject to the requirements of this subsection, the State Board shall prescribe the form and content of the notices required under this subsection.~~

~~(g) (1) The local board shall promptly add to the statewide voter registration list the name of each eligible individual who does not decline to register to vote within 90 days after issuance of the notice required under subsection (f) of this section.~~

~~(2) The local board shall promptly update the voter registration record of each eligible individual who does not decline to update the individual's voter registration record within 90 days after issuance of the notice required under subsection (f) of this section.~~

~~(h) A local board may not add an eligible individual to the statewide voter registration list or update an eligible individual's voter registration record under subsection (g) of this section unless at least 90 days have elapsed after issuance of the notice required under subsection (f) of this section.~~

~~(i) An individual who is added to the statewide voter registration list under subsection (g) of this section shall be listed as not affiliated with any political party if the individual has not affirmatively selected a political party affiliation.~~

~~(j) After adding an individual to the statewide voter registration list or updating an individual's voter registration record under subsection (g) of this section, the local board shall send to the individual the voter notification card specified under § 3-301(e)(2) of the Election Law Article.~~

~~(k) The State Board may adopt regulations to implement this section.~~

~~(l) The State Board and each automatic voter registration agency shall jointly submit a report, in accordance with § 2-1246 of the State Government Article, to the Senate Education, Health, and Environmental Affairs Committee and the House Committee on Ways and Means on or before January 1, 2018, that describes:~~

~~(1) the actions taken to implement this section;~~

~~(2) the number of individuals sent a notice under subsection (f) of this section; and~~

~~(3) the number of individuals sent a notice under subsection (f) of this section who:~~

~~(i) were registered to vote;~~

~~(ii) had an out-of-date voter registration record updated; and~~

~~(iii) opted out of voter registration or updating a voter registration record.~~

~~SECTION 3. AND BE IT FURTHER ENACTED, That the State Board of Elections, in collaboration with each automatic voter registration agency designated under § 3-203 of the Election Law Article, as enacted by this Act, shall take appropriate measures to educate the public about automatic voter registration under this Act.~~

~~SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016.~~

1-101.

**(B-1) “ADDRESS CONFIDENTIALITY PROGRAM” MEANS:**

**(1) THE ADDRESS CONFIDENTIALITY PROGRAM FOR VICTIMS OF DOMESTIC VIOLENCE UNDER TITLE 4, SUBTITLE 5, PART IV OF THE FAMILY LAW ARTICLE; OR**

**(2) THE HUMAN TRAFFICKING ADDRESS CONFIDENTIALITY PROGRAM UNDER TITLE 7, SUBTITLE 3 OF THE STATE GOVERNMENT ARTICLE.**

(y) “Electronic signature” means an electronic sound, symbol, or process attached to or logically associated with a record and executed or adopted by a person with the intent to sign the record.

3-102.

(a) (1) Except as provided in subsection (b) of this section, an individual may become registered to vote if the individual:

(i) is a citizen of the United States;

(ii) is at least 16 years old;

(iii) is a resident of the State as of the day the individual seeks to register; and

(iv) registers pursuant to this title.

(2) Notwithstanding paragraph (1)(ii) of this subsection, an individual under the age of 18 years:

(i) may vote in a primary election in which candidates are nominated for a general or special election that will occur when the individual is at least 18 years old; and

(ii) may not vote in any other election.

(b) An individual is not qualified to be a registered voter if the individual:

(1) has been convicted of a felony and is currently serving a court-ordered sentence of imprisonment for the conviction;

(2) is under guardianship for mental disability and a court of competent jurisdiction has specifically found by clear and convincing evidence that the individual cannot communicate, with or without accommodations, a desire to participate in the voting process; or

(3) has been convicted of buying or selling votes.

[3-203.

(a) The Motor Vehicle Administration shall provide the opportunity to apply to register to vote or update a voter registration record to each individual who:

(1) applies for or renews a driver's license or identification card; or

(2) changes a name or address on an existing driver's license or identification card.

(b) (1) The Motor Vehicle Administration shall inquire orally or in writing whether the applicant wishes to register to vote or update a voter registration record during the transactions specified under subsection (a) of this section.

(2) If the applicant chooses to register to vote or to update a voter registration record:

(i) all applicable information received by the Motor Vehicle Administration in the course of completing a transaction under subsection (a) of this section shall be transferred to a voter registration application;

(ii) any additional necessary information shall be obtained by the Motor Vehicle Administration and may not duplicate any information already obtained while completing a transaction under subsection (a) of this section; and

(iii) a voter registration application with all of the applicant's voter registration information shall be presented to the applicant to sign or affirm electronically.

(3) (i) An applicant may decline to register to vote, update the applicant's voter registration record, or change the applicant's name or address by:

1. affirmatively indicating as such on the application; or
2. failing to sign the voter registration application.

(ii) The Motor Vehicle Administration shall maintain declination information in a manner specified jointly by the Motor Vehicle Administration and the State Board.

(4) Within 5 days of the receipt of an application under subsection (a) of this section, the Motor Vehicle Administration shall forward to the State Board the voter registration information in a manner and format specified jointly by the Motor Vehicle Administration and the State Board.

(c) (1) (i) In consultation with the Motor Vehicle Administration, the State Board shall prepare a voter registration application to be used for voter registration at the Motor Vehicle Administration.

(ii) Except as provided in this section, the voter registration portion of the application may not require information that duplicates information required in the driver's license or identification card portion of the application.

(2) The voter registration portion of the application shall:

(i) contain the same information as the statewide voter registration application prescribed in § 3-202(a) of this subtitle; and

(ii) require only the minimum amount of information necessary, including the applicant's telephone number:

1. to prevent duplicate voter registration; and
2. to enable the appropriate election official to assess the eligibility of an applicant and to administer voter registration and other aspects of the election process.

(3) The application shall contain a box for the applicant to check, with the statement, "I do not wish to register to vote at this time".

(d) The Motor Vehicle Administration shall follow the procedures established jointly by the Motor Vehicle Administration and the State Board to process the voter registration information received under this section.

(e) Information relating to the failure of an applicant for a driver’s license or identification card to register to vote may not be used for any purpose other than the maintenance of registration statistics.]

**3-203.**

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

**(2) (I) “APPLICABLE TRANSACTION” MEANS:**

**1. AT THE MOTOR VEHICLE ADMINISTRATION, AN INITIAL APPLICATION FOR OR RENEWAL OF A DRIVER’S LICENSE OR IDENTIFICATION CARD, OR A CHANGE OF NAME OR ADDRESS ON AN EXISTING DRIVER’S LICENSE OR IDENTIFICATION CARD, OR ANY OTHER TRANSACTION IN WHICH THE MOTOR VEHICLE ADMINISTRATION OBTAINS ALL OF THE INFORMATION FROM AN APPLICANT THAT SATISFIES THE REQUIREMENTS TO REGISTER TO VOTE;**

**2. AT THE MARYLAND HEALTH BENEFIT EXCHANGE, ANY APPLICATION FOR OR RENEWAL OF HEALTH INSURANCE COVERAGE;**

**3. AT A LOCAL DEPARTMENT OF SOCIAL SERVICES, AN INITIAL APPLICATION FOR A STATE OR FEDERALLY FUNDED PUBLIC ASSISTANCE PROGRAM OR AN APPLICATION FOR A RECERTIFICATION, RENEWAL, OR CHANGE OF NAME OR ADDRESS RELATING TO A STATE OR FEDERALLY FUNDED PUBLIC ASSISTANCE PROGRAM; OR**

**4. AT THE MOBILITY CERTIFICATION OFFICE IN THE MARYLAND TRANSIT ADMINISTRATION, AN INITIAL APPLICATION FOR PARATRANSIT SERVICE OR AN APPLICATION FOR RECERTIFICATION FOR PARATRANSIT SERVICE.**

**(II) “APPLICABLE TRANSACTION” INCLUDES ANY TRANSACTION DESCRIBED IN SUBPARAGRAPH (I) OF THIS PARAGRAPH THAT IS COMPLETED ONLINE.**

**(3) “ELECTRONIC VOTER REGISTRATION AGENCY” MEANS:**

**(I) THE MOTOR VEHICLE ADMINISTRATION;**

**(II) THE MARYLAND HEALTH BENEFIT EXCHANGE;**

**(III) LOCAL DEPARTMENTS OF SOCIAL SERVICES; AND**

(IV) THE MOBILITY CERTIFICATION OFFICE IN THE MARYLAND TRANSIT ADMINISTRATION.

(4) “ELECTRONIC VOTER REGISTRATION SYSTEM” MEANS A SYSTEM THAT, AS AN INTEGRAL PART OF EACH APPLICABLE TRANSACTION AT A ~~SOCIAL SERVICE~~ AN ELECTRONIC VOTER REGISTRATION AGENCY:

(I) OFFERS AN APPLICANT THE OPPORTUNITY TO REGISTER TO VOTE OR UPDATE A VOTER REGISTRATION RECORD;

(II) INFORMS AN APPLICANT:

1. OF THE QUALIFICATIONS TO REGISTER TO VOTE UNDER § 3-102 OF THIS TITLE;

2. THAT THE APPLICANT SHOULD NOT REGISTER IF THE APPLICANT DOES NOT MEET ALL THE QUALIFICATIONS;

3. OF THE PENALTIES FOR THE SUBMISSION OF A FALSE APPLICATION; AND

4. THAT VOTER REGISTRATION IS VOLUNTARY AND THAT NEITHER REGISTERING NOR DECLINING TO REGISTER TO VOTE WILL IN ANY WAY AFFECT THE AVAILABILITY OF SERVICES OR BENEFITS;

(III) REQUIRES THE ELECTRONIC SIGNATURE OF THE APPLICANT, SUBJECT TO THE PENALTIES FOR PERJURY, BY WHICH THE APPLICANT ATTESTS THAT THE INFORMATION CONTAINED IN THE VOTER REGISTRATION APPLICATION IS TRUE AND THAT THE APPLICANT MEETS ALL THE QUALIFICATIONS TO BECOME A REGISTERED VOTER, INCLUDING UNITED STATES CITIZENSHIP; AND

(IV) ELECTRONICALLY TRANSMITS THE VOTER REGISTRATION INFORMATION OF THE APPLICANT DIRECTLY TO THE STATE BOARD:

1. IN A MANNER AND FORMAT SPECIFIED JOINTLY BY THE ~~SOCIAL SERVICE~~ ELECTRONIC VOTER REGISTRATION AGENCY AND THE STATE BOARD; AND

2. WITHIN 5 DAYS OF THE APPLICABLE TRANSACTION.

(5) “LOCAL DEPARTMENT OF SOCIAL SERVICES” MEANS:

(I) THE LOCAL DEPARTMENTS OF SOCIAL SERVICES IN THE DEPARTMENT OF HUMAN RESOURCES; AND

(II) THE MONTGOMERY COUNTY DEPARTMENT OF HEALTH AND HUMAN SERVICES.

(B) (1) ~~AN~~ EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, AN ELECTRONIC VOTER REGISTRATION AGENCY SHALL IMPLEMENT AN ELECTRONIC VOTER REGISTRATION SYSTEM ON OR BEFORE JULY 1, 2017.

(2) A LOCAL DEPARTMENT OF SOCIAL SERVICES SHALL IMPLEMENT AN ELECTRONIC VOTER REGISTRATION SYSTEM ON OR BEFORE DECEMBER 1, 2019.

(C) AN ELECTRONIC VOTER REGISTRATION SYSTEM:

(1) MAY NOT REQUIRE ANY INFORMATION THAT DUPLICATES THE INFORMATION REQUIRED TO COMPLETE AN APPLICABLE TRANSACTION;

(2) SHALL REQUIRE ONLY THE MINIMUM AMOUNT OF INFORMATION NECESSARY FOR BOTH AN APPLICABLE TRANSACTION AND A VOTER REGISTRATION TO:

(I) PREVENT DUPLICATE VOTER REGISTRATION; AND

(II) ENABLE ELECTION OFFICIALS TO REVIEW THE ELIGIBILITY OF AN APPLICANT AND TO ADMINISTER VOTER REGISTRATION AND OTHER ASPECTS OF THE ELECTION PROCESS; AND

(3) SHALL INFORM AN APPLICANT:

~~(I) THAT IF THE APPLICANT DOES NOT SELECT A POLITICAL PARTY AFFILIATION, THE INDIVIDUAL WILL BE DESIGNATED AS NOT AFFILIATED WITH A POLITICAL PARTY AND WILL BE UNABLE TO VOTE IN A PARTY PRIMARY ELECTION;~~

~~(II) THAT THE INDIVIDUAL'S VOTER REGISTRATION RECORD WILL BE SUBJECT TO PUBLIC DISCLOSURE FOR PURPOSES RELATED TO THE ELECTORAL PROCESS UNLESS:~~

~~1. THE INDIVIDUAL IS A PARTICIPANT IN AN ADDRESS CONFIDENTIALITY PROGRAM; OR~~

~~2. REGULATIONS ADOPTED BY THE STATE BOARD AUTHORIZE THE INDIVIDUAL TO APPLY TO KEEP THE INDIVIDUAL'S RESIDENCE ADDRESS CONFIDENTIAL FOR SPECIFIED SAFETY OR PRIVACY REASONS; AND~~



~~(H) OF THE MANNER IN WHICH THE INDIVIDUAL MAY APPLY TO KEEP THE INDIVIDUAL'S RESIDENCE ADDRESS CONFIDENTIAL FOR SPECIFIED SAFETY OR PRIVACY REASONS, AS PRESCRIBED BY THE STATE BOARD BY REGULATION.~~

~~(D) THE STATE BOARD SHALL ENSURE THAT EACH INDIVIDUAL WHOSE VOTER REGISTRATION INFORMATION IS TRANSMITTED TO THE STATE BOARD THROUGH AN ELECTRONIC VOTER REGISTRATION SYSTEM IS PROMPTLY REGISTERED TO VOTE.~~

~~(E) (D) AN AGENT OF AN ELECTRONIC VOTER REGISTRATION AGENCY WHO IS RESPONSIBLE FOR CARRYING OUT THE REQUIREMENTS OF THIS SECTION MAY NOT:~~

~~(1) SEEK TO INFLUENCE AN APPLICANT'S POLITICAL PREFERENCE OR PARTY REGISTRATION;~~

~~(2) DISPLAY ANY POLITICAL PREFERENCE OR PARTY ALLEGIANCE;~~  
~~OR~~

~~(3) MAKE ANY STATEMENT TO AN APPLICANT OR TAKE ANY ACTION THE PURPOSE OR EFFECT OF WHICH IS TO:~~

~~(I) DISCOURAGE THE APPLICANT FROM REGISTERING TO VOTE; OR~~

~~(II) LEAD THE APPLICANT TO BELIEVE THAT A DECISION TO REGISTER OR NOT TO REGISTER HAS ANY BEARING ON THE AVAILABILITY OF SERVICES OR BENEFITS.~~

~~(E) THE STATE BOARD SHALL ENSURE THAT EACH INDIVIDUAL WHOSE VOTER REGISTRATION INFORMATION IS TRANSMITTED TO THE STATE BOARD THROUGH AN ELECTRONIC VOTER REGISTRATION SYSTEM IS PROMPTLY REGISTERED TO VOTE.~~

~~(F) INFORMATION RELATING TO THE DECISION OF AN APPLICANT AT AN ELECTRONIC VOTER REGISTRATION AGENCY TO DECLINE TO REGISTER TO VOTE MAY NOT BE USED FOR ANY PURPOSE OTHER THAN THE MAINTENANCE OF REGISTRATION STATISTICS.~~

~~(G) NOTWITHSTANDING § 3-501 OF THIS TITLE AND § 4-401 OF THE GENERAL PROVISIONS ARTICLE, THE IDENTITY OF AN ELECTRONIC VOTER REGISTRATION AGENCY THROUGH WHICH A PARTICULAR VOTER HAS REGISTERED MAY NOT BE DISCLOSED TO THE PUBLIC.~~

(H) THE STATE BOARD MAY ADOPT REGULATIONS AS NECESSARY TO IMPLEMENT THIS SECTION.

(I) (1) EACH ELECTRONIC VOTER REGISTRATION AGENCY SHALL:

(I) ON OR BEFORE JANUARY 1, 2017, SUBMIT A REPORT, IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE, TO THE SENATE EDUCATION, HEALTH, AND ENVIRONMENTAL AFFAIRS COMMITTEE AND THE HOUSE COMMITTEE ON WAYS AND MEANS THAT DESCRIBES:

1. THE EFFORTS OF THE ELECTRONIC VOTER REGISTRATION AGENCY TO REGISTER VOTERS IN THE PRECEDING CALENDAR YEAR; AND

2. THE STATUS OF THE IMPLEMENTATION OF AN ELECTRONIC VOTER REGISTRATION SYSTEM; AND

~~3. THE NUMBER OF INDIVIDUALS WHO COMPLETED AN APPLICABLE TRANSACTION IN THE PRECEDING CALENDAR YEAR AT THE ELECTRONIC VOTER REGISTRATION AGENCY AND THE NUMBER OF THOSE INDIVIDUALS WHO REGISTERED TO VOTE OR UPDATED A VOTER REGISTRATION RECORD; AND~~

~~4. ANY OTHER EFFORTS THE ELECTRONIC VOTER REGISTRATION AGENCY PLANS TO MAKE TO IMPROVE THE EFFICIENCY AND EFFECTIVENESS OF THE VOTER REGISTRATION PROCESS AT THE AGENCY; AND~~

(II) ON OR BEFORE JANUARY 1, 2018, AND JANUARY 1 EACH SUBSEQUENT YEAR, SUBMIT A REPORT, IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE, TO THE SENATE EDUCATION, HEALTH, AND ENVIRONMENTAL AFFAIRS COMMITTEE AND THE HOUSE COMMITTEE ON WAYS AND MEANS THAT DESCRIBES:

1. THE NUMBER OF INDIVIDUALS WHO COMPLETED AN APPLICABLE TRANSACTION IN THE PRECEDING CALENDAR YEAR AT THE ELECTRONIC VOTER REGISTRATION AGENCY AND THE NUMBER OF THOSE INDIVIDUALS WHO REGISTERED TO VOTE OR UPDATED A VOTER REGISTRATION RECORD; AND

2. ANY EFFORTS THE ELECTRONIC VOTER REGISTRATION AGENCY PLANS TO MAKE TO IMPROVE THE EFFICIENCY AND EFFECTIVENESS OF THE VOTER REGISTRATION PROCESS AT THE AGENCY.

(2) THE DEPARTMENT OF HUMAN RESOURCES SHALL CONSOLIDATE AND SUBMIT THE REPORTS REQUIRED UNDER PARAGRAPH (1)(I) AND (II) OF THIS SUBSECTION AS A SINGLE DOCUMENTS DOCUMENT ON BEHALF OF ALL THE LOCAL DEPARTMENTS OF SOCIAL SERVICES.

~~3-203.1.~~

(A) IN THIS SECTION, "AUTOMATIC VOTER REGISTRATION AGENCY" MEANS:

(1) THE MOTOR VEHICLE ADMINISTRATION; AND

(2) THE MARYLAND HEALTH BENEFIT EXCHANGE.

(B) (1) ON OR BEFORE JUNE 1, 2017, AN AUTOMATIC VOTER REGISTRATION AGENCY SHALL PROVIDE TO THE STATE BOARD AN ELECTRONIC RECORD OF EACH INDIVIDUAL WHO:

(I) 1. HOLDS A DRIVER'S LICENSE OR IDENTIFICATION CARD; OR

2. HAS ENROLLED IN HEALTH INSURANCE COVERAGE THROUGH THE MARYLAND HEALTH BENEFIT EXCHANGE;

(II) IS NOT REGISTERED TO VOTE OR WHOSE VOTER REGISTRATION RECORD IS ELIGIBLE TO BE UPDATED;

(III) IS AT LEAST 16 YEARS OLD; AND

(IV) HAS INFORMATION ON FILE AT THE AUTOMATIC VOTER REGISTRATION AGENCY THAT DEMONSTRATES THAT THE INDIVIDUAL IS A CITIZEN OF THE UNITED STATES.

(2) AN INDIVIDUAL'S VOTER REGISTRATION RECORD SHALL BE CONSIDERED TO BE ELIGIBLE TO BE UPDATED UNDER THIS SECTION IF:

(I) THE VOTER'S NAME OR ADDRESS IN THE VOTER REGISTRATION RECORD IS INCONSISTENT WITH THE INDIVIDUAL'S RECORD ON FILE WITH AN AUTOMATIC VOTER REGISTRATION AGENCY; AND

(II) THE AUTOMATIC VOTER REGISTRATION AGENCY'S RECORD HAS A LATER DATE THAN THE VOTER REGISTRATION RECORD.

(3) THIS SUBSECTION MAY NOT BE CONSTRUED TO REQUIRE AN AUTOMATIC VOTER REGISTRATION AGENCY TO OBTAIN CITIZENSHIP INFORMATION

~~FROM ANY EXISTING CLIENT OF THE AGENCY WHO HAS NOT PREVIOUSLY PROVIDED CITIZENSHIP INFORMATION IN THE ORDINARY COURSE OF TRANSACTING BUSINESS WITH THE AGENCY.~~

~~(C) THE ELECTRONIC RECORD OF AN INDIVIDUAL THAT IS PROVIDED TO THE STATE BOARD UNDER SUBSECTION (B) OF THIS SECTION SHALL INCLUDE:~~

~~(1) THE LEGAL NAME AND RESIDENCE ADDRESS OF THE INDIVIDUAL;~~  
~~AND~~

~~(2) THE ELECTRONIC SIGNATURE OF THE INDIVIDUAL.~~

~~(D) THE STATE BOARD SHALL REVIEW THE ELECTRONIC RECORD OF EACH INDIVIDUAL THAT IT RECEIVES UNDER SUBSECTION (B) OF THIS SECTION.~~

~~(E) THE STATE BOARD SHALL PROVIDE THE ELECTRONIC RECORD OF EACH INDIVIDUAL WHO IS NOT REGISTERED TO VOTE OR WHOSE VOTER REGISTRATION RECORD IS ELIGIBLE TO BE UPDATED TO THE LOCAL BOARD FOR THE COUNTY WHERE THE INDIVIDUAL RESIDES.~~

~~(F) (1) THE LOCAL BOARD SHALL SEND BY MAIL TO EACH INDIVIDUAL WHO IS NOT REGISTERED TO VOTE A NOTICE THAT CONTAINS THE FOLLOWING INFORMATION:~~

~~(I) THE QUALIFICATIONS TO BE A REGISTERED VOTER UNDER § 3-102 OF THE ELECTION LAW ARTICLE;~~

~~(II) THAT THE INDIVIDUAL WILL BE REGISTERED TO VOTE UNLESS THE INDIVIDUAL DECLINES TO REGISTER TO VOTE WITHIN 60 DAYS AFTER THE ISSUANCE OF THE NOTICE;~~

~~(III) THE MANNER IN WHICH THE INDIVIDUAL MAY DECLINE TO REGISTER TO VOTE, WHICH SHALL INCLUDE:~~

~~1. THE OPTION TO MAIL A POSTCARD TO THE LOCAL BOARD WITH POSTAGE PREPAID BY THE LOCAL BOARD; AND~~

~~2. ANY OTHER METHOD PRESCRIBED BY THE STATE BOARD BY REGULATION;~~

~~(IV) THE MANNER IN WHICH THE INDIVIDUAL MAY SELECT A POLITICAL PARTY AFFILIATION, AS PRESCRIBED BY THE STATE BOARD BY REGULATION;~~

~~(V) THAT IF THE INDIVIDUAL DOES NOT SELECT A POLITICAL PARTY AFFILIATION, THE INDIVIDUAL WILL BE DESIGNATED AS NOT AFFILIATED WITH A POLITICAL PARTY AND WILL BE UNABLE TO VOTE IN A PARTY PRIMARY ELECTION;~~

~~(VI) THAT THE INDIVIDUAL'S VOTER REGISTRATION RECORD WILL BE SUBJECT TO PUBLIC DISCLOSURE FOR PURPOSES RELATED TO THE ELECTORAL PROCESS UNLESS:~~

~~1. THE INDIVIDUAL IS A PARTICIPANT IN AN ADDRESS CONFIDENTIALITY PROGRAM; OR~~

~~2. REGULATIONS ADOPTED BY THE STATE BOARD AUTHORIZE THE INDIVIDUAL TO APPLY TO KEEP THE INDIVIDUAL'S RESIDENCE ADDRESS CONFIDENTIAL FOR SPECIFIED SAFETY OR PRIVACY REASONS; AND~~

~~(VII) THE MANNER IN WHICH THE INDIVIDUAL MAY APPLY TO KEEP THE INDIVIDUAL'S RESIDENCE ADDRESS CONFIDENTIAL FOR SPECIFIED SAFETY OR PRIVACY REASONS, AS PRESCRIBED BY THE STATE BOARD BY REGULATION.~~

~~(2) IF AN INDIVIDUAL WHO IS SENT A NOTICE UNDER PARAGRAPH (1) OF THIS SUBSECTION HAS NOT DECLINED TO REGISTER TO VOTE WITHIN 30 DAYS AFTER THE ISSUANCE OF THE NOTICE, THE LOCAL BOARD SHALL SEND THE INDIVIDUAL A SECOND NOTICE THAT CONTAINS THE SAME INFORMATION THAT IS REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION, EXCEPT THAT THE NOTICE SHALL STATE THAT THE INDIVIDUAL WILL BE REGISTERED TO VOTE UNLESS THE INDIVIDUAL DECLINES TO REGISTER TO VOTE WITHIN 30 DAYS AFTER THE ISSUANCE OF THE NOTICE.~~

~~(3) THE LOCAL BOARD SHALL SEND BY MAIL TO EACH INDIVIDUAL WHOSE VOTER REGISTRATION RECORD IS ELIGIBLE TO BE UPDATED A NOTICE THAT CONTAINS THE FOLLOWING INFORMATION:~~

~~(I) THAT THE INDIVIDUAL'S VOTER REGISTRATION RECORD WILL BE UPDATED UNLESS THE INDIVIDUAL DECLINES TO UPDATE THE INDIVIDUAL'S VOTER REGISTRATION RECORD WITHIN 30 DAYS AFTER THE ISSUANCE OF THE NOTICE; AND~~

~~(II) THE MANNER IN WHICH THE INDIVIDUAL MAY DECLINE TO UPDATE THE INDIVIDUAL'S VOTER REGISTRATION RECORD, WHICH SHALL INCLUDE:~~

~~1. THE OPTION TO MAIL A POSTCARD TO THE LOCAL BOARD WITH POSTAGE PREPAID BY THE LOCAL BOARD; AND~~

~~2. ANY OTHER METHOD PRESCRIBED BY THE STATE BOARD BY REGULATION.~~

~~(4) SUBJECT TO THE REQUIREMENTS OF THIS SUBSECTION, THE STATE BOARD SHALL PRESCRIBE THE FORM AND CONTENT OF THE NOTICES REQUIRED UNDER THIS SUBSECTION.~~

~~(G) (1) THE LOCAL BOARD SHALL PROMPTLY ADD TO THE STATEWIDE VOTER REGISTRATION LIST THE NAME OF EACH INDIVIDUAL WHO DOES NOT DECLINE TO REGISTER TO VOTE WITHIN 60 DAYS AFTER ISSUANCE OF THE FIRST NOTICE REQUIRED UNDER SUBSECTION (F) OF THIS SECTION.~~

~~(2) (I) THE LOCAL BOARD SHALL PROMPTLY UPDATE THE VOTER REGISTRATION RECORD OF EACH INDIVIDUAL WHO DOES NOT DECLINE TO UPDATE THE INDIVIDUAL'S VOTER REGISTRATION RECORD WITHIN 30 DAYS AFTER ISSUANCE OF THE NOTICE REQUIRED UNDER SUBSECTION (F) OF THIS SECTION.~~

~~(H) IF AN INDIVIDUAL'S VOTER REGISTRATION RECORD IS UPDATED UNDER THIS PARAGRAPH:~~

~~1. ONLY THE INDIVIDUAL'S NAME OR ADDRESS MAY BE CHANGED; AND~~

~~2. ALL OTHER INFORMATION IN THE INDIVIDUAL'S VOTER REGISTRATION RECORD SHALL REMAIN UNCHANGED.~~

~~(H) AN INDIVIDUAL WHO IS ADDED TO THE STATEWIDE VOTER REGISTRATION LIST UNDER SUBSECTION (G) OF THIS SECTION SHALL BE LISTED AS NOT AFFILIATED WITH ANY POLITICAL PARTY IF THE INDIVIDUAL HAS NOT AFFIRMATIVELY SELECTED A POLITICAL PARTY AFFILIATION.~~

~~(I) AFTER ADDING AN INDIVIDUAL TO THE STATEWIDE VOTER REGISTRATION LIST OR UPDATING AN INDIVIDUAL'S VOTER REGISTRATION RECORD UNDER SUBSECTION (G) OF THIS SECTION, THE LOCAL BOARD SHALL SEND TO THE INDIVIDUAL A VOTER NOTIFICATION CARD UNDER § 3-301(C)(2) OF THIS TITLE.~~

~~(J) AN INDIVIDUAL WHO BECOMES REGISTERED TO VOTE UNDER THIS SECTION SHALL BE CONSIDERED TO HAVE BECOME REGISTERED TO VOTE BASED ON INFORMATION PROVIDED TO THE STATE BOARD BY AN AUTOMATIC VOTER REGISTRATION AGENCY.~~

~~(K) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, IF AN INDIVIDUAL WHO BECOMES REGISTERED TO VOTE UNDER THIS SECTION NOTIFIES~~

~~THE STATE BOARD OR A LOCAL BOARD WITHIN 90 DAYS AFTER RECEIVING A VOTER NOTIFICATION CARD UNDER § 3-301(C)(2) OF THIS TITLE THAT THE INDIVIDUAL WAS INADVERTENTLY REGISTERED TO VOTE AND SHOULD NOT HAVE BEEN REGISTERED TO VOTE, THE STATE BOARD SHALL PERMANENTLY DELETE THE INDIVIDUAL'S VOTER REGISTRATION RECORD AND PROCEED AS IF NO REGISTRATION HAD OCCURRED.~~

~~(2) THE STATE BOARD MAY NOT DELETE AN INDIVIDUAL'S VOTER REGISTRATION RECORD UNDER THIS SUBSECTION IF THE INDIVIDUAL VOTED DURING THE 90 DAY PERIOD AFTER THE INDIVIDUAL BECAME REGISTERED TO VOTE UNDER THIS SECTION.~~

~~(L) ON OR BEFORE JUNE 1, 2021, AND ON OR BEFORE JUNE 1 OF EACH FOURTH YEAR THEREAFTER, THE STATE BOARD, IN COLLABORATION WITH EACH AUTOMATIC VOTER REGISTRATION AGENCY, SHALL FOLLOW THE PROCEDURES PRESCRIBED IN THIS SECTION TO UPDATE THE VOTER REGISTRATION RECORDS OF INDIVIDUALS WHO ARE REGISTERED TO VOTE.~~

~~(M) THE STATE BOARD SHALL TAKE APPROPRIATE MEASURES TO EDUCATE THE PUBLIC ABOUT AUTOMATIC VOTER REGISTRATION UNDER THIS SECTION.~~

~~(N) THE STATE BOARD MAY ADOPT REGULATIONS AS NECESSARY TO IMPLEMENT THIS SECTION.~~

~~(O) THE STATE BOARD AND EACH AUTOMATIC VOTER REGISTRATION AGENCY SHALL JOINTLY SUBMIT A REPORT, IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE, TO THE SENATE EDUCATION, HEALTH, AND ENVIRONMENTAL AFFAIRS COMMITTEE AND THE HOUSE COMMITTEE ON WAYS AND MEANS ON OR BEFORE JANUARY 1, 2018, THAT DESCRIBES:~~

~~(1) THE ACTIONS TAKEN TO IMPLEMENT THIS SECTION;~~

~~(2) THE NUMBER OF INDIVIDUALS SENT A NOTICE UNDER SUBSECTION (F) OF THIS SECTION; AND~~

~~(3) THE NUMBER OF INDIVIDUALS SENT A NOTICE UNDER SUBSECTION (F) OF THIS SECTION WHO:~~

~~(I) WERE REGISTERED TO VOTE;~~

~~(II) HAD A VOTER REGISTRATION RECORD UPDATED; AND~~

~~(III) OPTED OUT OF VOTER REGISTRATION OR UPDATING A VOTER REGISTRATION RECORD.~~

3-204.

(a) (1) The State Board shall designate public agencies and nongovernmental agencies as voter registration agencies where qualified individuals may apply to register to vote.

(2) The State Board shall designate the following offices as voter registration agencies:

(i) all offices in the State that provide public assistance;

(ii) all offices in the State that provide State-funded programs primarily engaged in providing services to individuals with disabilities; ~~and~~

(iii) all public institutions of higher education in the State; ~~AND.~~

~~(IV) ALL ONE STOP CAREER CENTERS IN THE DEPARTMENT OF LABOR, LICENSING, AND REGULATION.~~

(3) The State Board and the Secretary of Defense shall jointly develop and implement procedures for persons to apply to register to vote at recruitment offices of the armed forces of the United States, which shall be deemed voter registration agencies.

~~(A-2)~~ (A-1) A VOTER REGISTRATION AGENCY THAT IS SUBJECT TO THE REQUIREMENTS OF § 3-203 OF THIS SUBTITLE:

(1) SHALL CONDUCT VOTER REGISTRATION IN THE MANNER SPECIFIED IN § 3-203 OF THIS SUBTITLE; AND

(2) IS NOT SUBJECT TO THE REQUIREMENTS OF THIS SECTION.

(b) Except for a public institution of higher education in the State, which institution shall comply with the requirements of subsection (c) of this section, each voter registration agency, as provided in subsection (a)(2) and (3) of this section, shall:

(1) distribute a voter registration application approved by the State Board or the Federal Election Commission with each application for service or assistance it renders and with each recertification, renewal, or change of address form relating to such service or assistance;

(2) provide a document to prospective registrants that includes:

(i) the question, “If you are not registered to vote where you live now, would you like to apply to register to vote here today?”;



(ii) if the agency provides public assistance, the statement, “Applying to register or declining to register to vote will not affect the amount of assistance that you will be provided by this agency.”;

(iii) boxes for the applicant to check to indicate whether the applicant would like to register or declines to register to vote together with the statement (in close proximity to the boxes and in prominent type), “If you do not check either box, you will be considered to have decided not to register to vote at this time.”;

(iv) the statement, “If you would like help in filling out the voter registration application form, we will help you. The decision whether to seek or accept help is yours. You may fill out the application form in private.”;

(v) the statement, “If you believe that someone has interfered with your right to register or to decline to register to vote, your right to privacy in deciding whether to register or in applying to register to vote, or your right to choose your own political party or other political preference, you may file a complaint with the State Board of Elections.”; and

(vi) the address and toll free telephone number of the State Board;

(3) provide each applicant who does not decline to register to vote and who accepts assistance the same degree of assistance with regard to completion of the registration application as is provided by the office with regard to the completion of its own applications, unless the applicant refuses such assistance; [and]

**(4) ENSURE THAT EACH APPLICATION FOR SERVICE OR ASSISTANCE FROM THE AGENCY AND EACH RECERTIFICATION, RENEWAL, OR CHANGE OF ADDRESS FORM RELATING TO THE SERVICE OR ASSISTANCE MAY NOT BE COMPLETED UNTIL THE APPLICANT HAS INDICATED WHETHER THE APPLICANT WISHES TO REGISTER TO VOTE AND IS INFORMED THAT IF THE APPLICANT DOES NOT SELECT A POLITICAL PARTY AFFILIATION, THE INDIVIDUAL WILL BE DESIGNATED AS NOT AFFILIATED WITH A POLITICAL PARTY AND WILL BE UNABLE TO VOTE IN A PARTY PRIMARY ELECTION; AND**

[(4)] (5) accept the completed voter registration application for transmittal to the appropriate election board.

[(c) At the time that an individual enrolls, registers, or pays for course work provided by a public institution of higher education in the State, the institution shall provide the individual with an opportunity to request a voter registration application. If the individual requests a voter registration application, the institution shall provide, or cause to be provided, an application to the individual.]

**(C) (1) (I) IN THIS SUBSECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.**

(II) “COMMISSION” MEANS THE MARYLAND HIGHER EDUCATION COMMISSION.

(III) “INSTITUTION OF HIGHER EDUCATION” HAS THE MEANING STATED IN § 10-101(H) OF THE EDUCATION ARTICLE.

(2) (I) ON OR BEFORE JULY 1, 2017, A PUBLIC INSTITUTION OF HIGHER EDUCATION SHALL PROVIDE A LINK TO THE ONLINE VOTER REGISTRATION SYSTEM ON THE HOME PAGE OF THE ONLINE PORTAL USED BY STUDENTS TO REGISTER FOR COURSE WORK.

(II) THE LINK TO THE ONLINE VOTER REGISTRATION SYSTEM SHALL BE PROMINENTLY PLACED ON THE HOME PAGE IN A LOCATION WHERE IT MAY BE EASILY VIEWED BY STUDENTS REGISTERING FOR COURSE WORK.

(3) A PUBLIC INSTITUTION OF HIGHER EDUCATION SHALL:

(I) ON OR BEFORE JANUARY 1, ~~2017~~, 2018, SUBMIT A REPORT TO THE COMMISSION THAT INCLUDES:

1. THE EFFORTS OF THE PUBLIC INSTITUTION OF HIGHER EDUCATION TO REGISTER VOTERS IN THE PRECEDING CALENDAR YEAR;

2. A SCREEN SHOT OF THE HOME PAGE OF THE ONLINE PORTAL USED BY STUDENTS TO REGISTER FOR COURSE WORK THAT INCLUDES THE LINK REQUIRED UNDER PARAGRAPH (2) OF THIS SUBSECTION;

3. THE NUMBER OF STUDENTS WHO ARE RESIDENTS OF THE STATE AND REGISTERED FOR COURSE WORK IN THE PRECEDING ~~6~~ 18 MONTHS AT THE PUBLIC INSTITUTION OF HIGHER EDUCATION AND THE NUMBER OF THOSE STUDENTS WHO CLICKED ON THE LINK REQUIRED UNDER PARAGRAPH (2) OF THIS SUBSECTION; AND

4. ANY OTHER EFFORTS THE PUBLIC INSTITUTION OF HIGHER EDUCATION PLANS TO MAKE TO IMPROVE ACCESS TO VOTER REGISTRATION FOR STUDENTS AT THE INSTITUTION; AND

(II) ON OR BEFORE JANUARY 1, ~~2018~~, 2019, AND JANUARY 1 EACH SUBSEQUENT YEAR, SUBMIT A REPORT TO THE COMMISSION THAT DESCRIBES:

1. THE NUMBER OF STUDENTS WHO ARE RESIDENTS OF THE STATE AND REGISTERED FOR COURSE WORK IN THE PRECEDING CALENDAR

YEAR AT THE PUBLIC INSTITUTION OF HIGHER EDUCATION AND THE NUMBER OF THOSE STUDENTS WHO CLICKED ON THE LINK REQUIRED UNDER PARAGRAPH (2) OF THIS SUBSECTION; AND

2. ANY EFFORTS THE PUBLIC INSTITUTION OF HIGHER EDUCATION PLANS TO MAKE TO IMPROVE ACCESS TO VOTER REGISTRATION FOR STUDENTS AT THE INSTITUTION.

(4) THE COMMISSION SHALL COMPILE AND SUMMARIZE THE INFORMATION REPORTED BY PUBLIC INSTITUTIONS OF HIGHER EDUCATION:

(I) UNDER PARAGRAPH (3)(I) OF THIS SUBSECTION, IN A SINGLE REPORT THAT THE COMMISSION SHALL SUBMIT ON OR BEFORE JANUARY 15, ~~2017,~~ 2018, TO THE SENATE EDUCATION, HEALTH, AND ENVIRONMENTAL AFFAIRS COMMITTEE AND THE HOUSE COMMITTEE ON WAYS AND MEANS, IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE; AND

(II) UNDER PARAGRAPH (3)(II) OF THIS SUBSECTION, IN A SINGLE REPORT THAT THE COMMISSION SHALL SUBMIT ON OR BEFORE JANUARY 15, ~~2018,~~ 2019, AND JANUARY 15 EACH SUBSEQUENT YEAR TO THE SENATE EDUCATION, HEALTH, AND ENVIRONMENTAL AFFAIRS COMMITTEE AND THE HOUSE COMMITTEE ON WAYS AND MEANS, IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE.

(d) An applicant may mail the voter registration application to the appropriate State election official or return it to the voter registration agency for transmittal to the appropriate election official.

(e) Within 5 days from the acceptance of a voter registration application, the voter registration agency shall forward the application to the appropriate State election official.

(f) (1) An applicant registering to vote at a voter registration agency may affirmatively consent to the use of ~~an~~ **THE INDIVIDUAL'S** electronic ~~copy of the individual's~~ signature that is on file with the voter registration agency as the individual's signature for the application being submitted.

(2) If an applicant signs a voter registration application as provided in paragraph (1) of this subsection, the voter registration agency shall transmit an electronic copy of the applicant's signature to the State Board within 5 days after the day on which the agency accepted the application.

(g) If a voter registration agency is an office described in subsection (a)(2)(ii) of this section, which provides services to an individual with a disability at the individual's home, the agency shall provide the services described in subsection (b) of this section at the individual's home.

(h) (1) An individual who provides any service described in subsection (b) of this section may not:

(i) seek to influence an applicant's political preference or party registration;

(ii) display any political preference or party allegiance; or

(iii) make any statement to an applicant or take any action the purpose or effect of which is to lead the applicant to believe that a decision to register or not to register has any bearing on the availability of services or benefits.

(2) No information relating to a declination to register to vote in connection with an application made at an office designated as a voter registration agency may be used for any purpose other than the maintenance of voter registration statistics.

(3) Notwithstanding § 3-501 of this title and § 4-401 of the General Provisions Article, the identity of a voter registration agency through which a particular voter has registered may not be disclosed to the public.

(i) Regulations necessary to carry out the requirements of this section and § 3-203 of this subtitle, including provisions for training the employees of voter registration agencies and the Motor Vehicle Administration, shall be adopted by the State Board in cooperation with each agency.

~~**(J) ON OR BEFORE JANUARY 1, 2017, AND JANUARY 1 OF EACH SUBSEQUENT YEAR, THE DEPARTMENT OF LABOR, LICENSING, AND REGULATION SHALL SUBMIT A REPORT, IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE, TO THE SENATE EDUCATION, HEALTH, AND ENVIRONMENTAL AFFAIRS COMMITTEE AND THE HOUSE COMMITTEE ON WAYS AND MEANS THAT DESCRIBES:**~~

~~**(1) THE EFFORTS OF THE ONE-STOP CAREER CENTERS TO REGISTER VOTERS UNDER THIS SECTION IN THE PRECEDING CALENDAR YEAR; AND**~~

~~**(2) ANY EFFORTS THE DEPARTMENT PLANS TO MAKE TO IMPROVE THE EFFICIENCY AND EFFECTIVENESS OF THE VOTER REGISTRATION PROCESS AT THE ONE-STOP CAREER CENTERS.**~~

### 3-204.2.

(A) THE STATE BOARD AND THE DEPARTMENT OF NATURAL RESOURCES SHALL JOINTLY DEVELOP AND IMPLEMENT PROCEDURES FOR INDIVIDUALS WHO APPLY FOR THE ISSUANCE OR RENEWAL OF A RECREATIONAL HUNTING OR FISHING LICENSE, PERMIT, OR CERTIFICATE ONLINE TO BE OFFERED THE OPPORTUNITY TO

REGISTER TO VOTE THROUGH A LINK TO THE ONLINE VOTER REGISTRATION SYSTEM.

(B) THE STATE BOARD AND THE DEPARTMENT OF LABOR, LICENSING, AND REGULATION SHALL JOINTLY DEVELOP AND IMPLEMENT PROCEDURES FOR INDIVIDUALS WHO USE THE MARYLAND WORKFORCE EXCHANGE WEB SITE TO BE OFFERED THE OPPORTUNITY TO REGISTER TO VOTE THROUGH A LINK TO THE ONLINE VOTER REGISTRATION SYSTEM.

(C) THE STATE BOARD AND THE DEPARTMENT OF VETERANS AFFAIRS SHALL JOINTLY DEVELOP AND IMPLEMENT PROCEDURES FOR INDIVIDUALS WHO USE THE DEPARTMENT OF VETERANS AFFAIRS WEB SITE OR WHO ARE CONTACTED BY THE DEPARTMENT'S OUTREACH AND ADVOCACY PROGRAM TO BE OFFERED THE OPPORTUNITY TO REGISTER TO VOTE THROUGH A LINK TO THE ONLINE VOTER REGISTRATION SYSTEM.

(D) (1) (I) IN THIS SUBSECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(II) "APPLICABLE TRANSACTION" MEANS AN ONLINE APPLICATION FOR A STATE OR FEDERALLY FUNDED PUBLIC ASSISTANCE PROGRAM OR AN ONLINE APPLICATION FOR A RECERTIFICATION, RENEWAL, OR CHANGE OF NAME OR ADDRESS RELATING TO A STATE OR FEDERALLY FUNDED PUBLIC ASSISTANCE PROGRAM.

(III) "DEPARTMENT" MEANS THE DEPARTMENT OF HUMAN RESOURCES.

(IV) "ELECTRONIC PORTAL" MEANS THE DEPARTMENT'S ONLINE SYSTEM, KNOWN AS MYDHR, THROUGH WHICH AN INDIVIDUAL MAY COMPLETE AN APPLICABLE TRANSACTION.

(2) THE STATE BOARD AND THE DEPARTMENT SHALL JOINTLY DEVELOP AND IMPLEMENT PROCEDURES FOR INDIVIDUALS WHO USE THE DEPARTMENT'S ELECTRONIC PORTAL TO COMPLETE AN APPLICABLE TRANSACTION TO BE OFFERED THE OPPORTUNITY TO REGISTER TO VOTE THROUGH A LINK TO THE ONLINE VOTER REGISTRATION SYSTEM.

~~3-204.3.~~

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

~~(2) “APPLICABLE TRANSACTION” HAS THE MEANING STATED IN § 3-203 OF THIS SUBTITLE.~~

~~(3) “ELECTRONIC VOTER REGISTRATION AGENCY” HAS THE MEANING STATED IN § 3-203 OF THIS SUBTITLE.~~

~~(B) EACH YEAR, THE STATE BOARD SHALL SEND, BY MAIL, A VOTER REGISTRATION APPLICATION AND INSTRUCTIONS ON HOW TO ACCESS THE ONLINE VOTER REGISTRATION SYSTEM TO EACH INDIVIDUAL WHO, DURING THE PREVIOUS YEAR:~~

~~(1) (i) COMPLETED AN APPLICABLE TRANSACTION AT AN ELECTRONIC VOTER REGISTRATION AGENCY;~~

~~(ii) APPLIED FOR THE ISSUANCE OR RENEWAL OF A RECREATIONAL HUNTING OR FISHING LICENSE FROM THE DEPARTMENT OF NATURAL RESOURCES;~~

~~(iii) FILED AN INDIVIDUAL INCOME TAX RETURN WITH THE COMPTROLLER; OR~~

~~(iv) USED THE DEPARTMENT OF LABOR, LICENSING, AND REGULATION’S MARYLAND WORKFORCE EXCHANGE WEB SITE; AND~~

~~(2) IS NOT REGISTERED TO VOTE.~~

~~(C) (1) THE STATE BOARD SHALL PROVIDE THE STATEWIDE VOTER REGISTRATION LIST TO THE COMPTROLLER.~~

~~(2) THE COMPTROLLER SHALL:~~

~~(i) USE THE STATEWIDE VOTER REGISTRATION LIST TO IDENTIFY INDIVIDUALS WHO FILED AN INDIVIDUAL INCOME TAX RETURN AND ARE NOT REGISTERED TO VOTE; AND~~

~~(ii) PROVIDE THE NAMES AND ADDRESSES OF THOSE INDIVIDUALS WHO ARE NOT REGISTERED TO VOTE TO THE STATE BOARD FOR PURPOSES OF THE MAILING REQUIRED BY SUBSECTION (B) OF THIS SECTION.~~

3-506.

~~(A) IN THIS SECTION, “ADDRESS CONFIDENTIALITY PROGRAM” HAS THE MEANING STATED IN § 3-203 OF THIS TITLE.~~

~~[(a)] (B)~~ (1) A copy of a list of registered voters shall be provided to a Maryland registered voter on receipt of:

- (i) a written application; and
- (ii) a statement, signed under oath, that the list is not intended to be used for:
  1. commercial solicitation; or
  2. any other purpose not related to the electoral process.

(2) In consultation with the local boards, the State Board shall adopt regulations that specify:

- (i) the time for a list to be provided under this subsection;
- (ii) the authorization to be required for providing a list;
- (iii) the fee to be paid for providing a list;
- (iv) the information to be included on a list;

**(V) THAT THE RESIDENCE ADDRESS OF AN INDIVIDUAL WHO IS A PARTICIPANT IN AN ADDRESS CONFIDENTIALITY PROGRAM MAY NOT BE DISCLOSED;**

**(VI) THAT A PARTICIPANT IN AN ADDRESS CONFIDENTIALITY PROGRAM IS NOT REQUIRED TO APPLY TO THE STATE BOARD TO KEEP THE INDIVIDUAL'S RESIDENCE ADDRESS CONFIDENTIAL;**

~~[(v)] (VII)~~ the format of the information; and

~~[(vi)] (VIII)~~ the medium or media on which the information is to be provided.

~~[(b)] (C)~~ (1) The State Administrator or a designee shall provide a copy of the statewide voter registration list and voter registration records to a jury commissioner on request and without charge by means agreed to with the Administrative Office of the Courts.

(2) On application of the Attorney General, a circuit court may compel compliance with paragraph (1) of this subsection.

~~[(c)] (D)~~ A person who knowingly allows a list of registered voters, under the person's control, to be used for any purpose not related to the electoral process is guilty of a misdemeanor and, on conviction, is subject to the penalties under Title 16 of this article.

### Article – Human Services

1-201.

(a) Except as provided in subsection (b) of this section, a person may not disclose any information concerning an applicant for or recipient of social services, child welfare services, cash assistance, food stamps, or medical assistance that is directly or indirectly derived from the records, investigations, or communications of the State, a county, or a municipal corporation or a unit of the State, a county, or a municipal corporation or that is acquired in the course of the performance of official duties.

(b) This section does not prohibit the disclosure of information:

(1) in accordance with a court order; or

(2) to an officer or employee of any state or local government, the United States, or a fiduciary institution, if the officer or employee is entitled to the information in an official capacity and the disclosure is necessary to administer:

(I) public assistance, medical assistance, social services, or child welfare services programs; OR

(II) VOTER REGISTRATION IN ACCORDANCE WITH § 3-203 OF THE ELECTION LAW ARTICLE.

(c) A person who violates this section is guilty of a misdemeanor and on conviction is subject to imprisonment not exceeding 90 days or a fine not exceeding \$500 or both.

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

### Article – Election Law

3-204.

(a) (2) The State Board shall designate the following offices as voter registration agencies:

(i) all offices in the State that provide public assistance;

(ii) all offices in the State that provide State-funded programs primarily engaged in providing services to individuals with disabilities; [and]



*(iii) all public institutions of higher education in the State; AND*

**(IV) ALL ONE-STOP CAREER CENTERS IN THE DEPARTMENT OF LABOR, LICENSING, AND REGULATION.**

**(J) ON OR BEFORE JANUARY 1, 2018, AND JANUARY 1 EACH SUBSEQUENT YEAR, THE DEPARTMENT OF LABOR, LICENSING, AND REGULATION SHALL SUBMIT A REPORT, IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE, TO THE SENATE EDUCATION, HEALTH, AND ENVIRONMENTAL AFFAIRS COMMITTEE AND THE HOUSE WAYS AND MEANS COMMITTEE THAT DESCRIBES:**

**(1) THE EFFORTS OF THE ONE-STOP CAREER CENTERS TO REGISTER VOTERS UNDER THIS SECTION IN THE PRECEDING CALENDAR YEAR; AND**

**(2) ANY EFFORTS THE DEPARTMENT PLANS TO MAKE TO IMPROVE THE EFFICIENCY AND EFFECTIVENESS OF THE VOTER REGISTRATION PROCESS AT THE ONE-STOP CAREER CENTERS.**

**SECTION 3. AND BE IT FURTHER ENACTED, That:**

**(a) Each agency with responsibility for carrying out this Act shall designate an employee to act as the agency's voter registration coordinator.**

**(b) Each voter registration coordinator shall complete an annual training program conducted by the State Board of Elections concerning the requirements of this Act.**

**(c) Each voter registration coordinator shall oversee an annual training program concerning the requirements of this Act for all employees of the coordinator's agency with responsibility for carrying out this Act.**

**SECTION 4. AND BE IT FURTHER ENACTED, That, on or before August 1, 2016, the Attorney General shall request a determination letter from the United States Department of Labor confirming that federal law does not preclude the Department of Labor, Licensing, and Regulation from utilizing federal or State funds to conduct voter registration in accordance with § 3-204 of the Election Law Article as enacted by Section 2 of this Act.**

**SECTION 5. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall take effect contingent on the receipt by the Attorney General of Maryland of a favorable determination letter from the United States Department of Labor confirming that federal law does not preclude the Department of Labor, Licensing, and Regulation from utilizing federal or State funds to conduct voter registration in accordance with § 3-204 of the Election Law Article as enacted by Section 2 of this Act. If a favorable determination letter is received on or before July 1, 2017, Section 2 of this Act shall take effect on the date notice of the letter is received by the Department of Legislative Services in accordance with this section. If the Attorney General does not receive a favorable determination letter on or before July 1, 2017,**

Section 2 of this Act shall be null and void and of no further force and effect. The Attorney General, within 5 days after receiving the determination letter from the United States Department of Labor, shall forward a copy of the letter to the Department of Legislative Services, 90 State Circle, Annapolis, Maryland 21401.

SECTION 6. AND BE IT FURTHER ENACTED, That, on or before August 1, 2016, the Attorney General shall request a determination letter from the Internal Revenue Service confirming that federal law does not preclude the Comptroller from engaging with the State Board of Elections for purposes of voter registration, including the sharing of information with the State Board that would allow for the identification of individuals who filed a Maryland resident individual income tax return and are not registered to vote.

SECTION 7. AND BE IT FURTHER ENACTED, That:

(a) On or before October 1, 2017, the Department of Information Technology and the State Board of Elections shall complete a study of voter registration at agencies in the Executive Branch of the State. The study shall:

(1) identify and assess the readiness and time frame within which the agencies that currently offer paper-based voter registration services to eligible State citizens might transition to an electronic system of voter registration;

(2) identify additional agencies for which it would be beneficial to the public to include a link on the agency's Web site to the online voter registration system at the State Board of Elections;

(3) identify additional agencies for which it would be beneficial to the public to be designated as voter registration agencies that provide paper-based or electronic voter registration services;

(4) assess how all agencies entrusted with providing electronic or paper-based voter registration services for citizens of the State maintain and ensure the confidentiality, security, and integrity of personal information obtained from citizens for purposes of voter registration.

(b) On or before October 1, 2017, the Department of Information Technology and the State Board of Elections shall jointly submit a report, in accordance with § 2-1246 of the State Government Article, summarizing the findings of the study to the Senate Education, Health, and Environmental Affairs Committee and the House Committee on Ways and Means.

SECTION 8. AND BE IT FURTHER ENACTED, That on or before January 1, 2017, the State Board of Elections shall submit a report to the Senate Education, Health, and Environmental Affairs Committee and the House Ways and Means Committee, in accordance with § 2-1246 of the State Government Article, concerning the process for informing applicants for voter registration of the manner in which an individual may apply

*to keep the individual's residence address confidential for specified safety or privacy reasons, as prescribed by the State Board of Elections regulations.*

SECTION ~~8~~ 9. AND BE IT FURTHER ENACTED, That, subject to Section 5 of this Act, this Act shall take effect July 1, 2016.

**Approved by the Governor, April 26, 2016.**

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## Chapter 288

### (House Bill 1008)

AN ACT concerning

#### **Election Law – Early Voting Centers**

FOR the purpose of increasing the number of early voting centers that certain counties are required to establish; providing that certain counties may establish one additional early voting center under certain circumstances; providing for a delayed effective date; and generally relating to early voting centers.

BY repealing and reenacting, with amendments,  
 Article – Election Law  
 Section 10–301.1  
 Annotated Code of Maryland  
 (2010 Replacement Volume and 2015 Supplement)

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

#### **Article – Election Law**

10–301.1.

(a) Except as provided under Title 9, Subtitle 3 of this article, during any regularly scheduled primary or general election a voter may vote:

- (1) in the voter's assigned precinct on election day; or
- (2) at an early voting center in the voter's county of residence on any early voting day in accordance with this section.

(b) (1) Each county shall have at least one early voting center established in the county as prescribed in this subsection.

(2) A county with fewer than 125,000 registered voters shall have one early voting center established in the county.

(3) A county with more than 125,000 registered voters but fewer than ~~300,000~~ **200,000** registered voters shall have ~~three~~ **FOUR** early voting centers established in the county.

**(4) A COUNTY WITH MORE THAN 200,000 REGISTERED VOTERS BUT FEWER THAN 300,000 REGISTERED VOTERS SHALL HAVE FOUR EARLY VOTING CENTERS ESTABLISHED IN THE COUNTY.**

~~(4)~~ **(5)** A county with more than 300,000 registered voters but fewer than 450,000 registered voters shall have ~~five~~ **SEVEN** early voting centers established in the county.

~~(5)~~ **(6)** A county with more than 450,000 registered voters shall have ~~eight~~ **ELEVEN** early voting centers.

~~(6)~~ **(7)** In addition to the early voting centers required in this subsection, each county **WITH FEWER THAN ~~125,000~~ 200,000 REGISTERED VOTERS** may establish one additional early voting center if the State Board, in collaboration with the local board, and the governing body of the county agree to establish an additional early voting center.

(c) No later than 6 months before a primary election, the State Board, in collaboration with the local board in each county, shall designate each early voting center in that county.

(d) Each early voting center shall be open for voting as follows:

(1) beginning the second Thursday before a primary or general election through the Thursday before the election; and

(2) during the following hours:

(i) in a presidential general election, during the hours between 8 a.m. and 8 p.m. each early voting day; and

(ii) in all other elections, during the hours between 10 a.m. and 8 p.m. each early voting day.

(e) Each early voting center shall satisfy the requirements of § 10–101 of this title.

(f) Beginning 30 days prior to each early voting period the State Board and each local board shall undertake steps to inform the public about early voting and the location of early voting centers in each county, including:

- (1) a series of public service media announcements;
- (2) mailings to all registered voters in each county; and
- (3) other measures as appropriate.

(g) Except as expressly provided in this section, any provision of this article that applies to voting on election day also applies to early voting.

(h) The State Board shall adopt regulations and guidelines in accordance with the requirements of this section for the conduct of early voting.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect January 1, 2017.

**Approved by the Governor, April 26, 2016.**

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## Chapter 289

(House Bill 1012)

AN ACT concerning

**~~Income~~ Tax Credit – Commuter Benefits – Eligibility and Credit Amount**

FOR the purpose of increasing the maximum allowable amount per employee of the income and insurance premium tax credit for a business's cost of providing commuter benefits for its employees; altering the minimum seating capacity of a vehicle that may be used to provide qualifying commuter benefits for purposes of the income and insurance premium tax credit; providing for the application of this Act; and generally relating to the income and insurance premium tax credit for commuter benefits.

BY repealing and reenacting, with amendments,  
 Article – Environment  
 Section 2–901  
 Annotated Code of Maryland  
 (2013 Replacement Volume and 2015 Supplement)

BY repealing and reenacting, without amendments,  
Article – Insurance  
Section 6–120  
Annotated Code of Maryland  
(2011 Replacement Volume and 2015 Supplement)

BY repealing and reenacting, without amendments,  
Article – Tax – General  
Section 10–715  
Annotated Code of Maryland  
(2010 Replacement Volume and 2015 Supplement)

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

**Article – Environment**

2–901.

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

(2) “Business entity” means:

(i) A person conducting or operating a trade or business in Maryland; or

(ii) An organization operating in Maryland that is exempt from taxation under § 501(c)(3) or (4) of the Internal Revenue Code.

(3) “Cash in lieu of parking program” means an employer–funded program under which an employer offers to provide a cash allowance to an employee in an amount equal to the parking subsidy that the employer would otherwise pay or incur to provide the employee a parking space.

(4) “Guaranteed ride home” means immediate transportation provided by a business entity for an employee who:

(i) Receives any of the commuter benefits described in subsection (b)(1) or (2) of this section or commutes by way of a nonmotorized method of transportation; and

(ii) Is required to leave work early for illness or other verifiable reason.

(5) “Instrument” means a pass, token, fare card, voucher, or similar item.

(6) “Parking subsidy” means:

(i) The difference between the out–of–pocket amount paid by an employer on a regular basis to secure the availability of an employee parking space not owned by the employer and the price charged to the employee for use of that space; or

(ii) For parking owned or leased by the employer as an integral part of a larger facility, the fair market value of a parking space provided by the employer for parking commuter vehicles, as determined:

1. By considering typical costs paid or incurred by users of nearby equivalent paid parking spaces, by evaluating the annual amortized cost of constructing and operating the parking space divided by the number of work days per year the space is ordinarily used; or

2. By other reasonable and justifiable means.

(b) A business entity may claim a tax credit in an amount equal to 50% of the cost of providing the following commuter benefits to the business entity's employees:

(1) If provided for the purpose of travel between the employee's residence and place of employment, any portion of the cost of transportation to or from a location in the State in a vehicle or an instrument that is used to offset any portion of the cost of transportation to or from a location in the State in a vehicle:

(i) With a seating capacity of at least ~~[eight]~~ **SIX** adult individuals;  
and

(ii) At least 80% of the annual mileage of which is incurred:

1. For the purpose of transporting individuals between their residences and their places of employment; and

2. On trips where the number of employees transported together is at least one-half of that vehicle's adult seating capacity;

(2) An instrument that:

(i) Entitles an individual, at no additional cost or at a reduced fare, to transportation to or from a location in the State on a publicly or privately owned mass transit system other than a taxi service; or

(ii) Is redeemable at a transit pass sales outlet for the purpose stated in item (i) of this item; or

(3) For an employee who resides or works in the State:

(i) A cash in lieu of parking program; or

(ii) A guaranteed ride home.

(c) The credit allowed under this section may not exceed ~~[\$50]~~ **\$100** per individual employee per month.

(d) (1) The credit allowed under this section may not exceed the total tax otherwise payable by the business entity for that taxable year, determined before the application of the credit under this section but after the application of any other credit.

(2) The unused amount of the credit under this section for any taxable year may not be carried over to any other taxable year.

### Article – Insurance

6–120.

An insurer may claim a credit against the premium tax for the cost of providing commuter benefits to the business entity’s employees as provided under § 2–901 of the Environment Article.

### **Article – Tax – General**

10–715.

(a) An individual or corporation may claim a credit against the State income tax for the cost of providing commuter benefits to the business entity’s employees as provided under § 2–901 of the Environment Article.

(b) An organization that is exempt from taxation under § 501(c)(3) or (4) of the Internal Revenue Code may apply the credit under this section as a credit for the payment to the Comptroller of taxes that the organization:

(1) is required to withhold from the wages of employees under § 10–908 of this title; and

(2) is required to pay to the Comptroller under § 10–906(a) of this title.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016, and shall be applicable to all taxable years beginning after December 31, 2015.

**Approved by the Governor, April 26, 2016.**

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## **Chapter 290**

**(House Bill 1015)**

AN ACT concerning

**Study of Student Loan Refinancing in Maryland**



FOR the purpose of requiring the Maryland Higher Education Commission and the Maryland Health and Higher Educational Facilities Authority, in consultation with the Department of Legislative Services and any other appropriate agencies, to study the expansion or creation of an appropriate bonding authority for the refinancing of student loans in Maryland; requiring the study to examine certain matters and to make findings and recommendations regarding certain matters; requiring the Maryland Higher Education Commission and the Maryland Health and Higher Educational Facilities Authority to report ~~to~~ their findings and recommendations to the Governor and the General Assembly on or before a certain date; providing for the termination of this Act; and generally relating to the study of student loan refinancing in Maryland.

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

(a) The Maryland Higher Education Commission and the Maryland Health and Higher Educational Facilities Authority, in consultation with the Department of Legislative Services and any other appropriate agencies, shall study the expansion or creation of an appropriate bonding authority for the refinancing of student loans in Maryland.

(b) The study shall examine:

(1) whether there are any entities in the State that have bonding authority and currently have the capability and the capacity to offer a student loan refinancing program;

(2) whether there are any entities in the State that have bonding authority and do not currently have the capability ~~and~~ or the capacity to offer a student loan refinancing program, but might be a viable option to offer the program if certain changes were made to the entity;

(3) student loan refinancing programs offered in other states, including eligibility requirements, essential program characteristics, and start-up and operational costs; and

(4) the role of counties or jurisdictions in offering student loan refinancing programs.

(c) The study shall make findings and recommendations on:

(1) the entities in the State that are best suited to offer a student loan refinancing program and whether any statutory changes would be necessary to enable those entities to offer a program;

(2) program characteristics that are essential for a successful student loan refinancing program in Maryland;

(3) the projected start-up and operational costs for a successful student loan refinancing program in Maryland;

(4) best practices and lessons learned from the review of other states' student loan refinancing programs; and

(5) the role of counties or jurisdictions in offering student loan refinancing programs.

(d) On or before September 30, 2017, the Maryland Higher Education Commission and the Maryland Health and Higher Educational Facilities Authority shall report ~~its~~ their findings and recommendations to the Governor and, in accordance with § 2–1246 of the State Government Article, the General Assembly.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2016. It shall remain effective for a period of 2 years and, at the end of May 31, 2018, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.

**Approved by the Governor, April 26, 2016.**

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## Chapter 291

(House Bill 1031)

AN ACT concerning

### **Frederick County – Alcoholic Beverages – Refillable Container Permits**

FOR the purpose of authorizing the Board of License Commissioners for Frederick County to issue a refillable container permit for draft beer and for wine to a holder of a Class A alcoholic beverages license or a Class B alcoholic beverages license; providing for certain permit fees; and generally relating to alcoholic beverages in Frederick County.

BY repealing and reenacting, without amendments,

Article – Alcoholic Beverages

Section 20–102

Annotated Code of Maryland

(As enacted by Chapter 41 (S.B. 724) of the Acts of the General Assembly of 2016)

BY repealing and reenacting, with amendments,

Article – Alcoholic Beverages

Section 20–1101

Annotated Code of Maryland

(As enacted by Chapter 41 (S.B. 724) of the Acts of the General Assembly of 2016)

BY adding to

Article – Alcoholic Beverages

Section 20–1104 and 20–1105

Annotated Code of Maryland

(As enacted by Chapter 41 (S.B. 724) of the Acts of the General Assembly of 2016)

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

**Article – Alcoholic Beverages**

20–102.

This title applies only in Frederick County.

20–1101.

(a) The following sections of Title 4, Subtitle 11 (“Additional License Privileges”) of Division I of this article apply in the County without exception or variation:

(1) § 4–1102 (“Corkage — Consuming wine not purchased from license holder on licensed premises”); and

(2) § 4–1103 (“Removal of partially consumed bottle of wine from licensed premises”).

(b) The following sections of Title 4, Subtitle 11 (“Additional License Privileges”) of Division I of this article [do not] apply in the County:

(1) § 4–1104 (“Refillable container permit — Draft beer”), **SUBJECT TO § 20–1104 OF THIS SUBTITLE**; and

(2) § 4–1104 (“Refillable container permit — Wine”), **SUBJECT TO § 20–1105 OF THIS SUBTITLE**.

20–1104.

**(A) THE BOARD MAY ISSUE A REFILLABLE CONTAINER PERMIT FOR DRAFT BEER TO A HOLDER OF A CLASS A OR CLASS B LICENSE.**

**(B) THE ANNUAL PERMIT FEE IS \$50.**

20-1105.

(A) THE BOARD MAY ISSUE A REFILLABLE CONTAINER PERMIT FOR WINE TO A HOLDER OF A CLASS A OR CLASS B LICENSE.

(B) THE ANNUAL PERMIT FEE IS \$50.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016.

Approved by the Governor, April 26, 2016.

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## Chapter 292

(House Bill 1064)

AN ACT concerning

**Montgomery County – Sale of Alcoholic Beverages – Distance From Places of  
Worship, Schools, and Youth Centers**

MC 18-16

FOR the purpose of repealing certain provisions of law prohibiting the Montgomery County Board of License Commissioners from approving an application for a license to sell alcoholic beverages within a certain distance of a place of worship, an elementary or secondary school, or a certain youth center; repealing certain provisions of law that authorize the Board of License Commissioners to approve an application for a license to sell alcoholic beverages more than a certain distance away from a place of worship, an elementary or secondary school, or a certain youth center under certain circumstances; and generally relating to the sale of alcoholic beverages in Montgomery County.

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

Article – Alcoholic Beverages

Section 25-1608

Annotated Code of Maryland

(As enacted by Chapter 41 (S.B. 724) of the Acts of the General Assembly of 2016)

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

**Article – Alcoholic Beverages**

~~25-1608.~~

~~(a) Except as provided in subsections (c) through (j) of this section, the Board may not issue a license for an establishment that is within 750 feet of:~~

~~(1) [a place of worship;~~

~~(2)] an elementary or a secondary school; or~~

~~[(3)] (2) a youth center sponsored or operated by a governmental unit.~~

~~(b) The distance from the establishment to the [place of worship,] elementary or secondary school[,] or youth center is to be measured from the nearest point of the building of the establishment to the nearest point of the building of the [place of worship,] school[,] or youth center.~~

~~(c) (1) The prohibition against issuing a license in subsection (a) of this section does not apply:~~

~~(i) to a culinary school license;~~

~~(ii) to a per diem license issued for use on the site of [a place of worship,] an elementary or a secondary school[,] or a youth center; or~~

~~(iii) if a [place of worship,] school[,] or youth center was built within 750 feet of an establishment after issuance of the license, to a license:~~

~~1. renewal;~~

~~2. transfer; or~~

~~3. subject to paragraph (2) of this subsection, reissuance, if the license is reissued within 1 year after the date of expiration or revocation of the prior license.~~

~~(2) Reissuance is prohibited if the acts of the owner of an establishment caused the license to be revoked.~~

~~(d) If the establishment is on land that is zoned commercial or industrial and is adjacent or contiguous to other land similarly classified, the Board, by majority vote, may issue a license for an establishment that is more than 300 feet from [a place of worship,] AN elementary or secondary school[,] or A youth center.~~

~~(e) The Board, by unanimous vote, may issue an on-sale license for a restaurant that is located in Burtonsville Town Square shopping center at the northwest corner of MD~~

~~198 and US 29a if the issuance of the license will not adversely affect nearby [places of worship,] schools, youth centers, or the nearest residential community.~~

~~(f) (1) Subject to paragraph (2) of this subsection, the Board, by unanimous vote, may issue a license with an on-sale privilege for a restaurant on land classified in or near:~~

~~(i) a CBD zone (central business district zone);~~

~~(ii) the Rockville Town Center Performance District;~~

~~(iii) the Takoma Park Transit Impact Area, as approved and adopted in the sector plan for Takoma Park; or~~

~~(iv) the Kensington commercial areas specified in § 25-1604 of this subtitle.~~

~~(2) A license may be issued for a restaurant specified in paragraph (1) of this subsection if:~~

~~(i) 1. the nearest point of the restaurant building is within 500 feet of the nearest boundary line of the respective zone, district, or area; or~~

~~2. the restaurant building is entirely contained in land classified in the respective zone, district, or area; and~~

~~(ii) the issuance of the license will not adversely affect nearby [places of worship,] schools, youth centers, or the nearest residential community.~~

~~(g) The Board, by majority vote, may issue an on-sale Class B beer, wine, and liquor license for a restaurant in Gaithersburg if:~~

~~(1) the restaurant is located in a shopping center bordered by Maryland Route 355, Central Avenue, Poplarwood Place, and North Westland Drive; AND~~

~~(2) [the restaurant is located more than 275 feet from a place of worship; and~~

~~(3)] a prior owner or tenant at the site of the restaurant held an alcoholic beverages license.~~

~~(h) The Board, by unanimous vote, may issue a license with an on-sale privilege for a restaurant that is located in the Hillandale Shopping Center at the northeast corner of MD 650 and Interstate 495 if the issuance of the license will not adversely affect nearby [places of worship,] schools, youth centers, or the nearest residential community.~~

~~(i) The Board, by unanimous vote, may issue a license with an on-sale privilege for a restaurant in the Rockshire Planned Residential Unit development in Rockville if:~~

~~(1) the restaurant building is entirely contained on land in the Rockshire Planned Residential Unit development area; and~~

~~(2) the issuance of the license will not adversely affect nearby [places of worship,] schools, youth centers, or the nearest residential community.~~

~~(j) The Board, by unanimous vote, may issue a license with an on-sale privilege for an establishment in Rock Spring Centre bordered by Rock Spring Drive, Rockledge Drive, Interstate 270, and Old Georgetown Road in Bethesda, if the issuance of the license will not adversely affect nearby [places of worship,] schools, youth centers, or the nearest residential community.~~

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016.

Approved by the Governor, April 26, 2016.

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## Chapter 293

(House Bill 1069)

AN ACT concerning

### Prince George's County – Alcoholic Beverages – Entertainment Concessionaire and Facility Licenses

PG 311-16

FOR the purpose of authorizing the Board of License Commissioners for Prince George's County to issue an entertainment concessionaire license to certain persons for certain purposes; providing for the scope of the entertainment concessionaire license; authorizing the Board to issue an entertainment facility license to certain persons for certain purposes; providing for the scope of the entertainment facility license; providing that beer, wine, and liquor sold under an entertainment concessionaire license or an entertainment facility license may be taken and consumed anywhere in the entertainment facility; specifying that the licenses authorize the playing of music and dancing; authorizing certain license holders to ~~provide complimentary~~ accept customer-earned credits for the service of food and alcoholic beverages in an entertainment facility for consumption in the facility ~~and for off-premises consumption, subject to a certain exception~~; specifying the hours of sale for the licenses; ~~specifying that certain licenses authorize the sale of beer, wine, and liquor for off-premises consumption from certain retail outlets~~; specifying that certain

licenses authorize the sale and consumption of beer, wine, and liquor in a certain lounge in which the holder of the license may serve and sell cigars, ~~for smoking in the lounge, and~~ food; providing that certain provisions relating to a special Sunday license do not apply to an entertainment facility license or an entertainment concessionaire license; providing that license holders that seek to provide entertainment are not required to obtain a certain special entertainment permit; providing that license holders that seek to allow dancing are not required to obtain a local dance license issued by Prince George's County; providing for the annual fees and payment date for the licenses; providing for the application to certain persons of certain penalties and sanctions for violations occurring on certain premises; defining certain terms; and generally relating to alcoholic beverages and entertainment facilities in Prince George's County.

BY adding to

Article – Alcoholic Beverages

Section 26–1009.1 and 26–1009.2

Annotated Code of Maryland

(As enacted by Chapter 41 (S.B. 724) of the Acts of the General Assembly of 2016)

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

### Article – Alcoholic Beverages

#### 26–1009.1.

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

(2) “CONCESSIONAIRE” MEANS A LESSEE, A SUBLESSEE, OR ANY OTHER OPERATOR OF AN ESTABLISHMENT THAT:

(I) ENGAGES IN THE DAILY SALE OF BEER, WINE, AND LIQUOR ON ITS PREMISES FOR:

~~1.~~ CONSUMPTION ANYWHERE IN AN ENTERTAINMENT FACILITY; AND

~~2. OFF-PREMISES CONSUMPTION IN A SEALED CONTAINER AS PROVIDED IN THIS SECTION; AND~~

(II) OPERATES A CONCESSION ADJACENT TO BUT INDEPENDENT OF THE ENTERTAINMENT FACILITY.

(3) “ENTERTAINMENT FACILITY” MEANS A FACILITY THAT HOLDS A LICENSE UNDER TITLE 9, SUBTITLE 1A OF THE STATE GOVERNMENT ARTICLE.



(B) THERE IS AN ENTERTAINMENT CONCESSIONAIRE LICENSE.

(C) (1) THE BOARD MAY ISSUE THE LICENSE TO A CONCESSIONAIRE OPERATING IN CONJUNCTION WITH AN ENTERTAINMENT FACILITY.

(2) THE LICENSE AUTHORIZES:

(I) THE LICENSE HOLDER TO SELL BEER, WINE, AND LIQUOR BY THE GLASS OR BY THE BOTTLE ON THE PREMISES OF THE CONCESSIONAIRE FOR CONSUMPTION ANYWHERE IN THE ENTERTAINMENT FACILITY, INCLUDING A HOTEL; AND

(II) THE PLAYING OF MUSIC AND DANCING ON THE LICENSED PREMISES.

(3) BEER, WINE, AND LIQUOR PURCHASED UNDER THE LICENSE MAY BE TAKEN INTO AND CONSUMED ANYWHERE IN AN ENTERTAINMENT FACILITY, INCLUDING A HOTEL.

(4) (I) ~~EXCEPT AS PROVIDED IN PARAGRAPH (5) OF THIS SUBSECTION, THE~~ THE LICENSE AUTHORIZES THE LICENSE HOLDER TO ~~PROVIDE COMPLIMENTARY~~ ACCEPT CUSTOMER-EARNED CREDITS FOR THE SERVICE OF FOOD AND ALCOHOLIC BEVERAGES IN ANY LOCATION OF THE ENTERTAINMENT FACILITY, INCLUDING A HOTEL, THAT IS NOT COVERED BY AN ENTERTAINMENT CONCESSIONAIRE LICENSE FOR:

~~1.~~ CONSUMPTION ANYWHERE IN THE ENTERTAINMENT FACILITY; ~~AND~~

~~2.~~ ~~OFF-PREMISES CONSUMPTION IN A SEALED CONTAINER.~~

(II) BEER, WINE, AND LIQUOR ~~PROVIDED ON A COMPLIMENTARY BASIS UNDER THE LICENSE~~ SERVED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH MAY BE TAKEN AND CONSUMED ANYWHERE IN AN ENTERTAINMENT FACILITY, INCLUDING A HOTEL.

~~(5) THE LICENSE HOLDER MAY NOT PROVIDE COMPLIMENTARY SERVICE OF FOOD AND ALCOHOLIC BEVERAGES ON A GAMING FLOOR, EXCEPT IN DESIGNATED PREMIUM PLAYER AREAS.~~

~~(6)~~ (5) THE HOURS OF SALE FOR THE LICENSE ARE THE SAME AS THE HOURS OF OPERATION FOR A VIDEO LOTTERY FACILITY ESTABLISHED UNDER § 9-1A-23 OF THE STATE GOVERNMENT ARTICLE.

~~(7) THE LICENSE AUTHORIZES THE SALE OF BEER, WINE, AND LIQUOR FOR OFF PREMISES CONSUMPTION IN A SEALED CONTAINER FROM MULTIPLE RETAIL OUTLETS COMPRISING NO MORE THAN A TOTAL OF 1,000 SQUARE FEET.~~

~~(8)~~ (6) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, THE LICENSE AUTHORIZES THE SALE AND CONSUMPTION OF ALCOHOLIC BEVERAGES UNDER THE LICENSE IN A LOUNGE THAT IS NO MORE THAN 2,000 SQUARE FEET IN WHICH THE HOLDER OF THE LICENSE MAY SERVE AND SELL CIGARS, FOR SMOKING IN THE LOUNGE, AND FOOD.

(D) A LICENSE HOLDER IS NOT REQUIRED TO OBTAIN A SUNDAY SALES LICENSE UNDER THIS TITLE TO SELL ALCOHOLIC BEVERAGES AFTER 2 A.M. ON SUNDAY.

(E) THE LICENSE MAY NOT BE COUNTED AS A CLASS B OR CLASS H LICENSE FOR PURPOSES OF § 26-1601 OF THIS TITLE.

(F) A LICENSE HOLDER THAT SEEKS TO PROVIDE ENTERTAINMENT IS NOT REQUIRED TO OBTAIN A SPECIAL ENTERTAINMENT PERMIT UNDER § 26-1103 OF THIS TITLE.

(G) A LICENSE HOLDER THAT SEEKS TO ALLOW DANCING IS NOT REQUIRED TO OBTAIN A LOCAL DANCE LICENSE ISSUED BY THE COUNTY.

(H) (1) THE ANNUAL FEE FOR THE LICENSE IS \$5,000.

(2) THE FEE SHALL BE PAID ON OR BEFORE MAY 1 OF EACH YEAR TO THE BOARD.

(I) ANY PENALTY OR OTHER SANCTION THAT IS IMPOSED FOR A VIOLATION OF A REGULATION OF THE BOARD ON THE LICENSED PREMISES OF THE HOLDER OF AN ENTERTAINMENT FACILITY LICENSE UNDER § 26-1009.2 OF THIS SUBTITLE SHALL APPLY TO THE HOLDER OF A CONCESSIONAIRE'S LICENSE THAT THE BOARD DETERMINES TO BE RESPONSIBLE FOR THE VIOLATION.

#### 26-1009.2.

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

(2) “CONCESSIONAIRE” HAS THE MEANING STATED IN § 26–1009.1 OF THIS SUBTITLE.

(3) “ENTERTAINMENT FACILITY” MEANS A FACILITY THAT HOLDS A LICENSE UNDER TITLE 9, SUBTITLE 1A OF THE STATE GOVERNMENT ARTICLE.

(B) THERE IS AN ENTERTAINMENT FACILITY LICENSE.

(C) (1) THE BOARD MAY ISSUE THE LICENSE FOR THE USE OF AN ENTERTAINMENT FACILITY THAT CONTAINS ONE OR MORE FOOD SERVICE FACILITIES, BARS, OR LOUNGES THAT ARE PART OF THE OPERATION OF THE ENTERTAINMENT FACILITY.

(2) (I) THE LICENSE SHALL BE ISSUED TO AN INDIVIDUAL OR ENTITY THAT OWNS AN ENTERTAINMENT FACILITY AND HOLDS A LICENSE UNDER TITLE 9, SUBTITLE 1A OF THE STATE GOVERNMENT ARTICLE.

(II) AN APPLICANT FOR THE LICENSE NEED NOT MEET ANY LOCATION, VOTING, OR RESIDENCY REQUIREMENTS.

(3) THE LICENSE AUTHORIZES:

(I) THE LICENSE HOLDER TO SELL BEER, WINE, AND LIQUOR BY THE GLASS OR BY THE BOTTLE IN ANY LOCATION OF THE ENTERTAINMENT FACILITY, INCLUDING A HOTEL, THAT IS NOT COVERED BY AN ENTERTAINMENT CONCESSIONAIRE LICENSE FOR CONSUMPTION ANYWHERE IN THE ENTERTAINMENT FACILITY; AND

(II) THE PLAYING OF MUSIC AND DANCING ON THE LICENSED PREMISES.

(4) BEER, WINE, AND LIQUOR PURCHASED UNDER THE LICENSE MAY BE TAKEN AND CONSUMED ANYWHERE IN AN ENTERTAINMENT FACILITY, INCLUDING A HOTEL.

(5) (I) ~~EXCEPT AS PROVIDED IN PARAGRAPH (6) OF THIS SUBSECTION, THE~~ THE LICENSE AUTHORIZES THE LICENSE HOLDER TO PROVIDE COMPLIMENTARY ACCEPT CUSTOMER-EARNED CREDITS FOR THE SERVICE OF FOOD AND ALCOHOLIC BEVERAGES IN ANY LOCATION OF THE ENTERTAINMENT FACILITY, INCLUDING A HOTEL, THAT IS NOT COVERED BY AN ENTERTAINMENT CONCESSIONAIRE LICENSE FOR

~~CONSUMPTION ANYWHERE IN THE ENTERTAINMENT FACILITY; AND~~

~~2. OFF-PREMISES CONSUMPTION IN A SEALED CONTAINER.~~

(II) BEER, WINE, AND LIQUOR ~~PROVIDED ON A COMPLIMENTARY BASIS UNDER THE LICENSE~~ SERVED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH MAY BE TAKEN AND CONSUMED ANYWHERE IN AN ENTERTAINMENT FACILITY, INCLUDING A HOTEL.

~~(6) THE LICENSE HOLDER MAY NOT PROVIDE COMPLIMENTARY SERVICE OF FOOD AND ALCOHOLIC BEVERAGES ON A GAMING FLOOR, EXCEPT IN DESIGNATED PREMIUM PLAYER AREAS.~~

~~(7)~~ (6) THE HOURS OF SALE FOR THE LICENSE ARE THE SAME AS THE HOURS OF OPERATION FOR A VIDEO LOTTERY FACILITY ESTABLISHED UNDER § 9-1A-23 OF THE STATE GOVERNMENT ARTICLE.

~~(8) THE LICENSE AUTHORIZES THE SALE OF BEER, WINE, AND LIQUOR FOR OFF-PREMISES CONSUMPTION IN A SEALED CONTAINER FROM MULTIPLE RETAIL OUTLETS COMPRISING NO MORE THAN A TOTAL OF 1,000 SQUARE FEET.~~

~~(9)~~ (7) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, THE LICENSE AUTHORIZES THE SALE AND CONSUMPTION OF BEER, WINE, AND LIQUOR IN A LOUNGE THAT IS NO MORE THAN 2,000 SQUARE FEET IN WHICH THE HOLDER OF THE LICENSE MAY SERVE AND SELL CIGARS, ~~FOR SMOKING IN THE LOUNGE,~~ AND FOOD.

(D) A LICENSE HOLDER IS NOT REQUIRED TO OBTAIN A SUNDAY SALES LICENSE TO SELL ALCOHOLIC BEVERAGES AFTER 2 A.M. ON SUNDAY.

(E) THE LICENSE MAY NOT BE COUNTED AS A CLASS B OR CLASS H LICENSE FOR PURPOSES OF § 26-1601 OF THIS TITLE.

(F) A LICENSE HOLDER THAT SEEKS TO PROVIDE ENTERTAINMENT IS NOT REQUIRED TO OBTAIN A SPECIAL ENTERTAINMENT PERMIT UNDER § 26-1103 OF THIS TITLE.

(G) A LICENSE HOLDER THAT SEEKS TO ALLOW DANCING IS NOT REQUIRED TO OBTAIN A LOCAL DANCE LICENSE ISSUED BY THE COUNTY.

(H) (1) THE ANNUAL FEE FOR THE LICENSE IS \$22,000.

(2) THE FEE SHALL BE PAID ON OR BEFORE MAY 1 OF EACH YEAR TO THE BOARD.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016.

**Approved by the Governor, April 26, 2016.**

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## **Chapter 294**

**(House Bill 1074)**

AN ACT concerning

### **Montgomery County – Laytonsville – Alcoholic Beverages Licenses**

**MC 22–16**

FOR the purpose of authorizing the Board of License Commissioners for Montgomery County to issue, renew, and transfer and otherwise provide a maximum of a certain number of alcoholic beverages licenses for use in the town of Laytonsville under certain conditions; specifying that the licenses may be any combination of certain types of licenses; providing for the effective date of certain provisions of this Act; making this Act an emergency measure; and generally relating to alcoholic beverages licenses in Montgomery County.

BY repealing and reenacting, without amendments,  
Article 2B – Alcoholic Beverages  
Section 8–216(a)(2)(i)  
Annotated Code of Maryland  
(2011 Replacement Volume and 2015 Supplement)

BY repealing and reenacting, with amendments,  
Article 2B – Alcoholic Beverages  
Section 8–216(e)  
Annotated Code of Maryland  
(2011 Replacement Volume and 2015 Supplement)

BY repealing and reenacting, with amendments,  
Article – Alcoholic Beverages  
Section 25–1605  
Annotated Code of Maryland  
(As enacted by Chapter 41 (S.B. 724) of the Acts of the General Assembly of 2016)

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

**Article 2B – Alcoholic Beverages**

8–216.

(a) (2) (i) Except as provided in subparagraphs (ii), (iii), (iv), (v), and (vi) of this paragraph and in subsections (d), (e), and (f) of this section, in Montgomery County, a license for the sale of alcoholic beverages authorized by this article may not be issued for any place of business located in Damascus (12th election district), and in the towns of Barnesville, Kensington, Laytonsville, Washington Grove and the City of Takoma Park.

(e) (1) The Board of License Commissioners may issue, renew, and transfer and otherwise provide a maximum of [2 Class B (on–sale) beer, wine, and liquor licenses] **TWO LICENSES** for use in the town of Laytonsville provided that alcoholic beverages served by a licensee may only be consumed by patrons while patrons are seated.

**(2) THE LICENSES AUTHORIZED UNDER PARAGRAPH (1) OF THIS SUBSECTION MAY BE ANY COMBINATION OF CLASS B (ON–SALE) BEER, WINE, AND LIQUOR LICENSES AND CLASS H (ON–SALE) BEER AND LIGHT WINE, HOTEL AND RESTAURANT LICENSES.**

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

**Article – Alcoholic Beverages**

25–1605.

(a) This section applies only to Laytonsville.

(b) (1) Subject to subsection (c) of this section, the Board may issue not more than two [Class B (on–sale) beer, wine, and liquor] licenses.

**(2) THE LICENSES AUTHORIZED UNDER PARAGRAPH (1) OF THIS SUBSECTION MAY BE ANY COMBINATION OF CLASS B (ON–SALE) BEER, WINE, AND LIQUOR LICENSES AND CLASS H (ON–SALE) BEER AND WINE, HOTEL AND RESTAURANT LICENSES.**

(c) A license may be issued, renewed, or transferred if alcoholic beverages served by the license holder are consumed by customers while the customers are seated.

SECTION 3. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall take effect on the taking effect of Chapter 41 (S.B. 724)(6lr1406) of the Acts of the General Assembly of 2016. If Section 2 of this Act takes effect, Section 1 of this Act shall be abrogated and of no further force and effect.

SECTION 4. AND BE IT FURTHER ENACTED, That this Act is an emergency measure, is necessary for the immediate preservation of the public health or safety, has been passed by a ye and nay vote supported by three-fifths of all the members elected to each of the two Houses of the General Assembly and, except as provided in Section 3 of this Act, shall take effect from the date it is enacted.

**Approved by the Governor, April 26, 2016.**

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## Chapter 295

(House Bill 1077)

AN ACT concerning

### Montgomery County Board of Elections – Election Director – Appointment Requirement

MC 26–16

FOR the purpose of requiring the Montgomery County Board of Elections to require a ~~supermajority~~ certain vote of the regular members of the Board, at least one of whom shall be a member of the principal minority party, to appoint an election director; and generally relating to the appointment of the election director by the Montgomery County Board of Elections.

BY repealing and reenacting, with amendments,

Article – Election Law

Section 2–202

Annotated Code of Maryland

(2010 Replacement Volume and 2015 Supplement)

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

#### Article – Election Law

2–202.

(a) Except for the City of Baltimore, the provisions of this section do not apply to a municipal corporation in the State in which the municipal or charter elections are regulated by the public local laws of the State or the charter of the municipal corporation.

(b) Each local board, in accordance with the provisions of this article and regulations adopted by the State Board, shall:

(1) oversee the conduct of all elections held in its county and ensure that the elections process is conducted in an open, convenient, and impartial manner;

(2) pursuant to the State Personnel and Pensions Article, or its county merit system, whichever is applicable, appoint an election director to manage the operations and supervise the staff of the local board;

(3) maintain an office and be open for business as provided in this article, and provide the supplies and equipment necessary for the proper and efficient conduct of voter registration and election, including:

(i) supplies and equipment required by the State Board; and

(ii) office and polling place equipment expenses;

(4) adopt any regulation it considers necessary to perform its duties under this article, which regulation shall become effective when it is filed with and approved by the State Board;

(5) serve as the local board of canvassers and certify the results of each election conducted by the local board;

(6) establish and alter the boundaries and number of precincts in accordance with § 2–303 of this title, and provide a suitable polling place for each precinct, and assign voters to precincts;

(7) provide to the general public timely information and notice, by publication or mail, concerning voter registration and elections;

(8) make determinations and hear and decide challenges and appeals as provided by law;

(9) (i) aid in the prosecution of an offense under this article; and

(ii) when the board finds there is probable cause to believe an offense has been committed, refer the matter to the appropriate prosecutorial authority;

(10) maintain and dispose of its records in accordance with the plan adopted by the State Board under § 2–106 of this title; and

(11) administer voter registration and absentee voting for nursing homes and assisted living facilities in accordance with procedures established by the State Administrator, subject to the approval of the State Board.

(c) In Garrett County, following each decennial census of the United States, the local board shall:



(1) evaluate the population of the county commissioner districts to determine whether the districts are of substantially equal population; and

(2) recommend to the Garrett County Delegation to the General Assembly any adjustments of the boundaries of those districts that are necessary to maintain districts of substantially equal population.

**(D) IN MONTGOMERY COUNTY, THE LOCAL BOARD SHALL REQUIRE AN AFFIRMATIVE VOTE OF NOT FEWER THAN ~~FOUR~~ THREE DULY CONFIRMED REGULAR MEMBERS OF THE LOCAL BOARD, AT LEAST ONE OF WHOM SHALL BE A MEMBER OF THE PRINCIPAL MINORITY PARTY, TO APPOINT AN ELECTION DIRECTOR.**

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2016.

Approved by the Governor, April 26, 2016.

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## Chapter 296

(House Bill 1079)

AN ACT concerning

### Montgomery County Student Loan Refinancing Authority

MC 27-16

FOR the purpose of authorizing Montgomery County to create the Montgomery County Student Loan Refinancing Authority; ~~providing that the Authority shall be authorized to exercise the powers set forth in this Act only on the taking effect of an~~ through an ordinance enacted by the Montgomery County government creating the Authority and approving the Authority to exercise its powers governing body; providing for the purpose, membership, powers, duties, and organization of the Authority; authorizing the Authority to issue bonds and notes for its corporate purposes related to loans for students or parents of students to assist in financing the cost of higher education; providing for the terms and manner of issuance of the bonds and notes; authorizing the Authority to adopt certain regulations; requiring certain money received under this Act to be held as trust funds; exempting certain property, money, and income of the Authority from certain taxation by the State and political subdivisions of the State; authorizing certain entities to invest in bonds issued by the Authority; providing a certain pledge that the State will not limit certain rights vested in the Authority; requiring Montgomery County to take certain actions before establishing the Authority; requiring the Authority to meet certain requirements if the Authority is established; providing that the provisions of the Montgomery County Charter do not apply to the Authority unless expressly provided

~~by law; prohibiting certain obligations of the Authority from being obligations of the State and political subdivisions of the State; stating certain findings and intent of the General Assembly; defining certain terms; providing for the construction of this Act; making the provisions of this Act severable; adding the Authority to the definition of “local government” for purposes of the Local Government Tort Claims Act; making certain provisions of this Act subject to a certain contingency; and generally relating to the Montgomery County Student Loan Refinancing Authority.~~

BY adding to

Article – Education

Section 18–3101 through ~~18–3122~~ 18–3103 to be under the new subtitle “Subtitle 31. Montgomery County Student Loan Refinancing Authority”

Annotated Code of Maryland

(2014 Replacement Volume and 2015 Supplement)

BY repealing and reenacting, with amendments,

Article – Courts and Judicial Proceedings

Section 5–301(d)(28) and (29)

Annotated Code of Maryland

(2013 Replacement Volume and 2015 Supplement)

BY adding to

Article – Courts and Judicial Proceedings

Section 5–301(d)(30)

Annotated Code of Maryland

(2013 Replacement Volume and 2015 Supplement)

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

### Article – Education

#### SUBTITLE 31. MONTGOMERY COUNTY STUDENT LOAN REFINANCING AUTHORITY.

#### ~~18–3101.~~

#### ~~(A) THE GENERAL ASSEMBLY FINDS THAT:~~

~~(1) IT IS IN THE PUBLIC INTEREST AND ESSENTIAL TO THE WELFARE OF MONTGOMERY COUNTY RESIDENTS AND TO THE PROPER GROWTH AND DEVELOPMENT OF MONTGOMERY COUNTY TO PROVIDE FINANCIAL ASSISTANCE TO ENABLE MONTGOMERY COUNTY RESIDENTS TO OBTAIN A POSTSECONDARY EDUCATION;~~

~~(2) MANY RESIDENTS OF MONTGOMERY COUNTY WHO ARE QUALIFIED TO ENROLL IN POSTSECONDARY EDUCATION LACK THE FINANCIAL~~

~~MEANS TO PAY THE COST OF POSTSECONDARY EDUCATION, WHICH RESULTS IN A LOSS OF VALUABLE TALENTS VITAL TO THE WELFARE OF THE COUNTY; AND~~

~~(3) THE ESTABLISHMENT OF A SYSTEM THAT WILL PROVIDE FINANCIAL ASSISTANCE TO ENABLE MONTGOMERY COUNTY RESIDENTS TO OBTAIN A POSTSECONDARY EDUCATION SERVES A PUBLIC PURPOSE AND IS CONSISTENT WITH THE LONG ESTABLISHED POLICY OF THE STATE TO ENCOURAGE, PROMOTE, AND ASSIST THE EDUCATION OF THE RESIDENTS OF THE STATE.~~

~~(B) IT IS THE INTENT OF THE GENERAL ASSEMBLY TO AUTHORIZE MONTGOMERY COUNTY TO PROVIDE A SYSTEM OF FINANCIAL ASSISTANCE, CONSISTING OF GRANTS, LOANS, AND OTHER AIDS, TO ENABLE MONTGOMERY COUNTY RESIDENTS TO OBTAIN A POSTSECONDARY EDUCATION.~~

~~18-3102.~~

~~(A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.~~

~~(B) "AUTHORITY" MEANS THE MONTGOMERY COUNTY STUDENT LOAN REFINANCING AUTHORITY.~~

~~(C) "BONDS" MEANS THE BONDS, NOTES, SECURITIES, OR OTHER OBLIGATIONS OR EVIDENCES OF INDEBTEDNESS ISSUED BY THE AUTHORITY IN ACCORDANCE WITH THIS SUBTITLE.~~

~~(D) "COUNTY" MEANS THE BODY POLITIC AND CORPORATE OF THE STATE KNOWN AS MONTGOMERY COUNTY.~~

~~(E) "COUNTY COUNCIL" MEANS THE COUNTY COUNCIL OF MONTGOMERY COUNTY.~~

~~(F) "COUNTY EXECUTIVE" MEANS THE CHIEF ELECTED EXECUTIVE OFFICIAL OF MONTGOMERY COUNTY.~~

~~(G) "EDUCATION LOAN" MEANS A LOAN TO A STUDENT OR THE PARENT, LEGAL GUARDIAN, OR SPONSOR OF THE STUDENT, OR TO AN ELIGIBLE INSTITUTION, FOR THE PURPOSE OF FINANCING A STUDENT'S ATTENDANCE AT AN ELIGIBLE INSTITUTION.~~

~~(H) (1) "ELIGIBLE INSTITUTION" MEANS AN INSTITUTION OF POSTSECONDARY EDUCATION THAT GENERALLY LIMITS ENROLLMENT TO GRADUATES OF SECONDARY SCHOOLS, AND AWARDS DEGREES AT EITHER THE ASSOCIATE, BACCALAUREATE, OR GRADUATE LEVEL.~~

~~(2) "ELIGIBLE INSTITUTION" INCLUDES IN STATE AND OUT OF STATE PUBLIC, PRIVATE NONPROFIT, AND FOR-PROFIT INSTITUTIONS OF HIGHER EDUCATION.~~

~~(I) "ELIGIBLE LOAN" MEANS A LOAN TO A STUDENT OR TO THE PARENT OF A STUDENT INSURED OR GUARANTEED BY THE SECRETARY, OR BY ANY OTHER GOVERNMENTAL OR PRIVATE AGENCY, CORPORATION, OR ORGANIZATION HAVING A REINSURANCE OR GUARANTY AGREEMENT WITH THE SECRETARY APPLICABLE TO THE LOAN.~~

~~(J) "GUARANTEED STUDENT LOAN PROGRAM" MEANS THE PROGRAM OF FEDERAL STUDENT LOAN INSURANCE AND REINSURANCE ADMINISTERED BY THE SECRETARY.~~

~~(K) "LENDER" MEANS ANY GOVERNMENTAL OR PRIVATE AGENCY, CORPORATION, ORGANIZATION, OR INSTITUTION, INCLUDING EDUCATIONAL INSTITUTIONS AND THE AUTHORITY, DESIGNATED AS AN ELIGIBLE LENDER BY FEDERAL STATUTE, REGULATION, OR ADMINISTRATIVE RULING FOR THE PURPOSES OF THE GUARANTEED STUDENT LOAN PROGRAM.~~

~~(L) "SECRETARY" MEANS THE UNITED STATES SECRETARY OF EDUCATION.~~

~~(M) (1) "STUDENT" MEANS AN INDIVIDUAL WHO MEETS THE RESIDENCY, ENROLLMENT, AND SATISFACTORY PROGRESS CRITERIA AND ANY OTHER CRITERIA ESTABLISHED BY THE AUTHORITY FOR AN INDIVIDUAL TO BE ELIGIBLE FOR FINANCIAL ASSISTANCE FROM THE AUTHORITY.~~

~~(2) "STUDENT" INCLUDES DEPENDENT AND INDEPENDENT UNDERGRADUATE, GRADUATE, AND PROFESSIONAL STUDENTS.~~

~~18-3103.~~ 18-3101.

(A) IN ACCORDANCE WITH THIS SUBTITLE, MONTGOMERY COUNTY IS AUTHORIZED TO CREATE A BODY CORPORATE AND POLITIC TO BE KNOWN AS THE MONTGOMERY COUNTY STUDENT LOAN REFINANCING AUTHORITY.

(B) THE PURPOSE OF THE AUTHORITY IS TO ~~FINANCE POSTSECONDARY EDUCATION FOR MONTGOMERY COUNTY RESIDENTS THROUGH:~~

~~(1) THE MAKING, PURCHASING, TAKING, ACQUIRING, OR LENDING AGAINST THE SECURITY OF, ELIGIBLE LOANS AND EDUCATION LOANS; AND~~

~~(2) THE SELLING OF ELIGIBLE LOANS AND EDUCATION LOANS MADE, TAKEN, ENDORSED, ACQUIRED, OR PURCHASED BY THE AUTHORITY TO GOVERNMENTAL OR PRIVATE FINANCIAL INSTITUTIONS. PROVIDE A SYSTEM OF FINANCIAL ASSISTANCE CONSISTING OF AFFORDABLE GRANTS, LOANS, AND OTHER AIDS TO ENABLE MONTGOMERY COUNTY RESIDENTS, GRADUATES OF THE COUNTY PUBLIC SCHOOL SYSTEM, INDIVIDUALS EMPLOYED BY THE COUNTY GOVERNMENT OR PUBLIC SCHOOL SYSTEM, AND OTHER INDIVIDUALS AS DETERMINED BY THE AUTHORITY, TO OBTAIN A POSTSECONDARY EDUCATION.~~

18-3102.

(A) BEFORE MONTGOMERY COUNTY MAY ESTABLISH THE MONTGOMERY COUNTY STUDENT LOAN REFINANCING AUTHORITY, THE COUNTY SHALL:

(1) STUDY ASPECTS OF IMPLEMENTING THE AUTHORITY IN ACCORDANCE WITH STATE AND COUNTY LAW, INCLUDING:

(I) PERFORMING A FEASIBILITY AND DEMAND STUDY;

(II) ASSESSING THE POTENTIAL BENEFIT TO RECRUITMENT AND RETENTION OF COUNTY AND SCHOOL SYSTEM EMPLOYEES; AND

(III) STUDYING THE OPERATION OF SIMILAR PROGRAMS IN OTHER SYSTEMS, INCLUDING OPERATING COSTS;

(2) HOLD PUBLIC HEARINGS; AND

(3) PROVIDE AN OPPORTUNITY FOR PUBLIC COMMENT.

~~(B) IF MONTGOMERY COUNTY DECIDES TO ESTABLISH THE AUTHORITY AS AUTHORIZED IN SUBSECTION (A) OF THIS SECTION, THE COUNCIL § 18-3101 OF THIS SUBTITLE, THE COUNTY'S GOVERNING BODY MUST PASS AN ORDINANCE THAT:~~

~~(1) CREATES THE AUTHORITY;~~

~~(2) AUTHORIZES THE AUTHORITY TO EXERCISE ALL POWERS SET FORTH IN THIS SUBTITLE WITHIN THE LIMITATIONS AND ON THE TERMS AND CONDITIONS SET FORTH IN THIS SUBTITLE; AND~~

~~(3) IS SIGNED AND APPROVED BY THE COUNTY EXECUTIVE.~~

~~(D) IF THE AUTHORITY IS ESTABLISHED AS AUTHORIZED IN SUBSECTION (A) OF THIS SECTION, THE AUTHORITY SHALL CONSTITUTE A PUBLIC~~

~~INSTRUMENTALITY OF MONTGOMERY COUNTY, AND THE EXERCISE BY THE AUTHORITY OF THE POWERS SET FORTH IN THIS SUBTITLE IS THE PERFORMANCE OF AN ESSENTIAL PUBLIC FUNCTION. CREATES THE AUTHORITY IN ACCORDANCE WITH THIS SUBTITLE.~~

~~18-3104. 18-3103.~~

(A) IF MONTGOMERY COUNTY ESTABLISHES THE MONTGOMERY COUNTY STUDENT LOAN REFINANCING AUTHORITY, THE AUTHORITY SHALL MEET THE REQUIREMENTS OF THIS SECTION.

(B) THE MONTGOMERY COUNTY STUDENT LOAN REFINANCING AUTHORITY SHALL BE SUBJECT TO:

(1) THE MONTGOMERY COUNTY PUBLIC ETHICS LAW; AND

(2) THE OPEN MEETINGS ACT UNDER TITLE 3 OF THE GENERAL PROVISIONS ARTICLE.

(C) IF THE MONTGOMERY COUNTY STUDENT LOAN REFINANCING AUTHORITY IS GRANTED THE POWER TO ISSUE BONDS FOR THE PURPOSE OF MAKING LOANS TO FINANCE POSTSECONDARY EDUCATION, ANY BONDS ISSUED BY THE AUTHORITY SHALL BE OBLIGATIONS OF THE AUTHORITY ONLY AND NOT OF MONTGOMERY COUNTY OR THE STATE.

(D) THE PROVISIONS OF THE MONTGOMERY COUNTY CHARTER DO NOT APPLY TO THE AUTHORITY UNLESS THE GOVERNING BODY OF MONTGOMERY COUNTY EXPRESSLY PROVIDES BY LAW THAT A CHARTER PROVISION APPLIES TO THE AUTHORITY.

~~(A) THE MONTGOMERY COUNTY STUDENT LOAN REFINANCING AUTHORITY SHALL CONSIST OF 5 MEMBERS APPOINTED BY THE COUNTY EXECUTIVE, SUBJECT TO THE CONFIRMATION OF THE COUNTY COUNCIL.~~

~~(B) (1) EACH MEMBER MUST BE A RESIDENT OF THE COUNTY.~~

~~(2) INDIVIDUALS WHO ARE APPOINTED AS MEMBERS OF THE AUTHORITY MUST BE INDIVIDUALS WHO ARE QUALIFIED BY TRAINING OR EXPERIENCE IN EDUCATION, FINANCE, OR PERSONAL INVESTMENT CONSULTING.~~

~~(C) (1) (i) THE MEMBERS OF THE AUTHORITY FIRST APPOINTED SHALL SERVE FOR TERMS EXPIRING ON JUNE 30, 2017, 2018, 2019, 2020, AND 2021, RESPECTIVELY, AND UNTIL A SUCCESSOR IS APPOINTED AND QUALIFIES.~~

~~(H) ON THE EXPIRATION OF THE TERM OF ANY MEMBER, A SUCCESSOR SHALL BE APPOINTED FOR A TERM OF 5 YEARS AND UNTIL A SUCCESSOR IS APPOINTED AND QUALIFIES.~~

~~(2) THE COUNTY EXECUTIVE SHALL APPOINT A QUALIFIED INDIVIDUAL TO FILL ANY VACANCY, SUBJECT TO THE CONFIRMATION OF THE COUNTY COUNCIL.~~

~~(3) A MEMBER APPOINTED TO FILL A VACANCY IN AN UNEXPIRED TERM SHALL SERVE ONLY FOR THE REMAINDER OF THAT TERM AND UNTIL A SUCCESSOR IS APPOINTED AND QUALIFIES.~~

~~(4) A MEMBER OF THE AUTHORITY MAY BE REMOVED BY THE COUNTY EXECUTIVE FOR INCOMPETENCE, MISCONDUCT, OR OTHER CAUSE AFTER NOTICE, AND WITH THE APPROVAL OF THE COUNCIL.~~

~~(D) (1) EACH YEAR THE AUTHORITY SHALL ELECT FROM AMONG ITS MEMBERS:~~

~~(I) A CHAIR;~~

~~(II) A VICE CHAIR; AND~~

~~(III) ANY OTHER OFFICERS IT REQUIRES.~~

~~(2) A MEMBER OF THE AUTHORITY:~~

~~(I) MAY NOT RECEIVE COMPENSATION AS A MEMBER OF THE AUTHORITY; BUT~~

~~(II) IS ENTITLED TO REIMBURSEMENT FOR ACTUAL EXPENSES NECESSARILY INCURRED IN THE PERFORMANCE OF DUTIES.~~

~~18-3105.~~

~~(A) (1) THE AUTHORITY MAY APPOINT AN EXECUTIVE DIRECTOR AND COUNSEL, AND ANY OTHER OFFICERS, NONE OF WHOM MAY BE MEMBERS OF THE AUTHORITY.~~

~~(2) THE EXECUTIVE DIRECTOR SHALL:~~

~~(I) SERVE AT THE PLEASURE OF THE AUTHORITY; AND~~

~~(II) RECEIVE COMPENSATION AS FIXED BY THE AUTHORITY.~~

~~(3) THE EXECUTIVE DIRECTOR OR OTHER INDIVIDUAL DESIGNATED BY RESOLUTION OF THE AUTHORITY:~~

~~(I) SHALL KEEP A RECORD OF THE PROCEEDINGS OF THE AUTHORITY;~~

~~(II) SHALL BE THE CUSTODIAN OF ALL BOOKS, DOCUMENTS, AND PAPERS FILED WITH THE AUTHORITY, INCLUDING THE MINUTES OF THE AUTHORITY; AND~~

~~(III) MAY AUTHORIZE COPIES TO BE MADE OF ALL MINUTES AND OTHER RECORDS AND DOCUMENTS OF THE AUTHORITY AND MAY CERTIFY THAT THE COPIES ARE TRUE COPIES UNDER THE OFFICIAL SEAL OF THE AUTHORITY.~~

~~(B) (1) THREE MEMBERS OF THE AUTHORITY SHALL CONSTITUTE A QUORUM.~~

~~(2) THE AFFIRMATIVE VOTE OF A MAJORITY OF THE MEMBERS PRESENT SHALL BE NECESSARY FOR ANY ACTION TAKEN BY THE AUTHORITY.~~

~~(C) A VACANCY IN THE MEMBERSHIP OF THE AUTHORITY MAY NOT IMPAIR THE RIGHT OF A QUORUM TO EXERCISE ALL THE RIGHTS AND PERFORM ALL THE DUTIES OF THE AUTHORITY.~~

~~(D) (1) ANY ACTION TAKEN BY THE AUTHORITY UNDER THIS SUBTITLE MAY BE AUTHORIZED BY RESOLUTION AT ANY REGULAR OR SPECIAL MEETING.~~

~~(2) ANY ACTION TAKEN BY THE AUTHORITY UNDER THIS SUBTITLE MAY TAKE EFFECT IMMEDIATELY AND DOES NOT NEED TO BE PUBLISHED.~~

~~18-3106.~~

~~(A) (1) THE AUTHORITY MAY ISSUE BONDS FOR THE PURPOSE OF MAKING ELIGIBLE LOANS AND EDUCATION LOANS.~~

~~(2) BONDS ISSUED UNDER THIS SUBTITLE SHALL BE OBLIGATIONS OF THE MONTGOMERY COUNTY STUDENT LOAN REFINANCING AUTHORITY ONLY AND NOT OF THE COUNTY OR THE STATE.~~

~~(3) THE BONDS AUTHORIZED TO BE ISSUED UNDER THIS SUBTITLE MAY BE ISSUED WITHOUT AN ELECTION REFERENDUM OR ANY PROCEEDINGS OR CONDITIONS OTHER THAN THOSE PROCEEDINGS OR CONDITIONS THAT ARE REQUIRED BY THIS SUBTITLE.~~



~~(B) (1) BONDS ISSUED UNDER THIS SUBTITLE SHALL STATE ON THE FACE OF EACH BOND THAT THEY REPRESENT AND CONSTITUTE AN OBLIGATION OF THE AUTHORITY ONLY, AND DO NOT CONSTITUTE A DEBT OF THE STATE OR ANY POLITICAL SUBDIVISION OF THE STATE OR A PLEDGE OF THE FAITH AND CREDIT OF THE STATE OR ANY POLITICAL SUBDIVISION OF THE STATE.~~

~~(2) BONDS ISSUED UNDER THIS SUBTITLE MAY NOT GRANT TO THE OWNERS OR HOLDERS ANY RIGHT TO HAVE THE AUTHORITY, THE GENERAL ASSEMBLY, OR THE COUNTY COUNCIL LEVY ANY TAXES OR APPROPRIATE ANY FUNDS FOR THE PAYMENT OF PRINCIPAL OR INTEREST.~~

~~18-3107.~~

~~(A) THE AUTHORITY SHALL HAVE ALL THE POWERS NECESSARY OR CONVENIENT TO CARRY OUT THE PURPOSES AND PROVISIONS OF THIS SUBTITLE.~~

~~(B) IN ADDITION TO THE POWERS SET FORTH ELSEWHERE IN THIS SUBTITLE, THE AUTHORITY MAY:~~

~~(1) SUE AND BE SUED, COMPLAIN, AND DEFEND, IN ITS CORPORATE NAME;~~

~~(2) ADOPT AN OFFICIAL SEAL;~~

~~(3) PURCHASE, TAKE, RECEIVE, LEASE, OR OTHERWISE ACQUIRE, OWN, HOLD, IMPROVE, USE, AND DEAL IN AND WITH, REAL OR PERSONAL PROPERTY;~~

~~(4) SELL, CONVEY, MORTGAGE, PLEDGE, LEASE, EXCHANGE, TRANSFER, AND DISPOSE OF ALL OR ANY PART OF ITS PROPERTY AND ASSETS FOR ANY CONSIDERATION AND ON ANY TERMS AND CONDITIONS AS THE AUTHORITY SHALL DETERMINE;~~

~~(5) MAKE CONTRACTS AND INCUR LIABILITIES;~~

~~(6) BORROW MONEY AT ANY RATE OF INTEREST AS THE AUTHORITY MAY DETERMINE;~~

~~(7) LEND MONEY FOR ITS PURPOSES, AND INVEST AND REINVEST AUTHORITY FUNDS;~~

~~(8) MAKE AND EXECUTE ALL CONTRACTS, AGREEMENTS, AND INSTRUMENTS NECESSARY OR CONVENIENT IN THE EXERCISE OF THE POWERS OF THE AUTHORITY GRANTED BY THIS SUBTITLE;~~

~~(9) CONDUCT AUTHORITY ACTIVITIES AND OPERATIONS;~~

~~(10) ELECT, APPOINT, OR EMPLOY OFFICERS AND AGENTS OF THE AUTHORITY, DEFINE THEIR DUTIES, AND FIX THEIR COMPENSATION; AND~~

~~(11) MAKE AND ALTER BYLAWS THAT ARE NOT INCONSISTENT WITH THIS SUBTITLE.~~

~~18-3108.~~

~~(A) IN ADDITION TO THE POWERS SET FORTH ELSEWHERE IN THIS SUBTITLE, THE AUTHORITY MAY:~~

~~(1) LEND MONEY TO STUDENTS AND PARENTS OF STUDENTS FOR THE PURPOSE OF ASSISTING THE STUDENTS IN OBTAINING AN EDUCATION AT AN ELIGIBLE INSTITUTION, INCLUDING:~~

~~(i) REFINANCING OR CONSOLIDATING OBLIGATIONS PREVIOUSLY INCURRED BY A STUDENT OR A PARENT WITH OTHER LENDING SOURCES; AND~~

~~(ii) PARTICIPATING IN LOANS TO STUDENTS OR PARENTS WITH OTHER LENDING SOURCES;~~

~~(2) MAKE, ACQUIRE, TAKE, OR PURCHASE ELIGIBLE LOANS AND EDUCATION LOANS WITH THE PROCEEDS OF BONDS OR NOTES OR ANY OTHER FUNDS OF THE AUTHORITY, IN ANY AMOUNT, AT ANY PRICE, AND ON ANY TERMS AND CONDITIONS AS THE AUTHORITY MAY DETERMINE;~~

~~(3) SELL ELIGIBLE LOANS HELD BY THE AUTHORITY TO GOVERNMENTAL OR PRIVATE FINANCIAL INSTITUTIONS, IN ANY AMOUNT, AT ANY PRICE, AND ON ANY TERMS AND CONDITIONS AS THE AUTHORITY MAY DETERMINE;~~

~~(4) BORROW FROM GOVERNMENTAL OR PRIVATE FINANCIAL INSTITUTIONS AGAINST THE SECURITY OF ELIGIBLE LOANS HELD BY THE AUTHORITY, IN ANY AMOUNT, AT ANY PRICE, AND ON ANY TERMS AND CONDITIONS AS THE AUTHORITY MAY DETERMINE;~~

~~(5) BORROW MONEY AND ISSUE BONDS AND NOTES;~~

~~(6) PROVIDE FOR THE RIGHTS OF THE HOLDERS OF BONDS AND NOTES AND TO SECURE THE BONDS AND NOTES BY ASSIGNMENT, PLEDGE, OR GRANTING OF A SECURITY INTEREST IN AUTHORITY PROPERTY, INCLUDING THE~~

~~AUTHORITY'S INTEREST IN ELIGIBLE LOANS, EDUCATION LOANS, OR AGREEMENTS WITH ELIGIBLE INSTITUTIONS, FOR THE PURPOSE OF PROVIDING FUNDS TO CARRY OUT ITS PURPOSES UNDER THIS SUBTITLE;~~

~~(7) CONTRACT FOR AND ACCEPT ANY GIFTS, GRANTS, LOANS, FUNDS, REAL OR PERSONAL PROPERTY, OR FINANCIAL OR OTHER ASSISTANCE IN ANY FORM FROM THE UNITED STATES OR THE STATE OR ANY AGENCY OR INSTRUMENTALITY OF THE UNITED STATES OR THE STATE;~~

~~(8) SUBJECT TO A CONTRACT WITH THE HOLDERS OF AUTHORITY BONDS OR NOTES, OR A CONTRACT WITH THE RECIPIENT OF AN ELIGIBLE LOAN, CONSENT TO THE MODIFICATION OF ANY TERM OF A BOND, NOTE, CONTRACT, OR AGREEMENT BETWEEN THE AUTHORITY AND THE RECIPIENT OR MAKER OF A BOND, NOTE, CONTRACT, OR AGREEMENT;~~

~~(9) PROCURE INSURANCE OF EVERY NATURE OR TO ENTER INTO AGREEMENTS WITH ELIGIBLE INSTITUTIONS TO PROTECT THE AUTHORITY AGAINST LOSSES THAT MAY BE INCURRED IN CONNECTION WITH ITS PROPERTY, ASSETS, ACTIVITIES, OR THE EXERCISE OF THE POWERS GRANTED UNDER THIS SUBTITLE;~~

~~(10) ENGAGE THE SERVICES AND FIX THE COMPENSATION OF CONSULTANTS ON A CONTRACTUAL BASIS FOR RENDERING PROFESSIONAL AND TECHNICAL ASSISTANCE AND ADVICE;~~

~~(11) EMPLOY ATTORNEYS, ACCOUNTANTS, FINANCIAL EXPERTS, AND ANY OTHER ADVISERS, CONSULTANTS, AND AGENTS THAT MAY BE NECESSARY IN THE JUDGMENT OF THE AUTHORITY;~~

~~(12) ESTABLISH CRITERIA FOR INDIVIDUALS TO BE ELIGIBLE FOR FINANCIAL ASSISTANCE FROM THE AUTHORITY, INCLUDING RESIDENCY REQUIREMENTS AND CRITERIA FOR ENROLLMENT AND SATISFACTORY PROGRESS AT A POSTSECONDARY INSTITUTION;~~

~~(13) ESTABLISH CRITERIA FOR INDIVIDUALS WHO ARE EMPLOYED IN PUBLIC SERVICE POSITIONS, AS DETERMINED BY THE AUTHORITY, TO BE ELIGIBLE FOR FINANCIAL ASSISTANCE FROM THE AUTHORITY;~~

~~(14) SET AND COLLECT FEES AND CHARGES IN CONNECTION WITH THE AUTHORITY'S ELIGIBLE LOANS, COMMITMENTS, AND SERVICING, INCLUDING:~~

~~(I) REIMBURSEMENT OF THE COSTS OF FINANCING BY THE AUTHORITY;~~

~~(II) SERVICE CHARGES;~~

~~(III) INSURANCE PREMIUMS; AND~~

~~(IV) COSTS INCURRED BY THE AUTHORITY IN CARRYING OUT ITS CORPORATE PURPOSES; AND~~

~~(15) CREATE AND ESTABLISH ANY OTHER FUNDS THAT MAY BE NECESSARY FOR ITS CORPORATE PURPOSES.~~

~~(B) THE AUTHORITY MAY ADOPT REGULATIONS NECESSARY TO CARRY OUT THE PURPOSES OF THIS SUBTITLE, INCLUDING REGULATIONS THAT:~~

~~(1) ENSURE COMPLIANCE BY THE AUTHORITY WITH THE REQUIREMENTS IMPOSED BY STATUTES OR REGULATIONS GOVERNING THE GUARANTY, INSURANCE, PURCHASE, OR OTHER DEALING IN ELIGIBLE LOANS BY FEDERAL AGENCIES, INSTRUMENTALITIES, OR CORPORATIONS;~~

~~(2) SET STANDARDS OF ELIGIBILITY FOR EDUCATIONAL INSTITUTIONS, STUDENTS, AND LENDERS AND TO DEFINE ALL OTHER TERMS AS THE AUTHORITY DETERMINES NECESSARY TO CARRY OUT THE PURPOSES OF THIS SUBTITLE;~~

~~(3) ESTABLISH A METHOD FOR ENFORCING THE REGULATIONS OF THE AUTHORITY; AND~~

~~(4) ESTABLISH PENALTIES FOR VIOLATIONS OF ANY REGULATION OF THE AUTHORITY.~~

~~18-3109.~~

~~(A) THE AUTHORITY IS AUTHORIZED TO ISSUE NEGOTIABLE BONDS AND NOTES IN ONE OR MORE SERIES IN ANY PRINCIPAL AMOUNTS AS THE AUTHORITY DETERMINES NECESSARY TO PROVIDE SUFFICIENT FUNDS FOR ACHIEVING ITS PURPOSES, INCLUDING:~~

~~(1) THE PAYMENT OF INTEREST ON BONDS AND NOTES OF THE AUTHORITY;~~

~~(2) THE ESTABLISHMENT OF RESERVES TO SECURE BONDS AND NOTES OF THE AUTHORITY; AND~~

~~(3) THE MAKING OF ALL OTHER EXPENDITURES OF THE AUTHORITY NECESSARY OR CONVENIENT FOR CARRYING OUT ITS CORPORATE PURPOSES AND POWERS.~~

~~(B) ALL BONDS AND NOTES ISSUED BY THE AUTHORITY MAY BE:~~

~~(1) SECURED BY THE FULL FAITH AND CREDIT OF THE AUTHORITY;~~

~~OR~~

~~(2) PAYABLE SOLELY OUT OF REVENUES AND RECEIPTS DERIVED FROM:~~

~~(I) THE PLEDGE OR ASSIGNMENT OF, GRANT OF SECURITY INTEREST IN, OR SALE OF ELIGIBLE LOANS OR EDUCATION LOANS OWNED BY THE AUTHORITY;~~

~~(II) REPAYMENT OF ANY ELIGIBLE LOANS OR EDUCATION LOANS MADE BY THE AUTHORITY;~~

~~(III) UNDISBURSED PROCEEDS OF THE BONDS OR NOTES;~~

~~(IV) GUARANTY PAYMENTS OF PRINCIPAL AND INTEREST ON ELIGIBLE LOANS;~~

~~(V) INTEREST SUBSIDY PAYMENTS OR INVESTMENT EARNINGS;~~

~~(VI) ANY OTHER FORM OF SECURITY AVAILABLE TO THE AUTHORITY FOR THIS PURPOSE.~~

~~(C) AS DETERMINED BY THE AUTHORITY, BONDS AND NOTES OF THE AUTHORITY MAY BE:~~

~~(1) EXECUTED AND DELIVERED BY THE AUTHORITY AT ANY TIME;~~

~~(2) IN ANY FORM, DENOMINATION, TENOR, AND MATURITY;~~

~~(3) IN BEARER FORM OR IN REGISTERED FORM; OR~~

~~(4) IN PRINCIPAL AND INTEREST OR IN PRINCIPAL ALONE.~~

~~(D) BONDS MAY BE PAYABLE IN ANY INSTALLMENTS AS DETERMINED BY THE AUTHORITY, BUT MAY NOT EXCEED 30 YEARS FROM THE DATE OF ISSUE.~~

~~(E) NOTES AND ANY RENEWALS OF NOTES MAY BE PAYABLE IN ANY INSTALLMENTS AS DETERMINED BY THE AUTHORITY, BUT MAY NOT EXCEED 10 YEARS FROM THE DATE OF ISSUE.~~

~~18-3110.~~

~~(A) BONDS AND NOTES ISSUED BY THE AUTHORITY MAY:~~

~~(1) BE PAYABLE AT ANY PLACE;~~

~~(2) BEAR INTEREST AT ANY RATE PAYABLE AT ANY TIME AND AT ANY PLACE AND EVIDENCED IN ANY MANNER; AND~~

~~(3) CONTAIN ANY PROVISIONS NOT INCONSISTENT WITH THIS SECTION.~~

~~(B) THE AUTHORITY MAY RETAIN AN OPTION TO REDEEM ALL OR ANY PART OF BONDS OR NOTES OF THE AUTHORITY AT ANY PRICE AND ON ANY NOTICE, AND ON ANY FURTHER TERMS AND CONDITIONS, WHICH SHALL BE SET FORTH ON THE FACE OF THE BONDS OR NOTES ISSUED BY THE AUTHORITY.~~

~~(C) (1) ANY BONDS OR NOTES OF THE AUTHORITY MAY BE SOLD AT ANY PRICE, AT PUBLIC OR PRIVATE SALE, AND IN ANY MANNER AS SHALL BE DETERMINED BY THE AUTHORITY.~~

~~(2) THE AUTHORITY SHALL PAY ALL EXPENSES, PREMIUMS, AND COMMISSIONS AS IT SHALL DETERMINE NECESSARY OR ADVANTAGEOUS IN CONNECTION WITH THE ISSUANCE AND SALE OF BONDS OR NOTES OF THE AUTHORITY.~~

~~(D) MONEY OF THE AUTHORITY, INCLUDING ALL REVENUES, RECEIPTS, PROCEEDS, PAYMENTS, OR EARNINGS LISTED IN § 18-3109(B) OF THIS SUBTITLE MAY BE INVESTED AND REINVESTED IN ANY OBLIGATIONS, SECURITIES, AND OTHER INVESTMENTS CONSISTENT WITH THE PURPOSES OF THIS SUBTITLE AS SHALL BE SPECIFIED IN THE RESOLUTIONS UNDER WHICH THE BONDS OR NOTES ARE AUTHORIZED.~~

~~(E) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, ISSUANCE BY THE AUTHORITY OF ONE OR MORE SERIES OF BONDS OR NOTES FOR ONE OR MORE PURPOSES MAY NOT PRECLUDE THE AUTHORITY FROM ISSUING OTHER BONDS OR NOTES FOR THE SAME PURPOSE.~~

~~(2) THE PROCEEDINGS WHERE ANY SUBSEQUENT BONDS OR NOTES MAY BE ISSUED SHALL RECOGNIZE AND PROTECT A PRIOR PLEDGE OR MORTGAGE MADE FOR A PRIOR ISSUE OF BONDS OR NOTES UNLESS IN THE PROCEEDINGS AUTHORIZING THE PRIOR ISSUE THE RIGHT IS RESERVED TO ISSUE SUBSEQUENT BONDS OR NOTES ON A PARITY WITH THE PRIOR ISSUE.~~

~~18-3111.~~

~~(A) (1) THE AUTHORITY IS AUTHORIZED TO ISSUE BONDS OR NOTES FOR THE PURPOSE OF REFUNDING ITS BONDS OR NOTES OUTSTANDING, INCLUDING:~~

~~(I) THE PAYMENT OF ANY REDEMPTION PREMIUM ON THE BONDS OR NOTES AND ANY INTEREST ACCRUED; OR~~

~~(II) TO ACCRUE TO THE EARLIEST OR SUBSEQUENT DATE OF REDEMPTION, PURCHASE, OR MATURITY OF THE BONDS OR NOTES.~~

~~(2) (I) THE PROCEEDS OF BONDS OR NOTES ISSUED FOR THE PURPOSE OF REFUNDING OUTSTANDING BONDS OR NOTES MAY BE APPLIED, IN THE DISCRETION OF THE AUTHORITY, TO THE PURCHASE, RETIREMENT AT MATURITY, OR REDEMPTION OF THE OUTSTANDING BONDS OR NOTES.~~

~~(II) REDEMPTION OF OUTSTANDING BONDS MAY OCCUR EITHER ON THE EARLIEST REDEMPTION DATE OR ON A SUBSEQUENT REDEMPTION DATE AND MAY BE PLACED IN ESCROW.~~

~~(B) (1) ESCROWED PROCEEDS MAY BE:~~

~~(I) INVESTED AND REINVESTED IN OBLIGATIONS OF OR GUARANTEED BY THE UNITED STATES, OR IN CERTIFICATES OF DEPOSIT OR TIME DEPOSITS OR REPURCHASE AGREEMENTS;~~

~~(II) FULLY SECURED OR GUARANTEED BY THE STATE OR THE UNITED STATES, OR AN INSTRUMENTALITY OF THE STATE OR THE UNITED STATES; AND~~

~~(III) MATURE AT ANY TIME AS SHALL BE APPROPRIATE TO ASSURE THE PROMPT PAYMENT, AS TO PRINCIPAL, INTEREST, AND REDEMPTION PREMIUM, OF THE OUTSTANDING BONDS OR NOTES TO BE REFUNDED.~~

~~(2) THE INTEREST, INCOME, AND PROFITS EARNED OR REALIZED ON THE INVESTMENT OF ESCROW PROCEEDS MAY ALSO BE APPLIED TO THE PAYMENT OF THE OUTSTANDING BONDS OR NOTES TO BE REFUNDED.~~

~~(3) AFTER THE TERMS OF THE ESCROW HAVE BEEN FULLY SATISFIED AND CARRIED OUT, ANY BALANCE OF THE PROCEEDS AND INTEREST, INCOME, AND PROFITS EARNED OR REALIZED ON THE INVESTMENTS OF ESCROW PROCEEDS MAY BE RETURNED TO THE AUTHORITY TO BE USED TO CARRY OUT ITS PURPOSES.~~

~~(4) ALL BONDS OR NOTES ISSUED UNDER THIS SECTION SHALL BE SUBJECT TO THE PROVISIONS OF THIS SUBTITLE IN THE MANNER AND TO THE SAME EXTENT AS ANY OTHER BONDS OR NOTES ISSUED IN ACCORDANCE WITH THIS SUBTITLE.~~

~~(C) THE DIRECTORS, OFFICERS OF THE AUTHORITY, AND OTHER PERSONS EXECUTING THE BONDS MAY NOT BE SUBJECT TO PERSONAL LIABILITY OR ACCOUNTABILITY BY REASON OF THE ISSUANCE OF THE BONDS.~~

~~(D) BONDS OR NOTES MAY BE ISSUED UNDER THE PROVISIONS OF THIS SUBTITLE:~~

~~(1) WITHOUT OBTAINING THE CONSENT OF THE STATE OR ANY INSTRUMENTALITY OF THE STATE; AND~~

~~(2) WITHOUT ANY OTHER PROCEEDINGS OR CONDITIONS OTHER THAN THOSE PROCEEDINGS OR CONDITIONS WHICH ARE SPECIFICALLY REQUIRED BY THIS SUBTITLE AND BY THE PROVISIONS OF THE RESOLUTION AUTHORIZING THE ISSUANCE OF THE BONDS OR NOTES OR THE TRUST AGREEMENT SECURING THE BOND ISSUANCE.~~

~~(E) SUBJECT TO ANY AGREEMENTS WITH NOTEHOLDERS OR BONDHOLDERS AS MAY BE IN EFFECT, THE AUTHORITY SHALL HAVE THE POWER TO PURCHASE BONDS OR NOTES AND SUBSEQUENTLY CANCEL THE BONDS OR NOTES AT A PRICE NOT EXCEEDING:~~

~~(1) IF THE BONDS OR NOTES ARE REDEEMABLE AT THE TIME OF THE CANCELLATION, THE REDEMPTION PRICE THEN APPLICABLE PLUS ACCRUED INTEREST TO THE NEXT INTEREST PAYMENT DATE; OR~~

~~(2) IF THE BONDS OR NOTES ARE NOT REDEEMABLE AT THE TIME OF THE CANCELLATION, THE REDEMPTION PRICE APPLICABLE ON THE EARLIEST DATE THAT THE BONDS OR NOTES BECOME SUBJECT TO REDEMPTION, PLUS THE INTEREST THAT WOULD HAVE ACCRUED TO THAT DATE.~~

~~(F) REGARDLESS OF WHETHER THE BONDS AND NOTES OF THE AUTHORITY ARE OF THE FORM AND CHARACTER AS TO BE NEGOTIABLE INSTRUMENTS UNDER THE TERMS OF THE MARYLAND UNIFORM COMMERCIAL CODE, THE BONDS AND NOTES ARE MADE NEGOTIABLE INSTRUMENTS WITHIN THE MEANING OF AND FOR ALL OF THE PURPOSES OF THE MARYLAND UNIFORM COMMERCIAL CODE, SUBJECT ONLY TO THE PROVISIONS OF THE BONDS AND NOTES FOR REGISTRATION.~~

~~(G) IF A DIRECTOR OR OFFICER OF THE AUTHORITY WHOSE SIGNATURE APPEARS ON THE BONDS, NOTES, OR COUPONS SHALL CEASE TO BE A DIRECTOR OR~~



~~OFFICER BEFORE THE DELIVERY OF THE BONDS OR NOTES, THE SIGNATURE SHALL BE VALID AND SUFFICIENT FOR ALL PURPOSES, AS IF THE DIRECTOR OR OFFICER HAD REMAINED IN OFFICE UNTIL THE DELIVERY.~~

~~18-3112.~~

~~(A) THE PRINCIPAL OF AND INTEREST ON ANY BONDS OR NOTES ISSUED BY THE AUTHORITY MAY BE:~~

~~(1) SECURED BY A PLEDGE OR ASSIGNMENT OF ANY REVENUES, RECEIPTS, OR ASSETS OF THE AUTHORITY; AND~~

~~(2) SECURED BY A SECURITY INTEREST OR OTHER INSTRUMENT COVERING ALL OR ANY PART OF ONE OR MORE ELIGIBLE LOANS OR EDUCATION LOANS MADE OR ACQUIRED BY THE AUTHORITY IN ACCORDANCE WITH THE PROVISIONS OF THIS SUBTITLE.~~

~~(B) THE RESOLUTION UNDER WHICH THE BONDS OR NOTES ARE AUTHORIZED TO BE ISSUED AND ANY SECURITY INTEREST OR OTHER INSTRUMENT MAY CONTAIN:~~

~~(1) AGREEMENTS AND PROVISIONS REGARDING THE SERVICING OF THE LOANS COVERED BY THE RESOLUTION;~~

~~(2) COLLECTION OF PAYMENTS OR REPAYMENTS OR OTHER REVENUES FROM THE BONDS OR NOTES;~~

~~(3) CREATION AND MAINTENANCE OF SPECIAL FUNDS FROM THE REVENUES COLLECTED; AND~~

~~(4) RIGHTS AND REMEDIES AVAILABLE IN THE EVENT OF DEFAULT.~~

~~(C) EACH PLEDGE, ASSIGNMENT, AGREEMENT, SECURITY INTEREST, OR OTHER INSTRUMENT MADE FOR THE BENEFIT OR SECURITY OF ANY OF THE BONDS OR NOTES OF THE AUTHORITY SHALL CONTINUE IN EFFECT UNTIL:~~

~~(1) THE PRINCIPAL OF AND INTEREST ON THE BONDS OR NOTES FOR THE BENEFIT OF WHICH THE PLEDGE OR SECURITY AGREEMENT WAS MADE IS FULLY PAID; OR~~

~~(2) PAYMENT IS MADE IN THE MANNER PROVIDED IN THE RESOLUTION UNDER WHICH THE BONDS OR NOTES WERE AUTHORIZED.~~

~~(D) (1) ANY PLEDGE MADE BY THE AUTHORITY SHALL BE VALID AND BINDING FROM THE TIME THE PLEDGE IS MADE.~~

~~(2) MONEY OR PROPERTY PLEDGED AND RECEIVED AFTER THE PLEDGE BY THE AUTHORITY SHALL IMMEDIATELY BE SUBJECT TO THE LIEN OF THE PLEDGE WITHOUT PHYSICAL DELIVERY OR FURTHER ACTION.~~

~~(3) THE LIEN OF THE PLEDGE SHALL BE VALID AND BINDING AGAINST ALL PARTIES HAVING A CLAIM IN TORT, CONTRACT, OR AGAINST THE AUTHORITY, WHETHER OR NOT THE PARTIES HAVE NOTICE OF THE CLAIM.~~

~~(4) THE RESOLUTION AND ANY INSTRUMENT BY WHICH A PLEDGE IS CREATED DOES NOT NEED TO BE RECORDED.~~

~~(E) ANY RESOLUTION UNDER WHICH BONDS OR NOTES OF AUTHORITY ARE AUTHORIZED TO BE ISSUED, AND ANY TRUST INDENTURE ESTABLISHED BY THE RESOLUTION, MAY CONTAIN PROVISIONS FOR VESTING IN A TRUSTEE ANY PROPERTIES, RIGHTS, POWERS, AND DUTIES IN TRUST AS THE AUTHORITY MAY DETERMINE.~~

~~18-3113.~~

~~(A) ALL MONEY RECEIVED IN ACCORDANCE WITH THIS SUBTITLE SHALL BE TRUST FUNDS TO BE HELD AND APPLIED SOLELY AS PROVIDED IN THE PROCEEDINGS UNDER WHICH THE BONDS OR NOTES ARE AUTHORIZED.~~

~~(B) ANY OFFICER WITH WHOM, OR ANY BANK OR TRUST COMPANY WITH WHICH, ANY MONEY SHALL BE DEPOSITED AS TRUSTEE OF THE MONEY SHALL HOLD AND APPLY THE MONEY FOR ITS PURPOSES, SUBJECT TO THE APPLICABLE PROVISIONS OF THIS SUBTITLE, THE PROCEEDINGS AUTHORIZING THE BONDS OR NOTES, AND THE TRUST AGREEMENT SECURING THOSE BONDS OR NOTES.~~

~~18-3114.~~

~~(A) EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION, THE AUTHORITY, ITS PROPERTY, MONEY, BONDS, OR NOTES ISSUED UNDER THE PROVISIONS OF THIS SUBTITLE, AND THE INCOME, INCLUDING GAIN FROM SALE OR EXCHANGE, SHALL AT ALL TIMES BE FREE FROM TAXATION OF EVERY KIND BY THE STATE AND BY THE MUNICIPALITIES AND ALL POLITICAL SUBDIVISIONS OF THE STATE.~~

~~(B) THE PROPERTY AND INCOME DESCRIBED UNDER SUBSECTION (A) OF THIS SECTION SHALL BE SUBJECT TO ESTATE, INHERITANCE, AND GIFT TAXES.~~

~~18-3115.~~

~~ALL BANKS, BANKERS, TRUST COMPANIES, SAVINGS BANKS AND INSTITUTIONS, SAVINGS AND LOAN ASSOCIATIONS, INVESTMENT COMPANIES, INSURANCE COMPANIES AND ASSOCIATIONS, ALL EXECUTORS, ADMINISTRATORS, GUARDIANS, TRUSTEES, AND OTHER FIDUCIARIES MAY LEGALLY INVEST ANY SINKING FUNDS, MONEY, OR OTHER FUNDS WITHIN THEIR CONTROL IN ANY BONDS ISSUED UNDER THIS SUBTITLE.~~

~~18-3116.~~

~~(A) THE STATE PLEDGES TO AND AGREES WITH THE HOLDERS OF ANY BONDS OR NOTES ISSUED UNDER THIS SUBTITLE THAT THE STATE WILL NOT LIMIT OR ALTER THE RIGHTS VESTED IN THE AUTHORITY TO FULFILL THE TERMS OF ANY AGREEMENTS MADE WITH THE HOLDERS UNTIL THE BONDS OR NOTES AND INTEREST AND ALL COSTS AND EXPENSES IN CONNECTION WITH ANY ACTION OR PROCEEDING BY OR ON BEHALF OF THE BOND OR NOTE HOLDERS ARE FULLY MET AND DISCHARGED.~~

~~(B) THE AUTHORITY IS AUTHORIZED TO INCLUDE THIS PLEDGE AND AGREEMENT OF THE STATE IN ANY AGREEMENT WITH THE HOLDERS OF THE BONDS OR NOTES.~~

~~18-3117.~~

~~(A) OBLIGATIONS ISSUED UNDER THE PROVISIONS OF THIS SUBTITLE SHALL BE PAYABLE SOLELY FROM THE REVENUES OR ASSETS OF THE AUTHORITY.~~

~~(B) OBLIGATIONS ISSUED UNDER THE PROVISIONS OF THIS SUBTITLE:~~

~~(1) MAY NOT CONSTITUTE A DEBT, A LIABILITY, OR AN OBLIGATION OF THE STATE OR OF ANY POLITICAL SUBDIVISION OF THE STATE, OTHER THAN THE AUTHORITY; AND~~

~~(2) ARE NOT A PLEDGE OF THE FAITH AND CREDIT OF THE STATE OR ANY POLITICAL SUBDIVISION OTHER THAN THE AUTHORITY.~~

~~(C) EACH OBLIGATION ISSUED UNDER THIS SUBTITLE SHALL CONTAIN ON ITS FACE A STATEMENT THAT:~~

~~(1) THE AUTHORITY MAY NOT BE OBLIGATED TO PAY THE OBLIGATION OR ITS INTEREST EXCEPT FROM REVENUES OR ASSETS PLEDGED FOR THE OBLIGATION; AND~~

~~(2) NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OR ANY POLITICAL SUBDIVISION OF THE STATE OTHER THAN THE AUTHORITY IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR THE INTEREST ON THE OBLIGATION.~~

~~18 3118.~~

~~THE AUTHORITY IS AUTHORIZED TO ACCEPT ANY MONEY AS MAY BE APPROPRIATED BY THE GENERAL ASSEMBLY TO CARRY OUT THE AUTHORITY'S CORPORATE PURPOSES INCLUDING:~~

~~(1) THE PAYMENT OF THE INITIAL EXPENSES OF ADMINISTRATION AND OPERATION; AND~~

~~(2) THE ESTABLISHMENT OF RESERVES OR CONTINGENCY FUNDS TO BE AVAILABLE FOR THE PAYMENT OF THE PRINCIPAL OF AND THE INTEREST ON ANY BONDS, NOTES, OR OTHER OBLIGATIONS OF THE AUTHORITY.~~

~~18 3119.~~

~~(A) (1) THE AUTHORITY SHALL KEEP FULL AND ACCURATE ACCOUNTS OF ITS ACTIVITIES AND OPERATIONS AND, ON OR BEFORE DECEMBER 31 EACH YEAR, SHALL REPORT TO THE COUNTY EXECUTIVE, THE COUNTY COUNCIL, AND, IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE, THE GENERAL ASSEMBLY.~~

~~(2) THE REPORT SHALL INCLUDE A COMPLETE OPERATING AND FINANCIAL STATEMENT FOR THE PRECEDING FISCAL YEAR.~~

~~(B) (1) THE AUTHORITY SHALL CAUSE AN AUDIT OF ITS BOOKS AND ACCOUNTS TO BE MADE AT LEAST ONCE EACH YEAR BY INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS.~~

~~(2) THE COST OF THE AUDIT SHALL BE PAID BY THE AUTHORITY FROM FUNDS AVAILABLE TO THE AUTHORITY IN ACCORDANCE WITH THIS SUBTITLE.~~

~~(3) THE AUDIT REQUIRED UNDER THIS SUBSECTION SHALL BE CONDUCTED IN ACCORDANCE WITH GENERALLY ACCEPTED AUDITING STANDARDS BY AN INDEPENDENT AUDITOR, WHO IS A CERTIFIED PUBLIC ACCOUNTANT AND WHO IS IN GOOD STANDING UNDER THE LAWS OF THE STATE OR A CERTIFIED ACCOUNTING FIRM.~~

~~18 3120.~~

~~IF ANY PROVISIONS OF THIS SUBTITLE ARE INCONSISTENT WITH THE PROVISIONS OF ANY OTHER LAW OR ORDINANCE, THE PROVISIONS OF THIS SUBTITLE SHALL BE CONTROLLING.~~

~~18-3121.~~

~~(A) NOTHING CONTAINED IN THIS SUBTITLE SHALL RESTRICT OR LIMIT THE POWERS OF THE AUTHORITY ARISING UNDER ANY LAWS OF THE STATE.~~

~~(B) THE ISSUANCE OF ALL BONDS, NOTES, AND OTHER OBLIGATIONS OF THE AUTHORITY UNDER THE PROVISIONS OF THIS SUBTITLE NEED NOT COMPLY WITH THE REQUIREMENTS OF ANY OTHER STATUTE APPLICABLE TO THE ISSUANCE OF BONDS, NOTES, OR OTHER OBLIGATIONS.~~

~~(C) EXCEPT AS PROVIDED IN THIS SUBTITLE, NO PROCEEDINGS OR NOTICE OF APPROVAL SHALL BE REQUIRED FOR THE ISSUANCE OF ANY BONDS, NOTES, AND OTHER OBLIGATIONS OR ANY INSTRUMENTS OF SECURITY.~~

~~18-3122.~~

~~(A) THE PROVISIONS OF THIS SUBTITLE, BEING NECESSARY FOR THE WELFARE OF THE RESIDENTS OF MONTGOMERY COUNTY AND THE STATE, SHALL BE LIBERALLY CONSTRUED TO EFFECT ITS PURPOSES.~~

~~(B) THE PROVISIONS OF THIS SUBTITLE ARE SEVERABLE, AND IF ANY OF THE PROVISIONS ARE HELD UNCONSTITUTIONAL BY ANY COURT OF COMPETENT JURISDICTION, THE DECISION OF THE COURT MAY NOT AFFECT OR IMPAIR ANY OF THE REMAINING PROVISIONS.~~

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

Article – Courts and Judicial Proceedings

5-301.

(d) “Local government” means:

(28) The nonprofit corporation serving as the local public transportation authority for Garrett County pursuant to a contract or memorandum of understanding with Garrett County (Garrett County Community Action Committee, Inc.); [and]

(29) The nonprofit corporation serving as the industrial development authority of Carroll County established under Title 12, Subtitle 1 of the Economic Development Article; AND

**(30) THE MONTGOMERY COUNTY STUDENT LOAN REFINANCING AUTHORITY ESTABLISHED UNDER TITLE 18, SUBTITLE 31 OF THE EDUCATION ARTICLE.**

SECTION 3. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall take effect contingent on the creation of the Montgomery County Student Loan Refinancing Authority by the Montgomery County Government in accordance with Title 18, Subtitle 31 of the Education Article. The Montgomery County Office of Intergovernmental Relations shall notify the Department of Legislative Services within 10 days after the enactment of an ordinance creating the Authority. If notice of the creation of the Authority is not received by the Department of Legislative Services on or before June 30, 2019, Section 2 of this Act shall be null and void without the necessity of further action by the General Assembly.

SECTION ~~3~~ 4. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016.

**Approved by the Governor, April 26, 2016.**

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**Chapter 297**

**(House Bill 1092)**

AN ACT concerning

**St. Mary's County – Keeper of the Jail – Repeal**

FOR the purpose of repealing certain provisions related to the position of Keeper of the Jail of St. Mary's County; and generally relating to the repeal of the position of Keeper of the Jail of St. Mary's County.

BY repealing

The Public Local Laws of St. Mary's County  
Section 68–1 and the chapter “Chapter 68. Keeper of the Jail”  
Article 19 – Public Local Laws of Maryland  
(2007 Edition and March 2014 Supplement, as amended)

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

**Article 19 – St. Mary's County**

**[Chapter 68. Keeper of the Jail.]**

[68–1.

A. The Keeper of the Jail of St. Mary’s County shall be appointed by the Sheriff of St. Mary’s County and shall be paid a reasonable salary by the County Commissioners upon vouchers submitted by the Sheriff to the County Commissioners. The Keeper of the Jail has all the powers of a constable or other peace officer and is directly responsible to the Sheriff for the safekeeping and transportation of prisoners. He is responsible for the safekeeping, care and feeding of all prisoners in the jail from the time they are lawfully committed thereto until they are discharged, released or withdrawn therefrom by the Sheriff or pursuant to a court order or other lawful authority. He shall keep a record of the names, ages, dates when received, the offenses charged and the date of discharge and reason therefor of all persons committed to the jail and shall perform such other duties with respect thereto as the County Commissioners may assign to him.

B. Nothing in this section shall affect the powers and duties of the Sheriff in respect to the safekeeping and custody of all prisoners except if prisoners are within the jail.

C. The Sheriff may appoint other help for the operation of the jail as may be needed. These employees shall be paid reasonable salaries by the County Commissioners upon vouchers submitted by the Sheriff to the County Commissioners. The Commissioners shall annually appropriate amounts sufficient for the maintenance of the jail and the safekeeping, care and feeding of all prisoners committed thereto.]

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2016.

**Approved by the Governor, April 26, 2016.**

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## **Chapter 298**

**(House Bill 1127)**

AN ACT concerning

**Prince George’s County – Dissemination of Voter Information Material –  
Multifamily Residential Structures**

**PG 408–16**

FOR the purpose of applying to Prince George’s County certain provisions of law regarding the dissemination of voter information material in multifamily residential structures; making a stylistic change; and generally relating to the dissemination of voter information material in Prince George’s County.

BY repealing and reenacting, with amendments,  
Article – Election Law  
Section 1–303  
Annotated Code of Maryland  
(2010 Replacement Volume and 2015 Supplement)

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

**Article – Election Law**

1–303.

(a) In this section, “voter information material” means:

- (1) campaign literature that is campaign material under Title 13, Subtitle 4 of this article; or
- (2) registration or voting information issued by the State Board or a local board.

(b) This section applies only:

- (1) in Montgomery County **AND PRINCE GEORGE’S COUNTY**; and
- (2) to apartment buildings, condominiums, or other multifamily residential structures where access to the entrance of individual residential units is restricted by the owner or governing board of the entire structure.

(c) (1) The owner or governing board of a multifamily residential structure shall designate a public area within the structure where, for the 60–day period immediately prior to each primary election and general election, voter information material may be distributed or deposited.

(2) The designated public area shall be readily accessible to the residents of the structure.

(3) Voter information material deposited in the designated public area shall remain available for residents of the structure for a period of at least 10 days.

(d) **[Upon] ON** written notification by a person whose rights under this section were violated, the local board shall:

- (1) notify the owner or governing board regarding the apparent violation and the requirements of this section; and
- (2) request compliance with the requirements of this section.



SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2016.

**Approved by the Governor, April 26, 2016.**

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## Chapter 299

(House Bill 1135)

AN ACT concerning

### Prince George's County – Board of License Commissioners – Budget and Funding

PG 308–16

FOR the purpose of ~~altering procedures for the approval of the annual budget for the Board of License Commissioners of Prince George's County; providing that the budget is not subject to the approval of the County Council or County Executive of Prince George's County if the budget does not exceed the amount of certain estimated revenues; providing for the manner in which certain revenue is estimated~~ requiring the County Executive and County Council of Prince George's County to recognize and categorize the Board of License Commissioners of Prince George's County as a public safety agency for budgetary purposes; authorizing the ~~Board~~ County Council to include in the budget a certain maximum amount for certain purposes; requiring the County Executive and County Council to establish a certain fund for a certain purpose; prohibiting the use of the fund in a certain manner; requiring the County Executive and County Council to distribute a certain amount to the fund; requiring the Board to use the money in the fund, on or before a certain date, for certain purposes; making conforming changes; providing for the termination of certain provisions of this Act; and generally relating to the budget and funding for the Board of License Commissioners of Prince George's County.

BY repealing and reenacting, with amendments,

Article 2B – Alcoholic Beverages

Section 10–204(r) and 15–109(r)(6)

Annotated Code of Maryland

(2011 Replacement Volume and 2015 Supplement)

BY repealing and reenacting, with amendments,

Article – Alcoholic Beverages

Section 26–205(e) and 26–207

Annotated Code of Maryland

(As enacted by Chapter 41 ~~(S.B. \_\_\_\_\_)(Ch 1406)~~ (S.B. 724) of the Acts of the General Assembly of 2016)

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

**Article 2B – Alcoholic Beverages**

10–204.

(r) In Prince George’s County, the Prince George’s County Director of Finance shall collect fees for the County Executive and County Council, which shall use a portion of the receipts to pay the salaries and expenses of the Board of License Commissioners AS PROVIDED IN § 15–109(R)(6) OF THIS ARTICLE.

15–109.

(r) (6) (i) The County Council shall pay for all expenses of the Board of License Commissioners upon the submission of an annual budget.

(ii) [In] SUBJECT TO SUBPARAGRAPH (III) OF THIS PARAGRAPH, IN that budget, the salary of the members of the Board, the salary of the attorney for the Board, and any additional compensation for legal fees for the attorney for the Board, shall be approved as hereinbefore set forth.

(iii) 1. Except as provided in subparagraph (iv) of this paragraph, all other expenses, including, but not restricted to, the salary of the administrator as limited herein, compensation of other personnel, who shall be qualified and employed under the county merit system, printing, supplies, and office space, shall be at the discretion of the County Council.

2. THE COUNTY EXECUTIVE AND THE COUNTY COUNCIL SHALL RECOGNIZE AND CATEGORIZE THE BOARD AS A PUBLIC SAFETY AGENCY FOR BUDGETARY PURPOSES.

3. THE COUNTY COUNCIL MAY INCLUDE IN THE BUDGET AN AMOUNT NOT TO EXCEED \$50,000 FOR THE PURPOSE OF MAINTAINING SOFTWARE AND MOBILE DEVICES USED TO MODERNIZE PRACTICES AND INCREASE THE EFFICIENCY AND TRANSPARENCY OF THE BOARD.

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

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

**Article – Alcoholic Beverages**

26-205.

(e) (1) Subject to paragraph (3) of this subsection, on the submission by the Board of an annual budget, the County Council shall pay for all expenses of the Board.

(2) In the budget, the salaries of the members and the attorney for the Board and any additional compensation for legal fees for the attorney shall be [approved] as set forth under subsection (c) of this section and [~~§ 26-204~~] ~~§§ 26-204 AND 26-206(G)~~ of this subtitle.

(3) (I) ~~Except as provided in § 26-206(g) of this subtitle, payments for all other expenses shall be at the discretion of the County Council, including:~~

~~(i)~~ 1. the salary of the administrator under subsection (b)(3) of this section;

~~(ii)~~ 2. compensation of other personnel, who shall be qualified and employed under the County merit system;

~~(iii)~~ 3. printing;

~~(iv)~~ 4. supplies; and

~~(v)~~ 5. office space] ~~THE BUDGET IS NOT SUBJECT TO APPROVAL BY THE COUNTY EXECUTIVE OR COUNTY COUNCIL IF THE BUDGET DOES NOT EXCEED THE AMOUNT OF THE ESTIMATED REVENUES OF THE BOARD FOR THE PREVIOUS FISCAL YEAR.~~

(II) THE COUNTY EXECUTIVE AND THE COUNTY COUNCIL SHALL RECOGNIZE AND CATEGORIZE THE BOARD AS A PUBLIC SAFETY AGENCY FOR BUDGETARY PURPOSES.

~~(II) FOR THE PURPOSE OF CALCULATING THE ESTIMATED REVENUES FOR THE PREVIOUS FISCAL YEAR UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH, THE BOARD SHALL ESTIMATE REVENUES BASED ON ACTUAL REVENUES RECEIVED AT THE TIME OF THE ESTIMATION AND REVENUES RECEIVED FOR THE PREVIOUS 2 FISCAL YEARS.~~

(III) SUBJECT TO THE LIMIT ON THE BUDGET UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH, THE BOARD THE COUNTY COUNCIL MAY INCLUDE IN THE BUDGET AN AMOUNT NOT TO EXCEED \$50,000 FOR THE PURPOSE OF MAINTAINING SOFTWARE AND MOBILE DEVICES USED TO MODERNIZE PRACTICES AND INCREASE THE EFFICIENCY AND TRANSPARENCY OF THE BOARD.

26–207.

- (a) The Director of Finance shall collect fees for the County Executive and County Council.
- (b) The County Executive and County Council shall:
  - (1) use the fees collected to pay:
    - (i) refunds issued in accordance with § 26–1410 of this title; and
    - (ii) the salaries and expenses of the Board **AS PROVIDED IN § 26–205 OF THIS SUBTITLE**; and
  - (2) credit the balance of the fees collected to the general fund of the County.

SECTION ~~2~~ 3. AND BE IT FURTHER ENACTED, That:

- (a) The County Executive and County Council of Prince George’s County shall establish an Alcoholic Beverages Capital Investment and Modernization Fund as a special fund to be used by the Board of License Commissioners of Prince George’s County to purchase equipment and software for the Board to modernize practices and increase the efficiency and transparency of the Board.
- (b) The Alcoholic Beverages Capital Investment and Modernization Fund may not be used to employ additional staff or to raise salaries for current staff.
- (c) Notwithstanding § 26–207 of the Alcoholic Beverages Article, as enacted by this Act, beginning July 1, 2016, the County Executive and County Council of Prince George’s County shall distribute \$300,000 of revenue collected for license fees under the Alcoholic Beverages Article to the Alcoholic Beverages Capital Investment and Modernization Fund.
- (d) On or before December 31, 2016, the Board of License Commissioners of Prince George’s County shall use the money in the Alcoholic Beverages Capital Investment and Modernization Fund to:
  - (1) purchase mobile devices to be used by the enforcement staff to maximize efficiency; and
  - (2) purchase software and devices to integrate new data with existing data of the Board of License Commissioners of Prince George’s County and its staff.

SECTION ~~3~~ 4. AND BE IT FURTHER ENACTED, That ~~this Act shall take effect June 1, 2016. Section 2 of this Act shall remain effective for a period of 7 months and, at the end of December 31, 2016, with no further action required by the General Assembly, Section 2 of this Act shall be abrogated and of no further force and effect~~ Section 2 of this

Act shall take effect on the taking effect of Chapter 41 (S.B. 724) of the Acts of the General Assembly of 2016. If Section 2 of this Act takes effect, Section 1 of this Act shall be abrogated and of no further force and effect.

SECTION 5. AND BE IT FURTHER ENACTED, That, except as provided in Section 4 of this Act, this Act shall take effect June 1, 2016. Section 3 of this Act shall remain effective for a period of 7 months and, at the end of December 31, 2016, with no further action required by the General Assembly, Section 3 of this Act shall be abrogated and of no further force and effect.

Approved by the Governor, April 26, 2016.

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## Chapter 300

(House Bill 1139)

AN ACT concerning

**Education – ~~Maryland Community School Strategy for Excellence in Public Education Act~~ Community School Strategy – Required Notice and Support**

FOR the purpose of ~~providing for the intent and purpose of certain community schools; authorizing certain local school systems and certain public schools to form certain partnerships to provide certain community school services; requiring the Department of Education to annually determine certain costs based on certain criteria; requiring certain funds to be distributed to certain county boards of education based on certain calculations for certain fiscal years; requiring certain schools to establish a certain community school leadership team before providing community school services; requiring the community school leadership team to oversee certain processes; providing for the membership of the community school leadership team; requiring a certain community school leadership team to conduct a certain assessment before providing certain community school services; requiring a certain community school leadership team to submit a certain implementation plan to a certain local school system; providing for the contents of a certain implementation plan; requiring certain schools to provide certain types of community school interventions to be eligible for certain funding; requiring certain schools to employ at least one full-time professional resource coordinator; exempting certain community schools from certain requirements; requiring the Department to evaluate certain issues relating to community schools on or before a certain date; requiring certain schools to submit a certain report to the Department on or before a certain date; requiring the Department to adopt certain regulations; providing that it is the intent of the General Assembly that certain methods of funding certain community schools be reviewed as part of a certain adequacy study and any subsequent commission related to certain education funding for a certain period of time; defining certain terms; and generally relating to the Maryland Community~~

~~School Strategy for Excellence in Public Education Act, requiring the State Department of Education to make a certain notification to certain local school systems and certain community schools; requiring the Department to encourage certain local school systems and community schools to apply for certain federal funding; requiring the Department to provide certain technical assistance to certain local school systems and certain community schools in applying for certain federal funding; providing for the termination of this Act; and generally relating to the community school strategy in public schools of the State.~~

~~BY adding to~~

~~Article – Education~~

~~Section 9.5–101 through 9.5–109 to be under the new title “Title 9.5. Community Schools”~~

~~Annotated Code of Maryland~~

~~(2014 Replacement Volume and 2015 Supplement)~~

#### Preamble

WHEREAS, The adequacy and equity of the state formula for funding public education is currently under review, The Maryland Community School Strategy for Excellence in Public Education Act will provide a meaningful pathway for addressing the challenges of changing demographic trends, disparate and inadequate resources, and the impact of concentrated poverty on public education; and

WHEREAS, Recent national legislation provides for the inclusion of factors in the United States Department of Education accountability and funding systems that extend beyond test scores to include the use of local and state resources to strengthen school–community partnerships; and

WHEREAS, A community school is an evidence–based strategy encompassing an integrated focus on academics, health and social services, youth and community development and community engagement in order to improve student learning, positive school climate, strong ties to family, and community partnerships; and

WHEREAS, The Maryland Community School Strategy for Excellence in Public Education Act recognizes the urgency of the need to provide an innovative approach which addresses the specific challenges faced by local school systems across the State to provide quality public education to all students and in communities impacted by concentrated poverty; and

WHEREAS, The Maryland Community School Strategy for Excellence in Public Education Act will prepare local school systems to embrace community schools as a transformative strategy for student success and new accountability systems before the 2017–2018 effective date of the Every Student Succeeds Act (ESSA); now, therefore,

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

~~Article—Education~~~~TITLE 9.5. COMMUNITY SCHOOLS.~~~~9.5 101.~~

~~(A) IN THIS TITLE THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.~~

~~(B) “COMMUNITY SCHOOL” MEANS AN EXISTING PUBLIC SCHOOL THAT ESTABLISHES A SET OF STRATEGIC PARTNERSHIPS BETWEEN THE SCHOOL AND OTHER COMMUNITY RESOURCES THAT PROMOTE STUDENT ACHIEVEMENT, POSITIVE LEARNING CONDITIONS, AND THE WELL-BEING OF STUDENTS, FAMILIES, AND THE COMMUNITY.~~

~~(C) “SCHOOL COMMUNITY PARTNERSHIP” MEANS A PARTNERSHIP BETWEEN A LOCAL SCHOOL SYSTEM OR AN EXISTING PUBLIC SCHOOL AND A COMMUNITY-BASED ORGANIZATION OR AGENCY FOR THE PURPOSE OF PLANNING AND IMPLEMENTING A COMMUNITY SCHOOL.~~

~~9.5 102.~~

~~THE PURPOSE OF A COMMUNITY SCHOOL IS TO HELP STUDENTS AND FAMILIES OVERCOME BARRIERS THAT PREVENT CHILDREN FROM LEARNING AND SUCCEEDING IN LIFE BY HAVING AN INTEGRATED FOCUS ON ACADEMICS, HEALTH AND SOCIAL SERVICES, YOUTH AND COMMUNITY DEVELOPMENT, AND PARENTAL AND COMMUNITY ENGAGEMENT.~~

~~9.5 103.~~

~~A LOCAL SCHOOL SYSTEM OR AN EXISTING PUBLIC SCHOOL MAY FORM A SCHOOL COMMUNITY PARTNERSHIP WITH COMMUNITY-BASED ORGANIZATIONS OR AGENCIES FOR PLANNING AND IMPLEMENTING A COMMUNITY SCHOOL STRATEGY.~~

~~9.5 104.~~

~~(A) THE DEPARTMENT SHALL ANNUALLY DETERMINE THE ACTUAL AVERAGE COSTS TO ENSURE THAT EACH COMMUNITY SCHOOL IN A LOCAL SCHOOL SYSTEM CAN PROVIDE A YEAR-ROUND OUT-OF-SCHOOL TIME PROGRAM FOR AT LEAST 25% OF THE STUDENTS WHO ATTEND THE SCHOOL.~~

~~(B) IN ADDITION TO THE FUNDS DISTRIBUTED TO THE COUNTY BOARD IN ACCORDANCE WITH § 5-202 OF THIS ARTICLE, THE STATE SHALL DISTRIBUTE TO A COUNTY BOARD THE AMOUNTS UNDER SUBSECTIONS (C) AND (D) OF THIS SECTION.~~

~~(C) IF A LOCAL SCHOOL SYSTEM HAS AT LEAST THE FOLLOWING PERCENTAGE OF ITS FULL-TIME EQUIVALENT STUDENTS, AS DEFINED IN § 5-202 OF THIS ARTICLE, WHO ARE ELIGIBLE FOR FREE AND REDUCED-PRICE MEALS UNDER THE NATIONAL SCHOOL LUNCH PROGRAM, THE STATE SHALL DISTRIBUTE TO THE COUNTY BOARD \$25,000 FOR EACH OF FISCAL YEARS 2018 THROUGH 2022:~~

~~(1) FOR FISCAL YEARS 2018 AND 2019, 60%;~~

~~(2) FOR FISCAL YEAR 2020, 50%; AND~~

~~(3) FOR FISCAL YEARS 2021 AND 2022, 40%.~~

~~(D) (1) IF A LOCAL SCHOOL SYSTEM HAS AT LEAST THE FOLLOWING PERCENTAGE OF ITS FULL-TIME EQUIVALENT STUDENTS, AS DEFINED IN § 5-202 OF THIS ARTICLE, WHO ARE ELIGIBLE FOR FREE AND REDUCED-PRICE MEALS UNDER THE NATIONAL SCHOOL LUNCH PROGRAM, THE STATE SHALL DISTRIBUTE TO THE COUNTY BOARD THE AMOUNT THAT IS CALCULATED UNDER PARAGRAPH (2) OF THIS SUBSECTION:~~

~~(i) FOR FISCAL YEAR 2019, 60%;~~

~~(ii) FOR FISCAL YEAR 2020, 50%; AND~~

~~(iii) FOR FISCAL YEAR 2021 AND EACH FISCAL YEAR THEREAFTER, 40%.~~

~~(2) THE AMOUNT DISTRIBUTED TO A COUNTY BOARD UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL BE CALCULATED BY MULTIPLYING THE COMPENSATORY EDUCATION PER PUPIL AMOUNT AS DEFINED IN § 5-207 OF THIS ARTICLE BY 25% AND MULTIPLYING THIS PRODUCT BY THE COUNTY'S COMPENSATORY ENROLLMENT EDUCATION COUNT.~~

#### ~~9.5-105.~~

~~(A) (1) EXCEPT FOR A COMMUNITY SCHOOL THAT WAS ESTABLISHED BEFORE JULY 1, 2016, A SCHOOL THAT RECEIVES COMMUNITY SCHOOL FUNDING SHALL ESTABLISH A COMMUNITY SCHOOL LEADERSHIP TEAM BEFORE PROVIDING COMMUNITY SCHOOL INTERVENTIONS.~~



~~(2) THE COMMUNITY SCHOOL LEADERSHIP TEAM SHALL BE RESPONSIBLE FOR DEVELOPING SCHOOL-SPECIFIC GOALS, ASSESSING THE NEEDS OF THE SCHOOL AND THE COMMUNITY, AND OVERSEEING THE INTEGRATION AND IMPLEMENTATION OF THE COMMUNITY SCHOOL STRATEGY IN THE SCHOOL.~~

~~(B) (1) THE COMMUNITY SCHOOL LEADERSHIP TEAM SHALL CONSIST OF THE FOLLOWING INDIVIDUALS:~~

~~(I) THE SCHOOL PRINCIPAL;~~

~~(II) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, THE PRESIDENT OF THE SCHOOL PARENT-TEACHER ASSOCIATION;~~

~~(III) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, ONE PARENT OF A CHILD WHO ATTENDS THE SCHOOL AND IS NOT A MEMBER OF A SCHOOL PARENT-TEACHER ASSOCIATION OR ORGANIZATION, SELECTED BY THE PRINCIPAL;~~

~~(IV) TWO TEACHERS, SELECTED BY THE PRINCIPAL;~~

~~(V) TWO MEMBERS OF THE COMMUNITY WHO ARE NOT PARENTS, STUDENTS, OR EMPLOYEES OF THE SCHOOL, SELECTED BY THE PRINCIPAL; AND~~

~~(VI) TWO STUDENTS WHO ATTEND THE SCHOOL, SELECTED BY THE PRINCIPAL.~~

~~(2) IF THE SCHOOL DOES NOT HAVE A PARENT-TEACHER ASSOCIATION OR ORGANIZATION, THE COMMUNITY SCHOOL LEADERSHIP TEAM SHALL CONSIST OF TWO PARENTS OF CHILDREN WHO ATTEND THE SCHOOL, SELECTED BY THE PRINCIPAL.~~

#### ~~9.5-106.~~

~~(A) (1) THE COMMUNITY SCHOOL LEADERSHIP TEAM SHALL CONDUCT AN ASSESSMENT OF NEEDS AND ASSETS AS PART OF THE PLANNING YEAR THAT PRECEDES IMPLEMENTATION OF THE COMMUNITY SCHOOL STRATEGY.~~

~~(2) THE ASSESSMENT SHALL INCLUDE A BASELINE ANALYSIS OF THE NEEDS AND ASSETS OF THE STUDENTS, FAMILY, AND COMMUNITY, INCLUDING AN ANALYSIS OF:~~

~~(I) THE ACADEMIC, PHYSICAL AND MENTAL HEALTH, SOCIAL, EMOTIONAL, AND OTHER NEEDS AND ASSETS OF STUDENTS, FAMILIES, AND RESOURCES AVAILABLE WITHIN THE COMMUNITY;~~

~~(H) THE PERCENTAGE OF THE STUDENT BODY IN THE FOLLOWING CATEGORIES AND THE PARTICULAR NEEDS OF THOSE STUDENTS:~~

- ~~1. STUDENTS WITH DISABILITIES;~~
  - ~~2. STUDENTS WHO ARE ENGLISH LANGUAGE LEARNERS;~~
  - ~~3. STUDENTS WHO ARE HOMELESS OR HIGHLY MOBILE;~~
- ~~AND~~
- ~~4. STUDENTS WHO QUALIFY FOR FREE AND REDUCED PRICE MEALS;~~

~~(III) ENROLLMENT AND RETENTION RATES FOR STUDENTS WITH DISABILITIES, ENGLISH LANGUAGE LEARNERS, HOMELESS OR HIGHLY MOBILE STUDENTS, AND STUDENTS WHO ARE RECEIVING FREE OR REDUCED PRICE MEALS;~~

~~(IV) SCHOOL ACHIEVEMENT DATA DISAGGREGATED BY RACE, ETHNICITY, ENGLISH LANGUAGE LEARNERS, DISABILITY STATUS, AND FREE AND REDUCED PRICE MEAL STATUS;~~

~~(V) THE NEED FOR AND THE AVAILABILITY OF MECHANISMS AND STRATEGIES FOR:~~

- ~~1. MEETING THE SOCIAL, EMOTIONAL, AND PHYSICAL HEALTH NEEDS OF STUDENTS;~~
- ~~2. CREATING A SAFE AND SECURE SCHOOL ENVIRONMENT; AND~~
- ~~3. IMPROVING THE SCHOOL CLIMATE; AND~~

~~(VI) THE NEED FOR:~~

- ~~1. PHYSICAL AND MENTAL HEALTH CARE SERVICES FOR CHILDREN AND ADULTS; AND~~
- ~~2. JOB TRAINING AND OTHER ADULT EDUCATION SERVICES.~~

~~(B) (1) THE COMMUNITY SCHOOL LEADERSHIP TEAM SHALL SUBMIT TO THE LOCAL SCHOOL SYSTEM:~~

~~(I) THE NEEDS ASSESSMENT CONDUCTED IN ACCORDANCE WITH SUBSECTION (A) OF THIS SECTION; AND~~

~~(II) AN IMPLEMENTATION PLAN DESCRIBING HOW THE COMMUNITY SCHOOL LEADERSHIP TEAM WILL INTEGRATE AND COORDINATE THE SERVICES NEEDED AT THE SCHOOL INTO THE EXISTING SCHOOL PROGRAMMING.~~

~~(2) THE IMPLEMENTATION PLAN SHALL INCLUDE HOW THE COMMUNITY SCHOOL LEADERSHIP TEAM WILL:~~

~~(I) IDENTIFY SERVICES THAT MEET THE NEEDS INDICATED BY THE BASELINE ANALYSIS REQUIRED UNDER SUBSECTION (A) OF THIS SECTION;~~

~~(II) ESTABLISH AND MAINTAIN RELATIONSHIPS WITH COMMUNITY-BASED ORGANIZATIONS AND AGENCIES TO FURTHER THE DEVELOPMENT AND IMPLEMENTATION OF COMMUNITY SCHOOL SERVICES;~~

~~(III) DOCUMENT COLLABORATION BETWEEN THE SCHOOL AND COMMUNITY-BASED ORGANIZATIONS AND AGENCIES;~~

~~(IV) ESTABLISH AND ENFORCE A NONDISCRIMINATION POLICY THAT ENSURES THAT THE SCHOOL DOES NOT DISCRIMINATE BASED ON RACE, ETHNICITY, NATIONALITY, RELIGION, SEX, SEXUAL ORIENTATION, GENDER IDENTITY, OR DISABILITY;~~

~~(V) EVALUATE THE IMPACT OF SCHOOL COMMUNITY PARTNERSHIPS ON STUDENTS, FAMILIES, AND THE COMMUNITY; AND~~

~~(VI) REPORT TO THE PUBLIC ON THE IMPACT OF SCHOOL COMMUNITY PARTNERSHIPS ON STUDENTS, FAMILIES, AND THE COMMUNITY.~~

~~9.5-107.~~

~~(A) EXCEPT FOR A COMMUNITY SCHOOL THAT WAS ESTABLISHED BEFORE JULY 1, 2016, TO BE ELIGIBLE TO RECEIVE COMMUNITY SCHOOL FUNDING UNDER § 9.5-104 OF THIS TITLE, A SCHOOL SHALL INTEGRATE, COORDINATE, OR PROVIDE FROM AMONG THE FOLLOWING TYPES OF INTERVENTIONS:~~

~~(1) EARLY CHILDHOOD EDUCATION, INCLUDING HEAD START OR EARLY HEAD START;~~

~~(2) ACADEMIC SERVICES, INCLUDING:~~

- ~~(I) ACADEMIC SUPPORT AND ENRICHMENT ACTIVITIES;~~
- ~~(II) JOB TRAINING, INTERNSHIP OPPORTUNITIES, AND CAREER COUNSELING;~~
- ~~(III) PROGRAMS THAT PROVIDE ASSISTANCE TO STUDENTS WHO ARE HABITUALLY TRUANT OR HAVE BEEN SUSPENDED OR EXPELLED; OR~~
- ~~(IV) SPECIALIZED INSTRUCTIONAL SUPPORT SERVICES;~~
- ~~(3) PARENTAL INVOLVEMENT PROGRAMS, INCLUDING:~~
  - ~~(I) PROGRAMS THAT PROMOTE AND ENCOURAGE PARENTAL INVOLVEMENT AND FAMILY LITERACY;~~
  - ~~(II) PARENT LEADERSHIP DEVELOPMENT ACTIVITIES; OR~~
  - ~~(III) PARENTING EDUCATION ACTIVITIES;~~
- ~~(4) PHYSICAL AND MENTAL HEALTH SERVICES, INCLUDING:~~
  - ~~(I) MENTORING AND OTHER YOUTH DEVELOPMENT SERVICES;~~
  - ~~(II) JUVENILE CRIME PREVENTION AND REHABILITATION SERVICES;~~
  - ~~(III) HOME VISITATION SERVICES BY TEACHERS AND OTHER PROFESSIONALS;~~
  - ~~(IV) DEVELOPMENTALLY APPROPRIATE PHYSICAL EDUCATION;~~
  - ~~(V) NUTRITION SERVICES;~~
  - ~~(VI) PRIMARY HEALTH AND DENTAL CARE; OR~~
  - ~~(VII) MENTAL HEALTH COUNSELING SERVICES; OR~~
- ~~(5) COMMUNITY INVOLVEMENT PROGRAMS, INCLUDING:~~
  - ~~(I) SERVICE AND SERVICE LEARNING OPPORTUNITIES;~~
  - ~~(II) ADULT EDUCATION, INCLUDING ENGLISH AS A SECOND LANGUAGE;~~
  - ~~(III) HOMELESS PREVENTION SERVICES; OR~~

~~(IV) OTHER SERVICES DESIGNED TO MEET THE NEEDS OF THE SCHOOL AND THE COMMUNITY AS IDENTIFIED BY THE COMMUNITY SCHOOL LEADERSHIP TEAM IN ACCORDANCE WITH § 9.5-106(A) OF THIS TITLE.~~

~~(B) (1) A SCHOOL THAT RECEIVES COMMUNITY SCHOOL FUNDING UNDER § 9.5-104 OF THIS TITLE SHALL:~~

~~(I) EMPLOY AT LEAST ONE FULL-TIME PROFESSIONAL RESOURCE COORDINATOR TO COORDINATE AND MANAGE COMMUNITY SCHOOL SERVICES; AND~~

~~(II) IMPLEMENT A FULL-YEAR OUT-OF-SCHOOL-TIME PROGRAM FOR AT LEAST 25% OF THE STUDENTS WHO ATTEND THE SCHOOL.~~

~~(2) A FULL-TIME PROFESSIONAL RESOURCE COORDINATOR SHALL BE COMPENSATED:~~

~~(I) AT A LEVEL COMPARABLE TO AN ASSISTANT PRINCIPAL IN THE LOCAL SCHOOL SYSTEM; AND~~

~~(II) WITH THE FUNDS DISTRIBUTED TO COUNTY BOARDS UNDER § 9.5-104(C) OF THIS TITLE.~~

~~9.5-108:~~

~~(A) ON OR BEFORE SEPTEMBER 1, 2019, AND EVERY 3 YEARS THEREAFTER, THE DEPARTMENT SHALL EVALUATE WHETHER EACH COMMUNITY SCHOOL THAT RECEIVED FUNDING UNDER THIS TITLE PROPERLY IMPLEMENTED THE PLAN REQUIRED UNDER § 9.5-106(B) OF THIS TITLE.~~

~~(B) (1) ON OR BEFORE SEPTEMBER 1 EACH YEAR, EACH COMMUNITY SCHOOL THAT RECEIVED FUNDING UNDER THIS TITLE SHALL REPORT TO THE DEPARTMENT ON THE EFFORTS TO INTEGRATE THE COMMUNITY SCHOOL STRATEGY AT THE COMMUNITY SCHOOL, INCLUDING:~~

~~(I) THE IMPACT OF THE TRANSITION TO A COMMUNITY SCHOOL ON STUDENTS, FAMILIES, AND THE COMMUNITY;~~

~~(II) THE NUMBER AND PERCENT OF STUDENTS RECEIVING COMMUNITY SCHOOL INTERVENTIONS;~~

~~(III) ANY IMPROVEMENTS IN:~~

~~1. STUDENT ACADEMIC ACHIEVEMENT, INCLUDING ON-TIME GRADE PROMOTION, GRADUATION RATES, INCREASES IN ATTENDANCE RATES, AND DECREASES IN IN-SCHOOL SUSPENSIONS;~~

~~2. STUDENT READINESS TO ENTER SCHOOL;~~

~~3. STUDENT INVOLVEMENT IN LEARNING AND IN THE COMMUNITY ENVIRONMENT; AND~~

~~4. PHYSICAL, SOCIAL-EMOTIONAL, AND BEHAVIORAL HEALTH OF STUDENTS, FAMILIES, AND THE COMMUNITY.~~

~~(2) A COMMUNITY SCHOOL MAY SOLICIT THE ASSISTANCE AND SUPPORT OF COMMUNITY PARTNERS WHEN FULFILLING THE REQUIREMENTS OF THIS SUBSECTION.~~

~~9.5-109.~~

~~THE DEPARTMENT SHALL ADOPT REGULATIONS TO IMPLEMENT THE REQUIREMENTS OF THIS TITLE.~~

~~SECTION 2. AND BE IT FURTHER ENACTED, That it is the intent of the General Assembly that community schools be reviewed as part of the adequacy study originally required by Chapter 288 of the Acts of the General Assembly of 2002, as well as any other subsequent commission, workgroup, or task force that occurs within the next 5 years that is charged with studying PreK-12 education funding. The review shall incorporate the funding of community schools into any education funding formula.~~

(a) On or before July 15, 2016, and every 2 years thereafter, the State Department of Education shall notify each local school system and each community school in the State that federal Title I funds may be used for expenses associated with community school coordinators and for the coordination of school and community resources associated with the implementation of a community school strategy in a public school in the State.

(b) (1) The State Department of Education shall encourage local school systems and community schools in the State to apply for federal funding under Title IV of the Every Student Succeeds Act for expenses associated with after-school programming, community school coordinators, and the coordination of school and community resources associated with the implementation of a community school strategy in public schools in the State.

(2) The State Department of Education shall provide technical assistance to local school systems and community schools in the State in applying for the federal funding described in paragraph (1) of this subsection.

SECTION ~~2~~ 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016. It shall remain effective for a period of 3 years and, at the end of June 30, 2019, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.

Approved by the Governor, April 26, 2016.

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## Chapter 301

(House Bill 1147)

AN ACT concerning

### **Carroll County – Board of Education Members – Term Limitation and Referendum**

FOR the purpose of prohibiting a voting member of the Carroll County Board of Education from serving on the board for more than a certain number of consecutive terms; submitting this Act to a referendum of the qualified voters of Carroll County; and generally relating to a term limitation for members of the Carroll County Board of Education.

BY repealing and reenacting, with amendments,  
 Article – Education  
 Section 3–401  
 Annotated Code of Maryland  
 (2014 Replacement Volume and 2015 Supplement)

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

#### **Article – Education**

3–401.

- (a) The Carroll County Board consists of:
- (1) Five voting members;
  - (2) Subject to subsection (f) of this section, one nonvoting student representative; and
  - (3) The County Commissioners, who are nonvoting ex officio members.

(b) A candidate elected to the county board shall be a resident and registered voter of Carroll County. Any member who no longer resides in Carroll County may not continue as a member of the board.

(c) (1) Voting members of the Carroll County Board shall be elected as follows:

(i) Two members of the board shall be elected in the November general election of 1994 and every 4 years thereafter;

(ii) Two members of the county board shall be elected in the November general election of 1996 and every 4 years thereafter; and

(iii) One member of the county board shall be elected in the November general election of 1998 and every 4 years thereafter.

(2) Voting members of the county board shall be elected:

(i) At a general election as required by this section; and

(ii) On a general countywide ticket.

(d) (1) Each voting member serves for a term of 4 years beginning the first Monday in December immediately following the voting member's election and until a successor is elected and qualifies. The terms of the voting members are staggered as required for the elections to the county board in subsection (c)(1) of this section.

**(2) A VOTING MEMBER MAY NOT SERVE FOR MORE THAN TWO CONSECUTIVE TERMS.**

**[(2)] (3)** The Governor shall appoint a new voting member to fill any vacancy on the board for the remainder of that term and until a successor is elected and qualifies.

**[(3)] (4)** A voting member of the county board as of October 1, 1993, and any voting member appointed to fill a vacancy in an unexpired term of such member, shall hold office during his term and until a successor is elected and qualifies.

(e) (1) The State Board may remove a voting member of the county board for:

(i) Immorality;

(ii) Misconduct in office;

(iii) Incompetency; or

(iv) Willful neglect of duty.



(2) Before removing a voting member, the State Board shall send the member a copy of the charges against him and give him an opportunity within 10 days to request a hearing.

(3) If the voting member requests a hearing within the 10-day period:

(i) The State Board promptly shall hold a hearing, but a hearing may not be set within 10 days after the State Board sends the member a notice of the hearing; and

(ii) The voting member shall have an opportunity to be heard publicly before the State Board in his own defense, in person or by counsel.

(4) A voting member removed under this subsection has the right to a de novo review of the removal by the Circuit Court for Carroll County.

(f) (1) The student representative shall:

(i) Be an eleventh or a twelfth grade student in the Carroll County public school system elected by the high school students of the county in accordance with procedures established by the school system;

(ii) Be a student government association representative at the student's high school;

(iii) Serve for 1 year beginning on July 1 after the election of the student representative; and

(iv) Advise the county board on the thoughts and feelings of students in Carroll County public schools.

(2) Unless invited to attend by an affirmative vote of a majority of the county board, the student representative may not attend an executive session of the county board.

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

SECTION 2. AND BE IT FURTHER ENACTED, That before this Act becomes effective it shall first be submitted to a referendum of the qualified voters of Carroll County at the general election to be held in November of ~~2018~~ 2016. The County governing body and the Carroll County Board of Elections shall do those things necessary and proper to provide for and hold the referendum required by this section. If a majority of the votes cast on the question are "For the referred law" the provisions of this Act shall become effective on the 30th day following the official canvass of votes for the referendum, but if a majority of the votes cast on the question are "Against the referred law" the provisions of this Act are of no effect and null and void.

SECTION 3. AND BE IT FURTHER ENACTED, That, subject to the provisions of Section 2 of this Act and for the sole purpose of providing for the referendum required by Section 2 of this Act, this Act shall take effect July 1, 2016.

Approved by the Governor, April 26, 2016.

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**Chapter 302**  
**(House Bill 1157)**

AN ACT concerning

**Calvert County – Assistant Sheriff – Salary and Status**

FOR the purpose of altering the annual salary of the assistant sheriff in Calvert County under certain circumstances; clarifying that the assistant sheriff shall retain full merit status under certain circumstances; altering the placement and salary of the assistant sheriff at the end of an appointment under certain circumstances; and generally relating to the assistant sheriff in Calvert County.

BY repealing and reenacting, with amendments,  
Article – Courts and Judicial Proceedings  
Section 2–309(f)(3)  
Annotated Code of Maryland  
(2013 Replacement Volume and 2015 Supplement)

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

**Article – Courts and Judicial Proceedings**

2–309.

- (f) (3) (i) The Sheriff may appoint 1 full–time assistant sheriff who shall:
1. Serve under the direction of the Sheriff; and
  2. Be designated by the Sheriff as a line officer.
- (ii) The Sheriff shall appoint an individual to serve as the assistant sheriff who:
1. Is an active duty deputy sheriff and holds the rank of a commissioned officer in the Calvert County Sheriff's Office; or

2. Is not a current employee of the Calvert County Sheriff's Office.

(iii) 1. The appointment of the assistant sheriff is in the sole discretion of the Sheriff.

2. The Sheriff may appoint the assistant sheriff without subjecting the candidate to a written examination.

3. The assistant sheriff serves at the pleasure of the Sheriff.

(iv) 1. If the assistant sheriff was an active duty deputy sheriff in the Calvert County Sheriff's Office immediately before appointment, the assistant sheriff:

A. Shall receive an annual salary that [does not exceed by more than] **IS 6 percent MORE THAN** the salary of the highest ranking officer in the Calvert County Sheriff's Office;

B. Shall retain **FULL** merit status; and

C. At the end of an appointment, shall be [permitted to return to the previous rank the assistant sheriff held prior to appointment, including any cost-of-living adjustments and salary step increases the assistant sheriff would have received if the deputy sheriff had not been appointed assistant sheriff] **PLACED AT THE HIGHEST RANK ON THE APPROVED CALVERT COUNTY DEPUTY SHERIFF PAY SCALE AND SHALL RECEIVE THE SALARY REFLECTED AT THE HIGHEST STEP WITHIN THAT HIGHEST RANK.**

2. If the assistant sheriff was not an employee of the Calvert County Sheriff's Office immediately before appointment, the assistant sheriff:

A. Shall receive an annual salary that is established through a mutual agreement between the Sheriff and the County Commissioners of Calvert County;

B. Shall be afforded all the benefits available to full-time employees in the Calvert County Sheriff's Office; and

C. May not be given merit status.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2016.

**Approved by the Governor, April 26, 2016.**

## Chapter 303

(House Bill 1181)

AN ACT concerning

**Maryland Medical Assistance Program – ~~Nursing Homes – Advance Payments~~  
~~Partial Payment for Services Provided~~ Determinations of Eligibility for  
Long-Term Care Services – Reports and Meetings**

FOR the purpose of requiring the Department of Health and Mental Hygiene ~~to make a certain advance payment to a nursing home at the request of the nursing home under certain circumstances; providing that the advance payment may not exceed a certain amount; requiring the Department to pay the balance due to a nursing home under certain circumstances; requiring the Department to recover certain advance payments in a certain manner under certain circumstances; defining a certain term, in consultation with the Department of Human Resources, to submit a report on the State's progress in determining the eligibility of certain applicants within a certain time period to certain committees of the General Assembly on or before a certain date and quarterly thereafter; requiring that the report include certain information; requiring the Department of Health and Mental Hygiene, in collaboration with the Department of Human Resources, to conduct certain meetings to discuss certain reports and develop certain strategies; providing for the termination of this Act; and generally relating to the Maryland Medical Assistance Program and ~~advance payments to nursing homes~~ determinations of eligibility for long-term care services.~~

~~BY repealing and reenacting, without amendments,  
 Article – Health – General  
 Section 15-101(a) and (h)  
 Annotated Code of Maryland  
 (2015 Replacement Volume)~~

~~BY adding to  
 Article – Health – General  
 Section 15-148  
 Annotated Code of Maryland  
 (2015 Replacement Volume)~~

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

~~Article – Health – General~~

- ~~(a) In this title the following words have the meanings indicated.~~
- ~~(h) "Program" means the Maryland Medical Assistance Program.~~

~~15-148.~~

~~(A) IN THIS SECTION, "NURSING HOME" HAS THE MEANING STATED IN § 19-1401 OF THIS ARTICLE.~~

~~(B) AT THE REQUEST OF A NURSING HOME, THE DEPARTMENT SHALL MAKE AN ADVANCE PAYMENT TO THE NURSING HOME FOR UNCOMPENSATED PROGRAM SERVICES PROVIDED TO A RESIDENT OF THE NURSING HOME WHO HAS FILED AN APPLICATION FOR PROGRAM SERVICES IF THE ELIGIBILITY OF THE RESIDENT FOR PROGRAM SERVICES HAS NOT BEEN DETERMINED WITHIN 90 DAYS AFTER THE APPLICATION WAS FILED.~~

~~(C) AN ADVANCE PAYMENT PROVIDED UNDER SUBSECTION (B) OF THIS SECTION MAY NOT EXCEED 50% OF THE ESTIMATED AMOUNT DUE FOR THE UNCOMPENSATED SERVICES.~~

~~(D) (1) IF AN ADVANCE PAYMENT IS PROVIDED TO A NURSING HOME AND AN APPLICATION FOR PROGRAM SERVICES IS GRANTED, THE DEPARTMENT SHALL PAY THE BALANCE DUE TO THE NURSING HOME.~~

~~(2) IF AN ADVANCE PAYMENT IS PROVIDED TO A NURSING HOME AND AN APPLICATION FOR PROGRAM SERVICES IS DENIED, THE DEPARTMENT SHALL RECOVER ANY ADVANCE PAYMENTS MADE ON BEHALF OF THE APPLICANT BY REDUCING PAYMENTS DUE TO THE NURSING HOME.~~

*(a) On or before October 1, 2016, and quarterly thereafter, the Department of Health and Mental Hygiene, in consultation with the Department of Human Resources, shall submit a report to the Senate Finance Committee, the Senate Budget and Taxation Committee, the House Health and Government Operations Committee, and the House Appropriations Committee, in accordance with § 2-1246 of the State Government Article, on the State's progress in determining the eligibility of applicants for long-term care services under the Maryland Medical Assistance Program within 30 days after the filing of the applications as required under State law.*

*(b) The reports required under subsection (a) of this section shall include:*

*(1) (i) the number of new applications filed each month with each local department of social services and the Bureau of Long-Term Care Eligibility; and*

*(ii) information on pending eligibility cases, including, to the extent available, detailed information on the length of time beyond 30 days it is taking for the State*

to complete eligibility determinations, with a breakdown of the information presented in 15-day increments;

(2) (i) steps being taken by the State to achieve compliance with the requirement in State law that eligibility determinations be completed within 30 days after the filing of an application; and

(ii) a timeline for achieving compliance with the 30-day requirement;  
and

(3) information on:

(i) improvements made to the technology systems used to determine eligibility; and

(ii) any planned improvements to the technology systems, including the implementation of an asset verification system, with a time frame for implementation of the planned improvements.

(c) The Department of Health and Mental Hygiene, in collaboration with the Department of Human Resources, shall conduct quarterly meetings with interested stakeholders to:

(1) discuss the report submitted under subsection (a) of this section; and

(2) develop strategies to resolve ongoing issues with and delays in eligibility determinations for long-term care services under the Maryland Medical Assistance Program.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016. It shall remain effective for a period of 2 years and 6 months and, at the end of December 31, 2018, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.

**Approved by the Governor, April 26, 2016.**

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## Chapter 304

(House Bill 1198)

AN ACT concerning

**Prince George's County – Maryland–National Capital Park and Planning  
Commission – Extraordinary Development District**

## PG/MC 109–16

FOR the purpose of authorizing the designation of an extraordinary development district for certain purposes; authorizing the Maryland–National Capital Park and Planning Commission to ~~pledge~~ enter into an agreement to pay all or a portion of certain property taxes to Prince George’s County for deposit into a certain special fund for an extraordinary development district under certain circumstances; providing that a certain agreement regarding an extraordinary development district must be executed by the Commission and the governing body of Prince George’s County; prohibiting the Commission from being an obligor for certain bonds; providing that the Commission may not enter into a certain agreement regarding an extraordinary development district until certain resolutions are adopted ~~or approved~~; defining a certain term; altering a certain definition; and generally relating to extraordinary development districts in Prince George’s County.

BY repealing and reenacting, with amendments,  
 Article – Economic Development  
 Section 12–201 and 12–210  
 Annotated Code of Maryland  
 (2008 Volume and 2015 Supplement)

BY adding to  
 Article – Land Use  
 Section 18–310  
 Annotated Code of Maryland  
 (2012 Volume and 2015 Supplement)

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

**Article – Economic Development**

12–201.

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

(b) “Adjusted assessable base” means the fair market value of real property that qualifies for a farm or agricultural use under § 8–209 of the Tax – Property Article, without regard to the agricultural use assessment for the property as of January 1 of the year preceding the effective date of the resolution creating the development district under § 12–203 of this subtitle.

(c) “Assessable base” means the total assessable base, as determined by the Supervisor of Assessments or the governing body in accordance with § 12–203(b) of this subtitle, of all real property subject to taxation in a development district or a sustainable community.

(d) (1) “Assessment ratio” means a real property tax assessment ratio, however designated or calculated, that is used under applicable general law to determine the assessable base.

(2) “Assessment ratio” includes the assessment percentage specified under § 8–103(c) of the Tax – Property Article.

(e) “Bond” means a revenue bond, note, or other similar instrument issued in accordance with this subtitle by:

- (1) a political subdivision; or
- (2) the revenue authority of Prince George’s County.

(f) “Chief executive” means the president, chair, mayor, or other chief executive officer of a political subdivision or the revenue authority of Prince George’s County.

(g) “Development” includes new development, redevelopment, revitalization, and renovation.

(h) (1) “Development district” means a contiguous area designated by a resolution.

(2) **“DEVELOPMENT DISTRICT” INCLUDES AN EXTRAORDINARY DEVELOPMENT DISTRICT.**

(I) **“EXTRAORDINARY DEVELOPMENT DISTRICT” MEANS A DEVELOPMENT DISTRICT THAT:**

(1) **IS DESIGNATED AS SUCH BY RESOLUTION; AND**

(2) **CONTAINS AT LEAST 50 ACRES, ON ALL OR PART OF WHICH A FEDERAL LAW ENFORCEMENT AGENCY WILL BE LOCATED.**

[i] (J) “Issuer” means a political subdivision or the revenue authority of Prince George’s County that issues a bond under this subtitle.

[j] (K) “MEDCO obligation” means a bond, note, or other similar instrument that the Maryland Economic Development Corporation issues under authority other than this subtitle to finance the cost of infrastructure improvements located in or supporting a transit-oriented development, a sustainable community, or a State hospital redevelopment.

[k] (L) “Original base” means the assessable base:



(1) as of January 1 of the year preceding the effective date of the resolution creating the development district under § 12–203 of this subtitle; or

(2) if the political subdivision determined the original base in accordance with § 12–203(b) of this subtitle, the base value as established in the resolution.

**[(l)] (M)** “Original full cash value” means the dollar amount that is determined by dividing the original base by the assessment ratio used to determine the original base.

**[(m)] (N)** “Original taxable value” means for any tax year the dollar amount that is:

(1) the adjusted assessable base, if an adjusted assessable base applies; or

(2) in all other cases, the lesser of:

(i) the product of multiplying the original full cash value by the assessment ratio applicable to that tax year; and

(ii) the original base.

**[(n)] (O)** “Political subdivision” means a county or a municipal corporation.

**[(n–1)] (P)** “RISE zone” means an area designated as a Regional Institution Strategic Enterprise zone under § 5–1404 of this article.

**[(o)] (Q)** “State hospital redevelopment” means any combination of private or public commercial, residential, or recreational uses, improvements, and facilities that:

(1) is part of a comprehensive coordinated development plan or strategy involving:

(i) property that was occupied formerly by a State facility, as defined in § 10–101 of the Health – General Article, or a State residential center, as defined in § 7–101 of the Health – General Article; or

(ii) property that is adjacent or reasonably proximate to property that was occupied formerly by a State facility, as defined in § 10–101 of the Health – General Article, or a State residential center, as defined in § 7–101 of the Health – General Article;

(2) in accordance with design development principles, maximizes use of the property by those constituencies it is intended to serve; and

(3) is designated as a State hospital redevelopment by:

(i) the Smart Growth Subcabinet established under § 9–1406 of the State Government Article; and

(ii) the local government or multicounty agency with land use and planning responsibility for the relevant area.

**[(p)] (R)** (1) “Sustainable community” has the meaning stated in § 6–201 of the Housing and Community Development Article.

(2) “Sustainable community” includes a portion of a sustainable community.

**[(q)] (S)** “Tax increment” means for any tax year the amount by which the assessable base as of January 1 of the preceding tax year exceeds the original base taxable value divided by the assessment ratio used to determine the original taxable value.

**[(r)] (T)** “Tax year” means the period from July 1 of a calendar year through June 30 of the next calendar year.

**[(s)] (U)** “Transit-oriented development” has the meaning stated in § 7–101 of the Transportation Article.

12–210.

(a) (1) Subject to paragraph (2) of this subsection, the governing body of a political subdivision that is not the issuer may pledge under an agreement that its property taxes levied on the tax increment shall be paid into the special fund for the development district, a RISE zone, or a sustainable community.

(2) The agreement shall:

(i) be in writing;

(ii) be executed by the governing bodies of the issuer and the political subdivision making the pledge; and

(iii) run to the benefit of and be enforceable on behalf of any bondholder.

**(3) (I) THIS PARAGRAPH APPLIES ONLY IN PRINCE GEORGE’S COUNTY.**

**(II) SUBJECT TO § 18–310 OF THE LAND USE ARTICLE, THE MARYLAND–NATIONAL CAPITAL PARK AND PLANNING COMMISSION MAY ~~PLEDGE UNDER~~ ENTER INTO AN AGREEMENT ~~THAT IT~~ WITH PRINCE GEORGE’S COUNTY TO PAY ALL OR A PORTION OF THE PROPERTY TAXES LEVIED BY THE COUNTY UNDER §§**

**18-304, 18-306, AND 18-307 OF THE LAND USE ARTICLE ON THE TAX INCREMENT IN AN EXTRAORDINARY DEVELOPMENT DISTRICT IN ~~PRINCE GEORGE'S COUNTY SHALL BE PAID~~ THE COUNTY TO THE COUNTY FOR DEPOSIT INTO A SPECIAL FUND FOR THE EXTRAORDINARY DEVELOPMENT DISTRICT.**

**(III) THE AGREEMENT AUTHORIZED UNDER SUBPARAGRAPH (II) OF THIS PARAGRAPH SHALL:**

1. BE IN WRITING; AND
2. BE EXECUTED BY THE GOVERNING BODY OF PRINCE GEORGE'S COUNTY AND, ON PROPER AUTHORIZATION, THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION; ~~AND~~
- ~~3. RUN TO THE BENEFIT OF AND BE ENFORCEABLE ON BEHALF OF ANY BONDHOLDER.~~

**(IV) THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION MAY NOT BE AN OBLIGOR FOR ANY BONDS ISSUED BY PRINCE GEORGE'S COUNTY FOR AN EXTRAORDINARY DEVELOPMENT DISTRICT.**

(b) The governing body of Prince George's County may also pledge hotel rental tax revenues to the special fund.

(c) The governing body of a political subdivision, including the issuer, may pledge by or under a resolution, including by an agreement with the issuer, as applicable, that alternative local tax revenues generated within, or that are otherwise determined to be attributable to, a development district that is a transit-oriented development, a RISE zone, a sustainable community, or a State hospital redevelopment be paid, as provided in the resolution, into the special fund to:

- (1) secure the payment of debt service on bonds or MEDCO obligations; or
- (2) be applied to the other purposes stated in § 12-209 of this subtitle.

## Article – Land Use

**18-310.**

**THE COMMISSION MAY NOT ENTER INTO AN AGREEMENT ~~TO PLEDGE ITS PROPERTY TAXES~~ WITH PRINCE GEORGE'S COUNTY TO PAY ALL OR A PORTION OF THE PROPERTY TAXES LEVIED BY THE COUNTY UNDER §§ 18-304, 18-306, AND 18-307 OF THIS SUBTITLE ON THE TAX INCREMENT IN AN EXTRAORDINARY DEVELOPMENT DISTRICT IN THE COUNTY TO THE COUNTY FOR DEPOSIT INTO A**

**SPECIAL FUND FOR AN EXTRAORDINARY DEVELOPMENT DISTRICT UNDER § 12-210 OF THE ECONOMIC DEVELOPMENT ARTICLE UNTIL:**

**(1) THE GOVERNING BODY OF PRINCE GEORGE'S COUNTY HAS ADOPTED A RESOLUTION DESIGNATING THE EXTRAORDINARY DEVELOPMENT DISTRICT; AND**

**(2) THE ~~PLANNING BOARD OF PRINCE GEORGE'S COUNTY COMMISSION HAS APPROVED~~ ADOPTED A RESOLUTION ~~IN SUPPORT OF~~ APPROVING THE AGREEMENT.**

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2016.

Approved by the Governor, April 26, 2016.

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## Chapter 305

(House Bill 1247)

AN ACT concerning

### Insurance – Self-Funded Student Health Plans

FOR the purpose of exempting from certain State insurance laws a self-funded student health plan operated by an independent institution of higher education that provides health care services to its students and their dependents under certain circumstances; requiring a certain report of an independent institution of higher education to be filed on a certain date; ~~requiring certain certifications to be construed in a certain manner; providing for the application of this Act;~~ making a stylistic change; altering certain definitions; making this Act an emergency measure; and generally relating to self-funded student health plans and State insurance laws.

BY repealing and reenacting, with amendments,

Article – Insurance

Section 1-202, 15-10A-01(c), and 15-10D-01(d)

Annotated Code of Maryland

(2011 Replacement Volume and 2015 Supplement)

BY repealing and reenacting, without amendments,

Article – Insurance

Section 15-10A-01(a) and 15-10D-01(a)

Annotated Code of Maryland

(2011 Replacement Volume and 2015 Supplement)

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

**Article – Insurance**

1–202.

**(A)** This article does not apply to:

(1) a fraternal benefit society, except as provided in Title 8, Subtitle 4 of this article;

(2) a nonprofit health service plan, except as otherwise provided in this article; [or]

(3) an organization that:

(i) is organized and operated as a nonprofit organization exclusively for the purpose of helping nonprofit educational or scientific institutions by issuing annuity contracts only to or for the benefit of those institutions or individuals serving those institutions;

(ii) irrevocably appoints the Commissioner as attorney to receive service of process issued against it in the State so as to bind the organization and its successors and to remain in effect as long as there is in force in the State a contract or obligation arising from it;

(iii) is legally organized and qualified to do business and has been actively doing business under the laws of its state of domicile for at least 10 years before July 1, 1977;

(iv) files with the Commissioner a copy of any contract form issued to residents of this State;

(v) files with the Commissioner on or before March 1 of each year:

1. a copy of its annual statement prepared under the laws of its state of domicile; and

2. any other financial material that the Commissioner requests;

(vi) agrees to submit to periodic examinations as the Commissioner considers necessary; and

(vii) pays the premium tax imposed by Title 6 of this article on all premiums allocable to this State for life insurance and health insurance in effect for residents of this State; [or]

(4) a voluntary noncontractual religious publication arrangement that:

(i) is a nonprofit religious organization for which the State may not be held in any way liable or responsible for any of its debts, claims, obligations, or liabilities;

(ii) publishes a newsletter whose subscribers are limited to members of the same denomination or religion;

(iii) acts as an organizational clearinghouse for information between subscribers who have medical costs and subscribers who choose to assist with those costs;

(iv) matches subscribers with a willingness to pay and subscribers with present medical costs;

(v) coordinates payments directly from one subscriber to another;

(vi) suggests amounts to give that are voluntary among the subscribers, with no assumption of risk or promise to pay either among the subscribers or between the subscribers and the organization;

(vii) does not use a compensated insurance producer, representative, or other person to solicit or enroll subscribers;

(viii) does not make a direct or indirect representation that it is operating in a financially sound manner or that it has had a successful history of meeting subscribers' medical costs;

(ix) provides to each subscriber a written monthly statement listing both the total dollar amount of qualified medical costs submitted for publication and the amount actually published and assigned for payment;

(x) does not use funds paid by subscribers for medical costs to cover administrative costs;

(xi) submits a registration statement, including a copy of any application forms and guidelines, promotional, or informational material distributed by or on behalf of the arrangement, to the Secretary of State in accordance with the provisions of Title 6, Subtitle 4 of the Business Regulation Article; and

(xii) provides the following verbatim written disclaimer as a separate cover sheet for any and all documents distributed by or on behalf of the exempt arrangement, including applications, guidelines, promotional, or informational material and all periodic publications:

## “Notice

This publication is not issued by an insurance company nor is it offered through an insurance company. It does not guarantee or promise that your medical bills will be published or assigned to others for payment. No other subscriber will be compelled to contribute toward the cost of your medical bills. Therefore, this publication should never be considered a substitute for an insurance policy. This activity is not regulated by the State Insurance Administration, and your liabilities are not covered by the Life and Health Guaranty Fund. Whether or not you receive any payments for medical expenses and whether or not this entity continues to operate, you are always liable for any unpaid bills.”;  
OR

**(5) EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION, A SELF-FUNDED STUDENT HEALTH PLAN OPERATED BY AN INDEPENDENT INSTITUTION OF HIGHER EDUCATION, AS DEFINED IN § 10-101 OF THE EDUCATION ARTICLE, THAT PROVIDES HEALTH CARE SERVICES TO ITS STUDENTS AND THEIR DEPENDENTS IF THE INSTITUTION FILES ON JULY 1 EACH YEAR, FOR THE STUDENT HEALTH PLAN THAT WILL BE OFFERED TO STUDENTS FOR THE UPCOMING SCHOOL YEAR, A REPORT WITH THE COMMISSIONER CERTIFYING UNDER PENALTIES OF PERJURY THAT:**

**(I) THE STUDENT HEALTH PLAN SATISFIES ANY APPLICABLE MINIMUM ESSENTIAL COVERAGE STANDARDS UNDER FEDERAL LAW;**

**(II) THE INSTITUTION PLEDGES ASSETS SUFFICIENT TO SUPPORT THE LIABILITIES OF THE STUDENT HEALTH PLAN;**

**(III) THE INSTITUTION DEMONSTRATES AN ABILITY TO OPERATE THE STUDENT HEALTH PLAN IN A SOUND MANNER BY HAVING OPERATED AN EMPLOYER-SPONSORED PLAN, AS DEFINED IN § 15-1401 OF THIS ARTICLE, IN THE PRIOR CALENDAR YEAR WITH AT LEAST 10,000 ENROLLEES, INCLUDING EMPLOYEES AND THEIR DEPENDENTS; ~~AND~~**

**(IV) THE INSTITUTION MAINTAINS AT LEAST AN AA BOND RATING BY ONE OF THE MAJOR CREDIT RATING AGENCIES; AND**

**(V) THE INSTITUTION OPERATES THE STUDENT HEALTH PLAN IN COMPLIANCE WITH TITLE 15, SUBTITLES 10A AND 10D OF THIS ARTICLE.**

**(B) TITLE 15, SUBTITLES 10A AND 10D OF THIS ARTICLE APPLY TO A SELF-FUNDED STUDENT HEALTH PLAN OPERATED BY AN INDEPENDENT INSTITUTION OF HIGHER EDUCATION, AS DEFINED IN § 10-101 OF THE EDUCATION ARTICLE, THAT PROVIDES HEALTH CARE SERVICES TO ITS STUDENTS AND THEIR DEPENDENTS.**

15–10A–01.

- (a) In this subtitle the following words have the meanings indicated.
- (c) “Carrier” means a person that offers a health benefit plan and is:
- (1) an authorized insurer that provides health insurance in the State;
  - (2) a nonprofit health service plan;
  - (3) a health maintenance organization;
  - (4) a dental plan organization; [or]

**(5) A SELF-FUNDED STUDENT HEALTH PLAN OPERATED BY AN INDEPENDENT INSTITUTION OF HIGHER EDUCATION, AS DEFINED IN § 10–101 OF THE EDUCATION ARTICLE, THAT PROVIDES HEALTH CARE TO ITS STUDENTS AND THEIR DEPENDENTS; OR**

**[(5)] (6) except for a managed care organization as defined in Title 15, Subtitle 1 of the Health – General Article, any other person that provides health benefit plans subject to regulation by the State.**

15–10D–01.

- (a) In this subtitle the following words have the meanings indicated.
- (d) “Carrier” means a person that offers a health benefit plan and is:
- (1) an authorized insurer that provides health insurance in the State;
  - (2) a nonprofit health service plan;
  - (3) a health maintenance organization;
  - (4) a dental plan organization; [or]

**(5) A SELF-FUNDED STUDENT HEALTH PLAN OPERATED BY AN INDEPENDENT INSTITUTION OF HIGHER EDUCATION, AS DEFINED IN § 10–101 OF THE EDUCATION ARTICLE, THAT PROVIDES HEALTH CARE TO ITS STUDENTS AND THEIR DEPENDENTS; OR**

**[(5)] (6) except for a managed care organization, as defined in Title 15, Subtitle 1 of the Health – General Article, any other person that offers a health benefit plan subject to regulation by the State.**



SECTION 2. AND BE IT FURTHER ENACTED, That the first report of an independent institution of higher education required under § 1–202(5) of the Insurance Article, as enacted by Section 1 of this Act, shall be filed with the Maryland Insurance Commissioner on July 1, 2016, and the certifications made in the report shall be construed to cover the time period from July 1, ~~2015~~ 2016, through June 30, ~~2016~~ 2017.

~~SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall be construed to apply retroactively and shall be applied to and interpreted to affect any self-funded student health plan that is operated by an independent institution of higher education on or after July 1, 2015.~~

SECTION ~~4~~ 3. AND BE IT FURTHER ENACTED, That this Act is an emergency measure, is necessary for the immediate preservation of the public health or safety, has been passed by a ye and nay vote supported by three-fifths of all the members elected to each of the two Houses of the General Assembly, and shall take effect from the date it is enacted.

Approved by the Governor, April 26, 2016.

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## Chapter 306

(House Bill 1288)

AN ACT concerning

### Higher Education – Tuition Waivers for Foster Care Recipients and Unaccompanied Homeless Youth

FOR the purpose of ~~repealing the requirement that certain foster care recipients and certain unaccompanied homeless youth must be a certain candidate for certain certificate or degree programs in order to receive a certain tuition waiver;~~ defining the term vocational certificate to include completion of a certain course of study by taking credit-bearing courses or noncredit courses for purposes of establishing eligibility of foster care recipients for certain tuition waivers; altering a certain definition; altering a certain requirement that certain foster care recipients and certain unaccompanied homeless youth apply for certain financial aid by a certain time; and generally relating to tuition waivers for foster care recipients and unaccompanied homeless youth.

BY repealing and reenacting, without amendments,

Article – Education

Section 15–106.1(a)(1) and (3) and (c)

Annotated Code of Maryland

(2014 Replacement Volume and 2015 Supplement)

BY repealing and reenacting, with amendments,

Article – Education

Section ~~15-106.1(e)~~ 15-106.1(a)(2)

Annotated Code of Maryland

(2014 Replacement Volume and 2015 Supplement)

BY adding to

Article – Education

Section 15-106.1(a)(6)

Annotated Code of Maryland

(2014 Replacement Volume and 2015 Supplement)

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

### Article – Education

15-106.1.

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

(2) (i) “Foster care recipient” means an individual who:

1. Was placed in an out-of-home placement by the Maryland Department of Human Resources; and

2. A. Resided in an out-of-home placement ~~in the State at the time the individual graduated from high school or successfully completed a general equivalency development examination (GED)~~ **ON THE INDIVIDUAL’S 18TH BIRTHDAY;**  
**[or]**

B. Resided in an out-of-home placement ~~in the State~~ on the individual’s 13th birthday and was placed into guardianship or adopted out of an out-of-home placement after the individual’s 13th birthday; OR

C. **RESIDED IN AN OUT-OF-HOME PLACEMENT IN THE STATE FOR AT LEAST 1 YEAR ON OR AFTER THE INDIVIDUAL’S 13TH BIRTHDAY AND RETURNED TO LIVE WITH THE INDIVIDUAL’S PARENTS AFTER THE OUT-OF-HOME PLACEMENT ENDED.**

(ii) “Foster care recipient” includes a younger sibling of an individual described in subparagraph (i) of this paragraph if the younger sibling is concurrently placed into guardianship or adopted out of an out-of-home placement by the same guardianship or adoptive family.

(3) “Out-of-home placement” has the meaning stated in § 5-501 of the Family Law Article.

**(6) “VOCATIONAL CERTIFICATE” MEANS A CERTIFICATE OR LICENSE AWARDED BY A PUBLIC INSTITUTION OF HIGHER EDUCATION ON COMPLETION OF A COURSE OF STUDY THAT PREPARES AN INDIVIDUAL TO WORK IN A CAREER FIELD BY TAKING CREDIT-BEARING COURSES OR NONCREDIT COURSES.**

(c) (1) A foster care recipient or an unaccompanied homeless youth is exempt from paying any tuition at a public institution of higher education, regardless of that foster care recipient’s or unaccompanied homeless youth’s receipt of any scholarship or grant if:

(i) The foster care recipient or unaccompanied homeless youth is enrolled at the institution on or before the date that the foster care recipient or unaccompanied homeless youth reaches the age of 25 years; ~~AND~~

(ii) ~~¶~~The foster care recipient or unaccompanied homeless youth is enrolled as a candidate for a vocational certificate, an associate’s degree, or a bachelor’s degree; and

(iii)~~¶~~ The foster care recipient or unaccompanied homeless youth has filed for federal and State financial aid ~~by March 1 each year~~.

(2) If a foster care recipient or an unaccompanied homeless youth receives a scholarship or grant for postsecondary study and is enrolled before the recipient’s 25th birthday ~~¶~~as a candidate for a vocational certificate, an associate’s degree, or bachelor’s degree~~¶~~ at a public institution of higher education, the scholarship or grant may not be applied to the tuition for the foster care recipient or unaccompanied homeless youth.

(3) A foster care recipient or an unaccompanied homeless youth who is exempt from tuition under this section continues to be exempt until the earlier of:

(i) 5 years after first enrolling ~~¶~~as a candidate for an associate’s degree or a bachelor’s degree~~¶~~ at a public institution of higher education in the State; or

(ii) The date that the foster care recipient or unaccompanied homeless youth is awarded a bachelor’s degree.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016.

**Approved by the Governor, April 26, 2016.**

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**Chapter 307****(House Bill 1311)**

AN ACT concerning

**Prince George's County – Alcoholic Beverages Licenses – ~~Riverdale Park Station~~ Development District Licenses and Sunday Off-Sale Permits****PG 305–16**

FOR the purpose of authorizing the Prince George's County Board of License Commissioners to issue a certain number of Class B–DD (Development District) licenses to restaurants located in a certain area within the area of Riverdale Park Station; authorizing the Board to issue a certain number of Class B–DD (Development District) licenses to restaurants located within the area of Riverdale Park Town Center; providing that a certain number of Sunday off–sale permits may be issued only to holders of a certain license who acquired the license on or after a certain date; altering the number of Sunday off–sale permits that may be in effect at any one time; requiring the Board to waive a certain reinvestment requirement under certain circumstances; and generally relating to the issuance of Class B–DD (~~Development District~~) alcoholic beverages licenses to restaurants and permits in Prince George's County.

BY repealing and reenacting, without amendments,

Article – Alcoholic Beverages

Section 26–102 and 26–1104(a)

Annotated Code of Maryland

(As enacted by Chapter 41 (S.B. 724) of the Acts of the General Assembly of 2016)

BY repealing and reenacting, with amendments,

Article – Alcoholic Beverages

Section 26–1104(b), (d), and (f) and 26–1614(a)

Annotated Code of Maryland

(As enacted by Chapter 41 (S.B. 724) of the Acts of the General Assembly of 2016)

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

**Article – Alcoholic Beverages**

26–102.

This title applies only in Prince George's County.

26–1104.

(a) There is a Sunday off-sale permit.

(b) (1) **(I)** [Except] SUBJECT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH AND EXCEPT as provided in paragraph (2) of this subsection, the Board may issue the permit to the holder of:

**[(i)] 1.** a Class A beer, wine, and liquor license; or

**[(ii)] 2.** a Class B beer, wine, and liquor license with an off-sale privilege.

**(II)** FIVE SUNDAY OFF-SALE PERMITS MAY BE ISSUED ONLY TO HOLDERS OF A CLASS B BEER, WINE, AND LIQUOR LICENSE WITH AN OFF-SALE PRIVILEGE THAT ACQUIRED THE LICENSE ON OR AFTER JANUARY 1, 2016.

(2) The Board may not issue a Sunday off-sale permit to a license holder that the Board finds to have sold liquor on Sunday without a Sunday off-sale permit.

(d) (1) Except as provided in paragraph (2) of this subsection, an applicant for the permit shall commit in the application to reinvesting a minimum of \$50,000 in the business within 1 year after the permit is issued.

(2) **(I)** The Board may waive the reinvestment requirement.

**(II)** THE BOARD SHALL WAIVE THE REINVESTMENT REQUIREMENT FOR A HOLDER OF A CLASS B BEER, WINE, AND LIQUOR LICENSE WITH AN OFF-SALE PRIVILEGE THAT ACQUIRED THE LICENSE ON OR AFTER JANUARY 1, 2016, IF THE HOLDER CAN SHOW THAT A MINIMUM OF \$50,000 WAS REINVESTED IN THE BUSINESS WITHIN THE 3-YEAR PERIOD IMMEDIATELY PRECEDING THE SUBMISSION OF THE APPLICATION.

(3) The Board shall revoke the permit if:

(i) the Board did not waive the reinvestment requirement under [item (ii) of this paragraph] PARAGRAPH (2) OF THIS SUBSECTION; and

(ii) the permit holder fails to make the required reinvestment.

(f) Not more than [100 special] 105 Sunday off-sale permits may be in effect at any one time.

26-1614.

(a) The Board may issue:

(1) up to four Class B–DD (Development District) licenses for restaurants located within the Capital Plaza commercial area, consisting of commercial properties within the area bounded by the Baltimore–Washington Parkway on the west and northwest, Maryland Route 450 on the south, and Cooper Lane on the east and northeast;

(2) up to four Class B–DD (Development District) licenses for restaurants located within the area of Greenbelt Station, located inside the Capital Beltway and adjacent to the Greenbelt Metro Station;

(3) up to six Class B–DD (Development District) licenses for restaurants located within the area of Ritchie Station Marketplace; [and]

(4) subject to subsection (b) of this section, up to six Class B–DD (Development District) licenses for restaurants located within the Towne Centre at Laurel; ~~AND~~

**(5) UP TO FIVE CLASS B–DD (DEVELOPMENT DISTRICT) LICENSES TO RESTAURANTS LOCATED WITHIN THE AREA OF RIVERDALE PARK STATION INSIDE THE CAPITAL BELTWAY AND ADJACENT TO U.S. ROUTE 1; AND**

**(6) UP TO TWO CLASS B–DD (DEVELOPMENT DISTRICT) LICENSES TO RESTAURANTS LOCATED WITHIN THE AREA OF RIVERDALE PARK TOWN CENTER, BOUNDED BY RHODE ISLAND AVENUE ON THE WEST AND QUEENSBURY ROAD ON THE SOUTH.**

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016.

Approved by the Governor, April 26, 2016.

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## Chapter 308

(House Bill 1316)

AN ACT concerning

### Alcoholic Beverages – Class 9 Limited Distillery Licenses

FOR the purpose of authorizing the Comptroller to issue a Class 9 limited distillery license to the holder of a certain Class B beer, wine, and liquor license under certain circumstances; applying provisions relating to Class 9 limited distillery licenses to each county in the State and to the City of Annapolis and the City of Baltimore; and generally relating to Class 9 limited distillery licenses.

BY repealing and reenacting, with amendments,

Article – Alcoholic Beverages

Section 2–203, 9–401, 10–401, 11–401, 12–401, 13–401, 14–401, 15–401, 16–401, 17–401, 18–401, 19–401, 20–401, 21–401, 22–401, 23–401, 24–401, 25–401, 26–401, 27–401, 28–401, 29–401, 30–401, 31–401, and 32–401

Annotated Code of Maryland

(As enacted by Chapter 41 (S.B. 724) of the Acts of the General Assembly of 2016)

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

### Article – Alcoholic Beverages

2–203.

(a) There is a Class 9 limited distillery license.

(b) The limited distillery license may be issued only to a holder of a:

**(1) Class D beer, wine, and liquor license WHERE SALES FOR BOTH ON- AND OFF-PREMISES CONSUMPTION ARE PERMITTED** for use on the premises for which the Class D license was issued; **OR**

**(2) CLASS B BEER, WINE, AND LIQUOR LICENSE WHERE SALES FOR BOTH ON- AND OFF-PREMISES CONSUMPTION ARE PERMITTED FOR USE ON THE PREMISES FOR WHICH THE CLASS B LICENSE WAS ISSUED.**

(c) A holder of the limited distillery license:

(1) may establish and operate a plant in the State for distilling, rectifying, and bottling brandy, rum, whiskey, alcohol, and neutral spirits if the holder:

(i) maintains only one brand at any one time for each product of brandy, rum, whiskey, alcohol, and neutral spirits that is distilled, rectified, and sold; and

(ii) does not manufacture or rectify product of any other brand for another entity;

(2) may acquire bulk alcoholic beverages from the holder of a distillery or rectifying license in the State or from the holder of a nonresident dealer's permit;

(3) after acquiring an individual storage permit, may store on the licensed premises those products manufactured under the license;

(4) may sell and deliver those products manufactured under the license only to a licensed wholesaler in the State or person authorized to acquire distilled spirits in another state and not to a county dispensary;

(5) may sell the products manufactured under the license at retail in a manner consistent with the underlying Class D **OR CLASS B** license;

(6) may conduct guided tours of that portion of the licensed premises used for the limited distillery operation; and

(7) may serve not more than three samples of products manufactured at the licensed premises, with each sample consisting of not more than one-half ounce from a single product, to persons who:

(i) have attained the legal drinking age;

(ii) participated in a guided tour; and

(iii) are present on that portion of the premises used for the limited distillery operation.

(d) A holder of the limited distillery license may not:

(1) apply for or possess a wholesaler's license;

(2) sell bottles of the products manufactured at the Class 9 limited distillery on that part of the premises used for the distillery operation;

(3) except as provided in subsection (e) of this section, distill, rectify, bottle, or sell more than 100,000 gallons of brandy, rum, whiskey, alcohol, and neutral spirits each calendar year;

(4) sell at retail on the premises of the Class D **OR CLASS B** license, for on-sale or off-sale consumption, more than 15,500 gallons of the products manufactured under the license each calendar year; and

(5) own, operate, or be affiliated in any manner with another manufacturer.

(e) To distill more than the gallonage specified in subsection (d)(3) of this section, a holder of the limited distillery license shall divest itself of any Class D **OR CLASS B** retail license and obtain a Class 1 distillery license.

(f) A holder of the limited distillery license shall abide by all trade practice restrictions applicable to distilleries.



- (g) The annual license fee is \$500.

9–401.

(a) The following sections of Title 2, Subtitle 2 (“Manufacturer’s Licenses”) of Division I of this article apply in the County without exception or variation:

- (1) § 2–201 (“Issuance by Comptroller”);
- (2) § 2–202 (“Class 1 distillery license”);
- (3) **§ 2–203 (“CLASS 9 LIMITED DISTILLERY LICENSE”);**
- (4) § 2–204 (“Class 2 rectifying license”);
- [(4)] (5) § 2–205 (“Class 3 winery license”);
- [(5)] (6) § 2–206 (“Class 4 limited winery license”);
- [(6)] (7) § 2–207 (“Class 5 brewery license”);
- [(7)] (8) § 2–210 (“Class 8 farm brewery license”);
- [(8)] (9) § 2–211 (“Residency requirement”);
- [(9)] (10) § 2–212 (“Additional licenses”);
- [(10)] (11) § 2–213 (“Additional fees”);
- [(11)] (12) § 2–214 (“Sale or delivery restricted”);
- [(12)] (13) § 2–215 (“Beer sale on credit to retail dealer prohibited”);
- [(13)] (14) § 2–216 (“Interaction between manufacturing entities and  
retailers”);
- [(14)] (15) § 2–217 (“Distribution of alcoholic beverages — Prohibited  
practices”); and
- [(15)] (16) § 2–218 (“Restrictive agreements between producers and  
retailers — Prohibited”).

(b) [The following sections of Title 2, Subtitle 2 (“Manufacturer’s Licenses”) of Division I of this article do not apply in the County:

- (1) § 2–203 (“Class 9 limited distillery license”); and

(2) §] SECTION 2–208 (“Class 6 pub–brewery license”) **DOES NOT APPLY IN THE COUNTY.**

(c) Section 2–209 (“Class 7 micro–brewery license”) of Division I of this article applies in the County, subject to § 9–403 of this subtitle.

10–401.

(a) The following sections of Title 2, Subtitle 2 (“Manufacturer’s Licenses”) of Division I of this article apply in the City without exception or variation:

(1) § 2–201 (“Issuance by Comptroller”);

(2) § 2–202 (“Class 1 distillery license”);

(3) **§ 2–203 (“CLASS 9 LIMITED DISTILLERY LICENSE”);**

(4) § 2–204 (“Class 2 rectifying license”);

[(4)] (5) § 2–205 (“Class 3 winery license”);

[(5)] (6) § 2–206 (“Class 4 limited winery license”);

[(6)] (7) § 2–207 (“Class 5 brewery license”);

[(7)] (8) § 2–208 (“Class 6 pub–brewery license”);

[(8)] (9) § 2–209 (“Class 7 micro–brewery license”);

[(9)] (10) § 2–210 (“Class 8 farm brewery license”);

[(10)] (11) § 2–211 (“Residency requirement”);

[(11)] (12) § 2–212 (“Additional licenses”);

[(12)] (13) § 2–213 (“Additional fees”);

[(13)] (14) § 2–214 (“Sale or delivery restricted”);

[(14)] (15) § 2–216 (“Interaction between manufacturing entities and retailers”);

[(15)] (16) § 2–217 (“Distribution of alcoholic beverages — Prohibited practices”); and

[(16)] (17) § 2–218 (“Restrictive agreements between producers and retailers — Prohibited”).

(b) [The following sections of Title 2, Subtitle 2 (“Manufacturer’s Licenses”) of Division I of this article do not apply in the City:

(1) § 2–203 (“Class 9 limited distillery license”); and

(2) §] **SECTION 2–215 (“Beer sale on credit to retail dealer prohibited”) OF DIVISION I OF THIS ARTICLE DOES NOT APPLY IN THE CITY.**

11–401.

(a) The following sections of Title 2, Subtitle 2 (“Manufacturer’s Licenses”) of Division I of this article apply in the County without exception or variation:

(1) § 2–201 (“Issuance by Comptroller”);

(2) § 2–202 (“Class 1 distillery license”);

(3) **§ 2–203 (“CLASS 9 LIMITED DISTILLERY LICENSE”);**

(4) § 2–204 (“Class 2 rectifying license”);

[(4)] (5) § 2–205 (“Class 3 winery license”);

[(5)] (6) § 2–206 (“Class 4 limited winery license”);

[(6)] (7) § 2–207 (“Class 5 brewery license”);

[(7)] (8) § 2–208 (“Class 6 pub–brewery license”);

[(8)] (9) § 2–209 (“Class 7 micro–brewery license”);

[(9)] (10) § 2–210 (“Class 8 farm brewery license”);

[(10)] (11) § 2–211 (“Residency requirement”);

[(11)] (12) § 2–212 (“Additional licenses”);

[(12)] (13) § 2–213 (“Additional fees”);

[(13)] (14) § 2–214 (“Sale or delivery restricted”);

[(14)] (15) § 2–216 (“Interaction between manufacturing entities and retailers”);

[(15)] (16) § 2–217 (“Distribution of alcoholic beverages — Prohibited practices”); and

[(16)] (17) § 2–218 (“Restrictive agreements between producers and retailers — Prohibited”).

(b) [Section 2–203 (“Class 9 limited distillery license”) of Division I of this article does not apply in the County.

(c) [Section 2–215 (“Beer sale on credit to retail dealer prohibited”) of Division I of this article applies in the County, subject to § 11–403 of this subtitle.

12–401.

(a) The following sections of Title 2, Subtitle 2 (“Manufacturer’s Licenses”) of Division I of this article apply in the City without exception or variation:

(1) § 2–201 (“Issuance by Comptroller”);

(2) § 2–202 (“Class 1 distillery license”);

(3) **§ 2–203 (“CLASS 9 LIMITED DISTILLERY LICENSE”);**

(4) § 2–204 (“Class 2 rectifying license”);

[(4)] (5) § 2–205 (“Class 3 winery license”);

[(5)] (6) § 2–206 (“Class 4 limited winery license”);

[(6)] (7) § 2–207 (“Class 5 brewery license”);

[(7)] (8) § 2–208 (“Class 6 pub–brewery license”);

[(8)] (9) § 2–210 (“Class 8 farm brewery license”);

[(9)] (10) § 2–211 (“Residency requirement”);

[(10)] (11) § 2–212 (“Additional licenses”);

[(11)] (12) § 2–213 (“Additional fees”);

[(12)] (13) § 2–214 (“Sale or delivery restricted”);

[(13)] (14) § 2–215 (“Beer sale on credit to retail dealer prohibited”);

[(14)] (15) § 2–217 (“Distribution of alcoholic beverages — Prohibited practices”); and

[(15)] (16) § 2–218 (“Restrictive agreements between producers and retailers — Prohibited”).

(b) [Section 2–203 (“Class 9 limited distillery license”) of Division I of this article does not apply in the City.

(c) The following sections of Title 2, Subtitle 2 (“Manufacturer’s Licenses”) of Division I of this article apply in the City:

(1) § 2–209 (“Class 7 micro–brewery license”), subject to § 12–403 of this subtitle; and

(2) § 2–216 (“Interaction between manufacturing entities and retailers”), subject to § 12–404 of this subtitle.

13–401.

(a) The following sections of Title 2, Subtitle 2 (“Manufacturer’s Licenses”) of Division I of this article apply in the County without exception or variation:

(1) § 2–201 (“Issuance by Comptroller”);

(2) § 2–202 (“Class 1 distillery license”);

(3) **§ 2–203 (“CLASS 9 LIMITED DISTILLERY LICENSE”);**

(4) § 2–204 (“Class 2 rectifying license”);

[(4)] (5) § 2–205 (“Class 3 winery license”);

[(5)] (6) § 2–206 (“Class 4 limited winery license”);

[(6)] (7) § 2–207 (“Class 5 brewery license”);

[(7)] (8) § 2–208 (“Class 6 pub–brewery license”);

[(8)] (9) § 2–209 (“Class 7 micro–brewery license”);

[(9)] (10) § 2–210 (“Class 8 farm brewery license”);

[(10)] (11) § 2–211 (“Residency requirement”);

[(11)] **(12)** § 2–212 (“Additional licenses”);

[(12)] **(13)** § 2–213 (“Additional fees”);

[(13)] **(14)** § 2–214 (“Sale or delivery restricted”);

[(14)] **(15)** § 2–216 (“Interaction between manufacturing entities and retailers”);

[(15)] **(16)** § 2–217 (“Distribution of alcoholic beverages — Prohibited practices”); and

[(16)] **(17)** § 2–218 (“Restrictive agreements between producers and retailers — Prohibited”).

(b) [The following sections of Title 2, Subtitle 2 (“Manufacturer’s Licenses”) of Division I of this article do not apply in the County:

(1) § 2–203 (“Class 9 limited distillery license”); and

(2) **§] SECTION 2–215 (“Beer sale on credit to retail dealer prohibited”) OF DIVISION I OF THIS ARTICLE DOES NOT APPLY IN THE COUNTY.**

14–401.

(a) The following sections of Title 2, Subtitle 2 (“Manufacturer’s Licenses”) of Division I of this article apply in the County without exception or variation:

(1) § 2–201 (“Issuance by Comptroller”);

(2) § 2–202 (“Class 1 distillery license”);

(3) **§ 2–203 (“CLASS 9 LIMITED DISTILLERY LICENSE”);**

(4) § 2–204 (“Class 2 rectifying license”);

[(4)] **(5)** § 2–205 (“Class 3 winery license”);

[(5)] **(6)** § 2–206 (“Class 4 limited winery license”);

[(6)] **(7)** § 2–207 (“Class 5 brewery license”);

[(7)] **(8)** § 2–208 (“Class 6 pub–brewery license”);

[(8)] **(9)** § 2–209 (“Class 7 micro–brewery license”);

[(9)] (10) § 2–210 (“Class 8 farm brewery license”);

[(10)] (11) § 2–211 (“Residency requirement”);

[(11)] (12) § 2–212 (“Additional licenses”);

[(12)] (13) § 2–213 (“Additional fees”);

[(13)] (14) § 2–214 (“Sale or delivery restricted”);

[(14)] (15) § 2–216 (“Interaction between manufacturing entities and retailers”);

[(15)] (16) § 2–217 (“Distribution of alcoholic beverages — Prohibited practices”); and

[(16)] (17) § 2–218 (“Restrictive agreements between producers and retailers — Prohibited”).

(b) [The following sections of Title 2, Subtitle 2 (“Manufacturer’s Licenses”) of Division I of this article do not apply in the County:

(1) § 2–203 (“Class 9 limited distillery license”); and

(2) **§] SECTION 2–215 (“Beer sale on credit to retail dealer prohibited”) OF DIVISION I OF THIS ARTICLE DOES NOT APPLY IN THE COUNTY.**

15–401.

(a) The following sections of Title 2, Subtitle 2 (“Manufacturer’s Licenses”) of Division I of this article apply in the County without exception or variation:

(1) § 2–201 (“Issuance by Comptroller”);

(2) § 2–202 (“Class 1 distillery license”);

(3) **§ 2–203 (“CLASS 9 LIMITED DISTILLERY LICENSE”);**

(4) § 2–204 (“Class 2 rectifying license”);

[(4)] (5) § 2–205 (“Class 3 winery license”);

[(5)] (6) § 2–206 (“Class 4 limited winery license”);

[(6)] (7) § 2–207 (“Class 5 brewery license”);

~~[(7)] (8)~~ § 2–209 (“Class 7 micro–brewery license”);

~~[(8)] (9)~~ § 2–210 (“Class 8 farm brewery license”);

~~[(9)] (10)~~ § 2–211 (“Residency requirement”);

~~[(10)] (11)~~ § 2–212 (“Additional licenses”);

~~[(11)] (12)~~ § 2–213 (“Additional fees”);

~~[(12)] (13)~~ § 2–214 (“Sale or delivery restricted”);

~~[(13)] (14)~~ § 2–215 (“Beer sale on credit to retail dealer prohibited”);

~~[(14)] (15)~~ § 2–216 (“Interaction between manufacturing entities and retailers”);

~~[(15)] (16)~~ § 2–217 (“Distribution of alcoholic beverages — Prohibited practices”); and

~~[(16)] (17)~~ § 2–218 (“Restrictive agreements between producers and retailers — Prohibited”).

(b) [The following sections of Title 2, Subtitle 2 (“Manufacturer’s Licenses”) of Division I of this article do not apply in the County:

(1) § 2–203 (“Class 9 limited distillery license”); and

(2) **§] SECTION 2–208 (“Class 6 pub–brewery license”) OF DIVISION I OF THIS ARTICLE DOES NOT APPLY IN THE COUNTY.**

16–401.

(a) The following sections of Title 2, Subtitle 2 (“Manufacturer’s Licenses”) of Division I of this article apply in the County without exception or variation:

(1) § 2–201 (“Issuance by Comptroller”);

(2) § 2–202 (“Class 1 distillery license”);

(3) **§ 2–203 (“CLASS 9 LIMITED DISTILLERY LICENSE”);**

(4) § 2–204 (“Class 2 rectifying license”);

~~[(4)] (5)~~ § 2–205 (“Class 3 winery license”);



[(5)] (6) § 2–207 (“Class 5 brewery license”);

[(6)] (7) § 2–210 (“Class 8 farm brewery license”);

[(7)] (8) § 2–211 (“Residency requirement”);

[(8)] (9) § 2–212 (“Additional licenses”);

[(9)] (10) § 2–213 (“Additional fees”);

[(10)] (11) § 2–214 (“Sale or delivery restricted”);

[(11)] (12) § 2–216 (“Interaction between manufacturing entities and retailers”);

[(12)] (13) § 2–217 (“Distribution of alcoholic beverages — Prohibited practices”); and

[(13)] (14) § 2–218 (“Restrictive agreements between producers and retailers — Prohibited”).

(b) [The following sections of Title 2, Subtitle 2 (“Manufacturer’s Licenses”) of Division I of this article do not apply in the County:

(1) § 2–203 (“Class 9 limited distillery license”); and

(2) §] **SECTION 2–215 (“Beer sale on credit to retail dealer prohibited”) OF DIVISION I OF THIS ARTICLE DOES NOT APPLY IN THE COUNTY.**

(c) The following sections of Title 2, Subtitle 2 (“Manufacturer’s Licenses”) of Division I of this article apply in the County:

(1) § 2–206 (“Class 4 limited winery license”), subject to § 16–403 of this subtitle;

(2) § 2–208 (“Class 6 pub–brewery license”), subject to § 16–404 of this subtitle; and

(3) § 2–209 (“Class 7 micro–brewery license”), subject to § 16–405 of this subtitle.

17–401.

(a) The following sections of Title 2, Subtitle 2 (“Manufacturer’s Licenses”) of Division I of this article apply in the County without exception or variation:

- (1) § 2–201 (“Issuance by Comptroller”);
- (2) § 2–202 (“Class 1 distillery license”);
- (3) **§ 2–203 (“CLASS 9 LIMITED DISTILLERY LICENSE”);**
- (4) § 2–204 (“Class 2 rectifying license”);
- [(4)] **(5)** § 2–205 (“Class 3 winery license”);
- [(5)] **(6)** § 2–206 (“Class 4 limited winery license”);
- [(6)] **(7)** § 2–207 (“Class 5 brewery license”);
- [(7)] **(8)** § 2–208 (“Class 6 pub–brewery license”);
- [(8)] **(9)** § 2–210 (“Class 8 farm brewery license”);
- [(9)] **(10)** § 2–211 (“Residency requirement”);
- [(10)] **(11)** § 2–212 (“Additional licenses”);
- [(11)] **(12)** § 2–213 (“Additional fees”);
- [(12)] **(13)** § 2–214 (“Sale or delivery restricted”);
- [(13)] **(14)** § 2–215 (“Beer sale on credit to retail dealer prohibited”);
- [(14)] **(15)** § 2–216 (“Interaction between manufacturing entities and retailers”);
- [(15)] **(16)** § 2–217 (“Distribution of alcoholic beverages — Prohibited practices”); and
- [(16)] **(17)** § 2–218 (“Restrictive agreements between producers and retailers — Prohibited”).

(b) [The following sections of Title 2, Subtitle 2 (“Manufacturer’s Licenses”) of Division I of this article do not apply in the County:

- (1) § 2–203 (“Class 9 limited distillery license”); and
- (2) **§] SECTION 2–209 (“Class 7 micro–brewery license”) OF DIVISION I OF THIS ARTICLE DOES NOT APPLY IN THE COUNTY.**

18-401.

**[(a)]** The following sections of Title 2, Subtitle 2 (“Manufacturer’s Licenses”) of Division I of this article apply in the County without exception or variation:

- (1) § 2-201 (“Issuance by Comptroller”);
- (2) § 2-202 (“Class 1 distillery license”);
- (3) **§ 2-203 (“CLASS 9 LIMITED DISTILLERY LICENSE”);**
- (4) § 2-204 (“Class 2 rectifying license”);
- [(4)] (5)** § 2-205 (“Class 3 winery license”);
- [(5)] (6)** § 2-206 (“Class 4 limited winery license”);
- [(6)] (7)** § 2-207 (“Class 5 brewery license”);
- [(7)] (8)** § 2-208 (“Class 6 pub-brewery license”);
- [(8)] (9)** § 2-209 (“Class 7 micro-brewery license”);
- [(9)] (10)** § 2-210 (“Class 8 farm brewery license”);
- [(10)] (11)** § 2-211 (“Residency requirement”);
- [(11)] (12)** § 2-212 (“Additional licenses”);
- [(12)] (13)** § 2-213 (“Additional fees”);
- [(13)] (14)** § 2-214 (“Sale or delivery restricted”);
- [(14)] (15)** § 2-215 (“Beer sale on credit to retail dealer prohibited”);
- [(15)] (16)** § 2-216 (“Interaction between manufacturing entities and retailers”);
- [(16)] (17)** § 2-217 (“Distribution of alcoholic beverages — Prohibited practices”); and
- [(17)] (18)** § 2-218 (“Restrictive agreements between producers and retailers — Prohibited”).

[(b) Section 2–203 (“Class 9 limited distillery license”) of Division I of this article does not apply in the County.]

19–401.

(a) The following sections of Title 2, Subtitle 2 (“Manufacturer’s Licenses”) of Division I of this article apply in the County without exception or variation:

- (1) § 2–201 (“Issuance by Comptroller”);
- (2) § 2–202 (“Class 1 distillery license”);
- (3) **§ 2–203 (“CLASS 9 LIMITED DISTILLERY LICENSE”);**

(4) § 2–204 (“Class 2 rectifying license”);

[(4)] (5) § 2–205 (“Class 3 winery license”);

[(5)] (6) § 2–206 (“Class 4 limited winery license”);

[(6)] (7) § 2–207 (“Class 5 brewery license”);

[(7)] (8) § 2–210 (“Class 8 farm brewery license”);

[(8)] (9) § 2–211 (“Residency requirement”);

[(9)] (10) § 2–212 (“Additional licenses”);

[(10)] (11) § 2–213 (“Additional fees”);

[(11)] (12) § 2–214 (“Sale or delivery restricted”);

[(12)] (13) § 2–215 (“Beer sale on credit to retail dealer prohibited”);

[(13)] (14) § 2–216 (“Interaction between manufacturing entities and retailers”);

[(14)] (15) § 2–217 (“Distribution of alcoholic beverages — Prohibited practices”); and

[(15)] (16) § 2–218 (“Restrictive agreements between producers and retailers — Prohibited”).

(b) [Section 2–203 (“Class 9 limited distillery license”) of Division I of this article does not apply in the County.]

(c) The following sections of Title 2, Subtitle 2 (“Manufacturer’s Licenses”) of Division I of this article apply in the County:

(1) § 2–208 (“Class 6 pub–brewery license”), subject to § 19–403 of this subtitle; and

(2) § 2–209 (“Class 7 micro–brewery license”), subject to § 19–404 of this subtitle.

20–401.

(a) The following sections of Title 2, Subtitle 2 (“Manufacturer’s Licenses”) of Division I of this article apply in the County without exception or variation:

(1) § 2–201 (“Issuance by Comptroller”);

(2) § 2–202 (“Class 1 distillery license”);

(3) **§ 2–203 (“CLASS 9 LIMITED DISTILLERY LICENSE”);**

(4) § 2–204 (“Class 2 rectifying license”);

[(4)] (5) § 2–207 (“Class 5 brewery license”);

[(5)] (6) § 2–210 (“Class 8 farm brewery license”);

[(6)] (7) § 2–211 (“Residency requirement”);

[(7)] (8) § 2–212 (“Additional licenses”);

[(8)] (9) § 2–213 (“Additional fees”);

[(9)] (10) § 2–214 (“Sale or delivery restricted”);

[(10)] (11) § 2–215 (“Beer sale on credit to retail dealer prohibited”);

[(11)] (12) § 2–216 (“Interaction between manufacturing entities and retailers”);

[(12)] (13) § 2–217 (“Distribution of alcoholic beverages — Prohibited practices”); and

[(13)] (14) § 2–218 (“Restrictive agreements between producers and retailers — Prohibited”).

(b) [Section 2–203 (“Class 9 limited distillery license”) of Division I of this article does not apply in the County.

(c) The following sections of Title 2, Subtitle 2 (“Manufacturer’s Licenses”) of Division I of this article apply in the County:

- (1) § 2–205 (“Class 3 winery license”), subject to § 20–403 of this subtitle;
- (2) § 2–206 (“Class 4 limited winery license”), subject to § 20–404 of this subtitle;
- (3) § 2–208 (“Class 6 pub–brewery license”), subject to § 20–405 of this subtitle; and
- (4) § 2–209 (“Class 7 micro–brewery license”), subject to § 20–406 of this subtitle.

21–401.

(a) The following sections of Title 2, Subtitle 2 (“Manufacturer’s Licenses”) of Division I of this article apply in the County without exception or variation:

- (1) § 2–201 (“Issuance by Comptroller”);
- (2) **§ 2–203 (“CLASS 9 LIMITED DISTILLERY LICENSE”);**
- (3) § 2–205 (“Class 3 winery license”);
- ~~(3)~~ (4) § 2–207 (“Class 5 brewery license”);
- ~~(4)~~ (5) § 2–209 (“Class 7 micro–brewery license”);
- ~~(5)~~ (6) § 2–211 (“Residency requirement”);
- ~~(6)~~ (7) § 2–212 (“Additional licenses”);
- ~~(7)~~ (8) § 2–213 (“Additional fees”);
- ~~(8)~~ (9) § 2–214 (“Sale or delivery restricted”);
- ~~(9)~~ (10) § 2–215 (“Beer sale on credit to retail dealer prohibited”);
- ~~(10)~~ (11) § 2–216 (“Interaction between manufacturing entities and retailers”);

[(11)] (12) § 2–217 (“Distribution of alcoholic beverages — Prohibited practices”); and

[(12)] (13) § 2–218 (“Restrictive agreements between producers and retailers — Prohibited”).

(b) [Section 2–203 (“Class 9 limited distillery license”) of Division I of this article does not apply in the County.

(c) The following sections of Title 2, Subtitle 2 (“Manufacturer’s Licenses”) of Division I of this article apply in the County:

- (1) § 2–202 (“Class 1 distillery license”), subject to § 21–403 of this subtitle;
  - (2) § 2–204 (“Class 2 rectifying license”), subject to § 21–404 of this subtitle;
  - (3) § 2–206 (“Class 4 limited winery license”), subject to § 21–405 of this subtitle;
  - (4) § 2–208 (“Class 6 pub–brewery license”), subject to § 21–406 of this subtitle; and
  - (5) § 2–210 (“Class 8 farm brewery license”), subject to § 21–407 of this subtitle.
- 22–401.

(a) The following sections of Title 2, Subtitle 2 (“Manufacturer’s Licenses”) of Division I of this article apply in the County without exception or variation:

- (1) § 2–201 (“Issuance by Comptroller”);
- (2) § 2–202 (“Class 1 distillery license”);
- (3) **§ 2–203 (“CLASS 9 LIMITED DISTILLERY LICENSE”);**
- (4) § 2–204 (“Class 2 rectifying license”);
- [(4)] (5) § 2–205 (“Class 3 winery license”);
- [(5)] (6) § 2–206 (“Class 4 limited winery license”);
- [(6)] (7) § 2–208 (“Class 6 pub–brewery license”);
- [(7)] (8) § 2–209 (“Class 7 micro–brewery license”);

[(8)] (9) § 2–210 (“Class 8 farm brewery license”);

[(9)] (10) § 2–211 (“Residency requirement”);

[(10)] (11) § 2–212 (“Additional licenses”);

[(11)] (12) § 2–213 (“Additional fees”);

[(12)] (13) § 2–214 (“Sale or delivery restricted”);

[(13)] (14) § 2–215 (“Beer sale on credit to retail dealer prohibited”);

[(14)] (15) § 2–216 (“Interaction between manufacturing entities and retailers”);

[(15)] (16) § 2–217 (“Distribution of alcoholic beverages — Prohibited practices”); and

[(16)] (17) § 2–218 (“Restrictive agreements between producers and retailers — Prohibited”).

(b) [Section 2–203 (“Class 9 limited distillery license”) of Division I of this article does not apply in the County.

(c) Section 2–207 (“Class 5 brewery license”) of Division I of this article applies in the County, subject to § 22–403 of this subtitle.

23–401.

(a) The following sections of Title 2, Subtitle 2 (“Manufacturer’s Licenses”) of Division I of this article apply in the County without exception or variation:

(1) § 2–201 (“Issuance by Comptroller”);

(2) § 2–202 (“Class 1 distillery license”);

(3) **§ 2–203 (“CLASS 9 LIMITED DISTILLERY LICENSE”);**

(4) § 2–204 (“Class 2 rectifying license”);

[(4)] (5) § 2–205 (“Class 3 winery license”);

[(5)] (6) § 2–206 (“Class 4 limited winery license”);

[(6)] (7) § 2–207 (“Class 5 brewery license”);



[(7)] (8) § 2–209 (“Class 7 micro–brewery license”);

[(8)] (9) § 2–210 (“Class 8 farm brewery license”);

[(9)] (10) § 2–211 (“Residency requirement”);

[(10)] (11) § 2–212 (“Additional licenses”);

[(11)] (12) § 2–213 (“Additional fees”);

[(12)] (13) § 2–214 (“Sale or delivery restricted”);

[(13)] (14) § 2–216 (“Interaction between manufacturing entities and retailers”);

[(14)] (15) § 2–217 (“Distribution of alcoholic beverages — Prohibited practices”); and

[(15)] (16) § 2–218 (“Restrictive agreements between producers and retailers — Prohibited”).

(b) The following sections of Title 2, Subtitle 2 (“Manufacturer’s Licenses”) of Division I of this article do not apply in the County:

(1) [§ 2–203 (“Class 9 limited distillery license”);

(2)] § 2–208 (“Class 6 pub–brewery license”); and

[(3)] (2) § 2–215 (“Beer sale on credit to retail dealer prohibited”).

24–401.

(a) The following sections of Title 2, Subtitle 2 (“Manufacturer’s Licenses”) of Division I of this article apply in the County without exception or variation:

(1) § 2–201 (“Issuance by Comptroller”);

(2) § 2–202 (“Class 1 distillery license”);

(3) **§ 2–203 (“CLASS 9 LIMITED DISTILLERY LICENSE”);**

(4) § 2–204 (“Class 2 rectifying license”);

[(4)] (5) § 2–205 (“Class 3 winery license”);

[(5)] (6) § 2–206 (“Class 4 limited winery license”);

~~[(6)] (7)~~ § 2–207 (“Class 5 brewery license”);

~~[(7)] (8)~~ § 2–210 (“Class 8 farm brewery license”);

~~[(8)] (9)~~ § 2–211 (“Residency requirement”);

~~[(9)] (10)~~ § 2–212 (“Additional licenses”);

~~[(10)] (11)~~ § 2–213 (“Additional fees”);

~~[(11)] (12)~~ § 2–214 (“Sale or delivery restricted”);

~~[(12)] (13)~~ § 2–215 (“Beer sale on credit to retail dealer prohibited”);

~~[(13)] (14)~~ § 2–216 (“Interaction between manufacturing entities and retailers”);

~~[(14)] (15)~~ § 2–217 (“Distribution of alcoholic beverages — Prohibited practices”); and

~~[(15)] (16)~~ § 2–218 (“Restrictive agreements between producers and retailers — Prohibited”).

(b) [Section 2–203 (“Class 9 limited distillery license”) of Division I of this article does not apply in the County.

(c) The following sections of Title 2, Subtitle 2 (“Manufacturer’s Licenses”) of Division I of this article apply in the County:

(1) § 2–208 (“Class 6 pub–brewery license”), subject to § 24–403 of this subtitle; and

(2) § 2–209 (“Class 7 micro–brewery license”), subject to § 24–404 of this subtitle.

25–401.

(a) The following sections of Title 2, Subtitle 2 (“Manufacturer’s Licenses”) of Division I of this article apply in the County without exception or variation:

(1) § 2–201 (“Issuance by Comptroller”);

(2) § 2–202 (“Class 1 distillery license”);

(3) **§ 2–203 (“CLASS 9 LIMITED DISTILLERY LICENSE”);**

- (4) § 2–204 (“Class 2 rectifying license”);
- [(4)] (5) § 2–206 (“Class 4 limited winery license”);
- [(5)] (6) § 2–207 (“Class 5 brewery license”);
- [(6)] (7) § 2–210 (“Class 8 farm brewery license”);
- [(7)] (8) § 2–211 (“Residency requirement”);
- [(8)] (9) § 2–212 (“Additional licenses”);
- [(9)] (10) § 2–213 (“Additional fees”);
- [(10)] (11) § 2–214 (“Sale or delivery restricted”);
- [(11)] (12) § 2–216 (“Interaction between manufacturing entities and  
retailers”);
- [(12)] (13) § 2–217 (“Distribution of alcoholic beverages — Prohibited  
practices”); and
- [(13)] (14) § 2–218 (“Restrictive agreements between producers and  
retailers — Prohibited”).

(b) [The following sections of Title 2, Subtitle 2 (“Manufacturer’s Licenses”) of Division I of this article do not apply in the County:

- (1) § 2–203 (“Class 9 limited distillery license”); and
- (2) **§] SECTION 2–215 (“Beer sale on credit to retailer dealer prohibited”) OF DIVISION I OF THIS ARTICLE DOES NOT APPLY IN THE COUNTY.**

(c) The following sections of Title 2, Subtitle 2 (“Manufacturer’s Licenses”) of Division I of this article apply in the County:

- (1) § 2–205 (“Class 3 winery license”), subject to § 25–403 of this subtitle;
- (2) § 2–208 (“Class 6 pub–brewery license”), subject to § 25–404 of this subtitle; and
- (3) § 2–209 (“Class 7 micro–brewery license”), subject to § 25–405 of this subtitle.

(a) The following sections of Title 2, Subtitle 2 (“Manufacturer’s Licenses”) of Division I of this article apply in the County without exception or variation:

- (1) § 2–201 (“Issuance by Comptroller”);
- (2) § 2–202 (“Class 1 distillery license”);
- (3) **§ 2–203 (“CLASS 9 LIMITED DISTILLERY LICENSE”);**
- (4) § 2–204 (“Class 2 rectifying license”);

~~[(4)] (5) § 2–205 (“Class 3 winery license”);~~

~~[(5)] (6) § 2–206 (“Class 4 limited winery license”);~~

~~[(6)] (7) § 2–207 (“Class 5 brewery license”);~~

~~[(7)] (8) § 2–208 (“Class 6 pub–brewery license”);~~

~~[(8)] (9) § 2–210 (“Class 8 farm brewery license”);~~

~~[(9)] (10) § 2–211 (“Residency requirement”);~~

~~[(10)] (11) § 2–212 (“Additional licenses”);~~

~~[(11)] (12) § 2–213 (“Additional fees”);~~

~~[(12)] (13) § 2–214 (“Sale or delivery restricted”);~~

~~[(13)] (14) § 2–216 (“Interaction between manufacturing entities and retailers”);~~

~~[(14)] (15) § 2–217 (“Distribution of alcoholic beverages — Prohibited practices”); and~~

~~[(15)] (16) § 2–218 (“Restrictive agreements between producers and retailers — Prohibited”).~~

(b) [Section 2–203 (“Class 9 limited distillery license”) of Division I of this article does not apply in the County.

(c) The following sections of Title 2, Subtitle 2 (“Manufacturer’s Licenses”) of Division I of this article apply in the County:

(1) § 2–209 (“Class 7 micro–brewery license”), subject to § 26–403 of this subtitle; and

(2) § 2–215 (“Beer sale on credit to retail dealer prohibited”), subject to § 26–405 of this subtitle.

27–401.

(a) The following sections of Title 2, Subtitle 2 (“Manufacturer’s Licenses”) of Division I of this article apply in the County without exception or variation:

(1) § 2–201 (“Issuance by Comptroller”);

(2) § 2–202 (“Class 1 distillery license”);

(3) **§ 2–203 (“CLASS 9 LIMITED DISTILLERY LICENSE”);**

(4) § 2–204 (“Class 2 rectifying license”);

[(4)] (5) § 2–205 (“Class 3 winery license”);

[(5)] (6) § 2–206 (“Class 4 limited winery license”);

[(6)] (7) § 2–207 (“Class 5 brewery license”);

[(7)] (8) § 2–209 (“Class 7 micro–brewery license”);

[(8)] (9) § 2–210 (“Class 8 farm brewery license”);

[(9)] (10) § 2–211 (“Residency requirement”);

[(10)] (11) § 2–212 (“Additional licenses”);

[(11)] (12) § 2–213 (“Additional fees”);

[(12)] (13) § 2–214 (“Sale or delivery restricted”);

[(13)] (14) § 2–215 (“Beer sale on credit to retail dealer prohibited”);

[(14)] (15) § 2–216 (“Interaction between manufacturing entities and retailers”);

[(15)] (16) § 2–217 (“Distribution of alcoholic beverages — Prohibited practices”); and

[(16)] (17) § 2–218 (“Restrictive agreements between producers and retailers — Prohibited”).

(b) [Section 2–203 (“Class 9 limited distillery license”) of Division I of this article does not apply in the County.

(c) Section 2–208 (“Class 6 pub–brewery license”) of Division I of this article applies in the County, subject to § 27–403 of this subtitle.

28–401.

(a) The following sections of Title 2, Subtitle 2 (“Manufacturer’s Licenses”) of Division I of this article apply in the County without exception or variation:

(1) § 2–201 (“Issuance by Comptroller”);

(2) § 2–202 (“Class 1 distillery license”);

(3) **§ 2–203 (“CLASS 9 LIMITED DISTILLERY LICENSE”);**

(4) § 2–204 (“Class 2 rectifying license”);

[(4)] (5) § 2–205 (“Class 3 winery license”);

[(5)] (6) § 2–206 (“Class 4 limited winery license”);

[(6)] (7) § 2–207 (“Class 5 brewery license”);

[(7)] (8) § 2–209 (“Class 7 micro–brewery license”);

[(8)] (9) § 2–210 (“Class 8 farm brewery license”);

[(9)] (10) § 2–211 (“Residency requirement”);

[(10)] (11) § 2–212 (“Additional licenses”);

[(11)] (12) § 2–213 (“Additional fees”);

[(12)] (13) § 2–214 (“Sale or delivery restricted”);

[(13)] (14) § 2–215 (“Beer sale on credit to retail dealer prohibited”);

[(14)] (15) § 2–216 (“Interaction between manufacturing entities and retailers”);

[(15)] (16) § 2–217 (“Distribution of alcoholic beverages — Prohibited practices”); and

[(16)] (17) § 2–218 (“Restrictive agreements between producers and retailers — Prohibited”).

(b) [Section 2–203 (“Class 9 limited distillery license”) of Division I of this article does not apply in the County.

(c)] Section 2–208 (“Class 6 pub–brewery license”) of Division I of this article applies in the County, subject to § 28–403 of this subtitle.

29–401.

(a) The following sections of Title 2, Subtitle 2 (“Manufacturer’s Licenses”) of Division I of this article apply in the County without exception or variation:

(1) § 2–201 (“Issuance by Comptroller”);

(2) § 2–202 (“Class 1 distillery license”);

(3) **§ 2–203 (“CLASS 9 LIMITED DISTILLERY LICENSE”);**

(4) § 2–204 (“Class 2 rectifying license”);

[(4)] (5) § 2–205 (“Class 3 winery license”);

[(5)] (6) § 2–206 (“Class 4 limited winery license”);

[(6)] (7) § 2–207 (“Class 5 brewery license”);

[(7)] (8) § 2–209 (“Class 7 micro–brewery license”);

[(8)] (9) § 2–210 (“Class 8 farm brewery license”);

[(9)] (10) § 2–211 (“Residency requirement”);

[(10)] (11) § 2–212 (“Additional licenses”);

[(11)] (12) § 2–213 (“Additional fees”);

[(12)] (13) § 2–214 (“Sale or delivery restricted”);

[(13)] (14) § 2–215 (“Beer sale on credit to retail dealer prohibited”);

[(14)] (15) § 2–216 (“Interaction between manufacturing entities and retailers”);

[(15)] (16) § 2–217 (“Distribution of alcoholic beverages — Prohibited practices”); and

[(16)] (17) § 2–218 (“Restrictive agreements between producers and retailers — Prohibited”).

(b) [The following sections of Title 2, Subtitle 2 (“Manufacturer’s Licenses”) of Division I of this article do not apply in the County:

(1) § 2–203 (“Class 9 limited distillery license”); and

(2) §] **SECTION 2–208 (“Class 6 pub–brewery license”) OF DIVISION I OF THIS ARTICLE DOES NOT APPLY IN THE COUNTY.**

30–401.

(a) The following sections of Title 2, Subtitle 2 (“Manufacturer’s Licenses”) of Division I of this article apply in the County without exception or variation:

(1) § 2–201 (“Issuance by Comptroller”);

(2) § 2–202 (“Class 1 distillery license”);

(3) **§ 2–203 (“CLASS 9 LIMITED DISTILLERY LICENSE”);**

(4) § 2–204 (“Class 2 rectifying license”);

[(4)] (5) § 2–205 (“Class 3 winery license”);

[(5)] (6) § 2–206 (“Class 4 limited winery license”);

[(6)] (7) § 2–207 (“Class 5 brewery license”);

[(7)] (8) § 2–210 (“Class 8 farm brewery license”);

[(8)] (9) § 2–211 (“Residency requirement”);

[(9)] (10) § 2–212 (“Additional licenses”);

[(10)] (11) § 2–213 (“Additional fees”);

[(11)] (12) § 2–214 (“Sale or delivery restricted”);



[(12)] (13) § 2–215 (“Beer sale on credit to retail dealer prohibited”);

[(13)] (14) § 2–216 (“Interaction between manufacturing entities and retailers”);

[(14)] (15) § 2–217 (“Distribution of alcoholic beverages — Prohibited practices”); and

[(15)] (16) § 2–218 (“Restrictive agreements between producers and retailers — Prohibited”).

(b) [Section 2–203 (“Class 9 limited distillery license”) of Division I of this article does not apply in the County.

(c) The following sections of Title 2, Subtitle 2 (“Manufacturer’s Licenses”) of Division I of this article apply in the County:

(1) § 2–208 (“Class 6 pub–brewery license”), subject to § 30–403 of this subtitle; and

(2) § 2–209 (“Class 7 micro–brewery license”), subject to § 30–404 of this subtitle.

31–401.

(a) The following sections of Title 2, Subtitle 2 (“Manufacturer’s Licenses”) of Division I of this article apply in the County without exception or variation:

(1) § 2–201 (“Issuance by Comptroller”);

(2) § 2–202 (“Class 1 distillery license”);

(3) **§ 2–203 (“CLASS 9 LIMITED DISTILLERY LICENSE”);**

(4) § 2–204 (“Class 2 rectifying license”);

[(4)] (5) § 2–205 (“Class 3 winery license”);

[(5)] (6) § 2–206 (“Class 4 limited winery license”);

[(6)] (7) § 2–207 (“Class 5 brewery license”);

[(7)] (8) § 2–210 (“Class 8 farm brewery license”);

[(8)] (9) § 2–211 (“Residency requirement”);

[(9)] (10) § 2–212 (“Additional licenses”);

[(10)] (11) § 2–213 (“Additional fees”);

[(11)] (12) § 2–214 (“Sale or delivery restricted”);

[(12)] (13) § 2–216 (“Interaction between manufacturing entities and retailers”);

[(13)] (14) § 2–217 (“Distribution of alcoholic beverages — Prohibited practices”); and

[(14)] (15) § 2–218 (“Restrictive agreements between producers and retailers — Prohibited”).

(b) [Section 2–203 (“Class 9 limited distillery license”) of Division I of this article does not apply in the County.

(c) The following sections of Title 2, Subtitle 2 (“Manufacturer’s Licenses”) of Division I of this article apply in the County:

(1) § 2–208 (“Class 6 pub–brewery license”), subject to § 31–403 of this subtitle;

(2) § 2–209 (“Class 7 micro–brewery license”), subject to § 31–404 of this subtitle; and

(3) § 2–215 (“Beer sale on credit to retail dealer prohibited”), subject to § 31–405 of this subtitle.

32–401.

(a) The following sections of Title 2, Subtitle 2 (“Manufacturer’s Licenses”) of Division I of this article apply in the County without exception or variation:

(1) § 2–201 (“Issuance by Comptroller”);

(2) § 2–202 (“Class 1 distillery license”);

(3) **§ 2–203 (“CLASS 9 LIMITED DISTILLERY LICENSE”);**

(4) § 2–204 (“Class 2 rectifying license”);

[(4)] (5) § 2–205 (“Class 3 winery license”);

[(5)] (6) § 2–206 (“Class 4 limited winery license”);

[(6)] (7) § 2–207 (“Class 5 brewery license”);

[(7)] (8) § 2–210 (“Class 8 farm brewery license”);

[(8)] (9) § 2–211 (“Residency requirement”);

[(9)] (10) § 2–212 (“Additional licenses”);

[(10)] (11) § 2–213 (“Additional fees”);

[(11)] (12) § 2–214 (“Sale or delivery restricted”);

[(12)] (13) § 2–215 (“Beer sale on credit to retail dealer prohibited”);

[(13)] (14) § 2–216 (“Interaction between manufacturing entities and retailers”);

[(14)] (15) § 2–217 (“Distribution of alcoholic beverages — Prohibited practices”); and

[(15)] (16) § 2–218 (“Restrictive agreements between producers and retailers — Prohibited”).

(b) [Section 2–203 (“Class 9 limited distillery license”) of Division I of this article does not apply in the County.

(c) The following sections of Title 2, Subtitle 2 (“Manufacturer’s Licenses”) of Division I of this article apply in the County:

(1) § 2–208 (“Class 6 pub–brewery license”), subject to § 32–403 of this subtitle; and

(2) § 2–209 (“Class 7 micro–brewery license”), subject to § 32–404 of this subtitle.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016.

**Approved by the Governor, April 26, 2016.**

AN ACT concerning

**Health Benefit Plans – Network Access Standards and  
Provider Network Directories**

FOR the purpose of requiring certain carriers to maintain or adhere to certain standards that ensure that certain enrollees have certain access to certain health care providers and covered services; requiring certain carriers to file with the Maryland Insurance Commissioner, on or before a certain date and then annually, a certain plan for a certain review ~~and approval~~; requiring certain carriers to notify the Commissioner of a certain change within a certain time period under certain circumstances; requiring a certain notice to include certain information; ~~authorizing certain carriers to request that the Commissioner deem certain information as confidential information; requiring certain carriers to make a certain plan available to the public in a certain manner~~ authorizing the Commissioner to order corrective action under certain circumstances; requiring the Commissioner to deny inspection of the parts of a certain plan that contain certain confidential information; requiring certain regulations to identify the parts of a certain plan that may be considered confidential by the carrier; requiring a certain plan to include certain information; requiring certain carriers to monitor a certain clinical capacity of certain providers in a certain manner; requiring the Commissioner, in consultation with certain persons, to adopt certain regulations on or before a certain date; ~~establishing that certain carriers meet certain requirements by developing and making available to certain individuals a certain network directory; requiring certain carriers to develop and make available to certain individuals a certain network directory on the Internet and in printed form under certain circumstances; requiring a certain network directory to meet certain requirements and include certain information; requiring certain carriers to update a certain network directory within a certain time period under certain circumstances;~~ authorizing the Commissioner to take into consideration certain factors in adopting the regulations; requiring the Commissioner, in consultation with certain persons, to adopt regulations, on or before a certain date, that specify certain standards for dental services; requiring a carrier to have certain means by which enrollees and prospective enrollees may notify the carrier of certain information; requiring certain carriers, at certain occurrences, to notify enrollees how to access or obtain certain information; requiring certain information to be updated at certain intervals; requiring certain carriers periodically to review a certain sample of their network directory for a certain purpose and retain documentation of the review or to contact certain providers to make a certain determination under certain circumstances; ~~requiring certain carriers to treat certain services in a certain manner for a certain purpose under certain circumstances;~~ altering a certain requirement on certain carriers to update certain information; requiring certain certification standards established by the Maryland Health Benefit Exchange to be consistent with certain provisions of law and prohibiting the standards from being implemented before a certain date; requiring a certain carrier to make the carrier's network directory available to certain enrollees in a certain manner; requiring a certain carrier's network directory to include certain information; requiring a certain carrier to notify

each enrollee at certain times about how to obtain certain information; requiring certain information to be accurate on a certain date; requiring a certain carrier to update certain information at certain intervals; requiring the Commissioner to take into account certain factors before imposing a penalty on a certain carrier for inaccurate network directory information; requiring certain procedures established by certain carriers to ensure that certain requests are addressed in a certain manner; prohibiting a certain procedure established by certain carriers from being used for a certain purpose; requiring certain carriers to have a certain system in place for a certain purpose and to provide certain information to the Commissioner under certain circumstances; requiring certain carriers to file with the Commissioner a copy of certain procedures that includes certain information; requiring certain carriers to make a copy of certain procedures available to certain individuals in a certain manner and under certain circumstances; specifying the provisions of State insurance law relating to provider panels that apply to managed care organizations; repealing a requirement that certain carriers that use provider panels adhere to certain standards for accessibility of covered services in accordance with certain regulations; repealing a requirement that certain standards for health maintenance organizations set out in regulations adopted by the Secretary of Health and Mental Hygiene include provisions for assuring that certain services are accessible; repealing a certain condition for an insurer or nonprofit health service plan to receive authorization from the Commissioner to offer a certain insurance policy; authorizing the Commissioner to designate a certain system under certain circumstances; requiring a carrier to accept certain information for a provider submitted in a certain manner, from certain persons; defining certain terms; making conforming changes; providing for the application of certain provisions of this Act; providing for a delayed effective date for certain provisions of this Act; and generally relating to health benefit plans, network access standards, and provider network directories.

BY repealing and reenacting, with amendments,

Article – Health – General  
Section 15–102.3(a) and 19–705.1(b)(1)(i)  
Annotated Code of Maryland  
(2015 Replacement Volume)

BY repealing and reenacting, without amendments,

Article – Health – General  
Section 19–705.1(a)  
Annotated Code of Maryland  
(2015 Replacement Volume)

BY repealing and reenacting, with amendments,

Article – Insurance  
Section ~~15–112~~ 14–205.1(a), 15–112, and 15–830  
Annotated Code of Maryland  
(2011 Replacement Volume and 2015 Supplement)

BY repealing and reenacting, with amendments,

Article – InsuranceSection ~~15-112(n)~~ 15-112(b)(1)(i), (n), and (p)Annotated Code of Maryland(2011 Replacement Volume and 2015 Supplement)(As enacted by Section 1 of this Act)BY adding toArticle – InsuranceSection 15-112.3 and 31-115(m)Annotated Code of Maryland(2011 Replacement Volume and 2015 Supplement)

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

Article – Health – General15-102.3.

(a) The provisions of [§ 15-112] § 15-112(B)(1)(II) AND (2), ~~(E) THROUGH (L), (Q), (R), AND (T)~~ (F) THROUGH (M), (R), (S), AND (U) THROUGH (W) of the Insurance Article (Provider panels) shall apply to managed care organizations in the same manner they apply to carriers.

~~19-705.1.~~

~~(a) The Secretary shall adopt regulations that set out reasonable standards of quality of care that a health maintenance organization shall provide to its members.~~

~~(b) (1) The standards of quality of care shall include:~~

~~(i) [1.] A requirement that a health maintenance organization shall provide for regular hours during which a member may receive services, including providing for services to a member in a timely manner that takes into account the immediacy of need for services; and~~

~~2. Provisions for assuring that all covered services, including any services for which the health maintenance organization has contracted, are accessible to the enrollee with reasonable safeguards with respect to geographic locations;~~

~~Article – Insurance~~~~14-205.1.~~

~~(a) The Commissioner may authorize an insurer or nonprofit health service plan to offer a preferred provider insurance policy that conditions the payment of benefits on the use of preferred providers if the insurer or nonprofit health service plan:~~

~~(1) has demonstrated to the Secretary of Health and Mental Hygiene that the provider panel of the insurer or nonprofit health service plan complies with the regulations adopted under § 19-705.1(b)(1)(i)2 of the Health – General Article; and~~

~~(2) does not restrict payment for covered services provided by nonpreferred providers;~~

~~(i) (1) for emergency services, as defined in § 19-701 of the Health – General Article;~~

~~(ii) (2) for an unforeseen illness, injury, or condition requiring immediate care; or~~

~~(iii) (3) as required under § 15-830 of this article.~~

### Article – Insurance

15-112.

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

(2) “Accredited hospital” has the meaning stated in § 19-301 of the Health – General Article.

(3) “Ambulatory surgical facility” has the meaning stated in § 19-3B-01 of the Health – General Article.

(4) (i) “Carrier” means:

1. an insurer;
2. a nonprofit health service plan;
3. a health maintenance organization;
4. a dental plan organization; or

5. any other person that provides health benefit plans subject to regulation by the State.

(ii) “Carrier” includes an entity that arranges a provider panel for a carrier.

(5) “Credentialing intermediary” means a person to whom a carrier has delegated credentialing or recredentialing authority and responsibility.

(6) “Enrollee” means a person entitled to health care benefits from a carrier.

**(7) “HEALTH BENEFIT PLAN”:**

**(I) FOR A GROUP OR BLANKET PLAN IN THE LARGE GROUP MARKET, HAS THE MEANING STATED IN § 15-1401 OF THIS TITLE;**

**(II) FOR A GROUP IN THE SMALL GROUP MARKET, HAS THE MEANING STATED IN § 31-101 OF THIS ARTICLE; AND**

**(III) FOR AN INDIVIDUAL PLAN, HAS THE MEANING STATED IN § 15-1301 OF THIS TITLE.**

**(8) (I) “HEALTH CARE FACILITY” MEANS ~~A FIXED OR MOBILE FACILITY AT WHICH DIAGNOSTIC OR TREATMENT SERVICES OR INPATIENT OR AMBULATORY CARE ARE OFFERED TO TWO OR MORE UNRELATED INDIVIDUALS~~ A HEALTH CARE SETTING OR INSTITUTION PROVIDING PHYSICAL, MENTAL, OR SUBSTANCE USE DISORDER HEALTH CARE SERVICES.**

**(II) “HEALTH CARE FACILITY” INCLUDES:**

- 1. A HOSPITAL;**
- 2. AN AMBULATORY SURGICAL OR TREATMENT CENTER;**
- 3. A SKILLED NURSING FACILITY;**
- 4. A RESIDENTIAL TREATMENT CENTER;**
- 5. AN URGENT CARE CENTER;**
- 6. A DIAGNOSTIC, LABORATORY, OR IMAGING CENTER;**
- 7. A REHABILITATION FACILITY; AND**
- 8. ANY OTHER THERAPEUTIC HEALTH CARE SETTING.**

**[(7)] (9) “Hospital” has the meaning stated in § 19-301 of the Health – General Article.**



**(10) “NETWORK” MEANS A CARRIER’S PARTICIPATING PROVIDERS AND THE HEALTH CARE FACILITIES WITH WHICH A CARRIER CONTRACTS TO PROVIDE HEALTH CARE SERVICES TO THE CARRIER’S ENROLLEES UNDER THE CARRIER’S HEALTH BENEFIT PLAN.**

**(11) “NETWORK DIRECTORY” MEANS A LIST OF A CARRIER’S PARTICIPATING PROVIDERS AND PARTICIPATING HEALTH CARE FACILITIES.**

**[(8)] ~~(10)~~ (12)** “Participating provider” means a provider on a carrier’s provider panel.

**[(9)] ~~(11)~~ (13)** “Online credentialing system” means the system through which a provider may access an online provider credentialing application that the Commissioner has designated as the uniform credentialing form under § 15–112.1(e) of this subtitle.

**[(10)] ~~(12)~~ (14)** “Provider” means a health care practitioner or group of health care practitioners licensed, certified, or otherwise authorized by law to provide health care services.

**[(11)] ~~(13)~~ (15)** (i) “Provider panel” means the providers that contract either directly or through a subcontracting entity with a carrier to provide health care services to the carrier’s enrollees under the carrier’s health benefit plan.

(ii) “Provider panel” does not include an arrangement in which any provider may participate solely by contracting with the carrier to provide health care services at a discounted fee-for-service rate.

(b) (1) **[A] SUBJECT TO PARAGRAPH (3) OF THIS SUBSECTION,** A carrier that uses a provider panel shall:

~~(i) 1. if the carrier is an insurer, nonprofit health service plan, HEALTH MAINTENANCE ORGANIZATION, or dental plan organization, maintain standards in accordance with regulations adopted by the Commissioner for availability of health care providers to meet the health care needs of enrollees; **AND**~~

~~2. if the carrier is a health maintenance organization, adhere to the standards for accessibility of covered services in accordance with regulations adopted under § 19–705.1(b)(1)(i)2 of the Health General Article; and~~

~~3. if the carrier is an insurer or nonprofit health service plan that offers a preferred provider insurance policy that conditions the payment of benefits on the use of preferred providers, adhere to the standards for accessibility of covered services in accordance with regulations adopted under § 19–705.1(b)(1)(i)2 of the Health General Article and as enforced by the Secretary of Health and Mental Hygiene; and~~

(i) 1. if the carrier is an insurer, nonprofit health service plan, or dental plan organization, maintain standards in accordance with regulations adopted by the Commissioner for availability of health care providers to meet the health care needs of enrollees;

2. if the carrier is a health maintenance organization, adhere to the standards for accessibility of covered services in accordance with regulations adopted under § 19-705.1(b)(1)(i)2 of the Health – General Article; and

3. if the carrier is an insurer or nonprofit health service plan that offers a preferred provider insurance policy that conditions the payment of benefits on the use of preferred providers, adhere to the standards for accessibility of covered services in accordance with regulations adopted under § 19-705.1(b)(1)(i)2 of the Health – General Article and as enforced by the Secretary of Health and Mental Hygiene; and

(ii) establish procedures to:

1. review applications for participation on the carrier's provider panel in accordance with this section;

2. notify an enrollee of:

A. the termination from the carrier's provider panel of the primary care provider that was furnishing health care services to the enrollee; and

B. the right of the enrollee, on request, to continue to receive health care services from the enrollee's primary care provider for up to 90 days after the date of the notice of termination of the enrollee's primary care provider from the carrier's provider panel, if the termination was for reasons unrelated to fraud, patient abuse, incompetency, or loss of licensure status;

3. notify primary care providers on the carrier's provider panel of the termination of a specialty referral services provider;

4. verify with each provider on the carrier's provider panel, at the time of credentialing and recredentialing, whether the provider is accepting new patients and update the information on participating providers that the carrier is required to provide under subsection [(j)] ~~(M)~~ (N) of this section; and

5. notify a provider at least 90 days before the date of the termination of the provider from the carrier's provider panel, if the termination is for reasons unrelated to fraud, patient abuse, incompetency, or loss of licensure status.

(2) The provisions of paragraph (1)(ii)4 of this subsection may not be construed to require a carrier to allow a provider to refuse to accept new patients covered by the carrier.

(3) FOR A CARRIER THAT IS AN INSURER, A NONPROFIT HEALTH SERVICE PLAN, OR A HEALTH MAINTENANCE ORGANIZATION, THE STANDARDS REQUIRED UNDER PARAGRAPH (1)(I) OF THIS SUBSECTION SHALL:

(I) ENSURE THAT ALL ENROLLEES, INCLUDING ADULTS AND CHILDREN, HAVE ACCESS TO PROVIDERS AND COVERED SERVICES WITHOUT UNREASONABLE TRAVEL OR DELAY; AND

(II) 1. INCLUDE STANDARDS THAT ENSURE ACCESS TO PROVIDERS, INCLUDING ESSENTIAL COMMUNITY PROVIDERS, THAT SERVE PREDOMINANTLY LOW-INCOME AND MEDICALLY UNDERSERVED INDIVIDUALS; OR

2. FOR A CARRIER THAT PROVIDES A MAJORITY OF COVERED PROFESSIONAL SERVICES THROUGH PHYSICIANS EMPLOYED BY A SINGLE CONTRACTED MEDICAL GROUP AND THROUGH HEALTH CARE PROVIDERS EMPLOYED BY THE CARRIER, INCLUDE ALTERNATIVE STANDARDS FOR ADDRESSING THE NEEDS OF LOW-INCOME, MEDICALLY UNDERSERVED INDIVIDUALS.

(C) (1) THIS SUBSECTION APPLIES TO A CARRIER THAT:

(I) IS AN INSURER, A NONPROFIT HEALTH SERVICE PLAN, OR A HEALTH MAINTENANCE ORGANIZATION; AND

(II) USES A PROVIDER PANEL FOR A HEALTH BENEFIT PLAN OFFERED BY THE CARRIER.

(2) (I) ON OR BEFORE JULY 1, 2018, AND ANNUALLY THEREAFTER, A CARRIER SHALL FILE WITH THE COMMISSIONER FOR REVIEW ~~AND APPROVAL~~ BY THE COMMISSIONER AN ACCESS PLAN THAT MEETS THE REQUIREMENTS OF SUBSECTION (B) OF THIS SECTION AND ANY REGULATIONS ADOPTED BY THE COMMISSIONER UNDER SUBSECTIONS (B) AND (D) OF THIS SECTION.

(II) IF THE CARRIER MAKES A MATERIAL CHANGE TO THE ~~PROVIDER NETWORK~~ ACCESS PLAN, THE CARRIER SHALL:

1. NOTIFY THE COMMISSIONER OF THE CHANGE WITHIN 15 BUSINESS DAYS AFTER THE CHANGE OCCURS; AND

2. INCLUDE IN THE NOTICE REQUIRED UNDER ITEM 1 OF THIS SUBPARAGRAPH A REASONABLE TIMEFRAME WITHIN WHICH THE CARRIER WILL FILE WITH THE COMMISSIONER AN UPDATE TO THE EXISTING ACCESS PLAN FOR REVIEW ~~AND APPROVAL~~ BY THE COMMISSIONER.

(III) THE COMMISSIONER MAY ORDER CORRECTIVE ACTION IF, AFTER REVIEW, THE ACCESS PLAN IS DETERMINED NOT TO MEET THE REQUIREMENTS OF THIS SUBSECTION.

~~(3) (I) A CARRIER MAY REQUEST THAT THE COMMISSIONER DEEM INFORMATION IN THE ACCESS PLAN FILED UNDER THIS SUBSECTION AS CONFIDENTIAL INFORMATION UNDER § 4-335 OF THE GENERAL PROVISIONS ARTICLE.~~

~~(II) A CARRIER SHALL MAKE THE ACCESS PLAN FILED UNDER THIS SUBSECTION AVAILABLE TO THE PUBLIC ON THE CARRIER'S WEB SITE AFTER REDACTION OF ANY INFORMATION DEEMED CONFIDENTIAL INFORMATION BY THE COMMISSIONER.~~

(3) (I) IN ACCORDANCE WITH § 4-335 OF THE GENERAL PROVISIONS ARTICLE, THE COMMISSIONER SHALL DENY INSPECTION OF THE PARTS OF THE ACCESS PLAN FILED UNDER THIS SUBSECTION THAT CONTAIN CONFIDENTIAL COMMERCIAL INFORMATION OR CONFIDENTIAL FINANCIAL INFORMATION.

(II) THE REGULATIONS ADOPTED BY THE COMMISSIONER UNDER SUBSECTION (D) OF THIS SECTION SHALL IDENTIFY THE PARTS OF THE ACCESS PLAN THAT MAY BE CONSIDERED CONFIDENTIAL BY THE CARRIER.

(4) AN ACCESS PLAN FILED UNDER THIS SUBSECTION SHALL INCLUDE A DESCRIPTION OF:

(I) THE CARRIER'S NETWORK, INCLUDING HOW TELEMEDICINE, TELEHEALTH, OR OTHER TECHNOLOGY MAY BE USED TO MEET NETWORK ACCESS STANDARDS REQUIRED UNDER SUBSECTION (B) OF THIS SECTION;

(II) THE CARRIER'S PROCESS FOR MONITORING AND ENSURING, ON AN ONGOING BASIS, THE SUFFICIENCY OF THE NETWORK TO MEET THE HEALTH CARE NEEDS OF ENROLLEES;

(III) THE FACTORS USED BY THE CARRIER TO BUILD ITS PROVIDER NETWORK, INCLUDING:

~~1. IN PLAIN LANGUAGE, THE CRITERIA USED TO SELECT PROVIDERS FOR PARTICIPATION IN THE NETWORK AND, IF APPLICABLE, PLACE PROVIDERS IN NETWORK TIERS; AND~~

~~2. DEMONSTRATION BY THE CARRIER THAT THE CRITERIA COMPLY WITH THE MENTAL HEALTH PARITY AND ADDICTION EQUITY ACT;~~

(IV) THE CARRIER'S EFFORTS TO ADDRESS THE NEEDS OF BOTH ADULT AND CHILD ENROLLEES, INCLUDING ADULTS AND CHILDREN WITH:

1. LIMITED ENGLISH PROFICIENCY OR ILLITERACY;
2. DIVERSE CULTURAL OR ETHNIC BACKGROUNDS;
3. PHYSICAL OR MENTAL DISABILITIES; AND
4. SERIOUS, CHRONIC, OR COMPLEX HEALTH CONDITIONS;

(V) 1. THE CARRIER'S EFFORTS TO INCLUDE PROVIDERS, INCLUDING ESSENTIAL COMMUNITY PROVIDERS, IN ITS NETWORK WHO SERVE PREDOMINATELY PREDOMINANTLY LOW-INCOME, MEDICALLY UNDERSERVED INDIVIDUALS; OR

2. FOR A CARRIER THAT PROVIDES A MAJORITY OF COVERED PROFESSIONAL SERVICES THROUGH PHYSICIANS EMPLOYED BY A SINGLE CONTRACTED MEDICAL GROUP AND THROUGH HEALTH CARE PROVIDERS EMPLOYED BY THE CARRIER, THE CARRIER'S EFFORTS TO ADDRESS THE NEEDS OF LOW-INCOME, MEDICALLY UNDERSERVED INDIVIDUALS; AND

(VI) THE CARRIER'S METHODS FOR ASSESSING THE HEALTH CARE NEEDS OF ENROLLEES AND ENROLLEE SATISFACTION WITH HEALTH CARE SERVICES PROVIDED TO THEM.

(5) EACH CARRIER SHALL MONITOR, ON AN ONGOING BASIS ~~AND AT LEAST QUARTERLY~~, THE CLINICAL CAPACITY OF ITS PARTICIPATING PROVIDERS TO PROVIDE COVERED SERVICES TO ITS ENROLLEES.

(D) (1) ON OR BEFORE DECEMBER 31, 2017, THE COMMISSIONER SHALL, IN CONSULTATION WITH INTERESTED STAKEHOLDERS, ADOPT REGULATIONS TO ESTABLISH QUANTITATIVE AND, IF APPROPRIATE, NONQUANTITATIVE CRITERIA TO EVALUATE THE NETWORK SUFFICIENCY OF HEALTH BENEFIT PLANS SUBJECT TO THE REQUIREMENTS OF SUBSECTION (C) OF THIS SECTION, ~~INCLUDING CRITERIA RELATING TO~~.

(2) IN ADOPTING THE REGULATIONS, THE COMMISSIONER MAY TAKE INTO CONSIDERATION:

~~(1)~~ (I) GEOGRAPHIC ACCESSIBILITY OF PRIMARY CARE AND SPECIALTY PROVIDERS, INCLUDING MENTAL HEALTH AND SUBSTANCE USE DISORDER PROVIDERS;

~~(2)~~ (II) WAITING TIMES FOR AN APPOINTMENT WITH PARTICIPATING PRIMARY CARE AND SPECIALTY PROVIDERS, INCLUDING MENTAL HEALTH AND SUBSTANCE USE DISORDER PROVIDERS;

~~(3)~~ (III) PRIMARY CARE PROVIDER-TO-ENROLLEE RATIOS;

~~(4)~~ (IV) PROVIDER-TO-ENROLLEE RATIOS, BY SPECIALTY;

~~(5)~~ (V) GEOGRAPHIC VARIATION AND POPULATION DISPERSION;

~~(6)~~ (VI) HOURS OF OPERATION;

~~(7)~~ (VII) THE ABILITY OF THE NETWORK TO MEET THE NEEDS OF ENROLLEES, WHICH MAY INCLUDE:

~~(A)~~ 1. LOW-INCOME INDIVIDUALS;

~~(B)~~ 2. ADULTS AND CHILDREN WITH:

~~1.~~ A. SERIOUS, CHRONIC, OR COMPLEX HEALTH CONDITIONS; OR

~~2.~~ B. PHYSICAL OR MENTAL DISABILITIES; AND

~~(C)~~ 3. INDIVIDUALS WITH LIMITED ENGLISH PROFICIENCY OR ILLITERACY;

~~(8)~~ (VIII) OTHER HEALTH CARE SERVICE DELIVERY SYSTEM OPTIONS, INCLUDING TELEMEDICINE, TELEHEALTH, MOBILE CLINICS, AND CENTERS OF EXCELLENCE; ~~AND~~

~~(9)~~ (IX) THE VOLUME OF TECHNOLOGICAL AND SPECIALTY CARE SERVICES AVAILABLE TO SERVE THE NEEDS OF ENROLLEES REQUIRING TECHNOLOGICALLY ADVANCED OR SPECIALTY CARE SERVICES;

(X) ANY STANDARDS ADOPTED BY THE FEDERAL CENTERS FOR MEDICARE AND MEDICAID SERVICES SERVICES OR USED BY THE FEDERALLY FACILITATED MARKETPLACE; AND

**(XI) ANY STANDARDS ADOPTED BY ANOTHER STATE.**

**(E) (1) ON OR BEFORE DECEMBER 31, 2017, FOR A CARRIER THAT IS A DENTAL PLAN ORGANIZATION OR AN INSURER OR NONPROFIT HEALTH SERVICE PLAN THAT PROVIDES COVERAGE FOR DENTAL SERVICES, THE COMMISSIONER, IN CONSULTATION WITH APPROPRIATE STAKEHOLDERS, SHALL ADOPT REGULATIONS TO SPECIFY THE STANDARDS UNDER SUBSECTION (B)(1)(I) OF THIS SECTION FOR DENTAL SERVICES.**

**(2) THE REGULATIONS SHALL:**

**(I) ENSURE THAT ALL ENROLLEES, INCLUDING ADULTS AND CHILDREN, HAVE ACCESS TO PROVIDERS AND COVERED SERVICES WITHOUT UNREASONABLE DELAY AND TRAVEL;**

**(II) ENSURE ACCESS TO PROVIDERS, INCLUDING ESSENTIAL COMMUNITY PROVIDERS, THAT SERVE PREDOMINANTLY LOW-INCOME, MEDICALLY UNDERSERVED INDIVIDUALS; AND**

**(III) REQUIRE THE CARRIER TO SPECIFY HOW THE CARRIER WILL MONITOR, ON AN ONGOING BASIS, THE ABILITY OF ITS PARTICIPATING PROVIDERS TO PROVIDE COVERED SERVICES TO ITS ENROLLEES.**

**(3) IN ESTABLISHING THE STANDARDS FOR DENTAL SERVICES, THE COMMISSIONER MAY CONSIDER THE APPROPRIATENESS OF QUANTITATIVE AND NONQUANTITATIVE CRITERIA.**

**[(c)] ~~(E)~~ (F)** A carrier that uses a provider panel:

(1) on request, shall provide an application and information that relates to consideration for participation on the carrier's provider panel to any provider seeking to apply for participation;

(2) shall make publicly available its application; and

(3) shall make efforts to increase the opportunity for a broad range of minority providers to participate on the carrier's provider panel.

**[(d)] ~~(F)~~ (G)** (1) A provider that seeks to participate on a provider panel of a carrier shall submit an application to the carrier.

(2) (i) Subject to paragraph (3) of this subsection, the carrier, after reviewing the application, shall accept or reject the provider for participation on the carrier's provider panel.

(ii) If the carrier rejects the provider for participation on the carrier's provider panel, the carrier shall send to the provider at the address listed in the application written notice of the rejection.

(3) (i) Subject to paragraph (4) of this subsection, within 30 days after the date a carrier receives a completed application, the carrier shall send to the provider at the address listed in the application written notice of:

1. the carrier's intent to continue to process the provider's application to obtain necessary credentialing information; or
2. the carrier's rejection of the provider for participation on the carrier's provider panel.

(ii) The failure of a carrier to provide the notice required under subparagraph (i) of this paragraph is a violation of this article and the carrier is subject to the penalties provided by § 4-113(d) of this article.

(iii) Except as provided in subsection [(o)] ~~(U)~~ (V) of this section, if, under subparagraph (i)1 of this paragraph, a carrier provides notice to the provider of its intent to continue to process the provider's application to obtain necessary credentialing information, the carrier, within 120 days after the date the notice is provided, shall:

1. accept or reject the provider for participation on the carrier's provider panel; and
2. send written notice of the acceptance or rejection to the provider at the address listed in the application.

(iv) The failure of a carrier to provide the notice required under subparagraph (iii)2 of this paragraph is a violation of this article and the carrier is subject to the provisions of and penalties provided by §§ 4-113 and 4-114 of this article.

(4) (i) 1. Except as provided in subsubparagraph 4 of this subparagraph, a carrier that receives a complete application shall notify the provider that the application is complete.

2. If a carrier does not accept applications through the online credentialing system, notice shall be given to the provider at the address listed in the application within 10 days after the date the application is received.

3. If a carrier accepts applications through the online credentialing system, the notice from the online credentialing system to the provider that the carrier has received the provider's application shall be considered notice that the application is complete.



4. This subparagraph does not apply to a carrier that arranges a dental provider panel until the Commissioner certifies that the online credentialing system is capable of accepting the uniform credentialing form designated by the Commissioner for dental provider panels.

(ii) 1. A carrier that receives an incomplete application shall return the application to the provider at the address listed in the application within 10 days after the date the application is received.

2. The carrier shall indicate to the provider what information is needed to make the application complete.

3. The provider may return the completed application to the carrier.

4. After the carrier receives the completed application, the carrier is subject to the time periods established in paragraph (3) of this subsection.

(5) A carrier may charge a reasonable fee for an application submitted to the carrier under this section.

**[(e)] ~~(G)~~ (H)** A carrier may not deny an application for participation or terminate participation on its provider panel on the basis of:

(1) gender, race, age, religion, national origin, or a protected category under the federal Americans with Disabilities Act;

(2) the type or number of appeals that the provider files under Subtitle 10B of this title;

(3) the number of grievances or complaints that the provider files on behalf of a patient under Subtitle 10A of this title; or

(4) the type or number of complaints or grievances that the provider files or requests for review under the carrier's internal review system established under subsection **[(h)] ~~(K)~~ (L)** of this section.

**[(f)] ~~(H)~~ (I)** (1) A carrier may not deny an application for participation or terminate participation on its provider panel solely on the basis of the license, certification, or other authorization of the provider to provide health care services if the carrier provides health care services within the provider's lawful scope of practice.

(2) Notwithstanding paragraph (1) of this subsection, a carrier may reject an application for participation or terminate participation on its provider panel based on the participation on the provider panel of a sufficient number of similarly qualified providers.

(3) A violation of this subsection does not create a new cause of action.

~~[(f-1)]~~ **(J)** (1) Subject to the provisions of this subsection, a carrier may not require a provider participating on its provider panel to be recredentialed based on:

- (i) a change in the federal tax identification number of the provider;
- (ii) a change in the federal tax identification number of a provider's employer; or
- (iii) a change in the employer of a provider, if the new employer is:
  - 1. a participating provider on the carrier's provider panel; or
  - 2. the employer of providers that participate on the carrier's provider panel.

(2) A provider that participates on a carrier's provider panel or the provider's employer shall give written notice to the carrier of a change in the federal tax identification number of the provider or the provider's employer not less than 45 days before the effective date of the change.

(3) The notice required under paragraph (2) of this subsection shall include:

- (i) a statement of the intention of the provider or the provider's employer to continue to provide health care services in the same field of specialization, if applicable;
- (ii) the effective date of the change in the federal tax identification number of the provider or the provider's employer;
- (iii) the new federal tax identification number of the provider or the provider's employer and a copy of U.S. Treasury Form W-9, or any successor or replacement form; and
- (iv) the following information about a new employer of the provider:
  - 1. the employer's name;
  - 2. the name of the employer's contact person for carrier questions about the provider; and
  - 3. the address, telephone number, facsimile transmission number, and electronic mail address of the contact person for the employer.

(4) If the new federal tax identification number or the form required to be included in the notice under paragraph (3)(iii) of this subsection is not available at the time the notice is given to a carrier, it shall be provided to the carrier promptly after it is received by the provider or the provider's employer.

(5) Within 30 business days after receipt of the notice required under paragraph (2) of this subsection, a carrier:

(i) shall acknowledge receipt of the notice to the provider or the provider's employer; and

(ii) if the carrier considers it necessary to issue a new provider number as a result of a change in the federal tax identification number of a provider or a provider's employer or a change in the employer of a provider, shall issue a new provider number, by mail, electronic mail, or facsimile transmission, to:

1. the provider or the provider's employer; or

2. the representative of the provider or the provider's employer designated in writing to the carrier.

(6) A carrier may not terminate its existing contract with a provider or a provider's employer based solely on a notice given to the carrier in accordance with this subsection.

~~[(g)]~~ ~~(J)~~ (K) A carrier may not terminate participation on its provider panel or otherwise penalize a provider for:

(1) advocating the interests of a patient through the carrier's internal review system established under subsection ~~[(h)]~~ ~~(K)~~ (L) of this section;

(2) filing an appeal under Subtitle 10B of this title; or

(3) filing a grievance or complaint on behalf of a patient under Subtitle 10A of this title.

~~[(h)]~~ ~~(K)~~ (L) Each carrier shall establish an internal review system to resolve grievances initiated by providers that participate on the carrier's provider panel, including grievances involving the termination of a provider from participation on the carrier's provider panel.

~~[(i)]~~ ~~(H)~~ (M) (1) For at least 90 days after the date of the notice of termination of a primary care provider from a carrier's provider panel for reasons unrelated to fraud, patient abuse, incompetency, or loss of licensure status, the primary care provider shall furnish health care services to each enrollee:

(i) who was receiving health care services from the primary care provider before the notice of termination; and

(ii) who, after receiving notice under subsection (b) of this section of the termination of the primary care provider, requests to continue receiving health care services from the primary care provider.

(2) A carrier shall reimburse a primary care provider that furnishes health care services under this subsection in accordance with the primary care provider's agreement with the carrier.

~~[(j)]~~ ~~(M)~~ ~~(N)~~ ~~(1)~~ ~~[(A)]~~ ~~SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, A~~ carrier shall make available to prospective enrollees on the Internet and, on request of a prospective enrollee, in printed form:

~~(i)~~ ~~(1)~~ a list of providers on the carrier's provider panel; and

~~(ii)~~ ~~(2)~~ information on providers that are no longer accepting new patients.

~~(2) A CARRIER THAT DEVELOPS AND MAKES AVAILABLE TO ENROLLEES AND PROSPECTIVE ENROLLEES A NETWORK DIRECTORY IN ACCORDANCE WITH SUBSECTION (N) THIS SECTION MEETS THE REQUIREMENTS OF PARAGRAPH (1) OF THIS SUBSECTION.~~

~~(N) (1) THIS SUBSECTION APPLIES TO A CARRIER THAT:~~

~~(i) IS AN INSURER, A NONPROFIT HEALTH SERVICE PLAN, OR A HEALTH MAINTENANCE ORGANIZATION; AND~~

~~(ii) USES A PROVIDER PANEL FOR A HEALTH BENEFIT PLAN OFFERED BY THE CARRIER.~~

~~(2) A CARRIER SHALL DEVELOP AND MAKE AVAILABLE TO ENROLLEES AND PROSPECTIVE ENROLLEES ON THE INTERNET AND, ON REQUEST OF AN ENROLLEE OR A PROSPECTIVE ENROLLEE, IN PRINTED FORM, AN UP-TO-DATE AND ACCURATE PROVIDER NETWORK DIRECTORY FOR A HEALTH BENEFIT PLAN OFFERED BY THE CARRIER TO ENROLLEES AND PROSPECTIVE ENROLLEES.~~

~~(3) THE NETWORK DIRECTORY MADE AVAILABLE TO ENROLLEES AND PROSPECTIVE ENROLLEES ON THE INTERNET UNDER PARAGRAPH (2) OF THIS SUBSECTION:~~

~~(I) SHALL BE ACCESSIBLE THROUGH A CLEARLY IDENTIFIABLE LINK OR TAB ON THE CARRIER'S WEB SITE;~~

~~(H) MAY NOT REQUIRE AN ENROLLEE OR A PROSPECTIVE ENROLLEE TO CREATE OR ACCESS AN ACCOUNT ON THE CARRIER'S WEB SITE; AND~~

~~(HH) SHALL INCLUDE, IN A SEARCHABLE FORMAT, THE INFORMATION REQUIRED UNDER PARAGRAPH (4) OF THIS SUBSECTION.~~

~~(4) THE NETWORK DIRECTORY REQUIRED UNDER PARAGRAPH (2) OF THIS SUBSECTION SHALL:~~

~~(I) FOR EACH PARTICIPATING HEALTH CARE PRACTITIONER, INCLUDE:~~

~~1. THE HEALTH CARE PRACTITIONER'S NAME AND GENDER;~~

~~2. FOR EACH OFFICE OR HEALTH CARE FACILITY AT WHICH THE HEALTH PRACTITIONER PROVIDES SERVICES TO PATIENTS:~~

~~A. THE LOCATION OF THE OFFICE OR HEALTH CARE FACILITY, INCLUDING THE ADDRESS OF THE OFFICE OR HEALTH CARE FACILITY;~~

~~B. CONTACT INFORMATION FOR THE HEALTH CARE PRACTITIONER; AND~~

~~C. WHETHER THE HEALTH CARE PRACTITIONER IS ON THE PROVIDER PANEL AT THE OFFICE OR HEALTH CARE FACILITY;~~

~~3. THE SPECIALTY AREA OR AREAS OF THE HEALTH CARE PRACTITIONER, IF APPLICABLE;~~

~~4. THE MEDICAL GROUP AFFILIATIONS OF THE HEALTH CARE PRACTITIONER, IF APPLICABLE;~~

~~5. THE LANGUAGES SPOKEN BY THE HEALTH CARE PRACTITIONER OTHER THAN ENGLISH, IF APPLICABLE; AND~~

~~6. WHETHER THE HEALTH CARE PRACTITIONER IS ACCEPTING NEW PATIENTS;~~

~~(H) FOR EACH PARTICIPATING HOSPITAL, INCLUDE:~~

~~1. THE HOSPITAL NAME AND TYPE;~~

~~2. THE LOCATION OF THE HOSPITAL, INCLUDING THE ADDRESS OF THE HOSPITAL;~~

~~3. CONTACT INFORMATION FOR THE HOSPITAL, INCLUDING A TELEPHONE NUMBER FOR THE HOSPITAL; AND~~

~~4. THE ACCREDITATION STATUS OF THE HOSPITAL; AND~~

~~(III) FOR HEALTH CARE FACILITIES AND PROGRAMS LICENSED UNDER TITLE 7.5 OF THE HEALTH GENERAL ARTICLE AT WHICH HEALTH CARE SERVICES ARE PROVIDED, OTHER THAN HOSPITALS, INCLUDE:~~

~~1. THE NAME AND TYPE OF THE HEALTH CARE FACILITY OR PROGRAM;~~

~~2. THE TYPES OF HEALTH CARE SERVICES PROVIDED AT THE HEALTH CARE FACILITY OR PROGRAM;~~

~~3. THE LOCATION OF THE HEALTH CARE FACILITY OR PROGRAM, INCLUDING THE ADDRESS OF THE HEALTH CARE FACILITY OR PROGRAM; AND~~

~~4. CONTACT INFORMATION FOR THE HEALTH CARE FACILITY OR PROGRAM, INCLUDING A TELEPHONE NUMBER FOR THE HEALTH CARE FACILITY OR PROGRAM.~~

~~(5) THE NETWORK DIRECTORY REQUIRED UNDER PARAGRAPH (2) OF THIS SUBSECTION SHALL, IN PLAIN LANGUAGE:~~

~~(i) INCLUDE A DESCRIPTION OF:~~

~~1. THE CRITERIA USED BY THE CARRIER TO:~~

~~A. SELECT PROVIDERS FOR PARTICIPATION IN THE NETWORK; AND~~

~~B. PLACE PROVIDERS IN NETWORK TIERS, IF APPLICABLE; AND~~

~~2. HOW THE CARRIER DESIGNATES DIFFERENT PROVIDER TIERS OR LEVELS IN THE NETWORK, IF APPLICABLE;~~

~~(II) FOR EACH HEALTH CARE PRACTITIONER, HOSPITAL, HEALTH CARE FACILITY, AND LICENSED PROGRAM IN THE NETWORK, IDENTIFY THE PROVIDER TIER OR LEVEL IN THE NETWORK IN WHICH THE HEALTH CARE PRACTITIONER, HOSPITAL, HEALTH CARE FACILITY, OR LICENSED PROGRAM IS PLACED;~~

~~(III) INDICATE THAT AUTHORIZATION OR REFERRAL MAY BE REQUIRED TO ACCESS PROVIDERS IN THE NETWORK, IF APPLICABLE; AND~~

~~(IV) IF APPLICABLE, IDENTIFY THE HEALTH BENEFIT PLAN TO THE WHICH THE NETWORK DIRECTORY APPLIES.~~

~~(6) THE NETWORK DIRECTORY REQUIRED UNDER PARAGRAPH (2) OF THIS SUBSECTION SHALL:~~

~~(I) ACCOMMODATE THE COMMUNICATION NEEDS OF INDIVIDUALS WITH DISABILITIES;~~

~~(II) INCLUDE INFORMATION, OR A LINK TO INFORMATION, REGARDING AVAILABLE ASSISTANCE FOR INDIVIDUALS WITH LIMITED ENGLISH PROFICIENCY;~~

~~(III) INCLUDE A CUSTOMER SERVICE PHONE NUMBER AND, IN THE NETWORK DIRECTORY MADE AVAILABLE ON THE INTERNET, AN E-MAIL LINK THAT ENROLLEES, PROSPECTIVE ENROLLEES, AND MEMBERS OF THE PUBLIC MAY USE TO NOTIFY THE CARRIER OF INACCURATE INFORMATION IN THE NETWORK DIRECTORY; AND~~

~~(IV) INCLUDE A NOTICE STATING THAT AN ENROLLEE:~~

~~1. HAS A RIGHT TO AN ACCURATE NETWORK DIRECTORY;~~

~~AND~~

~~2. MAY DIRECT A COMPLAINT TO THE COMMISSIONER IF THERE IS AN INACCURATE LISTING IN THE NETWORK DIRECTORY.~~

(O) (1) A CARRIER SHALL HAVE A CUSTOMER SERVICE TELEPHONE NUMBER, E-MAIL ADDRESS LINK, OR OTHER ELECTRONIC MEANS BY WHICH ENROLLEES AND PROSPECTIVE ENROLLEES MAY NOTIFY THE CARRIER OF INACCURATE INFORMATION IN THE CARRIER'S NETWORK DIRECTORY.

(7) (2) IF NOTIFIED OF A POTENTIAL INACCURACY IN A NETWORK DIRECTORY BY A PERSON OTHER THAN THE PROVIDER, A CARRIER SHALL INVESTIGATE THE REPORTED INACCURACY AND TAKE CORRECTIVE ACTION, IF

NECESSARY, TO UPDATE THE NETWORK DIRECTORY WITHIN ~~15~~ 45 WORKING DAYS AFTER RECEIVING THE NOTIFICATION OF THE POTENTIAL INACCURACY.

~~[(2)]~~ ~~(P)~~ (1) A carrier shall notify each enrollee at the time of initial enrollment and renewal about how to ACCESS OR obtain the [following information on the Internet and in printed form:

(i) a list of providers on the carrier's provider panel; and

(ii) information on providers that are no longer accepting new patients] INFORMATION REQUIRED UNDER SUBSECTIONS (M) AND (N) SUBSECTION (N) OF THIS SECTION.

~~[(3)]~~ (2) (i) Information provided in printed form under [paragraphs (1) and (2)] ~~SUBSECTIONS (M) AND (N) SUBSECTION (N)~~ of this [subsection] SECTION shall be updated at least once a year.

(ii) Subject to subsection [(m)] ~~(S)~~ (T) of this section, information provided on the Internet under [paragraphs (1) and (2)] ~~SUBSECTIONS (M) AND (N) SUBSECTION (N)~~ of this [subsection] SECTION shall be updated at least once every 15 days.

~~(III) IF A PROVIDER LISTED IN A NETWORK DIRECTORY AS A PARTICIPATING PROVIDER HAS NOT SUBMITTED A CLAIM IN THE LAST 6 MONTHS, A CARRIER SHALL CONTACT THE PROVIDER TO DETERMINE IF THE PROVIDER INTENDS TO REMAIN IN THE NETWORK AND UPDATE THE NETWORK DIRECTORY ACCORDINGLY.~~

~~(3) IF AN ENROLLEE RELIES ON MATERIALLY INACCURATE INFORMATION IN A NETWORK DIRECTORY INDICATING THAT A PROVIDER IS IN NETWORK AND THEN RECEIVES HEALTH CARE SERVICES FROM THAT PROVIDER, A CARRIER SHALL TREAT THE HEALTH CARE SERVICES AS IF THEY WERE RENDERED BY A PROVIDER ON THE CARRIER'S PROVIDER PANEL FOR THE PURPOSE OF CALCULATING ANY OUT-OF-POCKET MAXIMUM, DEDUCTIBLE, COPAYMENT AMOUNT, OR COINSURANCE AMOUNT PAYABLE BY THE ENROLLEE FOR THE HEALTH CARE SERVICES.~~

(3) A CARRIER SHALL:

(1) 1. PERIODICALLY REVIEW AT LEAST A REASONABLE SAMPLE SIZE OF ITS NETWORK DIRECTORY FOR ACCURACY; AND

2. RETAIN DOCUMENTATION OF THE REVIEW AND MAKE THE REVIEW AVAILABLE TO THE COMMISSIONER ON REQUEST; OR



**(II) CONTACT PROVIDERS LISTED IN THE CARRIER'S NETWORK DIRECTORY WHO HAVE NOT SUBMITTED A CLAIM IN THE LAST 6 MONTHS TO DETERMINE IF THE PROVIDERS INTEND TO REMAIN IN THE CARRIER'S PROVIDER NETWORK.**

[(4)] ~~(P)~~ **(Q)** A policy, certificate, or other evidence of coverage shall:

[i] **(1)** indicate clearly the office in the Administration that is responsible for receiving and responding to complaints from enrollees about carriers; and

[ii] **(2)** include the telephone number of the office and the procedure for filing a complaint.

[(k)] ~~(Q)~~ **(R)** The Commissioner:

(1) shall adopt regulations that relate to the procedures that carriers must use to process applications for participation on a provider panel; and

(2) in consultation with the Secretary of Health and Mental Hygiene, shall adopt strategies to assist carriers in maximizing the opportunity for a broad range of minority providers to participate in the delivery of health care services.

[(l)] ~~(R)~~ **(S)** A carrier may not include in a contract with a provider, ambulatory surgical facility, or hospital a term or condition that:

(1) prohibits the provider, ambulatory surgical facility, or hospital from offering to provide services to the enrollees of another carrier at a lower rate of reimbursement;

(2) requires the provider, ambulatory surgical facility, or hospital to provide the carrier with the same reimbursement arrangement that the provider, ambulatory surgical facility, or hospital has with another carrier if the reimbursement arrangement with the other carrier is for a lower rate of reimbursement; or

(3) requires the provider, ambulatory surgical facility, or hospital to certify to the carrier that the reimbursement rate being paid by the carrier to the provider, ambulatory surgical facility, or hospital is not higher than the reimbursement rate being received by the provider, ambulatory surgical facility, or hospital from another carrier.

[(m)] ~~(S)~~ **(T)** ~~[(1)]~~ A carrier shall update [its provider information] **THE INFORMATION THAT MUST BE MADE AVAILABLE ON THE INTERNET** under [subsection (j)(3)(ii)] ~~SUBSECTIONS (M) AND (N)~~ **SUBSECTION (N)** of this section within 15 working days after receipt of [written] ~~notification~~ **ELECTRONIC NOTIFICATION OR NOTIFICATION BY FIRST-CLASS MAIL TRACKING METHOD** from the participating provider of a change in the applicable information.

~~f~~(2) Notification is presumed to have been received by a carrier:

(i) 3 working days after the date the participating provider placed the notification in the U.S. mail, if the participating provider maintains the stamped certificate of mailing for the notice; or

(ii) on the date recorded by the courier, if the notification was delivered by courier.~~f~~

~~[(n)] ~~(F)~~ (U)~~ (1) A carrier may not require a provider that provides health care services through a group practice or health care facility that participates on the carrier's provider panel under a contract with the carrier to be considered a participating provider or accept the reimbursement fee schedule applicable under the contract when:

(i) providing health care services to enrollees of the carrier through an individual or group practice or health care facility that does not have a contract with the carrier; and

(ii) billing for health care services provided to enrollees of the carrier using a different federal tax identification number than that used by the group practice or health care facility under a contract with the carrier.

(2) A nonparticipating provider shall notify an enrollee:

(i) that the provider does not participate on the provider panel of the enrollee's carrier; and

(ii) of the anticipated total charges for the health care services.

~~[(o)] ~~(U)~~ (V)~~ The provisions of subsection ~~[(d)(3)(iii)] ~~(F)(3)(III)~~ (G)(3)(III)~~ of this section do not apply to a carrier that uses a credentialing intermediary that:

(1) is a hospital or academic medical center;

(2) is a participating provider on the carrier's provider panel; and

(3) acts as a credentialing intermediary for that carrier for health care practitioners that:

(i) participate on the carrier's provider panel; and

(ii) have privileges at the hospital or academic medical center.

~~[(p)] ~~(V)~~ (W)~~ (1) Notwithstanding subsection ~~[(n)(1)] ~~(F)(1)~~ (U)(1)~~ of this section, a carrier shall reimburse a group practice on the carrier's provider panel at the

participating provider rate for covered services provided by a provider who is not a participating provider if:

- (i) the provider is employed by or a member of the group practice;
- (ii) the provider has applied for acceptance on the carrier's provider panel and the carrier has notified the provider of the carrier's intent to continue to process the provider's application to obtain necessary credentialing information;
- (iii) the provider has a valid license issued by a health occupations board to practice in the State; and
- (iv) the provider:
  1. is currently credentialed by an accredited hospital in the State; or
  2. has professional liability insurance.

(2) A carrier shall reimburse a group practice on the carrier's provider panel in accordance with paragraph (1) of this subsection from the date the notice required under subsection [(d)(3)(i)1] ~~(F)(3)(I)1~~ (G)(3)(I)1 of this section is sent to the provider until the date the notice required under subsection [(d)(3)(iii)2] ~~(F)(3)(III)2~~ (G)(3)(III)2 of this section is sent to the provider.

(3) A carrier that sends written notice of rejection of a provider for credentialing under subsection [(d)(3)(iii)2] ~~(F)(3)(III)2~~ (G)(3)(III)2 of this section shall reimburse the provider as a nonparticipating provider for covered services provided on or after the date the notice is sent.

(4) A health maintenance organization may not deny payment to a provider under this subsection solely because the provider was not a participating provider at the time the services were provided to an enrollee.

(5) A provider who is not a participating provider of a carrier and whose group practice is eligible for reimbursement under paragraph (1) of this subsection may not hold an enrollee of the carrier liable for the cost of any covered services provided to the enrollee during the time period described in paragraph (2) of this subsection, except for any deductible, copayment, or coinsurance amount owed by the enrollee to the group practice or provider under the terms of the enrollee's contract or certificate.

(6) A group practice shall disclose in writing to an enrollee at the time services are provided that:

- (i) the treating provider is not a participating provider;

(ii) the treating provider has applied to become a participating provider;

(iii) the carrier has not completed its assessment of the qualifications of the treating provider to provide services as a participating provider; and

(iv) any covered services received must be reimbursed by the carrier at the participating provider rate.

31-115.

**(M) ANY CERTIFICATION STANDARDS ESTABLISHED UNDER SUBSECTION (K) OF THIS SECTION RELATED TO NETWORK ADEQUACY OR NETWORK DIRECTORY ACCURACY:**

**(1) SHALL BE CONSISTENT WITH THE PROVISIONS OF § 15-112 OF THIS ARTICLE; AND**

**(2) MAY NOT BE IMPLEMENTED UNTIL JANUARY 1, 2019.**

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

**Article – Insurance**

15-112.

(n) (1) A carrier shall make THE CARRIER’S NETWORK DIRECTORY available to prospective enrollees on the Internet and, on request of a prospective enrollee, in printed form[:

(1) a list of providers on the carrier’s provider panel; and

(2) information on providers that are no longer accepting new patients].

**(2) THE CARRIER’S NETWORK DIRECTORY ON THE INTERNET SHALL BE AVAILABLE:**

**(I) THROUGH A CLEAR LINK OR TAB; AND**

**(II) IN A SEARCHABLE FORMAT.**

**(3) THE NETWORK DIRECTORY SHALL INCLUDE:**

**(I) FOR EACH PROVIDER ON THE CARRIER’S PROVIDER PANEL:**

1. THE NAME OF THE PROVIDER;
  2. THE SPECIALTY AREAS OF THE PROVIDER;
  3. WHETHER THE PROVIDER CURRENTLY IS ACCEPTING  
NEW PATIENTS;
  4. FOR EACH OFFICE OF THE PROVIDER WHERE THE  
PROVIDER PARTICIPATES ON THE PROVIDER PANEL:
    - A. ITS LOCATION, INCLUDING ITS ADDRESS; AND
    - B. CONTACT INFORMATION FOR THE PROVIDER;
  5. THE GENDER OF THE PROVIDER, IF THE PROVIDER  
NOTIFIES THE CARRIER OR THE MULTI-CARRIER COMMON ONLINE PROVIDER  
DIRECTORY INFORMATION SYSTEM DESIGNATED UNDER § 15-112.3 OF THIS  
SUBTITLE OF THE INFORMATION; AND
  6. ANY LANGUAGES SPOKEN BY THE PROVIDER OTHER  
THAN ENGLISH, IF THE PROVIDER NOTIFIES THE CARRIER OR THE MULTI-CARRIER  
COMMON ONLINE PROVIDER DIRECTORY INFORMATION SYSTEM DESIGNATED  
UNDER § 15-112.3 OF THIS SUBTITLE OF THE INFORMATION;
- (II) FOR EACH HEALTH CARE FACILITY IN THE CARRIER'S  
NETWORK:
1. THE HEALTH CARE FACILITY'S NAME;
  2. THE HEALTH CARE FACILITY'S ADDRESS;
  3. THE TYPES OF SERVICES PROVIDED BY THE HEALTH  
CARE FACILITY; AND
  4. CONTACT INFORMATION FOR THE HEALTH CARE  
FACILITY; AND
- (III) A STATEMENT THAT ADVISES ENROLLEES AND  
PROSPECTIVE ENROLLEES TO CONTACT A PROVIDER OR A HEALTH CARE FACILITY  
BEFORE SEEKING TREATMENT OR SERVICES, TO CONFIRM THE PROVIDER'S OR  
HEALTH CARE FACILITY'S PARTICIPATION IN THE CARRIER'S NETWORK.

(p) (1) A carrier shall notify each enrollee at the time of initial enrollment and renewal about how to access or obtain the information required under subsection (n) of this section.

(2) (i) 1. Information provided in printed form under subsection (n) of this section shall be [updated] ACCURATE ON THE DATE OF PUBLICATION.

2. A CARRIER SHALL UPDATE THE INFORMATION PROVIDED IN PRINTED FORM at least once a year.

(ii) 1. [Subject to subsection (t) of this section, information] INFORMATION provided on the Internet under subsection (n) of this section shall be [updated] ACCURATE ON THE DATE OF INITIAL POSTING AND ANY UPDATE.

2. IN ADDITION TO THE REQUIREMENT TO UPDATE ITS PROVIDER INFORMATION UNDER SUBSECTION (T)(1) OF THIS SECTION, A CARRIER SHALL UPDATE THE INFORMATION PROVIDED ON THE INTERNET at least once every 15 days.

(3) A carrier shall:

(i) 1. periodically review at least a reasonable sample size of its network directory for accuracy; and

2. retain documentation of the review and make the review available to the Commissioner on request; or

(ii) contact providers listed in the carrier's network directory who have not submitted a claim in the last 6 months to determine if the providers intend to remain in the carrier's provider network.

(4) A CARRIER SHALL DEMONSTRATE THE ACCURACY OF THE INFORMATION PROVIDED UNDER PARAGRAPH (3) OF THIS SUBSECTION ON REQUEST OF THE COMMISSIONER.

(5) BEFORE IMPOSING A PENALTY AGAINST A CARRIER FOR INACCURATE NETWORK DIRECTORY INFORMATION, THE COMMISSIONER SHALL TAKE INTO ACCOUNT, IN ADDITION TO ANY OTHER FACTORS REQUIRED BY LAW, WHETHER:

(I) THE CARRIER AFFORDED A PROVIDER OR OTHER PERSON IDENTIFIED IN § 15-112.3(C) OF THIS SUBTITLE AN OPPORTUNITY TO REVIEW AND UPDATE THE PROVIDER'S NETWORK DIRECTORY INFORMATION:

1. THROUGH THE MULTI-CARRIER COMMON ONLINE PROVIDER DIRECTORY INFORMATION SYSTEM DESIGNATED UNDER § 15-112.3 OF THIS SUBTITLE; OR

**2. DIRECTLY WITH THE CARRIER;**

**(II) THE CARRIER CAN DEMONSTRATE THE EFFORTS MADE, IN WRITING, ELECTRONICALLY, OR BY TELEPHONE, TO OBTAIN UPDATED NETWORK DIRECTORY INFORMATION FROM A PROVIDER OR OTHER PERSON IDENTIFIED IN § 15-112.3(C) OF THIS SUBTITLE;**

**(III) THE CARRIER HAS CONTACTED A PROVIDER LISTED IN THE CARRIER'S NETWORK DIRECTORY WHO HAS NOT SUBMITTED A CLAIM IN THE LAST 6 MONTHS TO DETERMINE IF THE PROVIDER INTENDS TO REMAIN ON THE CARRIER'S PROVIDER PANEL;**

**(IV) THE CARRIER INCLUDES IN ITS NETWORK DIRECTORY THE LAST DATE THAT A PROVIDER UPDATED THE PROVIDER'S INFORMATION;**

**(V) THE CARRIER HAS IMPLEMENTED ANY OTHER PROCESS OR PROCEDURE TO:**

**1. ENCOURAGE PROVIDERS TO UPDATE THEIR NETWORK DIRECTORY INFORMATION; OR**

**2. INCREASE THE ACCURACY OF ITS NETWORK DIRECTORY; AND**

**(VI) A PROVIDER OR OTHER PERSON IDENTIFIED IN § 15-112.3(C) OF THIS SUBTITLE HAS NOT UPDATED THE PROVIDER'S NETWORK DIRECTORY INFORMATION, DESPITE OPPORTUNITIES TO DO SO.**

**15-112.3.**

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

**(2) (I) "CARRIER" HAS THE MEANING STATED IN § 15-112 OF THIS SUBTITLE.**

**(II) "CARRIER" DOES NOT INCLUDE A MANAGED CARE ORGANIZATION, AS DEFINED IN TITLE 15, SUBTITLE 1 OF THE HEALTH - GENERAL ARTICLE.**

**(3) "MULTI-CARRIER COMMON ONLINE PROVIDER DIRECTORY INFORMATION SYSTEM" MEANS THE SYSTEM DESIGNATED BY THE COMMISSIONER FOR USE BY PROVIDERS TO PROVIDE AND UPDATE THEIR NETWORK DIRECTORY INFORMATION WITH CARRIERS.**

(B) THE COMMISSIONER MAY DESIGNATE A MULTI-CARRIER COMMON ONLINE PROVIDER DIRECTORY INFORMATION SYSTEM DEVELOPED BY A NONPROFIT ALLIANCE OF HEALTH PLANS AND TRADE ASSOCIATIONS IF:

(1) THE SYSTEM IS AVAILABLE TO PROVIDERS NATIONALLY;

(2) THE SYSTEM IS AVAILABLE TO PROVIDERS AT NO CHARGE;

(3) THE SYSTEM ALLOWS PROVIDERS TO:

(I) ATTEST ONLINE TO THE ACCURACY OF THEIR INFORMATION; AND

(II) 1. CORRECT ANY INACCURATE INFORMATION; AND

2. ATTEST TO THE CORRECTION; AND

(4) THE NONPROFIT ALLIANCE HAS A WELL-ESTABLISHED MECHANISM FOR OUTREACH TO PROVIDERS.

(C) A CARRIER SHALL ACCEPT NEW AND UPDATED NETWORK DIRECTORY INFORMATION FOR A PROVIDER SUBMITTED:

(1) (I) THROUGH THE MULTI-CARRIER COMMON ONLINE PROVIDER DIRECTORY INFORMATION SYSTEM; OR

(II) DIRECTLY TO THE CARRIER; AND

(2) FROM:

(I) THE PROVIDER;

(II) A HOSPITAL OR ACADEMIC MEDICAL CENTER THAT:

1. IS A PARTICIPATING PROVIDER ON THE CARRIER'S PROVIDER PANEL; AND

2. ACTS AS A CREDENTIALING INTERMEDIARY FOR THE CARRIER FOR PROVIDERS THAT:

A. PARTICIPATE ON THE CARRIER'S PROVIDER PANEL;

AND



**B. HAVE PRIVILEGES AT THE HOSPITAL OR ACADEMIC MEDICAL CENTER; OR**

**(III) ANY OTHER PERSON THAT PERFORMS CREDENTIALING FUNCTIONS ON BEHALF OF A PROVIDER.**

15–830.

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

(2) “Carrier” means:

(i) an insurer that offers health insurance other than long-term care insurance or disability insurance;

(ii) a nonprofit health service plan;

(iii) a health maintenance organization;

(iv) a dental plan organization; or

(v) except for a managed care organization as defined in Title 15, Subtitle 1 of the Health – General Article, any other person that provides health benefit plans subject to State regulation.

(3) (i) “Member” means an individual entitled to health care benefits under a policy or plan issued or delivered in the State by a carrier.

(ii) “Member” includes a subscriber.

(4) “Nonphysician specialist” means a health care provider who:

(i) is not a physician;

(ii) is licensed or certified under the Health Occupations Article; and

(iii) is certified or trained to treat or provide health care services for a specified condition or disease in a manner that is within the scope of the license or certification of the health care provider.

(5) “Provider panel” has the meaning stated in § 15–112(a) of this title.

(6) “Specialist” means a physician who is certified or trained to practice in a specified field of medicine and who is not designated as a primary care provider by the carrier.

(b) (1) Each carrier that does not allow direct access to specialists shall establish and implement a procedure by which a member may receive a standing referral to a specialist in accordance with this subsection.

(2) The procedure shall provide for a standing referral to a specialist if:

(i) the primary care physician of the member determines, in consultation with the specialist, that the member needs continuing care from the specialist;

(ii) the member has a condition or disease that:

1. is life threatening, degenerative, chronic, or disabling; and
2. requires specialized medical care; and

(iii) the specialist:

1. has expertise in treating the life-threatening, degenerative, chronic, or disabling disease or condition; and

2. is part of the carrier's provider panel.

(3) Except as provided in subsection (c) of this section, a standing referral shall be made in accordance with a written treatment plan for a covered service developed by:

(i) the primary care physician;

(ii) the specialist; and

(iii) the member.

(4) A treatment plan may:

(i) limit the number of visits to the specialist;

(ii) limit the period of time in which visits to the specialist are authorized; and

(iii) require the specialist to communicate regularly with the primary care physician regarding the treatment and health status of the member.

(5) The procedure by which a member may receive a standing referral to a specialist may not include a requirement that a member see a provider in addition to the primary care physician before the standing referral is granted.

(c) (1) Notwithstanding any other provision of this section, a member who is pregnant shall receive a standing referral to an obstetrician in accordance with this subsection.

(2) After the member who is pregnant receives a standing referral to an obstetrician, the obstetrician is responsible for the primary management of the member's pregnancy, including the issuance of referrals in accordance with the carrier's policies and procedures, through the postpartum period.

(3) A written treatment plan may not be required when a standing referral is to an obstetrician under this subsection.

(d) (1) Each carrier shall establish and implement a procedure by which a member may request a referral to a specialist or nonphysician specialist who is not part of the carrier's provider panel in accordance with this subsection.

(2) The procedure shall provide for a referral to a specialist or nonphysician specialist who is not part of the carrier's provider panel if:

(i) the member is diagnosed with a condition or disease that requires specialized health care services or medical care; and

(ii) 1. the carrier does not have in its provider panel a specialist or nonphysician specialist with the professional training and expertise to treat or provide health care services for the condition or disease; or

2. the carrier cannot provide reasonable access to a specialist or nonphysician specialist with the professional training and expertise to treat or provide health care services for the condition or disease without unreasonable delay or travel.

**(3) THE PROCEDURE SHALL ENSURE THAT A REQUEST TO OBTAIN A REFERRAL TO A SPECIALIST OR NONPHYSICIAN SPECIALIST WHO IS NOT PART OF THE CARRIER'S PROVIDER PANEL IS ADDRESSED IN A TIMELY MANNER THAT IS:**

**(I) APPROPRIATE FOR THE MEMBER'S CONDITION; AND**

**(II) ~~CONSISTENT~~ IN ACCORDANCE WITH THE TIMELINESS REQUIREMENTS FOR DETERMINATIONS MADE BY PRIVATE REVIEW AGENTS UNDER § 15-10B-06 OF THIS TITLE.**

**(4) THE PROCEDURE MAY NOT BE USED BY A CARRIER AS A SUBSTITUTE FOR ESTABLISHING AND MAINTAINING A SUFFICIENT PROVIDER NETWORK IN ACCORDANCE WITH § 15-112 OF THIS TITLE; ~~OR.~~**

**(5) EACH CARRIER SHALL:**

(I) HAVE A SYSTEM IN PLACE THAT DOCUMENTS ALL REQUESTS TO OBTAIN A REFERRAL TO RECEIVE A COVERED SERVICE FROM A SPECIALIST OR NONPHYSICIAN SPECIALIST WHO IS NOT PART OF THE CARRIER'S PROVIDER PANEL; AND

(II) PROVIDE THE INFORMATION DOCUMENTED UNDER ITEM (I) OF THIS PARAGRAPH TO THE COMMISSIONER ON REQUEST.

(e) For purposes of calculating any deductible, copayment amount, or coinsurance payable by the member, a carrier shall treat services received in accordance with subsection (d) of this section as if the service was provided by a provider on the carrier's provider panel.

(f) A decision by a carrier not to provide access to or coverage of treatment or health care services by a specialist or nonphysician specialist in accordance with this section constitutes an adverse decision as defined under Subtitle 10A of this title if the decision is based on a finding that the proposed service is not medically necessary, appropriate, or efficient.

(g) (1) Each carrier shall file with the Commissioner a copy of each of the procedures required under this section, INCLUDING:

(I) STEPS THE CARRIER REQUIRES OF A MEMBER TO REQUEST A REFERRAL;

(II) THE CARRIER'S TIMELINE FOR DECISIONS; AND

(III) THE CARRIER'S GRIEVANCE PROCEDURES FOR DENIALS.

(2) EACH CARRIER SHALL MAKE A COPY OF EACH OF THE PROCEDURES FILED UNDER PARAGRAPH (1) OF THIS SUBSECTION AVAILABLE TO ITS MEMBERS:

(I) IN THE CARRIER'S ONLINE NETWORK DIRECTORY REQUIRED UNDER ~~§ 15-112(M)(1)~~ § 15-112(N)(1) OF THIS TITLE; AND

(II) ON REQUEST.

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

*Article – Health – General*

*19-705.1.*

(a) The Secretary shall adopt regulations that set out reasonable standards of quality of care that a health maintenance organization shall provide to its members.

(b) (1) The standards of quality of care shall include:

(i) [1.] A requirement that a health maintenance organization shall provide for regular hours during which a member may receive services, including providing for services to a member in a timely manner that takes into account the immediacy of need for services; [and

2. Provisions for assuring that all covered services, including any services for which the health maintenance organization has contracted, are accessible to the enrollee with reasonable safeguards with respect to geographic locations;]

### Article – Insurance

#### 14-205.1.

(a) The Commissioner may authorize an insurer or nonprofit health service plan to offer a preferred provider insurance policy that conditions the payment of benefits on the use of preferred providers if the insurer or nonprofit health service plan[:

(1) has demonstrated to the Secretary of Health and Mental Hygiene that the provider panel of the insurer or nonprofit health service plan complies with the regulations adopted under § 19-705.1(b)(1)(i)2 of the Health – General Article; and

(2)] does not restrict payment for covered services provided by nonpreferred providers:

[(i)] (1) for emergency services, as defined in § 19-701 of the Health – General Article;

[(ii)] (2) for an unforeseen illness, injury, or condition requiring immediate care; or

[(iii)] (3) as required under § 15-830 of this article.

#### 15-112.

(b) (1) Subject to paragraph (3) of this subsection, a carrier that uses a provider panel shall:

(i) [1.] if the carrier is an insurer, nonprofit health service plan, HEALTH MAINTENANCE ORGANIZATION, or dental plan organization, maintain standards in accordance with regulations adopted by the Commissioner for availability of health care providers to meet the health care needs of enrollees; AND

[2. if the carrier is a health maintenance organization, adhere to the standards for accessibility of covered services in accordance with regulations adopted under § 19-705.1(b)(1)(i)2 of the Health – General Article; and

3. if the carrier is an insurer or nonprofit health service plan that offers a preferred provider insurance policy that conditions the payment of benefits on the use of preferred providers, adhere to the standards for accessibility of covered services in accordance with regulations adopted under § 19-705.1(b)(1)(i)2 of the Health – General Article and as enforced by the Secretary of Health and Mental Hygiene; and]

~~SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall apply to health benefit plans issued, delivered, or renewed in the State on and after January 1, 2019.~~

~~SECTION 3. 4. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall take effect January 1, 2017.~~

~~SECTION 5. AND BE IT FURTHER ENACTED, That Section 3 of this Act shall take effect January 1, 2018.~~

~~SECTION 3. 4. 6. AND BE IT FURTHER ENACTED, That, except as provided in Section 3 Sections 4 and 5 of this Act, this Act shall take effect June 1, 2016.~~

**Approved by the Governor, April 26, 2016.**

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## Chapter 310

(House Bill 1337)

AN ACT concerning

### **Alcoholic Beverages – Liquor – Manufacturer’s and Wholesaler’s Licenses and Permits**

FOR the purpose of establishing a nonresident distillery permit; authorizing the Comptroller to issue the permit to certain persons who produce not more than a certain amount of liquor annually; authorizing a permit holder to sell and deliver certain liquor from a location outside the State to certain retail license or permit holders in the State; requiring a permit holder to comply with certain provisions of law; establishing a certain annual permit fee; authorizing a holder of a Class 1 distillery license to apply for and obtain a certain wholesaler’s license; establishing the Class 8 liquor wholesaler’s license; authorizing the issuance of the Class 8 wholesaler’s license to certain persons; authorizing a Class 8 wholesaler’s license holder to sell and deliver not more than a certain amount annually of certain liquor to certain license or permit holders; establishing a certain annual license fee;

authorizing a Class 8 wholesaler's license holder to use an additional location for the warehousing, sale, and delivery of liquor under certain circumstances; authorizing a holder of a Class 8 wholesaler's license or a nonresident distillery permit to sell or deliver its own liquor in Montgomery County to a dispensary, restaurant, or other retail dealer authorized to sell liquor; authorizing in Montgomery County, a dispensary, restaurant, or other retail dealer authorized to sell liquor to purchase liquor directly from a holder of a Class 8 wholesaler's license or a nonresident distillery permit; and generally relating to manufacturer's and wholesaler's liquor licenses and permits.

BY repealing and reenacting, with amendments,

Article – Alcoholic Beverages

The part designation to be “Part IV. Beer, Wine, and Liquor Permits” immediately preceding Section 2–129

Annotated Code of Maryland

(As enacted by Chapter 41 (S.B. 724) of the Acts of the General Assembly of 2016)

BY repealing and reenacting, without amendments,

Article – Alcoholic Beverages

Section 2–129 and 2–202(a)

Annotated Code of Maryland

(As enacted by Chapter 41 (S.B. 724) of the Acts of the General Assembly of 2016)

BY adding to

Article – Alcoholic Beverages

Section 2–132.1 and 2–308.1

Annotated Code of Maryland

(As enacted by Chapter 41 (S.B. 724) of the Acts of the General Assembly of 2016)

BY repealing and reenacting, with amendments,

Article – Alcoholic Beverages

Section 2–212(b) and 25–307

Annotated Code of Maryland

(As enacted by Chapter 41 (S.B. 724) of the Acts of the General Assembly of 2016)

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

### **Article – Alcoholic Beverages**

#### **Part IV. Beer [and Wine], WINE, AND LIQUOR Permits.**

2–129.

This part applies statewide.

**2–132.1.**

(A) THERE IS A NONRESIDENT DISTILLERY PERMIT.

(B) THE COMPTROLLER MAY ISSUE THE PERMIT TO A PERSON THAT:

(1) IS LICENSED OUTSIDE THE STATE TO ENGAGE IN THE MANUFACTURE OF LIQUOR;

(2) PRODUCES IN THE AGGREGATE FROM ALL OF ITS LOCATIONS NOT MORE THAN 100,000 GALLONS OF LIQUOR ANNUALLY; AND

(3) DOES NOT HOLD A NONRESIDENT DEALER'S PERMIT.

(C) (1) THE PERMIT AUTHORIZES THE PERMIT HOLDER TO SELL AND DELIVER THE PERMIT HOLDER'S OWN LIQUOR FROM A LOCATION OUTSIDE THE STATE TO A RETAIL LICENSE HOLDER OR PERMIT HOLDER IN THE STATE AUTHORIZED TO ACQUIRE THE LIQUOR.

(2) THE PERMIT HOLDER SHALL COMPLY WITH ALL THE REQUIREMENTS OF THIS ARTICLE, THE TAX – GENERAL ARTICLE, AND THE REGULATIONS OF THE COMPTROLLER THAT APPLY TO A HOLDER OF A CLASS 8 LIMITED LIQUOR WHOLESALER'S LICENSE.

(D) THE ANNUAL PERMIT FEE IS \$100.

2–202.

(a) There is a Class 1 distillery license.

2–212.

(b) (1) The holder of a rectifying or winery license may apply for and obtain a wholesaler's license of any class for the same premises or elsewhere as provided under this article.

(2) The holder of a Class 4 limited winery license may apply for and obtain a Class 6 limited wine wholesaler's license for the same premises or elsewhere as provided under this article.

(3) (i) The holder of a Class 5 brewery license or Class 7 micro–brewery license may apply for and obtain a Class 7 limited beer wholesaler's license in accordance with this paragraph.

(ii) A holder of a Class 5 brewery license that was selling the holder's own beer at wholesale in the State as of January 1, 2013, may obtain a Class 7 limited beer



wholesaler's license to continue to sell the holder's own beer at wholesale in the same location in an amount that is not more than 3,000 barrels annually.

(iii) A holder of a Class 5 brewery license that produces in aggregate from all its locations not more than 22,500 barrels of beer annually may obtain a Class 7 limited beer wholesaler's license and distribute not more than 3,000 barrels of its own beer annually.

(4) A holder of one or two Class 7 micro-brewery licenses that produces in aggregate from all of its locations not more than 22,500 barrels of beer annually may obtain a Class 7 limited beer wholesaler's license and distribute beer that:

(i) totals annually not more than 3,000 barrels in aggregate from all of its locations; and

(ii) has been brewed at the location from where it is distributed.

**(5) THE HOLDER OF A CLASS 1 DISTILLERY LICENSE MAY APPLY FOR AND OBTAIN A CLASS 8 LIQUOR WHOLESALER'S LICENSE FOR THE SAME PREMISES OR ELSEWHERE AS PROVIDED UNDER THIS ARTICLE.**

**2-308.1.**

**(A) THERE IS A CLASS 8 LIQUOR WHOLESALER'S LICENSE.**

**(B) THE LICENSE MAY BE ISSUED ONLY TO A PERSON THAT:**

**(1) HOLDS A CLASS 1 DISTILLERY LICENSE; AND**

**(2) PRODUCES IN THE AGGREGATE FROM ALL OF ITS LOCATIONS NOT MORE THAN 100,000 GALLONS OF LIQUOR ANNUALLY.**

**(C) THE LICENSE AUTHORIZES THE LICENSE HOLDER TO:**

**(1) SELL AND DELIVER ITS OWN LIQUOR PRODUCED AT THE LICENSE HOLDER'S PREMISES TO:**

**(I) A HOLDER OF A RETAIL LICENSE THAT IS AUTHORIZED TO ACQUIRE LIQUOR FROM A WHOLESALER; AND**

**(II) A HOLDER OF A PERMIT THAT IS AUTHORIZED TO ACQUIRE LIQUOR FROM A WHOLESALER; AND**

**(2) DISTRIBUTE NOT MORE THAN 27,500 GALLONS OF ITS OWN LIQUOR ANNUALLY.**

**(D) THE ANNUAL LICENSE FEE IS \$100.**

**(E) THE LICENSE HOLDER MAY USE AN ADDITIONAL LOCATION FOR THE WAREHOUSING, SALE, AND DELIVERY OF LIQUOR:**

**(1) IF APPROVED BY THE COMPTROLLER FOLLOWING SUBMISSION OF A SEPARATE APPLICATION FOR EACH LOCATION; AND**

**(2) ON THE PAYMENT OF A \$100 FEE FOR EACH ADDITIONAL LOCATION.**

25–307.

(a) This section does not apply to a holder of a Class F license.

(b) (1) Except as provided in paragraphs (2) through (8) of this subsection:

(i) the Department has a monopoly on the wholesale distribution of beer, wine, and liquor and retail distribution of off–sale liquor in the County, subject to § 1–309 of this article; and

(ii) a person may sell only alcoholic beverages that are purchased from the Department.

(2) The holders of the following wholesaler’s licenses may sell or deliver alcoholic beverages for resale to a dispensary:

(i) a Class 1 beer, wine, and liquor license;

(ii) a Class 2 wine and liquor license;

(iii) a Class 3 beer and wine license;

(iv) a Class 4 beer license; or

(v) a Class 5 wine license.

(3) The holder of a Class 6 limited wine wholesaler’s license or nonresident winery permit may sell or deliver wine directly to a dispensary, restaurant, or other retail dealer in the County.

(4) The holder of a Class 7 limited beer wholesaler’s license or nonresident brewery permit may sell or deliver its own beer to a dispensary, restaurant, or other retail dealer in the County.

(5) **THE HOLDER OF A CLASS 8 LIQUOR WHOLESALER'S LICENSE OR NONRESIDENT DISTILLERY PERMIT MAY SELL OR DELIVER ITS OWN LIQUOR TO A DISPENSARY, RESTAURANT, OR OTHER RETAIL DEALER AUTHORIZED TO SELL LIQUOR IN THE COUNTY.**

(6) A holder of a direct wine shipper's permit may ship wine directly to a consumer in the County.

[(6)] (7) A dispensary, restaurant, or other retail dealer in the County may purchase wine directly from a holder of a Class 6 limited wine wholesaler's license or of a nonresident winery permit.

[(7)] (8) A dispensary, restaurant, or other retail dealer in the County may purchase beer directly from a holder of a Class 7 limited beer wholesaler's license or of a nonresident brewery permit.

[(8)] (9) **A DISPENSARY, RESTAURANT, OR OTHER RETAIL DEALER AUTHORIZED TO SELL LIQUOR IN THE COUNTY MAY PURCHASE LIQUOR DIRECTLY FROM A HOLDER OF A CLASS 8 LIQUOR WHOLESALER'S LICENSE OR OF A NONRESIDENT DISTILLERY PERMIT.**

(10) A holder of a charity wine auction permit in the County may receive and sell wine obtained from any source listed under § 2-137 of this article.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2016.

**Approved by the Governor, April 26, 2016.**

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## Chapter 311

(House Bill 1469)

AN ACT concerning

### **Real Estate Brokers – Agency Relationships in Residential Real Estate Transactions – Disclosure and Consent Requirements**

FOR the purpose of altering the requirements for a certain disclosure that a licensee of the State Real Estate Commission must make under certain circumstances; establishing a certain exception to a certain disclosure requirement; establishing ~~a~~ certain ~~exception~~ exceptions to the time when a certain disclosure must occur; requiring the Commission to prepare and provide a certain required notice; requiring a subagent to make a certain required disclosure under certain circumstances; requiring a

seller's agent to make a certain required disclosure under certain circumstances; requiring a buyer's agent to make a certain required disclosure under certain circumstances; altering the contents of a certain required disclosure; altering a certain exception to a certain prohibition on certain licensees acting as a dual agent; altering a certain prohibition on an intra-company agent disclosing certain confidential information; requiring a certain intra-company agent to provide certain services to a client under certain circumstances; prohibiting a dual agent from also acting as an intra-company agent under certain circumstances; prohibiting an intra-company agent from also acting as a dual agent under certain circumstances; altering the contents of a certain consent for dual agency; altering who may withdraw from representing a certain client under certain circumstances and the effect of the withdrawal; requiring certain licensees to use a certain standard disclosure form under certain circumstances; requiring a certain licensee or branch office manager to use a certain standard consent form under certain circumstances; repealing certain provisions of law regarding a presumed buyer's or lessee's agency relationship; altering certain definitions; repealing a certain definition; making stylistic and conforming changes; and generally relating to agency relationships of licensees of the State Real Estate Commission in residential real estate transactions.

BY repealing and reenacting, with amendments,  
Article – Business Occupations and Professions  
Section 17–528 and 17–530  
Annotated Code of Maryland  
(2010 Replacement Volume and 2015 Supplement)

BY repealing  
Article – Business Occupations and Professions  
Section 17–533  
Annotated Code of Maryland  
(2010 Replacement Volume and 2015 Supplement)

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

**Article – Business Occupations and Professions**

17–528.

(a) In this Part III of this subtitle the following words have the meanings indicated.

(b) “Agency relationship” means each relationship in which a licensee acts for or represents another person with the person's authority in a residential real estate transaction.

(c) “Broker” means a licensed real estate broker, including a corporation, limited liability company, partnership, or sole proprietorship through which a licensed real estate broker provides real estate brokerage services under § 17–321 of this title.

(d) “Brokerage agreement” means a written agreement between a broker and a client to provide real estate brokerage services under a brokerage relationship.

(e) “Brokerage relationship” means an agency relationship under a brokerage agreement between a client and a broker who has been engaged by the client to provide real estate brokerage services in a residential real estate transaction.

**(F) “BUYER’S AGENT” MEANS A LICENSED REAL ESTATE BROKER, LICENSED ASSOCIATE REAL ESTATE BROKER, OR LICENSED REAL ESTATE SALESPERSON WHO, IN ACCORDANCE WITH A WRITTEN BROKERAGE AGREEMENT, REPRESENTS A PROSPECTIVE BUYER OR LESSEE IN THE ACQUISITION OF REAL ESTATE FOR SALE OR FOR LEASE.**

**[(f)] (G)** “Client” means a person who has entered into a brokerage agreement with a broker under a brokerage relationship.

**[(g)] (H)** (1) “Common source information company” means any person that is a source, compiler, or supplier of information regarding residential real estate for sale or lease or other data.

(2) “Common source information company” includes a multiple listing service.

**[(h)] (I)** “Confidential information” includes information that:

(1) the seller or lessor will accept a price or rent less than the price or rent as set forth in the brokerage agreement or will accept terms other than those contained in the brokerage agreement;

(2) the buyer or lessee is willing to pay a price or rent higher than the price or rent the buyer or lessee offered or will accept terms other than those contained in the offer of the buyer or lessee;

(3) discloses the motivation of a buyer, lessee, seller, or lessor or the need or urgency of a seller to sell, a buyer to buy, a lessee to lease, or a lessor to lease;

(4) discloses any facts that led the seller to sell, the buyer to buy, the lessee to lease, or the lessor to lease; or

(5) relates to the negotiating strategy of a client.

**(J) “DUAL AGENT” MEANS A LICENSED REAL ESTATE BROKER WHO ACTS AS, OR A BRANCH OFFICE MANAGER DESCRIBED IN § 17-518(D) OF THIS SUBTITLE WHO HAS BEEN DESIGNATED BY THE LICENSED REAL ESTATE BROKER TO ACT AS, AN AGENT FOR BOTH THE SELLER AND THE BUYER OR THE LESSOR AND THE LESSEE IN THE SAME REAL ESTATE TRANSACTION.**

**(K) “INTRA-COMPANY AGENT” MEANS A LICENSED ASSOCIATE REAL ESTATE BROKER OR LICENSED REAL ESTATE SALESPERSON WHO HAS BEEN DESIGNATED BY A DUAL AGENT TO ACT ON BEHALF OF A SELLER OR LESSOR OR BUYER OR LESSEE IN THE PURCHASE, SALE, OR LEASE OF REAL ESTATE.**

**[(i)] (L) “Ministerial act” means an act that:**

(1) a licensee performs on behalf of a client before and after the execution of a contract of sale or lease;

(2) assists another person to complete or fulfill a contract of sale or lease with the client of the licensee; and

(3) does not involve discretion or the exercise of the licensee’s own judgment.

**(M) “SELLER’S AGENT” MEANS A LICENSED REAL ESTATE BROKER WHO, IN ACCORDANCE WITH A WRITTEN BROKERAGE AGREEMENT, ACTS AS THE LISTING BROKER FOR REAL ESTATE, OR A LICENSED ASSOCIATE REAL ESTATE BROKER OR LICENSED REAL ESTATE SALESPERSON WHO IS AFFILIATED WITH THE LISTING BROKER.**

**[(j)] (N) “Subagent” [includes a cooperating agent who acts on behalf of a client of another broker] MEANS A LICENSED REAL ESTATE BROKER, LICENSED ASSOCIATE REAL ESTATE BROKER, OR LICENSED REAL ESTATE SALESPERSON WHO:**

**(1) IS NOT AFFILIATED WITH OR ACTING AS THE LISTING REAL ESTATE BROKER FOR A PROPERTY;**

**(2) IS NOT A BUYER’S AGENT;**

**(3) HAS AN AGENCY RELATIONSHIP WITH THE SELLER OR LESSOR;**

**AND**

**(4) ASSISTS A PROSPECTIVE BUYER OR LESSEE IN THE ACQUISITION OF REAL ESTATE FOR SALE OR FOR LEASE IN A NONAGENCY CAPACITY.**

**[(k)] (O) “Timely” means a reasonable time under the particular facts and circumstances.**

17-530.

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

(2) “Buyer’s agent” means a licensed real estate broker, licensed associate real estate broker, or licensed real estate salesperson who represents a prospective buyer or lessee in the acquisition of real estate for sale or for lease.

(3) “Cooperating agent” means a licensed real estate broker, licensed associate real estate broker, or licensed real estate salesperson who:

(i) is not affiliated with or is not acting as the listing real estate broker for a property; and

(ii) assists a prospective buyer or lessee as a subagent of the listing real estate broker, in the acquisition of real estate for sale or for lease.

(4) “Intra-company agent” means a licensed associate real estate broker or licensed real estate salesperson who has been designated by the real estate broker who the associate real estate broker or licensed real estate salesperson is affiliated with to act as a dual agent on behalf of a seller or lessor or buyer or lessee in the purchase, sale, or lease of real estate that is listed with the real estate broker.

(5) “Dual agent” means a licensed real estate broker, licensed associate real estate broker, or licensed real estate salesperson who acts as an agent for both the seller and the buyer or the lessor and the lessee in the same real estate transaction.

(6) “Seller’s agent” means a licensed real estate broker, licensed associate real estate broker, or licensed real estate salesperson who:

(i) is affiliated with or acts as the listing broker for real estate; and

(ii) assists a prospective buyer or lessee in the acquisition of real estate for sale or for lease.

(b) (1) **[A] EXCEPT AS PROVIDED IN ~~PARAGRAPH (2)~~ PARAGRAPHS (2) AND (3) OF THIS SUBSECTION, A** licensee who participates in a residential real estate transaction as a seller’s agent, buyer’s agent, or [as a cooperating agent] **A SUBAGENT shall disclose in writing that the licensee represents the seller or lessor or the buyer or lessee AS PROVIDED IN THIS SECTION.**

**(2) THE DISCLOSURE REQUIRED UNDER THIS SECTION DOES NOT APPLY TO A SELLER, LESSOR, BUYER, OR LESSEE WITH WHOM A BROKER HAS ENTERED INTO A WRITTEN BROKERAGE AGREEMENT.**

**(3) IN ADDITION TO THE WRITTEN DISCLOSURE REQUIRED UNDER SUBSECTION (B) OF THIS SECTION:**

**(I) IF THE FIRST CONTACT BETWEEN A SELLER’S AGENT AND A PROSPECTIVE BUYER OR LESSOR IS NOT A FACE-TO-FACE CONTACT, THE SELLER’S AGENT SHALL DISCLOSE, THROUGH THE MEDIUM IN WHICH THE CONTACT OCCURS, THAT THE SELLER’S AGENT REPRESENTS THE SELLER OR LESSOR; AND**

**(II) IF THE FIRST CONTACT BETWEEN A BUYER’S AGENT AND A PROSPECTIVE SELLER OR LESSEE IS NOT A FACE-TO-FACE CONTACT, THE BUYER’S AGENT SHALL DISCLOSE, THROUGH THE MEDIUM IN WHICH THE CONTACT OCCURS, THAT THE BUYER’S AGENT REPRESENTS THE BUYER OR LESSEE.**

**[(2)] (B) (1) [The] EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, THE disclosure shall occur not later than the first scheduled face-to-face contact with the seller or lessor or the buyer or lessee.**

**(2) (I) IF A LICENSEE IS HOLDING A PROPERTY OPEN TO THE PUBLIC, THE LICENSEE COMPLIES WITH THE DISCLOSURE REQUIREMENTS OF THIS SECTION IF THE LICENSEE DISPLAYS, IN A CONSPICUOUS MANNER, A NOTICE TO PROSPECTIVE BUYERS OR LESSEES THAT THE LICENSEE PRESENT ON THE PROPERTY REPRESENTS THE SELLER OR LESSOR.**

**(II) THE COMMISSION SHALL PREPARE AND PROVIDE THE NOTICE REQUIRED UNDER THIS PARAGRAPH.**

**[(3)] (C) [(i)] In any residential real estate transaction involving a [cooperating agent as defined in this section, it shall be the obligation of the cooperating agent to make the written disclosure] SUBAGENT, THE SUBAGENT SHALL DISCLOSE IN WRITING to the buyer or lessee AS required under this section THAT THE SUBAGENT REPRESENTS THE SELLER OR LESSOR.**

**[(ii)] (D) In any residential real estate transaction that does not involve a [cooperating agent as defined in this section, it shall be the obligation of the seller’s agent, as defined in this section, to] SUBAGENT OR BUYER’S AGENT, THE SELLER’S AGENT SHALL make the written disclosure to the buyer or lessee required under this section THAT THE SELLER’S AGENT REPRESENTS THE SELLER OR LESSOR.**

**[(4)] (E) In any residential real estate transaction [involving a buyer’s agent, it shall be the obligation of the buyer’s agent to] THAT DOES NOT INVOLVE A SELLER’S AGENT, THE BUYER’S AGENT SHALL make the written disclosure to the seller or lessor [or the agent of the seller or lessor as] required under this section THAT THE BUYER’S AGENT REPRESENTS THE BUYER OR LESSEE.**



[(5)] (F) The written disclosure shall explain:

[(i)] (1) the differences between a seller's agent, buyer's agent, [cooperating agent] SUBAGENT, dual agent, and intra-company agent;

[(ii)] (2) the duties of a licensee to exercise reasonable care and diligence and maintain confidentiality;

[(iii)] that a licensee who assists a buyer or lessee in locating residential real estate for purchase or lease and is neither affiliated with nor acting as the listing real estate broker for any real estate shown or located, is presumed to be acting as a buyer's agent on behalf of the prospective buyer or lessee, unless either the licensee or the prospective buyer or lessee expressly declines to have the licensee act as a buyer's agent;

[(iv)] (3) that regardless of whom a licensee represents in a real estate transaction, the licensee has a duty to treat each party fairly AND HONESTLY, promptly present each written offer and counteroffer, respond truthfully to each question, disclose all material facts that are known or should be known relating to a property, and offer each property without discrimination;

[(v)] (4) that a licensee is qualified to advise only on real estate matters and that legal or tax advice should be obtained from a licensed attorney or accountant;

[(vi)] (5) the need for an agreement with a seller's agent, buyer's agent, or dual agent to be in writing and to include the duties and obligations of the agent, how and by whom the agent will be compensated, and any fee-sharing arrangements with other agents;

[(vii)] (6) the duty of a buyer's agent to assist in the:

[1.] (I) evaluation of a property, including the provision of a market analysis of the property; and

[2.] (II) preparation of an offer on a property and to negotiate in the best interests of the buyer;

[(viii)] (7) the possibility that a dual agency may arise in a real estate transaction and the options that would become available to the buyer and seller or lessee and lessor; and

[(ix)] (8) that any complaints concerning a licensee may be filed with the [State Real Estate] Commission.

**[(c)] (A)** Except as otherwise provided in subsection **[(d)] (B)** of this section, a licensed real estate broker, licensed associate real estate broker, or licensed real estate salesperson may not act as a dual agent in this State.

**[(d)] (B)** (1) (i) If a licensed real estate broker [or a designee of the real estate broker] obtains the written informed consent of all parties to a real estate transaction, the real estate broker, **OR A BRANCH OFFICE MANAGER DESCRIBED IN § 17-518(D) OF THIS SUBTITLE WHO HAS BEEN DESIGNATED BY THE LICENSED REAL ESTATE BROKER**, may act as a dual agent [in the transaction] **FOR BOTH THE SELLER AND THE BUYER OR THE LESSOR AND THE LESSEE IN THE SAME REAL ESTATE TRANSACTION**.

(ii) [When acting as a] **THE** dual agent in a real estate transaction[, a real estate broker or a designee of the real estate broker] shall assign a licensed associate real estate broker or licensed real estate salesperson affiliated with the real estate broker to act as the intra-company agent on behalf of the seller or lessor and another licensed associate real estate broker or licensed real estate salesperson affiliated with the real estate broker to act as the intra-company agent on behalf of the buyer or lessee.

(iii) 1. Except as otherwise required by this title and except to the [intra-company agent's real estate broker or a designee of the real estate broker] **DUAL AGENT**, an intra-company agent may not disclose **CONFIDENTIAL** information [that a seller or buyer in a real estate transaction requests to remain confidential].

2. Except as otherwise required by this title, [the real estate broker or the designee of the real estate broker acting as] the dual agent may not disclose confidential information to the buyer or seller or the buyer's or seller's intra-company agent in the same real estate transaction.

(iv) If a real estate broker offers any financial bonuses to licensees affiliated with the broker for the sale or lease of real property listed with the real estate broker, the real estate broker shall provide to each party to a real estate transaction a statement that discloses that financial bonuses are offered.

(v) An intra-company agent representing the seller or buyer [may] **SHALL** provide the same services to the client as an [exclusive] agent for the seller or buyer **WOULD PROVIDE IN A REAL ESTATE TRANSACTION THAT DOES NOT INVOLVE DUAL AGENCY**, including advising the client as to price and negotiation strategy, provided that the intra-company agent has made the appropriate disclosures to the client and the client has consented, as required by this section, to dual agency representation.

(vi) The provisions of the services specified in this subsection may not be construed to be a breach of duty of the licensee, provided that the licensee has complied with the duties specified in § 17-522 of this subtitle.

(VII) 1. A DUAL AGENT MAY NOT ALSO ACT AS AN INTRA-COMPANY AGENT IN THE SAME REAL ESTATE TRANSACTION.

2. AN INTRA-COMPANY AGENT MAY NOT ALSO ACT AS A DUAL AGENT IN THE SAME REAL ESTATE TRANSACTION.

(2) The written consent FOR DUAL AGENCY shall ~~identify~~ **INCLUDE AN AFFIRMATION THAT IDENTIFIES** [each property for which the real estate broker will serve as a dual agent] **THE PROPERTY AND ~~THE IDENTITY OF~~ THE BUYER WHEN THE REAL ESTATE BROKER OR BRANCH OFFICE MANAGER IS SERVING AS A DUAL AGENT AND THE BUYER AND SELLER OR LESSEE AND LESSOR ENTER INTO A WRITTEN CONTRACT FOR SALE OR FOR A LEASE, RESPECTIVELY.**

[(3)] (C) The written consent FOR DUAL AGENCY shall include a statement that:

[(i)] (1) the real estate broker receives compensation on the sale of a property listed only by the broker;

[(ii)] (2) as a dual agent the real estate broker represents both the seller and the buyer and there may be a conflict of interest because the interests of the seller and the buyer may be different or adverse;

[(iii)] (3) as a dual agent the real estate broker does not owe undivided loyalty to either the seller or the buyer;

[(iv)] (4) except as otherwise required by this title, a dual agent may not disclose **CONFIDENTIAL** information [that a seller or buyer in a real estate transaction requests to remain confidential] to the buyer or seller in the same real estate transaction;

[(v)] (5) unless authorized by the seller, **NEITHER AN INTRA-COMPANY AGENT NOR** a dual agent may ~~not~~ tell a buyer that the seller will accept a price lower than the listing price or accept terms other than those contained in the listing agreement ~~for suggest that the seller accept a lower price in the presence of the buyer~~;

[(vi)] (6) unless authorized by the buyer, **NEITHER AN INTRA-COMPANY AGENT NOR** a dual agent may ~~not~~ tell a seller that the buyer is willing to pay a price higher than the price the buyer offered or accept terms other than those contained in the offer of the buyer ~~for suggest that the buyer pay a higher price in the presence of the seller~~;

[(vii)] (7) a dual agent may not disclose the motivation of a buyer or seller or the need or urgency of a seller to sell or a buyer to buy;

[(viii)] (8) except as otherwise required by this title, if the information is confidential, a dual agent may not disclose any facts that lead the seller to sell;

[(ix)] (9) the buyer or seller does not have to consent to the dual agency;

[(x)] (10) the buyer or seller has voluntarily consented to the dual agency; and

[(xi)] (11) the terms of the dual agency are understood by the buyer or seller.

[(4) (i)] (D) (1) A cause of action may not arise against a licensee for disclosure of the dual agency relationship as provided by this section.

[(ii)] (2) A dual agent does not terminate any brokerage relationship by making any required disclosure of dual agency.

[(5) (i)] (E) (1) In any residential real estate transaction, a [licensee] **LICENSED REAL ESTATE BROKER** may withdraw from representing a client who refuses to consent to a disclosed dual agency and to terminate the brokerage relationship with the client.

[(ii)] (2) The withdrawal may not prejudice the ability of the [licensee] **LICENSED REAL ESTATE BROKER** to continue to represent the other client in the transaction, nor to limit the [licensee] **LICENSED REAL ESTATE BROKER** from representing the client who refused the dual agency in other transactions not involving dual agency.

### **17-530.2.**

[(e)] (A) (1) [The State Real Estate Commission shall require a] **A** licensed real estate broker, licensed associate real estate broker, or licensed real estate salesperson who participates in a residential real estate transaction [to] **SHALL** utilize a standard disclosure form in each real estate transaction that includes the information specified in [subsection (b)(5) of this section] **§ 17-530(F) OF THIS SUBTITLE.**

(2) [The State Real Estate Commission shall require a] **A** licensed real estate broker **OR BRANCH OFFICE MANAGER** who acts as a dual agent and a licensed real estate associate broker or licensed real estate salesperson who acts as an intra-company agent in a real estate transaction [to] **SHALL** utilize a standard consent form that includes the information specified in [subsection (d)(3) of this section] **§ 17-530.1(C) OF THIS SUBTITLE.**

**[(f)] (B)** (1) The **[State Real Estate]** Commission shall prepare and provide **[a copy of]**:

(i) the standard disclosure form required under subsection **[(b)] (A)(1)** of this section to each licensee in this State; and

(ii) the standard consent form **FOR DUAL AGENCY** required under subsection **[(d)] (A)(2)** of this section to each licensee in this State.

(2) The **STANDARD** disclosure form and the **STANDARD** consent form **FOR DUAL AGENCY** shall be:

(i) written in a clear and coherent manner using words with common and everyday meanings;

(ii) appropriately divided and captioned by their various sections; and

(iii) printed in at least 10 point type.

[17-533.

(a) A licensee who assists a prospective buyer or lessee in locating residential real estate for purchase or lease and is neither affiliated with nor acting as the listing real estate broker for any real estate shown or located, is presumed to be acting as the buyer's or lessee's agent representing the buyer or lessee unless either the licensee or the buyer or lessee expressly declines to have the licensee act as a buyer's or lessee's agent.

(b) A presumed buyer's or lessee's agency relationship shall be terminated if:

(1) either the buyer, lessee, or licensee expressly states a wish to terminate the presumed agency relationship; or

(2) the licensee and either the buyer or the lessee enter into a brokerage agreement.

(c) The buyer or lessee does not have an obligation to continue to work with the licensee or to pay the licensee while acting under a presumed agency relationship.

(d) A licensee who is acting as a presumed buyer's or lessee's agent may show and assist the buyer or lessee only on real estate that is not listed by the broker of that licensee.

(e) Before the licensee may show or assist the buyer or lessee in locating real estate listed for sale by the broker with whom the licensee is affiliated, the licensee shall disclose to the prospective buyer or lessee that the licensee represents the seller or lessor for that real estate as provided in § 17-530(b) of this subtitle.

(f) A licensee may represent the prospective buyer or lessee for such real estate as an intra-company agent provided that:

(1) the licensee has executed a written consent for dual agency agreement; and

(2) the licensee has made the necessary disclosure and obtained consent as required by § 17-530(d).

(g) Before the licensee may present an offer to purchase or lease or negotiate the purchase or lease of real estate, the presumed buyer's or lessee's agency must be terminated and the buyer or lessee and the licensee shall enter into a brokerage agreement for that licensee to act as an exclusive buyer's or lessee's agent or as an intra-company agent for the buyer or lessee.

(h) The licensee acting as the presumed buyer's or lessee's agent shall comply with § 17-532 of this subtitle and has the duties stated in the required disclosure form under § 17-530 of this subtitle.

(i) At the first meeting of the licensee and the buyer or lessee, the licensee shall:

(1) orally advise the prospective buyer or lessee that the licensee will act as the buyer's or lessee's agent in locating residential real estate unless the buyer or lessee declines the agency; and

(2) provide the prospective buyer or lessee with a copy of the disclosure form required by § 17-530 of this subtitle, but the licensee is not required to obtain the signature of the buyer or lessee before or during the presumed agency relationship.

(j) A licensee acting as a presumed buyer's agent shall orally disclose that fact to the seller or lessor or the licensee acting as the agent of the seller or lessor at their first contact.]

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2016.

**Approved by the Governor, April 26, 2016.**

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## Chapter 312

**(House Bill 1502)**

AN ACT concerning

**Child Support Enforcement – Noncustodial Parent Employment Assistance  
Pilot Program**

FOR the purpose of requiring the Child Support Enforcement Administration of the Department of Human Resources, in cooperation with certain other entities, to develop and implement a Noncustodial Parent Employment Assistance Pilot Program in Baltimore City; establishing the purpose of the Program; establishing eligibility criteria for participation in the Program; requiring the Program to include certain components; specifying employment assistance services that may be provided under the Program; authorizing, in certain cases, a certain agreement between a noncustodial parent and the Child Support Enforcement Administration to provide for a certain reduction in child support arrearages on full completion of Program requirements; authorizing the Secretary of Human Resources to use certain funds for the development and implementation of the Program; requiring the Secretary to conduct evaluations of the Program using certain measures and to report to the General Assembly on or before a certain date each year on the effectiveness of the Program; authorizing the Secretary to adopt certain regulations; requiring the Child Support Enforcement Administration to notify the Motor Vehicle Administration to reinstate a certain license or privilege to drive of a participant in full compliance in the Program under certain circumstances; requiring the Child Support Enforcement Administration to notify a certain licensing authority to reinstate a certain occupational license of a participant in full compliance in the Program under certain circumstances; defining certain terms; providing for the termination of this Act; and generally relating to child support enforcement and the Noncustodial Parent Employment Assistance Pilot Program.

BY repealing and reenacting, without amendments,

Article – Family Law

Section 10–101(a) and (b), 10–119(a), 10–119.3(a)(1) and (2), 10–1A–01(b) and (d),  
and 10–301(dd)

Annotated Code of Maryland

(2012 Replacement Volume and 2015 Supplement)

BY adding to

Article – Family Law

Section 10–112.2

Annotated Code of Maryland

(2012 Replacement Volume and 2015 Supplement)

BY repealing and reenacting, with amendments,

Article – Family Law

Section 10–119(d) and 10–119.3(j)

Annotated Code of Maryland

(2012 Replacement Volume and 2015 Supplement)

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

**Article – Family Law**

10–101.

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

(b) “Administration” means the Child Support Enforcement Administration of the Department of Human Resources.

**10–112.2.**

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

**(2) “CHILD SUPPORT ORDER” HAS THE MEANING STATED IN § 10–1A–01 OF THIS TITLE.**

**(3) “NONCUSTODIAL PARENT” MEANS AN INDIVIDUAL WHO:**

**(I) DOES NOT HAVE PRIMARY CARE, CUSTODY, OR CONTROL OF THE INDIVIDUAL’S CHILD; AND**

**(II) HAS AN OBLIGATION TO PAY CHILD SUPPORT UNDER A PENDING OR ESTABLISHED COURT ORDER.**

**(4) “PROGRAM” MEANS THE NONCUSTODIAL PARENT EMPLOYMENT ASSISTANCE PILOT PROGRAM.**

**(5) “SECRETARY” MEANS THE SECRETARY OF HUMAN RESOURCES.**

**(B) (1) THE ADMINISTRATION SHALL DEVELOP AND IMPLEMENT A NONCUSTODIAL PARENT EMPLOYMENT ASSISTANCE PILOT PROGRAM IN BALTIMORE CITY IN COOPERATION WITH:**

**(I) THE FAMILY INVESTMENT ADMINISTRATION;**

**(II) THE BALTIMORE CITY DEPARTMENT OF SOCIAL SERVICES;**

**(III) THE ~~GOVERNOR’S WORKFORCE INVESTMENT BOARD~~ DIVISION OF WORKFORCE DEVELOPMENT AND ADULT LEARNING WITHIN THE DEPARTMENT OF LABOR, LICENSING, AND REGULATION;**

**(IV) LOCAL WORKFORCE INVESTMENT BOARDS IN BALTIMORE CITY; AND**



**(V) THE CIRCUIT COURT FOR BALTIMORE CITY.**

**(2) THE PURPOSE OF THE PROGRAM IS TO PROVIDE ELIGIBLE UNEMPLOYED OR UNDEREMPLOYED NONCUSTODIAL PARENTS ASSISTANCE IN OBTAINING EMPLOYMENT THAT WILL ENABLE THE NONCUSTODIAL PARENTS TO ACHIEVE ECONOMIC SELF-SUFFICIENCY AND MEET THEIR CHILD SUPPORT OBLIGATIONS.**

**(C) TO BE ELIGIBLE TO PARTICIPATE IN THE PROGRAM, AN INDIVIDUAL MUST BE:**

**(1) A NONCUSTODIAL PARENT OF A CHILD WHO IS RECEIVING SERVICES IN BALTIMORE CITY UNDER TITLE IV, PART D, OF THE FEDERAL SOCIAL SECURITY ACT;**

**(2) UNABLE TO MEET A CHILD SUPPORT OBLIGATION DUE TO THE NONCUSTODIAL PARENT'S UNEMPLOYMENT OR UNDEREMPLOYMENT;**

**(3) ABLE TO WORK; AND**

**(4) SUBJECT TO THE JURISDICTION OF THE CIRCUIT COURT FOR BALTIMORE CITY.**

**(D) THE PROGRAM SHALL INCLUDE:**

**(1) THE IDENTIFICATION OF NONCUSTODIAL PARENTS WHO ARE ELIGIBLE TO PARTICIPATE IN EMPLOYMENT SERVICES UNDER THE PROGRAM;**

**(2) (I) FOR AN ELIGIBLE NONCUSTODIAL PARENT WHO HAS A PENDING CHILD SUPPORT ORDER, AN OPPORTUNITY TO AGREE TO:**

**1. PARTICIPATE IN EMPLOYMENT SERVICES UNDER THE PROGRAM IN ACCORDANCE WITH A CONSENT AGREEMENT BETWEEN THE NONCUSTODIAL PARENT AND THE ADMINISTRATION; AND**

**2. HAVE THE CHILD SUPPORT ORDER REQUIRE PARTICIPATION IN THE PROGRAM IN ACCORDANCE WITH THE CONSENT AGREEMENT; OR**

**(II) FOR AN ELIGIBLE NONCUSTODIAL PARENT WHO HAS ARREARAGES UNDER AN EXISTING CHILD SUPPORT ORDER, AN OPPORTUNITY TO CHOOSE ONE OF THE FOLLOWING METHODS OF ADDRESSING THE FAILURE TO PAY CHILD SUPPORT:**

1. PAY THE ARREARAGES OR ENTER INTO A PAYMENT PLAN;

2. PARTICIPATE IN EMPLOYMENT SERVICES UNDER THE PROGRAM IN ACCORDANCE WITH A CONSENT AGREEMENT BETWEEN THE NONCUSTODIAL PARENT AND THE ADMINISTRATION; OR

3. BE SUBJECT TO ANY ENFORCEMENT REMEDY AUTHORIZED BY LAW FOR NONCOMPLIANCE WITH A CHILD SUPPORT ORDER, INCLUDING CONTEMPT OF COURT PROCEEDINGS; AND

(3) FOR A NONCUSTODIAL PARENT WHO CHOOSES TO PARTICIPATE IN EMPLOYMENT SERVICES UNDER THE PROGRAM:

(I) THE ISSUANCE OF A COURT ORDER THAT:

1. REQUIRES PARTICIPATION IN THE PROGRAM IN ACCORDANCE WITH A CONSENT AGREEMENT BETWEEN THE NONCUSTODIAL PARENT AND THE ADMINISTRATION;

2. INDICATES THE NONCUSTODIAL PARENT'S AGREEMENT TO COMPLY WITH ALL PROGRAM REQUIREMENTS; AND

3. IS SIGNED BY THE NONCUSTODIAL PARENT AND THE ADMINISTRATION;

(II) IMMEDIATELY AFTER ISSUANCE OF THE COURT ORDER, AN INITIAL ASSESSMENT OF THE NONCUSTODIAL PARENT'S WORK READINESS AND DETERMINATION OF APPROPRIATE EMPLOYMENT ASSISTANCE SERVICES;

(III) EXECUTION OF A CONSENT AGREEMENT BETWEEN THE NONCUSTODIAL PARENT AND THE ADMINISTRATION THAT SETS FORTH:

1. THE NONCUSTODIAL PARENT'S RIGHTS AND RESPONSIBILITIES UNDER THE PROGRAM;

2. AN EMPLOYMENT PLAN FOR THE NONCUSTODIAL PARENT; AND

3. THE CONSEQUENCES OF A FAILURE TO COMPLY WITH PROGRAM REQUIREMENTS;

(IV) EMPLOYMENT ASSISTANCE SERVICES;

(V) REFERRALS TO OTHER APPROPRIATE SUPPORT SERVICES, AS DETERMINED DURING THE INITIAL ASSESSMENT OR INCLUDED IN THE EMPLOYMENT PLAN;

(VI) INTENSIVE CASE MANAGEMENT THAT INCLUDES:

1. CLOSE MONITORING OF THE NONCUSTODIAL PARENT'S COMPLIANCE WITH PROGRAM REQUIREMENTS AND CONTINUING PAYMENT OF CHILD SUPPORT; AND

2. DOCUMENTATION OF THE NONCUSTODIAL PARENT'S COMPLIANCE STATUS AT 14, 30, 60, 90, AND 180 DAYS AFTER THE EFFECTIVE DATE OF THE CONSENT AGREEMENT; AND

(VII) STRICT ENFORCEMENT PROCEDURES FOR NONCOMPLIANCE WITH PROGRAM REQUIREMENTS, INCLUDING CONTEMPT OF COURT PROCEEDINGS.

(E) THE EMPLOYMENT ASSISTANCE SERVICES PROVIDED TO A NONCUSTODIAL PARENT UNDER THE PROGRAM MAY INCLUDE:

(1) JOB SKILLS ASSESSMENT;

(2) JOB SEARCH GUIDANCE AND ASSISTANCE;

(3) JOB SKILLS TRAINING;

(4) JOB PLACEMENT;

(5) CAREER COUNSELING;

(6) ASSISTANCE WITH OTHER EMPLOYMENT-RELATED NEEDS SUCH AS WORK CLOTHING, TESTING, TRANSPORTATION, OR CHILD CARE; AND

(7) REFERRALS TO EDUCATIONAL PROGRAMS AND OTHER COMMUNITY SERVICES.

(F) IN A CASE IN WHICH AN ASSIGNMENT HAS BEEN MADE UNDER § 5-312(B)(2) OF THE HUMAN SERVICES ARTICLE, THE CONSENT AGREEMENT BETWEEN THE NONCUSTODIAL PARENT AND THE ADMINISTRATION MAY PROVIDE FOR A REDUCTION IN THE AMOUNT OF ARREARAGES AS AUTHORIZED UNDER § 10-112 OF THIS SUBTITLE ON FULL COMPLETION OF PROGRAM REQUIREMENTS.

**(G) THE SECRETARY MAY USE ANY AVAILABLE FUNDS FOR THE DEVELOPMENT AND IMPLEMENTATION OF THE PROGRAM.**

**(H) (1) THE SECRETARY SHALL CONDUCT EVALUATIONS OF THE PROGRAM USING THE FOLLOWING MEASURES:**

**(I) THE NUMBER OF NONCUSTODIAL PARENTS WHO ARE ELIGIBLE TO PARTICIPATE IN THE PROGRAM;**

**(II) THE NUMBER OF NONCUSTODIAL PARENTS WHO SIGN CONSENT AGREEMENTS AND ENROLL IN EMPLOYMENT SERVICES UNDER THE PROGRAM;**

**(III) THE NUMBER OF PARTICIPANTS WHO ATTEND THE MEETINGS, CLASSES, OR WORKSHOPS SPECIFIED IN THEIR EMPLOYMENT PLANS;**

**(IV) THE PERCENTAGE OF PARTICIPANTS WHO COMPLETE ALL PROGRAM REQUIREMENTS;**

**(V) THE NUMBER OF PARTICIPANTS WHO RECEIVE AN OCCUPATIONAL LICENSE OR CERTIFICATE;**

**(VI) THE NUMBER OF PARTICIPANTS WHO OBTAIN EMPLOYMENT;**

**(VII) FOR EACH EMPLOYED PARTICIPANT, THE JOB TYPE AND LOCATION, WHETHER THE JOB IS FULL-TIME, WAGE OR SALARY AMOUNT, AND LENGTH OF TIME THE JOB IS RETAINED;**

**(VIII) THE NUMBER OF PARTICIPANTS WHO CONSISTENTLY MAKE THE REQUIRED CHILD SUPPORT PAYMENTS AND THE AMOUNTS OF THE PAYMENTS; AND**

**(IX) THE AMOUNT OF CHILD SUPPORT ARREARAGES PAID BY PARTICIPANTS WHO ENTERED THE PROGRAM WITH ARREARAGES.**

**(2) ON OR BEFORE DECEMBER 31 EACH YEAR, THE SECRETARY SHALL REPORT TO THE GENERAL ASSEMBLY, IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE, ON THE EFFECTIVENESS OF THE PROGRAM BASED ON THE EVALUATIONS.**

**(I) THE SECRETARY MAY ADOPT REGULATIONS TO IMPLEMENT THIS SECTION.**

10-119.

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

(2) “License” has the meaning stated in § 11-128 of the Transportation Article.

(3) “Motor Vehicle Administration” means the Motor Vehicle Administration of the Department of Transportation.

(d) If, after information about an obligor is supplied to the Motor Vehicle Administration, the obligor’s arrearage is paid in full, the obligor has demonstrated good faith by paying the ordered amount of support for 6 consecutive months, **THE OBLIGOR IS A PARTICIPANT IN FULL COMPLIANCE IN THE NONCUSTODIAL PARENT EMPLOYMENT ASSISTANCE PILOT PROGRAM ESTABLISHED UNDER § 10-112.2 OF THIS TITLE**, or the Administration finds that one of the grounds under subsection (c)(1)(i) of this section exists, the Administration shall notify the Motor Vehicle Administration to reinstate the obligor’s license or privilege to drive.

10-119.3.

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

(2) “License” means any license, certificate, registration, permit, or other authorization that:

(i) is issued by a licensing authority;

(ii) is subject to suspension, revocation, forfeiture, or termination by a licensing authority; and

(iii) is necessary for an individual to practice or engage in:

1. a particular business, occupation, or profession; or

2. recreational hunting or fishing.

(j) The Administration shall notify the licensing authority to reinstate any license suspended or denied under this section within 10 days after the occurrence of any of the following events:

(1) the Administration receives a court order to reinstate the suspended license; or

(2) with respect to an individual with a child support arrearage, the individual has:

(i) paid the support arrearage in full; [or]

(ii) demonstrated good faith by paying the ordered amount of support for 4 consecutive months; or

**(III) FULLY COMPLIED WITH THE NONCUSTODIAL PARENT EMPLOYMENT ASSISTANCE PILOT PROGRAM ESTABLISHED UNDER § 10–112.2 OF THIS TITLE; OR**

(3) with respect to an individual whose license was suspended or denied because of a failure to comply with a subpoena issued under § 10–108.5 of this subtitle, the individual has complied with the subpoena.

10–1A–01.

(b) “Child support order” means:

(1) any support order for a child issued by a tribunal; or

(2) an executed affidavit of support.

(d) “Tribunal” has the meaning stated in § 10–301(dd) of this title.

10–301.

(dd) “Tribunal” means a court, administrative agency, or quasi-judicial entity authorized to establish, enforce, or modify support orders or to determine parentage of a child.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2016. It shall remain effective for a period of 3 years and, at the end of September 30, 2019, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.

**Approved by the Governor, April 26, 2016.**

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## **Chapter 313**

**(House Bill 1537)**

AN ACT concerning

**Procurement – Priority of Purchasing Preferences – Individual With Disability  
Owned Business**

FOR the purpose of altering the purchasing preference priority required to be given to individual with disability owned businesses by State and State aided or controlled entities when buying supplies and services; and generally relating to the priority of purchasing preferences in State procurement law.

BY repealing and reenacting, with amendments,  
Article – State Finance and Procurement  
Section 14–103  
Annotated Code of Maryland  
(2015 Replacement Volume)

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

**Article – State Finance and Procurement**

14–103.

(a) A State or State aided or controlled entity shall buy supplies and services from:

(1) Maryland Correctional Enterprises, as provided in Title 3, Subtitle 5 of the Correctional Services Article, if State Use Industries provides the supplies or services;

(2) Blind Industries and Services of Maryland, if:

(i) Blind Industries and Services of Maryland provides the supplies or services; and

(ii) Maryland Correctional Enterprises does not provide the supplies or services; **OR**

(3) the Employment Works Program established under § 14–108 of this subtitle, if:

(i) a community service provider **OR AN INDIVIDUAL WITH DISABILITY OWNED BUSINESS** provides the supplies or services;

(ii) neither Maryland Correctional Enterprises nor Blind Industries and Services of Maryland provides the supplies or services; and

(iii) the State or a State aided or controlled entity is not required by law to buy the supplies or services from any other unit of the State government[; or

(4) individual with disability owned businesses if:

(i) an individual with disability owned business provides the supplies or services;

(ii) neither Maryland Correctional Enterprises, Blind Industries and Services of Maryland, nor a community service provider provides the supplies or services; and

(iii) a State or State aided or controlled entity is not required by law to buy the supplies or services from any other unit of the State government].

(b) A State or State aided or controlled entity shall give preference to the providers listed under subsection (a) of this section in the order that the providers are listed.

(c) To the extent practicable, a State or State aided or controlled entity shall include in a maintenance contract that has a component for housekeeping or janitorial services, a requirement that a prime contractor procure janitorial products from Blind Industries and Services of Maryland when the specified products are available.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2016.

**Approved by the Governor, April 26, 2016.**

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## Chapter 314

(House Bill 1636)

AN ACT concerning

**Baltimore City – South Baltimore Gateway Community ~~Benefits~~ Impact District and Distribution of Local Impact Grants**

FOR the purpose of authorizing the Mayor and City Council of Baltimore City to establish ~~certain community benefits district management authorities to include~~ the South Baltimore Gateway Community ~~Benefits~~ Impact District and South Baltimore Gateway Community Impact District Management Authority; requiring the ordinance establishing the South Baltimore Gateway Community ~~Benefits~~ Impact District Management Authority to specify and modify the boundaries of the district in a certain manner; requiring the district to include certain neighborhoods; requiring the establishing ordinance to address certain matters, including the powers and functions of the Authority, the duration of the Authority, the boundaries of the district, and the organization and method of initial appointment of officers and board members of the Authority; providing that a certain financial plan of the Authority shall be subject to the approval of the Baltimore City Board of Estimates; providing for the membership of the Authority; specifying the powers of the



Authority; prohibiting the Authority from taking certain actions; prohibiting an officer or employee of the Authority from acting, in a certain capacity, as an agent or employee of the Mayor and City Council of Baltimore City or the State; ~~exempting the ordinance establishing the district or Authority from a certain requirement that the ordinance be submitted to certain affected voters in a special election;~~ requiring the City Council to consider certain views and make certain determinations in adopting an ordinance under this Act; requiring the Mayor and City Council to review and determine the effectiveness and desirability of continuing the existence of the district in a certain manner; providing that the district shall cease to exist and the Authority shall continue to exist for a certain duration under certain circumstances; prohibiting the Mayor and City Council from permitting a reduction in certain services; providing that certain unspent funds shall revert to the City's General Fund under certain circumstances; requiring, starting in a certain fiscal year, a certain percentage of local impact grants from video lottery proceeds to be distributed to the Authority each year; making certain conforming changes; providing for the effective date of certain provisions of this Act; and generally relating to the distribution of certain local impact grants in Baltimore City and the establishment of the South Baltimore Gateway Community ~~Benefits~~ Impact District.

BY ~~repealing and reenacting, with amendments,~~ adding to

The Charter of Baltimore City  
 Article II – General Powers  
 Section ~~(63)~~ (69)  
 (2007 Replacement Volume, as amended)

BY repealing and reenacting, with amendments,

Article – State Government  
 Section 9–1A–31(b)(3)  
 Annotated Code of Maryland  
 (2014 Replacement Volume and 2015 Supplement)

BY repealing and reenacting, with amendments,

The Charter of Baltimore City  
 Article II – General Powers  
 Section ~~(63)(e-1)(1)(i)~~ (69)(c)(1)(i)  
 (2007 Replacement Volume, as amended)  
 (As enacted by Section 1 of this Act)

BY repealing and reenacting, with amendments,

Article – State Government  
 Section 9–1A–31(b)(3)  
 Annotated Code of Maryland  
 (2014 Replacement Volume and 2015 Supplement)  
 (As enacted by Section 3 of Chapter 1 of the Acts of the General Assembly of the  
 Second Special Session of 2012)

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

### The Charter of Baltimore City

#### Article II – General Powers

The Mayor and City Council of Baltimore shall have full power and authority to exercise all of the powers heretofore or hereafter granted to it by the Constitution of Maryland or by any Public General or Public Local Laws of the State of Maryland; and in particular, without limitation upon the foregoing, shall have power by ordinance, or such other method as may be provided for in its Charter, subject to the provisions of said Constitution and Public General Laws:

~~(63)~~

~~(a) (1) To establish, by ordinance, not more than six community benefits district management authorities, including the Charles Village Community Benefits District [and], the Midtown Community Benefits District, AND THE SOUTH BALTIMORE GATEWAY COMMUNITY BENEFITS DISTRICT, within the City to provide services consistent with paragraph (2) of this subsection to the business interests and residents of the proposed district.~~

~~(2) To establish community benefits district management authorities to promote and market districts, provide supplemental security and maintenance services, provide amenities in public areas, provide park and recreational programs and functions, and after an authority is established, other services and functions as requested by the authority and approved through an ordinance by the Mayor and City Council.~~

~~(3) To provide that community benefits district management authorities shall be proposed by the Board of Estimates of Baltimore City and approved through an ordinance by the Mayor and City Council.~~

~~(b) (1) The ordinance establishing the Charles Village Community Benefits District Management Authority shall specify and modify the boundaries of the district, but in no event shall the district be outside of the lines, as follows:~~

~~(i) on the south, a line beginning at the intersection of the center lines of 20th Street and Howard Street, running east along the center line of 20th Street to the center line of Guilford Avenue; then~~

~~(ii) running north along the center line of Guilford Avenue to the center line of 25th Street; then~~

~~(iii) running east along the center line of 25th Street to the center line of Loch Raven Boulevard; then running northeast along the centerline of Loch Raven~~

~~Boulevard to the center line of the tracks of the CSX Railroad (approximately 500 feet north of 25th Street); then~~

~~(iv) running west along the center line of the CSX railroad tracks to the center line of Greenmount Avenue; then~~

~~(v) running north along the center line of Greenmount Avenue to the center line of Old York Road; then~~

~~(vi) running north along the center line of Old York Road to the center line of 43rd Street; then~~

~~(vii) running west along the center line of 43rd Street to the center line of Greenmount Avenue; then~~

~~(viii) running south along the center line of Greenmount Avenue to the center line of 33rd Street; then~~

~~(ix) running west along the center line of 33rd Street to the center line of Charles Street; then~~

~~(x) running south along the center line of Charles Street to the center line of 29th Street; then~~

~~(xi) running west along the center line of 29th Street to the center line of Howard Street; then running south along the center line of Howard Street to the center line of 26th Street; then~~

~~(xii) running west along the center line of 26th Street to the center line of Huntingdon Avenue; then running south along the center line of Huntingdon Avenue to the center line of 25th Street; then~~

~~(xiii) running east along the center line of 25th Street to the center line of Howard Street; then~~

~~(xiv) running south along the center line of Howard Street to the center line of 24th Street; then~~

~~(xv) running west along the center line of 24th Street to the center line of Huntingdon Avenue; then~~

~~(xvi) running south along the center line of Huntingdon Avenue to the center line of 23rd Street; then running west along the center line of 23rd Street to the center line of Huntingdon Avenue; then~~

~~(xvii) running south along the center line of Huntingdon Avenue to the center line of 21st Street; then~~

~~(xviii) running east along the center line of 21st Street to the center line of Howard Street; then~~

~~(xix) running south along the center line of Howard Street to the center line of 20th Street (point of origin).~~

~~(2) Notwithstanding paragraph (1) of this subsection, the Charles Village Community Benefits District may include properties binding on either side of a street or the CSX railroad tracks where they comprise part of the boundaries under this subsection.~~

~~(B-1)~~

**(69)**

**(A) (1) TO ESTABLISH, BY ORDINANCE, THE SOUTH BALTIMORE GATEWAY COMMUNITY IMPACT DISTRICT WITHIN THE CITY TO PROVIDE SERVICES CONSISTENT WITH PARAGRAPH (2) OF THIS SUBSECTION TO THE BUSINESS INTERESTS AND RESIDENTS OF THE PROPOSED DISTRICT.**

**(2) TO ESTABLISH THE SOUTH BALTIMORE GATEWAY COMMUNITY IMPACT DISTRICT MANAGEMENT AUTHORITY TO PROMOTE AND MARKET THE DISTRICT, PROVIDE SUPPLEMENTAL SECURITY AND MAINTENANCE SERVICES, PROVIDE AMENITIES IN PUBLIC AREAS, PROVIDE PARK AND RECREATIONAL PROGRAMS AND FUNCTIONS, AND AFTER THE AUTHORITY IS ESTABLISHED, OTHER SERVICES AND FUNCTIONS AS REQUESTED BY THE AUTHORITY AND APPROVED THROUGH AN ORDINANCE BY THE MAYOR AND CITY COUNCIL.**

**(B) (1) THE ORDINANCE ESTABLISHING THE SOUTH BALTIMORE GATEWAY COMMUNITY ~~BENEFITS~~ IMPACT DISTRICT MANAGEMENT AUTHORITY SHALL SPECIFY AND MODIFY THE BOUNDARIES OF THE DISTRICT, BUT IN NO EVENT SHALL THE DISTRICT BE OUTSIDE THE LINES, AS FOLLOWS:**

**(I) ON THE SOUTH, A LINE BEGINNING AT THE INTERSECTION OF THE ~~CENTER LINES OF PATAPSCO AVENUE AND POTEE STREET~~, RUNNING NORTH ALONG THE CENTER LINE OF POTEE STREET TO THE CENTER LINE OF HOWARD STREET CITY LINE AND THE CENTER LINE OF THE PATAPSCO RIVER, RUNNING NORTH ALONG THE CENTER LINE OF THE PATAPSCO RIVER TO HANOVER STREET; THEN**

**(II) RUNNING NORTH ALONG ~~THE CENTER LINE OF~~ HANOVER STREET TO ~~THE CENTER LINE OF~~ MCCOMAS STREET; THEN**

(III) ~~THE CENTER LINE OF~~ MCCOMAS STREET TO THE CENTER LINE OF KEY HIGHWAY; THEN

(IV) RUNNING NORTHEAST ALONG THE CENTER LINE OF KEY HIGHWAY TO THE CENTER LINE OF EAST FORT AVENUE; THEN

(V) RUNNING SOUTHEAST ALONG THE CENTER LINE OF EAST FORT AVENUE TO THE CENTER LINE OF STEVENSON STREET; THEN

(VI) RUNNING NORTHEAST ALONG THE CENTER LINE OF STEVENSON STREET TO THE CENTER LINE OF KEY HIGHWAY; THEN

~~(IV)~~ (VII) RUNNING NORTH ALONG THE CENTER LINE OF KEY HIGHWAY TO THE CENTER LINE OF LIGHT STREET; THEN

~~(V)~~ (VIII) RUNNING NORTH ALONG THE CENTER LINE OF LIGHT STREET TO THE CENTER LINE OF ~~LOMBARD~~ EAST CONWAY STREET; THEN

(IX) RUNNING WEST ALONG THE CENTER LINE OF EAST CONWAY STREET TO THE CENTER LINE OF SOUTH HOWARD STREET; THEN

(X) RUNNING NORTH ALONG THE CENTER LINE OF SOUTH HOWARD STREET TO THE CENTER LINE OF WEST CAMDEN STREET; THEN

(XI) RUNNING WEST ALONG THE CENTER LINE OF WEST CAMDEN STREET TO THE CENTER LINE OF WASHINGTON BOULEVARD; THEN

(XII) RUNNING SOUTHWEST ALONG THE CENTER LINE OF WASHINGTON BOULEVARD TO THE CENTER LINE OF SOUTH GREENE STREET; THEN

(XIII) RUNNING NORTH ALONG SOUTH GREENE STREET TO THE CENTER LINE OF WEST PRATT STREET; THEN

(XIV) RUNNING WEST ALONG THE CENTER LINE OF WEST PRATT STREET TO THE CENTER LINE OF SOUTH MARTIN LUTHER KING JUNIOR BOULEVARD; THEN

(XV) RUNNING NORTH ALONG THE CENTER LINE OF SOUTH MARTIN LUTHER KING JUNIOR BOULEVARD TO THE CENTER LINE OF WEST LOMBARD STREET; THEN

~~(VI)~~ (XVI) RUNNING WEST ALONG THE CENTER LINE OF WEST LOMBARD STREET TO THE CENTER LINE OF SCOTT STREET; THEN

~~(VII)~~ (XVII) RUNNING SOUTH ALONG THE CENTER LINE OF SCOTT STREET TO THE CENTER LINE OF PRATT STREET; THEN

~~(VIII)~~ (XVIII) RUNNING WEST ALONG THE CENTER LINE OF PRATT STREET TO THE CENTER LINE OF CAREY STREET; THEN

~~(IX)~~ (XIX) RUNNING SOUTH ALONG THE CENTER LINE OF CAREY STREET TO THE CENTER LINE OF THE TRACKS OF THE BALTIMORE AND OHIO RAILROAD; THEN

~~(X)~~ (XX) RUNNING WEST ALONG THE CENTER LINE OF THE TRACKS OF THE BALTIMORE AND OHIO RAILROAD TO THE GWYNNS FALLS; THEN

~~(XI)~~ (XXI) RUNNING SOUTH ALONG THE CENTER LINE OF THE GWYNNS FALLS TO THE CENTER LINE OF WASHINGTON BOULEVARD; THEN

~~(XII)~~ (XXII) RUNNING WEST ALONG THE CENTER LINE OF WASHINGTON BOULEVARD TO THE CENTER LINE OF HOLLINS FERRY ROAD; THEN

~~(XIII)~~ (XXIII) RUNNING SOUTH ALONG THE CENTER LINE OF HOLLINS FERRY ROAD TO THE CENTER LINE OF THE TRACKS OF THE CSX RAILROAD; THEN

~~(XIV)~~ (XXIV) RUNNING SOUTHWEST ALONG THE CENTER LINE OF THE TRACKS OF THE CSX RAILROAD TO THE ~~CENTER LINE OF PATAPSCO AVENUE~~ CITY LINE; THEN

(XXV) RUNNING SOUTHEAST ALONG THE CITY LINE TO THE CENTER LINE OF THE PATAPSCO RIVER (POINT OF ORIGIN).

(2) NOTWITHSTANDING PARAGRAPH (1) OF THIS SUBSECTION, THE SOUTH BALTIMORE GATEWAY COMMUNITY ~~BENEFITS~~ IMPACT DISTRICT SHALL INCLUDE PROPERTIES WITHIN THE SAINT PAUL, MOUNT WINANS, LAKELAND, CHERRY HILL, WESTPORT, CARROLL PARK, CARROLL-CAMDEN INDUSTRIAL AREA, PIGTOWN/WASHINGTON VILLAGE, BARRE CIRCLE, RIDGELY'S DELIGHT, OTTERBEIN, FEDERAL HILL, RIVERSIDE, SOUTH BALTIMORE, STADIUM AREA, SPRING GARDEN INDUSTRIAL AREA, MIDDLE BRANCH/REEDBIRD PARKS, AND WESTPORT NEIGHBORHOOD STATISTICAL AREAS ACCORDING TO THE 2011 NEIGHBORHOOD STATISTICAL AREAS MAP.

~~(e) An ordinance establishing a community benefits district management authority shall address the following:~~

~~(1) specify the powers and functions within the limits of this section, which may be exercised and conducted by the Authority and the amount of taxes or charges which may be imposed on properties in the district.~~

~~(2) specify the duration of the Authority and define the boundaries of the district.~~

~~(3) provide for the imposition and collection of the taxes or charges and for disbursement of the revenue therefrom to the Authority. The financial plan of the Authority, including its annual budget and its tax rate and schedule of charges, shall be subject to approval by the Board of Estimates. Taxes and charges imposed under this paragraph may not exceed those proposed by the Authority.~~

~~(4) determine the organization and method of initial appointment of officers and board members of the Authority. The majority of the members of the board shall be owners or representatives of owners of properties in the district that are subject to taxes or charges under this section. A voting member of the board must be eligible to vote in the election under subsection ~~[(j)] (K)~~ of this section.~~

~~(5) determine what classes of property in the district owned by public service companies as defined in ~~[Article 78] THE PUBLIC UTILITIES ARTICLE~~ of the Annotated Code of Maryland shall be subject to or exempt from taxes or charges under this section.~~

~~(C-1) (C) (1) NOTWITHSTANDING SUBSECTION (C) OF THIS SECTION, THE~~ **THE ORDINANCE ESTABLISHING THE SOUTH BALTIMORE GATEWAY COMMUNITY BENEFITS IMPACT DISTRICT MANAGEMENT AUTHORITY SHALL ADDRESS THE FOLLOWING:**

**(I) SPECIFY THE POWERS AND FUNCTIONS WITHIN THE LIMITS OF THIS SECTION, WHICH MAY BE EXERCISED AND CONDUCTED BY THE AUTHORITY AND FUND THE AUTHORITY WITH NOT LESS THAN 50% OF THE LOCAL IMPACT GRANTS FROM VIDEO LOTTERY PROCEEDS DISTRIBUTED TO BALTIMORE CITY UNDER § 9-1A-31(A)(1)(I) OF THE STATE GOVERNMENT ARTICLE OF THE ANNOTATED CODE OF MARYLAND;**

**(II) SPECIFY THE DURATION OF THE AUTHORITY AND DEFINE THE BOUNDARIES OF THE DISTRICT;**

**(III) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, PROVIDE FOR THE DISBURSEMENT OF THE REVENUE FROM LOCAL IMPACT GRANTS TO THE AUTHORITY; AND**

(IV) SUBJECT TO PARAGRAPH (3) OF THIS SUBSECTION, DETERMINE THE ORGANIZATION AND METHOD OF INITIAL APPOINTMENT OF OFFICERS AND BOARD MEMBERS OF THE AUTHORITY.

(2) THE FINANCIAL PLAN OF THE AUTHORITY, INCLUDING ITS ANNUAL BUDGET, SHALL BE SUBJECT TO APPROVAL BY THE BOARD OF ESTIMATES.

(3) (I) THE BOARD SHALL CONSIST OF NOT MORE THAN ~~19~~ 21 MEMBERS.

(II) THE MAJORITY OF THE MEMBERS OF THE BOARD SHALL BE RESIDENTS OF THE DISTRICT.

(III) THE AUTHORITY SHALL BE CHAIRED BY AN INDIVIDUAL APPOINTED BY THE STATE SENATOR WHO REPRESENTS THE LEGISLATIVE DISTRICT WHERE THE VIDEO LOTTERY FACILITY IS LOCATED.

~~(IV) SUBJECT TO SUBPARAGRAPH (V) OF THIS PARAGRAPH, THE AUTHORITY'S BOARD SHALL INCLUDE TWO STATE DELEGATES WHO REPRESENT THE LEGISLATIVE DISTRICT OR DISTRICTS WHERE COMMUNITIES SURROUNDING THE VIDEO LOTTERY FACILITY ARE LOCATED.~~

~~(V) (IV) THE STATE DELEGATES SHALL BE SUBJECT TO SUBPARAGRAPH (VI) OF THIS PARAGRAPH, THE AUTHORITY'S BOARD SHALL INCLUDE FOUR MEMBERS DESIGNATED BY THE SPEAKER OF THE HOUSE.~~

~~(VI) THE CHAIR OF THE AUTHORITY SHALL SELECT TWO MEMBERS OF THE BOARD.~~

(V) SUBJECT TO SUBPARAGRAPH (VI) OF THIS PARAGRAPH, TWO MEMBERS OF THE AUTHORITY'S BOARD SHALL BE DESIGNATED BY THE STATE SENATOR WHO REPRESENTS THE LEGISLATIVE DISTRICT WHERE THE VIDEO LOTTERY FACILITY IS LOCATED.

(VI) OF THE SIX MEMBERS DESIGNATED UNDER SUBPARAGRAPHS (IV) AND (V) OF THIS PARAGRAPH:

1. AT LEAST TWO MEMBERS SHALL BE RESIDENTS OF THE 40TH LEGISLATIVE DISTRICT; AND

2. AT LEAST TWO MEMBERS SHALL BE RESIDENTS OF THE 46TH LEGISLATIVE DISTRICT.

~~(d) As provided by ordinance, the Authority may have the power:~~



~~(1) to be a special tax district and to conduct the functions which are assigned to it by the City;~~

~~(2) to acquire, hold and use property necessary to achieve its purposes;~~

~~(3) to make contracts;~~

~~(4) to sue and be sued;~~

~~(5) to borrow and accept grants for purposes consistent with the purposes of the Authority;~~

~~(6) to employ and discharge personnel to carry out its public purposes;~~

~~(7) to propose in its annual budget the taxes or charges on properties within the district. Property that is exempt under State law from ordinary property taxes shall be exempt from taxes or charges assessed to support the Authority. Before adopting its proposed budget and making its recommendations to the City, an Authority shall hold a public hearing on taxes or charges proposed for the district. The Authority shall publish notice of the hearing in a newspaper of general circulation in Baltimore City at least once a week for 3 consecutive weeks before the hearing;~~

~~(8) to adopt, amend and modify bylaws, all of which shall be subject to the approval of the Board of Estimates;~~

~~(9) to establish and elect officers and provide for their terms and duties;~~

~~(10) to contract for and purchase goods and services, without being subject to the City requirements regarding wage scales, competitive bidding or other local procurement laws. However, the Authority shall be subject to City ordinances and City policy requiring achievement of goals regarding minority and women's business enterprises; and~~

~~(11) to do all things necessary or convenient to carry out its powers.~~

~~(D-1) (D) (1) NOTWITHSTANDING SUBSECTION (D) OF THIS SECTION, THE~~  
**THE ORDINANCE ESTABLISHING THE SOUTH BALTIMORE GATEWAY COMMUNITY**  
**BENEFITS IMPACT DISTRICT MANAGEMENT AUTHORITY MAY AUTHORIZE THE**  
**AUTHORITY TO:**

**(I) BE A SPECIAL BENEFITS IMPACT DISTRICT AND TO CONDUCT THE FUNCTIONS WHICH ARE ASSIGNED TO IT BY THE CITY;**

**(II) ACQUIRE, HOLD, AND USE PROPERTY NECESSARY TO ACHIEVE ITS PURPOSES;**

(III) MAKE CONTRACTS;

(IV) SUE AND BE SUED;

(V) BORROW AND ACCEPT GRANTS FOR PURPOSES CONSISTENT WITH THE PURPOSES OF THE AUTHORITY;

(VI) EMPLOY AND DISCHARGE PERSONNEL TO CARRY OUT ITS PUBLIC PURPOSES;

(VII) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, PROPOSE IN ITS ANNUAL BUDGET THE ALLOCATION OF LOCAL IMPACT GRANTS DISTRIBUTED TO THE AUTHORITY;

(VIII) ADOPT, AMEND, AND MODIFY BYLAWS, ALL OF WHICH SHALL BE SUBJECT TO THE APPROVAL OF THE BOARD OF ESTIMATES;

(IX) ESTABLISH AND ELECT OFFICERS AND PROVIDE FOR THEIR TERMS AND DUTIES;

(X) SUBJECT TO CITY ORDINANCES AND CITY POLICY REQUIRING ACHIEVEMENT OF GOALS REGARDING MINORITY AND WOMEN'S BUSINESS ENTERPRISES BUT NOT TO THE CITY REQUIREMENTS REGARDING WAGE SCALES, COMPETITIVE BIDDING, OR OTHER LOCAL PROCUREMENT LAWS, CONTRACT FOR AND PURCHASE GOODS AND SERVICES; AND

(XI) DO ALL THINGS NECESSARY OR CONVENIENT TO CARRY OUT ITS POWERS.

(2) (I) BEFORE ADOPTING ITS PROPOSED BUDGET AND MAKING ITS RECOMMENDATIONS TO THE CITY, THE AUTHORITY SHALL HOLD A PUBLIC HEARING ON THE ALLOCATIONS PROPOSED FOR THE DISTRICT.

(II) THE AUTHORITY SHALL PUBLISH NOTICE OF THE HEARING ~~IN A NEWSPAPER OF GENERAL CIRCULATION IN BALTIMORE CITY AT LEAST ONCE A WEEK~~ ON THE WEB SITE OF THE AUTHORITY FOR 3 CONSECUTIVE WEEKS BEFORE THE HEARING.

~~(c) An Authority created under this section may not:~~

~~(1) exercise any police or general powers other than those authorized by State law and City ordinance;~~

~~(2) pledge the full faith or credit of the City;~~

- ~~Estimates;~~
- ~~(3) impose taxes or charges in excess of those approved by the Board of~~
  - ~~(4) exercise the power of eminent domain;~~
  - ~~(5) extend its life without the approval of the City Council;~~
  - ~~(6) except as otherwise provided by law, engage in competition with the private sector;~~
  - ~~(7) except as otherwise provided in subsection [(i)] (J) of this section, revert charges or taxes collected pursuant to this section to the General Fund of the City;~~
  - ~~(8) be an agency of the Mayor and City Council of Baltimore or the State of Maryland, and its officers and employees may not act as agents or employees of the Mayor and City Council of Baltimore or the State of Maryland;~~
  - ~~(9) employ individuals who reside outside the City of Baltimore; and~~
  - ~~(10) except as required or appropriate to facilitate its normal operations, incur debt.~~

~~(E-1)~~ **(E) (1) THE SOUTH BALTIMORE GATEWAY COMMUNITY ~~BENEFITS~~ IMPACT DISTRICT MANAGEMENT AUTHORITY CREATED UNDER THIS SECTION MAY NOT:**

- (I) EXERCISE ANY POLICE OR GENERAL POWERS OTHER THAN THOSE AUTHORIZED BY STATE LAW AND CITY ORDINANCE;**
- (II) PLEDGE THE FULL FAITH OR CREDIT OF THE CITY;**
- (III) IMPOSE ANY TAXES OR CHARGES;**
- (IV) EXERCISE THE POWER OF EMINENT DOMAIN;**
- (V) EXTEND ITS LIFE WITHOUT THE APPROVAL OF THE CITY COUNCIL;**
- (VI) EXCEPT AS OTHERWISE PROVIDED BY LAW, ENGAGE IN COMPETITION WITH THE PRIVATE SECTOR;**
- (VII) EXCEPT AS PROVIDED IN SUBSECTION (J) OF THIS SECTION, REVERT LOCAL IMPACT GRANTS TO THE GENERAL FUND OF THE CITY;**

(VIII) BE AN AGENCY OF THE MAYOR AND CITY COUNCIL OF BALTIMORE OR THE STATE OF MARYLAND;

(IX) EMPLOY INDIVIDUALS WHO RESIDE OUTSIDE THE CITY OF BALTIMORE; AND

(X) EXCEPT AS REQUIRED OR APPROPRIATE TO FACILITATE ITS NORMAL OPERATIONS, INCUR DEBT.

(2) AN OFFICER OR EMPLOYEE OF THE SOUTH BALTIMORE GATEWAY COMMUNITY ~~BENEFITS~~ IMPACT DISTRICT MANAGEMENT AUTHORITY CREATED UNDER THIS SECTION MAY NOT ACT, IN THE OFFICER'S OR EMPLOYEE'S CAPACITY FOR THE AUTHORITY, AS AN AGENT OR EMPLOYEE OF THE MAYOR AND CITY COUNCIL OF BALTIMORE OR THE STATE OF MARYLAND.

~~(f) In adopting an ordinance, the City Council shall:~~

~~(1) give consideration to the views of the property owners, the retail merchants, the property tenants, and the other members of the business and residential communities within the district;~~

~~(2) make a determination that a district created under this section will reflect a diverse mix of business and residential properties; and~~

~~(3) make a determination that a district created under this section will reflect a diverse economic, social, and racial mix.~~

~~(g) The Mayor and City Council shall review the effectiveness and desirability of continuing the existence of any district established under this section every 4 years from the enactment of the ordinance.~~

~~(h) (1) The Mayor and City Council shall review and determine the desirability of continuing the existence of each community benefits district established under this section every 4 years:~~

~~(i) beginning with the first meeting of the Mayor and City Council in December 2001 for the Charles Village Community Benefits District, Management Authority;~~

~~(ii) beginning with the first meeting of the Mayor and City Council in December, 2003 for the Midtown Community Benefits District; and~~

~~(iii) beginning 4 years after the date of the establishment of any other community benefits district created under this section.~~

~~(2) If the continuing existence of a community benefits district is not approved:~~

~~(i) the district shall cease to exist at the end of the City's fiscal year in which approval was not granted; and~~

~~(ii) the District Management Authority shall continue its existence only as long as necessary to terminate operations in a reasonable manner and to arrange for the disposition of all funds not needed to satisfy outstanding obligations and reserves for uncertain obligations and liabilities.~~

~~(i) The Mayor and City Council of Baltimore may not permit a reduction in the services provided by the City in a district due to the establishment of a community benefits district management authority.~~

~~(j) In the event of a dissolution of a community benefits district, any unspent funds shall revert back to the City's General Fund.~~

~~(k) (1) THIS SUBSECTION DOES NOT APPLY TO AN ORDINANCE ADOPTED CONCERNING THE SOUTH BALTIMORE GATEWAY COMMUNITY BENEFITS DISTRICT.~~

~~(2) An ordinance adopted pursuant to this section shall take effect only if approved by 58% of the aggregate votes cast in a special election by the affected voters.~~

~~[(2)] (3) The ordinance shall provide criteria for the eligibility of voters for purposes of the election required by this subsection.~~

~~[(3)] (4) The ordinance shall provide procedures for a special election as required in this subsection, which may be administered by write-in ballots.~~

**(F) IN ADOPTING AN ORDINANCE, THE CITY COUNCIL SHALL:**

**(1) GIVE CONSIDERATION TO THE VIEWS OF THE PROPERTY OWNERS, THE RETAIL MERCHANTS, THE PROPERTY TENANTS, AND THE OTHER MEMBERS OF THE BUSINESS AND RESIDENTIAL COMMUNITIES WITHIN THE SOUTH BALTIMORE GATEWAY COMMUNITY IMPACT DISTRICT; AND**

**(2) MAKE A DETERMINATION THAT THE SOUTH BALTIMORE GATEWAY COMMUNITY IMPACT DISTRICT WILL REFLECT:**

**(I) A DIVERSE MIX OF BUSINESS AND RESIDENTIAL PROPERTIES; AND**

**(II) A DIVERSE ECONOMIC, SOCIAL, AND RACIAL MIX.**

(G) THE MAYOR AND CITY COUNCIL SHALL REVIEW THE EFFECTIVENESS AND DESIRABILITY OF CONTINUING THE EXISTENCE OF THE SOUTH BALTIMORE GATEWAY COMMUNITY IMPACT DISTRICT ESTABLISHED UNDER THIS SECTION EVERY 4 YEARS FROM THE ENACTMENT OF THE ORDINANCE.

(H) (1) THE MAYOR AND CITY COUNCIL SHALL REVIEW AND DETERMINE THE DESIRABILITY OF CONTINUING THE EXISTENCE OF THE SOUTH BALTIMORE GATEWAY COMMUNITY IMPACT DISTRICT ESTABLISHED UNDER THIS SECTION EVERY 4 YEARS BEGINNING 4 YEARS AFTER THE DATE OF THE ESTABLISHMENT OF THE DISTRICT.

(2) IF THE CONTINUING EXISTENCE OF THE SOUTH BALTIMORE GATEWAY COMMUNITY IMPACT DISTRICT IS NOT APPROVED:

(I) THE DISTRICT SHALL CEASE TO EXIST AT THE END OF THE CITY'S FISCAL YEAR IN WHICH APPROVAL WAS NOT GRANTED; AND

(II) THE SOUTH BALTIMORE GATEWAY COMMUNITY IMPACT DISTRICT MANAGEMENT AUTHORITY SHALL CONTINUE ITS EXISTENCE ONLY AS LONG AS NECESSARY TO TERMINATE OPERATIONS IN A REASONABLE MANNER AND TO ARRANGE FOR THE DISPOSITION OF ALL FUNDS NOT NEEDED TO SATISFY OUTSTANDING OBLIGATIONS AND RESERVES FOR UNCERTAIN OBLIGATIONS AND LIABILITIES.

(I) THE MAYOR AND CITY COUNCIL MAY NOT PERMIT A REDUCTION IN THE SERVICES PROVIDED BY THE CITY IN THE SOUTH BALTIMORE GATEWAY COMMUNITY IMPACT DISTRICT DUE TO THE ESTABLISHMENT OF THE SOUTH BALTIMORE GATEWAY COMMUNITY IMPACT DISTRICT MANAGEMENT AUTHORITY.

(J) IN THE EVENT OF A DISSOLUTION OF THE SOUTH BALTIMORE GATEWAY COMMUNITY IMPACT DISTRICT, ANY UNSPENT FUNDS SHALL REVERT BACK TO THE CITY'S GENERAL FUND.

#### Article – State Government

9-1A-31.

(b) (3) In Baltimore City[,]:

(I) BEGINNING IN FISCAL YEAR 2018, AT LEAST 50% OF THE LOCAL IMPACT GRANTS PROVIDED UNDER SUBSECTION (A)(1)(I) OF THIS SECTION SHALL BE DISTRIBUTED TO THE SOUTH BALTIMORE GATEWAY COMMUNITY ~~BENEFITS~~ IMPACT DISTRICT MANAGEMENT AUTHORITY; AND

(II) local impact grants provided under subsection (a)(1)(i) of this section shall be used for improvements in the communities in immediate proximity to the video lottery facility and may be used for the following purposes:

- [(i)] 1. infrastructure improvements;
- [(ii)] 2. facilities;
- [(iii)] 3. public safety;
- [(iv)] 4. sanitation;
- [(v)] 5. economic and community development, including housing;
- [(vi)] 6. other public services and improvements.

and

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

### The Charter of Baltimore City

#### Article II – General Powers

The Mayor and City Council of Baltimore shall have full power and authority to exercise all of the powers heretofore or hereafter granted to it by the Constitution of Maryland or by any Public General or Public Local Laws of the State of Maryland; and in particular, without limitation upon the foregoing, shall have power by ordinance, or such other method as may be provided for in its Charter, subject to the provisions of said Constitution and Public General Laws:

~~(63)~~ (69)

~~(e-1)~~ (c) (1) ~~Notwithstanding subsection (e) of this section, the~~ The ordinance establishing the South Baltimore Gateway Community ~~Benefits~~ Impact District Management Authority shall address the following:

(i) specify the powers and functions within the limits of this section, which may be exercised and conducted by the Authority and fund the Authority with not less than 50% of the local impact grants from video lottery proceeds distributed to Baltimore City under [§ 9-1A-31(a)(1)(i)] **§ 9-1A-31(A)(3)(I)** of the State Government Article of the Annotated ~~code~~ Code of Maryland;

#### Article – State Government

9-1A-31.

(b) (3) In Baltimore City[,]:

**(I) BEGINNING IN FISCAL YEAR 2018, AT LEAST 50% OF THE LOCAL IMPACT GRANTS PROVIDED UNDER SUBSECTION (A)(3)(I) OF THIS SECTION SHALL BE DISTRIBUTED TO THE SOUTH BALTIMORE GATEWAY COMMUNITY ~~BENEFITS~~ IMPACT DISTRICT MANAGEMENT AUTHORITY; AND**

**(II)** local impact grants provided under subsection (a)(3)(i) of this section shall be used for improvements in the communities in immediate proximity to the video lottery facility and may be used for the following purposes:

[(i)] 1. infrastructure improvements;

[(ii)] 2. facilities;

[(iii)] 3. public safety;

[(iv)] 4. sanitation;

[(v)] 5. economic and community development, including housing;

and

[(vi)] 6. other public services and improvements.

SECTION 3. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall take effect on the taking effect of Section 3 of Chapter 1 of the Acts of the General Assembly of the Second Special Session of 2012. If Section 3 of Chapter 1 of the Acts of the General Assembly of the Second Special Session of 2012 does not take effect, Section 2 of this Act shall be abrogated and of no further force and effect.

SECTION 4. AND BE IT FURTHER ENACTED, That, subject to Section 3 of this Act, this Act shall take effect June 1, 2016.

**Approved by the Governor, April 26, 2016.**

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## Chapter 315

**(House Bill 1644)**

AN ACT concerning

**Baltimore County – Alcoholic Beverages – Racetrack License**



FOR the purpose of ~~repealing the racetrack beer and wine license issued in Baltimore County; altering the fee for a racetrack beer, wine, and liquor license in the county; authorizing the Board of License Commissioners for Baltimore County to transfer a Class B or Class D beer, wine, and liquor (on-sale) retail alcoholic beverages license in existence in Election District 15 to a certain location; prohibiting certain licenses from being transferred; requiring that the transferred license be converted into a certain other license; providing for certain restrictions, qualifications, and conditions with respect to the transferred license; prohibiting a license issued under this Act from being transferred to a location outside a certain area or converted into another class of license; requiring that the location for the license comply with all applicable zoning regulations; and generally relating to alcoholic beverages licenses in Baltimore County.~~

BY repealing and reenacting, without amendments,

Article – Alcoholic Beverages

Section 13–102

Annotated Code of Maryland

(As enacted by Chapter 41 (S.B. 724) of the Acts of the General Assembly of 2016)

BY ~~repealing and reenacting, with amendments,~~ adding to

Article – Alcoholic Beverages

Section ~~13–1001~~ 13–1709

Annotated Code of Maryland

(As enacted by Chapter 41 (S.B. 724) of the Acts of the General Assembly of 2016)

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

### Article – Alcoholic Beverages

13–102.

This title applies only in Baltimore County.

~~13–1001.~~

~~(a) There is:~~

~~(1) a racetrack beer and wine license; and~~

~~(2) a racetrack beer, wine, and liquor license.~~

~~(b) (1) The Board may issue [a] THE license to the owner, concessionaire, or catering organization of a licensed racing establishment, whether an individual, an association, or a corporation.~~

~~(2) There are no residential or voting qualifications for the [licenses]  
LICENSE.~~

~~(e) [(1) The racetrack beer and wine license authorizes the license holder to sell  
beer and wine at one or more locations on the premises of the racing park of the license  
holder.~~

~~(2) The [racetrack beer, wine, and liquor] license authorizes the license  
holder to sell beer, wine, and liquor at one or more locations on the premises of the racing  
park of the license holder.~~

~~(d) The license fee is:~~

~~(1) for a racetrack beer and wine license, \$25 for each day that the racing  
park is open and operating; and~~

~~(2) for a racetrack beer, wine, and liquor license, \$50 for each day that the  
racing park is open and operating] \$1,000 FOR EACH CALENDAR YEAR.~~

### 13-1709.

(A) (1) NOTWITHSTANDING ANY LICENSE QUOTA LIMITATION  
ESTABLISHED BY THE BOARD AND IN ADDITION TO THE LICENSES AUTHORIZED FOR  
ISSUANCE IN THE COUNTY, THE BOARD MAY AUTHORIZE THE TRANSFER OF ONE  
CLASS B OR CLASS D BEER, WINE, AND LIQUOR LICENSE IN EXISTENCE IN  
ELECTION DISTRICT 15 ON JANUARY 15, 2016, AND VALID ON THE DATE OF  
TRANSFER, TO A LOCATION THAT IS:

(I) AT 2200 YORK ROAD AND SURROUNDING GROUNDS IN  
ELECTION DISTRICT 8; AND

(II) OWNED BY THE MARYLAND STATE FAIR AND  
AGRICULTURAL SOCIETY, INC.

(2) A LICENSE TRANSFERRED UNDER THIS SECTION:

(I) MAY NOT BE A LICENSE THAT IS PROHIBITED FROM BEING  
TRANSFERRED BY LAW OR BOARD REGULATION, OTHER THAN A PROHIBITION  
AGAINST CROSSING DISTRICT LINES;

(II) FOR DETERMINING THE TOTAL NUMBER OF LICENSES  
AVAILABLE IN ELECTION DISTRICT 8, SHALL BE CONSIDERED TO BE A REGULAR  
LICENSE AND NOT AN EXCEPTION TO THE POPULATION AND NUMERICAL  
LIMITATIONS SPECIFIED IN “RULE 19 – POPULATION AND NUMERICAL  
LIMITATIONS” OF THE RULES AND REGULATIONS OF THE BOARD;

(III) SHALL BE CONVERTED INTO A CLASS B (MSF)(ON-SALE) BEER, WINE, AND LIQUOR LICENSE; AND

(IV) AS OF THE DATE OF TRANSFER, MAY NOT BE COUNTED TOWARD ANY POPULATION LIMIT EXISTING IN ELECTION DISTRICT 15.

(B) THE ISSUANCE AND RENEWAL REQUIREMENTS, MINIMUM SQUARE FOOT AREA REQUIREMENT FOR FOOD AND BEVERAGE PREPARATION AND CONSUMPTION, AND HOURS AND DAYS OF SALE FOR THE CLASS B (MSF) LICENSE ARE THE SAME AS THOSE PROVIDED FOR A CLASS B BEER, WINE, AND LIQUOR (ON-SALE) HOTEL AND RESTAURANT LICENSE.

(C) (1) THE CLASS B (MSF) LICENSE MAY NOT BE:

(I) TRANSFERRED TO A LOCATION OUTSIDE THE AREA FOR WHICH THE LICENSE WAS ISSUED; OR

(II) CONVERTED INTO ANOTHER CLASS OF LICENSE.

(2) THE LOCATION FOR THE CLASS B (MSF) LICENSE SHALL COMPLY WITH ALL APPLICABLE ZONING REGULATIONS.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016.

Approved by the Governor, April 26, 2016.

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## Chapter 316

(House Bill 459)

AN ACT concerning

~~Fee, Surcharge, and Tax Reduction Act of 2016~~  
Birth and Death Certificates – Fee Reduction

FOR the purpose of ~~repealing a requirement that the Public Service Commission impose a certain environmental surcharge; altering certain application and renewal fees for certain licenses issued by the Maryland Home Improvement Commission; altering the fee that the State Court Administrator is required to charge for the special admission of an out-of-state attorney; repealing a requirement that the State Court Administrator pay a certain portion of a certain fee to a certain program; altering certain fees for certified copies of certain certificates; altering the portion of certain~~

~~fees collected by local health departments required to be transferred to the General Fund; altering the distribution of certain proceeds from the sale of certain allowances; repealing the requirement that the Public Service Commission establish the amount of a certain surcharge; repealing a requirement that the Secretary of Natural Resources take certain actions in consultation with the Director of the Maryland Energy Administration; repealing a requirement that the Maryland Energy Administration receive certain administrative and fiscal support from a certain fund; providing the sales and use tax does not apply to certain sales in the form of a certain demurrage charge; altering a certain fee that certain vehicle owners are required to pay for the original and renewal application of certain special registrations; repealing the application and renewal fee for a certain handgun qualification license; altering certain fees for registering certain weight and measures used for certain commercial purposes; altering a certain fee related to certain wetlands and waterways authorizations; altering the annual license fees for certain fishing licenses; making conforming changes; providing for the delayed effective date for certain provisions of this Act; and generally relating to altering certain fees, surcharges, and taxes and distribution of certain revenue fees for birth and death certificates.~~

~~BY repealing~~

~~Article – Public Utilities~~

~~Section 7-203~~

~~Annotated Code of Maryland~~

~~(2010 Replacement Volume and 2015 Supplement)~~

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

~~Article – Business Regulation~~

~~Section 8-303(a) and 8-308(d)(2)~~

~~Annotated Code of Maryland~~

~~(2015 Replacement Volume and 2015 Supplement)~~

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

~~Article – Courts and Judicial Proceedings~~

~~Section 7-202(f)~~

~~Annotated Code of Maryland~~

~~(2013 Replacement Volume and 2015 Supplement)~~

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

~~Article – Education~~

~~Section 18-1504(a) and (b)~~

~~Annotated Code of Maryland~~

~~(2014 Replacement Volume and 2015 Supplement)~~

BY repealing and reenacting, with amendments,

Article – Health – General

Section 4-217(c)(1)(ii) and (3)

Annotated Code of Maryland

(2015 Replacement Volume)

~~BY repealing and reenacting, with amendments,  
Article — Environment  
Section 2 — 1002(g) and 5 — 203.1(b)(1)  
Annotated Code of Maryland  
(2013 Replacement Volume and 2015 Supplement)~~

~~BY repealing and reenacting, with amendments,  
Article — Natural Resources  
Section 3 — 302, 4 — 604(f)(1) and (2), and 4 — 745(a) and (d)  
Annotated Code of Maryland  
(2012 Replacement Volume and 2015 Supplement)~~

~~BY repealing and reenacting, without amendments,  
Article — Natural Resources  
Section 4 — 604(a)  
Annotated Code of Maryland  
(2012 Replacement Volume and 2015 Supplement)~~

~~BY repealing and reenacting, without amendments,  
Article — State Government  
Section 9 — 20B — 05(a) through (d)  
Annotated Code of Maryland  
(2014 Replacement Volume and 2015 Supplement)~~

~~BY repealing and reenacting, with amendments,  
Article — State Government  
Section 9 — 20B — 05(e)  
Annotated Code of Maryland  
(2014 Replacement Volume and 2015 Supplement)~~

~~BY adding to  
Article — Tax — General  
Section 11 — 202  
Annotated Code of Maryland  
(2010 Replacement Volume and 2015 Supplement)~~

~~BY repealing and reenacting, with amendments,  
Article — Transportation  
Section 13 — 613  
Annotated Code of Maryland  
(2012 Replacement Volume and 2015 Supplement)~~

~~BY repealing and reenacting, with amendments,  
Article — Public Safety  
Section 5 — 117.1(g) and (j)~~

~~Annotated Code of Maryland  
(2011 Replacement Volume and 2015 Supplement)~~

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

~~Article — Agriculture~~

~~Section 11-204.7~~

~~Annotated Code of Maryland~~

~~(2007 Replacement Volume and 2015 Supplement)~~

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,  
~~That Section 7-203 of Article — Public Utilities of the Annotated Code of Maryland be  
repealed.~~

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

~~Article — Business Regulation~~

~~§ 303.~~

~~(a) (1) An applicant for a license shall:~~

~~(i) submit to the Commission an application on the form that the  
Commission provides;~~

~~(ii) submit to the Commission with the license application proof of  
compliance with the insurance requirement of § 8-302.1 of this subtitle, if the applicant is  
applying for a contractor license;~~

~~(iii) pay into the Fund the fee required under § 8-404(a) of this title,  
if the applicant is applying for a contractor license; and~~

~~(iv) pay to the Commission an application fee.~~

~~(2) The application fee:~~

~~(i) for a contractor license is ~~[\$250] \$225~~ for each place of business  
of the contractor;~~

~~(ii) for a subcontractor license is ~~[\$150] \$125~~; or~~

~~(iii) for a salesperson license is ~~[\$100] \$75~~.~~

~~(3) The fee for processing an application is ~~[\$20] \$15~~.~~

~~§ 308.~~

~~(d) (2) The renewal fee:~~

~~(i) for a contractor license is ~~[\$250] \$225~~ for each place of business of the contractor;~~

~~(ii) for a subcontractor license is ~~[\$150] \$125~~; or~~

~~(iii) for a salesperson license is ~~[\$100] \$75~~.~~

#### ~~Article – Courts and Judicial Proceedings~~

~~7-202.~~

~~(f) The State Court Administrator shall:~~

~~(1) Assess] ASSESS a ~~[\$100] \$25~~ fee for the special admission of an out of state attorney under § 10-215 of the Business Occupations and Professions Article]; and~~

~~(2) Pay \$75 of the fee to the Janet L. Hoffman Loan Assistance Repayment Program established under § 18-1502 of the Education Article].~~

#### ~~Article – Education~~

~~18-1504.~~

~~(a) Funds for the Janet L. Hoffman Loan Assistance Repayment Program described in subsection [(b)(2)] (B) of this section shall be allocated by the Commission to an individual who:~~

~~(1) Has received a graduate degree from a school of law; and~~

~~(2) Has submitted an application for the Janet L. Hoffman Loan Assistance Repayment Program that the Commission disapproved due to insufficient funds.~~

~~(b) Funds for the Janet L. Hoffman Loan Assistance Repayment Program shall:~~

~~(1) Be] BE provided on an annual basis in the State budget]; and~~

~~(2) Include money paid to the Program from the fee charged for a special admission of an out of state attorney under § 7-202(f) of the Courts Article].~~

#### ~~Article – Health – General~~

~~4-217.~~

(c) (1) Except as otherwise provided by law:

(ii) The Department shall collect a ~~[\$24] \$12~~ \$10 fee:

1. For each certified or abridged copy of a birth certificate;
2. For the first copy of a certified or abridged death certificate issued in a single transaction;
3. For a report that a search of the birth or death certificate files was made and the requested record is not on file; or
4. For each change to a birth or death certificate made later than 1 year after the certificate has been registered with the Department; and

(3) (i) Any local health department may set and collect a fee for processing and issuing a birth certificate, or for a report that a search of the files was made and the requested record is not on file, that covers:

1. The administrative costs of providing this service; and
2. The requirements of subparagraph (iii) of this paragraph.

(ii) The fee set by the local health department for processing and issuing a birth certificate or for a report under subparagraph (i) of this paragraph may not exceed the actual costs to the local health department for processing and issuing a birth certificate or a report.

(iii) From the fee the local health department collects under subparagraph (i) of this paragraph, ~~[\$20] \$10~~ shall be transferred to the General Fund.

(iv) Prior to setting and collecting a fee for processing and issuing a birth certificate or for a report under subparagraph (i) of this paragraph, the local health department shall enter into a memorandum of understanding with the Department of Health and Mental Hygiene that outlines the local health department's fee structure.

#### ~~Article – Environment~~

~~2-1002.~~

~~(g) (1) In this subsection, “allowance” means one ton of carbon dioxide that may be bought, sold, traded, or banked for use under the Regional Greenhouse Gas Initiative.~~

~~(2) Not later than June 30, 2007, the Governor shall include the State as a full participant in the Regional Greenhouse Gas Initiative among Mid-Atlantic and Northeast states.~~



~~(3) The State may withdraw from the Initiative, as provided in the December 20, 2005 memorandum of understanding of the Initiative, at any time after January 1, 2009.~~

~~(4) If the Regional Greenhouse Gas Initiative expires and there is a successor organization with the same purposes and goals, the Governor is encouraged to join the State in the successor organization.~~

~~(5) Notwithstanding § 2-107 of this title, all of the proceeds from the sale of Maryland allowances under the Regional Greenhouse Gas Initiative shall be deposited in the Maryland Strategic Energy Investment Fund under § 9-20B-05 of the State Government Article, EXCEPT THAT UP TO \$10,000,000 ANNUALLY SHALL BE DEPOSITED DIRECTLY INTO THE ENVIRONMENTAL TRUST FUND ESTABLISHED UNDER TITLE 3, SUBTITLE 3 OF THE NATURAL RESOURCES ARTICLE TO MEET THE BUDGETARY NEEDS OF THE POWER PLANT RESEARCH PROGRAM.~~

~~(6) If the State's participation in the Regional Greenhouse Gas Initiative ceases for any reason, the Governor shall report to the General Assembly, in accordance with § 2-1246 of the State Government Article, regarding:~~

~~(i) Why participation ceased; and~~

~~(ii) A plan to reduce carbon dioxide emissions from power plants in the State that considers the use of Maryland grown, native, warm season grasses as a possible method of reducing carbon emissions.~~

### ~~Article Natural Resources~~

~~3-302.~~

~~(a) (1) There is an Environmental Trust Fund.~~

~~[(2) For the purpose of this subtitle, there is established as an added cost of electricity distributed to retail electric customers within the State, an environmental surcharge per kilowatt hour of electric energy distributed in the State to be paid by any electric company as defined in § 1-101 of the Public Utilities Article. The Public Service Commission shall impose the surcharge per kilowatt hour of electric energy distributed to retail electric customers within the State and shall authorize the electric companies to add the full amount of the surcharge to retail electric customers' bills. To the extent that the surcharge is not collected from retail electric customers, the surcharge shall be deemed a cost of distribution and shall be allowed and computed as such, together with other allowable expenses, for rate-making purposes. Revenues from the surcharge shall be collected by the Comptroller and placed in the Fund.]~~

~~(2) THE FUND CONSISTS OF PROCEEDS RECEIVED FROM THE SALE OF ALLOWANCES FROM THE REGIONAL GREENHOUSE GAS INITIATIVE IN ACCORDANCE WITH § 2-1002(C) OF THE ENVIRONMENT ARTICLE.~~

~~[(b) (1) The Secretary, in consultation with the Director of the Maryland Energy Administration, annually shall coordinate the preparation of a budget required to carry out the provisions of this subtitle. Upon approval of the budget by the General Assembly, the Public Service Commission shall establish the amount of the surcharge per kilowatt hour for the fiscal year beginning July 1, 1972, and for each subsequent fiscal year.~~

~~(2) Notwithstanding any other provisions of this subtitle, the amount of the surcharge for each account for each retail electric customer may not exceed the lesser of 0.15 mill per kilowatt hour or \$1,000 per month and the surcharge may not continue beyond fiscal year 2020.~~

~~(3) The Comptroller shall maintain the method of collection of the surcharge from the companies and the collections shall accrue to the Fund. The Department shall credit against the amount required to be paid into the Environmental Trust Fund by each electric company an amount equal to 0.75% of the total surcharge attributed to each company on the basis of the electricity distributed within Maryland.]~~

~~(B) THE SECRETARY ANNUALLY SHALL COORDINATE THE PREPARATION OF A BUDGET REQUIRED TO CARRY OUT THE PROVISIONS OF THIS SUBTITLE.~~

~~(c) (1) (i) The Secretary shall administer the Fund.~~

~~(ii) The Fund is subject to the provisions for financial management and budgeting established by the Department of Budget and Management.~~

~~(iii) Any investment earnings of the Fund shall be credited to the General Fund of the State.~~

~~(iv) The Fund is a special, nonlapsing fund that is not subject to § 7-302 of the State Finance and Procurement Article.~~

~~(v) Except as provided in paragraph (2) of this subsection, the moneys in the Fund shall be used to carry out the provisions of this subtitle as provided for in the budget.~~

~~(vi) For the purposes of this subtitle, the Secretary[, in consultation with the Director of the Maryland Energy Administration,] may execute appropriate contracts with any State or federal agency, research organization, industry, or academic institution to conduct the necessary research, construct or acquire, or both, real property including physical predictive models, laboratories, buildings, land, and appurtenances, or support the technological development of extraordinary systems related to power plants designed to minimize environmental impact.~~

~~(vii) The Secretary may utilize available expertise in any other State unit in the development, execution, and management of contracts and agreements on projects relating to their areas of prime responsibility.~~

~~(2) Moneys in the Fund may be used for administrative costs calculated in accordance with § 1-103(b)(2) of this article.~~

~~(d) [(1) The Maryland Energy Administration shall receive administrative and fiscal support from the Fund for studies relating to the conservation or production of electric energy.~~

~~(2) Fiscal support to the Maryland Energy Administration from the Fund may not exceed \$250,000 in any fiscal year.~~

~~(3)] The Chesapeake Bay Trust shall receive \$375,000 from the Fund each fiscal year for the purpose of funding energy conservation projects through the Chesapeake Conservation Corps Program, as provided under §§ 8-1913 through 8-1924 of this article.~~

~~(e) The Legislative Auditor shall conduct post audits of a fiscal and compliance nature of the Fund and of the appropriations and expenditures made for the purposes of this subtitle. The cost of the fiscal portion of the post audit examinations shall be an operating cost of the Fund.~~

### ~~Article State Government~~

~~§ 20B-05.~~

~~(a) There is a Maryland Strategic Energy Investment Fund.~~

~~(b) The purpose of the Fund is to implement the Strategic Energy Investment Program.~~

~~(c) The Administration shall administer the Fund.~~

~~(d) (1) The Fund is a special, nonlapsing fund that is not subject to § 7-302 of the State Finance and Procurement Article.~~

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

~~(e) The Fund consists of:~~

~~(1) all of the proceeds from the sale of allowances under § 2-1002(g) of the Environment Article, EXCEPT FOR PROCEEDS DIRECTED TO THE ENVIRONMENTAL~~

~~TRUST ESTABLISHED UNDER TITLE 3, SUBTITLE 3 OF THE NATURAL RESOURCES ARTICLE, IN ACCORDANCE WITH § 2-1002(G) OF THE ENVIRONMENT ARTICLE;~~

- ~~(2) money appropriated in the State budget to the Program;~~
- ~~(3) repayments and prepayments of principal and interest on loans made from the Fund;~~
- ~~(4) interest and investment earnings on the Fund;~~
- ~~(5) compliance fees paid under § 7-705 of the Public Utilities Article;~~
- ~~(6) money received from any public or private source for the benefit of the Fund; and~~
- ~~(7) money transferred from the Public Service Commission under § 7-207.2(e)(3) of the Public Utilities Article.~~

~~Article Tax General~~

~~11-202.~~

~~THE SALES AND USE TAX DOES NOT APPLY TO A SALE IN THE FORM OF A DEMURRAGE CHARGE MADE IN THE NATURE OF A PENALTY FOR FAILURE TO RETURN A GAS CYLINDER WITHIN A DESIGNATED PERIOD.~~

~~Article Transportation~~

~~13-613.~~

~~(a) (1) The owner of any vehicle described in paragraph (2) of this subsection may apply to the Administration for the assignment to that vehicle of a special, personalized registration number.~~

- ~~(2) This section applies only as to:~~
  - ~~(i) A Class A (passenger) vehicle;~~
  - ~~(ii) A Class D (motorcycle) vehicle;~~
  - ~~(iii) A Class E (truck) vehicle with a one ton or less manufacturer's rated capacity;~~
  - ~~(iv) A Class G (nonfreight trailer) vehicle;~~
  - ~~(v) A Class L (historic) vehicle;~~

~~(vi) A Class M (multipurpose) vehicle; or~~

~~(vii) A Class N (street rod) vehicle.~~

~~(b) In addition to the annual registration fee otherwise required by this title, the applicant shall pay an additional annual fee of ~~[\$50]~~ \$25, payable with the original and each renewal application for special registration under this section.~~

~~(e) (1) A special registration number assigned under this section may consist of any combination of not more than 7 letters and numerals.~~

~~(2) In its discretion, the Administration may refuse any combination of letters and numerals.~~

~~(d) The proceeds collected annually from the additional fees charged under this section shall be distributed to the Transportation Trust Fund.~~

### ~~Article — Public Safety~~

~~§ 117.1.~~

~~(g) An applicant for a handgun qualification license shall submit to the Secretary:~~

~~(1) an application in the manner and format designated by the Secretary;~~

~~(2) [a nonrefundable application fee to cover the costs to administer the program of up to \$50;~~

~~(3)] (i) proof of satisfactory completion of:~~

~~1. a firearms safety training course approved by the Secretary; or~~

~~2. a course of instruction in competency and safety in the handling of firearms prescribed by the Department of Natural Resources under § 10-301.1 of the Natural Resources Article; or~~

~~(ii) a valid firearms instructor certification;~~

~~[(4)] (3) any other identifying information or documentation required by the Secretary; and~~

~~[(5)] (4) a statement made by the applicant under the penalty of perjury that the applicant is not prohibited under federal or State law from possessing a handgun.~~

~~(j) (1) The handgun qualification license may be renewed for successive periods of 10 years each if, at the time of an application for renewal, the applicant:~~

~~(i) possesses the qualifications for the issuance of the handgun qualification license; and~~

~~(ii) submits a nonrefundable application fee to cover the costs to administer the program up to \$20.~~

~~(2) An applicant renewing a handgun qualification license under this subsection is not required to:~~

~~(i) complete the firearms safety training course required in subsection (d)(3) of this section; or~~

~~(ii) submit to a State and national criminal history records check as required in subsection (f) of this section.~~

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

~~Article Agriculture~~

~~11-204.7.~~

~~The fees for registering each weight and measure used for commercial purposes under this subtitle are as follows:~~

~~(1) Scales with a capacity of up to 100 pounds (maximum fee per business location: [~~\$375~~] ~~\$325~~) ..... \$20  
[for each scale, plus \$50 for each business location];~~

~~(2) Scales with a capacity of more than 100 pounds, up to 2,000 pounds..... [~~\$60~~] ~~\$50~~;~~

~~(3) Scales with a capacity of more than 2,000 pounds ..... [~~\$100~~] ~~\$75~~;~~

~~(4) Belt conveyor scales ..... \$300;~~

~~(5) Railroad track scales ..... \$300;~~

~~(6) Vehicle scales ..... [~~\$250~~] ~~\$225~~;~~

~~(7) Grain moisture meter ..... \$100;~~

- ~~(8) Retail motor fuel dispenser meter of under 20 gallons per minute (MAXIMUM FEE PER BUSINESS LOCATION: \$375)..... [\$12.50] \$15 [for each meter, plus \$50 for each business location];~~
- ~~(9) Retail motor fuel dispenser meter of 20 gallons per minute or more..... [\$45] \$35;~~
- ~~(10) Bulk petroleum fuel meter of 20 gallons per minute, up to 150 gallons per minute..... \$50;~~
- ~~(11) Bulk petroleum fuel meter of 150 gallons per minute or more..... \$85;~~
- ~~(12) Liquefied petroleum gas meters..... \$75; and~~
- ~~(13) Point of sale system, as defined by the National Institute of Standards and Technology (NIST) Handbook 44, connected to a weighing or measuring device (per business location)..... \$100.~~

~~Article — Environment~~

~~5-203.1.~~

~~(b) (1) Except as provided under paragraphs (2) and (3) of this subsection, all applications for wetlands and waterways authorizations issued by the Department under §§ 5-503 and 5-906 of this title and §§ 16-202, 16-302, and 16-307 of this article or wetlands licenses issued by the Board of Public Works under § 16-202 of this article shall be accompanied by an application fee as follows:~~

- ~~(i) For an application for a minor project or general permit..... [\$750] \$500;~~
- ~~(ii) For an application for a minor modification ..... \$250;~~
- ~~(iii) For an application for a major project with a proposed permanent impact of:~~
  - ~~1. Less than 1/4 acre ..... \$1,500;~~
  - ~~2. At least 1/4 acre, but less than 1/2 acre ..... \$3,000;~~
  - ~~3. At least 1/2 acre, but less than 3/4 acre ..... \$4,500;~~
  - ~~4. At least 3/4 acre, but less than 1 acre ..... \$6,000; and~~
  - ~~5. 1 acre or more.....the impact area in acres multiplied by \$7,500; and~~

(iv) ~~For an application for a major modification ..... \$1,500.~~

**Article – Natural Resources**

~~4-604.~~

~~(a) This section provides a fund to pay the expense of protecting and managing game and freshwater fish and preventing unauthorized persons from fishing or attempting to fish for any game and freshwater fish without first procuring an angler’s license.~~

~~(f) (1) The following annual license fees shall apply:~~

~~(i) Resident ..... [\$20.50] **\$10.50**~~

~~(ii) Subject to paragraph (2)(ii) of this subsection, short term license valid for 7 consecutive days from date of issuance ..... \$7.50~~

~~(iii) Resident and nonresident blind persons ..... No fee~~

~~(iv) Complimentary license ..... No fee~~

~~(2) For a nonresident:~~

~~(i) The fee for an annual angler’s license is the greater of:~~

~~1. **[\$30.50] \$20.50;** or~~

~~2. A fee equal to the fee charged a Maryland resident by the nonresident’s home state for a similar license; and~~

~~(ii) The fee for a short term license valid for 7 consecutive days from the date of issuance is the greater of:~~

~~1. \$7.50; or~~

~~2. A fee equal to the fee charged a Maryland resident by the nonresident’s home state for a license that permits an equal number of days of fishing or the next higher number of days as permitted by the Maryland license.~~

~~(iii) The fee for a short term license valid for 3 consecutive days from the date of issuance is the greater of:~~

~~1. \$5; or~~

~~2. A fee equal to the fee charged a Maryland resident by the nonresident’s home state for a license that permits an equal number of days of fishing or the next higher number of days as permitted by the Maryland license.~~



~~4-745.~~

~~(a) (1) Except as provided in subsections (c) and (d) of this section and § 4-217 of this title, a person may not fish for finfish in the Chesapeake Bay or in its tributaries up to tidal boundaries or in State waters of the Atlantic Ocean and the Atlantic coastal bays and their tributaries without first obtaining a Chesapeake Bay and coastal sport fishing license or registration issued under subsection (d)(3) of this section and possessing evidence of the license or registration.~~

~~(2) The license may be obtained from the Department or from any authorized agent of the Department. The following annual license fees shall apply:~~

- ~~(i) Resident ..... [ \$15 ] \$9~~
- ~~(ii) Short term resident license valid for 7 consecutive days from date of issue ..... \$6~~
- ~~(iii) For a short term nonresident license valid for 7 consecutive days from date of issue ..... \$12~~
- ~~(iv) Nonresident ..... [ \$22.50 ] \$14~~
- ~~(v) Resident and nonresident blind persons ..... No fee~~
- ~~(vi) Complimentary license under subsection (c) of this section ..... No fee~~

~~(3) Except as provided in subsection (d)(1) of this section, every Chesapeake Bay and coastal sport fishing license and registration shall be valid for 1 year following the date of issuance.~~

~~(4) An applicant for a license issued under this section shall provide all the information requested by the Department on forms issued by the Department.~~

~~(d) (1) The Department may provide by regulation for issuance of a special charter boat license that shall be effective for not more than 1 year and shall expire on August 31 and that would be valid for all individuals on a charter boat operated by a licensed fishing guide in tidal waters of the State. The fee shall be:~~

- ~~(i) For 6 fishermen or less ..... \$240.~~
- ~~(ii) For 7 or more fishermen ..... \$290.~~

~~(2) (i) The Department may provide by regulation for issuance of an annual special Chesapeake Bay and coastal sport fishing license, which when permanently affixed to a boat registered in any state shall authorize any person on the boat to fish for~~

~~finfish in the Chesapeake Bay or in its tributaries up to tidal boundaries or in State waters of the Atlantic Ocean and the Atlantic coastal bays and their tributaries, except that such a license may not be used on a boat that has been hired to take such persons fishing.~~

~~(ii) The annual fee for this special license shall be ~~[\$50]~~ \$40.~~

~~(iii) If a boat owner purchases the special license under this paragraph, the boat owner may fish anywhere in the Chesapeake Bay and its tributaries or the State waters of the Atlantic Ocean and the Atlantic coastal bays and their tributaries, whether the boat owner is fishing in the owner's boat, in another person's boat, on land, or elsewhere. The Department shall issue a complimentary Chesapeake Bay and coastal sport fishing license to the boat owner who purchases a special license under this paragraph. If a boat to which the special license is affixed has more than one owner, then only the individual applicant who signs the application for the special license shall be entitled to a complimentary Chesapeake Bay and coastal sport fishing license under this paragraph.~~

~~(3) (i) An individual shall register with the Department before fishing in any of the following areas that do not require a Chesapeake Bay and coastal sport fishing license:~~

~~1. A free fishing area established under § 4-214(b)(1) of this title with hook and line;~~

~~2. On private real property bordering on tidal water as an owner or tenant of the property, or a spouse or an immediate family member who resides on the property with the owner or tenant; and~~

~~3. On a boat licensed under paragraph (2) of this subsection.~~

~~(ii) There is no fee for registration under this paragraph.~~

~~(iii) An individual required to register under this paragraph shall provide all the information requested by the Department on forms issued by the Department.~~

~~(4) (i) 1. The Department may provide by regulation for the issuance of a special commercial fishing pier license that is valid for all individuals fishing from the pier in tidal waters of the State.~~

~~2. The annual fee for the special commercial fishing pier license shall be \$200.~~

~~(ii) Individuals fishing from a licensed commercial fishing pier are exempt from purchasing a Chesapeake Bay and coastal sport fishing license.~~

~~(iii) 1. The owner or operator of a licensed commercial fishing pier shall maintain a log of the contact information of the persons fishing from that structure each day.~~

~~2. The logs required under subparagraph 1 of this subparagraph must be submitted electronically as prescribed or approved by the Department.~~

~~SECTION 4. AND BE IT FURTHER ENACTED, That Section 3 of this Act shall take effect July 1, 2017.~~

~~SECTION 5. AND BE IT FURTHER ENACTED, That, except as provided in Section 4 of this Act, this Act shall take effect July 1, 2016.~~

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016.

**Approved by the Governor, May 10, 2016.**

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## Chapter 317

(House Bill 186)

AN ACT concerning

**Department of Veterans Affairs – Charlotte Hall Veterans Home Fund –  
Establishment**

FOR the purpose of establishing the Charlotte Hall Veterans Home Fund as a special, nonlapsing fund; specifying the purpose of the Fund; requiring the Secretary of Veterans Affairs to administer the Fund; prohibiting, except under certain circumstances, any unspent portions of the Fund from being transferred to or reverting to the General Fund of the State; requiring the State Treasurer to hold the Fund and the Comptroller to account for the Fund; specifying the contents of the Fund; specifying the purposes for which the Fund may be used; providing for the investment of money in and expenditures from the Fund; providing that money expended from the Fund for the Charlotte Hall Veterans Home is supplemental to, and is not intended to take the place of, funding that would otherwise be appropriated; requiring the Office of Legislative Audits to audit the accounts and transactions of the Fund as provided in a certain provision of law; defining certain terms; and generally relating to the Charlotte Hall Veterans Home Fund.

BY adding to

Article – State Government  
Section 9–912.2

Annotated Code of Maryland  
(2014 Replacement Volume and 2015 Supplement)

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

**Article – State Government**

**9–912.2.**

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

(2) “BED LEASE PAYMENTS” MEANS A DAILY RATE PAID BY THE CONTRACTOR THAT OPERATES THE CHARLOTTE HALL VETERANS HOME TO THE STATE IN LEASE PAYMENTS BASED ON THE TOTAL NUMBER OF BEDS, REGARDLESS OF WHETHER ALL OF THE BEDS ARE FILLED.

(3) “FUND” MEANS THE CHARLOTTE HALL VETERANS HOME FUND.

(B) THERE IS A CHARLOTTE HALL VETERANS HOME FUND.

(C) THE PURPOSE OF THE FUND IS TO MAINTAIN THE OPERATION OF THE CHARLOTTE HALL VETERANS HOME.

(D) THE SECRETARY SHALL ADMINISTER THE FUND.

(E) (1) (I) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT SUBJECT TO § 7–302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

(II) EXCEPT AS PROVIDED IN SUBPARAGRAPH (III) OF THIS PARAGRAPH, ANY UNSPENT PORTIONS OF THE FUND MAY NOT BE TRANSFERRED TO OR REVERT TO THE GENERAL FUND OF THE STATE.

(III) IF, AFTER DEDUCTING ALL EXPENSES AUTHORIZED UNDER SUBSECTION (G) OF THIS SECTION, THE REMAINING BALANCE OF THE REVENUE TO THE DEPARTMENT FROM BED LEASE PAYMENTS AT THE END OF A FISCAL YEAR IS GREATER THAN 10% OF THE TOTAL BUDGET OF THE CHARLOTTE HALL VETERANS HOME FOR THAT FISCAL YEAR, THE AMOUNT OF THE REMAINING BALANCE THAT IS IN EXCESS OF 10% OF THE TOTAL BUDGET SHALL REVERT TO THE GENERAL FUND OF THE STATE.

(2) THE STATE TREASURER SHALL HOLD THE FUND SEPARATELY, AND THE COMPTROLLER SHALL ACCOUNT FOR THE FUND.

(F) THE FUND CONSISTS OF BED LEASE PAYMENTS.

(G) THE FUND MAY BE USED ONLY FOR:

(1) THE SALARIES AND BENEFITS OF THE DEPARTMENTAL STAFF OF THE CHARLOTTE HALL VETERANS HOME;

(2) IMPROVEMENTS TO THE CHARLOTTE HALL VETERANS HOME;  
AND

(3) ANY OTHER OPERATING EXPENSES OF THE CHARLOTTE HALL VETERANS HOME.

(H) (1) THE STATE TREASURER SHALL INVEST THE MONEY OF THE FUND IN THE SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.

(2) ANY INTEREST EARNINGS OF THE FUND SHALL BE CREDITED TO THE GENERAL FUND OF THE STATE.

(I) EXPENDITURES FROM THE FUND MAY BE MADE ONLY IN ACCORDANCE WITH THE STATE BUDGET.

(J) MONEY EXPENDED FROM THE FUND FOR THE CHARLOTTE HALL VETERANS HOME IS SUPPLEMENTAL TO, AND IS NOT INTENDED TO TAKE THE PLACE OF, FUNDING THAT OTHERWISE WOULD BE APPROPRIATED FOR THE CHARLOTTE HALL VETERANS HOME.

(K) THE OFFICE OF LEGISLATIVE AUDITS SHALL AUDIT THE ACCOUNTS AND TRANSACTIONS OF THE FUND AS PROVIDED IN § 2-1220 OF THIS ARTICLE.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016.

Approved by the Governor, May 10, 2016.

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**Chapter 318**

**(Senate Bill 245)**

AN ACT concerning

**Labor and Employment – Hiring and Promotion Preferences – Veterans and  
*Their* Spouses**

FOR the purpose of authorizing employers to grant a preference in hiring and promotion to certain veterans, spouses of certain veterans, and surviving spouses of certain veterans; providing that granting a preference under this Act does not violate State or local equal employment opportunity laws; defining a certain term; and generally relating to hiring and promotion preferences for veterans and spouses.

BY adding to

Article – Labor and Employment

Section 3–714

Annotated Code of Maryland

(2008 Replacement Volume and 2015 Supplement)

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

**Article – Labor and Employment**

**3–714.**

(A) IN THIS SECTION, “ELIGIBLE VETERAN” MEANS A VETERAN OF ANY BRANCH OF THE ARMED FORCES OF THE UNITED STATES WHO HAS RECEIVED AN HONORABLE DISCHARGE OR A CERTIFICATE OF SATISFACTORY COMPLETION OF MILITARY SERVICE, INCLUDING ~~THE NATIONAL GUARD AND THE MILITARY RESERVES;~~

~~(1) THE NATIONAL GUARD;~~

~~(2) THE MILITARY RESERVES;~~

~~(3) THE COMMISSIONED CORPS OF THE PUBLIC HEALTH SERVICE;~~

~~(4) THE COMMISSIONED CORPS OF THE NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION; AND~~

~~(5) THE COMMISSIONED CORPS OF THE COAST AND GEODETIC SURVEY THE NATIONAL GUARD AND THE MILITARY RESERVES.~~

(B) AN EMPLOYER MAY GRANT A PREFERENCE IN HIRING AND PROMOTION TO:

(1) AN ELIGIBLE VETERAN;

(2) THE SPOUSE OF AN ELIGIBLE VETERAN WHO HAS A SERVICE-CONNECTED DISABILITY; OR

(3) THE SURVIVING SPOUSE OF A DECEASED ELIGIBLE VETERAN.

(C) GRANTING A PREFERENCE UNDER SUBSECTION (B) OF THIS SECTION DOES NOT VIOLATE ANY STATE OR LOCAL EQUAL EMPLOYMENT OPPORTUNITY LAW.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2016.

Approved by the Governor, May 10, 2016.

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## Chapter 319

(House Bill 306)

AN ACT concerning

### Labor and Employment – Hiring and Promotion Preferences – Veterans and Their Spouses

FOR the purpose of authorizing employers to grant a preference in hiring and promotion to certain veterans, spouses of certain veterans, and surviving spouses of certain veterans; providing that granting a preference under this Act does not violate State or local equal employment opportunity laws; defining a certain term; and generally relating to hiring and promotion preferences for veterans and spouses.

BY adding to

Article – Labor and Employment

Section 3-714

Annotated Code of Maryland

(2008 Replacement Volume and 2015 Supplement)

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

### Article – Labor and Employment

3-714.

(A) IN THIS SECTION, “ELIGIBLE VETERAN” MEANS A VETERAN OF ANY BRANCH OF THE ARMED FORCES OF THE UNITED STATES WHO HAS RECEIVED AN HONORABLE DISCHARGE OR A CERTIFICATE OF SATISFACTORY COMPLETION OF

**MILITARY SERVICE, INCLUDING THE NATIONAL GUARD AND THE MILITARY RESERVES.**

**(B) AN EMPLOYER MAY GRANT A PREFERENCE IN HIRING AND PROMOTION TO:**

**(1) AN ELIGIBLE VETERAN;**

**(2) THE SPOUSE OF AN ELIGIBLE VETERAN WHO HAS A SERVICE-CONNECTED DISABILITY; OR**

**(3) THE SURVIVING SPOUSE OF A DECEASED ELIGIBLE VETERAN.**

**(C) GRANTING A PREFERENCE UNDER SUBSECTION (B) OF THIS SECTION DOES NOT VIOLATE ANY STATE OR LOCAL EQUAL EMPLOYMENT OPPORTUNITY LAW.**

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2016.

**Approved by the Governor, May 10, 2016.**

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## **Chapter 320**

**(Senate Bill 1112)**

AN ACT concerning

### **Income Tax – Aerospace, Electronics, or Defense Contract Tax Credit Program**

FOR the purpose of allowing a certain qualified business entity operating a certain aerospace, electronics, or defense contract tax credit project to claim a credit against the State income tax; requiring the Department of Economic Competitiveness and Commerce to certify a business entity as a qualified business entity within a certain period of time; providing that a project is eligible for designation by the Department as an aerospace, electronics, or defense contract tax credit project under certain circumstances; requiring a business entity to submit a certain application to the Department; providing that a qualified business entity may receive a certain number of designations for certain credit projects in a fiscal year; prohibiting the Department from approving designations that would result in certain total aggregate tax credits exceeding a certain amount in a fiscal year; requiring a qualified business entity to submit to the Comptroller a certain certification in order to claim a credit; providing for the calculation of the credit; providing that the credit earned by a qualified business entity for a project may not exceed a certain amount for a certain credit year; making the credit refundable; providing for the recapture of the credit under



certain circumstances; requiring a qualified business entity to report certain information for a certain period of time to the Department; authorizing the Department to require the verification by a certain certified public accountant of certain information; providing that claiming a credit authorizes the Comptroller to share certain information with the Department; providing that certain information is subject to certain confidentiality requirements; requiring the Department to report certain information in a certain manner; requiring the Department to adopt certain regulations; defining certain terms; providing for the application of this Act; providing for the termination of this Act; and generally relating to the Aerospace, Electronics, or Defense Contract Tax Credit Program.

BY repealing and reenacting, without amendments,  
Article – Economic Development  
Section 1–101(a), (c), and (f)  
Annotated Code of Maryland  
(2008 Volume and 2015 Supplement)

BY repealing and reenacting, with amendments,  
Article – Economic Development  
Section 2.5–109(a)(4)  
Annotated Code of Maryland  
(2008 Volume and 2015 Supplement)  
(As enacted by Chapter 58 of the Acts of the General Assembly of 2015)

BY adding to  
Article – Economic Development  
Section 6–701 through 6–707 to be under the new subtitle “Subtitle 7. Aerospace,  
Electronics, or Defense Contract Tax Credit Program”  
Annotated Code of Maryland  
(2008 Volume and 2015 Supplement)

BY adding to  
Article – Tax – General  
Section 10–737  
Annotated Code of Maryland  
(2010 Replacement Volume and 2015 Supplement)

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

### **Article – Economic Development**

1–101.

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

(c) “Department” means the Department of Economic Competitiveness and Commerce.

(f) “Secretary” means the Secretary of Commerce.

2.5–109.

(a) In this section, “economic development program” means:

(4) each of the tax credit programs administered by the Department, including:

(i) the Film Production Activity Tax Credit;

(ii) the Job Creation Tax Credit;

(iii) the One Maryland Economic Development Tax Credit;

(iv) the Biotechnology Investment Incentive Tax Credit;

(v) the Research and Development Tax Credit;

(vi) the Security Clearance Administrative Expenses and Construction and Equipment Costs Tax Credit; [and]

(vii) the Cybersecurity Investment Incentive Tax Credit; AND

**(VIII) THE AEROSPACE, ELECTRONICS, OR DEFENSE CONTRACT TAX CREDIT.**

**SUBTITLE 7. AEROSPACE, ELECTRONICS, OR DEFENSE CONTRACT TAX CREDIT PROGRAM.**

**6–701.**

**(A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.**

**(B) “AEROSPACE, ELECTRONICS, OR DEFENSE CONTRACT TAX CREDIT PROJECT” MEANS A PROJECT THAT MEETS THE REQUIREMENTS OF § 6–702 OF THIS SUBTITLE AND IS DESIGNATED AS AN AEROSPACE, ELECTRONICS, OR DEFENSE CONTRACT TAX CREDIT PROJECT BY THE DEPARTMENT UNDER § 6–702 OF THIS SUBTITLE.**

(C) “CREDIT YEAR” MEANS THE TAXABLE YEAR IN WHICH A QUALIFIED BUSINESS ENTITY CLAIMS THE INCOME TAX CREDIT ALLOWED IN ACCORDANCE WITH § 6-702 OF THIS SUBTITLE.

(D) (1) “QUALIFIED BUSINESS ENTITY” MEANS A PERSON CONDUCTING OR OPERATING A FOR-PROFIT TRADE OR BUSINESS IN THE STATE THAT IS CERTIFIED IN ACCORDANCE WITH § 6-702 OF THIS SUBTITLE AS QUALIFYING FOR THE INCOME TAX CREDIT UNDER THIS SUBTITLE.

(2) “QUALIFIED BUSINESS ENTITY” DOES NOT INCLUDE A GOVERNMENTAL ENTITY.

(E) “QUALIFIED EXPENDITURES” MEANS CAPITAL EXPENDITURES THAT HAVE BEEN EXPENDED OR WILL BE EXPENDED BY A QUALIFIED BUSINESS ENTITY AND THAT THE DEPARTMENT DETERMINES MEET THE REQUIREMENTS FOR AN AEROSPACE, ELECTRONICS, OR DEFENSE CONTRACT TAX CREDIT PROJECT IN ACCORDANCE WITH § 6-702 OF THIS SUBTITLE.

(F) (1) “QUALIFIED POSITION” MEANS A POSITION THAT:

(I) IS FULL TIME AND OF INDEFINITE DURATION;

(II) HAS AN ANNUAL SALARY OF AT LEAST \$85,000, INCLUDING ASSOCIATED BENEFITS;

(III) IS LOCATED IN THE STATE;

(IV) IS NEWLY CREATED OR RETAINED AS A RESULT OF THE AEROSPACE, ELECTRONICS, OR DEFENSE CONTRACT TAX CREDIT PROJECT OF THE QUALIFIED BUSINESS ENTITY; AND

(V) IS FILLED.

(2) “QUALIFIED POSITION” DOES NOT INCLUDE A POSITION THAT IS FILLED FOR A PERIOD OF LESS THAN 12 MONTHS.

**6-702.**

(A) A QUALIFIED BUSINESS ENTITY OPERATING AN AEROSPACE, ELECTRONICS, OR DEFENSE CONTRACT TAX CREDIT PROJECT IS ELIGIBLE FOR THE INCOME TAX CREDIT DESCRIBED IN § 6-703 OF THIS SUBTITLE.

**(B) THE DEPARTMENT SHALL CERTIFY A BUSINESS ENTITY AS A QUALIFIED BUSINESS ENTITY WITHIN 60 DAYS OF RECEIVING AN APPLICATION THAT EVIDENCES THAT THE APPLICANT HAS SATISFIED THE REQUIREMENTS OF THIS SECTION.**

**(C) (1) THE DEPARTMENT MAY CERTIFY A PROJECT AS AN AEROSPACE, ELECTRONICS, OR DEFENSE CONTRACT TAX CREDIT PROJECT IF THE BUSINESS ENTITY THAT WILL OPERATE THE PROJECT:**

**(I) CREATES OR RETAINS AT LEAST 10,000 QUALIFIED POSITIONS; AND**

**(II) SUBMITS A BUDGET EVIDENCING THAT THE BUSINESS ENTITY WILL EXPEND AT LEAST \$25,000,000 IN QUALIFYING EXPENDITURES, AS DETERMINED BY THE DEPARTMENT, DURING THE CREDIT YEAR.**

**(2) THE QUALIFIED POSITIONS AND QUALIFIED EXPENDITURES REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION MUST RESULT FROM AN AEROSPACE, ELECTRONICS, OR DEFENSE CONTRACT PROJECT LOCATED IN THE STATE.**

**(D) (1) TO BE ELIGIBLE FOR THE TAX CREDIT UNDER THIS SUBTITLE, THE BUSINESS ENTITY THAT OPERATES THE AEROSPACE, ELECTRONICS, OR DEFENSE CONTRACT TAX CREDIT PROJECT SHALL SUBMIT TO THE DEPARTMENT AN APPLICATION, THE FORM AND CONTENT OF WHICH SHALL BE DETERMINED BY THE DEPARTMENT.**

**(2) THE APPLICATION REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL CONTAIN:**

**(I) A NEW CONTRACT EXECUTED BY THE BUSINESS ENTITY FOR THE PROVISION OF GOODS OR SERVICES IN CONNECTION WITH AN AEROSPACE, ELECTRONICS, OR DEFENSE CONTRACT;**

**(II) THE NUMBER OF FULL-TIME POSITIONS WITH AN ANNUAL SALARY OF AT LEAST \$85,000, INCLUDING BENEFITS, TO BE RETAINED OR HIRED AS PART OF THE AEROSPACE, ELECTRONICS, OR DEFENSE CONTRACT; AND**

**(III) A BUDGET FOR THE PROJECT THAT INCLUDES THE AMOUNT OF QUALIFIED EXPENDITURES THAT THE APPLICANT PLEDGES TO EXPEND IN CONNECTION WITH THE AEROSPACE, ELECTRONICS, OR DEFENSE CONTRACT.**

(E) THE DEPARTMENT MAY REQUIRE THAT ANY INFORMATION PROVIDED UNDER SUBSECTION (D) OF THIS SECTION BE VERIFIED BY AN INDEPENDENT CERTIFIED PUBLIC ACCOUNTANT THAT THE BUSINESS ENTITY AND THE DEPARTMENT SELECT.

(F) A QUALIFIED BUSINESS ENTITY MAY RECEIVE UP TO THREE DESIGNATIONS FOR AEROSPACE, ELECTRONICS, OR DEFENSE CONTRACT TAX CREDIT PROJECTS IN A FISCAL YEAR.

(G) THE DEPARTMENT MAY NOT APPROVE DESIGNATIONS FOR AEROSPACE, ELECTRONICS, OR DEFENSE CONTRACT TAX CREDIT PROJECTS THAT WOULD RESULT IN TOTAL AGGREGATE TAX CREDITS EXCEEDING \$7,500,000 IN A TAXABLE YEAR.

**6-703.**

(A) (1) A QUALIFIED BUSINESS ENTITY MAY CLAIM AN INCOME TAX CREDIT IN THE AMOUNT DETERMINED UNDER THIS SECTION.

(2) A QUALIFIED BUSINESS ENTITY SHALL SUBMIT TO THE COMPTROLLER, WITH THE TAX RETURN ON WHICH THE CREDIT IS CLAIMED, CERTIFICATION FROM THE DEPARTMENT THAT THE BUSINESS ENTITY HAS MET THE REQUIREMENTS OF THIS SUBTITLE AND IS ELIGIBLE FOR THE CREDIT.

(B) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, THE CREDIT EARNED UNDER THIS SECTION FOR AN AEROSPACE, ELECTRONICS, OR DEFENSE CONTRACT TAX CREDIT PROJECT IS \$250 MULTIPLIED BY THE NUMBER OF QUALIFIED EMPLOYEES EMPLOYED BY THE QUALIFIED BUSINESS ENTITY DURING THE CREDIT YEAR.

(2) THE CREDIT EARNED BY A QUALIFIED BUSINESS ENTITY FOR AN AEROSPACE, ELECTRONICS, OR DEFENSE CONTRACT TAX CREDIT PROJECT UNDER THIS SUBTITLE MAY NOT EXCEED \$2,500,000 FOR ANY CREDIT YEAR.

(C) (1) THE CREDIT EARNED UNDER SUBSECTION (B) OF THIS SECTION SHALL BE TAKEN OVER A 1-YEAR PERIOD.

(2) IF THE CREDIT ALLOWED UNDER THIS SUBTITLE IN ANY TAXABLE YEAR EXCEEDS THE TOTAL INCOME TAX OTHERWISE PAYABLE BY THE QUALIFIED BUSINESS ENTITY FOR THAT TAXABLE YEAR, THE QUALIFIED BUSINESS ENTITY MAY CLAIM A REFUND IN THE AMOUNT OF THE EXCESS.

**6-704.**

(A) IF, DURING EITHER OF THE 2 YEARS AFTER THE CREDIT YEAR, THE NUMBER OF QUALIFIED POSITIONS OF THE QUALIFIED BUSINESS ENTITY FALLS BELOW A ROLLING AVERAGE OVER THE PAST 2 YEARS OF 10,000, THE CREDIT SHALL BE RECAPTURED AS FOLLOWS:

(1) THE CREDIT SHALL BE RECOMPUTED AND REDUCED ON A PROPORTIONATE BASIS, BASED ON THE REDUCTION OF THE ROLLING AVERAGE NUMBER OF QUALIFIED EMPLOYEES OVER THE PAST 2 YEARS;

(2) THE RECOMPUTED CREDIT SHALL BE SUBTRACTED FROM THE AMOUNT OF CREDIT PREVIOUSLY ALLOWED; AND

(3) THE QUALIFIED BUSINESS ENTITY SHALL PAY THE DIFFERENCE CALCULATED IN ITEM (2) OF THIS SUBSECTION AS TAXES PAYABLE TO THE STATE FOR THAT TAXABLE YEAR.

(B) IF, DURING ANY OF THE 2 YEARS AFTER THE CREDIT YEAR, THE ROLLING AVERAGE NUMBER OF QUALIFIED POSITIONS FALLS BELOW 9,000 FOR THE PAST 2 YEARS, ALL CREDITS EARNED SHALL BE RECAPTURED.

(C) (1) FOR THE 3 TAXABLE YEARS AFTER THE CREDIT YEAR, A QUALIFIED BUSINESS ENTITY SHALL PROVIDE ANY INFORMATION REQUIRED BY THE DEPARTMENT TO VERIFY THAT THE QUALIFIED BUSINESS ENTITY IS NOT SUBJECT TO THE PROVISIONS OF SUBSECTION (A) OR SUBSECTION (B) OF THIS SECTION.

(2) THE DEPARTMENT MAY REQUIRE THAT ANY INFORMATION PROVIDED UNDER THIS SUBSECTION BE VERIFIED BY AN INDEPENDENT CERTIFIED PUBLIC ACCOUNTANT THAT THE QUALIFIED BUSINESS ENTITY AND THE DEPARTMENT SELECT.

6-705.

(A) BY CLAIMING THE TAX CREDITS UNDER THIS SUBTITLE, THE QUALIFIED BUSINESS ENTITY AUTHORIZES THE COMPTROLLER TO SHARE WITH THE DEPARTMENT ANY INFORMATION RECEIVED FROM A QUALIFIED BUSINESS ENTITY ABOUT ELIGIBILITY FOR A CREDIT ALLOWED UNDER THIS SUBTITLE.

(B) INFORMATION THAT IS RECEIVED UNDER SUBSECTION (A) OF THIS SECTION IS SUBJECT TO THE CONFIDENTIALITY REQUIREMENTS THAT APPLY TO THE COMPTROLLER.

6-706.

IN ACCORDANCE WITH § 2.5–109 OF THIS ARTICLE, THE DEPARTMENT SHALL SUBMIT A REPORT ON THE BUSINESS ENTITIES CERTIFIED AS ELIGIBLE FOR AEROSPACE, ELECTRONICS, OR DEFENSE CONTRACT PROJECT TAX CREDITS IN THE PRECEDING FISCAL YEAR.

6–707.

THE SECRETARY MAY ESTABLISH BY REGULATION ANY OTHER REQUIREMENTS NECESSARY AND APPROPRIATE TO CARRY OUT THIS SUBTITLE.

#### Article – Tax – General

10–737.

AN INDIVIDUAL OR A CORPORATION MAY CLAIM A CREDIT AGAINST THE INCOME TAX FOR AN AEROSPACE, ELECTRONICS, OR DEFENSE CONTRACT PROJECT AS PROVIDED UNDER TITLE 6, SUBTITLE 7 OF THE ECONOMIC DEVELOPMENT ARTICLE.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016, and shall be applicable to all taxable years beginning after December 31, 2015. It shall remain effective for a period of 5 years and, at the end of June 30, 2021, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.

Approved by the Governor, May 10, 2016.

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### Chapter 321

(House Bill 489)

AN ACT concerning

#### **Termination of Maryland Health Insurance Plan, Transfer of Senior Prescription Drug Assistance Program, and Funding for State Reinsurance Program**

FOR the purpose of repealing provisions of law establishing the Maryland Health Insurance Plan (MHIP); repealing provisions of law establishing the Board of Directors for MHIP; repealing provisions of law establishing the Maryland Health Insurance Plan Fund (MHIP Fund); repealing provisions of law governing the standard benefit package to be offered by MHIP and requiring MHIP to be the

alternative mechanism for certain individuals under a certain federal law; repealing the duties of the Maryland Insurance Commissioner relating to MHIP; altering the contents of the Health Care Coverage Fund by removing money transferred to the Fund from the MHIP Fund; repealing a requirement for the Health Services Cost Review Commission to assess a certain amount in hospital rates to operate and administer MHIP; repealing the ceiling on a certain hospital assessment; repealing the authorization for certain funds to be used for the State Reinsurance Program; repealing the exemption from taxation for MHIP and the Senior Prescription Drug Assistance Program (Program); transferring the Program from the Board of Directors for MHIP to the Department of Health and Mental Hygiene on a certain date; repealing the requirement for the Board of Directors for MHIP to contract with a third party to administer the Program; requiring the Department to administer the Program; establishing the Senior Prescription Drug Assistance Program Fund (Fund) as a special, nonlapsing fund; specifying the purpose of the Fund; requiring the Department to administer the Fund; requiring the State Treasurer to hold the Fund separately and the Comptroller to account for the Fund; specifying the contents of the Fund; specifying the purposes for which the Fund may be used; establishing certain conditions on the use of the Fund for a certain purpose; providing for the investment of money in and expenditures from the Fund; requiring the Program to have a certain budget code; repealing the segregated account for the Program in the MHIP Fund; repealing a requirement for the Board of Directors for MHIP to report on certain information about the Program; altering the period of time during which the subsidy from a certain nonprofit health service plan for the Program may not exceed a certain amount; requiring the nonprofit health service plan to transfer certain funds for the Program to the Fund, instead of the separate account within the MHIP Fund; requiring certain premium tax revenue collected by the Maryland Insurance Administration to be deposited into the Fund, instead of the MHIP Fund; deleting the MHIP Fund from, and adding the Fund to, the list of funds for which interest earnings do not accrue to the General Fund of the State; altering the contents of the Maryland Health Benefit Exchange Fund to include revenues transferred from the MHIP Fund before a certain date, instead of revenues from the separate account of the MHIP Fund; requiring funds transferred to the Maryland Health Benefit Exchange Fund from the MHIP Fund before a certain date to be placed in the account for the State Reinsurance Program and used only for a specified purpose; repealing a requirement that the Maryland Health Benefit Exchange obtain approval of the Board of Directors for MHIP to use certain revenue to fund the State Reinsurance Program; requiring the Maryland Health Benefit Exchange to use certain funds to fund the State Reinsurance Program; repealing obsolete provisions of law establishing a Maryland Pharmacy Assistance Program; defining a certain term; repealing certain definitions; making certain conforming changes; extending the termination date of the Program; repealing obsolete provisions of law relating to a carrier required to offer a certain drug subsidy plan; authorizing a certain amount of a certain fund balance to be used in certain fiscal years to support certain expenses of MHIP; requiring the Department to provide funds to the Administrator of the Program, in accordance with a certain contract, for certain costs; providing for the transfer of certain employees, books and records, property, equipment, fixtures, assets, liabilities, obligations, and credits; ~~requiring the contract for the~~



~~Administrator of the Program to remain in force until a certain date~~; providing that certain employees transferred to the Maryland Health Benefit Exchange and the Department as a result of this Act shall be transferred without diminution of certain rights, benefits, employment, or retirement status; and generally relating to the termination of the Maryland Health Insurance Plan, the transfer of the Senior Prescription Drug Assistance Program, and funding for the State Reinsurance Program.

BY repealing

Article – Insurance

Section 14–501 through 14–509, the subtitle “Subtitle 5. Programs for Medically Uninsurable and Underinsured Individuals”, and the part “Part I. Maryland Health Insurance Plan”

Annotated Code of Maryland

(2011 Replacement Volume and 2015 Supplement)

BY transferring

Article – Insurance

Section 14–510 through 14–515, respectively, and the part “Part II. Senior Prescription Drug Assistance Program”

Annotated Code of Maryland

(2011 Replacement Volume and 2015 Supplement)

to be

Article – Health – General

Section 15–1001 through 15–1006, respectively, and the subtitle “Subtitle 10. Senior Prescription Drug Assistance Program”

Annotated Code of Maryland

(2015 Replacement Volume)

BY repealing

Article – Health – General

Section 15–124

Annotated Code of Maryland

(2015 Replacement Volume)

BY repealing and reenacting, without amendments,

Article – Health – General

Section 15–701(a) and (b)

Annotated Code of Maryland

(2015 Replacement Volume)

BY repealing and reenacting, with amendments,

Article – Health – General

Section 15–701(f) and (i)(4) and 19–214(d)

Annotated Code of Maryland

(2015 Replacement Volume)

BY repealing and reenacting, with amendments,  
Article – Health – General  
Section 15–1001 through 15–1006  
Annotated Code of Maryland  
(2015 Replacement Volume)  
(As enacted by Section 2 of this Act)

BY repealing and reenacting, with amendments,  
Article – Insurance  
Section 6–101(b), 14–106, 14–106.2, 14–107, 31–107, and 31–117(c)(3)  
Annotated Code of Maryland  
(2011 Replacement Volume and 2015 Supplement)

BY repealing and reenacting, without amendments,  
Article – State Finance and Procurement  
Section 6–226(a)(2)(i)  
Annotated Code of Maryland  
(2015 Replacement Volume)

BY repealing and reenacting, with amendments,  
Article – State Finance and Procurement  
Section 6–226(a)(2)(ii)24.  
Annotated Code of Maryland  
(2015 Replacement Volume)

BY repealing and reenacting, with amendments,  
Chapter 153 of the Acts of the General Assembly of 2002, as amended by Chapter 282 of the Acts of the General Assembly of 2005, Chapter 345 of the Acts of the General Assembly of 2006, Chapter 509 of the Acts of the General Assembly of 2007, Chapter 558 of the Acts of the General Assembly of 2008, Chapter 119 of the Acts of the General Assembly of 2010, Chapter 27 of the Acts of the General Assembly of 2012, and Chapter 84 of the Acts of the General Assembly of 2014  
Section 13

BY repealing and reenacting, with amendments,  
Chapter 489 of the Acts of the General Assembly of 2015  
Section 9

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That Section(s) 14–501 through 14–509, the subtitle “Subtitle 5. Programs for Medically Uninsurable and Underinsured Individuals”, and the part “Part I. Maryland Health Insurance Plan” of Article – Insurance of the Annotated Code of Maryland be repealed.

SECTION 2. AND BE IT FURTHER ENACTED, That Section(s) 14–510 through 14–515, respectively, and the part “Part II. Senior Prescription Drug Assistance Program” of Article – Insurance of the Annotated Code of Maryland be transferred to be Section(s)

15–1001 through 15–1006, respectively, and the subtitle “Subtitle 10. Senior Prescription Drug Assistance Program” of Article – Health – General of the Annotated Code of Maryland.

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

**Article – Health – General**

[15–124.

(a) The Department shall maintain a Maryland Pharmacy Assistance Program for low income individuals not eligible for Medicare whose:

(1) Assets are not more than the level established by the federal Centers for Medicare and Medicaid Services under the Qualified Medicare Beneficiary Program; and

(2) Gross annual income does not exceed 116% of the federal poverty guidelines for an individual, or 100% of the federal poverty guidelines for a family of two or more.

(b) (1) (i) Reimbursement under the Maryland Pharmacy Assistance Program may be limited to maintenance drugs, anti-infectives, and AZT as specified in regulations to be issued by the Secretary after consultation with the Maryland Pharmacists Association.

(ii) 1. For any drug on the Program’s interchangeable drug list, the Program shall reimburse providers in an amount not more than it would reimburse for the drug’s generic equivalent, unless the individual’s physician states, in his or her own handwriting, on the face of the prescription, that a specific brand is “medically necessary” for the particular patient.

2. If an appropriate generic drug is not generally available, the Department may waive the reimbursement requirement under subparagraph 1 of this subparagraph.

(2) The reimbursement shall be up to the amount paid for the same items or services under the pharmacy program of the Maryland Medical Assistance Program and shall be subject to a copayment of not more than:

(i) \$2.50 for a generic drug or a brand name drug on a preferred drug list established by the Department; and

(ii) \$7.50 for a brand name drug not on a preferred drug list established by the Department.

(c) (1) Except as provided under paragraph (4) of this subsection and unless the change is made by an emergency regulation, the Maryland Pharmacy Assistance Program shall notify all pharmacies under contract with the Program in writing of changes in the Pharmaceutical Benefit Program rules or requirements at least 30 days before the change is effective.

(2) Changes that require 30 days' advance written notice under paragraph (1) of this subsection are:

- (i) Exclusion of coverage for classes of drugs as specified by contract;
- (ii) Changes in prior or preauthorization procedures; and
- (iii) Selection of new prescription claims processors.

(3) If the Maryland Pharmacy Assistance Program fails to provide advance notice as required under paragraph (1) of this subsection, it shall honor and pay in full any claim under the Program rules or requirements that existed before the change for 30 days after the postmarked date of the notice.

(4) Notwithstanding any other provision of law, the notice requirements of this subsection do not apply to the addition of new generic drugs authorized under § 12–504 of the Health Occupations Article.

(d) (1) The Secretary shall adopt rules and regulations that authorize the denial, restriction, or termination of eligibility for recipients who have abused benefits under the Maryland Pharmacy Assistance Program.

(2) As a condition of participation, the Department may require Maryland Pharmacy Assistance Program participants to apply for eligibility in the Maryland Medical Assistance Program within 60 days of notification to do so by the Department.

(3) The rules and regulations shall require that the recipient be given notice and an opportunity for a hearing before eligibility may be denied, restricted, or terminated under this subsection.

(e) The Secretary shall develop a program, in consultation with appropriate agencies, that will provide information to ineligible Maryland Pharmacy Assistance Program applicants regarding other programs that they may be eligible for including the Maryland Medbank Program established under § 15–124.2 of this subtitle and the Senior Prescription Drug Assistance Program established under Title 14, Subtitle 5 of the Insurance Article.]

15–701.

- (a) In this subtitle, “Fund” means the Health Care Coverage Fund.

(b) There is a Health Care Coverage Fund.

(f) The Fund consists of:

[(1) Money transferred from the Maryland Health Insurance Plan Fund;]

[(2)] (1) Money collected from any assessment by the State Health Services Cost Review Commission on hospitals under § 19–214(d) of this article;

[(3)] (2) Any money made available from investment earnings; and

[(4)] (3) Any other money from any other source accepted for the benefit of the Fund.

(i) (4) Money [transferred from the Maryland Health Insurance Plan Fund or] collected from an assessment by the State Health Services Cost Review Commission on hospitals may not be used for the purpose of this subsection.

#### Subtitle 10. Senior Prescription Drug Assistance Program.

15–1001.

(a) In [Part II of] this subtitle the following words have the meanings indicated.

(b) “Eligible individual” means an individual who:

(1) Is a resident of Maryland;

(2) Is a Medicare beneficiary enrolled in the Medicare Part D Voluntary Prescription Drug Benefit Program or a Medicare Advantage Plan that provides Part D coverage;

(3) Is not enrolled in a health benefit plan, other than a Medicare Part D prescription drug plan or a Medicare Advantage Plan, that provides prescription drug benefits at the time that the individual applies for enrollment in the Program;

(4) Has an annual household income at or below 300% of the federal poverty guidelines;

(5) Is not eligible for a full federal low-income subsidy under 42 C.F.R. § 423.772; and

(6) Pays the premium, and copayments or coinsurance, for the Program.

(c) “Enrollee” means an individual enrolled in the Program.

(d) **“FUND” MEANS THE SENIOR PRESCRIPTION DRUG ASSISTANCE PROGRAM FUND ESTABLISHED UNDER § 15–1004 OF THIS SUBTITLE.**

(E) “Program” means the Senior Prescription Drug Assistance Program established under [Part II of] this subtitle.

15–1002.

(a) There is a Senior Prescription Drug Assistance Program.

(b) The purpose of the Program is to provide Medicare Part D beneficiaries, who meet Program eligibility requirements, with a State subsidy.

(c) The [Board shall contract with a third party to] **DEPARTMENT SHALL** administer the Program.

[(d) The Administrator of the Program shall:

(1) Submit a detailed financial accounting of the Program to the Board as often as the Board requires;

(2) Collect and submit to the Board data regarding the utilization patterns and costs for Program enrollees; and

(3) Develop and implement a marketing plan targeted at eligible individuals throughout the State.]

15–1003.

(a) The Program shall:

(1) Provide a prescription drug benefit subsidy, as determined by the [Board] **DEPARTMENT**, that may pay all or some of the deductibles, coinsurance payments, premiums, and copayments under the federal Medicare Part D Pharmaceutical Assistance Program for enrollees of the Program; and

(2) Provide the subsidy to the maximum number of individuals eligible for enrollment in the Program, subject to the moneys available in the [segregated account under § 14–504 of this subtitle] **FUND**.

(b) The Program may limit payment of any subsidy by paying the subsidy only on behalf of eligible individuals enrolled in a Medicare Part D Prescription Drug Plan or Medicare Advantage Plan that coordinates with the Program in accordance with federal requirements.

(c) The Program:

(1) May annually provide an additional subsidy, up to the full amount of the Medicare Part D Prescription Drug Plan premium, for individuals who qualify for a partial federal low-income subsidy; and

(2) Shall annually provide an additional subsidy up to the full amount of the Medicare Part D coverage gap, subject to the availability of:

(i) Funds provided under § 14–106.2 of [this title] **THE INSURANCE ARTICLE**; and

(ii) Any other funds available for this purpose.

(d) The [Program] **DEPARTMENT** shall maintain a waiting list of individuals who meet the eligibility requirements for the Program but who are not served by the Program due to funding limitations.

(e) The [Board] **DEPARTMENT** shall determine annually:

(1) The number of individuals to be enrolled in the Program;

(2) The amount of subsidy to be provided under subsections (a) and (c)(2) of this section; and

(3) The amount of any additional subsidy provided under subsection (c)(1) of this section.

[(f) On or before January 1 of each year, the Board, in accordance with § 2–1246 of the State Government Article, shall report to the General Assembly on:

(1) The number of individuals on the waiting list for the Program; and

(2) To the extent that the Board is able to collect the information:

(i) The number of enrollees with out-of-pocket prescription drug costs that exceed \$2,250, broken down for each fiscal quarter; and

(ii) The total annual out-of-pocket prescription drug costs for enrollees.]

15–1004.

[(a) Funds for the Program shall be deposited:

(1) To a segregated account in the Fund established under § 14–504 of this subtitle; or

(2) To a separate account for the Program established by the Program Administrator.

(b) The segregated account shall include:

(1) Interest and investment income attributable to Program funds; and

(2) Money deposited to the account by a nonprofit health service plan, in accordance with subsections (c) and (d) of this section.]

**(A) THERE IS A SENIOR PRESCRIPTION DRUG ASSISTANCE PROGRAM FUND.**

**(B) THE PURPOSE OF THE FUND IS TO SUPPORT THE ADMINISTRATION, OPERATION, AND ACTIVITIES OF THE PROGRAM.**

**(C) THE DEPARTMENT SHALL ADMINISTER THE FUND.**

**(D) (1) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.**

**(2) THE STATE TREASURER SHALL HOLD THE FUND SEPARATELY, AND THE COMPTROLLER SHALL ACCOUNT FOR THE FUND.**

**(E) THE FUND CONSISTS OF:**

**(1) MONEY TRANSFERRED TO THE FUND BY A NONPROFIT HEALTH SERVICE PLAN UNDER §§ 14-106(D) AND 14-106.2 OF THE INSURANCE ARTICLE;**

**(2) MONEY APPROPRIATED IN THE STATE BUDGET TO THE FUND;**

**(3) INTEREST EARNINGS OF THE FUND; AND**

**(4) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED FOR THE BENEFIT OF THE FUND.**

**(F) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, THE FUND MAY BE USED ONLY FOR THE ADMINISTRATION, OPERATION, AND ACTIVITIES OF THE PROGRAM.**

**(2) EXCESS FUNDS NOT REQUIRED FOR THE ADMINISTRATION, OPERATION, AND ACTIVITIES OF THE PROGRAM:**

**(I) MAY BE USED ONLY TO SUBSIDIZE:**



1. THE KIDNEY DISEASE PROGRAM UNDER TITLE 13, SUBTITLE 3 OF THIS ARTICLE; OR

2. THE PROVISION OF MENTAL HEALTH SERVICES TO THE UNINSURED UNDER TITLE 10, SUBTITLE 2 OF THIS ARTICLE; AND

(II) MAY BE EXPENDED FOR THE PURPOSES IN ITEM (I) OF THIS PARAGRAPH ONLY:

1. THROUGH A TRANSFER OF FUNDS BY BUDGET AMENDMENT; AND

2. AFTER:

A. THE BUDGET AMENDMENT HAS BEEN SUBMITTED TO THE DEPARTMENT OF LEGISLATIVE SERVICES; AND

B. THE BUDGET COMMITTEES OF THE GENERAL ASSEMBLY HAVE CONSIDERED THE BUDGET AMENDMENT OR 45 DAYS HAVE ELAPSED FROM THE DATE OF SUBMISSION OF THE AMENDMENT TO THE DEPARTMENT OF LEGISLATIVE SERVICES.

(G) (1) THE STATE TREASURER SHALL INVEST THE MONEY OF THE FUND IN THE SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.

(2) ANY INTEREST EARNINGS OF THE FUND SHALL BE CREDITED TO THE FUND.

(H) (1) EXPENDITURES FROM THE FUND MAY BE MADE ONLY IN ACCORDANCE WITH THE STATE BUDGET.

(2) THE PROGRAM SHALL HAVE ITS OWN PROGRAM CODE WITHIN THE STATE BUDGET.

[(c)] (I) (1) [On or before April 1, 2003] **BEGINNING JULY 1, 2016**, and quarterly thereafter, the nonprofit health service plan required to subsidize the Program under § 14–106(d) of [this title] **THE INSURANCE ARTICLE** shall deposit to the Fund [under § 14–504 of this subtitle] the amount that is necessary to operate and administer the Program for the following quarter.

(2) The amount deposited shall be determined by the [Board] **DEPARTMENT** based on enrollment, expenditures, and revenue for the previous year.

(3) The amount required by the [Board] **DEPARTMENT** under paragraph (2) of this subsection may not exceed the amounts specified in § 14–106(e) of [this title] **THE INSURANCE ARTICLE**.

[(4) The Board shall provide funds to the Administrator, in accordance with the terms of the contract with the Administrator, for the cost of the State subsidy and administrative expenses incurred on behalf of the Program.

(d) In addition to the amount deposited under subsection (c) of this section, a nonprofit health service plan shall deposit in the Fund under § 14–504 of this subtitle the amount required under § 14–106.2 of this title to be used for the purpose of subsidizing the Medicare Part D coverage gap.]

15–1005.

(a) On or before June 30 of each year, the [Board] **DEPARTMENT** shall submit a report to the Governor and, in accordance with § 2–1246 of the State Government Article, to the General Assembly that includes a summary of Program activities for the year and any recommendations for consideration by the General Assembly.

(b) (1) The [Board] **DEPARTMENT** shall adopt regulations to carry out [Part II of] this subtitle.

(2) The [Board] **DEPARTMENT** may adopt regulations that require an insurance producer to receive training about the Program before the insurance producer may market the Program or assist a Medicare beneficiary to enroll in the Program.

(3) Subject to § 10–116(d) of [this article] **THE INSURANCE ARTICLE**, training received under paragraph (2) of this subsection qualifies as continuing education under § 10–116(a) of [this article] **THE INSURANCE ARTICLE**.

15–1006.

(a) For the purpose of maximizing participation in the Program, the [Board] **DEPARTMENT** may develop outreach materials for distribution to eligible individuals.

(b) The [Board] **DEPARTMENT** shall publicize the existence and eligibility requirements of the Program through the following entities:

- (1) The Department of Aging;
- (2) Local health departments;
- (3) Continuing care retirement communities;
- (4) Places of worship;

- (5) Civic organizations;
- (6) Community pharmacies; and
- (7) Any other entity that the [Board] **DEPARTMENT** determines appropriate.

(c) The Department of Aging, through its Senior Health Insurance Program, shall:

(1) Assist eligible individuals in applying for coverage under the Program; and

(2) Provide notice of the Program and its eligibility requirements to potentially eligible individuals who seek health insurance counseling services through the Department of Aging.

(d) The [Board] **DEPARTMENT** shall develop a mail-in application for the Program.

(e) Any outreach performed by the [Board] **DEPARTMENT** on behalf of the Program shall be funded through the [Program's segregated account within the] Fund.

19-214.

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

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

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

(2) (i) [For the portion of the assessment under paragraph (1)(i) of this subsection:]

1. The Commission shall ensure that the assessment amount equals 1.25% of projected regulated net patient revenue[; and].

2. Each hospital shall remit its assessment amount to the Health Care Coverage Fund established under § 15-701 of this article.

(ii) Any savings realized in averted uncompensated care as a result of the expansion of health care coverage under Chapter 7 of the Acts of the 2007 Special Session of the General Assembly that are not subject to the assessment under paragraph [(1)(i)] **(1)** of this subsection shall be shared among purchasers of hospital services in a manner that the Commission determines is most equitable.

[(3)] For the portion of the assessment under paragraph (1)(ii) of this subsection:

(i) The Commission shall ensure that the assessment:

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

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

3. May not be more than 0.3% of net patient revenue; and

(ii) Each hospital shall remit monthly one-twelfth of the amount assessed under paragraph (1)(ii) of this subsection to the Maryland Health Insurance Plan Fund established under Title 14, Subtitle 5 of the Insurance Article, for the purpose of operating and administering the Maryland Health Insurance Plan.]

~~[(4)] **(3)** The assessment authorized under paragraph (1) of this subsection may not exceed 3% in the aggregate of any hospital's total net regulated patient revenue.~~

[(5)] ~~(4)~~ **(3)** (i) Funds generated from the assessment under this subsection may be used only [as follows:

1. To] **TO** supplement coverage under the Medical Assistance Program beyond the eligibility requirements in existence on January 1, 2008[; and

2. To provide funding for the operation and administration of the Maryland Health Insurance Plan, including reimbursing the Department for subsidizing the plan costs of members of the Maryland Health Insurance Plan under a Medicaid waiver program].

(ii) Any funds remaining after [expenditures] **THE EXPENDITURE OF FUNDS** under subparagraph (i) of this paragraph [have] **HAS** been made may be used:

~~1. For~~ **FOR** the general operations of the Medicaid program;  
and

~~2. To provide funding for the State Reinsurance Program authorized under § 31-117 of the Insurance Article.~~

### Article – Insurance

6–101.

(b) The following persons are not subject to taxation under this subtitle:

(1) a nonprofit health service plan corporation that meets the requirements established under §§ 14–106 and 14–107 of this article;

(2) a fraternal benefit society;

(3) a surplus lines broker, who is subject to taxation in accordance with Title 3, Subtitle 3 of this article;

(4) an unauthorized insurer, who is subject to taxation in accordance with Title 4, Subtitle 2 of this article;

(5) [the Maryland Health Insurance Plan established under Title 14, Subtitle 5, Part I of this article;

(6) the Senior Prescription Drug Assistance Program established under Title 14, Subtitle 5, Part II of this article;

(7)] a nonprofit health maintenance organization authorized by Title 19, Subtitle 7 of the Health – General Article that is exempt from taxation under § 501(c)(3) of the Internal Revenue Code; and

[(8)] **(6)** a qualified nonprofit health insurance issuer that is established under § 1322 of the Affordable Care Act.

14–106.

(a) It is the public policy of this State that the exemption from taxation for nonprofit health service plans under § 6–101(b)(1) of this article is granted so that funds which would otherwise be collected by the State and spent for a public purpose shall be used in a like manner and amount by the nonprofit health service plan.

(b) By March 1 of each year or a deadline otherwise imposed by the Commissioner for good cause, each nonprofit health service plan shall file with the Commissioner a premium tax exemption report that:

(1) is in a form approved by the Commissioner; and

(2) demonstrates that the plan has used funds equal to the value of the premium tax exemption provided to the plan under § 6–101(b) of this article, in a manner that serves the public interest in accordance with this section.

(c) A nonprofit health service plan may satisfy the public service requirement of this section by establishing that, to the extent the value of the nonprofit health service plan's premium tax exemption under § 6–101(b) of this article exceeds the subsidy required under the Senior Prescription Drug Assistance Program established under [Subtitle 5, Part II of this title] **TITLE 15, SUBTITLE 10 OF THE HEALTH – GENERAL ARTICLE**, the plan has:

(1) increased access to, or the affordability of, one or more health care products or services by offering and selling health care products or services that are not required or provided for by law;

(2) provided financial or in-kind support for public health programs;

(3) employed underwriting standards in a manner that increases the availability of one or more health care services or products;

(4) employed pricing policies that enhance the affordability of health care services or products and result in a higher medical loss ratio than that established by a comparable for-profit health insurer; or

(5) served the public interest by any method or practice approved by the Commissioner.

(d) (1) Notwithstanding subsection (c) of this section, a nonprofit health service plan that is subject to this section and issues comprehensive health care benefits in the State shall:

(i) offer health care products in the individual market;

(ii) offer health care products in the small employer group market in accordance with Title 15, Subtitle 12 of this article;

(iii) subsidize the Senior Prescription Drug Assistance Program established under [Subtitle 5, Part II of this title] **TITLE 15, SUBTITLE 10 OF THE HEALTH – GENERAL ARTICLE**;

(iv) subsidize the Kidney Disease Program under Title 13, Subtitle 3 of the Health – General Article;

(v) support the costs of the Community Health Resources Commission under Title 19, Subtitle 21 of the Health – General Article, including:

1. operating grants to community health resources;

2. funding for a unified data information system;
  3. the documented direct costs of fulfilling the statutory and regulatory duties of the Commission; and
  4. the administrative costs of the Commission; and
- (vi) subsidize the provision of mental health services to the uninsured under Title 10, Subtitle 2 of the Health – General Article.

(2) (i) Except as provided in subparagraph (ii) of this paragraph, the support provided under paragraph (1)(iv), (v), and (vi) of this subsection to the Kidney Disease Program, the Community Health Resources Commission, and the Department of Health and Mental Hygiene, respectively, shall be the value of the premium tax exemption less the subsidy required under this subsection for the Senior Prescription Drug Assistance Program.

(ii) The subsidy provided under this subsection to the Community Health Resources Commission may not be less than:

1. \$3,000,000 for each of fiscal years 2012 and 2013; and
2. \$8,000,000 for fiscal year 2014 and each fiscal year thereafter.

(3) For any year, the subsidy and funding required under this subsection by a nonprofit health service plan subject to this section may not exceed the value of the nonprofit health service plan's premium tax exemption under § 6–101(b) of this article.

(e) The subsidy that a nonprofit health service plan is required to provide to the Senior Prescription Drug Assistance Program under subsection (d)(1)(iii) of this section may not exceed:

- (1) for the period of January 1, 2006 through June 30, 2006, \$8,000,000;
- (2) for fiscal years 2008 through [2017] **2020**, \$14,000,000; and
- (3) for any year, the value of the nonprofit health service plan's premium tax exemption under § 6–101(b) of this article.

(f) (1) Subject to paragraph (2) of this subsection, each report filed with the Commissioner under subsection (b) of this section is a public record.

(2) In accordance with § 4–335 of the General Provisions Article, the Commissioner shall deny inspection of any part of a report filed under subsection (b) of this

section that the Commissioner determines contains confidential commercial information or confidential financial information.

14–106.2.

(a) This section applies to a corporation that is:

- (1) issued a certificate of authority as a nonprofit health service plan; and
- (2) the sole member of a corporation issued a certificate of authority as a nonprofit health service plan.

(b) Except as provided under subsection (c) of this section, beginning with the calendar year that starts on January 1, 2009, and each calendar year thereafter, a corporation subject to this section shall transfer \$4,000,000 to the [separate account for the] Senior Prescription Drug Assistance Program [within the Maryland Health Insurance Plan] Fund established under [§ 14–504 of this title] **§ 15–1004 OF THE HEALTH – GENERAL ARTICLE** if the corporation has a surplus that exceeds 800% of the consolidated risk–based capital requirements applicable to the corporation based on the corporation’s annual required statutory filing due March 1 of the most recent preceding calendar year for which:

- (1) the corporation has filed an annual statement with the Administration;  
and
- (2) the filing of the annual statement preceded the start of the calendar year for which payment is to be made.

(c) A corporation is not required to make the transfer under subsection (b) of this section if:

- (1) the surplus of the corporation does not exceed 800% of the consolidated risk–based capital requirements applicable to the corporation in the most recent preceding calendar year for which:
  - (i) the corporation has filed an annual statement with the Administration; and
  - (ii) the filing of the annual statement preceded the start of the calendar year for which payment is to be made; or
- (2) the federal government eliminates the coverage gap in the Medicare Part D prescription drug benefit.

(d) (1) On or before September 1 of each year, a corporation that is subject to this section shall notify the [Senior Prescription Drug Assistance Program] **DEPARTMENT**



**OF HEALTH AND MENTAL HYGIENE** whether the corporation will transfer \$4,000,000 to the **SENIOR PRESCRIPTION DRUG ASSISTANCE Program FUND** under this section during the calendar year that starts on the immediately following January 1.

(2) The corporation's determination on the transfer of funds shall be based on the risk-based capital calculation that is due on March 1 of the same calendar year in which the corporation gives the notice required under paragraph (1) of this subsection.

(e) A corporation that is subject to this section shall pay the \$4,000,000 to the Senior Prescription Drug Assistance Program **FUND** in quarterly installments of \$1,000,000, beginning not later than October 1 for the calendar year that starts on the immediately following January 1.

(f) The transfer of funds that a corporation is required to make to the Senior Prescription Drug Assistance Program **FUND** under subsection (b) of this section:

(1) is in addition to the subsidy that a nonprofit health service plan is required to provide to the Senior Prescription Drug Assistance Program under § 14-106(d)(1)(iii) of this subtitle; and

(2) is not subject to the limitation on the amount of the subsidy to the Senior Prescription Drug Assistance Program imposed by § 14-106(e) of this subtitle.

14-107.

(a) By November 1 of each year, the Commissioner shall issue an order notifying each nonprofit health service plan that is required to file a report under § 14-106 of this subtitle of whether the plan has satisfied the requirements of § 14-106 of this subtitle.

(b) If the Commissioner determines that a nonprofit health service plan has not satisfied the requirements of § 14-106 of this subtitle, the Commissioner shall issue an order requiring the nonprofit health service plan to pay the premium tax under Title 6, Subtitle 1 of this article:

(1) for a period of time beginning with the date the plan was determined to be out of compliance with § 14-106 of this subtitle; and

(2) in an amount equal to the amount by which the value of the nonprofit health service plan's premium tax exemption under § 6-101(b) of this article exceeds the sum of:

(i) the subsidy required under the Senior Prescription Drug Assistance Program established under [Subtitle 5, Part II of this title] **TITLE 15, SUBTITLE 10 OF THE HEALTH – GENERAL ARTICLE**; and

(ii) other funds used by the nonprofit health service plan to meet the public service requirement under § 14–106 of this subtitle.

(c) A nonprofit health service plan that fails to timely file the report required under § 14–106 of this subtitle shall pay the penalties under § 14–121 of this subtitle.

(d) A party aggrieved by an order of the Commissioner issued under this section has a right to a hearing in accordance with §§ 2–210 through 2–215 of this article.

(e) Premium tax revenue collected by the Administration as the result of an order issued under subsection (b) of this section shall be deposited into the [Maryland Health Insurance Plan Fund established under § 14–504 of this title] **SENIOR PRESCRIPTION DRUG ASSISTANCE PROGRAM FUND ESTABLISHED UNDER § 15–1004 OF THE HEALTH – GENERAL ARTICLE.**

31–107.

(a) There is a Maryland Health Benefit Exchange Fund.

(b) (1) The purpose of the Fund is to:

(i) provide funding for the operation and administration of the Exchange in carrying out the purposes of the Exchange under this title; and

(ii) provide funding for the establishment and operation of the State Reinsurance Program authorized under § 31–117 of this title.

(2) The operation and administration of the Exchange and the State Reinsurance Program may include functions delegated by the Exchange to a third party under law or by contract.

(c) The Exchange shall administer the Fund.

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

(2) The State Treasurer shall hold the Fund separately, and the Comptroller shall account for the Fund.

(e) The Fund consists of:

(1) any user fees or other assessments collected by the Exchange;

(2) all revenue deposited into the Fund that is received from the distribution of the premium tax under § 6–103.2 of this article;

(3) all revenue [that is deposited into the Fund under § 14–504(d) of this article from the separate account of the Maryland Health Insurance Plan Fund that holds money collected under § 19–214(d)(1)(ii) of the Health – General Article] **TRANSFERRED TO THE FUND BEFORE JULY 1, 2016, FROM THE MARYLAND HEALTH INSURANCE PLAN FUND;**

(4) income from investments made on behalf of the Fund;

(5) interest on deposits or investments of money in the Fund;

(6) money collected by the Board as a result of legal or other actions taken by the Board on behalf of the Exchange or the Fund;

(7) money donated to the Fund;

(8) money awarded to the Fund through grants; and

(9) any other money from any other source accepted for the benefit of the Fund.

(f) The Fund may be used only:

(1) for the operation and administration of the Exchange in carrying out the purposes authorized under this title; and

(2) for the establishment and operation of the State Reinsurance Program authorized under § 31–117 of this title.

(g) (1) The Board shall maintain separate accounts within the Fund for Exchange operations and for the State Reinsurance Program.

(2) Accounts within the Fund shall contain those moneys that are intended to support the purpose for which each account is designated.

(3) Funds received from the distribution of the premium tax under § 6–103.2 of this article shall be placed in the account for Exchange operations and may be used only for the purpose of funding the operation and administration of the Exchange.

**(4) FUNDS TRANSFERRED FROM THE MARYLAND HEALTH INSURANCE PLAN FUND BEFORE JULY 1, 2016, SHALL BE PLACED IN THE ACCOUNT FOR THE STATE REINSURANCE PROGRAM AND MAY BE USED ONLY FOR THE PURPOSE OF FUNDING THE STATE REINSURANCE PROGRAM.**

(h) (1) Expenditures from the Fund for the purposes authorized by this subtitle may be made only:

(i) with an appropriation from the Fund approved by the General Assembly in the State budget; or

(ii) by the budget amendment procedure provided for in Title 7, Subtitle 2 of the State Finance and Procurement Article.

(2) Notwithstanding § 7–304 of the State Finance and Procurement Article, if the amount of the distribution from the premium tax under § 6–103.2 of this article exceeds in any State fiscal year the actual expenditures incurred for the operation and administration of the Exchange, funds in the Exchange operations account from the premium tax that remain unspent at the end of the State fiscal year shall revert to the General Fund of the State.

(3) If operating expenses of the Exchange may be charged to either State or non–State fund sources, the non–State funds shall be charged before State funds are charged.

(i) (1) The State Treasurer shall invest the money of the Fund in the same manner as other State money may be invested.

(2) Any investment earnings of the Fund shall be credited to the Fund.

(3) Except as provided in subsection (h)(2) of this section, no part of the Fund may revert or be credited to the General Fund or any special fund of the State.

(j) A debt or an obligation of the Fund is not a debt of the State or a pledge of credit of the State.

31–117.

(c) (3) (i) The Exchange, in consultation with the Maryland Health Care Commission and with the approval of the Commissioner, may establish a State Reinsurance Program to take effect on or after January 1, 2014.

(ii) The purpose of the State Reinsurance Program is to mitigate the impact of high–risk individuals on rates in the individual insurance market inside and outside the Exchange.

(iii) [With the approval of and in collaboration with the Board of the Maryland Health Insurance Plan, the] **THE** Exchange [may] **SHALL** use [revenue received] **FUNDS TRANSFERRED** from the Maryland Health Insurance Plan Fund [under § 14–504(d) of this article] **BEFORE JULY 1, 2016**, to fund the State Reinsurance Program.

#### **Article – State Finance and Procurement**

6–226.

(a) (2) (i) Notwithstanding any other provision of law, and unless inconsistent with a federal law, grant agreement, or other federal requirement or with the terms of a gift or settlement agreement, net interest on all State money allocated by the State Treasurer under this section to special funds or accounts, and otherwise entitled to receive interest earnings, as accounted for by the Comptroller, shall accrue to the General Fund of the State.

(ii) The provisions of subparagraph (i) of this paragraph do not apply to the following funds:

24. [Maryland Health Insurance Plan Fund] **SENIOR PRESCRIPTION DRUG ASSISTANCE PROGRAM FUND;**

**Chapter 153 of the Acts of 2002, as amended by Chapter 282 of the Acts of 2005, Chapter 345 of the Acts of 2006, Chapter 509 of the Acts of 2007, Chapter 558 of the Acts of 2008, Chapter 119 of the Acts of 2010, Chapter 27 of the Acts of 2012, and Chapter 84 of the Acts of 2014**

SECTION 13. AND BE IT FURTHER ENACTED, That:

(1) No later than June 1, 2003, the Secretary of Health and Mental Hygiene and the carrier that is required to offer the Short-Term Prescription Drug Subsidy Plan under Title 15, Subtitle 6 of the Health – General Article shall transfer all Plan records, data, and other information necessary to operate and administer the Senior Prescription Drug Program established under this Act to the Board of the Maryland Health Insurance Plan.

(2) Each individual enrolled in the Short-Term Prescription Drug Subsidy Plan, established under Title 15, Subtitle 6 of the Health – General Article, on June 30, 2003 shall, at the option of the enrollee and subject to the payment of all necessary premiums and copayments, be automatically enrolled in the Senior Prescription Drug Program established under this Act.

(3) It is the intent of the General Assembly that the transition of enrollees from the Short-Term Prescription Drug Subsidy Plan to the Senior Prescription Drug Program be accomplished without interruption of benefits for enrollees.

(4) Subsidies shall be offered to enrollees through the Senior Prescription Drug Assistance Program established under [Title 14, Subtitle 5, Part II of the Insurance Article beginning January 1, 2006] **TITLE 15, SUBTITLE 10 OF THE HEALTH – GENERAL ARTICLE**. At the end of December 31, [2016] **2019**, the Senior Prescription Drug Assistance Program established under [Title 14, Subtitle 5, Part II, as amended,] **TITLE 15, SUBTITLE 10 OF THE HEALTH – GENERAL ARTICLE** shall be abrogated and of no further force and effect.

[(5) Beginning April 1, 2003, the carrier required to offer the Short-Term Prescription Drug Subsidy Plan under Title 15, Subtitle 6 of the Health – General Article and the Senior Prescription Drug Assistance Program under Title 14, Subtitle 5 of the Insurance Article shall subsidize the Plan and beginning January 1, 2006, the Program, using the value of the carrier’s premium tax exemption.]

### Chapter 489 of the Acts of 2015

SECTION 9. AND BE IT FURTHER ENACTED, That, notwithstanding any other provision of law:

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

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

(1) \$55,000,000; or

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

(c) **(1) [The] EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, THE** remaining fund balance obtained from the federal Medicare program or the Medicaid program may be used in fiscal years 2016 through 2019 to support integrated care networks designed to reduce health care expenditures and improve outcomes for unmanaged high-needs Medicare patients and patients dually eligible for Medicaid and Medicare, consistent with the goals of Maryland’s all-payer model.

**(2) \$90,000 OF THE REMAINING FUND BALANCE OBTAINED FROM THE FEDERAL MEDICARE PROGRAM OR THE MEDICAID PROGRAM MAY BE USED IN FISCAL YEARS 2016 AND 2017 TO SUPPORT THE REMAINING EXPENSES OF THE MARYLAND HEALTH INSURANCE PLAN.**

SECTION 4. AND BE IT FURTHER ENACTED, That:

(a) The responsibility for administering and operating the Senior Prescription Drug Assistance Program shall be transferred to the Department of Health and Mental Hygiene on July 1, 2016.

(b) (1) All funds remaining in the separate account for the Senior Prescription Drug Assistance Program in the Maryland Health Insurance Plan Fund shall be transferred to the Senior Prescription Drug Assistance Program Fund in the Department

of Health and Mental Hygiene on July 1, 2016, and shall be used only in accordance with § 15-1004 of the Health – General Article, as enacted by Section 3 of this Act.

(2) The Department of Health and Mental Hygiene shall provide funds to the Administrator of the Senior Prescription Drug Assistance Program, in accordance with the terms of the contract with the Administrator, for the cost of the State subsidy and administrative expenses incurred on behalf of the Senior Prescription Drug Assistance Program.

(c) (1) Except as provided in paragraph (2) of this subsection, on July 1, 2016, all of the employees, books and records, including electronic records, real and personal property, equipment, fixtures, assets, liabilities, obligations, and credits of the Maryland Health Insurance Plan shall be transferred to the Maryland Health Benefit Exchange.

(2) ~~(i)~~ On July 1, 2016, all of the employees, books and records, including electronic records, real and personal property, equipment, fixtures, assets, liabilities, obligations, including the contract for the Administrator of the Senior Prescription Drug Assistance Program, and credits of the Maryland Health Insurance Plan that relate directly to the Senior Prescription Drug Assistance Program shall be transferred to the Department of Health and Mental Hygiene.

~~(ii) The contract for the Administrator of the Senior Prescription Drug Assistance Program shall remain in force, in accordance with the terms of the contract, until the end of December 31, 2016.~~

SECTION 5. AND BE IT FURTHER ENACTED, That all employees who are transferred to the Maryland Health Benefit Exchange and the Department of Health and Mental Hygiene as a result of this Act shall be transferred without diminution of their rights, benefits, employment, or retirement status.

SECTION 6. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016.

Approved by the Governor, May 10, 2016.

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## Chapter 322

(House Bill 422)

AN ACT concerning

### Interest Rate on Tax Deficiencies and Refunds

FOR the purpose of ~~repealing the calculation of the interest rate on tax deficiencies and refunds; providing that the interest rate on tax deficiencies and refunds is a certain~~

~~rate; repealing a requirement that the Comptroller annually set the interest rate on tax deficiencies and refunds; altering the calculation of the annual interest rate that the Comptroller sets for tax deficiencies and refunds; providing for a delayed effective date; and generally relating to the annual interest rate on tax deficiencies and refunds.~~

BY repealing and reenacting, with amendments,  
 Article – Tax – General  
 Section 13–604  
 Annotated Code of Maryland  
 (2010 Replacement Volume and 2015 Supplement)

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

**Article – Tax – General**

13–604.

~~[(a)]~~ The rate of interest for each month or fraction of a month ~~is~~ the percent equal to one-twelfth of the annual interest rate that the Comptroller sets for the calendar year under subsection (b) of this section. ~~FOR INTEREST ON REFUNDS AND MONEY OWED TO THE STATE IS ONE TWELFTH OF 12%.~~

~~[(b)]~~ On or before October 1 of each year, the Comptroller shall set the annual interest rate for the next calendar year on refunds and moneys owed to the State as the percent, rounded to the nearest whole number, that is at the percent that equals the greater of:

- (1) ~~13%~~
- ~~(I)~~ 13% FOR 2016;
- ~~(II)~~ 12% FOR 2017;
- ~~(III)~~ ~~11%~~ 11.5% FOR 2018;
- ~~(IV)~~ ~~10%~~ 11% FOR 2019; AND
- ~~(V)~~ ~~9%~~ 10.5% FOR 2020;
- ~~(VI)~~ 10% FOR 2021;
- ~~(VII)~~ 9.5% FOR 2022; AND
- ~~(VIII)~~ 9% FOR 2023 AND EACH YEAR THEREAFTER; or



(2) 3 percentage points above the average prime rate of interest quoted by commercial banks to large businesses during the State's previous fiscal year, based on determination by the Board of Governors of the Federal Reserve Bank.†

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect ~~January 1, 2017~~ July 1, 2016.

Approved by the Governor, May 10, 2016.

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## Chapter 323

(Senate Bill 1007)

AN ACT concerning

### Maryland Small Business Retirement Savings Program and Trust

FOR the purpose of establishing the Maryland Small Business Retirement Savings Program for ~~eligible~~ private sector employees; establishing the Maryland Small Business Retirement Savings Trust; establishing the Maryland Small Business Retirement Savings Board to implement, maintain, and administer the Program and the Trust; providing for the composition, chair, and staffing of the Board; providing for the powers and duties of the Board, ~~including investing certain assets, adopting an investment policy, disseminating information to employers and employees, and submitting an annual audited financial report; requiring eligible employers to offer the Program and requiring eligible employees of participating employers to participate in the Program unless written notice to opt out is provided to the employer;~~ authorizing the Board to enter into a certain agreement to borrow certain funds; requiring the Board to take certain actions to ensure that the Program is not preempted by federal law; requiring the Board to establish certain procedures and disclosures; specifying that the assets in a certain employee's Program account are the property of the employee; prohibiting the State from transferring any assets of the Trust to specified funds of the State, or otherwise encumbering any assets of the Trust; requiring the Board to design and disseminate certain information to employers and employees; requiring the Board to enter into a certain agreement delegating the administration of the Trust to a third-party administrator; limiting the type of savings arrangements offered by the Board to payroll deposit IRA arrangements; requiring the Board to implement a range of investment options and providers and to select a default investment option; requiring the Board to consider certain information when selecting investment options; authorizing the Board to provide investment options that provide certain income distributions; limiting the ongoing administrative expenses of the Program from exceeding a certain amount; prohibiting the Board from offering investment options that conflict with federal law; prohibiting the Board from offering investment options that could result in certain

liabilities; requiring a covered employer to establish a certain payroll deposit retirement savings arrangement, and to automatically enroll covered employees in the Program; prohibiting a covered employer from receiving a certain fee waiver if the covered employer is not in compliance with certain provisions of this Act; establishing that compliance with this Act does not create a certain fiduciary obligation; establishing that a covered employee may opt out of the Program, and re-enroll if the employee has opted out; authorizing certain ~~eligible~~ employees to participate in the Program in a certain manner; requiring the Board to establish a default employee contribution amount; providing for the method of payment of certain expenses incurred by the Board as a result of administering the Program; requiring the Board to adopt certain regulations; prohibiting certain ~~employers~~ employers, taxpayers, and the State from incurring certain liabilities regarding the Program and the Trust; requiring certain conditions to be met before any plan, trust, administrative arrangement, or investment offering may be implemented; providing for the expiration of terms of certain initial Board members; waiving a certain ~~processing~~ fee for the filing of certain documents by certain business entities under certain circumstances; prohibiting the waiver of a certain filing fee under this Act until the Program is open for enrollment; defining certain terms; and generally relating to the Maryland Small Business Retirement Savings Program and Trust.

BY repealing and reenacting, with amendments,  
Article – Corporations and Associations  
Section 1-203(b)(3)(ii)  
Annotated Code of Maryland  
(2014 Replacement Volume and 2015 Supplement)

BY adding to  
Article – Corporations and Associations  
Section 1-203(b)(14)  
Annotated Code of Maryland  
(2014 Replacement Volume and 2015 Supplement)

BY adding to  
Article – Labor and Employment  
Section 12-101 through 12-502 to be under the new title “Title 12. Maryland Small Business Retirement Savings Program and Trust”  
Annotated Code of Maryland  
(2008 Replacement Volume and 2015 Supplement)

#### Preamble

WHEREAS, It shall be the policy of the State to assist the Maryland workforce in identifying the need to save for retirement, learning about products and services available in the private sector to accumulate retirement savings, promoting the efforts of employers to adopt retirement plans for employees, and assisting employees who do not have access to an employer-offered savings arrangement to initiate individual retirement accounts; and

WHEREAS, It is the intent of the General Assembly that the Maryland Small Business Retirement Savings Board will outsource the administration and management of the funds on behalf of the program participants, and at no point will the funds be managed directly by the Board; and

WHEREAS, Management of the separate accounts shall be performed by private entities selected by the Board that are licensed and in good standing with the State; now, therefore,

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

**Article – Corporations and Associations**

1–203.

(b) (3) (ii) [For] **EXCEPT AS PROVIDED IN PARAGRAPH (14) OF THIS SUBSECTION, FOR** each of the following documents which are filed but not recorded, the filing fee is as indicated:

Annual report of a Maryland corporation, except a charitable or benevolent institution, nonstock corporation, savings and loan corporation, credit union, family farm, and banking institution.....	\$300
Annual report of a foreign corporation subject to the jurisdiction of this State, except a national banking association, savings and loan association, credit union, nonstock corporation, and charitable and benevolent institution.....	\$300
Annual report of a Maryland savings and loan association, banking institution, or credit union or of a foreign savings and loan association, national banking association, or credit union that is subject to the jurisdiction of this State .....	\$300
Annual report of a Maryland limited liability company, limited liability partnership, limited partnership, or of a foreign limited liability company, foreign limited liability partnership, or foreign limited partnership, except a family farm.....	\$300
Annual report of a business trust.....	\$300
Annual report of a real estate investment trust or foreign statutory trust doing business in this State .....	\$300
Annual report of a family farm.....	\$100

(14) THE DEPARTMENT SHALL WAIVE THE ~~NONREFUNDABLE PROCESSING FILING~~ FEE FOR A BUSINESS ENTITY DESCRIBED UNDER PARAGRAPH (3)(II) OF THIS SUBSECTION FOR EACH YEAR THAT THE ENTITY PROVIDES EVIDENCE TO THE DEPARTMENT THAT:

(I) THE ENTITY IS REQUIRED TO COMPLY WITH AND IS IN COMPLIANCE WITH ~~TITLE 12, SUBTITLE 1~~ TITLE 12 OF THE LABOR AND EMPLOYMENT ARTICLE; OR

(II) THE ENTITY OTHERWISE PROVIDES AN AUTOMATIC ENROLLMENT PAYROLL DEDUCTION INDIVIDUAL RETIREMENT ACCOUNT OR INDIVIDUAL RETIREMENT ANNUITY UNDER 26 U.S.C. § 408(A) OR (B) OR AN ~~EMPLOYER SPONSORED RETIREMENT PLAN~~ EMPLOYER-OFFERED SAVINGS ARRANGEMENT THAT IS IN COMPLIANCE WITH ~~THE FEDERAL EMPLOYEE RETIREMENT INCOME SECURITY ACT~~ FEDERAL LAW.

## Article – Labor and Employment

### TITLE 12. MARYLAND SMALL BUSINESS RETIREMENT SAVINGS PROGRAM AND TRUST.

#### SUBTITLE 1. DEFINITIONS.

#### 12-101.

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

(B) “BOARD” MEANS THE MARYLAND SMALL BUSINESS RETIREMENT SAVINGS BOARD.

(C) (1) “~~ELIGIBLE~~ COVERED EMPLOYEE” MEANS ~~A PERSON AN INDIVIDUAL WHO IS EMPLOYED BY AN ELIGIBLE A COVERED EMPLOYER OR WHO IS OTHERWISE ELIGIBLE TO PARTICIPATE IN THE PROGRAM UNDER THIS TITLE.~~

(2) “~~ELIGIBLE~~ COVERED EMPLOYEE” DOES NOT INCLUDE:

(I) AN EMPLOYEE COVERED UNDER THE FEDERAL RAILWAY LABOR ACT (45 U.S.C. SEC. 151) OR AN EMPLOYEE ENGAGED IN INTERSTATE COMMERCE SO AS NOT TO BE SUBJECT TO THE LEGISLATIVE POWERS OF THE STATE, EXCEPT INsofar AS APPLICATION OF THIS TITLE IS AUTHORIZED UNDER THE UNITED STATES CONSTITUTION OR LAWS OF THE UNITED STATES;

(II) AN EMPLOYEE ELIGIBLE TO PARTICIPATE IN A QUALIFYING RETIREMENT PLAN ~~OR ARRANGEMENT DESCRIBED IN 26 U.S.C. § 219(G)(5) OR AN EMPLOYEE WHO WAS ELIGIBLE TO PARTICIPATE BUT THE PLAN OR ARRANGEMENT WAS TERMINATED OR FROZEN AT ANY TIME DURING THE PRECEDING 2 CALENDAR YEARS;~~

(III) AN EMPLOYEE COVERED BY A VALID COLLECTIVE BARGAINING AGREEMENT THAT EXPRESSLY PROVIDES FOR A MULTI-EMPLOYER RETIREMENT PLAN DESCRIBED IN 26 U.S.C. § 414(F); OR

(IV) AN EMPLOYEE WHO IS UNDER THE AGE OF 18 YEARS BEFORE THE BEGINNING OF THE CALENDAR YEAR.

(D) (1) ~~“ELIGIBLE COVERED EMPLOYER”~~ MEANS A PERSON ENGAGED IN A BUSINESS, AN INDUSTRY, A PROFESSION, A TRADE, OR ANY OTHER ENTERPRISE IN THE STATE, WHETHER FOR PROFIT OR NOT FOR PROFIT, THAT:

~~(I) EMPLOYS 10 OR MORE ELIGIBLE EMPLOYEES WHO ARE EACH EMPLOYED BY THE ELIGIBLE EMPLOYER FOR 30 OR MORE HOURS PER WEEK; AND~~

~~(II) PAYS THE ELIGIBLE COVERED EMPLOYER’S EMPLOYEES THROUGH A PAYROLL SYSTEM OR SERVICE.~~

(2) ~~“ELIGIBLE COVERED EMPLOYER”~~ DOES NOT INCLUDE:

(I) THE FEDERAL GOVERNMENT;

(II) THE STATE OR ANY UNIT OF THE STATE;

(III) A COUNTY OR ANY UNIT OF THE COUNTY;

(IV) A MUNICIPAL CORPORATION OR ANY UNIT OF THE MUNICIPAL CORPORATION;

(V) AN EMPLOYER THAT CURRENTLY OFFERS AN ~~EMPLOYER-SPONSORED RETIREMENT PLAN~~ EMPLOYER-OFFERED SAVINGS ARRANGEMENT THAT WAS ESTABLISHED SEPARATELY FROM THE REQUIREMENTS OF THIS TITLE;

(VI) AN EMPLOYER THAT, AT ANY TIME DURING THE PRECEDING 2 CALENDAR YEARS, ~~TERMINATED AN EMPLOYER-SPONSORED RETIREMENT PLAN~~ OFFERED AN EMPLOYER-OFFERED SAVINGS ARRANGEMENT THAT WAS ESTABLISHED SEPARATELY FROM THE REQUIREMENTS OF THIS TITLE; OR

(VII) AN EMPLOYER THAT HAS NOT BEEN IN BUSINESS AT ALL TIMES DURING THE CURRENT CALENDAR YEAR AND THE PRECEDING CALENDAR YEAR.

(E) “IRA” MEANS AN INDIVIDUAL RETIREMENT ACCOUNT OR AN INDIVIDUAL RETIREMENT ANNUITY UNDER 26 U.S.C. § 408(A) OR (B).

(F) “MARYLAND SMALL BUSINESS RETIREMENT SAVINGS PROGRAM” MEANS A RETIREMENT SAVINGS PROGRAM ESTABLISHED ~~AND OFFERED~~ BY THE MARYLAND SMALL BUSINESS RETIREMENT SAVINGS BOARD UNDER THIS TITLE.

(G) “PARTICIPATING EMPLOYEE” MEANS AN ~~ELIGIBLE~~ EMPLOYEE THAT ~~ELECTS TO PARTICIPATE IN~~ IS PARTICIPATING IN THE PROGRAM THROUGH A PAYROLL DEPOSIT RETIREMENT SAVINGS ARRANGEMENT ~~UNDER THIS TITLE FOR ELIGIBLE EMPLOYEES~~ IN ACCORDANCE WITH REGULATIONS ADOPTED BY THE BOARD.

(H) “PARTICIPATING EMPLOYER” MEANS AN ~~ELIGIBLE~~ A COVERED EMPLOYER THAT PROVIDES A PAYROLL DEPOSIT RETIREMENT SAVINGS ARRANGEMENT UNDER THIS TITLE FOR ~~ELIGIBLE~~ COVERED EMPLOYEES.

(I) “PAYROLL DEPOSIT RETIREMENT SAVINGS ARRANGEMENT” MEANS AN ARRANGEMENT BY WHICH ~~AN A COVERED~~ EMPLOYER REMITS PAYROLL DEDUCTION CONTRIBUTIONS OF PARTICIPATING EMPLOYEES TO ~~A RETIREMENT SAVINGS PROGRAM~~ THE PROGRAM.

(J) “PROGRAM” MEANS THE MARYLAND SMALL BUSINESS RETIREMENT SAVINGS PROGRAM ESTABLISHED UNDER THIS TITLE.

(K) “TRUST” MEANS THE MARYLAND SMALL BUSINESS RETIREMENT SAVINGS TRUST ESTABLISHED UNDER THIS TITLE.

## SUBTITLE 2. ESTABLISHMENT; POWERS AND DUTIES OF BOARD.

12-201.

(A) THERE IS A MARYLAND SMALL BUSINESS RETIREMENT SAVINGS BOARD.

(B) THE BOARD CONSISTS OF THE FOLLOWING MEMBERS:

(1) THE STATE TREASURER, OR THE STATE TREASURER’S DESIGNEE;

(2) THE SECRETARY OF LABOR, LICENSING, AND REGULATION, OR THE SECRETARY'S DESIGNEE; AND

(3) NINE MEMBERS WITH EXPERTISE IN RETIREMENT PROGRAMS AND BENEFITS, INVESTMENTS, FINANCIAL SYSTEMS AND CONTROLS, OR SMALL BUSINESS, APPOINTED AS FOLLOWS:

(I) THREE MEMBERS, APPOINTED BY THE GOVERNOR;

(II) THREE MEMBERS, APPOINTED BY THE PRESIDENT OF THE SENATE; AND

(III) THREE MEMBERS, APPOINTED BY THE SPEAKER OF THE HOUSE OF DELEGATES.

(C) (1) THE TERM OF A MEMBER IS 4 YEARS.

(2) THE TERMS OF MEMBERS ARE STAGGERED AS REQUIRED BY THE TERMS PROVIDED FOR MEMBERS OF THE BOARD ON JULY 1, 2016.

(3) AT THE END OF A TERM A MEMBER CONTINUES TO SERVE UNTIL A SUCCESSOR IS APPOINTED AND QUALIFIES.

(4) A MEMBER WHO IS APPOINTED AFTER A TERM HAS BEGUN SERVES ONLY FOR THE REST OF THE TERM AND UNTIL A SUCCESSOR IS APPOINTED AND QUALIFIES.

(D) THE BOARD SHALL ELECT A CHAIR FROM AMONG THE MEMBERS OF THE BOARD.

(E) THE GOVERNOR MAY REMOVE A MEMBER FOR INCOMPETENCE OR MISCONDUCT.

12-202.

(A) THE BOARD SHALL MEET AT THE TIMES AND PLACES THAT THE BOARD DETERMINES.

(B) (1) THE BOARD MAY EMPLOY A STAFF AND MAY HIRE CONSULTANTS, ADMINISTRATORS, AND OTHER PROFESSIONALS AS NECESSARY TO HELP IMPLEMENT, MAINTAIN, AND ADMINISTER THE PROGRAM AND THE TRUST.

(2) ALL EXPENSES, INCLUDING EMPLOYEE COSTS, INCURRED TO IMPLEMENT, MAINTAIN, AND ADMINISTER THE PROGRAM AND THE TRUST SHALL BE PAID FROM MONEY COLLECTED BY OR FOR THE PROGRAM OR THE TRUST.

(3) CONSISTENT WITH ITS FIDUCIARY DUTIES, THE BOARD MAY ENTER INTO AN AGREEMENT TO BORROW FUNDS FROM THE STATE OR ANY OTHER ENTITY TO PROVIDE FUNDING FOR THE OPERATION OF THE PROGRAM UNTIL THE PROGRAM CAN GENERATE SUFFICIENT FUNDING FOR OPERATIONS THROUGH FEES ASSESSED ON PROGRAM ACCOUNTS.

12-203.

(A) THE BOARD, THE PROGRAM ADMINISTRATOR, AND STAFF SHALL DISCHARGE THE DUTIES WITH RESPECT TO THE TRUST SOLELY IN THE INTEREST OF THE PROGRAM PARTICIPANTS AS FOLLOWS:

(1) FOR THE EXCLUSIVE PURPOSES OF PROVIDING BENEFITS TO PROGRAM PARTICIPANTS AND DEFRAYING REASONABLE EXPENSES OF ADMINISTERING THE PROGRAM; AND

(2) BY ~~INVESTING~~ SELECTING INVESTMENT OPTIONS OR PROGRAMS THAT WILL INVEST WITH THE CARE, SKILL, PRUDENCE, AND DILIGENCE UNDER THE CIRCUMSTANCES THEN PREVAILING THAT A PRUDENT PERSON ACTING IN A LIKE CAPACITY AND FAMILIAR WITH THOSE MATTERS WOULD USE IN THE CONDUCT OF AN ENTERPRISE OF A LIKE CHARACTER AND WITH LIKE AIMS.

(B) (1) THE BOARD SHALL ANNUALLY PREPARE AND ADOPT A WRITTEN STATEMENT OF INVESTMENT POLICY THAT INCLUDES A RISK MANAGEMENT AND OVERSIGHT PROGRAM.

(2) THE INVESTMENT POLICY SHALL CONSIDER INVESTMENT OPTIONS OR PROGRAMS THAT WILL SEEK TO MITIGATE RISK BY MAINTAINING A BALANCED INVESTMENT PORTFOLIO THAT PROVIDES ASSURANCE THAT NO SINGLE INVESTMENT OR CLASS OF INVESTMENTS WILL HAVE A DISPROPORTIONATE IMPACT ON THE TOTAL PORTFOLIO.

(3) THE RISK MANAGEMENT AND OVERSIGHT PROGRAM SHALL BE DESIGNED TO ENSURE THAT AN EFFECTIVE RISK MANAGEMENT SYSTEM IS IN PLACE TO MONITOR THE RISK LEVELS OF THE PROGRAM INVESTMENT PORTFOLIO AND ENSURE THAT THE RISKS TAKEN ARE PRUDENT AND PROPERLY MANAGED.

12-204.



(A) IN ADDITION TO THE POWERS AND DUTIES SET FORTH ELSEWHERE IN THIS TITLE, THE BOARD ~~MAY~~:

(1) SHALL CAUSE THE PROGRAM OR PAYROLL DEPOSIT IRA ARRANGEMENTS ESTABLISHED UNDER THE PROGRAM TO BE DESIGNED, ESTABLISHED, AND OPERATED;

(2) SHALL APPOINT A PROGRAM ADMINISTRATOR AND DETERMINE THE DUTIES OF THE PROGRAM ADMINISTRATOR;

(3) SHALL EMPLOY STAFF AS NECESSARY AND SET THE COMPENSATION OF THE STAFF;

(4) SHALL MAKE PROVISIONS FOR THE PAYMENT OF COSTS OF ADMINISTRATION AND OPERATION OF THE TRUST;

(5) SHALL EVALUATE AND ESTABLISH THE PROCESS FOR AN ~~ELIGIBLE EMPLOYEE OF A PARTICIPATING EMPLOYER TO CONTRIBUTE A PORTION OF THE EMPLOYEE'S SALARY OR WAGES TO THE PROGRAM FOR AUTOMATIC DEPOSIT OF THE CONTRIBUTIONS~~ EMPLOYEE TO CONTRIBUTE AUTOMATICALLY TO THE PROGRAM;

(6) SHALL EVALUATE AND ESTABLISH THE PROCESS FOR A PARTICIPATING EMPLOYER TO PROVIDE A PAYROLL DEPOSIT RETIREMENT SAVINGS ARRANGEMENT FOR ~~ELIGIBLE~~ COVERED EMPLOYEES AND TO FORWARD THE EMPLOYEE CONTRIBUTION AND RELATED INFORMATION TO THE PROGRAM OR ITS AGENTS, WHICH MAY INCLUDE FINANCIAL SERVICES COMPANIES AND THIRD-PARTY ADMINISTRATORS WITH THE CAPABILITY TO RECEIVE AND PROCESS EMPLOYEE INFORMATION AND CONTRIBUTIONS FOR PAYROLL DEPOSIT RETIREMENT SAVINGS ARRANGEMENTS OR OTHER ARRANGEMENTS AUTHORIZED BY THIS TITLE;

(7) SHALL DESIGN AND ESTABLISH THE PROCESS FOR THE ENROLLMENT OF PROGRAM PARTICIPANTS;

(8) SHALL EVALUATE AND ESTABLISH ~~THE PROCESS FOR A PARTICIPATING EMPLOYER TO USE THE PROGRAM TO REMIT EMPLOYEES' CONTRIBUTIONS TO THEIR INDIVIDUAL RETIREMENT ACCOUNTS ON BEHALF OF THE EMPLOYEES~~ A RANGE OF INVESTMENT OPTIONS, INCLUDING A DEFAULT INVESTMENT SELECTION FOR EMPLOYEES' PAYROLL DEPOSIT IRAS;

(9) SHALL PROCURE INSURANCE AGAINST ANY LOSS IN CONNECTION WITH THE PROPERTY, ASSETS, OR ACTIVITIES OF THE TRUST, AND SECURE PRIVATE UNDERWRITING AND REINSURANCE TO MANAGE RISK ~~AND INSURE THE RETIREMENT SAVINGS RATE OF RETURN;~~

(10) SHALL PROCURE INSURANCE INDEMNIFYING EACH MEMBER OF THE BOARD FROM PERSONAL LOSS OR LIABILITY RESULTING FROM A MEMBER'S ACTION OR INACTION AS A MEMBER OF THE BOARD;

(11) SHALL SET MINIMUM AND MAXIMUM EMPLOYEE CONTRIBUTION LEVELS IN ACCORDANCE WITH CONTRIBUTION LIMITS SET FOR IRAS BY THE INTERNAL REVENUE CODE;

(12) MAY ARRANGE FOR COLLECTIVE, COMMON, AND POOLED INVESTMENT OF ASSETS OF THE PROGRAM OR ARRANGEMENTS, INCLUDING INVESTMENTS IN CONJUNCTION WITH OTHER FUNDS WITH WHICH THOSE ASSETS ARE AUTHORIZED TO BE COLLECTIVELY INVESTED, WITH A VIEW TO SAVING COSTS THROUGH EFFICIENCIES AND ECONOMIES OF SCALE;

(13) SHALL DETERMINE THE ALLOCATION OF ADMINISTRATIVE FEES TO ~~EACH INDIVIDUAL RETIREMENT ACCOUNT ON A PRO RATA BASIS, NOT TO EXCEED 1% OF THE TOTAL BALANCE IN THE TRUST~~ INDIVIDUAL RETIREMENT ACCOUNTS;

(14) SHALL EXPLORE AND ESTABLISH INVESTMENT OPTIONS THAT OFFER EMPLOYEES RETURNS ON CONTRIBUTIONS AND THE CONVERSION OF INDIVIDUAL RETIREMENT SAVINGS ACCOUNT BALANCES TO SECURE RETIREMENT INCOME WITHOUT INCURRING DEBT OR LIABILITIES TO THE STATE;

(15) ~~IF NECESSARY,~~ SHALL DETERMINE THE ELIGIBILITY OF AN EMPLOYER, EMPLOYEE, OR ANY OTHER INDIVIDUAL TO PARTICIPATE IN THE PROGRAM; AND

(16) MAY EVALUATE AND ESTABLISH THE PROCESS BY WHICH AN ~~ELIGIBLE~~ EMPLOYEE OF A NONPARTICIPATING EMPLOYER MAY ENROLL IN AND MAKE CONTRIBUTIONS TO THE PROGRAM; ~~AND~~

~~(17) DETERMINE INTEREST RATES TO BE ALLOCATED TO PROGRAM ACCOUNTS.~~

(B) THE BOARD SHALL ADOPT REGULATIONS AND TAKE ANY OTHER ACTION NECESSARY TO IMPLEMENT THIS TITLE CONSISTENT WITH THE INTERNAL REVENUE CODE AND REGULATIONS ISSUED IN ACCORDANCE WITH THE INTERNAL REVENUE CODE TO ENSURE THAT THE PROGRAM MEETS ALL CRITERIA FOR FEDERAL TAX DEFERRAL OR TAX-EXEMPT BENEFITS OR BOTH.

(C) THE BOARD SHALL TAKE ANY ACTION NECESSARY TO ENSURE THAT THE PROGRAM IS NOT PREEMPTED BY FEDERAL LAW.

12-205.

(A) THE BOARD SHALL ESTABLISH PROCEDURES AND DISCLOSURES TO PROTECT THE INTERESTS OF PARTICIPANTS AND EMPLOYERS.

(B) (1) BEFORE OPENING THE PROGRAM FOR ENROLLMENT, THE BOARD SHALL DESIGN AND DISSEMINATE TO EMPLOYERS ~~AN EMPLOYEE~~ AND EMPLOYEES INFORMATION PACKET REGARDING THE PROGRAM.

(2) ~~THE~~ PACKET INFORMATION PROVIDED SHALL INCLUDE BACKGROUND INFORMATION ON THE PROGRAM AND APPROPRIATE DISCLOSURES FOR ~~EMPLOYEES.~~

~~(B) THE DISCLOSURE FORM SHALL INCLUDE:~~ EMPLOYEES, INCLUDING:

~~(1)~~ (I) THE BENEFITS AND RISKS ASSOCIATED WITH MAKING CONTRIBUTIONS TO THE PROGRAM;

~~(2)~~ (II) THE MECHANICS OF HOW TO MAKE CONTRIBUTIONS TO THE PROGRAM;

~~(3)~~ (III) HOW TO OPT OUT OF THE PROGRAM;

~~(4)~~ (IV) THE PROCESS FOR WITHDRAWAL OF RETIREMENT SAVINGS;  
~~AND~~

~~(5)~~ (V) HOW TO OBTAIN ADDITIONAL INFORMATION ON THE PROGRAM; AND

(VI) INFORMATION ABOUT ALTERNATIVE RETIREMENT SAVINGS OPTIONS.

(C) THE DISCLOSURE FORM SHALL CLEARLY STATE THE FOLLOWING:

(1) EMPLOYEES SEEKING FINANCIAL ADVICE SHOULD CONTACT FINANCIAL ADVISORS BECAUSE EMPLOYERS ARE NOT IN A POSITION TO PROVIDE FINANCIAL ADVICE;

(2) IN ACCORDANCE WITH § 12-501 OF THIS TITLE, EMPLOYERS ARE NOT LIABLE FOR DECISIONS MADE BY EMPLOYEES;

(3) THE PROGRAM IS NOT AN ~~EMPLOYER-SPONSORED RETIREMENT PLAN~~ EMPLOYER-OFFERED SAVINGS ARRANGEMENT; AND

(4) IN ACCORDANCE WITH § 12-502 OF THIS TITLE, THE PROGRAM FUND MAY BE PRIVATELY INSURED AND IS NOT GUARANTEED BY THE STATE.

~~(D) THE DISCLOSURE FORM SHALL INCLUDE A SIGNATURE LINE FOR THE EMPLOYEE TO SIGN AND DATE ACKNOWLEDGING THAT THE EMPLOYEE HAS READ ALL OF THE DISCLOSURES AND UNDERSTANDS THE DISCLOSURES.~~

~~(E) (1) THE EMPLOYEE INFORMATION PACKET SHALL ALSO INCLUDE AN OPT OUT FORM FOR AN ELIGIBLE EMPLOYEE TO NOTE THE EMPLOYEE'S DECISION TO OPT OUT OF PARTICIPATION IN THE PROGRAM.~~

~~(2) THE OPT OUT NOTATION SHALL BE SIMPLE AND CONCISE AND DRAFTED IN A MANNER THAT THE BOARD DEEMS NECESSARY TO APPROPRIATELY EVIDENCE THE EMPLOYEE'S UNDERSTANDING THAT THE EMPLOYEE IS CHOOSING NOT TO AUTOMATICALLY DEDUCT EARNINGS TO SAVE FOR RETIREMENT.~~

~~(F) (1) THE EMPLOYEE INFORMATION PACKET SHALL BE MADE AVAILABLE TO EMPLOYERS THROUGH THE BOARD AND SUPPLIED TO EMPLOYEES AT THE TIME OF HIRING.~~

~~(2) ALL NEW EMPLOYEES SHALL REVIEW AND ACKNOWLEDGE HAVING READ THE EMPLOYEE INFORMATION PACKET BY SIGNING THE SIGNATURE LINE ACCOMPANIED BY THE DATE OF THE SIGNATURE.~~

~~(G) THE EMPLOYEE INFORMATION PACKET SHALL BE SUPPLIED TO EXISTING EMPLOYEES WHEN THE PROGRAM IS INITIALLY LAUNCHED FOR THAT PARTICIPATING EMPLOYER IN ACCORDANCE WITH § 12-402 OF THIS TITLE, AND EMPLOYEES SHALL REVIEW AND SIGN THE DISCLOSURE FORM AT THAT TIME.~~

(D) THE BOARD SHALL ESTABLISH PROCEDURES FOR:

(1) A COVERED EMPLOYEE TO OPT OUT OF PARTICIPATION IN THE PROGRAM;

(2) A PARTICIPATING EMPLOYEE TO OPT OUT OF PARTICIPATION IN THE PROGRAM AFTER THE PARTICIPATING EMPLOYEE HAS COMMENCED PARTICIPATION; AND

(3) AN EMPLOYEE WHO HAS OPTED OUT OF PARTICIPATION TO PARTICIPATE OR RESUME PARTICIPATION IN THE PROGRAM.

(A) ON OR BEFORE AUGUST 1 EACH YEAR, THE BOARD SHALL SUBMIT AN ANNUAL AUDITED FINANCIAL REPORT, PREPARED IN ACCORDANCE WITH GENERALLY ACCEPTED ACCOUNTING PRINCIPLES, ON THE OPERATIONS OF THE TRUST TO THE GOVERNOR AND, SUBJECT TO § 2-1246 OF THE STATE GOVERNMENT ARTICLE, THE GENERAL ASSEMBLY.

(B) THE ANNUAL AUDIT SHALL BE MADE BY AN INDEPENDENT CERTIFIED PUBLIC ACCOUNTANT AND SHALL INCLUDE DIRECT AND INDIRECT COSTS ATTRIBUTABLE TO THE USE OF OUTSIDE CONSULTANTS, INDEPENDENT CONTRACTORS, AND ANY OTHER PERSONS WHO ARE NOT STATE EMPLOYEES.

### SUBTITLE 3. MARYLAND SMALL BUSINESS RETIREMENT SAVINGS TRUST.

#### 12-301.

(A) THERE IS A MARYLAND SMALL BUSINESS RETIREMENT SAVINGS TRUST.

(B) (1) THE MARYLAND SMALL BUSINESS RETIREMENT SAVINGS TRUST SHALL BE ADMINISTERED BY THE BOARD FOR THE PURPOSE OF PROMOTING GREATER RETIREMENT SAVINGS FOR MARYLAND PRIVATE SECTOR EMPLOYEES IN A CONVENIENT, VOLUNTARY, LOW-COST, AND PORTABLE MANNER.

(2) THE BOARD SHALL ENTER INTO AN AGREEMENT DELEGATING THE ADMINISTRATION OF THE TRUST TO A THIRD-PARTY ADMINISTRATOR.

(C) MONEY IN THE TRUST MAY BE INVESTED OR REINVESTED AS DETERMINED BY THE BOARD.

(D) ANY CONTRIBUTIONS PAID BY EMPLOYEES INTO THE TRUST MAY BE USED ONLY TO:

- (1) PAY BENEFITS TO THE PARTICIPANTS OF THE PROGRAM;
- (2) PAY THE COST FOR ADMINISTERING THE PROGRAM; AND
- (3) MAKE INVESTMENTS FOR THE BENEFIT OF THE PROGRAM.

(E) ~~(1)~~ THE BOARD SHALL ESTABLISH, BY REGULATION, DATES WHEN AN EMPLOYER SHALL DEPOSIT EMPLOYEE CONTRIBUTIONS.

~~(2) THE BOARD MAY NOT ESTABLISH A DEADLINE UNDER PARAGRAPH (1) OF THIS SUBSECTION THAT IS LATER THAN THE DUE DATE FOR:~~

~~(I) THE DEPOSIT OF TAX REQUIRED TO BE DEDUCTED AND WITHHELD RELATING TO COLLECTION OF INCOME TAX AT SOURCE ON WAGES; OR~~

~~(H) THE DEPOSIT OF TAX REQUIRED TO BE PAID UNDER THE UNEMPLOYMENT INSURANCE SYSTEM FOR THE PAYROLL PERIOD TO WHICH THE PAYMENTS RELATE.~~

(F) THE STATE MAY NOT TRANSFER ANY ASSETS OF THE TRUST TO THE GENERAL FUND OR ANY OTHER FUND OF THE STATE, OR OTHERWISE ENCUMBER ANY ASSETS OF THE TRUST.

#### SUBTITLE 4. MARYLAND SMALL BUSINESS RETIREMENT SAVINGS PROGRAM.

12-401.

(A) THERE IS A MARYLAND SMALL BUSINESS RETIREMENT SAVINGS PROGRAM.

(B) THE MARYLAND SMALL BUSINESS RETIREMENT SAVINGS PROGRAM SHALL ONLY INCLUDE ONE OR MORE PAYROLL DEPOSIT IRA ARRANGEMENTS AS DETERMINED BY THE BOARD.

(C) THE BOARD SHALL:

(1) IMPLEMENT A RANGE OF INVESTMENT OPTIONS AND PROVIDERS;

AND

(2) SELECT A DEFAULT INVESTMENT OPTION FOR PROGRAM PARTICIPANTS.

(D) WHEN SELECTING INVESTMENT OPTIONS, THE BOARD SHALL CONSIDER METHODS TO MINIMIZE THE RISK OF SIGNIFICANT INVESTMENT LOSSES AT THE TIME OF A PARTICIPATING EMPLOYEE'S RETIREMENT.

(E) THE BOARD MAY PROVIDE AN INVESTMENT OPTION THAT PROVIDES AN ASSURED LIFETIME INCOME.

(F) (1) THE BOARD SHALL CONSIDER INVESTMENT OPTIONS THAT MINIMIZE ADMINISTRATIVE EXPENSES.

(2) ONGOING ANNUAL ADMINISTRATIVE EXPENSES MAY NOT EXCEED 0.5% OF ASSETS UNDER MANAGEMENT IN THE PROGRAM.

(G) THE BOARD MAY NOT OFFER ANY INVESTMENT OPTIONS THAT CONFLICT WITH FEDERAL LAW.

(H) THE BOARD MAY NOT OFFER ANY INVESTMENT OPTIONS THAT COULD RESULT IN LIABILITY TO THE STATE OR ITS TAXPAYERS.

~~(C) INTEREST SHALL BE ALLOCATED TO PROGRAM ACCOUNTS AS DETERMINED BY THE BOARD.~~

~~(D) AN INDIVIDUAL'S RETIREMENT SAVINGS BENEFIT UNDER THE PROGRAM SHALL BE AN AMOUNT EQUAL TO THE BALANCE IN THE INDIVIDUAL'S PROGRAM ACCOUNT ON THE DATE THE RETIREMENT SAVINGS BENEFIT BECOMES PAYABLE.~~

12-402.

(A) (1) AFTER THE BOARD OPENS THE PROGRAM FOR ENROLLMENT, ELIGIBLE COVERED EMPLOYERS SHALL ESTABLISH A PAYROLL DEPOSIT RETIREMENT SAVINGS ARRANGEMENT TO ALLOW EMPLOYEE PARTICIPATION IN THE PROGRAM.

~~(B) (1) AN ELIGIBLE EMPLOYER SHALL ENROLL ALL ELIGIBLE EMPLOYEES IN THE PROGRAM, UNLESS THE EMPLOYEE ELECTS NOT TO PARTICIPATE IN THE PROGRAM.~~

~~(2) AN ELIGIBLE EMPLOYEE OF A PARTICIPATING EMPLOYER MAY ELECT TO OPT OUT OF THE PROGRAM BY MAKING THAT ELECTION ON THE OPT OUT FORM.~~

~~(3) AN ELIGIBLE EMPLOYEE OF A PARTICIPATING EMPLOYER WHO ELECTS TO OPT OUT OF THE PROGRAM AND WHO SUBSEQUENTLY WANTS TO PARTICIPATE THROUGH THE EMPLOYER'S PAYROLL DEPOSIT RETIREMENT SAVINGS ARRANGEMENT MAY ENROLL IN A MANNER PRESCRIBED BY THE BOARD~~

(2) A COVERED EMPLOYER SHALL AUTOMATICALLY ENROLL A COVERED EMPLOYEE IN THE PROGRAM, UNLESS THE EMPLOYEE ELECTS TO OPT OUT IN ACCORDANCE WITH PROCEDURES ESTABLISHED BY THE BOARD.

(B) IF A COVERED EMPLOYER IS NOT IN COMPLIANCE WITH SUBSECTION (A) OF THIS SECTION, THE COVERED EMPLOYER MAY NOT RECEIVE A WAIVER OF THE FILING FEE UNDER § 1-203(B)(14) OF THE CORPORATIONS AND ASSOCIATIONS ARTICLE.

(C) EMPLOYERS SHALL RETAIN THE OPTION AT ALL TIMES TO SET UP ANY TYPE OF ~~EMPLOYER-SPONSORED RETIREMENT PLAN~~ EMPLOYER-OFFERED SAVINGS ARRANGEMENT, SUCH AS A DEFINED BENEFIT PLAN OR A 401(K), SIMPLIFIED EMPLOYEE PENSION (SEP) PLAN, OR SAVINGS INCENTIVE MATCH PLAN FOR EMPLOYEES (SIMPLE) PLAN, OR TO OFFER AN AUTOMATIC ENROLLMENT PAYROLL DEDUCTION IRA, INSTEAD OF HAVING A PAYROLL DEPOSIT RETIREMENT SAVINGS ARRANGEMENT TO ALLOW EMPLOYEE PARTICIPATION IN THE PROGRAM.

(D) COMPLIANCE WITH THIS TITLE AND PARTICIPATION IN THE PROGRAM BY ITSELF DOES NOT CREATE A FIDUCIARY OBLIGATION OF AN EMPLOYER WITH RESPECT TO THE OPERATION OF THE PROGRAM OR FUNDS CONTRIBUTED TO THE PROGRAM.

12-403.

(A) A COVERED EMPLOYEE OF A PARTICIPATING EMPLOYER MAY ELECT TO OPT OUT OF THE PROGRAM.

(B) A COVERED EMPLOYEE OF A PARTICIPATING EMPLOYER WHO ELECTS TO OPT OUT OF THE PROGRAM MAY RE-ENROLL IN THE PROGRAM IN ACCORDANCE WITH PROCEDURES ESTABLISHED BY THE BOARD.

~~(D)~~ (C) AFTER THE BOARD OPENS THE PROGRAM FOR ENROLLMENT, ~~ANY AN ELIGIBLE~~ EMPLOYEE OF A NONPARTICIPATING EMPLOYER MAY ELECT TO PARTICIPATE IN THE PROGRAM ~~AT ANY TIME IN A MANNER PRESCRIBED AS AUTHORIZED BY THE BOARD.~~

~~(E)~~ (D) A PARTICIPATING EMPLOYEE MAY TERMINATE PARTICIPATION IN THE PROGRAM AT ANY TIME IN A MANNER PRESCRIBED BY THE BOARD ~~AND THEREAFTER BY MAKING A NOTATION ON THE OPT-OUT FORM.~~

~~(F)~~ (E) UNLESS OTHERWISE SPECIFIED BY THE EMPLOYEE, A PARTICIPATING EMPLOYEE SHALL CONTRIBUTE ~~3%~~ A FIXED PERCENTAGE OR DOLLAR AMOUNT OF THE EMPLOYEE'S ~~ANNUAL~~ SALARY OR WAGES TO THE PROGRAM.

~~(G)~~ (F) BY REGULATION, THE BOARD SHALL SET AND MAY ADJUST THE DEFAULT CONTRIBUTION AMOUNT SET IN SUBSECTION ~~(F)~~ (E) OF THIS SECTION.

(G) THE ASSETS IN A PARTICIPATING EMPLOYEE'S PROGRAM ACCOUNT ARE THE PROPERTY OF THE PARTICIPATING EMPLOYEE.

SUBTITLE 5. LIMITATION OF LIABILITY.



**12-501.****(A) AN EMPLOYER MAY NOT BE HELD LIABLE FOR:**

**(1) AN EMPLOYEE'S DECISION TO PARTICIPATE IN OR OPT OUT OF THE PROGRAM;**

**(2) THE INVESTMENT DECISIONS OF EMPLOYEES WHOSE ASSETS ARE DEPOSITED IN THE PROGRAM;**

**(3) THE ADMINISTRATION, INVESTMENT, OR INVESTMENT PERFORMANCE OF THE TRUST OR THE PROGRAM; OR**

**(4) THE PROGRAM DESIGN OR THE BENEFITS PAID TO PROGRAM PARTICIPANTS.**

**(B) AN EMPLOYER IS NOT A FIDUCIARY, AND MAY NOT BE CONSIDERED TO BE A FIDUCIARY, OF THE TRUST OR THE PROGRAM.**

**12-502.**

**(A) THE STATE MAY NOT BE HELD LIABLE FOR THE PAYMENT OF THE RETIREMENT SAVINGS BENEFIT EARNED BY PROGRAM PARTICIPANTS IN ACCORDANCE WITH THIS TITLE.**

**(B) THE DEBTS, CONTRACTS, AND OBLIGATIONS OF THE ~~TRUST AND BOARD, TRUST, OR~~ THE PROGRAM ARE NOT THE DEBTS, CONTRACTS, AND OBLIGATIONS OF THE STATE AND NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE IS PLEDGED DIRECTLY OR INDIRECTLY TO THE PAYMENT OF THE DEBTS, CONTRACTS, AND OBLIGATIONS.**

SECTION 2. AND BE IT FURTHER ENACTED, That the terms of the initial members of the Maryland Small Business Retirement Savings Board established by Section 1 of this Act who are subject to appointment end as follows:

- (1) three members in 2018;
- (2) three members in 2019; and
- (3) three members in 2020.

SECTION 3. AND BE IT FURTHER ENACTED, That, before any plan, trust, administrative arrangement, or investment offering may be implemented under this Act, the Board shall obtain an opinion from its counsel or from the federal government that the

~~plan, trust, administrative arrangement, investment offerings, and arrangements for individual retirement accounts or individual retirement annuities under 26 U.S.C. § 408(a) or (b) shall qualify for the favorable federal income tax treatment ordinarily accorded to individual retirement accounts or annuities under the Internal Revenue Code, and the Maryland Small Business Retirement Savings Program shall be determined not to be an employee benefit plan under the federal Employee Retirement Income Security Act.~~

SECTION 4. AND BE IT FURTHER ENACTED, That the filing fee under § 1-203(b)(3)(ii) of the Corporations and Associations Article may not be waived in accordance with this Act until the Maryland Small Business Savings Program is open for enrollment.

SECTION ~~4~~ 5. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016.

Approved by the Governor, May 10, 2016.

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## Chapter 324

(House Bill 1378)

AN ACT concerning

### Maryland Small Business Retirement Savings Program and Trust

FOR the purpose of establishing the Maryland Small Business Retirement Savings Program for ~~eligible~~ private sector employees; establishing the Maryland Small Business Retirement Savings Trust; establishing the Maryland Small Business Retirement Savings Board to implement, maintain, and administer the Program and the Trust; providing for the composition, chair, and staffing of the Board; providing for the powers and duties of the Board, ~~including investing certain assets, adopting an investment policy, disseminating information to employers and employees, and submitting an annual audited financial report; requiring eligible employers to offer the Program and requiring eligible employees of participating employers to participate in the Program unless written notice to opt out is provided to the employer;~~ authorizing the Board to enter into a certain agreement to borrow certain funds; requiring the Board to take certain actions to ensure that the Program is not preempted by federal law; requiring the Board to establish certain procedures and disclosures; specifying that the assets in a certain employee's Program account are the property of the employee; prohibiting the State from transferring any assets of the Trust to specified funds of the State, or otherwise encumbering any assets of the Trust; requiring the Board to design and disseminate certain information to employers and employees; requiring the Board to enter into a certain agreement delegating the administration of the Trust to a third-party administrator; limiting the type of savings arrangements offered by the Board to payroll deposit IRA

arrangements; requiring the Board to implement a range of investment options and providers and to select a default investment option; requiring the Board to consider certain information when selecting investment options; authorizing the Board to provide investment options that provide certain income distributions; limiting the ongoing administrative expenses of the Program from exceeding a certain amount; prohibiting the Board from offering investment options that conflict with federal law; prohibiting the Board from offering investment options that could result in certain liabilities; requiring a covered employer to establish a certain payroll deposit retirement savings arrangement, and to automatically enroll covered employees in the Program; prohibiting a covered employer from receiving a certain fee waiver if the covered employer is not in compliance with certain provisions of this Act; establishing that compliance with this Act does not create a certain fiduciary obligation; establishing that a covered employee may opt out of the Program, and re-enroll if the employee has opted out; authorizing certain ~~eligible~~ employees to participate in the Program in a certain manner; requiring the Board to establish a default employee contribution amount; providing for the method of payment of certain expenses incurred by the Board as a result of administering the Program; requiring the Board to adopt certain regulations; prohibiting certain ~~employers~~ employers, taxpayers, and the State from incurring certain liabilities regarding the Program and the Trust; requiring certain conditions to be met before any plan, trust, administrative arrangement, or investment offering may be implemented; providing for the expiration of terms of certain initial Board members; waiving a certain ~~processing~~ fee for the filing of certain documents by certain business entities under certain circumstances; prohibiting the waiver of a certain filing fee under this Act until the Program is open for enrollment; defining certain terms; and generally relating to the Maryland Small Business Retirement Savings Program and Trust.

BY repealing and reenacting, with amendments,  
Article – Corporations and Associations  
Section 1–203(b)(3)(ii)  
Annotated Code of Maryland  
(2014 Replacement Volume and 2015 Supplement)

BY adding to  
Article – Corporations and Associations  
Section 1–203(b)(14)  
Annotated Code of Maryland  
(2014 Replacement Volume and 2015 Supplement)

BY adding to  
Article – Labor and Employment  
Section 12–101 through 12–502 to be under the new title “Title 12. Maryland Small Business Retirement Savings Program and Trust”  
Annotated Code of Maryland  
(2008 Replacement Volume and 2015 Supplement)

WHEREAS, It shall be the policy of the State to assist the Maryland workforce in identifying the need to save for retirement, learning about products and services available in the private sector to accumulate retirement savings, promoting the efforts of employers to adopt retirement plans for employees, and assisting employees who do not have access to an employer–offered savings arrangement to initiate individual retirement accounts; and

WHEREAS, It is the intent of the General Assembly that the Maryland Small Business Retirement Savings Board will outsource the administration and management of the funds on behalf of the program participants, and at no point will the funds be managed directly by the Board; and

WHEREAS, Management of the separate accounts shall be performed by private entities selected by the Board that are licensed and in good standing with the State; now, therefore,

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

**Article – Corporations and Associations**

1–203.

(b) (3) (ii) [For] **EXCEPT AS PROVIDED IN PARAGRAPH (14) OF THIS SUBSECTION, FOR** each of the following documents which are filed but not recorded, the filing fee is as indicated:

Annual report of a Maryland corporation, except a charitable or benevolent institution, nonstock corporation, savings and loan corporation, credit union, family farm, and banking institution..... \$300

Annual report of a foreign corporation subject to the jurisdiction of this State, except a national banking association, savings and loan association, credit union, nonstock corporation, and charitable and benevolent institution..... \$300

Annual report of a Maryland savings and loan association, banking institution, or credit union or of a foreign savings and loan association, national banking association, or credit union that is subject to the jurisdiction of this State ..... \$300

Annual report of a Maryland limited liability company, limited liability partnership, limited partnership, or of a foreign limited liability company, foreign limited liability partnership, or foreign limited partnership, except a family farm..... \$300

Annual report of a business trust..... \$300

Annual report of a real estate investment trust or foreign statutory trust doing business in this State .....	\$300
Annual report of a family farm.....	\$100

**(14) THE DEPARTMENT SHALL WAIVE THE ~~NONREFUNDABLE PROCESSING FILING~~ FEE FOR A BUSINESS ENTITY DESCRIBED UNDER PARAGRAPH (3)(II) OF THIS SUBSECTION FOR EACH YEAR THAT THE ENTITY PROVIDES EVIDENCE TO THE DEPARTMENT THAT:**

**(I) THE ENTITY IS REQUIRED TO COMPLY WITH AND IS IN COMPLIANCE WITH TITLE 12, ~~SUBTITLE 1~~ OF THE LABOR AND EMPLOYMENT ARTICLE; OR**

**(II) THE ENTITY OTHERWISE PROVIDES AN AUTOMATIC ENROLLMENT PAYROLL DEDUCTION INDIVIDUAL RETIREMENT ACCOUNT OR INDIVIDUAL RETIREMENT ANNUITY UNDER 26 U.S.C. § 408(A) OR (B) OR AN ~~EMPLOYER SPONSORED RETIREMENT PLAN~~ EMPLOYER-OFFERED SAVINGS ARRANGEMENT THAT IS IN COMPLIANCE WITH ~~THE FEDERAL EMPLOYEE RETIREMENT INCOME SECURITY ACT~~ FEDERAL LAW.**

**Article – Labor and Employment**

**TITLE 12. MARYLAND SMALL BUSINESS RETIREMENT SAVINGS PROGRAM AND TRUST.**

**SUBTITLE 1. DEFINITIONS.**

**12-101.**

**(A) IN THIS TITLE THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.**

**(B) “BOARD” MEANS THE MARYLAND SMALL BUSINESS RETIREMENT SAVINGS BOARD.**

**(C) (1) “~~ELIGIBLE COVERED~~ EMPLOYEE” MEANS ~~A PERSON AN INDIVIDUAL WHO IS EMPLOYED BY AN ELIGIBLE A COVERED EMPLOYER OR WHO IS OTHERWISE ELIGIBLE TO PARTICIPATE IN THE PROGRAM UNDER THIS TITLE.~~**

**(2) “~~ELIGIBLE COVERED~~ EMPLOYEE” DOES NOT INCLUDE:**

**(I) AN EMPLOYEE COVERED UNDER THE FEDERAL RAILWAY LABOR ACT (45 U.S.C. SEC. 151) OR AN EMPLOYEE ENGAGED IN INTERSTATE**

COMMERCE SO AS NOT TO BE SUBJECT TO THE LEGISLATIVE POWERS OF THE STATE, EXCEPT INSOFAR AS APPLICATION OF THIS TITLE IS AUTHORIZED UNDER THE UNITED STATES CONSTITUTION OR LAWS OF THE UNITED STATES;

(II) AN EMPLOYEE ELIGIBLE TO PARTICIPATE IN A QUALIFYING RETIREMENT PLAN ~~OR ARRANGEMENT DESCRIBED IN 26 U.S.C. § 219(C)(5) OR AN EMPLOYEE WHO WAS ELIGIBLE TO PARTICIPATE BUT THE PLAN OR ARRANGEMENT WAS TERMINATED OR FROZEN AT ANY TIME DURING THE PRECEDING 2 CALENDAR YEARS;~~

(III) AN EMPLOYEE COVERED BY A VALID COLLECTIVE BARGAINING AGREEMENT THAT EXPRESSLY PROVIDES FOR A MULTI-EMPLOYER RETIREMENT PLAN DESCRIBED IN 26 U.S.C. § 414(F); OR

(IV) AN EMPLOYEE WHO IS UNDER THE AGE OF 18 YEARS BEFORE THE BEGINNING OF THE CALENDAR YEAR.

(D) (1) “~~ELIGIBLE~~ COVERED EMPLOYER” MEANS A PERSON ENGAGED IN A BUSINESS, AN INDUSTRY, A PROFESSION, A TRADE, OR ANY OTHER ENTERPRISE IN THE STATE, WHETHER FOR PROFIT OR NOT FOR PROFIT, THAT:

~~(I) EMPLOYS 10 OR MORE ELIGIBLE EMPLOYEES WHO ARE EACH EMPLOYED BY THE ELIGIBLE EMPLOYER FOR 30 OR MORE HOURS PER WEEK; AND~~

~~(II) PAYS THE ~~ELIGIBLE~~ COVERED EMPLOYER’S EMPLOYEES THROUGH A PAYROLL SYSTEM OR SERVICE.~~

(2) “~~ELIGIBLE~~ COVERED EMPLOYER” DOES NOT INCLUDE:

(I) THE FEDERAL GOVERNMENT;

(II) THE STATE OR ANY UNIT OF THE STATE;

(III) A COUNTY OR ANY UNIT OF THE COUNTY;

(IV) A MUNICIPAL CORPORATION OR ANY UNIT OF THE MUNICIPAL CORPORATION;

(V) AN EMPLOYER THAT CURRENTLY OFFERS AN EMPLOYER-SPONSORED RETIREMENT PLAN EMPLOYER-OFFERED SAVINGS ARRANGEMENT THAT WAS ESTABLISHED SEPARATELY FROM THE REQUIREMENTS OF THIS TITLE;

(VI) AN EMPLOYER THAT, AT ANY TIME DURING THE PRECEDING 2 CALENDAR YEARS, ~~TERMINATED AN EMPLOYER-SPONSORED RETIREMENT PLAN OFFERED AN EMPLOYER-OFFERED SAVINGS ARRANGEMENT THAT WAS ESTABLISHED SEPARATELY FROM THE REQUIREMENTS OF THIS TITLE; OR~~

(VII) AN EMPLOYER THAT HAS NOT BEEN IN BUSINESS AT ALL TIMES DURING THE CURRENT CALENDAR YEAR AND THE PRECEDING CALENDAR YEAR.

(E) "IRA" MEANS AN INDIVIDUAL RETIREMENT ACCOUNT OR AN INDIVIDUAL RETIREMENT ANNUITY UNDER 26 U.S.C. § 408(A) OR (B).

(F) "MARYLAND SMALL BUSINESS RETIREMENT SAVINGS PROGRAM" MEANS A RETIREMENT SAVINGS PROGRAM ESTABLISHED ~~AND OFFERED~~ BY THE MARYLAND SMALL BUSINESS RETIREMENT SAVINGS BOARD UNDER THIS TITLE.

(G) "PARTICIPATING EMPLOYEE" MEANS AN ~~ELIGIBLE~~ EMPLOYEE THAT ~~ELECTS TO PARTICIPATE IN~~ IS PARTICIPATING IN THE PROGRAM THROUGH A PAYROLL DEPOSIT RETIREMENT SAVINGS ARRANGEMENT UNDER THIS TITLE FOR ELIGIBLE EMPLOYEES IN ACCORDANCE WITH REGULATIONS ADOPTED BY THE BOARD.

(H) "PARTICIPATING EMPLOYER" MEANS ~~AN ELIGIBLE~~ A COVERED EMPLOYER THAT PROVIDES A PAYROLL DEPOSIT RETIREMENT SAVINGS ARRANGEMENT UNDER THIS TITLE FOR ~~ELIGIBLE~~ COVERED EMPLOYEES.

(I) "PAYROLL DEPOSIT RETIREMENT SAVINGS ARRANGEMENT" MEANS AN ARRANGEMENT BY WHICH ~~AN A COVERED~~ EMPLOYER REMITS PAYROLL DEDUCTION CONTRIBUTIONS OF PARTICIPATING EMPLOYEES TO ~~A RETIREMENT SAVINGS PROGRAM~~ THE PROGRAM.

(J) "PROGRAM" MEANS THE MARYLAND SMALL BUSINESS RETIREMENT SAVINGS PROGRAM ESTABLISHED UNDER THIS TITLE.

(K) "TRUST" MEANS THE MARYLAND SMALL BUSINESS RETIREMENT SAVINGS TRUST ESTABLISHED UNDER THIS TITLE.

## SUBTITLE 2. ESTABLISHMENT; POWERS AND DUTIES OF BOARD.

12-201.

(A) THERE IS A MARYLAND SMALL BUSINESS RETIREMENT SAVINGS BOARD.

**(B) THE BOARD CONSISTS OF THE FOLLOWING MEMBERS:**

**(1) THE STATE TREASURER, OR THE STATE TREASURER'S DESIGNEE;**

**(2) THE SECRETARY OF LABOR, LICENSING, AND REGULATION, OR THE SECRETARY'S DESIGNEE; AND**

**(3) NINE MEMBERS WITH EXPERTISE IN RETIREMENT PROGRAMS AND BENEFITS, INVESTMENTS, FINANCIAL SYSTEMS AND CONTROLS, OR SMALL BUSINESS, APPOINTED AS FOLLOWS:**

**(I) THREE MEMBERS, APPOINTED BY THE GOVERNOR;**

**(II) THREE MEMBERS, APPOINTED BY THE PRESIDENT OF THE SENATE; AND**

**(III) THREE MEMBERS, APPOINTED BY THE SPEAKER OF THE HOUSE OF DELEGATES.**

**(C) (1) THE TERM OF A MEMBER IS 4 YEARS.**

**(2) THE TERMS OF MEMBERS ARE STAGGERED AS REQUIRED BY THE TERMS PROVIDED FOR MEMBERS OF THE BOARD ON JULY 1, 2016.**

**(3) AT THE END OF A TERM A MEMBER CONTINUES TO SERVE UNTIL A SUCCESSOR IS APPOINTED AND QUALIFIES.**

**(4) A MEMBER WHO IS APPOINTED AFTER A TERM HAS BEGUN SERVES ONLY FOR THE REST OF THE TERM AND UNTIL A SUCCESSOR IS APPOINTED AND QUALIFIES.**

**(D) THE BOARD SHALL ELECT A CHAIR FROM AMONG THE MEMBERS OF THE BOARD.**

**(E) THE GOVERNOR MAY REMOVE A MEMBER FOR INCOMPETENCE OR MISCONDUCT.**

**12-202.**

**(A) THE BOARD SHALL MEET AT THE TIMES AND PLACES THAT THE BOARD DETERMINES.**



(B) (1) THE BOARD MAY EMPLOY A STAFF AND MAY HIRE CONSULTANTS, ADMINISTRATORS, AND OTHER PROFESSIONALS AS NECESSARY TO HELP IMPLEMENT, MAINTAIN, AND ADMINISTER THE PROGRAM AND THE TRUST.

(2) ALL EXPENSES, INCLUDING EMPLOYEE COSTS, INCURRED TO IMPLEMENT, MAINTAIN, AND ADMINISTER THE PROGRAM AND THE TRUST SHALL BE PAID FROM MONEY COLLECTED BY OR FOR THE PROGRAM OR THE TRUST.

(3) CONSISTENT WITH ITS FIDUCIARY DUTIES, THE BOARD MAY ENTER INTO AN AGREEMENT TO BORROW FUNDS FROM THE STATE OR ANY OTHER ENTITY TO PROVIDE FUNDING FOR THE OPERATION OF THE PROGRAM UNTIL THE PROGRAM CAN GENERATE SUFFICIENT FUNDING FOR OPERATIONS THROUGH FEES ASSESSED ON PROGRAM ACCOUNTS.

12-203.

(A) THE BOARD, THE PROGRAM ADMINISTRATOR, AND STAFF SHALL DISCHARGE THE DUTIES WITH RESPECT TO THE TRUST SOLELY IN THE INTEREST OF THE PROGRAM PARTICIPANTS AS FOLLOWS:

(1) FOR THE EXCLUSIVE PURPOSES OF PROVIDING BENEFITS TO PROGRAM PARTICIPANTS AND DEFRAYING REASONABLE EXPENSES OF ADMINISTERING THE PROGRAM; AND

(2) ~~BY INVESTING~~ SELECTING INVESTMENT OPTIONS OR PROGRAMS THAT WILL INVEST WITH THE CARE, SKILL, PRUDENCE, AND DILIGENCE UNDER THE CIRCUMSTANCES THEN PREVAILING THAT A PRUDENT PERSON ACTING IN A LIKE CAPACITY AND FAMILIAR WITH THOSE MATTERS WOULD USE IN THE CONDUCT OF AN ENTERPRISE OF A LIKE CHARACTER AND WITH LIKE AIMS.

(B) (1) THE BOARD SHALL ANNUALLY PREPARE AND ADOPT A WRITTEN STATEMENT OF INVESTMENT POLICY THAT INCLUDES A RISK MANAGEMENT AND OVERSIGHT PROGRAM.

(2) THE INVESTMENT POLICY SHALL CONSIDER INVESTMENT OPTIONS OR PROGRAMS THAT WILL SEEK TO MITIGATE RISK BY MAINTAINING A BALANCED INVESTMENT PORTFOLIO THAT PROVIDES ASSURANCE THAT NO SINGLE INVESTMENT OR CLASS OF INVESTMENTS WILL HAVE A DISPROPORTIONATE IMPACT ON THE TOTAL PORTFOLIO.

(3) THE RISK MANAGEMENT AND OVERSIGHT PROGRAM SHALL BE DESIGNED TO ENSURE THAT AN EFFECTIVE RISK MANAGEMENT SYSTEM IS IN PLACE TO MONITOR THE RISK LEVELS OF THE PROGRAM INVESTMENT PORTFOLIO AND ENSURE THAT THE RISKS TAKEN ARE PRUDENT AND PROPERLY MANAGED.

12-204.

(A) IN ADDITION TO THE POWERS AND DUTIES SET FORTH ELSEWHERE IN THIS TITLE, THE BOARD ~~MAY~~:

(1) SHALL CAUSE THE PROGRAM OR PAYROLL DEPOSIT IRA ARRANGEMENTS ESTABLISHED UNDER THE PROGRAM TO BE DESIGNED, ESTABLISHED, AND OPERATED;

(2) SHALL APPOINT A PROGRAM ADMINISTRATOR AND DETERMINE THE DUTIES OF THE PROGRAM ADMINISTRATOR;

(3) SHALL EMPLOY STAFF AS NECESSARY AND SET THE COMPENSATION OF THE STAFF;

(4) SHALL MAKE PROVISIONS FOR THE PAYMENT OF COSTS OF ADMINISTRATION AND OPERATION OF THE TRUST;

(5) SHALL EVALUATE AND ESTABLISH THE PROCESS FOR AN ~~ELIGIBLE EMPLOYEE OF A PARTICIPATING EMPLOYER TO CONTRIBUTE A PORTION OF THE EMPLOYEE'S SALARY OR WAGES TO THE PROGRAM FOR AUTOMATIC DEPOSIT OF THE CONTRIBUTIONS~~ EMPLOYEE TO CONTRIBUTE AUTOMATICALLY TO THE PROGRAM;

(6) SHALL EVALUATE AND ESTABLISH THE PROCESS FOR A PARTICIPATING EMPLOYER TO PROVIDE A PAYROLL DEPOSIT RETIREMENT SAVINGS ARRANGEMENT FOR ~~ELIGIBLE~~ COVERED EMPLOYEES AND TO FORWARD THE EMPLOYEE CONTRIBUTION AND RELATED INFORMATION TO THE PROGRAM OR ITS AGENTS, WHICH MAY INCLUDE FINANCIAL SERVICES COMPANIES AND THIRD-PARTY ADMINISTRATORS WITH THE CAPABILITY TO RECEIVE AND PROCESS EMPLOYEE INFORMATION AND CONTRIBUTIONS FOR PAYROLL DEPOSIT RETIREMENT SAVINGS ARRANGEMENTS OR OTHER ARRANGEMENTS AUTHORIZED BY THIS TITLE;

(7) SHALL DESIGN AND ESTABLISH THE PROCESS FOR THE ENROLLMENT OF PROGRAM PARTICIPANTS;

(8) SHALL EVALUATE AND ESTABLISH ~~THE PROCESS FOR A PARTICIPATING EMPLOYER TO USE THE PROGRAM TO REMIT EMPLOYEES' CONTRIBUTIONS TO THEIR INDIVIDUAL RETIREMENT ACCOUNTS ON BEHALF OF THE EMPLOYEES~~ A RANGE OF INVESTMENT OPTIONS, INCLUDING A DEFAULT INVESTMENT SELECTION FOR EMPLOYEES' PAYROLL DEPOSIT IRAS;

(9) SHALL PROCURE INSURANCE AGAINST ANY LOSS IN CONNECTION WITH THE PROPERTY, ASSETS, OR ACTIVITIES OF THE TRUST, AND SECURE PRIVATE UNDERWRITING AND REINSURANCE TO MANAGE RISK ~~AND INSURE THE RETIREMENT SAVINGS RATE OF RETURN;~~

(10) SHALL PROCURE INSURANCE INDEMNIFYING EACH MEMBER OF THE BOARD FROM PERSONAL LOSS OR LIABILITY RESULTING FROM A MEMBER'S ACTION OR INACTION AS A MEMBER OF THE BOARD;

(11) SHALL SET MINIMUM AND MAXIMUM EMPLOYEE CONTRIBUTION LEVELS IN ACCORDANCE WITH CONTRIBUTION LIMITS SET FOR IRAS BY THE INTERNAL REVENUE CODE;

(12) MAY ARRANGE FOR COLLECTIVE, COMMON, AND POOLED INVESTMENT OF ASSETS OF THE PROGRAM OR ARRANGEMENTS, INCLUDING INVESTMENTS IN CONJUNCTION WITH OTHER FUNDS WITH WHICH THOSE ASSETS ARE AUTHORIZED TO BE COLLECTIVELY INVESTED, WITH A VIEW TO SAVING COSTS THROUGH EFFICIENCIES AND ECONOMIES OF SCALE;

(13) SHALL DETERMINE THE ALLOCATION OF ADMINISTRATIVE FEES TO ~~EACH INDIVIDUAL RETIREMENT ACCOUNT ON A PRO-RATA BASIS, NOT TO EXCEED 1% OF THE TOTAL BALANCE IN THE TRUST~~ INDIVIDUAL RETIREMENT ACCOUNTS;

(14) SHALL EXPLORE AND ESTABLISH INVESTMENT OPTIONS THAT OFFER EMPLOYEES RETURNS ON CONTRIBUTIONS AND THE CONVERSION OF INDIVIDUAL RETIREMENT SAVINGS ACCOUNT BALANCES TO SECURE RETIREMENT INCOME WITHOUT INCURRING DEBT OR LIABILITIES TO THE STATE;

(15) ~~IF NECESSARY,~~ SHALL DETERMINE THE ELIGIBILITY OF AN EMPLOYER, EMPLOYEE, OR ANY OTHER INDIVIDUAL TO PARTICIPATE IN THE PROGRAM; AND

(16) MAY EVALUATE AND ESTABLISH THE PROCESS BY WHICH AN ~~ELIGIBLE~~ EMPLOYEE OF A NONPARTICIPATING EMPLOYER MAY ENROLL IN AND MAKE CONTRIBUTIONS TO THE PROGRAM; ~~AND~~

~~(17) DETERMINE INTEREST RATES TO BE ALLOCATED TO PROGRAM ACCOUNTS.~~

(B) THE BOARD SHALL ADOPT REGULATIONS AND TAKE ANY OTHER ACTION NECESSARY TO IMPLEMENT THIS TITLE CONSISTENT WITH THE INTERNAL REVENUE CODE AND REGULATIONS ISSUED IN ACCORDANCE WITH THE INTERNAL REVENUE CODE TO ENSURE THAT THE PROGRAM MEETS ALL CRITERIA FOR FEDERAL TAX DEFERRAL OR TAX-EXEMPT BENEFITS OR BOTH.

**(C) THE BOARD SHALL TAKE ANY ACTION NECESSARY TO ENSURE THAT THE PROGRAM IS NOT PREEMPTED BY FEDERAL LAW.**

12-205.

**(A) THE BOARD SHALL ESTABLISH PROCEDURES AND DISCLOSURES TO PROTECT THE INTERESTS OF PARTICIPANTS AND EMPLOYERS.**

**(B) (1) BEFORE OPENING THE PROGRAM FOR ENROLLMENT, THE BOARD SHALL DESIGN AND DISSEMINATE TO EMPLOYERS ~~AN EMPLOYEE~~ AND EMPLOYEES INFORMATION ~~PACKET~~ REGARDING THE PROGRAM.**

**(2) THE ~~PACKET~~ INFORMATION PROVIDED SHALL INCLUDE BACKGROUND INFORMATION ON THE PROGRAM AND APPROPRIATE DISCLOSURES FOR ~~EMPLOYEES~~.**

**~~(B) THE DISCLOSURE FORM SHALL INCLUDE: EMPLOYEES, INCLUDING:~~**

**~~(1)~~ (I) THE BENEFITS AND RISKS ASSOCIATED WITH MAKING CONTRIBUTIONS TO THE PROGRAM;**

**~~(2)~~ (II) THE MECHANICS OF HOW TO MAKE CONTRIBUTIONS TO THE PROGRAM;**

**~~(3)~~ (III) HOW TO OPT OUT OF THE PROGRAM;**

**~~(4)~~ (IV) THE PROCESS FOR WITHDRAWAL OF RETIREMENT SAVINGS;**  
**AND**

**~~(5)~~ (V) HOW TO OBTAIN ADDITIONAL INFORMATION ON THE PROGRAM; AND**

**(VI) INFORMATION ABOUT ALTERNATIVE RETIREMENT SAVINGS OPTIONS.**

**(C) THE DISCLOSURE FORM SHALL CLEARLY STATE THE FOLLOWING:**

**(1) EMPLOYEES SEEKING FINANCIAL ADVICE SHOULD CONTACT FINANCIAL ADVISORS BECAUSE EMPLOYERS ARE NOT IN A POSITION TO PROVIDE FINANCIAL ADVICE;**

**(2) IN ACCORDANCE WITH § 12-501 OF THIS TITLE, EMPLOYERS ARE NOT LIABLE FOR DECISIONS MADE BY EMPLOYEES;**

~~(3) THE PROGRAM IS NOT AN EMPLOYER-SPONSORED RETIREMENT PLAN EMPLOYER-OFFERED SAVINGS ARRANGEMENT; AND~~

~~(4) IN ACCORDANCE WITH § 12-502 OF THIS TITLE, THE PROGRAM FUND MAY BE PRIVATELY INSURED AND IS NOT GUARANTEED BY THE STATE.~~

~~(D) THE DISCLOSURE FORM SHALL INCLUDE A SIGNATURE LINE FOR THE EMPLOYEE TO SIGN AND DATE ACKNOWLEDGING THAT THE EMPLOYEE HAS READ ALL OF THE DISCLOSURES AND UNDERSTANDS THE DISCLOSURES.~~

~~(E) (1) THE EMPLOYEE INFORMATION PACKET SHALL ALSO INCLUDE AN OPT-OUT FORM FOR AN ELIGIBLE EMPLOYEE TO NOTE THE EMPLOYEE'S DECISION TO OPT OUT OF PARTICIPATION IN THE PROGRAM.~~

~~(2) THE OPT-OUT NOTATION SHALL BE SIMPLE AND CONCISE AND DRAFTED IN A MANNER THAT THE BOARD DEEMS NECESSARY TO APPROPRIATELY EVIDENCE THE EMPLOYEE'S UNDERSTANDING THAT THE EMPLOYEE IS CHOOSING NOT TO AUTOMATICALLY DEDUCT EARNINGS TO SAVE FOR RETIREMENT.~~

~~(F) (1) THE EMPLOYEE INFORMATION PACKET SHALL BE MADE AVAILABLE TO EMPLOYERS THROUGH THE BOARD AND SUPPLIED TO EMPLOYEES AT THE TIME OF HIRING.~~

~~(2) ALL NEW EMPLOYEES SHALL REVIEW AND ACKNOWLEDGE HAVING READ THE EMPLOYEE INFORMATION PACKET BY SIGNING THE SIGNATURE LINE ACCOMPANIED BY THE DATE OF THE SIGNATURE.~~

~~(G) THE EMPLOYEE INFORMATION PACKET SHALL BE SUPPLIED TO EXISTING EMPLOYEES WHEN THE PROGRAM IS INITIALLY LAUNCHED FOR THAT PARTICIPATING EMPLOYER IN ACCORDANCE WITH § 12-402 OF THIS TITLE, AND EMPLOYEES SHALL REVIEW AND SIGN THE DISCLOSURE FORM AT THAT TIME.~~

(D) THE BOARD SHALL ESTABLISH PROCEDURES FOR:

(1) A COVERED EMPLOYEE TO OPT OUT OF PARTICIPATION IN THE PROGRAM;

(2) A PARTICIPATING EMPLOYEE TO OPT OUT OF PARTICIPATION IN THE PROGRAM AFTER THE PARTICIPATING EMPLOYEE HAS COMMENCED PARTICIPATION; AND

(3) AN EMPLOYEE WHO HAS OPTED OUT OF PARTICIPATION TO PARTICIPATE OR RESUME PARTICIPATION IN THE PROGRAM.

12-206.

(A) ON OR BEFORE AUGUST 1 EACH YEAR, THE BOARD SHALL SUBMIT AN ANNUAL AUDITED FINANCIAL REPORT, PREPARED IN ACCORDANCE WITH GENERALLY ACCEPTED ACCOUNTING PRINCIPLES, ON THE OPERATIONS OF THE TRUST TO THE GOVERNOR AND, SUBJECT TO § 2-1246 OF THE STATE GOVERNMENT ARTICLE, THE GENERAL ASSEMBLY.

(B) THE ANNUAL AUDIT SHALL BE MADE BY AN INDEPENDENT CERTIFIED PUBLIC ACCOUNTANT AND SHALL INCLUDE DIRECT AND INDIRECT COSTS ATTRIBUTABLE TO THE USE OF OUTSIDE CONSULTANTS, INDEPENDENT CONTRACTORS, AND ANY OTHER PERSONS WHO ARE NOT STATE EMPLOYEES.

**SUBTITLE 3. MARYLAND SMALL BUSINESS RETIREMENT SAVINGS TRUST.**

12-301.

(A) THERE IS A MARYLAND SMALL BUSINESS RETIREMENT SAVINGS TRUST.

(B) (1) THE MARYLAND SMALL BUSINESS RETIREMENT SAVINGS TRUST SHALL BE ADMINISTERED BY THE BOARD FOR THE PURPOSE OF PROMOTING GREATER RETIREMENT SAVINGS FOR MARYLAND PRIVATE SECTOR EMPLOYEES IN A CONVENIENT, VOLUNTARY, LOW-COST, AND PORTABLE MANNER.

(2) THE BOARD SHALL ENTER INTO AN AGREEMENT DELEGATING THE ADMINISTRATION OF THE TRUST TO A THIRD-PARTY ADMINISTRATOR.

(C) MONEY IN THE TRUST MAY BE INVESTED OR REINVESTED AS DETERMINED BY THE BOARD.

(D) ANY CONTRIBUTIONS PAID BY EMPLOYEES INTO THE TRUST MAY BE USED ONLY TO:

- (1) PAY BENEFITS TO THE PARTICIPANTS OF THE PROGRAM;
- (2) PAY THE COST FOR ADMINISTERING THE PROGRAM; AND
- (3) MAKE INVESTMENTS FOR THE BENEFIT OF THE PROGRAM.

(E) ~~(1)~~ THE BOARD SHALL ESTABLISH, BY REGULATION, DATES WHEN AN EMPLOYER SHALL DEPOSIT EMPLOYEE CONTRIBUTIONS.

~~(2) THE BOARD MAY NOT ESTABLISH A DEADLINE UNDER PARAGRAPH (1) OF THIS SUBSECTION THAT IS LATER THAN THE DUE DATE FOR:~~

~~(I) THE DEPOSIT OF TAX REQUIRED TO BE DEDUCTED AND WITHHELD RELATING TO COLLECTION OF INCOME TAX AT SOURCE ON WAGES; OR~~

~~(II) THE DEPOSIT OF TAX REQUIRED TO BE PAID UNDER THE UNEMPLOYMENT INSURANCE SYSTEM FOR THE PAYROLL PERIOD TO WHICH THE PAYMENTS RELATE.~~

(F) THE STATE MAY NOT TRANSFER ANY ASSETS OF THE TRUST TO THE GENERAL FUND OR ANY OTHER FUND OF THE STATE, OR OTHERWISE ENCUMBER ANY ASSETS OF THE TRUST.

#### SUBTITLE 4. MARYLAND SMALL BUSINESS RETIREMENT SAVINGS PROGRAM.

12-401.

(A) THERE IS A MARYLAND SMALL BUSINESS RETIREMENT SAVINGS PROGRAM.

(B) THE MARYLAND SMALL BUSINESS RETIREMENT SAVINGS PROGRAM SHALL ONLY INCLUDE ONE OR MORE PAYROLL DEPOSIT IRA ARRANGEMENTS AS DETERMINED BY THE BOARD.

(C) THE BOARD SHALL:

(1) IMPLEMENT A RANGE OF INVESTMENT OPTIONS AND PROVIDERS;  
AND

(2) SELECT A DEFAULT INVESTMENT OPTION FOR PROGRAM PARTICIPANTS.

(D) WHEN SELECTING INVESTMENT OPTIONS, THE BOARD SHALL CONSIDER METHODS TO MINIMIZE THE RISK OF SIGNIFICANT INVESTMENT LOSSES AT THE TIME OF A PARTICIPATING EMPLOYEE'S RETIREMENT.

(E) THE BOARD MAY PROVIDE AN INVESTMENT OPTION THAT PROVIDES AN ASSURED LIFETIME INCOME.

(F) (1) THE BOARD SHALL CONSIDER INVESTMENT OPTIONS THAT MINIMIZE ADMINISTRATIVE EXPENSES.

(2) ONGOING ANNUAL ADMINISTRATIVE EXPENSES MAY NOT EXCEED 0.5% OF ASSETS UNDER MANAGEMENT IN THE PROGRAM.

(G) THE BOARD MAY NOT OFFER ANY INVESTMENT OPTIONS THAT CONFLICT WITH FEDERAL LAW.

(H) THE BOARD MAY NOT OFFER ANY INVESTMENT OPTIONS THAT COULD RESULT IN LIABILITY TO THE STATE OR ITS TAXPAYERS.

~~(C) INTEREST SHALL BE ALLOCATED TO PROGRAM ACCOUNTS AS DETERMINED BY THE BOARD.~~

~~(D) AN INDIVIDUAL'S RETIREMENT SAVINGS BENEFIT UNDER THE PROGRAM SHALL BE AN AMOUNT EQUAL TO THE BALANCE IN THE INDIVIDUAL'S PROGRAM ACCOUNT ON THE DATE THE RETIREMENT SAVINGS BENEFIT BECOMES PAYABLE.~~

12-402.

(A) (1) AFTER THE BOARD OPENS THE PROGRAM FOR ENROLLMENT, ~~ELIGIBLE~~ COVERED EMPLOYERS SHALL ESTABLISH A PAYROLL DEPOSIT RETIREMENT SAVINGS ARRANGEMENT TO ALLOW EMPLOYEE PARTICIPATION IN THE PROGRAM.

~~(B) (1) AN ELIGIBLE EMPLOYER SHALL ENROLL ALL ELIGIBLE EMPLOYEES IN THE PROGRAM, UNLESS THE EMPLOYEE ELECTS NOT TO PARTICIPATE IN THE PROGRAM.~~

~~(2) AN ELIGIBLE EMPLOYEE OF A PARTICIPATING EMPLOYER MAY ELECT TO OPT OUT OF THE PROGRAM BY MAKING THAT ELECTION ON THE OPT OUT FORM.~~

~~(3) AN ELIGIBLE EMPLOYEE OF A PARTICIPATING EMPLOYER WHO ELECTS TO OPT OUT OF THE PROGRAM AND WHO SUBSEQUENTLY WANTS TO PARTICIPATE THROUGH THE EMPLOYER'S PAYROLL DEPOSIT RETIREMENT SAVINGS ARRANGEMENT MAY ENROLL IN A MANNER PRESCRIBED BY THE BOARD~~

(2) A COVERED EMPLOYER SHALL AUTOMATICALLY ENROLL A COVERED EMPLOYEE IN THE PROGRAM, UNLESS THE EMPLOYEE ELECTS TO OPT OUT IN ACCORDANCE WITH PROCEDURES ESTABLISHED BY THE BOARD.

(B) IF A COVERED EMPLOYER IS NOT IN COMPLIANCE WITH SUBSECTION (A) OF THIS SECTION, THE COVERED EMPLOYER MAY NOT RECEIVE A WAIVER OF THE



FILING FEE UNDER § 1-203(B)(14) OF THE CORPORATIONS AND ASSOCIATIONS ARTICLE.

(C) EMPLOYERS SHALL RETAIN THE OPTION AT ALL TIMES TO SET UP ANY TYPE OF ~~EMPLOYER-SPONSORED RETIREMENT PLAN~~ EMPLOYER-OFFERED SAVINGS ARRANGEMENT, SUCH AS A DEFINED BENEFIT PLAN OR A 401(K), SIMPLIFIED EMPLOYEE PENSION (SEP) PLAN, OR SAVINGS INCENTIVE MATCH PLAN FOR EMPLOYEES (SIMPLE) PLAN, OR TO OFFER AN AUTOMATIC ENROLLMENT PAYROLL DEDUCTION IRA, INSTEAD OF HAVING A PAYROLL DEPOSIT RETIREMENT SAVINGS ARRANGEMENT TO ALLOW EMPLOYEE PARTICIPATION IN THE PROGRAM.

(D) COMPLIANCE WITH THIS TITLE AND PARTICIPATION IN THE PROGRAM BY ITSELF DOES NOT CREATE A FIDUCIARY OBLIGATION OF AN EMPLOYER WITH RESPECT TO THE OPERATION OF THE PROGRAM OR FUNDS CONTRIBUTED TO THE PROGRAM.

12-403.

(A) A COVERED EMPLOYEE OF A PARTICIPATING EMPLOYER MAY ELECT TO OPT OUT OF THE PROGRAM.

(B) A COVERED EMPLOYEE OF A PARTICIPATING EMPLOYER WHO ELECTS TO OPT OUT OF THE PROGRAM MAY RE-ENROLL IN THE PROGRAM IN ACCORDANCE WITH PROCEDURES ESTABLISHED BY THE BOARD.

~~(D)~~ (C) AFTER THE BOARD OPENS THE PROGRAM FOR ENROLLMENT, ~~ANY AN ELIGIBLE~~ EMPLOYEE OF A NONPARTICIPATING EMPLOYER MAY ELECT TO PARTICIPATE IN THE PROGRAM ~~AT ANY TIME IN A MANNER PRESCRIBED AS~~ AUTHORIZED BY THE BOARD.

~~(E)~~ (D) A PARTICIPATING EMPLOYEE MAY TERMINATE PARTICIPATION IN THE PROGRAM AT ANY TIME IN A MANNER PRESCRIBED BY THE BOARD ~~AND THEREAFTER BY MAKING A NOTATION ON THE OPT-OUT FORM.~~

~~(F)~~ (E) UNLESS OTHERWISE SPECIFIED BY THE EMPLOYEE, A PARTICIPATING EMPLOYEE SHALL CONTRIBUTE ~~3%~~ A FIXED PERCENTAGE OR DOLLAR AMOUNT OF THE EMPLOYEE'S ~~ANNUAL~~ SALARY OR WAGES TO THE PROGRAM.

~~(G)~~ (F) BY REGULATION, THE BOARD SHALL SET AND MAY ADJUST THE DEFAULT CONTRIBUTION AMOUNT SET IN SUBSECTION ~~(F)~~ (E) OF THIS SECTION.

**(G) THE ASSETS IN A PARTICIPATING EMPLOYEE'S PROGRAM ACCOUNT ARE THE PROPERTY OF THE PARTICIPATING EMPLOYEE.**

**SUBTITLE 5. LIMITATION OF LIABILITY.**

**12-501.**

**(A) AN EMPLOYER MAY NOT BE HELD LIABLE FOR:**

**(1) AN EMPLOYEE'S DECISION TO PARTICIPATE IN OR OPT OUT OF THE PROGRAM;**

**(2) THE INVESTMENT DECISIONS OF EMPLOYEES WHOSE ASSETS ARE DEPOSITED IN THE PROGRAM;**

**(3) THE ADMINISTRATION, INVESTMENT, OR INVESTMENT PERFORMANCE OF THE TRUST OR THE PROGRAM; OR**

**(4) THE PROGRAM DESIGN OR THE BENEFITS PAID TO PROGRAM PARTICIPANTS.**

**(B) AN EMPLOYER IS NOT A FIDUCIARY, AND MAY NOT BE CONSIDERED TO BE A FIDUCIARY, OF THE TRUST OR THE PROGRAM.**

**12-502.**

**(A) THE STATE MAY NOT BE HELD LIABLE FOR THE PAYMENT OF THE RETIREMENT SAVINGS BENEFIT EARNED BY PROGRAM PARTICIPANTS IN ACCORDANCE WITH THIS TITLE.**

**(B) THE DEBTS, CONTRACTS, AND OBLIGATIONS OF THE ~~TRUST AND BOARD, TRUST, OR~~ THE PROGRAM ARE NOT THE DEBTS, CONTRACTS, AND OBLIGATIONS OF THE STATE AND NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE IS PLEDGED DIRECTLY OR INDIRECTLY TO THE PAYMENT OF THE DEBTS, CONTRACTS, AND OBLIGATIONS.**

SECTION 2. AND BE IT FURTHER ENACTED, That the terms of the initial members of the Maryland Small Business Retirement Savings Board established by Section 1 of this Act who are subject to appointment end as follows:

- (1) three members in 2018;
- (2) three members in 2019; and
- (3) three members in 2020.

SECTION 3. AND BE IT FURTHER ENACTED, That, before any plan, trust, administrative arrangement, or investment offering may be implemented under this Act, the Board shall obtain an opinion from its counsel or from the federal government that the plan, trust, administrative arrangement, investment offerings, and arrangements for individual retirement accounts or individual retirement annuities under 26 U.S.C. § 408(a) or (b) shall qualify for the favorable federal income tax treatment ordinarily accorded to individual retirement accounts or annuities under the Internal Revenue Code,~~and the Maryland Small Business Retirement Savings Program shall be determined not to be an employee benefit plan under the federal Employee Retirement Income Security Act.~~

SECTION 4. AND BE IT FURTHER ENACTED, That the filing fee under § 1-203(b)(3)(ii) of the Corporations and Associations Article may not be waived in accordance with this Act until the Maryland Small Business Savings Program is open for enrollment.

SECTION ~~4~~ 5. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016.

**Approved by the Governor, May 10, 2016.**

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## Chapter 325

### (Senate Bill 1)

AN ACT concerning

#### **Health Insurance – In Vitro Fertilization – Use of Spouse’s Sperm – Exception**

FOR the purpose of altering the circumstances under which certain insurers, nonprofit health service plans, and health maintenance organizations must provide benefits for certain expenses arising from in vitro fertilization procedures; providing a certain exception to the required use of a spouse’s sperm to fertilize the oocytes of a patient whose spouse is of the opposite sex; providing for the application of this Act; and generally relating to health insurance coverage for in vitro fertilization procedures.

BY repealing and reenacting, with amendments,  
 Article – Insurance  
 Section 15–810  
 Annotated Code of Maryland  
 (2011 Replacement Volume and 2015 Supplement)

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

**Article – Insurance**

15–810.

(a) This section applies to:

(1) insurers and nonprofit health service plans that provide hospital, medical, or surgical benefits to individuals or groups on an expense–incurred basis under health insurance policies that are issued or delivered in the State; and

(2) health maintenance organizations that provide hospital, medical, or surgical benefits to individuals or groups under contracts that are issued or delivered in the State.

(b) An entity subject to this section that provides coverage for infertility benefits other than in vitro fertilization may not require as a condition of that coverage, for a patient who is married to an individual of the same sex:

(1) that the patient’s spouse’s sperm be used in the covered treatments or procedures; or

(2) that the patient demonstrate infertility exclusively by means of a history of unsuccessful heterosexual intercourse.

(c) (1) This subsection does not apply to insurers, nonprofit health service plans, and health maintenance organizations that provide hospital, medical, or surgical benefits under health insurance policies or contracts:

(i) that are issued or delivered to a small employer in the State; and

(ii) for which the Administration has determined that in vitro fertilization procedures are not essential health benefits, as determined under § 31–116 of this article.

(2) An entity subject to this section that provides pregnancy–related benefits may not exclude benefits for all outpatient expenses arising from in vitro fertilization procedures performed on a policyholder or subscriber or on the dependent spouse of a policyholder or subscriber.

(3) The benefits under this subsection shall be provided:

(i) for insurers and nonprofit health service plans, to the same extent as the benefits provided for other pregnancy–related procedures; and

(ii) for health maintenance organizations, to the same extent as the benefits provided for other infertility services.

(d) Subsection (c) of this section applies if:

(1) the patient is the policyholder or subscriber or a covered dependent of the policyholder or subscriber;

(2) for a patient whose spouse is of the opposite sex, the patient's oocytes are fertilized with the patient's spouse's sperm, **UNLESS:**

**(I) THE PATIENT'S SPOUSE IS UNABLE TO PRODUCE AND DELIVER FUNCTIONAL SPERM; AND**

**(II) THE INABILITY TO PRODUCE AND DELIVER FUNCTIONAL SPERM DOES NOT RESULT FROM:**

**1. A VASECTOMY; OR**

**2. ANOTHER METHOD OF VOLUNTARY STERILIZATION;**

(3) (i) the patient and the patient's spouse have a history of involuntary infertility, which may be demonstrated by a history of:

1. if the patient and the patient's spouse are of opposite sexes, intercourse of at least 2 years' duration failing to result in pregnancy; or

2. if the patient and the patient's spouse are of the same sex, six attempts of artificial insemination over the course of 2 years failing to result in pregnancy; or

(ii) the infertility is associated with any of the following medical conditions:

1. endometriosis;

2. exposure in utero to diethylstilbestrol, commonly known as DES;

3. blockage of, or surgical removal of, one or both fallopian tubes (lateral or bilateral salpingectomy); or

4. abnormal male factors, including oligospermia, contributing to the infertility;

(4) the patient has been unable to attain a successful pregnancy through a less costly infertility treatment for which coverage is available under the policy or contract; and

(5) the in vitro fertilization procedures are performed at medical facilities that conform to applicable guidelines or minimum standards issued by the American College of Obstetricians and Gynecologists or the American Society for Reproductive Medicine.

(e) An entity subject to this section may limit coverage of the benefits for in vitro fertilization required under this section to three in vitro fertilization attempts per live birth, not to exceed a maximum lifetime benefit of \$100,000.

(f) An entity subject to this section is not responsible for any costs incurred by a policyholder or subscriber or a dependent of a policyholder or subscriber in obtaining donor sperm.

(g) A denial of coverage for in vitro fertilization benefits required under this section by an entity subject to this section constitutes an adverse decision under Subtitle 10A of this title.

(h) This section may not be construed to require an entity subject to this section to provide coverage for a treatment or a procedure that would not treat a diagnosed medical condition of a patient.

(i) Notwithstanding any other provision of this section, if the coverage required under this section conflicts with the bona fide religious beliefs and practices of a religious organization, on request of the religious organization, an entity subject to this section shall exclude the coverage otherwise required under this section in a policy or contract with the religious organization.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall apply to all policies, contracts, and health benefit plans issued, delivered, ~~or renewed, or in force, or in force~~ in the State on or after ~~July 1, 2016~~ ~~January 1, 2017~~ July 1, 2016.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016.

**Approved by the Governor, May 10, 2016.**

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## Chapter 326

### (House Bill 11)

AN ACT concerning

**Health Insurance – In Vitro Fertilization – Use of Spouse’s Sperm – Exception**

FOR the purpose of altering the circumstances under which certain insurers, nonprofit health service plans, and health maintenance organizations must provide benefits for certain expenses arising from in vitro fertilization procedures; providing a certain exception to the required use of a spouse's sperm to fertilize the oocytes of a patient whose spouse is of the opposite sex; providing for the application of this Act; and generally relating to health insurance coverage for in vitro fertilization procedures.

BY repealing and reenacting, with amendments,  
Article – Insurance  
Section 15–810  
Annotated Code of Maryland  
(2011 Replacement Volume and 2015 Supplement)

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

### **Article – Insurance**

15–810.

(a) This section applies to:

(1) insurers and nonprofit health service plans that provide hospital, medical, or surgical benefits to individuals or groups on an expense-incurred basis under health insurance policies that are issued or delivered in the State; and

(2) health maintenance organizations that provide hospital, medical, or surgical benefits to individuals or groups under contracts that are issued or delivered in the State.

(b) An entity subject to this section that provides coverage for infertility benefits other than in vitro fertilization may not require as a condition of that coverage, for a patient who is married to an individual of the same sex:

(1) that the patient's spouse's sperm be used in the covered treatments or procedures; or

(2) that the patient demonstrate infertility exclusively by means of a history of unsuccessful heterosexual intercourse.

(c) (1) This subsection does not apply to insurers, nonprofit health service plans, and health maintenance organizations that provide hospital, medical, or surgical benefits under health insurance policies or contracts:

(i) that are issued or delivered to a small employer in the State; and

(ii) for which the Administration has determined that in vitro fertilization procedures are not essential health benefits, as determined under § 31–116 of this article.

(2) An entity subject to this section that provides pregnancy–related benefits may not exclude benefits for all outpatient expenses arising from in vitro fertilization procedures performed on a policyholder or subscriber or on the dependent spouse of a policyholder or subscriber.

(3) The benefits under this subsection shall be provided:

(i) for insurers and nonprofit health service plans, to the same extent as the benefits provided for other pregnancy–related procedures; and

(ii) for health maintenance organizations, to the same extent as the benefits provided for other infertility services.

(d) Subsection (c) of this section applies if:

(1) the patient is the policyholder or subscriber or a covered dependent of the policyholder or subscriber;

(2) for a patient whose spouse is of the opposite sex, the patient’s oocytes are fertilized with the patient’s spouse’s sperm, **UNLESS:**

**(I) THE PATIENT’S SPOUSE IS UNABLE TO PRODUCE AND DELIVER FUNCTIONAL SPERM; AND**

**(II) THE INABILITY TO PRODUCE AND DELIVER FUNCTIONAL SPERM DOES NOT RESULT FROM:**

**1. A VASECTOMY; OR**

**2. ANOTHER METHOD OF VOLUNTARY STERILIZATION;**

(3) (i) the patient and the patient’s spouse have a history of involuntary infertility, which may be demonstrated by a history of:

1. if the patient and the patient’s spouse are of opposite sexes, intercourse of at least 2 years’ duration failing to result in pregnancy; or

2. if the patient and the patient’s spouse are of the same sex, six attempts of artificial insemination over the course of 2 years failing to result in pregnancy; or



(ii) the infertility is associated with any of the following medical conditions:

1. endometriosis;
2. exposure in utero to diethylstilbestrol, commonly known as DES;
3. blockage of, or surgical removal of, one or both fallopian tubes (lateral or bilateral salpingectomy); or
4. abnormal male factors, including oligospermia, contributing to the infertility;

(4) the patient has been unable to attain a successful pregnancy through a less costly infertility treatment for which coverage is available under the policy or contract; and

(5) the in vitro fertilization procedures are performed at medical facilities that conform to applicable guidelines or minimum standards issued by the American College of Obstetricians and Gynecologists or the American Society for Reproductive Medicine.

(e) An entity subject to this section may limit coverage of the benefits for in vitro fertilization required under this section to three in vitro fertilization attempts per live birth, not to exceed a maximum lifetime benefit of \$100,000.

(f) An entity subject to this section is not responsible for any costs incurred by a policyholder or subscriber or a dependent of a policyholder or subscriber in obtaining donor sperm.

(g) A denial of coverage for in vitro fertilization benefits required under this section by an entity subject to this section constitutes an adverse decision under Subtitle 10A of this title.

(h) This section may not be construed to require an entity subject to this section to provide coverage for a treatment or a procedure that would not treat a diagnosed medical condition of a patient.

(i) Notwithstanding any other provision of this section, if the coverage required under this section conflicts with the bona fide religious beliefs and practices of a religious organization, on request of the religious organization, an entity subject to this section shall exclude the coverage otherwise required under this section in a policy or contract with the religious organization.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall apply to all policies, contracts, and health benefit plans issued, delivered, renewed, or in force in the State on or after July 1, 2016.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016.

**Approved by the Governor, May 10, 2016.**

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## Chapter 327

### (Senate Bill 8)

AN ACT concerning

#### **Anne Arundel County – Property Tax Deferrals – Payment Due Date**

FOR the purpose of altering the due date for certain payment of deferred county property taxes in Anne Arundel County under certain circumstances; making clarifying changes to provisions of law that require payment of certain deferred county property taxes under certain circumstances; and generally relating to the payment of deferred county property taxes in Anne Arundel County.

BY repealing and reenacting, with amendments,

Article – Tax – Property

Section 10–204.6

Annotated Code of Maryland

(2012 Replacement Volume and 2015 Supplement)

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

#### **Article – Tax – Property**

10–204.6.

(a) Notwithstanding Subtitle 1 of this title, the governing body of Anne Arundel County may authorize, by law, a payment deferral of the county property tax for residential real property occupied as the principal residence of the owner, the provisions of which shall comply with the provisions of subsections (b) through (h) of this section.

(b) An owner is eligible for a payment deferral under subsection (a) of this section if the owner or at least one of the owners:

(1) has resided in the dwelling for a period of at least 5 consecutive years;

(2) (i) is at least 62 years of age;

(ii) has been found permanently and totally disabled and has qualified for benefits under:

1. the Social Security Act;
2. the Railroad Retirement Act;
3. any federal act for members of the United States armed forces; or
4. any federal retirement system; or

(iii) has been found permanently and totally disabled by a county health officer or the Baltimore City Commissioner of Health; and

(3) meets the income eligibility requirements determined under subsection (c) of this section.

(c) If the governing body of Anne Arundel County authorizes a payment deferral under this section, the governing body shall specify:

(1) the amount of the tax that may be deferred, not exceeding the increase in the county property tax from the date the taxpayer elects to defer the payment of the tax;

(2) the duration of the payment deferral under subsection (a) of this section;

(3) restrictions on the amount of the real property eligible for a payment deferral, except that the amount of eligible property may not be less than the dwelling and curtilage, as determined by the supervisor;

(4) the rate of interest to be paid on the county property tax payment from the due date without a deferral until the date that the county property tax is paid;

(5) that any mortgagee or beneficiary under a deed of trust be entitled to receive notice of the deferral and of the amount of tax to be deferred; and

(6) the level of income to determine eligibility for the payment deferral.

(d) **[The] EVEN IF THE OWNER NO LONGER SATISFIES THE INCOME ELIGIBILITY REQUIREMENTS SPECIFIED UNDER SUBSECTION (C)(6) OF THIS SECTION, THE** county property tax that is deferred under this section and any interest specified in subsection (c)(4) of this section are due:

(1) when the **DURATION OF THE PAYMENT** deferral [ends as specified in subsection (c)(2) of this subsection] **EXPIRES AS SPECIFIED BY THE GOVERNING BODY OF ANNE ARUNDEL COUNTY**;

(2) when the [eligible] owner dies; or

(3) immediately on transfer of ownership of the property for which the property tax has been deferred.

(e) The governing body of Anne Arundel County shall specify the cumulative amount of the deferral and related interest in the taxpayer's annual property tax bill.

(f) (1) A lien shall attach to the property in the amount of all deferred taxes and interest.

(2) The lien shall remain attached until the deferred taxes and interest are paid.

(g) (1) The governing body of Anne Arundel County shall authorize the deferral by written agreement.

(2) The agreement shall reflect the terms and conditions of the deferral, including notice of the lien.

(3) The agreement shall be recorded in the land records of the county.

(h) Penalties may not be charged during the period of the deferral on any tax payments deferred under this section.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016.

**Approved by the Governor, May 10, 2016.**

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## **Chapter 328**

### **(House Bill 37)**

AN ACT concerning

#### **Anne Arundel County – Property Tax Deferrals – Payment Due Date**

FOR the purpose of altering the due date for certain payment of deferred county property taxes in Anne Arundel County under certain circumstances; making clarifying

changes to provisions of law that require payment of certain deferred county property taxes under certain circumstances; and generally relating to the payment of deferred county property taxes in Anne Arundel County.

BY repealing and reenacting, with amendments,

Article – Tax – Property

Section 10–204.6

Annotated Code of Maryland

(2012 Replacement Volume and 2015 Supplement)

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

**Article – Tax – Property**

10–204.6.

(a) Notwithstanding Subtitle 1 of this title, the governing body of Anne Arundel County may authorize, by law, a payment deferral of the county property tax for residential real property occupied as the principal residence of the owner, the provisions of which shall comply with the provisions of subsections (b) through (h) of this section.

(b) An owner is eligible for a payment deferral under subsection (a) of this section if the owner or at least one of the owners:

(1) has resided in the dwelling for a period of at least 5 consecutive years;

(2) (i) is at least 62 years of age;

(ii) has been found permanently and totally disabled and has qualified for benefits under:

1. the Social Security Act;

2. the Railroad Retirement Act;

3. any federal act for members of the United States armed forces; or

4. any federal retirement system; or

(iii) has been found permanently and totally disabled by a county health officer or the Baltimore City Commissioner of Health; and

(3) meets the income eligibility requirements determined under subsection (c) of this section.

(c) If the governing body of Anne Arundel County authorizes a payment deferral under this section, the governing body shall specify:

(1) the amount of the tax that may be deferred, not exceeding the increase in the county property tax from the date the taxpayer elects to defer the payment of the tax;

(2) the duration of the payment deferral under subsection (a) of this section;

(3) restrictions on the amount of the real property eligible for a payment deferral, except that the amount of eligible property may not be less than the dwelling and curtilage, as determined by the supervisor;

(4) the rate of interest to be paid on the county property tax payment from the due date without a deferral until the date that the county property tax is paid;

(5) that any mortgagee or beneficiary under a deed of trust be entitled to receive notice of the deferral and of the amount of tax to be deferred; and

(6) the level of income to determine eligibility for the payment deferral.

(d) **[The] EVEN IF THE OWNER NO LONGER SATISFIES THE INCOME ELIGIBILITY REQUIREMENTS SPECIFIED UNDER SUBSECTION (C)(6) OF THIS SECTION, THE** county property tax that is deferred under this section and any interest specified in subsection (c)(4) of this section are due:

(1) when the **DURATION OF THE PAYMENT** deferral **[ends as specified in subsection (c)(2) of this subsection] EXPIRES AS SPECIFIED BY THE GOVERNING BODY OF ANNE ARUNDEL COUNTY;**

(2) when the **[eligible]** owner dies; or

(3) immediately on transfer of ownership of the property for which the property tax has been deferred.

(e) The governing body of Anne Arundel County shall specify the cumulative amount of the deferral and related interest in the taxpayer's annual property tax bill.

(f) (1) A lien shall attach to the property in the amount of all deferred taxes and interest.

(2) The lien shall remain attached until the deferred taxes and interest are paid.

(g) (1) The governing body of Anne Arundel County shall authorize the deferral by written agreement.

(2) The agreement shall reflect the terms and conditions of the deferral, including notice of the lien.

(3) The agreement shall be recorded in the land records of the county.

(h) Penalties may not be charged during the period of the deferral on any tax payments deferred under this section.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016.

**Approved by the Governor, May 10, 2016.**

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## Chapter 329

### (Senate Bill 17)

AN ACT concerning

#### **Open Meetings Act – Retention of Minutes and ~~Tape~~ Recordings – Revision**

FOR the purpose of increasing the number of years after the date of an open session a public body is required to keep a copy of ~~written~~ certain minutes of the open session and any ~~tape~~ recording made under certain provisions of law; requiring certain public bodies to post online certain minutes or recordings, to the extent practicable; altering a certain requirement relating to the preparation of minutes; making certain stylistic and conforming changes; and generally relating to the retention of minutes and ~~tape~~ recordings under the Open Meetings Act.

BY repealing and reenacting, with amendments,

Article – General Provisions

Section ~~3-306(e)~~ 3-206(b)(2)(iii) and (3) and 3-306(b) through (e)

Annotated Code of Maryland

(2014 Volume and 2015 Supplement)

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

#### **Article – General Provisions**

3-206.

(b) (2) On request of the Board, the public body shall include with its written response to the complaint a copy of:

(iii) the [written] minutes and any [tape] recording made by the public body under § 3–306 of this title.

(3) The Board shall maintain the confidentiality of the [written] minutes and any [tape] recording submitted by a public body that are sealed in accordance with § 3–306(c)(3)(i) of this title.

3–306.

(b) (1) Subject to paragraphs (2) and (3) of this subsection, as soon as practicable after a public body meets, it shall have [written] minutes of its session prepared.

(2) A public body need not prepare [written] minutes of an open session if:

(i) live and archived video or audio streaming of the open session is available; or

(ii) the public body votes on legislation and the individual votes taken by each member of the public body who participates in the voting are posted promptly on the Internet.

(3) The information specified under paragraph (2) of this subsection shall be deemed the minutes of the open session.

(c) (1) The [written] minutes shall reflect:

(i) each item that the public body considered;

(ii) the action that the public body took on each item; and

(iii) each vote that was recorded.

(2) If a public body meets in closed session, the [written] minutes for its next open session shall include:

(i) a statement of the time, place, and purpose of the closed session;

(ii) a record of the vote of each member as to closing the session;

(iii) a citation of the authority under § 3–305 of this subtitle for closing the session; and



(iv) a listing of the topics of discussion, persons present, and each action taken during the session.

(3) (i) A session may be [tape] recorded by a public body.

(ii) Except as otherwise provided in paragraph (4) of this subsection, the [written] minutes and any [tape] recording of a closed session shall be sealed and may not be open to public inspection.

(4) The [written] minutes and any [tape] recording shall be unsealed and open to inspection as follows:

(i) for a meeting closed under § 3-305(b)(5) of this subtitle, when the public body invests the funds;

(ii) for a meeting closed under § 3-305(b)(6) of this subtitle, when the public securities being discussed have been marketed; or

(iii) on request of a person or on the public body's own initiative, if a majority of the members of the public body present and voting vote in favor of unsealing the [written] minutes and any [tape] recording.

(d) Except as provided in subsection (c) of this section, [written] minutes of a public body are public records and shall be open to public inspection during ordinary business hours.

(e) (1) A public body shall keep a copy of the ~~written~~ minutes of each session and any ~~tape~~ recording made under subsection (b)(2)(i) or (c)(3)(i) of this section for at least [1 year] 5 YEARS after the date of the session.

(2) TO THE EXTENT PRACTICABLE, A PUBLIC BODY SHALL POST ONLINE THE MINUTES OR RECORDINGS REQUIRED TO BE KEPT UNDER PARAGRAPH (1) OF THIS SUBSECTION.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2016.

Approved by the Governor, May 10, 2016.

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## Chapter 330

(House Bill 984)

**Open Meetings Act – Retention of Minutes and Recordings – Revision**

FOR the purpose of increasing the number of years after the date of an open session a public body is required to keep a copy of certain minutes of the open session and any recording made under certain provisions of law; requiring certain public bodies to post online certain minutes or recordings, to the extent practicable; altering a certain requirement relating to the preparation of minutes; making certain stylistic and conforming changes; and generally relating to the retention of minutes and tape recordings under the Open Meetings Act.

BY repealing and reenacting, with amendments,  
Article – General Provisions  
Section 3–206(b)(2)(iii) and (3) and 3–306(b) through (e)  
Annotated Code of Maryland  
(2014 Volume and 2015 Supplement)

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

**Article – General Provisions**

3–206.

(b) (2) On request of the Board, the public body shall include with its written response to the complaint a copy of:

(iii) the [written] minutes and any [tape] recording made by the public body under § 3–306 of this title.

(3) The Board shall maintain the confidentiality of the [written] minutes and any [tape] recording submitted by a public body that are sealed in accordance with § 3–306(c)(3)(ii) of this title.

3–306.

(b) (1) Subject to paragraphs (2) and (3) of this subsection, as soon as practicable after a public body meets, it shall have [written] minutes of its session prepared.

(2) A public body need not prepare [written] minutes of an open session if:

(i) live and archived video or audio streaming of the open session is available; or

(ii) the public body votes on legislation and the individual votes taken by each member of the public body who participates in the voting are posted promptly on the Internet.

(3) The information specified under paragraph (2) of this subsection shall be deemed the minutes of the open session.

(c) (1) The [written] minutes shall reflect:

- (i) each item that the public body considered;
- (ii) the action that the public body took on each item; and
- (iii) each vote that was recorded.

(2) If a public body meets in closed session, the [written] minutes for its next open session shall include:

- (i) a statement of the time, place, and purpose of the closed session;
- (ii) a record of the vote of each member as to closing the session;
- (iii) a citation of the authority under § 3–305 of this subtitle for closing the session; and
- (iv) a listing of the topics of discussion, persons present, and each action taken during the session.

(3) (i) A session may be [tape] recorded by a public body.

(ii) Except as otherwise provided in paragraph (4) of this subsection, the [written] minutes and any [tape] recording of a closed session shall be sealed and may not be open to public inspection.

(4) The [written] minutes and any [tape] recording shall be unsealed and open to inspection as follows:

(i) for a meeting closed under § 3–305(b)(5) of this subtitle, when the public body invests the funds;

(ii) for a meeting closed under § 3–305(b)(6) of this subtitle, when the public securities being discussed have been marketed; or

(iii) on request of a person or on the public body's own initiative, if a majority of the members of the public body present and voting vote in favor of unsealing the [written] minutes and any [tape] recording.

(d) Except as provided in subsection (c) of this section, [written] minutes of a public body are public records and shall be open to public inspection during ordinary business hours.

(e) (1) A public body shall keep a copy of the [written] minutes of each session and any [tape] recording made under subsection (b)(2)(i) or (c)(3)(i) of this section for at least [1 year] **5 YEARS** after the date of the session.

**(2) TO THE EXTENT PRACTICABLE, A PUBLIC BODY SHALL POST ONLINE THE MINUTES OR RECORDINGS REQUIRED TO BE KEPT UNDER PARAGRAPH (1) OF THIS SUBSECTION.**

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2016.

**Approved by the Governor, May 10, 2016.**

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## Chapter 331

(Senate Bill 22)

AN ACT concerning

### **Human Services – Interagency Council on Homelessness – Membership**

FOR the purpose of altering the composition of the Interagency Council on Homelessness; increasing the number of representatives from diverse geographical regions of the State engaged in homeless advocacy; ~~specifying the chair of the Council; repealing certain provisions of law regarding the designation of the chair of the Council and the terms~~ altering the method of selecting and qualifications of the chair of the Council; stating the intent of the General Assembly that certain designees have certain decision making authority under certain circumstances; making a stylistic change; and generally relating to the Interagency Council on Homelessness.

BY repealing and reenacting, without amendments,

Article – Human Services

Section 6–418

Annotated Code of Maryland

(2007 Volume and 2015 Supplement)

BY repealing and reenacting, with amendments,

Article – Human Services

Section 6–419 and 6–420

Annotated Code of Maryland  
(2007 Volume and 2015 Supplement)

~~BY repealing~~

~~Article – Human Services  
Section 6-420  
Annotated Code of Maryland  
(2007 Volume and 2015 Supplement)~~

~~BY renumbering~~

~~Article – Human Services  
Section 6-421, 6-422, 6-423, and 6-424, respectively  
to be Section 6-420, 6-421, 6-422, and 6-423, respectively  
Annotated Code of Maryland  
(2007 Volume and 2015 Supplement)~~

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

**Article – Human Services**

6-418.

There is an Interagency Council on Homelessness.

6-419.

(a) The Council consists of the following members:

- (1) the Secretary of Aging, or the Secretary's designee;
- (2) the Secretary of Budget and Management, or the Secretary's designee;
- (3) the Secretary of Health and Mental Hygiene, or the Secretary's designee;
- (4) the Secretary of Housing and Community Development, or the Secretary's designee;
- (5) the Secretary, or the Secretary's designee;
- (6) the Secretary of Labor, Licensing, and Regulation, or the Secretary's designee;
- (7) the Secretary of Public Safety and Correctional Services, or the Secretary's designee;

(8) the State Superintendent of Schools, or the State Superintendent's designee;

(9) the Secretary of Transportation, or the Secretary's designee;

(10) the Secretary of Veterans Affairs, or the Secretary's designee;

(11) the Secretary of Juvenile Services, or the Secretary's designee; ~~and~~

**(12) THE SECRETARY OF DISABILITIES, OR THE SECRETARY'S DESIGNEE; AND**

~~(12)~~ **(13)** the following members, appointed by the Governor:

(i) one representative of the Governor's Office for Children;

(ii) three representatives of local Continuums of Care;

(iii) [six] **NINE** representatives from diverse geographical regions of the State engaged in homeless advocacy with a focus on housing, employment, and access to [healthcare] **HEALTH CARE**; and

(iv) one community representative who has personally experienced homelessness.

(b) The Governor may remove a member for incompetence or misconduct.

~~(c) **THE SECRETARY SHALL BE THE CHAIR OF THE COUNCIL.**~~

~~§~~6-420.

(a) ~~From among its members, the Council shall elect a chair~~ **THE GOVERNOR SHALL DESIGNATE AS CHAIR OF THE COUNCIL A MEMBER WHO IS A SECRETARY OR A SECRETARY'S DESIGNEE WITH DECISION MAKING AUTHORITY ON ISSUES THAT RELATE TO THE WORK OF THE COUNCIL.**

~~(b) After the election of the first chair, a candidate for chair must be a member of the Council who attended at least a majority of the Council's meetings during the year immediately preceding the election.~~

~~(c)~~ **(B)** The term of the chair is 2 years.

~~(d)~~ **(C)** The chair may not serve consecutive terms.

~~SECTION 2. AND BE IT FURTHER ENACTED, That Section(s) 6-421, 6-422, 6-423, and 6-424, respectively, of Article – Human Services of the Annotated Code of Maryland be renumbered to be Section(s) 6-420, 6-421, 6-422, and 6-423, respectively.~~

SECTION 2. AND BE IT FURTHER ENACTED, That it is the intent of the General Assembly that a Secretary’s or State Superintendent’s designee on the Interagency Council on Homelessness have decision making authority on issues that relate to the work of the Council.

SECTION ~~2~~ 4 3. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2016.

Approved by the Governor, May 10, 2016.

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## Chapter 332

(House Bill 593)

AN ACT concerning

### Human Services – Interagency Council on Homelessness – Membership

FOR the purpose of altering the composition of the Interagency Council on Homelessness; increasing the number of representatives from diverse geographical regions of the State engaged in homeless advocacy; altering the method of selecting and qualifications of the chair of the Council; stating the intent of the General Assembly that certain designees have certain decision making authority under certain circumstances; making a stylistic change; and generally relating to the Interagency Council on Homelessness.

BY repealing and reenacting, without amendments,  
 Article – Human Services  
 Section 6-418  
 Annotated Code of Maryland  
 (2007 Volume and 2015 Supplement)

BY repealing and reenacting, with amendments,  
 Article – Human Services  
 Section 6-419 and 6-420  
 Annotated Code of Maryland  
 (2007 Volume and 2015 Supplement)

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

## Article – Human Services

6–418.

There is an Interagency Council on Homelessness.

6–419.

(a) The Council consists of the following members:

- (1) the Secretary of Aging, or the Secretary's designee;
- (2) the Secretary of Budget and Management, or the Secretary's designee;
- (3) the Secretary of Health and Mental Hygiene, or the Secretary's designee;
- (4) the Secretary of Housing and Community Development, or the Secretary's designee;
- (5) the Secretary, or the Secretary's designee;
- (6) the Secretary of Labor, Licensing, and Regulation, or the Secretary's designee;
- (7) the Secretary of Public Safety and Correctional Services, or the Secretary's designee;
- (8) the State Superintendent of Schools, or the State Superintendent's designee;
- (9) the Secretary of Transportation, or the Secretary's designee;
- (10) the Secretary of Veterans Affairs, or the Secretary's designee;
- (11) the Secretary of Juvenile Services, or the Secretary's designee; ~~and~~

**(12) THE SECRETARY OF DISABILITIES, OR THE SECRETARY'S DESIGNEE; AND**

~~(12)~~ **(13)** the following members, appointed by the Governor:

- (i) one representative of the Governor's Office for Children;
- (ii) three representatives of local Continuums of Care;



(iii) [six] NINE representatives from diverse geographical regions of the State engaged in homeless advocacy with a focus on housing, employment, and access to [healthcare] HEALTH CARE; and

(iv) one community representative who has personally experienced homelessness.

(b) The Governor may remove a member for incompetence or misconduct.

6-420.

(a) [From among its members, the Council shall elect a chair] THE GOVERNOR SHALL DESIGNATE AS CHAIR OF THE COUNCIL A MEMBER WHO IS A SECRETARY OR A SECRETARY'S DESIGNEE WITH DECISION MAKING AUTHORITY ON ISSUES THAT RELATE TO THE WORK OF THE COUNCIL.

[(b) After the election of the first chair, a candidate for chair must be a member of the Council who attended at least a majority of the Council's meetings during the year immediately preceding the election.]

[(c) (B) The term of the chair is 2 years.]

[(d) (C) The chair may not serve consecutive terms.]

SECTION 2. AND BE IT FURTHER ENACTED, That it is the intent of the General Assembly that a Secretary's or State Superintendent's designee on the Interagency Council on Homelessness have decision making authority on issues that relate to the work of the Council.

SECTION ~~2~~ 3. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2016.

Approved by the Governor, May 10, 2016.

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## Chapter 333

(Senate Bill 46)

AN ACT concerning

### Anne Arundel County – Archery Hunting – Safety Zone

FOR the purpose of establishing for archery hunters in Anne Arundel County a safety zone of a certain size within which archery hunting may not take place except under

certain circumstances; and generally relating to archery hunting in Anne Arundel County.

BY repealing and reenacting, with amendments,  
 Article – Natural Resources  
 Section 10–410(g)  
 Annotated Code of Maryland  
 (2012 Replacement Volume and 2015 Supplement)

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

### Article – Natural Resources

10–410.

(g) (1) Except as provided in paragraphs (2) and (3) of this subsection, a person, other than the owner or occupant, while hunting for any wild bird or mammal may not shoot or discharge any firearm or other deadly weapon within 150 yards, known as the “safety zone”, of a dwelling house, residence, church, or other building or camp occupied by human beings, or shoot at any wild bird or mammal while it is within this area, without the specific advance permission of the owner or occupant.

(2) A person, while hunting for any wild bird or mammal, may not shoot or discharge any firearm within 300 yards of a public or nonpublic school during school hours or at a time when a school–approved activity is taking place.

(3) (i) For archery hunters in Carroll County or Frederick County, the safety zone described in paragraph (1) of this subsection extends for 50 yards from a dwelling house, residence, church, or any other building or camp occupied by human beings.

(ii) For archery hunters in ANNE ARUNDEL COUNTY, Harford County, or Montgomery County, the safety zone described in paragraph (1) of this subsection extends for 100 yards from a dwelling house, residence, church, or any other building or camp occupied by human beings.

~~(iii) FOR ARCHERY HUNTERS IN ANNE ARUNDEL COUNTY, THE SAFETY ZONE DESCRIBED IN PARAGRAPH (1) OF THIS SUBSECTION EXTENDS FOR 50 100 YARDS FROM A DWELLING HOUSE, RESIDENCE, CHURCH, OR ANY OTHER BUILDING OR CAMP OCCUPIED BY HUMAN BEINGS IF:~~

~~1. THE HUNTER IS ON AN ELEVATED STRUCTURE FROM WHICH THE POINT OF RELEASE OF THE HUNTER IS AT LEAST 10 FEET ABOVE THE GROUND; OR~~

~~2. A HILL OR ANY OTHER BARRIER IS BETWEEN THE HUNTER AND THE DWELLING HOUSE, RESIDENCE, CHURCH, OR OTHER OCCUPIED BUILDING OR CAMP.~~

(4) During any open hunting season, a person, other than the owner or occupant, may not hunt or chase willfully any wild bird or mammal within the safety zone without the specific advance permission of the owner or occupant.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016.

Approved by the Governor, May 10, 2016.

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## Chapter 334

### (House Bill 321)

AN ACT concerning

#### Anne Arundel County – Archery Hunting – Safety Zone

FOR the purpose of establishing for archery hunters in Anne Arundel County a safety zone of a certain size within which archery hunting may not take place except under certain circumstances; and generally relating to archery hunting in Anne Arundel County.

BY repealing and reenacting, with amendments,  
 Article – Natural Resources  
 Section 10–410(g)  
 Annotated Code of Maryland  
 (2012 Replacement Volume and 2015 Supplement)

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

#### Article – Natural Resources

10–410.

(g) (1) Except as provided in paragraphs (2) and (3) of this subsection, a person, other than the owner or occupant, while hunting for any wild bird or mammal may not shoot or discharge any firearm or other deadly weapon within 150 yards, known as the “safety zone”, of a dwelling house, residence, church, or other building or camp occupied by human beings, or shoot at any wild bird or mammal while it is within this area, without the specific advance permission of the owner or occupant.

(2) A person, while hunting for any wild bird or mammal, may not shoot or discharge any firearm within 300 yards of a public or nonpublic school during school hours or at a time when a school-approved activity is taking place.

(3) (i) For archery hunters in Carroll County or Frederick County, the safety zone described in paragraph (1) of this subsection extends for 50 yards from a dwelling house, residence, church, or any other building or camp occupied by human beings.

(ii) For archery hunters in ANNE ARUNDEL COUNTY, Harford County, or Montgomery County, the safety zone described in paragraph (1) of this subsection extends for 100 yards from a dwelling house, residence, church, or any other building or camp occupied by human beings.

~~(iii) FOR ARCHERY HUNTERS IN ANNE ARUNDEL COUNTY, THE SAFETY ZONE DESCRIBED IN PARAGRAPH (1) OF THIS SUBSECTION EXTENDS FOR 50 YARDS FROM A DWELLING HOUSE, RESIDENCE, CHURCH, OR ANY OTHER BUILDING OR CAMP OCCUPIED BY HUMAN BEINGS IF:~~

~~1. THE HUNTER IS ON AN ELEVATED STRUCTURE FROM WHICH THE POINT OF RELEASE OF THE HUNTER IS AT LEAST 10 FEET ABOVE THE GROUND; OR~~

~~2. A HILL OR ANY OTHER BARRIER IS BETWEEN THE HUNTER AND THE DWELLING HOUSE, RESIDENCE, CHURCH, OR OTHER OCCUPIED BUILDING OR CAMP.~~

(4) During any open hunting season, a person, other than the owner or occupant, may not hunt or chase willfully any wild bird or mammal within the safety zone without the specific advance permission of the owner or occupant.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016.

Approved by the Governor, May 10, 2016.

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## Chapter 335

(Senate Bill 66)

AN ACT concerning

**Professional Corporations – Approval of Corporate Name by Licensing Unit and  
Professional Organization – Exemption**

FOR the purpose of exempting professional corporations in which a majority of the stockholders are individuals who are licensed, certified, or otherwise authorized to practice a health occupation under certain provisions of law from the requirement that, except under certain circumstances, the name of a professional corporation must be approved by the appropriate licensing unit and professional organization; repealing language made unnecessary by this Act that exempted from the requirement professional corporations in which the majority of stockholders are licensed physicians; establishing a certain exception; and generally relating to name requirements for professional corporations.

BY repealing and reenacting, with amendments,  
 Article – Corporations and Associations  
 Section 5–107  
 Annotated Code of Maryland  
 (2014 Replacement Volume and 2015 Supplement)

BY repealing and reenacting, without amendments,  
 Article – Corporations and Associations  
 Section 5–108  
 Annotated Code of Maryland  
 (2014 Replacement Volume and 2015 Supplement)

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

**Article – Corporations and Associations**

5–107.

(a) ~~This (1)~~ EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, THIS section does not apply to a professional corporation in which a majority of stockholders are [physicians licensed by the State Board of Physicians] **INDIVIDUALS WHO ARE LICENSED, CERTIFIED, OR OTHERWISE AUTHORIZED TO PRACTICE A HEALTH OCCUPATION UNDER THE HEALTH OCCUPATIONS ARTICLE.**

**(2) THIS SECTION APPLIES TO A PROFESSIONAL CORPORATION ~~IN WHICH A MAJORITY OF STOCKHOLDERS ARE DENTISTS LICENSED BY THE STATE BOARD OF DENTAL EXAMINERS~~ THAT PROVIDES DENTAL SERVICES.**

(b) The name of a domestic professional corporation or a foreign professional corporation authorized to transact business in the State shall contain the surname of one or more stockholders of the corporation unless:

(1) The name of the corporation is approved by the appropriate licensing unit;

(2) A certificate of authorization for use of the corporate name is issued to the corporation or to its incorporator by the appropriate licensing unit; and

(3) The certificate of authorization for use of the corporate name issued by the licensing unit is attached to the articles of incorporation document in which the name is adopted.

5–108.

(a) If required under § 5–107 of this subtitle to obtain a certificate of authorization for use of a corporate name, the professional corporation or its incorporator shall file an application with the appropriate licensing unit, using a form provided by the licensing unit that contains:

(1) The name to be adopted by the corporation;

(2) The reasons for adopting the name; and

(3) Any other information required by the licensing unit.

(b) The application shall be accompanied by the fee, if any, set by the licensing unit.

(c) (1) Upon receipt of the application and fee under subsections (a) and (b) of this section, the licensing unit shall consult with and obtain the approval of the professional organization, if one exists, to which a majority of individuals in the State rendering the professional service belong.

(2) In determining the appropriateness of the proposed corporate name, the professional organization shall consider the established ethical standards, rules, and regulations of the profession.

(d) If the licensing unit and, if required, the professional organization approve of the proposed corporate name, the licensing unit shall issue a certificate of authorization for use of a corporate name to the corporation or its incorporator.

(e) Any licensing unit with jurisdiction over the professional service mentioned in the corporation's articles of incorporation may approve the adoption and use of a corporate name under the provisions of §§ 5–106 through 5–108 of this subtitle.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2016.

**Approved by the Governor, May 10, 2016.**

**Chapter 336****(Senate Bill 74)**

AN ACT concerning

**Unemployment Insurance – Effect of Retirement Payments on Eligibility for Benefits – Revision**

FOR the purpose of altering the circumstances used to determine the effect of a retirement payment on the eligibility of an individual for unemployment insurance benefits; altering the definition of “retirement payment”; and generally relating to the effect of retirement payments on eligibility for unemployment insurance benefits.

BY repealing and reenacting, with amendments,  
Article – Labor and Employment  
Section 8–1008  
Annotated Code of Maryland  
(2008 Replacement Volume and 2015 Supplement)

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

**Article – Labor and Employment**

8–1008.

(a) In this section, “retirement payment”:

(1) means an amount in the form of a pension, annuity, or retirement or retired pay from a trust, annuity, profit sharing plan, insurance fund, annuity or insurance contract, or any other similar lump sum or periodic payment that is based on any previous covered employment for a base period employer under a plan [paid for wholly or partly by] **MAINTAINED OR CONTRIBUTED TO BY** a base period employer; and

(2) does not include a payment from a state or federal workers’ compensation program.

(b) (1) For each week in which the Secretary finds that an individual who otherwise is eligible for benefits receives a retirement payment:

(i) if the weekly amount of the retirement payment computed under subsection (c) of this section at least equals the individual’s weekly benefit amount, the individual is disqualified from receiving benefits for that week; and

(ii) if the weekly amount of the retirement payment computed under subsection (c) of this section is less than the individual's weekly benefit amount, the individual may receive benefits reduced by the amount of the retirement payment.

(2) A retirement benefit in the form of a lump sum payment is not deductible from benefits for the period of eligibility if:

(i) the employing unit pays the lump sum payment as a result of a layoff or shutdown; or

(ii) within 30 days of receiving the lump sum payment, the claimant:

1. places the lump sum payment in a qualified retirement plan; and

2. provides proof to the Secretary that the lump sum payment has been placed in a qualified retirement plan.

(3) In the case of payment in the form of a pension, annuity, retirement, or retired pay paid to an individual under the Social Security Act or the Railroad Retirement Act of 1974, the individual's contribution shall be taken into consideration and the weekly benefit amount shall not be reduced.

(c) (1) To determine the effect of a retirement payment on eligibility for benefits under subsection (b) of this section:

(i) if [a base period employer paid the full cost of] **AN INDIVIDUAL DID NOT CONTRIBUTE TO** the plan that provides the retirement **PAYMENT**, the full retirement payment shall be considered; and

(ii) if [a base period employer paid only part of the cost of] **AN INDIVIDUAL CONTRIBUTED TO** the plan that provides the retirement payment, 50% of the retirement payment shall be considered.

(2) To compute the weekly amount of a periodic retirement payment, it shall be prorated on a weekly basis for the period between periodic retirement payments.

(3) To compute the weekly amount of a lump sum retirement payment, it shall be allocated to the number of weeks that follow the date of separation from employment in accordance with the number of weeks of pay that an individual received at the individual's last wage rate.

(d) Prior to distributing a retirement benefit in the form of a lump sum to any former employee, an employer shall provide written notice to the former employee of the effect of the lump sum distribution on the weekly benefit amount under this section if the employee subsequently files a claim for unemployment insurance benefits.



SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2016.

Approved by the Governor, May 10, 2016.

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## Chapter 337

### (Senate Bill 84)

AN ACT concerning

#### **Unemployment Insurance – Calculation and Application of Table of Rates – Revision**

FOR the purpose of providing that, for any calendar year beginning on or after a certain date, the Table of Rates in effect for the immediately preceding calendar year continues to apply under certain circumstances; making conforming changes; and generally relating to the calculation and application of the Table of Rates under the Maryland Unemployment Insurance Law.

BY repealing and reenacting, with amendments,  
Article – Labor and Employment  
Section 8–612(d)  
Annotated Code of Maryland  
(2008 Replacement Volume and 2015 Supplement)

BY adding to  
Article – Labor and Employment  
Section 8–612(f)  
Annotated Code of Maryland  
(2008 Replacement Volume and 2015 Supplement)

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

#### **Article – Labor and Employment**

8–612.

(d) (1) [For] **EXCEPT AS PROVIDED IN SUBSECTION (F) OF THIS SECTION, FOR** any calendar year beginning on or after January 1, 2006, when the Unemployment Insurance Fund balance on September 30 of the immediately preceding calendar year exceeds 5% of the total taxable wages in covered employment for the 4 completed calendar quarters immediately preceding September 30, the Table of Rates in this paragraph of this subsection shall apply.

Table of Rates – Table A

Employing Unit's Benefit Ratio	Employing Unit's Rate
(1) .0000 — .....	0.30%
(2) .0001 — .0027 .....	0.60%
(3) .0028 — .0054 .....	0.90%
(4) .0055 — .0081 .....	1.20%
(5) .0082 — .0108 .....	1.50%
(6) .0109 — .0135 .....	1.80%
(7) .0136 — .0162 .....	2.10%
(8) .0163 — .0189 .....	2.40%
(9) .0190 — .0216 .....	2.70%
(10) .0217 — .0243 .....	3.00%
(11) .0244 — .0270 .....	3.30%
(12) .0271 — .0297 .....	3.60%
(13) .0298 — .0324 .....	3.90%
(14) .0325 — .0351 .....	4.20%
(15) .0352 — .0378 .....	4.50%
(16) .0379 — .0405 .....	4.80%
(17) .0406 — .0432 .....	5.10%
(18) .0433 — .0459 .....	5.40%
(19) .0460 — .0486 .....	5.70%
(20) .0487 — .0513 .....	6.00%
(21) .0514 — .0540 .....	6.30%
(22) .0541 — .0567 .....	6.60%
(23) .0568 — .0594 .....	6.90%
(24) .0595 — .0621 .....	7.20%
(25) .0622 — and over .....	7.50%

(2) [For] **EXCEPT AS PROVIDED IN SUBSECTION (F) OF THIS SECTION,** FOR any calendar year beginning on or after January 1, 2006, when the Unemployment Insurance Fund balance on September 30 of the immediately preceding calendar year exceeds 4.5%, but is not in excess of 5% of the total taxable wages in covered employment for the 4 completed calendar quarters immediately preceding September 30, the Table of Rates in this paragraph of this subsection shall apply.

Table of Rates – Table B

Employing Unit's Benefit Ratio	Employing Unit's Rate
(1) .0000 — .....	0.60%

(2)	.0001 — .0027 .....	0.90%
(3)	.0028 — .0054 .....	1.20%
(4)	.0055 — .0081 .....	1.50%
(5)	.0082 — .0108 .....	1.80%
(6)	.0109 — .0135 .....	2.10%
(7)	.0136 — .0162 .....	2.40%
(8)	.0163 — .0189 .....	2.70%
(9)	.0190 — .0216 .....	3.00%
(10)	.0217 — .0243 .....	3.30%
(11)	.0244 — .0270 .....	3.60%
(12)	.0271 — .0297 .....	3.90%
(13)	.0298 — .0324 .....	4.20%
(14)	.0325 — .0351 .....	4.50%
(15)	.0352 — .0378 .....	4.80%
(16)	.0379 — .0405 .....	5.10%
(17)	.0406 — .0432 .....	5.40%
(18)	.0433 — .0459 .....	5.70%
(19)	.0460 — .0486 .....	6.00%
(20)	.0487 — .0513 .....	6.30%
(21)	.0514 — .0540 .....	6.60%
(22)	.0541 — .0567 .....	6.90%
(23)	.0568 — .0594 .....	7.20%
(24)	.0595 — .0621 .....	7.50%
(25)	.0622 — .0648 .....	7.80%
(26)	.0649 — .0675 .....	8.10%
(27)	.0676 — .0702 .....	8.40%
(28)	.0703 — .0729 .....	8.70%
(29)	.0730 — and over .....	9.00%

(3) [For] EXCEPT AS PROVIDED IN SUBSECTION (F) OF THIS SECTION, FOR any calendar year beginning on or after January 1, 2006, when the Unemployment Insurance Fund balance on September 30 of the immediately preceding calendar year exceeds 4%, but is not in excess of 4.5% of the total taxable wages in covered employment for the 4 completed calendar quarters immediately preceding September 30, the Table of Rates in this paragraph of this subsection shall apply.

Table of Rates – Table C

	Employing Unit's Benefit Ratio	Employing Unit's Rate
(1)	.0000 — .....	1.00%
(2)	.0001 — .0027 .....	1.50%
(3)	.0028 — .0054 .....	1.80%
(4)	.0055 — .0081 .....	2.10%
(5)	.0082 — .0108 .....	2.40%

(6)	.0109 — .0135 .....	2.70%
(7)	.0136 — .0162 .....	3.00%
(8)	.0163 — .0189 .....	3.30%
(9)	.0190 — .0216 .....	3.60%
(10)	.0217 — .0243 .....	3.90%
(11)	.0244 — .0270 .....	4.20%
(12)	.0271 — .0297 .....	4.50%
(13)	.0298 — .0324 .....	4.80%
(14)	.0325 — .0351 .....	5.10%
(15)	.0352 — .0378 .....	5.40%
(16)	.0379 — .0405 .....	5.70%
(17)	.0406 — .0432 .....	6.00%
(18)	.0433 — .0459 .....	6.30%
(19)	.0460 — .0486 .....	6.60%
(20)	.0487 — .0513 .....	6.90%
(21)	.0514 — .0540 .....	7.20%
(22)	.0541 — .0567 .....	7.50%
(23)	.0568 — .0594 .....	7.80%
(24)	.0595 — .0621 .....	8.10%
(25)	.0622 — .0648 .....	8.40%
(26)	.0649 — .0675 .....	8.70%
(27)	.0676 — .0702 .....	9.00%
(28)	.0703 — .0729 .....	9.30%
(29)	.0730 — .0756 .....	9.60%
(30)	.0757 — .0783 .....	9.90%
(31)	.0784 — .0810 .....	10.20%
(32)	.0811 — and over .....	10.50%

(4) [For] **EXCEPT AS PROVIDED IN SUBSECTION (F) OF THIS SECTION,** FOR any calendar year beginning on or after January 1, 2006, when the Unemployment Insurance Fund balance on September 30 of the immediately preceding calendar year exceeds 3.5%, but is not in excess of 4% of the total taxable wages in covered employment for the 4 completed calendar quarters immediately preceding September 30, the Table of Rates in this paragraph of this subsection shall apply.

Table of Rates – Table D

Employing Unit's Benefit Ratio	Employing Unit's Rate
(1)	.0000 — ..... 1.40%
(2)	.0001 — .0027 ..... 2.10%
(3)	.0028 — .0054 ..... 2.40%
(4)	.0055 — .0081 ..... 2.70%
(5)	.0082 — .0108 ..... 3.00%
(6)	.0109 — .0135 ..... 3.30%

(7)	.0136 — .0162 .....	3.60%
(8)	.0163 — .0189 .....	3.90%
(9)	.0190 — .0216 .....	4.20%
(10)	.0217 — .0243 .....	4.50%
(11)	.0244 — .0270 .....	4.80%
(12)	.0271 — .0297 .....	5.10%
(13)	.0298 — .0324 .....	5.40%
(14)	.0325 — .0351 .....	5.70%
(15)	.0352 — .0378 .....	6.00%
(16)	.0379 — .0405 .....	6.30%
(17)	.0406 — .0432 .....	6.60%
(18)	.0433 — .0459 .....	6.90%
(19)	.0460 — .0486 .....	7.20%
(20)	.0487 — .0513 .....	7.50%
(21)	.0514 — .0540 .....	7.80%
(22)	.0541 — .0567 .....	8.10%
(23)	.0568 — .0594 .....	8.40%
(24)	.0595 — .0621 .....	8.70%
(25)	.0622 — .0648 .....	9.00%
(26)	.0649 — .0675 .....	9.30%
(27)	.0676 — .0702 .....	9.60%
(28)	.0703 — .0729 .....	9.90%
(29)	.0730 — .0756 .....	10.20%
(30)	.0757 — .0783 .....	10.50%
(31)	.0784 — .0810 .....	10.80%
(32)	.0811 — .0837 .....	11.10%
(33)	.0838 — .0864 .....	11.40%
(34)	.0865 — .0891 .....	11.70%
(35)	.0892 — and over .....	11.80%

(5) [For] **EXCEPT AS PROVIDED IN SUBSECTION (F) OF THIS SECTION,** **FOR** any calendar year beginning on or after January 1, 2006, when the Unemployment Insurance Fund balance on September 30 of the immediately preceding calendar year exceeds 3%, but is not in excess of 3.5% of the total taxable wages in covered employment for the 4 completed calendar quarters immediately preceding September 30, the Table of Rates in this paragraph of this subsection shall apply.

Table of Rates – Table E

	Employing Unit's Benefit Ratio	Employing Unit's Rate
(1)	.0000 — .....	1.80%
(2)	.0001 — .0027 .....	2.60%
(3)	.0028 — .0054 .....	2.90%
(4)	.0055 — .0081 .....	3.20%

(5)	.0082 — .0108 .....	3.50%
(6)	.0109 — .0135 .....	3.80%
(7)	.0136 — .0162 .....	4.10%
(8)	.0163 — .0189 .....	4.40%
(9)	.0190 — .0216 .....	4.70%
(10)	.0217 — .0243 .....	5.00%
(11)	.0244 — .0270 .....	5.30%
(12)	.0271 — .0297 .....	5.60%
(13)	.0298 — .0324 .....	5.90%
(14)	.0325 — .0351 .....	6.20%
(15)	.0352 — .0378 .....	6.50%
(16)	.0379 — .0405 .....	6.80%
(17)	.0406 — .0432 .....	7.10%
(18)	.0433 — .0459 .....	7.40%
(19)	.0460 — .0486 .....	7.70%
(20)	.0487 — .0513 .....	8.00%
(21)	.0514 — .0540 .....	8.30%
(22)	.0541 — .0567 .....	8.60%
(23)	.0568 — .0594 .....	8.90%
(24)	.0595 — .0621 .....	9.20%
(25)	.0622 — .0648 .....	9.50%
(26)	.0649 — .0675 .....	9.80%
(27)	.0676 — .0702 .....	10.10%
(28)	.0703 — .0729 .....	10.40%
(29)	.0730 — .0756 .....	10.70%
(30)	.0757 — .0783 .....	11.00%
(31)	.0784 — .0810 .....	11.30%
(32)	.0811 — .0837 .....	11.60%
(33)	.0838 — .0864 .....	11.90%
(34)	.0865 — .0891 .....	12.20%
(35)	.0892 — .0918 .....	12.50%
(36)	.0919 — .0945 .....	12.80%
(37)	.0946 — and over .....	12.90%

(6) [For] EXCEPT AS PROVIDED IN SUBSECTION (F) OF THIS SECTION, FOR any calendar year beginning on or after January 1, 2006, when the Unemployment Insurance Fund balance on September 30 of the immediately preceding calendar year is not in excess of 3% of the total taxable wages in covered employment for the 4 completed calendar quarters immediately preceding September 30, the Table of Rates in this paragraph of this subsection shall apply.

Table of Rates – Table F

Employing Unit's Benefit Ratio	Employing Unit's Rate
--------------------------------------	-----------------------------

(1)	.0000 — .....	2.20%
(2)	.0001 — .0027 .....	3.10%
(3)	.0028 — .0054 .....	3.40%
(4)	.0055 — .0081 .....	3.70%
(5)	.0082 — .0108 .....	4.00%
(6)	.0109 — .0135 .....	4.30%
(7)	.0136 — .0162 .....	4.60%
(8)	.0163 — .0189 .....	4.90%
(9)	.0190 — .0216 .....	5.20%
(10)	.0217 — .0243 .....	5.50%
(11)	.0244 — .0270 .....	5.80%
(12)	.0271 — .0297 .....	6.10%
(13)	.0298 — .0324 .....	6.40%
(14)	.0325 — .0351 .....	6.70%
(15)	.0352 — .0378 .....	7.00%
(16)	.0379 — .0405 .....	7.30%
(17)	.0406 — .0432 .....	7.60%
(18)	.0433 — .0459 .....	7.90%
(19)	.0460 — .0486 .....	8.20%
(20)	.0487 — .0513 .....	8.50%
(21)	.0514 — .0540 .....	8.80%
(22)	.0541 — .0567 .....	9.10%
(23)	.0568 — .0594 .....	9.40%
(24)	.0595 — .0621 .....	9.70%
(25)	.0622 — .0648 .....	10.00%
(26)	.0649 — .0675 .....	10.30%
(27)	.0676 — .0702 .....	10.60%
(28)	.0703 — .0729 .....	10.90%
(29)	.0730 — .0756 .....	11.20%
(30)	.0757 — .0783 .....	11.50%
(31)	.0784 — .0810 .....	11.80%
(32)	.0811 — .0837 .....	12.10%
(33)	.0838 — .0864 .....	12.40%
(34)	.0865 — .0891 .....	12.70%
(35)	.0892 — .0918 .....	13.00%
(36)	.0919 — .0945 .....	13.30%
(37)	.0946 — and over .....	13.50%

**(F) FOR ANY CALENDAR YEAR BEGINNING ON OR AFTER JANUARY 1, 2017, THE TABLE OF RATES IN EFFECT FOR THE IMMEDIATELY PRECEDING CALENDAR YEAR SHALL CONTINUE TO APPLY IF:**

**(1) THE UNEMPLOYMENT INSURANCE FUND BALANCE ON SEPTEMBER 30 OF THE IMMEDIATELY PRECEDING CALENDAR YEAR WAS AT A LEVEL THAT WOULD RESULT IN A TABLE OF RATES THAT HAD LOWER RATES BEING APPLIED UNDER SUBSECTION (D) OF THIS SECTION; AND**

(2) THE FEDERAL FUNDING GOALS REQUIREMENT IN 20 C.F.R. § 606.32 WERE NOT MET AS OF DECEMBER 31 OF THE SECOND IMMEDIATELY PRECEDING CALENDAR YEAR.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016.

Approved by the Governor, May 10, 2016.

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## Chapter 338

(Senate Bill 85)

AN ACT concerning

**Department of Economic Competitiveness and Commerce – Renaming *and*  
*Reorganization***

FOR the purpose of renaming the Department of Economic Competitiveness and Commerce to be the Department of Commerce; repealing the Office of the Secretary of Commerce in the Office of the Governor; repealing the requirement that the Secretary of Commerce employ an Executive Director of the Department; repealing the qualifications and the duties of the Executive Director; providing that the Department of Commerce is the successor of the Department of Economic Competitiveness and Commerce; providing that certain names and titles of a certain unit and officials in laws and other documents mean the names and titles of the successor unit and officials; providing for the continuity of certain matters and persons; requiring the publisher of the Annotated Code of Maryland, in consultation with the Department of Legislative Services, to correct cross-references and terminology in the Code that are rendered incorrect by this Act; making conforming changes; and generally relating to ~~renaming~~ the Department of Economic Competitiveness and Commerce and the Secretary of Commerce.

BY repealing and reenacting, without amendments,

Article – Economic Development

Section 1-101(a), ~~2-101(a), and 9-101(a)~~ 3-201(a), (b), and (c), 9-101(a), 10-401(a), (b), and (c), 10-901, and 10-903(a)

Annotated Code of Maryland

(2008 Volume and 2015 Supplement)

BY repealing and reenacting, with amendments,

Article – Economic Development

Section 1-101(c) to be under the amended division “Division I. Secretary of Commerce and Department of Commerce”; ~~2-101(e)(2)~~ 2-101; 2-108;



2.5–101(a) to be under the amended title “Title 2.5. Department of Commerce”;  
~~and 9–101(e); 3–203(a) and (c)(1); 9–101(c); 10–403(b); and 10–903(b)~~  
 Annotated Code of Maryland  
 (2008 Volume and 2015 Supplement)

*BY repealing*

*Article – Economic Development*

*Section 2.5–103*

*Annotated Code of Maryland*

*(2008 Replacement Volume and 2015 Supplement)*

BY repealing and reenacting, without amendments,

Article – State Government

Section 8–201(a)

Annotated Code of Maryland

(2014 Replacement Volume and 2015 Supplement)

BY repealing and reenacting, with amendments,

Article – State Government

Section 8–201(b)(4)

Annotated Code of Maryland

(2014 Replacement Volume and 2015 Supplement)

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

**Article – Economic Development**

Division I. Secretary of Commerce and Department of [Economic Competitiveness and]  
 Commerce.

1–101.

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

(c) “Department” means the Department of [Economic Competitiveness and]  
 Commerce.

2–101.

[(a) There is an Office of the Secretary of Commerce in the Office of the Governor.

(b) The head of the Office is the Secretary.

(c)[(A) (1) The Secretary is the head of economic development policy and  
 implementation efforts in the State.

~~(e)~~ (2) The Secretary is the head of and is responsible for the operations of the Department of [Economic Competitiveness and] Commerce established under Title 2.5 of this article.

~~[(d)](B)~~ (1) *The Secretary also monitors the operations of:*

*(i) the Maryland Economic Development Corporation established under Title 10, Subtitle 1 of this article;*

*(ii) the Maryland Technology Development Corporation established under Title 10, Subtitle 4 of this article; and*

*(iii) the Maryland Public–Private Partnership Marketing Corporation established under Title 10, Subtitle 9 of this article.*

*(2) Nothing in this subsection may be construed to limit the independence or operations of these corporations.*

2-108.

*(a) The Secretary shall adopt regulations for the [Office] OFFICE of the Secretary.*

*(b) (1) Subject to § 2.5-206 of this article, the Secretary shall review regulations of a unit under the jurisdiction of the Department.*

*(2) The Secretary may approve, disapprove, or revise regulations of a unit.*

Title 2.5. Department of [Economic Competitiveness and] Commerce.

2.5-101.

(a) There is a Department of [Economic Competitiveness and] Commerce.

[2.5-103.

*(a) (1) The Secretary shall employ an Executive Director.*

*(2) The Executive Director:*

*(i) serves at the pleasure of the Secretary; and*

*(ii) is entitled to compensation provided in the State budget.*

*(b) (1) The Executive Director shall manage the operations of the Department on behalf of the Secretary.*

(2) The Executive Director:

(i) shall advise the Secretary on all matters assigned to the Department; and

(ii) is responsible for carrying out the Secretary's policies on matters assigned to the Department.

(c) The Executive Director shall have experience with and possess qualifications relevant to the activities and purposes of the Department.]

3-201.

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

(b) "Advisory Board" means the Maryland Life Sciences Advisory Board.

(c) "Corporation" means the Maryland Technology Development Corporation.

3-203.

(a) The Advisory Board consists of the following [19] 18 members:

(1) the Secretary or the Secretary's designee;

(2) [the Executive Director of the Department, or the Executive Director's designee;

(3)] the Executive Director of the Corporation, or the Executive Director's designee; and

[(4)] (3) the following members appointed by the Governor:

(i) three representing federal agencies located in the State with life sciences missions;

(ii) seven with executive experience in life sciences businesses located in the State, at least four of whom represent small businesses;

(iii) four representing institutions of higher education located in the State, one of whom shall represent a community college;

(iv) one with general business marketing experience in a life sciences business located in the State; and

(v) one member of the general public.

(c) (1) Except for the Secretary or the Secretary's designee[, the Executive Director of the Department or the Executive Director's designee,] and the Executive Director of the Corporation or the Executive Director's designee, the term of an Advisory Board member is 2 years.

9–101.

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

(c) “Department” means the Department of [Economic Competitiveness and] Commerce.

10–401.

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

(b) “Board” means the Board of Directors of the Corporation.

(c) “Corporation” means the Maryland Technology Development Corporation.

10–403.

(b) The Board consists of the following [16] 15 members:

(1) the Secretary or the Secretary's designee; AND

(2) [the Executive Director of the Department or the Executive Director's designee; and

(3)] fourteen members appointed by the Governor with the advice and consent of the Senate:

(i) two representing the not-for-profit research sector of the State;

(ii) two with expertise in venture capital financing;

(iii) five with experience in technology-based businesses;

(iv) two representing colleges and universities; and

(v) three members of the general public.

10–901.

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

(b) “Board” means the Board of Directors of the Corporation.

(c) “Corporation” means the Maryland Public–Private Partnership Marketing Corporation.

10–903.

(a) A Board of Directors shall manage the Corporation and its units and exercise the corporate powers of the Board of Directors.

(b) The Board consists of the following [18] 17 members:

(1) the Secretary;

(2) [the Executive Director of the Department;

(3)] (i) one member of the Senate of Maryland, who shall be a nonvoting member of the Board, designated by the President of the Senate; and

(ii) one member of the House of Delegates, who shall be a nonvoting member of the Board, designated by the Speaker of the House; and

[(4)](3) the following 14 members, appointed by the Governor with the advice and consent of the Senate:

(i) three representing businesses in the State;

(ii) two representing labor in the State;

(iii) two representing not–for–profit organizations in the State;

(iv) three with expertise in marketing or advertising;

(v) one with expertise in public relations and communications; and

(vi) three with expertise in economic development.

## Article – State Government

8–201.

(a) The Executive Branch of the State government shall have not more than 21 principal departments, each of which shall embrace a broad, functional area of that Branch.

(b) The principal departments of the Executive Branch of the State government are:

- (4) [Economic Competitiveness and] Commerce;

SECTION 2. AND BE IT FURTHER ENACTED, That, as provided in this Act:

(1) The Department of Commerce is the successor of the Department of Economic Competitiveness and Commerce.

(2) In every law, executive order, rule, regulation, policy, or document created by an official, an employee, or a unit of this State, the names and titles of those agencies and officials mean the names and titles of the successor agency or official.

SECTION 3. AND BE IT FURTHER ENACTED, That, except as expressly provided to the contrary in this Act, nothing in this Act affects the term of office of an appointed or elected member of any commission, office, department, agency, or other unit. An individual who is a member of a unit on the effective date of this Act shall remain a member for the balance of the term to which appointed or elected, unless the member sooner dies, resigns, or is removed under provisions of law.

SECTION 4. AND BE IT FURTHER ENACTED, That, except as expressly provided to the contrary in this Act, any transaction or employment status affected by or flowing from any change of nomenclature or any statute amended by this Act and validly entered into or existing before the effective date of this Act and every right, duty, or interest flowing from a statute amended by this Act remains valid after the effective date of this Act and may be terminated, completed, consummated, or enforced as required or allowed by any statute amended by this Act as though the amendment had not occurred. If a change in nomenclature involves a change in name or designation of any State unit, the successor unit shall be considered in all respects as having the powers and obligations granted the former unit.

SECTION 5. AND BE IT FURTHER ENACTED, That, except as expressly provided to the contrary in this Act:

(1) The continuity of every commission, office, department, agency, or other unit is retained; and

(2) The personnel, records, files, furniture, fixtures, and other properties and all appropriations, credits, assets, liabilities, and obligations of each retained unit are continued as the personnel, records, files, furniture, fixtures, properties, appropriations, credits, assets, liabilities, and obligations of the unit under the laws enacted by this Act.

SECTION 6. AND BE IT FURTHER ENACTED, That the publisher of the Annotated Code of Maryland, in consultation with and subject to the approval of the Department of Legislative Services, shall correct, with no further action required by the General Assembly, cross-references and terminology rendered incorrect by this Act or by any other Act of the General Assembly of 2016 that affects provisions enacted by this Act.

The publisher shall adequately describe any such correction in an editor's note following the section affected.

SECTION 7. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016.

**Approved by the Governor, May 10, 2016.**

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## **Chapter 339**

### **(Senate Bill 86)**

AN ACT concerning

#### **Unemployment Insurance – Exemption From Actively Seeking Work Requirement – Repeal**

FOR the purpose of repealing the prohibition on denying unemployment benefits to individuals who are at least 60 years old and who have been furloughed temporarily and are subject to recall for failing to actively seek work; providing for the application of this Act; and generally relating to exemptions from the actively seeking work requirement in unemployment insurance law.

BY repealing and reenacting, with amendments,  
Article – Labor and Employment  
Section 8–907  
Annotated Code of Maryland  
(2008 Replacement Volume and 2015 Supplement)

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

#### **Article – Labor and Employment**

8–907.

[(a)] An individual may not be denied benefits for any week of unemployment for failure to meet the requirements of § 8–903(a)(1) of this subtitle to be able to work, be available to work, and actively seeking work if the failure results from a summons to appear for jury duty.

[(b)] An individual may not be denied benefits for any week of unemployment for failure to meet the requirement of § 8–903(a)(1)(iii) of this subtitle to seek work actively if the individual:

- (1) is at least 60 years old; and
- (2) has been furloughed temporarily and is subject to recall.]

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall apply only to initial and reopened unemployment insurance claims filed on or after July 3, 2016.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016.

**Approved by the Governor, May 10, 2016.**

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## Chapter 340

### (Senate Bill 87)

AN ACT concerning

#### **Mortgage Loan Originators – State Criminal History Records Check Requirement – Repeal**

FOR the purpose of repealing a requirement that, in connection with an initial application for a mortgage loan originator license, and at any other time the Commissioner of Financial Regulation requests, an applicant or a licensee provide fingerprints for use by the Criminal Justice Information System Central Repository of the Department of Public Safety and Correctional Services (Central Repository) for use in conducting a State criminal history records check; repealing related provisions of law requiring an applicant or a licensee to pay certain fees to the Central Repository, authorizing the Commissioner to request certain information from the Central Repository, and defining the term “Central Repository”; making conforming changes to repeal a requirement that the Commissioner waive the State criminal history records check under expedited mortgage loan originator licensing procedures for certain service members, veterans, and military spouses and certain applicants who were employed as registered mortgage loan originators; making conforming changes; and generally relating to licensing requirements for mortgage loan originators.

BY repealing and reenacting, with amendments,  
Article – Financial Institutions  
Section 11–604 and 11–612.2  
Annotated Code of Maryland  
(2011 Replacement Volume and 2015 Supplement)

BY repealing  
Article – Financial Institutions  
Section 11–612.3



Annotated Code of Maryland  
(2011 Replacement Volume and 2015 Supplement)

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

**Article – Financial Institutions**

11–604.

(a) [In this section, “Central Repository” means the Criminal Justice Information System Central Repository of the Department of Public Safety and Correctional Services.

(b)] (1) To apply for a license, an applicant shall:

(i) Complete, sign, and submit to the Commissioner an application made under oath in the form, and in accordance with the process, that the Commissioner requires; and

(ii) Provide all information as requested by the Commissioner.

(2) The applicant shall comply with all conditions and provisions of the application for a license.

[(c)] (B) With each application, the applicant shall pay to the Commissioner:

(1) A nonrefundable investigation fee set by the Commissioner; and

(2) A nonrefundable license fee set by the Commissioner.

[(d)] (C) In addition to the license fee required under subsection [(c)(2)] (B)(2) of this section, an applicant for an initial license shall pay to the Nationwide Mortgage Licensing System and Registry any fees that the Nationwide Mortgage Licensing System and Registry imposes in connection with the application.

[(e)] (D) In connection with an initial application for a license under this section and at any other time the Commissioner requests, an applicant or licensee shall provide to the Nationwide Mortgage Licensing System and Registry information concerning the applicant’s identity, including:

(1) Fingerprints for submission to the Federal Bureau of Investigation, and any other governmental agency or entity authorized to receive this information for a state, national, or international criminal history background check; and

(2) Personal history and experience in a form prescribed by the Nationwide Mortgage Licensing System and Registry, including the submission of authorization for the Nationwide Mortgage Licensing System and Registry and the Commissioner to obtain:

(i) An independent credit report from a consumer reporting agency described in the federal Fair Credit Reporting Act, 15 U.S.C. § 1681a(p); and

(ii) Information related to any administrative, civil, or criminal findings by any governmental jurisdiction.

**[(f)] (E)** To implement this subtitle, the Commissioner may use the Nationwide Mortgage Licensing System and Registry as a channeling agent to request information from and distribute information to the Department of Justice, any other governmental agency with subject matter jurisdiction, and any other state licensing entity that has loan originators registered with the Nationwide Mortgage Licensing System and Registry.

**[(g)]** In addition to the requirement under subsection (e) of this section, in connection with an initial application for a license under this section, and at any other time that the Commissioner requests, an applicant or licensee shall provide fingerprints for use by the Central Repository to conduct criminal history records checks.

**(h)] (F)** An applicant or licensee who is required to provide fingerprints under subsection **[(e) or (g)] (D)** of this section shall pay any processing or other fees required by **[the Central Repository,] the Federal Bureau of Investigation[,]** and the Nationwide Mortgage Licensing System and Registry.

**[(i)] (G)** The Commissioner may request from **[the Central Repository,] the Federal Bureau of Investigation[,]** or the Nationwide Mortgage Licensing System and Registry, as applicable, for each applicant or licensee who is required to provide fingerprints under subsection **[(e) or (g)] (D)** of this section:

(1) (i) The state, national, or international criminal history records of the applicant or licensee; and

(ii) A printed statement listing any conviction or other disposition of, and any plea of guilty or nolo contendere to, any criminal charge;

(2) (i) An update of the initial criminal history records check or criminal history background check of the applicant or licensee; and

(ii) A revised statement listing any conviction or other disposition of, and any plea of guilty or nolo contendere to, any criminal charge occurring after the date of the initial criminal history records check or criminal history background check; and

(3) An acknowledged receipt of the application for a criminal history records check or criminal history background check of the applicant or licensee.

11-612.2.

- (a) (1) In this section the following words have the meanings indicated.
- (2) (i) “Military spouse” means the spouse of a service member or veteran.
- (ii) “Military spouse” includes a surviving spouse of:
1. A veteran; or
  2. A service member who died within 1 year before the date on which the license application, renewal, or change of status is submitted.
- (3) “Service member” means an individual who is an active duty member of:
- (i) The armed forces of the United States;
  - (ii) A reserve component of the armed forces of the United States; or
  - (iii) The National Guard of any state.
- (4) (i) “Veteran” means a former service member who was discharged from active duty under circumstances other than dishonorable within 1 year before the date on which the license application, renewal, or change of status is submitted.
- (ii) “Veteran” does not include an individual who has completed active duty and has been discharged for more than 1 year before the license application, renewal, or change of status is submitted.
- (b) To expedite the renewal or change of status of a license for a service member, veteran, or military spouse, the Commissioner[:
- (1) Shall waive, as applicable, the State criminal history records check; and
  - (2) **May] MAY** waive or suspend any **[other]** licensing requirements to the extent that the waiver or suspension does not result in the failure to meet the minimum licensing standards set forth in 12 U.S.C. Chapter 51 and the regulations adopted under it.
- (c) To expedite the issuance of a license to a service member, veteran, or military spouse who holds a valid mortgage loan originator license in another state, the Commissioner[:
- (1) Shall waive the State criminal history records check; and

(2) May] MAY waive or suspend any [other] licensing requirements to the extent that the waiver or suspension does not result in the failure to meet the minimum licensing standards set forth in 12 U.S.C. Chapter 51 and the regulations adopted under it.

(d) The Commissioner shall publish prominently on the Commissioner's Web site, or have published on a third-party Web site used for licensing mortgage loan originators in the State, the expedited processes for the issuance, renewal, or change of status of a license under this section.

(e) The Commissioner may adopt regulations to carry out this section.

[11-612.3.

(a) To expedite the issuance of a license to an applicant who, within 45 days before the date of application for the license, was employed as a registered mortgage loan originator, the Commissioner shall waive, as applicable, the State criminal history records check.

(b) The Commissioner shall publish prominently on the Commissioner's Web site, or have published on a third-party Web site used for licensing mortgage loan originators in the State, the expedited process for the issuance of a license under this section.

(c) The Commissioner may adopt regulations to carry out this section.]

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016.

**Approved by the Governor, May 10, 2016.**

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## Chapter 341

(Senate Bill 88)

AN ACT concerning

### **Commissioner of Financial Regulation – Consolidation of Nondepository Special Funds**

FOR the purpose of consolidating the Mortgage Lender–Originator Fund, the Money Transmission Fund, and the Debt Management Services Fund into one fund; renaming the Mortgage Lender–Originator Fund to be the Nondepository Special Fund; establishing the purpose of the Nondepository Special Fund; requiring certain revenues, fees, and examination assessments to be credited to the Nondepository Special Fund to be used for a certain purpose; requiring that certain money be transferred to a certain fund as of a certain date; repealing certain definitions;

altering a certain definition; making conforming and stylistic changes; and generally relating to financial regulation.

BY adding to

Article – Financial Institutions

Section 11–503.2

Annotated Code of Maryland

(2011 Replacement Volume and 2015 Supplement)

BY repealing and reenacting, with amendments,

Article – Financial Institutions

Section 11–601(f), 11–610, 12–404, ~~12–901(j)~~ 12–901(k) through (o), and 12–905

Annotated Code of Maryland

(2011 Replacement Volume and 2015 Supplement)

BY repealing

Article – Financial Institutions

Section 12–901(j)

Annotated Code of Maryland

(2011 Replacement Volume and 2015 Supplement)

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

### **Article – Financial Institutions**

#### **11–503.2.**

**(A) ALL REVENUE RECEIVED FOR THE LICENSING OF PERSONS UNDER THIS SUBTITLE AND ANY OTHER FEE, EXAMINATION ASSESSMENT, OR REVENUE RECEIVED BY THE COMMISSIONER UNDER THIS SUBTITLE SHALL BE:**

**(1) CREDITED TO THE NONDEPOSITORY SPECIAL FUND ESTABLISHED UNDER § 11–610 OF THIS TITLE; AND**

**(2) USED IN ACCORDANCE WITH § 11–610(C) OF THIS TITLE.**

**(B) NOTWITHSTANDING SUBSECTION (A) OF THIS SECTION, THE COMMISSIONER SHALL PAY ALL FINES AND PENALTIES COLLECTED BY THE COMMISSIONER UNDER THIS SUBTITLE INTO THE GENERAL FUND OF THE STATE.**

11–601.

(f) “Fund” means the [Mortgage Lender–Originator Fund] **NONDEPOSITORY SPECIAL FUND** established under § 11–610 of this subtitle.

11-610.

(a) There is a [Mortgage Lender–Originator Fund] **NONDEPOSITORY SPECIAL FUND** that consists of:

(1) Revenue received for the licensing of individuals under this subtitle;

(2) Revenue received for the licensing of persons under Subtitle 5 of this title;

**(3) REVENUE RECEIVED FOR THE LICENSING OF PERSONS UNDER TITLE 12, SUBTITLE 4 OF THIS ARTICLE;**

**(4) REVENUE RECEIVED FOR THE LICENSING OF PERSONS UNDER TITLE 12, SUBTITLE 9 OF THIS ARTICLE;**

**(5) REVENUE RECEIVED FOR THE REGISTRATION OF PERSONS UNDER TITLE 12, SUBTITLE 10 OF THIS ARTICLE;**

~~[(3) (5) (6)]~~ (6) Income from the investments that the State Treasurer makes for the Fund; and

~~[(4) (6) (7)]~~ (7) Any other fee, examination assessment, or revenue received by the Commissioner under [Subtitle 5 of this title and] this subtitle, **SUBTITLE 5 OF THIS TITLE, AND TITLE 12, SUBTITLES 4 AND, 9, AND 10 OF THIS ARTICLE.**

(b) Notwithstanding subsection (a) of this section, the Commissioner shall pay all fines and penalties collected by the Commissioner under [Subtitle 5 of this title and] this subtitle, **SUBTITLE 5 OF THIS TITLE, AND TITLE 12, SUBTITLES 4 AND, 9, AND 10 OF THIS ARTICLE** into the General Fund of the State.

(c) The purpose of the Fund is to ~~pay the costs and expenses incurred by the Commissioner that are related to the regulation of mortgage lending [and], mortgage origination, MONEY TRANSMISSION, AND DEBT MANAGEMENT SERVICES, including~~ **COVER THE DIRECT AND INDIRECT COSTS OF FULFILLING THE STATUTORY AND REGULATORY DUTIES OF THE COMMISSIONER RELATED TO:**

(1) ~~Expenditures authorized under THIS~~ **THIS** SUBTITLE ~~OR;~~

**(2)** Subtitle 5 of this title [or this subtitle]; [and]

~~(2) (3)~~ **(3) EXPENDITURES AUTHORIZED UNDER** TITLE 12, SUBTITLE 4 OF THIS ARTICLE;

~~(3)~~ **(4) EXPENDITURES AUTHORIZED UNDER TITLE 12, SUBTITLE 9 OF THIS ARTICLE;**

**(5) TITLE 12, SUBTITLE 10 OF THIS ARTICLE; AND**

**[(2)] ~~(4)~~ (6) Any other expense authorized in the State budget.**

(d) (1) The annual State budget shall include the costs and expenses of the Commissioner relating to the regulation of mortgage lending [and], mortgage origination, **MONEY TRANSMISSION, ~~AND~~ DEBT MANAGEMENT SERVICES, AND DEBT SETTLEMENT SERVICES.**

(2) Any expenditures from the Fund to cover costs and expenses of the Commissioner may be made only:

(i) With an appropriation from the Fund approved by the General Assembly in the annual State budget; or

(ii) By the budget amendment procedure provided for in § 7-209 of the State Finance and Procurement Article.

(3) If, in any fiscal year, the amount of the revenue collected by the Commissioner and deposited into the Fund exceeds the actual appropriation for the Commissioner to regulate mortgage lending under Subtitle 5 of this title [and]; mortgage origination under this subtitle; **MONEY TRANSMISSION UNDER TITLE 12, SUBTITLE 4 OF THIS ARTICLE; ~~AND~~ DEBT MANAGEMENT SERVICES UNDER TITLE 12, SUBTITLE 9 OF THIS ARTICLE; AND DEBT SETTLEMENT SERVICES UNDER TITLE 12, SUBTITLE 10 OF THIS ARTICLE,** the excess amount shall be carried forward within the Fund.

(e) (1) The State Treasurer is the custodian of the Fund.

(2) The State Treasurer shall deposit payments received from the Commissioner into the Fund.

(f) (1) (i) The Fund is a special, nonlapsing fund that is not subject to § 7-302 of the State Finance and Procurement Article.

(ii) The Fund may not be deemed a part of the General Fund of the State.

(2) Unless otherwise provided by law, no part of the Fund may revert or be credited to:

(i) The General Fund of the State; or

(ii) Any other special fund of the State.

12-404.

(a) [In this section, “Fund” means the Money Transmission Fund established under this section.

(b) There is a Money Transmission Fund that consists of:

(1) All revenue received for the licensing of persons ~~who engage in the business of money transmission~~ under this subtitle[;

(2) Income from the investments that the State Treasurer makes for the Fund;] and

[(3) Any] ANY other fee, examination assessment, or revenue received by the Commissioner under this subtitle **SHALL BE;**

**(1) ~~CREDITED~~ CREDITED TO THE NONDEPOSITORY SPECIAL FUND ESTABLISHED UNDER § 11-610 OF THIS ARTICLE; AND**

**(2) USED IN ACCORDANCE WITH § 11-610(C) OF THIS ARTICLE.**

[(c)] (B) Notwithstanding subsection [(b)] (A) of this section, the Commissioner shall pay all fines and penalties collected by the Commissioner under this subtitle into the General Fund of the State.

[(d)] The purpose of the Fund is to pay all the costs and expenses incurred by the Commissioner that are related to the regulation of the business of money transmission under this subtitle, including:

(1) Expenditures authorized under this subtitle; and

(2) Any other expense authorized in the State budget.

(e) (1) All the costs and expenses of the Commissioner relating to the regulation of the business of money transmission under this subtitle shall be included in the State budget.

(2) Any expenditures from the Fund to cover costs and expenses of the Commissioner may be made only:

(i) With an appropriation from the Fund approved by the General Assembly in the annual State budget; or

(ii) By the budget amendment procedure provided for in § 7-209 of the State Finance and Procurement Article.



(3) If, in any given fiscal year, the amount of the revenue collected by the Commissioner and deposited into the Fund exceeds the actual appropriation for the Commissioner to regulate the business of money transmission under this subtitle, the excess amount shall be carried forward within the Fund.

(f) (1) The State Treasurer is the custodian of the Fund.

(2) The State Treasurer shall deposit payments received from the Commissioner into the Fund.

(g) (1) The Fund is a continuing, nonlapsing fund and is not subject to § 7-302 of the State Finance and Procurement Article, and may not be deemed a part of the General Fund of the State.

(2) Unless otherwise provided by law, no part of the Fund may revert or be credited to:

(i) The General Fund of the State; or

(ii) A special fund of the State.]

12-901.

~~(j) "Fund" means the [Debt Management Services Fund] NONDEPOSITORY SPECIAL FUND established under [§ 12-905 of this subtitle] § 11-610 OF THIS ARTICLE.~~

[(k)] (J) "Licensee" means a person licensed under this subtitle to provide debt management services.

[(l)] (K) "Maintenance fee" means a fee paid by a consumer to a debt management services provider for the maintenance or servicing of the consumer's accounts with the consumer's creditors in accordance with a debt management services agreement.

[(m)] (L) "Relative" means any of the following who are related to an individual by blood, marriage, or adoption:

(1) A spouse;

(2) A child;

(3) A sibling;

(4) A parent;

(5) A grandparent;

- (6) A grandchild;
- (7) A stepparent;
- (8) A stepchild;
- (9) A stepsibling;
- (10) An aunt; or
- (11) An uncle.

~~[(n)]~~ **(M)** “Resident agent” means an individual residing in the State or a Maryland corporation whose name, address, and designation as a resident agent are filed or recorded with the State Department of Assessments and Taxation in accordance with the provisions of the Corporations and Associations Article.

~~[(o)]~~ **(N)** “Trust account” means an account that is:

- (1) Established in a financial institution that is federally insured;
- (2) Separate from the debt management services provider’s operating account;
- (3) Designated as a “trust account” or by another appropriate designation indicating that the funds in the account are not the funds of the licensee or its officers, employees, or agents;
- (4) Unavailable to creditors of the debt management services provider; and
- (5) Used to hold funds paid by consumers to a debt management services provider for disbursement to creditors of the consumers.

12-905.

(a) **[There is a Debt Management Services Fund that consists of:**

- ~~(1)] All revenue received for the licensing of persons that provide debt management services under this subtitle[;~~
- ~~(2) All revenue received] AND for the registration of persons that provide debt settlement services under Subtitle 10 of this title[;~~
- (3) **Income from investments that the Treasurer makes for the Fund;] and,**

[(4) Except] **EXCEPT** as provided in subsection (b) of this section, any other fee, **EXAMINATION ASSESSMENT**, or revenue received by the Commissioner under this subtitle ~~or under Subtitle 10 of this title~~ **SHALL BE:**

**(1) ~~CREDITED~~ CREDITED TO THE NONDEPOSITORY SPECIAL FUND ESTABLISHED UNDER § 11-610 OF THIS ARTICLE; AND**

**(2) USED IN ACCORDANCE WITH § 11-610(C) OF THIS ARTICLE.**

(b) [The] **NOTWITHSTANDING SUBSECTION (A) OF THIS SECTION, THE** Commissioner shall pay all fines and penalties collected by the Commissioner under this subtitle ~~and under Subtitle 10 of this title~~ into the General Fund of the State.

[(c) The purpose of the Fund is to pay all the costs and expenses incurred by the Commissioner that are related to the regulation of the debt management services business under this subtitle and that are related to the registration of debt settlement services providers under Subtitle 10 of this title, including:

(1) Expenditures authorized under this subtitle and Subtitle 10 of this title; and

(2) Any other expense authorized in the State budget.

(d) (1) The Treasurer is the custodian of the Fund.

(2) The Treasurer shall deposit payments received from the Commissioner into the Fund.

(e) (1) The Fund is a continuing, nonlapsing fund that is not subject to § 7-302 of the State Finance and Procurement Article, and may not be deemed a part of the General Fund of the State.

(2) Unless otherwise provided by law, no part of the Fund may revert or be credited to:

(i) The General Fund of the State; or

(ii) A special fund of the State.

(f) (1) All the costs and expenses of the Commissioner relating to the regulation of the debt management services business under this subtitle and to the registration of debt settlement services providers under Subtitle 10 of this title shall be included in the State budget.

(2) Any expenditures from the Fund to cover costs and expenses of the Commissioner may be made only:

(i) By an appropriation from the Fund approved by the General Assembly in the annual State budget; or

(ii) By the budget amendment procedure provided for in § 7–209 of the State Finance and Procurement Article.

(3) If, in any fiscal year, the amount of the revenue collected by the Commissioner and deposited into the Fund exceeds the actual appropriation for the Commissioner to regulate the debt management services business under this subtitle and to register debt settlement services providers under Subtitle 10 of this title, the excess amount shall be carried forward within the Fund.

(g) The Office of Legislative Audits shall audit the accounts and transactions of the Fund under § 2–1220 of the State Government Article.]

SECTION 2. AND BE IT FURTHER ENACTED, That all money deposited in or credited to the Mortgage Lender–Originator Fund, the Money Transmission Fund, and the Debt Management Services Fund shall be transferred into the Nondepository Special Fund, as enacted by Section 1 of this Act, as of July 1, 2016, and the transferring of funds shall be ~~terminated~~ completed as of the end of July 1, 2016.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016.

**Approved by the Governor, May 10, 2016.**

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## Chapter 342

### (Senate Bill 90)

AN ACT concerning

#### **Unemployment Insurance – Recovery of Benefits and Penalties for Fraud**

FOR the purpose of altering the means by which the Secretary of Labor, Licensing, and Regulation is authorized to recover overpayments of benefits, monetary penalties, and interest; authorizing, under certain circumstances, the Secretary to adjust, compromise, or settle certain interest due; providing that a person who violates a certain provision of law is disqualified from receiving benefits for certain periods of time under certain circumstances; making a clarifying change; providing for the application of this Act; providing that only fraud determinations made on or after a certain date may count as a violation for certain purposes; making a certain conforming change; defining a certain term; and generally relating to the recovery of benefits and penalties for fraud under the Maryland Unemployment Insurance Law.

BY renumberingArticle – Labor and EmploymentSection 8–101(t) through (aa), respectively  
to be Section 8–101(u) through (bb), respectivelyAnnotated Code of Maryland(2008 Replacement Volume and 2015 Supplement)BY repealing and reenacting, without amendments,Article – Labor and EmploymentSection 8–101(a) and 8–1301Annotated Code of Maryland(2008 Replacement Volume and 2015 Supplement)BY adding toArticle – Labor and EmploymentSection 8–101(t)Annotated Code of Maryland(2008 Replacement Volume and 2015 Supplement)

## BY repealing and reenacting, with amendments,

Article – Labor and Employment

Section ~~8–201.1~~, 8–809, and 8–1305

Annotated Code of Maryland

(2008 Replacement Volume and 2015 Supplement)

~~BY repealing and reenacting, without amendments,~~~~Article – Labor and Employment~~~~Section 8–1301~~~~Annotated Code of Maryland~~~~(2008 Replacement Volume and 2015 Supplement)~~

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,  
That Section(s) 8–101(t) through (aa), respectively, of Article – Labor and Employment of  
the Annotated Code of Maryland be renumbered to be Section(s) 8–101(u) through (bb),  
respectively.

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

**Article – Labor and Employment**

8–101.

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

**(T) “KNOWINGLY” MEANS, EXCEPT AS OTHERWISE PROVIDED IN THIS TITLE, HAVING ACTUAL KNOWLEDGE, DELIBERATE IGNORANCE, OR RECKLESS DISREGARD FOR THE TRUTH.**

8–201.1.

(a) [In this section, “knowingly” means having actual knowledge, deliberate ignorance, or reckless disregard for the truth.

(b) An employer may not fail to properly classify an individual as an employee.

[(c) (B) (1) If the Secretary determines that an employing unit has failed to properly classify an individual as an employee, any and all contribution or reimbursement payments resulting from the failure to properly classify that are due and unpaid shall accrue interest as provided in paragraph (2) of this subsection.

(2) An employer who fails to pay the contribution or reimbursement payments within 45 days shall be assessed interest at the rate of 2% per month or part of a month from the first due date following notice of the misclassification until the Secretary receives the contribution or payment in lieu of contributions and interest.

[(d) (C) The Secretary shall consider, as strong evidence that an employer did not knowingly fail to properly classify an individual, whether the employer:

(1) (i) classifies all workers who perform the same or substantially the same tasks for the employer as independent contractors; and

(ii) reports the income of the workers to the Internal Revenue Service as required by federal law; and

(2) has received a determination from the Internal Revenue Service that the individual or a worker who performs the same or substantially the same tasks for the employer is an independent contractor.

[(e) (D) If the Secretary determines that an employing unit has knowingly failed to properly classify an individual as an employee, the employing unit shall be subject to a civil penalty of not more than \$5,000 per employee.

[(f) (E) (1) A person may not knowingly advise an employing unit or a prospective employing unit to take action for the purposes of violating this section.

(2) A person found in violation of this subsection shall be subject to a civil penalty of not more than \$20,000.

[(g) (F) An employing unit found to have knowingly violated this section who has also been found previously to have knowingly violated this section by a final order of a

court or administrative unit may be assessed double the administrative penalties set forth in subsection [(d)] (C) of this section for the new violation.

[(h)] (G) (1) An employing unit may be assessed civil penalties by only one order of a court or administrative unit for the same actions constituting a knowing failure to properly classify an individual as an employee.

(2) Notwithstanding paragraph (1) of this subsection, an employing unit may be ordered to make restitution, pay any interest due, and otherwise comply with all applicable laws and regulations by orders of a court, the Secretary, and all other relevant administrative units, including the Comptroller, the Workers' Compensation Commission, the Insurance Administration, and the Division of Labor and Industry.

[(i)] (H) If the Secretary determines that an employing unit has failed to properly classify an individual as an employee, the Secretary shall promptly notify the Workers' Compensation Commission, the Division of Labor and Industry, the Insurance Administration, and the Comptroller.

[(i)] (I) As authorized by State and federal law, units within the Department of Labor, Licensing, and Regulation and the Department of Budget and Management, the Secretary of State, the Comptroller, the Insurance Administration, and other State agencies shall cooperate and share information concerning any suspected violation of this title.

[(k)] (J) (1) The Secretary shall adopt regulations to carry out this section.

(2) The regulations shall:

(i) require that the Secretary provide an employer with the factual basis for any violations charged;

(ii) establish procedures regarding the audit process and any agency level review available before appeal; and

(iii) provide guidance as to what constitutes the evidence relevant to the determination of whether an employer knowingly failed to properly classify an individual as an employee.

8-809.

(a) The Secretary may recover benefits paid to a claimant if the Secretary finds that the claimant was not entitled to the benefits because:

(1) the claimant was not unemployed;

(2) the claimant received or retroactively was awarded wages; or

(3) due to a redetermination of an original claim by the Secretary, the claimant is disqualified or otherwise ineligible for benefits.

(b) If the Secretary finds that a claimant knowingly made a false statement or representation or knowingly failed to disclose a material fact to obtain or increase a benefit or other payment under this title, in addition to disqualification of the claimant, the Secretary may recover from the claimant:

(1) all benefits paid to the claimant for each week for which the false statement or representation was made or for which the claimant failed to disclose a material fact;

(2) a monetary penalty of 15% of all benefits paid to the claimant for each week for which the false statement or representation was made or for which the claimant failed to disclose a material fact; and

(3) interest of 1.5% per month on the amount of all benefits paid to the claimant for each week for which the false statement or representation was made or for which the claimant failed to disclose a material fact plus the amount of the monetary penalty accruing from the date that the claimant is notified by the Secretary that the claimant was not entitled to benefits received.

(c) If the Secretary decides to recover benefits from a claimant under subsection (a) or (b) of this section, the Secretary shall notify the claimant of:

(1) the amount to be recovered;

(2) the weeks for which benefits were paid;

(3) the amount of any monetary penalty assessed under subsection (b)(2) of this section and the reason for the assessment of the monetary penalty; and

(4) the provision of this title under which the Secretary determined that the claimant was ineligible for benefits.

(d) The Secretary may recover an amount under subsection (a) [or (b)] of this section:

(1) by deduction from benefits payable to the claimant in the future[, excluding the monetary penalty assessed under subsection (b)(2) of this section and interest due under subsection (b)(3) of this section]; [or]

(2) in the manner provided in § 8–630 of this title for the collection of past due contributions; **OR**



**(3) THROUGH OTHER REASONABLE MEANS OF COLLECTION, INCLUDING THOSE PERMITTED UNDER:**

**(I) STATE LAW FOR THE COLLECTION OF DEBTS OWED TO THE STATE; OR**

**(II) FEDERAL LAW.**

**(E) THE SECRETARY MAY RECOVER AN AMOUNT UNDER SUBSECTION (B) OF THIS SECTION:**

**(1) IN THE MANNER PROVIDED IN § 8-630 OF THIS TITLE FOR THE COLLECTION OF PAST DUE CONTRIBUTIONS;**

**(2) THROUGH OTHER REASONABLE MEANS OF COLLECTION, INCLUDING THOSE PERMITTED UNDER:**

**(I) STATE LAW FOR THE COLLECTION OF DEBTS OWED TO THE STATE; OR**

**(II) FEDERAL LAW; OR**

**(3) IF THE DEDUCTION IS MADE BY ANOTHER JURISDICTION UNDER AN INTERGOVERNMENTAL AGREEMENT PROVIDING FOR THE RECOVERY OF OVERPAID BENEFITS, BY DEDUCTION FROM BENEFITS FOR WHICH THE CLAIMANT IS ELIGIBLE IN THE FUTURE UNDER THE LAW OF THE JURISDICTION THAT MADE THE DEDUCTION, EXCLUDING THE MONETARY PENALTY ASSESSED UNDER SUBSECTION (B)(2) OF THIS SECTION AND INTEREST DUE UNDER SUBSECTION (B)(3) OF THIS SECTION.**

**[(e)] (F) (1)** The Secretary may reconsider a decision to recover benefits under subsection (a) of this section within 1 year after the date that the decision was made.

**(2)** The Secretary may not make a determination to recover benefits under subsection (a) or (b) of this section later than 3 years after the date that the benefits were paid to the claimant.

**(3)** If an amount **UNDER SUBSECTION (A) OR (B) OF THIS SECTION** has not been recovered within 5 years after the date of the decision to recover the amount, the Secretary may consider the amount uncollectible.

**(4) IF THE SECRETARY DETERMINES THAT THE BEST INTERESTS OF THE STATE WILL BE SERVED, THE SECRETARY MAY ADJUST, COMPROMISE, OR SETTLE INTEREST DUE UNDER SUBSECTION (B) OF THIS SECTION OR UNDER § 8-1305 OF THIS TITLE.**

**[(f)] (G)** Notwithstanding any other provision of this section, the Secretary may recover, under a governmental offset agreement, an overpayment of benefits paid to any claimant under:

- (1) the unemployment insurance law of another state; or
- (2) a federal unemployment insurance benefit program.

8–1301.

A person, for that person or another, may not knowingly make a false statement or false representation or knowingly fail to disclose a material fact to receive or increase a benefit or other payment under this title or an unemployment insurance law of another state, the federal government, or a foreign government.

8–1305.

(a) Unless another penalty is provided by statute, a person who willfully violates a provision of this title or a regulation adopted under this title is guilty of a misdemeanor and on conviction is subject to a fine not exceeding \$1,000 or imprisonment not exceeding 90 days or both.

(b) In addition to the penalty under subsection (a) of this section, a person who violates § 8–1301 of this subtitle:

(1) shall make full restitution of the benefit unlawfully received and pay a monetary penalty of 15% of the benefit unlawfully received, including interest at a rate of 1.5% a month on the total amount of restitution plus the monetary penalty from the date the Secretary notifies the person of the amount to be recovered; [and]

(2) **[from] SHALL BE DISQUALIFIED FROM RECEIVING BENEFITS FOR ANY WEEK OF UNEMPLOYMENT, INCLUDING THE WEEK IN WHICH A DETERMINATION IS MADE THAT THE INDIVIDUAL FILED A CLAIM INVOLVING A FALSE STATEMENT, FALSE REPRESENTATION, OR FAILURE TO DISCLOSE A MATERIAL FACT, UNTIL:**

**(I) THE SECRETARY DETERMINES THAT:**

**1. THE BENEFIT UNLAWFULLY RECEIVED HAS BEEN REPAID IN FULL; AND**

**2. THE MONETARY PENALTY OF 15% AND INTEREST AT A RATE OF 1.5% A MONTH ON THE TOTAL AMOUNT OF BENEFIT UNLAWFULLY RECEIVED PLUS THE MONETARY PENALTY HAVE BEEN PAID IN FULL; OR**

**(II) THE SECRETARY DETERMINES THAT:**

1. IN THE SECRETARY'S SOLE DISCRETION UNDER § 8-809(F)(3) OF THIS TITLE, THE BENEFIT UNLAWFULLY RECEIVED AND INTEREST ARE UNCOLLECTIBLE; AND

2. THE CLAIMANT HAS PAID THE 15% MONETARY PENALTY IN FULL; AND

(3) SHALL BE DISQUALIFIED FROM RECEIVING BENEFITS:

(I) IF THERE WERE NO OTHER PREVIOUS DETERMINATIONS MADE THAT THE INDIVIDUAL VIOLATED § 8-1301 OF THIS SUBTITLE DURING THE IMMEDIATELY PRECEDING 4 BENEFIT YEARS, FOR 1 year from the date on which a determination is made that the individual filed a claim involving a false statement, false representation, or failure to disclose a material fact[, the individual is disqualified from receiving benefits];

(II) IF THERE WERE PREVIOUS DETERMINATIONS MADE THAT THE INDIVIDUAL VIOLATED § 8-1301 OF THIS SUBTITLE IN ONLY 1 OF THE IMMEDIATELY PRECEDING 4 BENEFIT YEARS, FOR 2 YEARS FROM THE DATE ON WHICH A DETERMINATION IS MADE THAT THE INDIVIDUAL FILED A CLAIM INVOLVING A FALSE STATEMENT, FALSE REPRESENTATION, OR FAILURE TO DISCLOSE A MATERIAL FACT; AND

(III) IF THERE WERE PREVIOUS DETERMINATIONS MADE THAT THE INDIVIDUAL VIOLATED § 8-1301 OF THIS SUBTITLE IN MORE THAN 1 OF THE IMMEDIATELY PRECEDING 4 BENEFIT YEARS, FOR 3 YEARS FROM THE DATE ON WHICH A DETERMINATION IS MADE THAT THE INDIVIDUAL FILED A CLAIM INVOLVING A FALSE STATEMENT, FALSE REPRESENTATION, OR FAILURE TO DISCLOSE A MATERIAL FACT.

(c) (1) An employing unit or officer or agent of an employing unit who violates § 8-1303 of this subtitle is guilty of a misdemeanor and on conviction is subject to a fine not exceeding \$1,000 or imprisonment not exceeding 1 year or both.

(2) A person who violates § 8-5A-08(b) or (d) of this title is guilty of a misdemeanor and on conviction is subject to a fine not exceeding \$1,000 or imprisonment not exceeding 1 year or both.

(3) A person who violates § 8-1304 of this subtitle is guilty of a misdemeanor for each day the violation continues and on conviction is subject to a fine not exceeding \$1,000 or imprisonment not exceeding 1 year or both.

(4) An employee of the Secretary or Board of Appeals who violates § 8–625 of this title is guilty of a misdemeanor and on conviction is subject to a fine not exceeding \$1,000 or imprisonment not exceeding 1 year or both.

SECTION ~~2~~ 3. AND BE IT FURTHER ENACTED, That this Act shall apply to fraud determinations made on or after October 3, 2016.

SECTION ~~3~~ 4. AND BE IT FURTHER ENACTED, That only a fraud determination made on or after October 3, 2016, may count as a previous determination for the purpose of applying § 8–1305(b)(3) of the Labor and Employment Article, as enacted by Section ~~4~~ 2 of this Act.

SECTION ~~4~~ 5. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2016.

**Approved by the Governor, May 10, 2016.**

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## Chapter 343

### (Senate Bill 92)

AN ACT concerning

#### **Planned Apprenticeship Standards and On-the-Job Training Activities – Revisions**

FOR the purpose of transferring the Apprenticeship and Training Council and the Youth Apprenticeship Advisory Committee to the Division of Workforce Development and Adult Learning; requiring the membership of the Council ~~to include race and gender diversity~~ and consultants to the Council to reflect the geographic, racial, ethnic, cultural, and gender diversity of the State, rather than representation by black and female persons; altering the duties of the Council; repealing the prohibition on persons offering, establishing, maintaining, or operating certain on-the-job training programs unless the programs were approved by certain persons; altering the duties of the Director of Apprenticeship and Training; adding members to the Youth Apprenticeship Advisory Committee; stating the intent of the General Assembly that certain regulations and guidelines promulgated by the Department of Labor, Licensing, and Regulation give adequate attention to certain training for certain individuals under a certain circumstance; making conforming changes; and generally relating to planned apprenticeship standards and on-the-job training activities.

BY repealing and reenacting, with amendments,  
Article – Labor and Employment

Section 11-403, 11-405, 11-406, and 11-409 to be under the amended subtitle  
“Subtitle 4. Planned Apprenticeship Standards and Activities”  
Annotated Code of Maryland  
(2008 Replacement Volume and 2015 Supplement)

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

### Article – Labor and Employment

Subtitle 4. Planned Apprenticeship Standards and [On-the-Job Training] Activities.

11-403.

(a) (1) There is an Apprenticeship and Training Council as part of the Division of [Labor and Industry] **WORKFORCE DEVELOPMENT AND ADULT LEARNING**. The Council consists of 12 members all of whom shall be appointed by the Governor of Maryland, with the advice of the Secretary and with the advice and consent of the Senate of Maryland.

(2) Four of the members shall be representatives of employee organizations; one shall be an employee; five shall be representatives of employers; and two shall be appointed from the general public.

(3) The membership of the Council shall ~~include RACE AND GENDER DIVERSITY, TO THE EXTENT PRACTICABLE, REFLECT THE GEOGRAPHIC, RACIAL, ETHNIC, CULTURAL, AND GENDER DIVERSITY OF THE STATE AND SHALL INCLUDE~~ representation by [black and female persons and] individuals with disabilities. Consultants to the Council shall ~~include RACE AND GENDER DIVERSITY, TO THE EXTENT PRACTICABLE, REFLECT THE GEOGRAPHIC, RACIAL, ETHNIC, CULTURAL, AND GENDER DIVERSITY OF THE STATE AND SHALL INCLUDE~~ representation by [black and female persons and] individuals with disabilities.

(4) In advising the Governor, the Secretary shall give consideration to a balanced geographic representation from all of Maryland and a representative sampling and mix of Maryland industry.

(5) One member shall be appointed as Chairman by the Governor, with the advice of the Secretary, and serve as Chairman at the pleasure of the Governor. The Assistant State Superintendent, Career and Technology Education, and the Maryland State Director of the Office of Apprenticeship, U.S. Department of Labor, shall serve as consultants to the Council without vote.

(6) The Governor, with the advice of the Secretary may appoint up to three additional consultants to the Council from the public at large.

(b) All appointments as members of the Council shall be for terms of 4 years.

(c) (1) Except as provided in paragraph (2) of this subsection and subject to paragraph (3) of this subsection, a member shall be considered to have resigned if the member did not attend at least two-thirds of the Council meetings held during any consecutive 12-month period while the member was serving on the Council.

(2) The Governor may waive a member's resignation and allow the member to continue serving if the member has been unable to attend meetings for reasons satisfactory to the Governor and the reasons are made public.

(3) In accordance with § 8-501 of the State Government Article, the Chairman shall provide notice to the Governor and the Governor shall appoint a successor.

11-405.

(a) Subject to subsection (d) of this section, the duties of the Council, consistent with the approval of the Division of [Labor and Industry] **WORKFORCE DEVELOPMENT AND ADULT LEARNING**, shall be to:

(1) determine the apprenticeability of [trades] **OCCUPATIONS** in the State of Maryland;

(2) encourage the establishment of local apprenticeship committees where such committees are needed and approve their programs;

(3) formulate and adopt standards of apprenticeship which safeguard the welfare of apprentices, being guided, but not controlled, by the standards of apprenticeship recommended by the federal committee on apprenticeship [and provide guidance and counsel on the establishment of other forms of on-the-job training];

(4) formulate policies for the overall apprenticeship program;

(5) register standards of apprenticeship of such groups or employers as elect to conform with the provisions of this subtitle;

(6) register apprenticeship agreements which conform to the standards of apprenticeship adopted by the Council;

(7) issue certificates of completion of apprenticeship to apprentices who are registered with the Council when such apprentices have completed successfully their apprenticeship;

(8) seek all information pertaining to apprenticeship training in the State;

(9) prescribe its rules of procedure and duties of the Chairman, Director, and Secretary subject to the provisions of this law; and

(10) perform such other functions as the Governor or the Secretary may direct or as may come within the scope of the Council.

(b) (1) No person, firm, or corporation may offer, establish, maintain, or operate an apprenticeship [or on-the-job training] program for any occupation approved by the Council and recognized by the Division of [Labor and Industry] **WORKFORCE DEVELOPMENT AND ADULT LEARNING** as an apprenticeable occupation for which tuition, charges, or fees are charged to or are payable by an enrollee or student, or which is financed in whole or in part by State funds, unless the program is first approved by the Council or the Secretary under subsection (d) of this section.

(2) The Council and the Division of [Labor and Industry] **WORKFORCE DEVELOPMENT AND ADULT LEARNING** jointly shall issue a certificate of approval to an applicant operating or proposing to operate the program if they are satisfied, or the Secretary under subsection (d) of this section is satisfied, that the conditions of entrance, the qualifications of the administrators and instructors, the content of the program, the facilities, and the financial aspects of the program are adequate and appropriate for the purpose of the program.

(3) The Council, after notice and hearing, may suspend or revoke its approval of a program or course if it, or the Secretary under subsection (d) of this section, finds that the program or course has ceased to meet the conditions of approval.

(4) Any person, firm, or corporation whose application for approval is rejected or whose certificate of approval is suspended or revoked has a right of judicial review as provided in the Administrative Procedure Act.

(5) Except as otherwise provided in this section, the Council, in consultation with the Division of [Labor and Industry] **WORKFORCE DEVELOPMENT AND ADULT LEARNING**, after notice and hearing, may adopt rules and regulations for the implementation of this section, including rules and regulations requiring the furnishing of periodic relevant information about approved and proposed programs and the operator or proposed operator of the approved or proposed programs.

(6) Any person, firm, or corporation that knowingly offers, establishes, maintains, or operates a program in violation of this section is guilty of a misdemeanor and, upon conviction, shall be fined not more than \$1,000 or be imprisoned for not more than one year, or both.

(7) The Council, consistent with the approval of the Division of [Labor and Industry] **WORKFORCE DEVELOPMENT AND ADULT LEARNING**, in addition, shall apply to any court of competent jurisdiction for an injunction restraining violations of this section.

(c) The Council, consistent with the approval of the Division of [Labor and Industry] **WORKFORCE DEVELOPMENT AND ADULT LEARNING**, may negotiate and adopt agreements permitting reciprocity with apprenticeship and training councils of another state, or the United States Department of Labor, Office of Apprenticeship.

(d) (1) If a disagreement arises between the Council and the Division of [Labor and Industry] **WORKFORCE DEVELOPMENT AND ADULT LEARNING**, as a result of a vote taken by the Council with respect to any of the duties and responsibilities in subsections (a) through (c) of this section, the Council may designate three Council members who voted in the majority to present the position of the Council to the Secretary for consideration of the issue on which the Council and the Division disagree.

(2) A representative of the Division of [Labor and Industry] **WORKFORCE DEVELOPMENT AND ADULT LEARNING** also shall have an opportunity to present the position of the Division to the Secretary.

(3) (i) After consideration of the positions of the Council and the Division of [Labor and Industry] **WORKFORCE DEVELOPMENT AND ADULT LEARNING**, the Secretary shall issue a final decision on the issue.

(ii) The final decision issued under subparagraph (i) of this paragraph shall be the final agency decision.

(4) If a party other than the Council or the Division of [Labor and Industry] **WORKFORCE DEVELOPMENT AND ADULT LEARNING** is aggrieved by the decision of the Secretary, the party shall be entitled to judicial review as provided in the Administrative Procedure Act.

11-406.

(a) The Secretary shall appoint a Director of Apprenticeship and Training.

(b) The Director of Apprenticeship and Training shall:

(1) have the responsibility of promoting apprenticeship [and other forms of on-the-job training]; and

(2) obtain the assistance of the Office of Apprenticeship, U.S. Department of Labor, and other federal and State agencies in promoting apprenticeships [and on-the-job training].

(c) The Director's duties shall include:



(1) encouragement and promotion of the standards established in accordance with this subtitle and with the basic standards of the Office of Apprenticeship, U.S. Department of Labor;

(2) bringing about the settlement of differences arising out of apprenticeship programs and agreements when the differences cannot be adjusted locally or in accordance with established trade procedure;

(3) supervision of the execution of agreements and the maintenance of standards;

(4) registration of apprenticeship programs and agreements;

(5) keeping a record of apprenticeship agreements and programs, and upon performance thereunder issuing certificates of completion of apprenticeship;

(6) encouragement of liaison and cooperation between all private, State, and federal agencies concerned with apprenticeship, trade, and industrial training;

(7) promotion of public awareness of apprenticeship and other occupational training; and

(8) keeping a record of the progress of apprenticeship and training programs initiated in accordance with the provisions of this subtitle and informing the Council and the Division of [Labor and Industry] **WORKFORCE DEVELOPMENT AND ADULT LEARNING** periodically as to the results.

11-409.

(a) In this section, "Committee" means the Youth Apprenticeship Advisory Committee.

(b) There is a Youth Apprenticeship Advisory Committee in the Division of [Labor and Industry] **WORKFORCE DEVELOPMENT AND ADULT LEARNING**.

(c) The Committee consists of the following members:

(1) the Secretary, or the Secretary's designee;

(2) the State Superintendent of Schools, or the State Superintendent's designee;

(3) the Secretary of Commerce, or the Secretary's designee;

(4) the Secretary of Juvenile Services, or the Secretary's designee;

(5) the [Commissioner, or the Commissioner's designee] **ASSISTANT SECRETARY OF THE DIVISION OF WORKFORCE DEVELOPMENT AND ADULT LEARNING, OR THE ASSISTANT SECRETARY'S DESIGNEE**; and

(6) the following members, appointed by the Governor:

(i) two representatives of the Council;

(ii) one representative of an employee organization;

(iii) one employer whose business has a nonjoint apprenticeship program;

(iv) one representative from a community college;

(v) one individual who holds a doctoral degree and specializes in labor economics with expertise in national and international apprenticeship systems;

(vi) one representative of a nonprofit organization who is involved with employee training and workforce development; ~~and~~

(vii) one representative of the Maryland Chamber of Commerce; **AND**

**(VIII) TWO REPRESENTATIVES FROM REGIONAL BUSINESS COUNCILS THAT SERVE DIFFERENT REGIONS OF THE STATE.**

(d) The Committee shall:

(1) evaluate the effectiveness of existing high school youth apprenticeship programs in the State, other states, and other countries based on a systematic review of relevant data;

(2) review and identify:

(i) ways to implement high school youth apprenticeship programs in the State; and

(ii) means through which employers and organizations can obtain grants, tax credits, and other subsidies to support establishment and operation of high school youth apprenticeship programs; and

(3) set targets for the number of apprenticeship opportunities for youth that the State should reach over the next 3 years.

(e) On or before December 1 of each year, the Committee shall submit a report, in accordance with § 2-1246 of the State Government Article, to the General Assembly

regarding any recommended legislation to promote high school youth apprenticeship programs in the State.

SECTION 2. AND BE IT FURTHER ENACTED, That it is the intent of the General Assembly that regulations and guidelines promulgated by the Department of Labor, Licensing, and Regulation give adequate attention to training individuals in the State agencies involved with the transition from the federal Workforce Investment Act to the federal Workforce Innovation and Opportunity Act.

SECTION ~~2~~ 3. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2016.

**Approved by the Governor, May 10, 2016.**

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## Chapter 344

(Senate Bill 94)

AN ACT concerning

### Workforce Development – Revisions

FOR the purpose of repealing a certain provision of law requiring that certain displaced homemakers be exempt from payment of certain tuition and be counted in a certain computation of full-time equivalent enrollment; replacing obsolete references to the federal Workforce Investment Act with references to the federal Workforce Innovation and Opportunity Act; renaming the Maryland Workforce Investment Act to be the Maryland Workforce Development Act; altering the individuals to whom the workforce development program is required to provide employment, training, supportive, and related services; renaming the Governor's Workforce Investment Board to be the Governor's Workforce Development Board; repealing the requirement that the Governor's Workforce Investment Board establish a certain advisory committee; repealing the requirement that the Governor's Workforce Investment Board submit a certain report to the Governor and certain committees of the General Assembly; altering the period of time for which a certain strategy outlined in a certain State plan is to cover; replacing obsolete references to certain provisions of federal law; stating the intent of the General Assembly that certain regulations and guidelines promulgated by the Department of Labor, Licensing, and Regulation give adequate attention to certain training for certain individuals under a certain circumstance; altering certain defined terms and certain definitions; repealing a certain definition; making conforming changes; making stylistic changes; requiring the publishers of the Annotated Code of Maryland, in consultation with and subject to the approval of the Department of Legislative Services, to correct any references throughout the Annotated Code that are rendered incorrect by this Act

and to describe any corrections in an editor's note following the section affected; and generally relating to workforce development.

BY repealing and reenacting, with amendments,

Article – Economic Development

Section 3–404(e)(2)(i), 3–409(a)(3), 3–410(a)(4) and (5), 10–104(c)(3), and 13–1203(b)(2)(v)

Annotated Code of Maryland

(2008 Volume and 2015 Supplement)

BY repealing

Article – Education

Section 16–106(d)

Annotated Code of Maryland

(2014 Replacement Volume and 2015 Supplement)

BY repealing and reenacting, with amendments,

Article – Education

Section 18–708(e)(4)(iii), 18–1808(b)(9), and 24–801(c)(8)

Annotated Code of Maryland

(2014 Replacement Volume and 2015 Supplement)

BY repealing and reenacting, with amendments,

Article – Health – General

Section 19–2109(c)

Annotated Code of Maryland

(2015 Replacement Volume)

BY repealing and reenacting, with amendments,

Article – Human Services

Section 5–318(h)

Annotated Code of Maryland

(2007 Volume and 2015 Supplement)

BY repealing and reenacting, with amendments,

Article – Labor and Employment

Section 8–812(b)(4), 8–1001(b)(2)(iii)1., 8–1206(b), 11–103(a)(3), and 11–304(b); 11–501, 11–502(a), 11–503, 11–504(a) and (b)(1) and (2)(iii) and (iv), 11–505, 11–506, 11–507(a) and (b), and 11–508 to be under the amended subtitle “Subtitle 5. Maryland Workforce Development Act”; 11–602(a)(2) and (c)(1), 11–701(f), 11–702(c), 11–803(b)(12), 11–901(b)(3)(vii), 11–1002(c)(3)(i), 11–1003(b)(1)(ix), 11–1012(b), and 11–1015(i)(2)

Annotated Code of Maryland

(2008 Replacement Volume and 2015 Supplement)

BY repealing

Article – Labor and Employment

Section 11–505.1  
Annotated Code of Maryland  
(2008 Replacement Volume and 2015 Supplement)

BY repealing and reenacting, without amendments,  
Article – Labor and Employment  
Section 11–602(a)(1)  
Annotated Code of Maryland  
(2008 Replacement Volume and 2015 Supplement)

BY repealing and reenacting, with amendments,  
Article – Tax – General  
Section 10–702(a)(4)(i)  
Annotated Code of Maryland  
(2010 Replacement Volume and 2015 Supplement)

BY repealing and reenacting, with amendments,  
Article – Transportation  
Section 8–508  
Annotated Code of Maryland  
(2015 Replacement Volume and 2015 Supplement)

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

### **Article – Economic Development**

3–404.

(e) (2) In addition to the requirements under § 2.5–109(c) of this article, the report required under this subsection shall be submitted to:

(i) the Governor’s Workforce [Investment] **DEVELOPMENT** Board;  
and

3–409.

(a) The Board consists of the following 15 members:

(3) the following members appointed by the Governor with the advice of the Secretary and the chair of the Governor’s Workforce [Investment] **DEVELOPMENT** Board:

(i) five representatives of business, of which three shall represent employers with fewer than 100 employees;

(ii) three representatives of organized labor;

- Commission;
- (iii) one representative from the Maryland Higher Education Commission;
  - (iv) one representative from the State Department of Education;
  - (v) one representative from the Governor’s Workforce [Investment] **DEVELOPMENT** Board; and
  - (vi) two representatives of the general public.

3–410.

- (a) The Board shall:

(4) consult regularly with the Governor’s Workforce [Investment] **DEVELOPMENT** Board and the Maryland Economic Development Commission concerning the activities of the Program;

(5) submit a quarterly report on the Program to the Governor’s Workforce [Investment] **DEVELOPMENT** Board; and

10–104.

- (c) The General Assembly intends that:

(3) the Corporation cooperate with workforce [investment] **DEVELOPMENT** boards, private industry councils, representatives of labor, and governmental units in maximizing new economic opportunities for residents of the State;

13–1203.

- (b) (2) The voting members of the Board are:

(v) one representative of the Governor’s Workforce [Investment] **DEVELOPMENT** Board, appointed by the Executive Director of the Board;

#### **Article – Education**

16–106.

[(d) (1) For purposes of this subsection, “displaced homemaker” is an individual who:

- (i) Is 30 years of age or older;

- (ii) Has worked for the family in the family home;
  - (iii) Is not gainfully employed;
  - (iv) Has had, or would have, difficulty finding employment;
  - (v)
    1. Has depended on the income of a family member and has lost that income as the result of separation, divorce, or the death or disability of that family member; or
    2. Has depended on government assistance as the parent of dependent children and is no longer eligible for such assistance; and
  - (vi) Has an annual income that does not exceed:
    1. The federal Office of Management and Budget poverty income guidelines; or
    2. The United States Department of Labor, Bureau of Labor Statistics, 70 percent lower living standard income level.
- (2) (i) Any resident of this State who is a displaced homemaker and who enrolls in any class which is eligible under § 16–305 of this title for State support at the community college:
1. Shall be exempt from payment of tuition; and
  2. Shall be counted in computing full-time equivalent enrollment under § 16–305 of this title if enrolled in any class that is eligible for State support.
- (ii) The exemption of tuition under this section is contingent on the availability of funds under the federal Workforce Investment Act.
- (3) The Department of Labor, Licensing, and Regulation shall coordinate funds for this Displaced Homemakers Program according to the provisions of Title II of the federal Workforce Investment Act, with the funds to be provided by service delivery areas.
- (4) The Secretary of Higher Education shall:
- (i) Allocate a minimum of 200 positions for the Displaced Homemakers Program among the community colleges of the State that are located in geographic areas that have been designated by the Governor as service delivery areas in accordance with Section 101 of the federal Workforce Investment Act; and
  - (ii) Base the allocation of positions on the number of displaced homemakers in the service delivery area.]

18–708.

(e) (4) The Advisory Council shall include the following members:

(iii) One representative from the Governor’s Workforce [Investment] **DEVELOPMENT** Board, appointed by the Governor;

18–1808.

(b) The Advisory Board shall include:

(9) The chair of the Governor’s Workforce [Investment] **DEVELOPMENT** Board, or the chair’s designee;

24–801.

(c) The Council shall consist of the following members:

(8) The Chair and the Executive Director of the Governor’s Workforce [Investment] **DEVELOPMENT** Board;

#### **Article – Health – General**

19–2109.

(c) The Commission, in developing and implementing the outreach program established under subsection (a)(14) of this section, shall consult and coordinate with the Motor Vehicle Administration, workforce [investment] **DEVELOPMENT** boards, local departments of social services, local health departments, Medbank Inc., the Comptroller, the Maryland Health Care Commission, hospitals, community health resources, and physicians to provide outreach and consumer information.

#### **Article – Human Services**

5–318.

(h) (1) At the discretion of the Secretary and in consultation with the local director, the job skills enhancement program shall be administered by the local department or through the State workforce [investment] **DEVELOPMENT** area system under the **FEDERAL** Workforce [Investment] **INNOVATION AND OPPORTUNITY** Act.

(2) The Administrator of the program under paragraph (1) of this subsection shall:

(i) manage each participant’s training plan;



- (ii) maintain a database of appropriate training vendors; and
- (iii) compile necessary fiscal reports on the job skills enhancement program.

### Article – Labor and Employment

8–812.

(b) An individual who is entitled to benefits under this title shall be eligible for additional training benefits under this section if the Secretary determines that the individual:

(4) is enrolled in a training program approved by the Secretary or in a job training program authorized by the **FEDERAL Workforce [Investment] INNOVATION AND OPPORTUNITY Act [of 1998, as amended,]** that prepares the individual for entry into a demand occupation if the Secretary determines that the individual:

(i) enrolled in the training before the end of the benefit year established with respect to the separation that made the individual eligible for the training benefit;

(ii) is making satisfactory progress to complete the training; and

(iii) is not receiving similar stipends or other allowances for nontraining costs.

8–1001.

(b) The Secretary may find that a cause for voluntarily leaving is good cause only if:

(2) an individual:

(iii) leaves the subsequent employment to attend a training program for which the individual has been chosen that:

1. is offered under the Maryland Workforce **[Investment] DEVELOPMENT Act**; or

8–1206.

(b) For purposes of subsection (a) of this section, an affected employee is able and available to work for the work sharing employer for all hours in which the employee participates in training, including employer–sponsored training or worker training funded

under the **FEDERAL Workforce [Investment] INNOVATION AND OPPORTUNITY Act [of 1998]**, to enhance job skills if the program has been approved by the Secretary and the training has been authorized by the employer.

11–103.

(a) The Division shall:

(3) implement the provisions of the **FEDERAL Workforce [Investment] INNOVATION AND OPPORTUNITY Act**;

11–304.

(b) The Secretary in cooperation with the Workforce **[Investment] DEVELOPMENT** Board shall develop voluntary guidelines for employers faced with a reduction in operations. These guidelines shall include:

(1) the appropriate length of time for advance notification to employees that an employer expects to terminate due to a reduction in operations. Whenever possible and appropriate, at least 90 days notice shall be given;

(2) the appropriate continuation of benefits, such as health, severance, and pension, that an employer should provide to employees who will be terminated due to a reduction in operations; or

(3) the specific mechanisms that employers can utilize to ask for the assistance of the State's quick response program.

Subtitle 5. Maryland Workforce **[Investment] DEVELOPMENT Act**.

11–501.

This subtitle may be referred to as the “Maryland Workforce **[Investment] DEVELOPMENT Act**”.

11–502.

(a) It is State policy to coordinate all the resources available from federal, State and local governments, business, labor, and community based organizations to foster and promote a balanced, equitable, and cost-effective employment and training system. To effectuate this policy there shall be consultation between the Governor and the General Assembly in implementing the federal Workforce **[Investment] INNOVATION AND OPPORTUNITY Act** and this subtitle.

11–503.

(a) In this subtitle the definitions set forth in [§ 101] § 3 of the federal Act shall apply; definitions set forth below shall have the meanings indicated.

(b) “Dislocated worker” means an individual who:

(1) [is unlikely to return to a previous industry or occupation and:]

(i) has been terminated or laid off or has received a notice of termination or layoff from employment;

(ii) 1. is eligible for or has exhausted entitlement to unemployment compensation; or

[(iii)] 2. has been employed for a duration sufficient to demonstrate, to the appropriate entity at a one-stop center referred to in [§ 134(c)] § 121(E) of the federal Act, attachment to the workforce, but is not eligible for unemployment compensation due to insufficient earnings or having performed services for an employer that were not covered under State unemployment compensation law; AND

**(III) IS UNLIKELY TO RETURN TO A PREVIOUS INDUSTRY OR OCCUPATION;**

(2) has been terminated or laid off, or has received a notice of termination or layoff, from employment as a result of any permanent closure of, or any substantial layoff at, a plant, facility, or enterprise;

(3) is employed at a facility at which the employer has made a general announcement that the facility will close within 180 days;

(4) for purposes of eligibility to receive services other than training services described in [§ 134(d)(4)] § 134(C)(3) of the federal Act, [intensive] CAREER services described in [§ 134(d)(4)] § 134(C)(2)(A)(XII) of the federal Act, or supportive services, is employed at a facility at which the employer has made a general announcement that the facility will close;

(5) was self-employed (including employment as a farmer, a rancher, or a fisherman) but is unemployed as a result of general economic conditions in the community in which the individual resides or because of natural disasters; [or]

(6) [is a displaced homemaker] **IS THE SPOUSE OF A MEMBER OF THE ARMED FORCES ON ACTIVE DUTY, AS DEFINED IN 10 U.S.C. § 101(D)(1), AND WHO HAS EXPERIENCED A LOSS OF EMPLOYMENT AS A DIRECT RESULT OF RELOCATION TO ACCOMMODATE A PERMANENT CHANGE IN DUTY STATION OF THE MEMBER; OR**

**(7) IS THE SPOUSE OF A MEMBER OF THE ARMED FORCES ON ACTIVE DUTY, AS DEFINED IN 10 U.S.C. § 101(D)(1), AND WHO HAS BEEN PROVIDING UNPAID SERVICES TO A FAMILY MEMBER IN THE HOME AND IS UNEMPLOYED OR UNDEREMPLOYED AND EXPERIENCING DIFFICULTY IN OBTAINING OR UPGRADING EMPLOYMENT.**

(c) “Federal Act” means the federal Workforce [Investment] **INNOVATION AND OPPORTUNITY Act.**

(d) “Governor’s plan” means the State plan as provided in [§ 112] **§ 102** of the federal Act.

(e) “Individual with a disability” means any individual [who has a physical or mental disability which for the individual constitutes or results in a substantial handicap to employment] **WITH A DISABILITY, AS DEFINED IN § 3 OF THE AMERICANS WITH DISABILITIES ACT.**

(f) “Local plan” means [the comprehensive 5–year local plan required for each local workforce investment area as provided in § 118] **A PLAN SUBMITTED BY A LOCAL WORKFORCE AREA UNDER § 108 OF THE FEDERAL ACT, SUBJECT TO § 106(C)(3)(B)** of the federal Act and any final plan or modification as provided in the federal Act.

(g) “Low–income individual” means an individual who:

(1) receives, or is a member of a family which receives, cash welfare payments under a federal, State, or local income–based public assistance program;

(2) received an income, or is a member of a family that received a total family income for the 6–month period prior to application for the program involved (exclusive of unemployment compensation, child support payments, payments described in paragraph (1) of this subsection, and old age and survivors insurance benefits received under Section 202 of the Social Security Act (42 U.S.C. § 402)) that, in relation to family size, does not exceed the higher of:

(i) the poverty level for an equivalent period; or

(ii) 70 percent of the lower living standard income level for an equivalent period;

(3) is a member of a household that receives food stamps or has been determined within the 6–month period prior to application for the program involved to be eligible to receive food stamps pursuant to the Food Stamp Act of 1977 (7 U.S.C. § 2011 et seq.);

(4) is a foster child on behalf of whom State or local government payments are made;

(5) in cases permitted by regulations promulgated by the Secretary, is an adult individual with a disability whose own income meets the requirements of a program described in paragraph (1) or (2) of this subsection, but who is a member of a family whose income does not meet such requirements; or

(6) qualifies as a homeless individual, as defined in subsections (a) and (c) of § 103 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. § 11302)]

**(1) RECEIVES, HAS RECEIVED IN THE PAST 6 MONTHS, OR IS A MEMBER OF A FAMILY THAT IS RECEIVING OR HAS RECEIVED IN THE PAST 6 MONTHS, ASSISTANCE THROUGH:**

**(I) THE SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM ESTABLISHED UNDER THE FEDERAL FOOD AND NUTRITION ACT;**

**(II) THE PROGRAM OF BLOCK GRANTS TO STATES FOR TEMPORARY ASSISTANCE FOR NEEDY FAMILIES PROGRAM UNDER PART A OF TITLE IV OF THE FEDERAL SOCIAL SECURITY ACT;**

**(III) THE SUPPLEMENTAL SECURITY INCOME PROGRAM ESTABLISHED UNDER TITLE XVI OF THE FEDERAL SOCIAL SECURITY ACT; OR**

**(IV) STATE OR LOCAL INCOME-BASED PUBLIC ASSISTANCE;**

**(2) IS IN A FAMILY WITH TOTAL FAMILY INCOME THAT DOES NOT EXCEED OR IS AN INDIVIDUAL WITH A DISABILITY WHOSE OWN INCOME DOES NOT EXCEED THE HIGHER OF:**

**(I) THE FEDERAL OFFICE OF MANAGEMENT AND BUDGET POVERTY INCOME GUIDELINES; OR**

**(II) THE UNITED STATES DEPARTMENT OF LABOR, BUREAU OF LABOR STATISTICS, 70% LOWER LIVING STANDARD INCOME LEVEL;**

**(3) IS A HOMELESS INDIVIDUAL, AS DEFINED IN § 41403(6) OF THE FEDERAL VIOLENCE AGAINST WOMEN ACT;**

**(4) IS A HOMELESS CHILD OR YOUTH, AS DEFINED IN § 725(2) OF THE FEDERAL MCKINNEY-VENTO HOMELESS ASSISTANCE ACT;**

**(5) RECEIVES OR IS ELIGIBLE TO RECEIVE A FREE OR REDUCED PRICE LUNCH UNDER THE FEDERAL RICHARD B. RUSSELL NATIONAL SCHOOL LUNCH ACT; OR**

**(6) IS A FOSTER CHILD ON BEHALF OF WHOM STATE OR LOCAL GOVERNMENT PAYMENTS ARE MADE.**

(h) “Participant” means an individual who has been determined eligible to participate in and who is receiving services (except follow-up services authorized under this title) under a program authorized under this title.

(i) “Performance standards” means the basic measures of performance for training programs to be prescribed by the Secretary and such variations of the standards as the Governor may prescribe.

(j) “Secretary” means the United States Secretary of Labor.

(k) “State Workforce [Investment] **DEVELOPMENT** Board” means the Governor’s Workforce [Investment] **DEVELOPMENT** Board, as provided in [§ 111] **§ 101** of the federal Act.

(l) “Supportive services” means services such as transportation, child care, dependent care, housing, and needs-related payments that are necessary to enable an individual to participate in activities authorized under the federal Act[, consistent with the federal Act].

(m) “Training [organization] **PROVIDER**” means an entity that provides training and employment services to individuals described in § 11–504(b) of this subtitle.

(n) “Workforce [investment] **DEVELOPMENT** area” means a geographic area designated by the Governor in accordance with [§ 116] **§ 106** of the federal Act.

11–504.

(a) A workforce [investment training] **DEVELOPMENT** program is established to implement the federal Act.

(b) (1) This program shall provide employment, training, supportive and related services [for unemployed individuals who are low income, for dislocated workers, and for those who are not low income, but who qualify under the federal Act as having barriers to employment, including, but not limited to, displaced homemakers, school dropouts, teenage parents, individuals with disabilities, older workers, veterans, and other participants as defined by the federal Act] **TO ELIGIBLE JOB SEEKERS, AS DEFINED IN THE FEDERAL ACT, INCLUDING INDIVIDUALS WITH BARRIERS TO EMPLOYMENT, SUCH AS THOSE WHO ARE LOW INCOME OR LOW-SKILLED, TO ALLOW INDIVIDUALS TO SUCCEED IN THE LABOR MARKET AND TO MATCH EMPLOYERS WITH THE SKILLED WORKERS NEEDED TO COMPETE IN THE GLOBAL ECONOMY.**

(2) (iii) A training organization shall reimburse the Department of Transportation for the cost of transit passes provided to the training [organization] **PROVIDER** under this paragraph.

(iv) To be eligible to receive transit passes under this paragraph, a training [organization] **PROVIDER** shall include in its contract with the local workforce [investment] **DEVELOPMENT** board or local workforce [investment] **DEVELOPMENT** agency a provision requiring reimbursement of the training [organization] **PROVIDER** for its costs under subparagraph (iii) of this paragraph.

11-505.

(a) The Governor's Workforce [Investment] **DEVELOPMENT** Board is established and shall have the membership as provided in [§ 111] **§ 101** of the federal Act [and U.S. Department of Labor regulations].

(b) (1) Subject to subsection (a) of this section, the members of the Governor's Workforce [Investment] **DEVELOPMENT** Board shall be appointed by the Governor for staggered terms set by the Governor by executive order.

(2) To the extent practicable, the composition of the Governor's Workforce [Investment] **DEVELOPMENT** Board shall reflect the race, gender, and geographic diversity of the population of the State.

(c) The Governor's Workforce [Investment] **DEVELOPMENT** Board shall be funded consistent with [ §§ 111 and 128]  **§§ 101 AND 128** of the federal Act and shall have personnel and appropriations as are provided in the State budget.

(d) The Governor's Workforce [Investment] **DEVELOPMENT** Board shall perform the duties and functions identified in [§ 111] **§ 101** of the federal Act and other functions designated by the Governor as necessary to improve the quality of the State's workforce.

(e) The Governor's Workforce [Investment] **DEVELOPMENT** Board may adopt any rule or regulations necessary to carry out its powers and duties.

(f) As soon after January 1 of each year as reasonably possible, the Governor's Workforce [Investment] **DEVELOPMENT** Board shall submit an annual report to the Governor and, subject to § 2-1246 of the State Government Article, to the General Assembly.

(g) (1) Except as provided in paragraph (2) of this subsection and subject to paragraph (3) of this subsection, a member shall be considered to have resigned if the member did not attend at least two-thirds of the Board meetings held during any consecutive 12-month period while the member was serving on the Board.

(2) The Governor may waive a member's resignation and allow the member to continue serving if the member has been unable to attend meetings for reasons satisfactory to the Governor and the reasons are made public.

(3) In accordance with § 8–501 of the State Government Article, the chair shall provide notice to the Governor and the Governor shall appoint a successor.

[11–505.1.

(a) (1) The Governor's Workforce Investment Board shall establish an advisory committee to:

(i) identify the workforce needs and the education and training requirements of employment fields with available or growing opportunities;

(ii) identify the workforce and education and training needs of regions of the State that have high levels of unemployment;

(iii) examine the use of individual educational training accounts by other states that assist state residents in paying for education and training programs;

(iv) make recommendations regarding an individual educational training account pilot program; and

(v) recommend a pathways for academic career and employment program to provide grants to community colleges for the development of projects in coordination with:

1. institutions of postsecondary education located in the State;

2. the Department of Labor, Licensing, and Regulation;

3. the Department of Economic Competitiveness and Commerce; and

4. the Governor's Workforce Investment Board.

(2) The advisory committee shall include representatives from:

(i) the Governor's Workforce Investment Board;

(ii) institutions of postsecondary education located in the State, including community colleges and private career schools;

(iii) the Department of Labor, Licensing, and Regulation;



- (iv) the Department of Economic Competitiveness and Commerce;
  - (v) businesses and industries located in the State, including at least one representative from the biotechnology industry; and
  - (vi) labor organizations located in the State.
- (3) The Governor's Workforce Investment Board shall provide staff for the advisory committee.

(b) On or before June 1 of each year, the Governor's Workforce Investment Board shall submit a report on its findings and recommendations to the Governor and, in accordance with § 2-1246 of the State Government Article, to the Senate Education, Health, and Environmental Affairs Committee and the House Committee on Ways and Means on the implementation of this subtitle.]

11-506.

In accordance with [§ 112] § 102 of the federal Act, the Governor shall submit to the Secretary a State plan that includes the workforce initiatives of State agencies and outlines a [5-year] 4-YEAR strategy for the statewide workforce [investment] DEVELOPMENT system of the State. The Governor's plan shall include, but not be limited to, those items set forth in [§ 112] § 102 of the federal Act.

11-507.

(a) After receiving recommendations from the Governor's Workforce [Investment] DEVELOPMENT Board regarding youth and adult discretionary allocations, as provided for in [§§ 128(a) and (b)(1) and (3) and 133(a) and (b)(1) and (3)] §§ 128 AND 133 of the federal Act, the Governor shall allocate federal funds in accordance with §§ 128 and 133 of the federal Act, the State plan, and State budget procedures.

(b) After receiving recommendations from the Governor's Workforce [Investment] DEVELOPMENT Board regarding the utilization of federal funds for reservations for State activities under [§ 133(a) and for dislocated workers under § 133(b)(2)(B)] §§ 128 AND 133(A) of the federal Act, the Governor, except for funds reserved for State purposes, shall distribute the remainder to the workforce investment areas in accordance with [§ 133] §§ 128 AND 133 of the federal Act, the State plan, and State budget procedures.

11-508.

To the extent that State funds become available and subject to the procedures in § 11-505(d) of this subtitle, after receiving recommendations from the Governor's Workforce [Investment] DEVELOPMENT Board regarding the utilization of State funds to supplement federal funds for employment and training services, supportive services, and

for related services such as training allowances and stipends, the Governor may allocate an amount for such purposes in accordance with State budget procedures.

11–602.

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

(2) “Local area” means the local workforce [investment] **DEVELOPMENT** areas established in this State under the federal Workforce [Investment] **INNOVATION AND OPPORTUNITY** Act [of 1998].

(c) The Director shall:

(1) make grants in furtherance of the Program objectives to fiscal agents for local areas in accordance with the allocation formulas established under the federal Workforce [Investment] **INNOVATION AND OPPORTUNITY** Act;

11–701.

(f) “Local board” means a local workforce [investment] **DEVELOPMENT** board established to administer services in a workforce [investment] **DEVELOPMENT** area established under Subtitle 5 of this title.

11–702.

(c) The Department, in consultation with the Department of Economic Competitiveness and Commerce and the Governor’s Workforce [Investment] **DEVELOPMENT** Board, shall establish and administer the Maryland EARN Program to provide grants on a competitive basis for:

(1) an approved strategic industry partnership for development of a plan consistent with the purpose of the Maryland EARN Program;

(2) workforce training programs and other qualified programs that provide industry valued skills training to individuals that result in a credential or identifiable skill consistent with an approved strategic industry partnership plan; and

(3) job readiness training and skills training that results in a credential or an identifiable skill.

11–803.

(b) The Transition Council shall consist of the following members:

(12) the Chair of the Governor’s Workforce [Investment] **DEVELOPMENT** Board; and

11-901.

(b) (3) The following officials shall serve ex officio:

(vii) the Chair of the Governor's Workforce [Investment] **DEVELOPMENT** Board, or the Chair's designee;

11-1002.

(c) The purpose of the Corporation is to:

(3) obtain resources for the statewide workforce programs developed under this subtitle from private and public sources including:

(i) local workforce [investment] **DEVELOPMENT** boards;

11-1003.

(b) The board consists of the following members:

(1) as ex officio members:

(ix) the Chair of the Governor's Workforce [Investment] **DEVELOPMENT** Board; and

11-1012.

(b) Each county, municipal corporation, and local workforce [investment] **DEVELOPMENT** board in the State may work with the Corporation on matters relating to the political subdivision or entity.

11-1015.

(i) Expenditures from the Fund:

(2) shall be made in consultation with the Governor's Workforce [Investment] **DEVELOPMENT** Board.

### Article – Tax – General

10-702.

(a) (4) "Economically disadvantaged individual" means an individual who is certified by provisions that the Department of Labor, Licensing, and Regulation adopts as an individual who, before becoming employed by a business entity in an enterprise zone:

(i) was both unemployed for at least 30 consecutive days and qualified to participate in training activities for the economically disadvantaged under the federal Workforce [Investment] **INNOVATION AND OPPORTUNITY** Act or its successor; or

### Article – Transportation

8–508.

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

(2) “Board” means the Governor’s Workforce [Investment] **DEVELOPMENT** Board.

(3) “Highway or capital transit construction” means actual construction, preliminary engineering, planning and research, or any other work or activity to implement federal laws for the administration of federal aid for highways or capital transit projects.

(4) “Workforce [investment] **DEVELOPMENT** area” has the meaning stated in § 11–503(n) of the Labor and Employment Article.

(b) The Department shall use the maximum feasible amount of federal funds available to the State under 23 U.S.C. § 140(b) to develop, conduct, and administer highway or capital transit construction training and supportive services, including skill improvement programs.

(c) The Department shall administer the training programs under subsection (b) of this section in collaboration with the Board to ensure that highway or capital transit construction training and supportive services are provided to the greatest extent feasible to individuals in each relevant workforce [investment] **DEVELOPMENT** area.

(d) (1) By February 1 of each year, the Department and Board shall submit to the Senate Budget and Taxation Committee, Senate Finance Committee, House Appropriations Committee, and House Committee on Ways and Means, in accordance with § 2–1246 of the State Government Article, a report on the Department’s and Board’s compliance with subsections (b) and (c) of this section with respect to each of the 2 previous calendar years.

(2) The report shall:

(i) Describe the highway or capital transit construction training, supportive services, and skill improvement programs the Department and Board have conducted and administered in each workforce [investment] **DEVELOPMENT** area, including a description of:

1. Any entities, institutions, or organizations used by the Department and Board to provide the training and services; and

2. The individuals and organizations that have received training and services;

(ii) Analyze the results of the training programs in each workforce [investment] DEVELOPMENT area;

(iii) State the amount of federal funds available to the State under 23 U.S.C. § 140(b); and

(iv) Identify the amount spent in each workforce [investment] DEVELOPMENT area to conduct and administer the programs.

SECTION 2. AND BE IT FURTHER ENACTED, That it is the intent of the General Assembly that regulations and guidelines promulgated by the Department of Labor, Licensing, and Regulation give adequate attention to training individuals in the State agencies involved with the transition from the federal Workforce Investment Act to the federal Workforce Innovation and Opportunity Act.

SECTION ~~2~~ 3. AND BE IT FURTHER ENACTED, That the publishers of the Annotated Code of Maryland, in consultation with and subject to the approval of the Department of Legislative Services, shall correct any references throughout the Annotated Code that are rendered incorrect by this Act, with no further action required by the General Assembly. The publishers shall adequately describe any such correction in an editor's note following the section affected.

SECTION ~~3~~ 4. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016.

**Approved by the Governor, May 10, 2016.**

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## Chapter 345

### (Senate Bill 93)

AN ACT concerning

### **Maryland Workforce Corporation and Health Care Personnel Training Fund – Repeal**

FOR the purpose of repealing the Maryland Workforce Corporation and the Health Care Personnel Training Fund; repealing certain provisions of law related to the board of directors, officers, and employees of the Corporation; repealing certain provisions of

law related to the authority and duties of the Corporation; requiring that all net assets of the Corporation revert to the State for a public purpose; requiring the Department of Labor, Licensing, and Regulation to receive and dispose of the assets on behalf of the State; and generally relating to the Maryland Workforce Corporation and the Health Care Personnel Training Fund.

BY repealing

Article – Labor and Employment

Section 11–1001 through 11–1015 and the subtitle “Subtitle 10. Maryland Workforce Corporation”

Annotated Code of Maryland

(2008 Replacement Volume and 2015 Supplement)

BY repealing

Article – State Government

Section 12–101(a)(2)(xii)

Annotated Code of Maryland

(2014 Replacement Volume and 2015 Supplement)

BY repealing and reenacting, with amendments,

Article – State Government

Section 12–101(a)(2)(xiii) and (xiv)

Annotated Code of Maryland

(2014 Replacement Volume and 2015 Supplement)

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

### **Article – Labor and Employment**

[Subtitle 10. Maryland Workforce Corporation.]

[11–1001.

- (a) In this subtitle the following words have the meanings indicated.
- (b) “Board” means the board of directors of the Corporation.
- (c) “Corporation” means the Maryland Workforce Corporation.]

[11–1002.

- (a) There is a Maryland Workforce Corporation.
- (b) The Corporation is a body politic and corporate and is an instrumentality of the State.

(c) The purpose of the Corporation is to:

(1) work in coordination with the Department and other State agencies to establish a plan and framework for innovative, demand-driven programs across the State that will give Maryland workers the opportunity to acquire and develop the education and skills needed to participate fully in the workforce;

(2) solicit, acquire, and coordinate private and public funding to assure a reliable funding stream for the programs developed under this subtitle;

(3) obtain resources for the statewide workforce programs developed under this subtitle from private and public sources including:

(i) local workforce investment boards;

(ii) community colleges;

(iii) adult learning programs;

(iv) correctional education and vocational programs;

(v) the Department of Human Resources;

(vi) the Department of Economic Competitiveness and Commerce;

(vii) the Higher Education Commission; and

(viii) the Department;

(4) administer the programs developed under this subtitle in accordance with the plan developed under item (1) of this subsection;

(5) provide grants, funding, and other assistance to support the programs developed under this subtitle;

(6) contract with training providers to conduct education and skills training programs;

(7) act as a research and development resource in finding solutions for new and emerging workforce issues; and

(8) evaluate the effectiveness of the programs developed under this subtitle.]

[11-1003.

(a) (1) There is a board of directors of the Corporation.

- (2) The board shall manage the Corporation and exercise its corporate powers.
  - (3) The board shall meet at least four times a year.
- (b) The board consists of the following members:
- (1) as ex officio members:
    - (i) the Secretary;
    - (ii) the Secretary of Commerce;
    - (iii) the Secretary of Higher Education;
    - (iv) the Secretary of Human Resources;
    - (v) the Secretary of Juvenile Services;
    - (vi) the Chancellor of the University System of Maryland;
    - (vii) the State Superintendent of Schools;
    - (viii) the Executive Director of the Maryland Association of Community Colleges; and
    - (ix) the Chair of the Governor’s Workforce Investment Board; and
  - (2) fourteen individuals appointed by the Governor with the advice and consent of the Senate who have knowledge and experience in business and industry, skills training, education, including adult basic education, labor organizations, and minority employment.
- (c) (1) To the extent practicable, the members appointed to the board shall reflect the geographic, racial, ethnic, cultural, and gender diversity of the State.
- (2) A board member must be a resident of the State.
  - (3) A board member:
    - (i) serves without compensation; but
    - (ii) is entitled to reimbursement for expenses under the Standard State Travel Regulations, as provided in the State budget.



(4) The Governor may remove a board member for incompetence, misconduct, or failure to perform the duties of the position.

(d) The Governor shall designate a member of the board as its chair.

(e) (1) The term of a board member appointed under subsection (b)(2) of this section is 4 years.

(2) The terms are staggered as required by the terms provided for the members on July 1, 2009.

(3) At the end of a term, an appointed member continues to serve until a successor is appointed and qualifies.

(4) A member who is appointed after a term has begun serves only for the rest of the term and until a successor is appointed and qualifies.

(f) (1) Except as provided in paragraph (2) of this subsection, a member may be reappointed.

(2) A member who has served two consecutive 4-year terms may not be reappointed until at least 1 year has elapsed after the end of the previous term.

(3) A member who has served less than a full 4-year term may be reappointed to two full terms.

(g) Each member of the board appointed under subsection (b)(2) of this section shall disclose to the State Ethics Commission whether the member is employed by or has a financial interest in an entity that may apply to the Corporation for funding to provide workforce education and skills training.]

[11-1004.

(a) (1) The board shall appoint a president with experience and qualifications relevant to the activities and purposes of the Corporation.

(2) The president serves at the pleasure of the board.

(3) The board shall determine the salary of the president.

(b) (1) The president is the chief administrative officer of the Corporation.

(2) The president shall manage the administrative affairs and technical activities of the Corporation in accordance with policies and procedures that the board establishes.

(c) The president, or the president's designee, shall:

- (1) attend all meetings of the board;
  - (2) act as secretary of the board;
  - (3) keep minutes of all proceedings of the board;
  - (4) approve all salaries, per diem payments, and allowable expenses of the Corporation, its employees, and its consultants;
  - (5) approve any expenses incidental to the operation of the Corporation;
- and
- (6) perform the other duties that the board directs in carrying out this subtitle.]

[11–1005.

- (a) The Corporation shall employ any additional professional and clerical staff as necessary to carry out this subtitle.
- (b) The Corporation may retain consultants, agents, and advisers as necessary.
- (c)
  - (1) The Attorney General is the legal adviser to the Corporation.
  - (2) With the approval of the Attorney General, the Corporation may retain any necessary lawyers.]

[11–1006.

- (a)
  - (1) Except as otherwise provided in this section, in exercising its powers, the Corporation:
    - (i) may carry out its corporate purposes without the consent of any State unit; and
    - (ii) is not subject to the following provisions of the State Finance and Procurement Article:
      1. Title 2, Subtitle 2 (Gifts and Grants);
      2. Title 3 (Budget and Management);
      3. Title 3A (Department of Information Technology);
      4. Title 4 (Department of General Services);

5. Title 6, Subtitle 1 (Studies and Estimates);

6. Title 7, Subtitle 1 (State Operating Budget), Subtitle 2 (Disbursements and Expenditures), and Subtitle 3 (Unspent Balances); and

7. Division II (General Procurement Law).

(2) The Corporation is subject to the Public Information Act and the Open Meetings Act.

(b) (1) The board and the officers and employees of the Corporation are subject to the Public Ethics Law.

(2) The officers and employees of the Corporation are not subject to:

(i) Division II of the State Personnel and Pensions Article; or

(ii) the provisions of Division I of the State Personnel and Pensions Article that govern the State Personnel Management System.

(c) The Corporation, its officers, and its employees are subject to Title 12, Subtitle 4 of the State Finance and Procurement Article.

(d) The Corporation is exempt from State and local taxes.]

[11–1007.

(a) The Corporation shall establish a system of financial accounting, controls, audits, and reports.

(b) The fiscal year of the Corporation begins on July 1 and ends on the following June 30.]

[11–1008.

(a) The exercise by the Corporation of the powers conferred by this subtitle is the performance of an essential public function.

(b) The Corporation may:

(1) adopt bylaws;

(2) adopt a seal;

(3) maintain offices at a place in the State that the Corporation designates;

(4) apply for and accept loans, grants, or assistance in any form from federal, State, or local governments, colleges or universities, or foundations or other private sources to support workforce education and skills training programs;

(5) administer programs that further the goals and objectives of the Corporation;

(6) provide grants, funding, and other assistance to State and local agencies, colleges and universities, employers, administrators of labor/management training and upgrading funds, and nonprofit organizations for education and skills training programs;

(7) contract with training providers to conduct education and skills training programs;

(8) assist training providers by coordinating funding for training programs;

(9) make, execute, and enter into any contracts or legal instruments;

(10) sue or be sued;

(11) seek tax exempt status from the Internal Revenue Service;

(12) exercise a power usually possessed by a private corporation in performing similar functions unless to do so would conflict with the laws of the State; and

(13) do anything necessary or convenient to carry out the powers granted by this subtitle.

(c) The Corporation may not offer or provide educational or skills training unless the Corporation determines that there are no other training providers available.】

[11–1009.

The Secretary may allocate funds to the Corporation for its expenses, as provided for in the State budget.】

[11–1010.

(a) (1) As soon as practicable after the close of the fiscal year, an independent certified public accountant shall audit the financial books, records, and accounts of the Corporation.

(2) The Corporation shall select an accountant to conduct the audit who:

(i) is licensed to practice certified public accountancy in the State;

(ii) is experienced and qualified in the accounting and auditing of public entities; and

(iii) does not have a direct or indirect personal interest in the fiscal affairs of the Corporation.

(3) (i) Except as provided in subparagraph (ii) of this paragraph, on or before November 1 after each fiscal year, the accountant shall report the results of the audit, including the accountant's opinion, made without reservation, of the presentation of the financial position of the funds of the Corporation, and the results of the financial operations of the Corporation.

(ii) If the accountant cannot express an opinion without reservation, the accountant shall explain in detail the reasons for the qualifications and disclaimers, including recommendations for changes that could make future opinions without reservation possible.

(b) The State may audit the books, records, and accounts of the Corporation.]

[11-1011.

(a) Within 90 days after the start of each fiscal year, the Corporation shall report on its status to the Governor and, subject to § 2-1246 of the State Government Article, the General Assembly.

(b) The report shall state the complete operating and financial statement covering the Corporation's operations and summarize the Corporation's activities during the preceding fiscal year.]

[11-1012.

(a) Each unit in the Executive Branch of State government and each institution of higher education in the State may work with the Corporation on matters relating to the unit.

(b) Each county, municipal corporation, and local workforce investment board in the State may work with the Corporation on matters relating to the political subdivision or entity.]

[11-1013.

(a) All debts, claims, obligations, and liabilities of the Corporation, whenever incurred, shall be the debts, claims, obligations, and liabilities of the Corporation only and not of the State, units of State government, other State instrumentalities, or State officers or employees.

(b) The debts, claims, obligations, and liabilities of the Corporation may not be considered a debt of the State or a pledge of the credit of the State.]

[11–1014.

This subtitle shall be liberally construed to carry out its purposes.]

[11–1015.

(a) In this section, “Fund” means the Health Care Personnel Training Fund.

(b) There is a Health Care Personnel Training Fund.

(c) The purpose of the Fund is to provide grants to training consortiums that involve labor–management partnerships that train and upgrade the qualifications of health care personnel.

(d) The Department shall administer the Fund.

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

(2) The State Treasurer shall hold the Fund separately, and the Comptroller shall account for the Fund.

(f) The Fund shall consist solely of:

(1) money received from the federal government; and

(2) investment earnings of the Fund.

(g) The Fund may be used only to provide grants to training consortiums that involve labor–management partnerships that train and upgrade the qualifications of health care personnel.

(h) (1) The State Treasurer shall invest the money of the Fund in the same manner as other State money may be invested.

(2) Any investment earnings of the Fund shall be credited to the Fund.

(i) Expenditures from the Fund:

(1) may be made only in accordance with the State budget; and

(2) shall be made in consultation with the Governor’s Workforce Investment Board.]

**Article – State Government**

12–101.

(a) In this subtitle, unless the context clearly requires otherwise, “State personnel” means:

(2) an employee or official of the:

[(xii) Maryland Workforce Corporation;]

[(xiii)] **(XII)** Maryland Underground Facilities Damage Prevention Authority; and

[(xiv)] **(XIII)** Maryland Clean Energy Center;

SECTION 2. AND BE IT FURTHER ENACTED, That, pursuant to the bylaws of the corporation, all net assets of the Maryland Workforce Corporation shall revert to the State for a public purpose. The Department of Labor, Licensing, and Regulation shall receive and dispose of the assets, if any, on behalf of the State.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016.

**Approved by the Governor, May 10, 2016.**

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**Chapter 346**

**(Senate Bill 95)**

AN ACT concerning

**Division of Workforce Development and Adult Learning – Adult Education and Literacy Services – Revisions**

FOR the purpose of repealing the Workforce Creation and Adult Education Transition Council; repealing an obsolete reporting requirement; altering the responsibility of the Department of Labor, Licensing, and Regulation as it relates to the development of a certain State plan; repealing a certain provision of law authorizing each county board of education to establish and maintain day and evening schools for adults; specifying the purpose of adult education and literacy services; altering the list of examples of adult education and literacy services for which certain grants may be used; altering the information required to be included on a certain list compiled by the Department; requiring the Department and the State Board of Education, rather

than the State Board alone, to award diplomas to certain individuals; altering the circumstances under which an individual may obtain a high school diploma by examination under a certain provision of law; exempting a current member of the armed forces from a certain residency requirement; altering the method by which a member of the armed forces may earn a Maryland high school diploma; defining a certain term; altering a certain definition; making conforming changes; making a stylistic change; and generally relating to adult education and literacy services.

BY adding to

Article – Labor and Employment  
Section 11–801 and 11–805  
Annotated Code of Maryland  
(2008 Replacement Volume and 2015 Supplement)

BY repealing and reenacting, with amendments,

Article – Labor and Employment  
Section 11–801, 11–802, 11–804, 11–806, 11–807, and 11–808  
Annotated Code of Maryland  
(2008 Replacement Volume and 2015 Supplement)

BY repealing

Article – Labor and Employment  
Section 11–803 and 11–805  
Annotated Code of Maryland  
(2008 Replacement Volume and 2015 Supplement)

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

### **Article – Labor and Employment**

#### **11–801.**

**IN THIS SUBTITLE, “ADULT EDUCATION” MEANS ACADEMIC INSTRUCTION AND EDUCATION SERVICES BELOW THE POSTSECONDARY LEVEL FOR INDIVIDUALS:**

- (1) WHO ARE AT LEAST 16 YEARS OLD;**
- (2) WHO ARE NOT ENROLLED OR REQUIRED TO BE ENROLLED IN HIGH SCHOOL UNDER STATE LAW; AND**
- (3) WHO:**
  - (I) ARE BASIC SKILLS DEFICIENT;**



(II) DO NOT HAVE A HIGH SCHOOL DIPLOMA OR ITS RECOGNIZED EQUIVALENT AND HAVE NOT ACHIEVED AN EQUIVALENT LEVEL OF EDUCATION; OR

(III) ARE ENGLISH LANGUAGE LEARNERS.

[11-801.] **11-802.**

(a) There is an Adult Education and Literacy Services Office in the Division of Workforce Development and Adult Learning of the Department.

(b) The Adult Education and Literacy Services Office shall be the sole agency in the State responsible for administering and supervising policy and funding for adult education and literacy.

[11-802.] **11-803.**

The Adult Education and Literacy Services Office, with the approval of the Secretary, may adopt regulations to carry out this subtitle.

[11-803.]

(a) There is a Workforce Creation and Adult Education Transition Council in the Department to coordinate the Integration of Adult Education and Literacy Services with the Division of Workforce Development and its programs.

(b) The Transition Council shall consist of the following members:

- (1) one member of the Senate, appointed by the President;
- (2) one member of the House of Delegates, appointed by the Speaker;
- (3) the Secretary, who shall serve as Cochair;
- (4) the Secretary of Commerce;
- (5) the Secretary of the Department of Public Safety and Correctional Services;
- (6) the State Superintendent of Schools, who shall serve as Cochair;
- (7) the Secretary of Higher Education;
- (8) the Chancellor of the University System of Maryland;

(9) a representative of the Maryland Association for Adult Community and Continuing Education;

(10) a representative of the Maryland Workforce Development Association;

(11) a representative of the Maryland Association of Community Colleges;

(12) the Chair of the Governor's Workforce Investment Board; and

(13) ten members appointed by the Governor, including representatives from the following communities of interest:

(i) family literacy;

(ii) adult basic education;

(iii) career and technical education;

(iv) workplace literacy;

(v) correctional education;

(vi) community libraries;

(vii) English as a second language providers;

(viii) organized labor;

(ix) employers; and

(x) nonprofit organizations involved in programs to promote economic self-sufficiency.

(c) The Transition Council shall:

(1) develop a plan for the seamless transition of the adult education, literacy, and correctional education programs from the State Department of Education to the Department;

(2) actively assist in the development of a new State plan for adult education;

(3) identify existing adult education programs in other units of State government and develop strategies to make the agencies part of a coordinated program;

(4) recommend a framework for a new State system of delivering adult education and workforce programs through the Department that:

- (i) provides for the effective alignment of adult education, literacy, and correctional education programs with workforce development programs;
  - (ii) tracks outcomes of adult education students; and
  - (iii) is consistent with applicable federal laws;
- (5) review the overlapping responsibilities of correctional education as they relate to implementation of adult correctional education and juvenile services education;
- (6) determine the advisability of transferring correctional education services in light of the potential negative impact the transfer could have on the effective operation of juvenile services education; and
- (7) recommend the composition and responsibilities of a State Advisory Council on Adult Education, Literacy, and Workforce Development.
- (d) The Department shall provide staff to the Transition Council.
- (e) (1) On or before December 31, 2008, the Transition Council shall complete its work and shall report to the Governor and, subject to the provisions of § 2–1246 of the State Government Article, to the General Assembly, on its activities and recommendations.
- (2) The report shall include a summary of the plan for the seamless transition of the adult education, literacy, and correctional education programs from the State Department of Education including:
- (i) strategies for ensuring program continuity for clients of the affected programs;
  - (ii) strategies for ensuring continuity in the State administration of affected grant programs;
  - (iii) provisions regarding affected employees, including a specific analysis of the transfer of employees with shared responsibilities for adult correctional education and juvenile services education such as grant managers and program coordinators;
  - (iv) strategies for coordinating the activities and responsibilities of units of State government involved in administering the transferred programs; and
  - (v) strategies for addressing potential challenges to implementing the transition of the affected programs in a manner that ensures the continued delivery of quality content to clients of the affected programs.]

The Department shall be responsible for the development of the [State plan for adult education and literacy services and its submission to the federal Department of Education] **COMPONENTS OF THE STATE PLAN REQUIRED TO BE SUBMITTED UNDER FEDERAL LAW TO CARRY OUT ADULT EDUCATION AND LITERACY SERVICES.**

[11–805.

(a) In accordance with the applicable rules and regulations of the Department, each county board of education may establish and maintain day and evening schools for adults.

(b) The purpose of these schools for adults is to provide:

(1) a general program of continuing education for the improvement of the civic, occupational, and general intelligence of adults; and

(2) programs to enable adults to make a wise use of their leisure time.

(c) A full-time student, at the student's own expense, may register for adult education courses, if space is available, and if that student secures the written permission of the superintendent of schools, or the superintendent's designee, of the county in which the student registers.]

**11–805.**

**THE PURPOSE OF ADULT EDUCATION AND LITERACY SERVICES IS TO:**

**(1) ASSIST ADULTS TO BECOME LITERATE AND OBTAIN THE KNOWLEDGE AND SKILLS NECESSARY FOR EMPLOYMENT AND SELF-SUFFICIENCY;**

**(2) ASSIST ADULTS WHO ARE PARENTS OR FAMILY MEMBERS TO OBTAIN THE EDUCATION AND SKILLS NECESSARY:**

**(I) TO BECOME FULL PARTNERS IN THE EDUCATIONAL DEVELOPMENT OF THEIR CHILDREN; AND**

**(II) TO LEAD TO SUSTAINABLE IMPROVEMENTS IN THE ECONOMIC OPPORTUNITIES FOR THEIR FAMILY;**

**(3) ASSIST ADULTS IN ATTAINING A SECONDARY SCHOOL DIPLOMA AND IN THE TRANSITION TO POSTSECONDARY EDUCATION AND TRAINING, INCLUDING THROUGH CAREER PATHWAYS; AND**

**(4) ASSIST IMMIGRANTS AND OTHER INDIVIDUALS WHO ARE ENGLISH LANGUAGE LEARNERS BY:**

**(I) IMPROVING THEIR ENGLISH LANGUAGE PROFICIENCY IN READING, WRITING, SPEAKING, AND COMPREHENSION SKILLS;**

**(II) IMPROVING MATHEMATICS SKILLS; AND**

**(III) ACQUIRING AN UNDERSTANDING OF THE AMERICAN SYSTEM OF GOVERNMENT, INDIVIDUAL FREEDOM, AND THE RESPONSIBILITIES OF CITIZENSHIP.**

11-806.

(a) (1) The Adult Education and Literacy Services Office shall distribute competitive grants for adult education and literacy services in accordance with the State plan for [adult education and family literacy] **SERVICES REQUIRED UNDER THE AUTHORIZING FEDERAL LAW FOR ADULT EDUCATION AND LITERACY SERVICES.**

(2) The grants distributed under this section shall be based on need and performance.

(3) Grants under this section may be used for adult education and literacy services, including:

(i) **[GED] BASIC SKILLS** instruction;

(ii) **PREPARATION AND INSTRUCTION FOR OBTAINING A HIGH SCHOOL DIPLOMA BY EXAMINATION UNDER § 11-808 OF THIS SUBTITLE;**

(iii) the [Maryland Adult External High School] **NATIONAL EXTERNAL DIPLOMA** Program under § 11-807 of this subtitle;

**[(iii)] (IV) Workplace Literacy Services AND WORKFORCE PREPARATION ACTIVITIES;**

**[(iv)] (V) English for speakers of other languages AND INTEGRATED ENGLISH LITERACY AND CIVICS EDUCATION;**

**[(v)] (VI) family literacy; [and]**

**[(vi)] (VII) literacy instruction; AND**

**(VIII) INTEGRATED EDUCATION AND TRAINING.**

(b) Funding for the competitive grants under this section shall be as provided in the State budget.

(c) On or before August 1 each year, the Department shall:

(1) compile a list by county of **ADULT EDUCATION AND LITERACY SERVICES GRANT RECIPIENTS FOR** adult education and literacy services offered to the public;

(2) distribute the list to the county board and county superintendent or chief executive officer of each local school system in the State; and

(3) post the list on its public website.

11–807.

(a) In this section, “Program” means the [Maryland Adult External High School] **NATIONAL EXTERNAL DIPLOMA** Program [established for the citizens of Maryland] **ADOPTED** under regulations [adopted] by the Secretary in consultation with the State Board of Education.

(b) (1) The Department and the State Board of Education recognize demonstrated competencies in adults, whether or not those competencies were acquired in a formal school setting.

(2) In response to its recognition of competencies, the Department shall provide alternative requirements and methods of obtaining a Maryland high school diploma.

(3) The **DEPARTMENT AND THE** State Board of Education shall award diplomas to the individuals meeting the requirements of this subtitle.

(c) (1) For each fiscal year the Governor shall include in the annual budget bill submitted to the General Assembly, including any proposed supplemental budget, a General Fund appropriation for the [Maryland Adult External High School] Program in an amount not less than the amount of the Governor’s General Fund appropriation for the Program in fiscal year 2006.

(2) In each annual budget, the Governor shall include federal funds, to the extent available, for the Program in an amount not less than the amount of the Governor’s federal fund appropriation for the Program in fiscal year 2006.

11–808.

(a) An individual may obtain a high school diploma by examination as provided in this section if the individual:

- (1) has not obtained a high school diploma;
- (2) resides in this State;
- (3) is [16 years old or older] **NOT SUBJECT TO COMPULSORY SCHOOL ATTENDANCE UNDER § 7-301 OF THE EDUCATION ARTICLE**; and
- (4) has withdrawn from a regular full-time public or private school program.

(b) The Department shall offer examinations to individuals who are pursuing a high school diploma under this subtitle at least twice each year at places throughout the State that are reasonably convenient for the applicants.

(c) The examination shall:

- (1) be offered in appropriate high school subject areas; and
- (2) be of a comprehensive nature as determined by the State Board of Education.

(d) An individual who fails an examination may repeat taking the examination.

(e) A **CURRENT** member of the armed forces **IS EXEMPT FROM THE RESIDENCY REQUIREMENT IN SUBSECTION (A)(2) OF THIS SECTION AND** may earn a Maryland high school diploma by [taking the examinations furnished by the United States Armed Forces Institute and given by the appropriate service officer] **ACHIEVING A PASSING SCORE ON THE EXAMINATION OFFERED UNDER SUBSECTION (B) OF THIS SECTION.**

(f) The diploma shall be awarded in accordance with the regulations adopted by the Secretary and the State Board of Education.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016.

**Approved by the Governor, May 10, 2016.**

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## Chapter 347

**(Senate Bill 96)**

AN ACT concerning

**Department of Labor, Licensing, and Regulation – State Collection Agency  
Licensing Board – Authority of the Secretary**

FOR the purpose of establishing that the State Collection Agency Licensing Board exercises its powers, duties, and functions subject to the authority of the Secretary of Labor, Licensing, and Regulation; and generally relating to the State Collection Agency Licensing Board.

BY adding to

Article – Business Regulation

Section 7–207

Annotated Code of Maryland

(2015 Replacement Volume and 2015 Supplement)

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

**Article – Business Regulation**

**7–207.**

**THE BOARD EXERCISES ITS POWERS, DUTIES, AND FUNCTIONS SUBJECT TO  
THE AUTHORITY OF THE SECRETARY.**

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
October 1, 2016.

**Approved by the Governor, May 10, 2016.**

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**Chapter 348**

**(Senate Bill 97)**

AN ACT concerning

**Public Health – Opioid–Associated Disease Prevention and Outreach Programs**

FOR the purpose of repealing the Prince George’s County AIDS Prevention Sterile Needle and Syringe Exchange Program; authorizing the establishment of Opioid–Associated Disease Prevention and Outreach Programs by certain entities; authorizing a county to cooperate with another county to establish a Program; requiring a local health department or a certain community–based organization to apply to the Department of Health and Mental Hygiene and a local health officer for authorization to operate a Program; authorizing a local health department or a certain community–based organization to apply at any time for authorization to



operate a Program; requiring the Department and a local health officer to jointly issue a certain determination; requiring the Department and a local health officer to approve or deny an application for authorization to operate a Program within a certain time period and to provide a certain explanation; authorizing a local health department or a certain community-based organization to appeal a certain decision to the Deputy Secretary for Public Health Services; requiring the Deputy Secretary to grant or deny a certain appeal within a certain time period and to provide a written explanation of a certain decision; requiring a Program to provide for the exchange by participants of ~~used~~ hypodermic needles and syringes; requiring a Program to operate in accordance with procedures approved by certain local health officers and the Department of Health and Mental Hygiene, on the recommendation of a certain committee; requiring a Program to be designed and maintained to provide security of ~~exchange~~ Program locations and equipment, in accordance with certain regulations; requiring a Program to be operated to allow participants to ~~exchange~~ obtain and retain hypodermic needles at any ~~exchange~~ Program location; requiring a Program to include appropriate levels of staff expertise and training; requiring a Program to provide for the dissemination of other preventive means of curtailing the spread of certain diseases; requiring a Program to provide linkage to ~~drug counseling and treatment~~ certain additional services; requiring a Program to educate ~~individuals who inject drugs~~ participants on the dangers of contracting certain diseases ~~through needle sharing practices and unsafe sexual behaviors~~; requiring a Program to provide overdose prevention education and access to naloxone or a certain referral; requiring a Program to establish procedures for identifying Program participants that are consistent with certain confidentiality provisions; requiring a Program to develop a plan for data collection and Program evaluation in accordance with certain regulations; authorizing a Program to provide certain additional services; requiring a Program to develop certain operating procedures, a certain outreach plan, and a certain protocol with the ~~advice~~ technical assistance of a certain committee; requiring a Program, ~~on the recommendation by~~ after receiving technical assistance from a certain committee, to submit certain operating procedures, a certain outreach plan, and a certain protocol to ~~certain~~ local health officers and the Department of Health and Mental Hygiene for approval ~~or disapproval~~; establishing a certain committee; requiring a certain committee to provide certain ~~advice~~ technical assistance and recommendations; requiring the Department of Health and Mental Hygiene to adopt certain regulations and ensure the provision of certain technical assistance; requiring that a Program participant be issued a certain identification card; requiring a Program to collect and report, at certain intervals, certain data to the Department; providing that certain information about a Program participant is confidential; providing that a Program staff member, Program volunteer, or Program participant may not be ~~found guilty of violating certain laws~~ arrested, charged, or prosecuted for certain violations under certain circumstances; providing for the application of this Act; defining certain terms; and generally relating to Opioid-Associated Disease Prevention and Outreach Programs.

BY repealing

Article – Health – General

Section 24–901 through 24–909 and the subtitle “Subtitle 9. Prince George’s County AIDS Prevention Sterile Needle and Syringe Exchange Program”  
Annotated Code of Maryland  
(2015 Replacement Volume)

BY adding to

Article – Health – General

Section 24–901 through ~~24–908~~ 24–909 to be under the new subtitle “Subtitle 9. Opioid–Associated Disease Prevention and Outreach Programs”

Annotated Code of Maryland  
(2015 Replacement Volume)

### Preamble

WHEREAS, Infectious diseases, such as HIV, ~~hepatitis B, and hepatitis C~~ and viral hepatitis, persist in Maryland, with injection drug use as a frequent cause of transmission, and there is a need to control the spread of these diseases; and

WHEREAS, Syringe ~~exchange~~ services programs provide access to individuals who inject drugs and engage these individuals in sexually transmitted infection screening, testing, and treatment; hepatitis C screening, testing, and treatment; and HIV screening, testing, and long–term care or pre–exposure prophylaxis; and

WHEREAS, Syringe ~~exchange~~ services programs provide comprehensive services for individuals at risk of HIV, ~~hepatitis C~~ viral hepatitis, injection–related wounds, and drug overdose, ultimately decreasing the risk of each negative outcome for the individual; and

WHEREAS, Syringe ~~exchange~~ services programs have contributed to decreases in the incidence of HIV and ~~hepatitis C~~ viral hepatitis in areas in which the programs operate, including in Baltimore City; and

WHEREAS, Syringe ~~exchange~~ services programs enhance the collection of data and information on substance–related disorder trends and patterns; and

WHEREAS, Overdose deaths in Maryland have increased dramatically, specifically from opioid use leading to heroin use, and syringe ~~exchange~~ services programs provide an opportunity to provide overdose prevention education and distribute naloxone directly to individuals at risk of overdose; and

WHEREAS, Syringe ~~exchange~~ services programs provide an opportunity to link individuals who inject drugs to substance–related disorder treatment and other health services; and

WHEREAS, Syringe ~~exchange~~ services programs assist individuals who inject drugs by preventing injection–related wounds and decreasing emergency room visits and associated costs; and

WHEREAS, Syringe ~~exchange~~ services programs have been shown to decrease the presence of syringes and needles in public places; and

WHEREAS, Syringe ~~exchange~~ services programs provide for proper disposal of contaminated syringes, reducing the number of improperly, casually disposed of syringes that become litter; and

WHEREAS, Syringe ~~exchange~~ services programs have been shown to decrease crime rates in areas in which the programs operate, and their operation is supported by law enforcement; and

WHEREAS, Syringe ~~exchange~~ services programs have a public health impact that is cost effective; now, therefore,

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That Section(s) 24–901 through 24–909 and the subtitle “Subtitle 9. Prince George’s County AIDS Prevention Sterile Needle and Syringe Exchange Program” of Article – Health – General of the Annotated Code of Maryland be repealed.

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

### Article – Health – General

#### SUBTITLE 9. OPIOID–ASSOCIATED DISEASE PREVENTION AND OUTREACH PROGRAMS.

##### 24–901.

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

(B) ~~“COMMUNITY BASED ORGANIZATION”~~ “COMMUNITY–BASED ORGANIZATION” MEANS ~~AN A PUBLIC OR PRIVATE ORGANIZATION THAT IS REPRESENTATIVE OF A COMMUNITY OR SIGNIFICANT SEGMENTS OF A COMMUNITY AND PROVIDES EDUCATIONAL, HEALTH, OR SOCIAL SERVICES TO INDIVIDUALS IN THE COMMUNITY.~~

~~(C) “COUNTY” DOES NOT INCLUDE BALTIMORE CITY.~~

~~(D)~~ (C) “DRUG” HAS THE MEANING STATED IN § 8–101 OF THIS ARTICLE.

~~(E) “HEPATITIS C VIRUS” HAS THE MEANING STATED IN A CASE DEFINITION ADOPTED BY THE FEDERAL CENTERS FOR DISEASE CONTROL AND PREVENTION.~~

~~(F)~~ (D) “HIV” MEANS THE HUMAN IMMUNODEFICIENCY VIRUS THAT CAUSES ACQUIRED IMMUNE DEFICIENCY SYNDROME (AIDS).

~~(G)~~ ~~“LOCAL HEALTH OFFICER” DOES NOT INCLUDE THE BALTIMORE CITY COMMISSIONER OF HEALTH.~~

~~(H)~~ (E) “PARTICIPANT” MEANS AN INDIVIDUAL WHO HAS REGISTERED WITH A PROGRAM.

~~(I)~~ (F) “PROGRAM” MEANS AN OPIOID-ASSOCIATED DISEASE PREVENTION AND OUTREACH PROGRAM.

~~(J)~~ (G) “RESIDUE” MEANS THE ~~DRIED~~ REMAINS OF A CONTROLLED DANGEROUS SUBSTANCE ATTACHED TO OR CONTAINED WITHIN A HYPODERMIC NEEDLE OR SYRINGE.

~~(K)~~ (H) “SUBSTANCE-RELATED DISORDER” HAS THE MEANING STATED IN § 7.5-101 OF THIS ARTICLE.

(I) “VIRAL HEPATITIS” MEANS INFLAMMATION OF THE LIVER CAUSED BY THE HEPATITIS A, B, C, D, AND E VIRUSES.

24-902.

(A) (1) A PROGRAM MAY BE ESTABLISHED BY A LOCAL HEALTH DEPARTMENT OR A COMMUNITY-BASED ORGANIZATION, SUBJECT TO THE PROVISIONS OF THIS SUBTITLE.

(2) (I) A COUNTY MAY COOPERATE WITH ANOTHER COUNTY TO ESTABLISH A PROGRAM.

(II) A COMMUNITY-BASED ORGANIZATION MAY ESTABLISH A MULTICOUNTY PROGRAM.

(3) THIS SUBTITLE DOES NOT APPLY TO THE AIDS PREVENTION STERILE NEEDLE AND SYRINGE EXCHANGE PILOT PROGRAM ESTABLISHED UNDER SUBTITLE 8 OF THIS TITLE.

(B) (1) (I) A LOCAL HEALTH DEPARTMENT OR COMMUNITY-BASED ORGANIZATION SHALL APPLY TO THE DEPARTMENT AND A LOCAL HEALTH OFFICER FOR AUTHORIZATION TO OPERATE A PROGRAM.

(II) A LOCAL HEALTH DEPARTMENT OR COMMUNITY-BASED ORGANIZATION MAY APPLY AT ANY TIME FOR AUTHORIZATION TO OPERATE A PROGRAM UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH.

(2) THE DEPARTMENT AND A LOCAL HEALTH OFFICER JOINTLY SHALL ISSUE AN AUTHORIZATION DETERMINATION BASED ON THE ABILITY OF A PROGRAM TO MEET THE REQUIREMENTS OF THIS SUBTITLE.

(3) THE DEPARTMENT AND A LOCAL HEALTH OFFICER SHALL:

(I) APPROVE OR DENY AN APPLICATION FOR AUTHORIZATION TO OPERATE A PROGRAM WITHIN 60 DAYS AFTER RECEIVING A COMPLETE APPLICATION; AND

(II) PROVIDE TO THE APPLICANT A WRITTEN EXPLANATION OF THE DECISION OF THE DEPARTMENT AND LOCAL HEALTH OFFICER.

(4) (I) A LOCAL HEALTH DEPARTMENT OR COMMUNITY-BASED ORGANIZATION MAY APPEAL AN ADVERSE DECISION BY THE DEPARTMENT AND A LOCAL HEALTH OFFICER TO THE DEPUTY SECRETARY FOR PUBLIC HEALTH SERVICES.

(II) THE DEPUTY SECRETARY SHALL:

1. GRANT OR DENY AN APPEAL WITHIN 60 DAYS AFTER RECEIVING AN APPEAL; AND

2. PROVIDE A WRITTEN EXPLANATION OF THE DEPUTY SECRETARY'S DECISION TO THE LOCAL HEALTH DEPARTMENT OR COMMUNITY-BASED ORGANIZATION.

~~(B)~~ (C) IF ESTABLISHED UNDER SUBSECTION (A) OF THIS SECTION, A PROGRAM SHALL:

(1) PROVIDE FOR SUBSTANCE USE OUTREACH, EDUCATION, AND LINKAGE TO TREATMENT SERVICES, INCLUDING THE EXCHANGE BY PARTICIPANTS OF USED HYPODERMIC NEEDLES AND SYRINGES FOR STERILE SERVICES TO PARTICIPANTS, INCLUDING DISTRIBUTION AND COLLECTION OF HYPODERMIC NEEDLES AND SYRINGES; AND

(2) OPERATE IN ACCORDANCE WITH:

(I) THE ~~ADVICE~~ TECHNICAL ASSISTANCE OF THE STANDING ADVISORY COMMITTEE; AND

(II) THE PROCEDURES, PLANS, AND PROTOCOLS APPROVED BY:

1. THE LOCAL HEALTH OFFICER FOR EACH COUNTY IN WHICH A PROGRAM IS ESTABLISHED; AND

2. THE DEPARTMENT.

24-903.

(A) A PROGRAM SHALL:

(1) BE DESIGNED AND MAINTAINED TO PROVIDE SECURITY OF ~~EXCHANGE~~ PROGRAM LOCATIONS AND EQUIPMENT, IN ACCORDANCE WITH REGULATIONS ADOPTED BY THE DEPARTMENT;

(2) BE OPERATED TO ALLOW PARTICIPANTS TO ~~EXCHANGE USED~~ OBTAIN AND RETURN HYPODERMIC NEEDLES AND SYRINGES AT ANY ~~EXCHANGE~~ PROGRAM LOCATION, IF MORE THAN ONE LOCATION IS AVAILABLE;

(3) INCLUDE APPROPRIATE LEVELS OF STAFF EXPERTISE IN WORKING WITH INDIVIDUALS WHO INJECT DRUGS;

(4) INCLUDE ADEQUATE STAFF TRAINING IN PROVIDING COMMUNITY REFERRALS, COUNSELING, AND PREVENTIVE EDUCATION;

(5) PROVIDE FOR THE DISSEMINATION OF OTHER PREVENTIVE MEANS FOR CURTAILING THE SPREAD OF HIV AND ~~THE HEPATITIS C VIRUS~~ HEPATITIS;

(6) PROVIDE LINKAGE TO ~~SUBSTANCE-RELATED DISORDER COUNSELING, TREATMENT, AND RECOVERY SERVICES;~~ ADDITIONAL SERVICES, INCLUDING:

(I) SUBSTANCE-RELATED DISORDER COUNSELING, TREATMENT, AND RECOVERY SERVICES;

(II) TESTING FOR HIV, VIRAL HEPATITIS, AND SEXUALLY TRANSMITTED DISEASES;

(III) REPRODUCTIVE HEALTH EDUCATION AND SERVICES;

(IV) WOUND CARE; AND

(V) THE SERVICES OF AN OVERDOSE RESPONSE PROGRAM UNDER TITLE 13, SUBTITLE 31 OF THIS ARTICLE;

~~(7) EDUCATE INDIVIDUALS WHO INJECT DRUGS~~ PARTICIPANTS ON THE DANGERS OF CONTRACTING HIV, THE HEPATITIS B VIRUS, AND THE HEPATITIS C VIRUS THROUGH NEEDLE SHARING PRACTICES AND UNSAFE SEXUAL BEHAVIORS HIV AND VIRAL HEPATITIS;

(8) PROVIDE OVERDOSE PREVENTION EDUCATION AND ACCESS TO NALOXONE, OR A REFERRAL FOR A PARTICIPANT TO OBTAIN NALOXONE;

~~(8)~~ (9) ESTABLISH PROCEDURES FOR IDENTIFYING PROGRAM PARTICIPANTS THAT ARE CONSISTENT WITH THE CONFIDENTIALITY PROVISIONS OF THIS SUBTITLE;

~~(9)~~ (10) ESTABLISH A METHOD OF IDENTIFICATION AND AUTHORIZATION FOR PROGRAM STAFF MEMBERS AND PROGRAM VOLUNTEERS WHO HAVE ACCESS TO HYPODERMIC NEEDLES, SYRINGES, OR PROGRAM RECORDS; AND

~~(10)~~ (11) DEVELOP A PLAN FOR DATA COLLECTION AND PROGRAM EVALUATION IN ACCORDANCE WITH REGULATIONS ADOPTED BY THE DEPARTMENT.

(B) A PROGRAM MAY OFFER ADDITIONAL SERVICES, INCLUDING:

(1) SUBSTANCE-RELATED DISORDER COUNSELING, TREATMENT, AND RECOVERY SERVICES;

(2) TESTING FOR HIV, VIRAL HEPATITIS, AND SEXUALLY TRANSMITTED DISEASES;

(3) REPRODUCTIVE HEALTH EDUCATION AND SERVICES;

(4) WOUND CARE; AND

(5) THE SERVICES OF AN OVERDOSE RESPONSE PROGRAM UNDER TITLE 13, SUBTITLE 31 OF THIS ARTICLE.

~~(B)~~ (C) WITH THE ~~ADVICE~~ TECHNICAL ASSISTANCE OF THE STANDING ADVISORY COMMITTEE, A PROGRAM SHALL DEVELOP:

(1) PROGRAM OPERATING PROCEDURES FOR THE ~~FURNISHING AND EXCHANGE~~ DISTRIBUTION, COLLECTION, AND SAFE DISPOSAL OF HYPODERMIC NEEDLES AND SYRINGES ~~TO INDIVIDUALS WHO INJECT DRUGS;~~

(2) A COMMUNITY OUTREACH AND EDUCATION PLAN; AND

(3) A PROTOCOL FOR LINKING PROGRAM PARTICIPANTS TO SUBSTANCE-RELATED DISORDER TREATMENT AND RECOVERY SERVICES.

~~(C)~~ (D) ~~ON THE RECOMMENDATION OF~~ AFTER RECEIVING TECHNICAL ASSISTANCE FROM THE STANDING ADVISORY COMMITTEE, A PROGRAM SHALL SUBMIT THE OPERATING PROCEDURES, PLAN FOR COMMUNITY OUTREACH AND EDUCATION, AND PROTOCOL FOR LINKING PROGRAM PARTICIPANTS TO SUBSTANCE-RELATED DISORDER TREATMENT AND RECOVERY SERVICES DEVELOPED UNDER SUBSECTION ~~(B)~~ (C) OF THIS SECTION FOR APPROVAL ~~OR DISAPPROVAL BEFORE IMPLEMENTATION~~ TO:

(1) THE LOCAL HEALTH OFFICER FOR EACH COUNTY IN WHICH A PROGRAM IS ESTABLISHED; AND

(2) THE DEPARTMENT.

24-904.

(A) THE DEPARTMENT SHALL APPOINT A STANDING ADVISORY COMMITTEE ON OPIOID-ASSOCIATED DISEASE PREVENTION AND OUTREACH PROGRAMS.

(B) THE STANDING ADVISORY COMMITTEE SHALL CONSIST OF:

(1) THE DEPUTY SECRETARY FOR PUBLIC HEALTH SERVICES;

(2) ONE INDIVIDUAL FROM ACADEMIA WHO SPECIALIZES IN PUBLIC HEALTH ISSUES RELATED TO SUBSTANCE-RELATED DISORDERS OR INFECTIOUS DISEASES;

(3) ONE REPRESENTATIVE FROM LAW ENFORCEMENT, NOMINATED BY THE EXECUTIVE DIRECTOR OF THE GOVERNOR'S OFFICE OF CRIME CONTROL AND PREVENTION;

(4) ONE INDIVIDUAL WITH EXPERTISE IN THE PREVENTION OF HIV OR ~~THE HEPATITIS C VIRUS~~ VIRAL HEPATITIS;

(5) ONE ~~SUBSTANCE-RELATED DISORDER COUNSELOR~~ HEALTH CARE PRACTITIONER WITH EXPERIENCE PROVIDING SERVICES TO INDIVIDUALS WHO INJECT DRUGS;



~~(6)~~ ONE INDIVIDUAL IN RECOVERY WHO INJECTED DRUGS WITH SUBSTANCE USE EXPERIENCE;

~~(7)~~ ONE FAMILY MEMBER OF AN INDIVIDUAL WHO INJECTS OR HAS INJECTED DRUGS;

~~(7)~~ (8) ONE REPRESENTATIVE OF LOCAL LAW ENFORCEMENT;

~~(8)~~ (9) ONE LOCAL HEALTH OFFICER;

~~(9)~~ (10) ONE REPRESENTATIVE OF A LOCAL OR REGIONAL HOSPITAL;

~~(10)~~ (11) ONE INDIVIDUAL WITH EXPERIENCE IN SYRINGE ~~EXCHANGE~~ SERVICES PROGRAMS; AND

~~(11)~~ (12) ANY ADDITIONAL MEMBERS RECOMMENDED BY THE DEPARTMENT.

(C) THE DEPUTY SECRETARY FOR PUBLIC HEALTH SERVICES SHALL SERVE AS CHAIR OF THE STANDING ADVISORY COMMITTEE.

(D) THE STANDING ADVISORY COMMITTEE SHALL:

(1) ~~ADVISE~~ PROVIDE TECHNICAL ASSISTANCE TO EACH PROGRAM ON DEVELOPING:

(I) ~~PROGRAM OPERATING PROCEDURES FOR THE FURNISHING AND EXCHANGE~~ COLLECTION AND DISTRIBUTION OF HYPODERMIC NEEDLES AND SYRINGES TO INDIVIDUALS WHO INJECT DRUGS;

(II) A PLAN FOR COMMUNITY OUTREACH AND EDUCATION; AND

(III) A PROTOCOL FOR LINKING PROGRAM PARTICIPANTS TO SUBSTANCE-RELATED DISORDER TREATMENT AND RECOVERY SERVICES; AND

~~(2) BEFORE A PROGRAM BEGINS OPERATING, REVIEW AND MAKE A RECOMMENDATION FOR THE APPROVAL OR DISAPPROVAL OF THE OPERATING PROCEDURES, PLAN FOR COMMUNITY OUTREACH AND EDUCATION, AND PROTOCOL FOR LINKING PROGRAM PARTICIPANTS TO SUBSTANCE-RELATED DISORDER TREATMENT AND RECOVERY SERVICES TO:~~

~~(i) THE LOCAL HEALTH OFFICER FOR EACH COUNTY IN WHICH A PROGRAM IS LOCATED; AND~~

~~(H) THE DEPARTMENT; AND~~

~~(3)~~ (2) MAKE RECOMMENDATIONS TO A PROGRAM REGARDING ANY ASPECT OF PROGRAM PROCEDURES OR OPERATION.

24-905.

(A) THE DEPARTMENT SHALL:

(1) ADOPT REGULATIONS FOR THE IMPLEMENTATION OF THIS SUBTITLE, IN CONSULTATION WITH THE STANDING ADVISORY COMMITTEE AND THE MARYLAND ASSOCIATION OF COUNTY HEALTH OFFICERS; AND

(2) ENSURE THE PROVISION OF TECHNICAL ASSISTANCE TO A PROGRAM ABOUT BEST PRACTICES, BEST PRACTICE PROTOCOLS, AND OTHER SUBJECT AREAS.

(B) THE REGULATIONS ADOPTED UNDER SUBSECTION (A)(1) OF THIS SECTION SHALL ~~INCLUDE A PLAN FOR SECURITY OF EXCHANGE LOCATIONS AND EQUIPMENT, DATA COLLECTION, AND PROGRAM EVALUATION.~~ ESTABLISH:

(1) PROCEDURES FOR ENSURING THE SECURITY OF PROGRAM LOCATIONS AND EQUIPMENT;

(2) AN APPEALS PROCESS FOR APPEALS AUTHORIZED BY § 29-902(B)(4) OF THIS SUBTITLE, INCLUDING THE STANDARD OF REVIEW THAT THE DEPUTY SECRETARY FOR PUBLIC HEALTH SERVICES MUST APPLY WHEN REVIEWING A DECISION OF THE DEPARTMENT AND A LOCAL HEALTH OFFICER; AND

(3) PROCEDURES FOR DATA COLLECTION AND PROGRAM EVALUATION.

24-906.

(A) (1) EACH PROGRAM PARTICIPANT SHALL BE ISSUED ~~AN~~ A UNIQUE IDENTIFICATION CARD WITH AN A UNIQUE IDENTIFICATION NUMBER.

(2) THE UNIQUE IDENTIFICATION NUMBER ~~SHALL~~ MAY NOT BE CROSS-INDEXED TO A CONFIDENTIAL RECORD CONTAINING PERTINENT ANY PERSONAL IDENTIFYING DATA ON THE PARTICIPANT.

(B) ANY INFORMATION OBTAINED BY A PROGRAM THAT IDENTIFIES PROGRAM PARTICIPANTS, INCLUDING PROGRAM RECORDS, IS:

- (1) CONFIDENTIAL;
- (2) NOT OPEN TO PUBLIC INSPECTION OR DISCLOSURE; AND
- (3) NOT DISCOVERABLE IN ANY CRIMINAL OR CIVIL PROCEEDING.

(c) (1) NOTWITHSTANDING THE PROVISIONS OF SUBSECTION (B) OF THIS SECTION, ON THE WRITTEN CONSENT OF A PROGRAM PARTICIPANT, INFORMATION OBTAINED BY A PROGRAM THAT IDENTIFIES THE PROGRAM PARTICIPANT MAY BE RELEASED OR DISCLOSED TO AN INDIVIDUAL OR AGENCY ~~PARTICIPATING IN A PROGRAM~~ FOR PURPOSES OF LINKING TO SERVICES UNDER § 24-903(A)(6) OF THIS SUBTITLE.

(2) IN ADDITION TO THE PROVISIONS OF PARAGRAPH (1) OF THIS SUBSECTION, IF A PROGRAM PARTICIPANT RAISES THE ISSUE OF PARTICIPATION IN A PROGRAM EITHER AS A SUBJECT MATTER OR LEGAL DEFENSE IN AN ADMINISTRATIVE, CIVIL, OR CRIMINAL PROCEEDING, THE PROGRAM PARTICIPANT WAIVES THE CONFIDENTIALITY AS TO IDENTITY PROVIDED UNDER SUBSECTION (B) OF THIS SECTION.

(3) SUBSTANCE-RELATED TREATMENT RECORDS REQUESTED OR PROVIDED UNDER THIS SECTION ARE SUBJECT TO ANY ADDITIONAL LIMITATIONS ON DISCLOSURE OR RE-DISCLOSURE OF A MEDICAL RECORD DEVELOPED IN CONNECTION WITH THE PROVISION OF SUBSTANCE-RELATED TREATMENT SERVICES UNDER STATE LAW OR 42 U.S.C. § 290DD-2 AND 42 C.F.R. PART 2.

24-907.

A PROGRAM SHALL COLLECT AND REPORT AT LEAST ANNUALLY THE FOLLOWING DATA TO THE DEPARTMENT:

- (1) THE NUMBER OF PARTICIPANTS SERVED BY THE PROGRAM;
- (2) THE NUMBER OF NEW PARTICIPANTS REGISTERED BY THE PROGRAM DURING THE REPORTING PERIOD;
- (3) DEMOGRAPHIC PROFILES OF PARTICIPANTS SERVED BY THE PROGRAM, INCLUDING:
  - (I) AGE;
  - (II) GENDER;

(III) RACE;

(IV) ZIP CODE; AND

(V) TYPES OF DRUGS USED;

(4) THE NUMBER OF HYPODERMIC NEEDLES AND SYRINGES DISTRIBUTED AND COLLECTED;

(5) EACH LOCATION AT WHICH HYPODERMIC NEEDLES AND SYRINGES WERE DISTRIBUTED; AND

(6) THE NUMBER OF LINKAGES PROVIDED TO PARTICIPANTS UNDER § 24-903(A)(6) OF THIS SUBTITLE.

~~24-907, 24-908.~~

(A) ~~NO~~ A PROGRAM STAFF MEMBER, PROGRAM VOLUNTEER, OR PROGRAM PARTICIPANT MAY NOT BE FOUND GUILTY OF ARRESTED, CHARGED, OR PROSECUTED FOR VIOLATING § 5-601, § 5-619, § 5-620, § 5-902, OR § 5-904 OR § 5-902(C) OR (D) OF THE CRIMINAL LAW ARTICLE FOR POSSESSING OR DISTRIBUTING CONTROLLED PARAPHERNALIA OR DRUG PARAPHERNALIA WHENEVER THE POSSESSION OR DISTRIBUTION OF THE CONTROLLED PARAPHERNALIA OR DRUG PARAPHERNALIA IS A DIRECT RESULT OF THE EMPLOYEE'S, VOLUNTEER'S, OR PARTICIPANT'S ACTIVITIES IN CONNECTION WITH THE WORK OF A PROGRAM AUTHORIZED UNDER THIS SUBTITLE.

(B) NOTWITHSTANDING THE PROVISIONS OF SUBSECTION (A) OF THIS SECTION, A PROGRAM STAFF MEMBER, PROGRAM VOLUNTEER, OR PROGRAM PARTICIPANT IS NOT IMMUNE FROM CRIMINAL PROSECUTION FOR:

(1) ~~ANY~~ ANY ~~ACTIVITIES NOT AUTHORIZED OR APPROVED BY A PROGRAM;~~ PROGRAM. OR

(2) ~~THE POSSESSION OR DISTRIBUTION OF CONTROLLED PARAPHERNALIA OR DRUG PARAPHERNALIA OR ANY OTHER UNLAWFUL ACTIVITY OUTSIDE THE COUNTY LIMITS FOR ANY COUNTY IN WHICH A PROGRAM IS ESTABLISHED.~~

~~24-908, 24-909.~~

EXCEPT FOR VIOLATIONS OF ANY LAWS THAT COULD ARISE FROM RESIDUE ATTACHED TO OR CONTAINED WITHIN HYPODERMIC NEEDLES OR SYRINGES BEING RETURNED OR ALREADY RETURNED TO A PROGRAM, NOTHING IN THIS SUBTITLE

**PROVIDES IMMUNITY TO A PROGRAM STAFF MEMBER, PROGRAM VOLUNTEER, OR PROGRAM PARTICIPANT FROM CRIMINAL PROSECUTION FOR A VIOLATION OF ANY LAW PROHIBITING OR REGULATING THE USE, POSSESSION, DISPENSING, DISTRIBUTION, OR PROMOTION OF CONTROLLED DANGEROUS SUBSTANCES, DANGEROUS DRUGS, DETRIMENTAL DRUGS, OR HARMFUL DRUGS OR ANY CONSPIRACY OR ATTEMPT TO COMMIT ANY OF THOSE OFFENSES.**

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2016.

**Approved by the Governor, May 10, 2016.**

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## **Chapter 349**

**(Senate Bill 106)**

AN ACT concerning

**Department of Labor, Licensing, and Regulation – State Board of Heating,  
Ventilation, Air–Conditioning, and Refrigeration Contractors – Authority of the  
Secretary**

FOR the purpose of establishing that the State Board of Heating, Ventilation, Air–Conditioning, and Refrigeration Contractors exercises its powers, duties, and functions subject to the authority of the Secretary of Labor, Licensing, and Regulation; and generally relating to the State Board of Heating, Ventilation, Air–Conditioning, and Refrigeration Contractors.

BY adding to

Article – Business Regulation  
Section 9A–205(d)  
Annotated Code of Maryland  
(2015 Replacement Volume and 2015 Supplement)

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

**Article – Business Regulation**

9A–205.

**(D) THE BOARD EXERCISES ITS POWERS, DUTIES, AND FUNCTIONS SUBJECT TO THE AUTHORITY OF THE SECRETARY.**

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2016.

**Approved by the Governor, May 10, 2016.**

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## Chapter 350

(Senate Bill 119)

AN ACT concerning

### **Business Regulation – Business Discounts and Preferences for Veterans – Identification**

FOR the purpose of requiring certain businesses that offer discounts or preferences on products or services to veterans to accept a valid driver's license or identification card with a certain notation as verification of veteran status for purposes of claiming the discount or preference; ~~establishing a certain penalty~~; and generally relating to business-offered discounts and preferences for veterans.

BY adding to

Article – Business Regulation

Section 19–104

Annotated Code of Maryland

(2015 Replacement Volume and 2015 Supplement)

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

### **Article – Business Regulation**

**19–104.**

~~(A)~~ A BUSINESS REGISTERED WITH THE STATE DEPARTMENT OF ASSESSMENTS AND TAXATION THAT OFFERS A DISCOUNT OR PREFERENCE ON PRODUCTS OR SERVICES TO VETERANS SHALL ACCEPT A VALID DRIVER'S LICENSE OR IDENTIFICATION CARD ISSUED UNDER § 12–302 OF THE TRANSPORTATION ARTICLE THAT INCLUDES A NOTATION OF VETERAN STATUS AS VERIFICATION OF THE VETERAN STATUS OF THE HOLDER OF THE DRIVER'S LICENSE OR IDENTIFICATION CARD FOR PURPOSES OF CLAIMING THE DISCOUNT OR PREFERENCE.

~~(B) A PERSON WHO VIOLATES THIS SECTION IS SUBJECT TO A CIVIL PENALTY OF \$100 FOR EACH OFFENSE.~~

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2016.

Approved by the Governor, May 10, 2016.

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## Chapter 351

(Senate Bill 137)

AN ACT concerning

### Income Tax Credit – Preservation and Conservation Easements

FOR the purpose of altering certain provisions of law concerning a credit against the State income tax for certain preservation and conservation easements to allow an individual or a member of a pass-through entity to claim the credit for an easement conveyed to the Maryland Environmental Trust, the Maryland Agricultural Land Preservation Foundation, or the Department of Natural Resources under certain circumstances; *requiring the Board of Public Works to approve tax credits on a first-come, first-served basis; providing that the total number of tax credits claimed by members of pass-through entities may not exceed a certain amount for each taxable year*; requiring the Comptroller to adopt certain regulations; defining certain terms; making certain stylistic changes; providing for the application of this Act; and generally relating to a State income tax credit for certain preservation and conservation easements.

BY repealing and reenacting, with amendments,

Article – Tax – General

Section 10–723

Annotated Code of Maryland

(2010 Replacement Volume and 2015 Supplement)

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

### Article – Tax – General

10–723.

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

(2) **“DEPARTMENT” MEANS THE DEPARTMENT OF NATURAL RESOURCES.**

(3) **“MEMBER” MEANS:**

(I) **A SHAREHOLDER OF AN S CORPORATION;**

(II) **A GENERAL OR LIMITED PARTNER OF A PARTNERSHIP, A LIMITED PARTNERSHIP, OR A LIMITED LIABILITY PARTNERSHIP;**

(III) **A MEMBER OF A LIMITED LIABILITY COMPANY; OR**

(IV) **A BENEFICIARY OF A BUSINESS TRUST OR A STATUTORY TRUST.**

(4) **“PASS-THROUGH ENTITY” MEANS:**

(I) **AN S CORPORATION;**

(II) **A PARTNERSHIP;**

(III) **A LIMITED LIABILITY COMPANY THAT IS NOT TAXED AS A CORPORATION UNDER THIS TITLE; OR**

(IV) **A BUSINESS TRUST OR A STATUTORY TRUST THAT IS NOT TAXED AS A CORPORATION UNDER THIS TITLE.**

**[(a)] (B)** (1) An individual **OR A MEMBER OF A PASS-THROUGH ENTITY** may claim a credit against the State income tax as provided in this section for an easement conveyed to the Maryland Environmental Trust, **[or]** the Maryland Agricultural Land Preservation Foundation, **OR THE DEPARTMENT** for the purpose of preserving open space, natural resources, agriculture, forest land, watersheds, significant ecosystems, viewsheds, or historic properties, if:

(i) the easement is perpetual; and

(ii) the easement is accepted and approved by the Board of Public Works.

(2) Subject to subsection **[(c)(2)] (D)(2)** of this section, the credit under this section shall be allowed for the taxable year in which the **[donation] CONVEYANCE** is approved by the Board of Public Works.

**[(b)] (C)** (1) Except as otherwise provided in this section, the amount of the credit allowed under this section is the amount by which the fair market value of the



property before the conveyance of the easement exceeds the fair market value of the property after the conveyance of the easement.

(2) The fair market value of the property before and after the conveyance of the easement shall be substantiated by an appraisal prepared by a certified real estate appraiser, as defined under § 16–101 of the Business Occupations and Professions Article.

(3) The amount of the credit shall be reduced by the amount of any payment received for the easement.

**[(c)] (D)** (1) For any taxable year, the credit allowed under this section may not exceed the lesser of:

- (i) the State income tax for that taxable year; or
- (ii) \$5,000.

(2) If the credit otherwise allowable under subsection **[(b)] (C)** of this section exceeds the limit under paragraph (1) of this subsection, **[an individual] A TAXPAYER** may apply the excess as a credit against the State income tax for succeeding taxable years until the earlier of:

- (i) the full amount of the excess is used; or
- (ii) the expiration of the 15th taxable year after the taxable year in which the **[donation] CONVEYANCE** was approved by the Board of Public Works.

(3) For each taxable year, the amount carried forward to the taxable year under paragraph (2) of this subsection may not exceed the limit under paragraph (1) of this subsection.

**(4) THE SUM OF ALL CREDITS CLAIMED BY MEMBERS OF A PASS-THROUGH ENTITY IN A TAXABLE YEAR MAY NOT EXCEED THE AMOUNT SPECIFIED UNDER PARAGRAPH (1)(II) OF THIS SUBSECTION.**

**(5) (I) FOR A TAXABLE YEAR, THE TOTAL AGGREGATE AMOUNT OF CREDITS CLAIMED BY MEMBERS OF PASS-THROUGH ENTITIES UNDER THIS SECTION MAY NOT EXCEED \$200,000.**

**(II) FOR PASS-THROUGH ENTITIES, THE BOARD OF PUBLIC WORKS SHALL APPROVE CREDITS FOR CONVEYANCES UNDER THIS SECTION ON A FIRST-COME, FIRST-SERVED BASIS.**

**[(d)] (E)** The credit under this section may not be claimed for a required dedication of open space for the purpose of fulfilling density requirements to obtain a subdivision or building permit.

**(F) THE COMPTROLLER SHALL ADOPT REGULATIONS TO SPECIFY PROCEDURES FOR A MEMBER OF A PASS-THROUGH ENTITY TO CLAIM THE CREDIT UNDER THIS SECTION.**

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016, and shall be applicable to all taxable years beginning after December 31, 2015.

**Approved by the Governor, May 10, 2016.**

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## **Chapter 352**

### **(House Bill 276)**

AN ACT concerning

#### **Income Tax Credit – Preservation and Conservation Easements**

FOR the purpose of altering certain provisions of law concerning a credit against the State income tax for certain preservation and conservation easements to allow an individual or a member of a pass-through entity to claim the credit for an easement conveyed to the Maryland Environmental Trust, the Maryland Agricultural Land Preservation Foundation, or the Department of Natural Resources under certain circumstances; requiring the Board of Public Works to approve tax credits on a first-come, first-served basis; providing that the total number of tax credits claimed by members of pass-through entities may not exceed a certain amount for each taxable year; requiring the Comptroller to adopt certain regulations; defining certain terms; making certain stylistic changes; providing for the application of this Act; and generally relating to a State income tax credit for certain preservation and conservation easements.

BY repealing and reenacting, with amendments,  
Article – Tax – General  
Section 10–723  
Annotated Code of Maryland  
(2010 Replacement Volume and 2015 Supplement)

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

#### **Article – Tax – General**

10–723.

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

(2) “DEPARTMENT” MEANS THE DEPARTMENT OF NATURAL RESOURCES.

(3) “MEMBER” MEANS:

(I) A SHAREHOLDER OF AN S CORPORATION;

(II) A GENERAL OR LIMITED PARTNER OF A PARTNERSHIP, A LIMITED PARTNERSHIP, OR A LIMITED LIABILITY PARTNERSHIP;

(III) A MEMBER OF A LIMITED LIABILITY COMPANY; OR

(IV) A BENEFICIARY OF A BUSINESS TRUST OR A STATUTORY TRUST.

(4) “PASS-THROUGH ENTITY” MEANS:

(I) AN S CORPORATION;

(II) A PARTNERSHIP;

(III) A LIMITED LIABILITY COMPANY THAT IS NOT TAXED AS A CORPORATION UNDER THIS TITLE; OR

(IV) A BUSINESS TRUST OR A STATUTORY TRUST THAT IS NOT TAXED AS A CORPORATION UNDER THIS TITLE.

[(a)] (B) (1) An individual OR A MEMBER OF A PASS-THROUGH ENTITY may claim a credit against the State income tax as provided in this section for an easement conveyed to the Maryland Environmental Trust, [or] the Maryland Agricultural Land Preservation Foundation, OR THE DEPARTMENT for the purpose of preserving open space, natural resources, agriculture, forest land, watersheds, significant ecosystems, viewsheds, or historic properties, if:

(i) the easement is perpetual; and

(ii) the easement is accepted and approved by the Board of Public Works.

(2) Subject to subsection [(c)(2)] (D)(2) of this section, the credit under this section shall be allowed for the taxable year in which the [donation] CONVEYANCE is approved by the Board of Public Works.

**[(b)] (C)** (1) Except as otherwise provided in this section, the amount of the credit allowed under this section is the amount by which the fair market value of the property before the conveyance of the easement exceeds the fair market value of the property after the conveyance of the easement.

(2) The fair market value of the property before and after the conveyance of the easement shall be substantiated by an appraisal prepared by a certified real estate appraiser, as defined under § 16–101 of the Business Occupations and Professions Article.

(3) The amount of the credit shall be reduced by the amount of any payment received for the easement.

**[(c)] (D)** (1) For any taxable year, the credit allowed under this section may not exceed the lesser of:

- (i) the State income tax for that taxable year; or
- (ii) \$5,000.

(2) If the credit otherwise allowable under subsection **[(b)] (C)** of this section exceeds the limit under paragraph (1) of this subsection, **[an individual] A TAXPAYER** may apply the excess as a credit against the State income tax for succeeding taxable years until the earlier of:

- (i) the full amount of the excess is used; or
- (ii) the expiration of the 15th taxable year after the taxable year in which the **[donation] CONVEYANCE** was approved by the Board of Public Works.

(3) For each taxable year, the amount carried forward to the taxable year under paragraph (2) of this subsection may not exceed the limit under paragraph (1) of this subsection.

**(4) THE SUM OF ALL CREDITS CLAIMED BY MEMBERS OF A PASS-THROUGH ENTITY IN A TAXABLE YEAR MAY NOT EXCEED THE AMOUNT SPECIFIED UNDER PARAGRAPH (1)(II) OF THIS SUBSECTION.**

**(5) (I) FOR A TAXABLE YEAR, THE TOTAL AGGREGATE AMOUNT OF CREDITS CLAIMED BY MEMBERS OF PASS-THROUGH ENTITIES UNDER THIS SECTION MAY NOT EXCEED \$200,000.**

**(II) FOR PASS-THROUGH ENTITIES, THE BOARD OF PUBLIC WORKS SHALL APPROVE CREDITS FOR CONVEYANCES UNDER THIS SECTION ON A FIRST-COME, FIRST-SERVED BASIS.**

[(d)] (E) The credit under this section may not be claimed for a required dedication of open space for the purpose of fulfilling density requirements to obtain a subdivision or building permit.

**(F) THE COMPTROLLER SHALL ADOPT REGULATIONS TO SPECIFY PROCEDURES FOR A MEMBER OF A PASS-THROUGH ENTITY TO CLAIM THE CREDIT UNDER THIS SECTION.**

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016, and shall be applicable to all taxable years beginning after December 31, 2015.

**Approved by the Governor, May 10, 2016.**

---

## Chapter 353

(Senate Bill 141)

AN ACT concerning

**Anne Arundel County – Special Taxing Districts – Water or Wastewater Services**

FOR the purpose of authorizing Anne Arundel County to establish, modify, or abolish special taxing districts for the purpose of providing or expanding water or wastewater services; and generally relating to special taxing districts in Anne Arundel County.

BY adding to

Article – Local Government  
Section 21–803.1  
Annotated Code of Maryland  
(2013 Volume and 2015 Supplement)

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

### Article – Local Government

**21–803.1.**

**IN ADDITION TO THE PURPOSES ENUMERATED IN TITLE 10 OF THIS ARTICLE, ANNE ARUNDEL COUNTY MAY ESTABLISH, MODIFY, OR ABOLISH SPECIAL TAXING DISTRICTS FOR THE PURPOSE OF PROVIDING OR EXPANDING WATER OR WASTEWATER SERVICES.**

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016.

**Approved by the Governor, May 10, 2016.**

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## **Chapter 354**

### **(House Bill 602)**

AN ACT concerning

#### **Anne Arundel County – Special Taxing Districts – Water or Wastewater Services**

FOR the purpose of authorizing Anne Arundel County to establish, modify, or abolish special taxing districts for the purpose of providing or expanding water or wastewater services; and generally relating to special taxing districts in Anne Arundel County.

BY adding to

Article – Local Government

Section 21–803.1

Annotated Code of Maryland

(2013 Volume and 2015 Supplement)

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

#### **Article – Local Government**

##### **21–803.1.**

**IN ADDITION TO THE PURPOSES ENUMERATED IN TITLE 10 OF THIS ARTICLE, ANNE ARUNDEL COUNTY MAY ESTABLISH, MODIFY, OR ABOLISH SPECIAL TAXING DISTRICTS FOR THE PURPOSE OF PROVIDING OR EXPANDING WATER OR WASTEWATER SERVICES.**

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016.

**Approved by the Governor, May 10, 2016.**

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**Chapter 355****(Senate Bill 162)**

AN ACT concerning

**Gas Companies – Infrastructure Replacement Projects – Amendment to a Plan**

FOR the purpose of altering the number of days during which the Public Service Commission is required to take a certain final action after a gas company files an amendment to an approved plan to invest in eligible infrastructure replacement projects; and generally relating to infrastructure replacement projects.

BY repealing and reenacting, with amendments,  
Article – Public Utilities  
Section 4–210(e)  
Annotated Code of Maryland  
(2010 Replacement Volume and 2015 Supplement)

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

**Article – Public Utilities**

4–210.

- (e) (1) Within 180 days after a gas company files a plan, the Commission:
- (i) may hold a public hearing on the plan; and
  - (ii) shall take a final action to approve or deny the plan.

(2) Within [120] **150** days after a gas company files an amendment to an approved plan, the Commission shall take final action to approve or deny the amendment.

(3) The Commission may approve a plan if it finds that the investments and estimated costs of eligible infrastructure replacement projects are:

- (i) reasonable and prudent; and
- (ii) designed to improve public safety or infrastructure reliability over the short term and long term.

(4) (i) The Commission shall approve the cost–recovery schedule associated with the plan at the same time that it approves the plan.

(ii) Costs recovered under the schedule approved in subparagraph (i) of this paragraph may relate only to the projects within the plan approved by the Commission.

(5) The Commission may not consider a revenue requirement or rate-making issue that is not related to the plan when reviewing a plan for approval or denial unless the plan is filed in conjunction with a base rate case.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016.

**Approved by the Governor, May 10, 2016.**

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## **Chapter 356**

### **(House Bill 75)**

AN ACT concerning

#### **Gas Companies – Infrastructure Replacement Projects – Amendment to a Plan**

FOR the purpose of altering the number of days during which the Public Service Commission is required to take a certain final action after a gas company files an amendment to an approved plan to invest in eligible infrastructure replacement projects; and generally relating to infrastructure replacement projects.

BY repealing and reenacting, with amendments,  
Article – Public Utilities  
Section 4–210(e)  
Annotated Code of Maryland  
(2010 Replacement Volume and 2015 Supplement)

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

#### **Article – Public Utilities**

4–210.

- (e) (1) Within 180 days after a gas company files a plan, the Commission:
- (i) may hold a public hearing on the plan; and
  - (ii) shall take a final action to approve or deny the plan.



(2) Within [120] **150** days after a gas company files an amendment to an approved plan, the Commission shall take final action to approve or deny the amendment.

(3) The Commission may approve a plan if it finds that the investments and estimated costs of eligible infrastructure replacement projects are:

(i) reasonable and prudent; and

(ii) designed to improve public safety or infrastructure reliability over the short term and long term.

(4) (i) The Commission shall approve the cost–recovery schedule associated with the plan at the same time that it approves the plan.

(ii) Costs recovered under the schedule approved in subparagraph (i) of this paragraph may relate only to the projects within the plan approved by the Commission.

(5) The Commission may not consider a revenue requirement or rate–making issue that is not related to the plan when reviewing a plan for approval or denial unless the plan is filed in conjunction with a base rate case.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016.

Approved by the Governor, May 10, 2016.

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## Chapter 357

(Senate Bill 169)

AN ACT concerning

~~Election Law – Local Vote by Mail Special Elections – Start of Canvassing~~  
Special Elections – Voting by Mail – Canvass of Votes

FOR the purpose of authorizing a local board of elections, ~~under certain circumstances,~~ to commence the canvass of vote–by–mail ballots cast in a special election conducted by mail at a certain time on the day of a special election; authorizing the State Board of Elections to adopt regulations authorizing a local board to commence the canvass of vote–by–mail ballots before a certain time on the day of a special election; requiring the State Board to adopt regulations that provide for public observation of the canvass of vote–by–mail ballots and maintaining the secrecy of the election results until after a certain time on the day after a special election; altering the

definition of “canvass” to include the canvass of vote-by-mail ballots; and generally relating to the canvassing of vote-by-mail ballots.

BY repealing and reenacting, without amendments,  
Article – Election Law  
Section ~~9-501(b) and (c)~~ 9-501 and 11-301(a-1)  
Annotated Code of Maryland  
(2010 Replacement Volume and 2015 Supplement)

BY adding to  
Article – Election Law  
Section 9-506  
Annotated Code of Maryland  
(2010 Replacement Volume and 2015 Supplement)

BY repealing and reenacting, with amendments,  
Article – Election Law  
Section ~~11-302(b)~~ 9-506 and 11-101(c)  
Annotated Code of Maryland  
(2010 Replacement Volume and 2015 Supplement)

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

### **Article – Election Law**

9-501.

(a) This subtitle applies only to a special election that is not held concurrently with a regularly scheduled primary or general election.

(b) Voting by mail may be utilized in a special election in accordance with this subtitle.

(c) A special election to fill a vacancy in the Office of Representative in Congress shall be conducted by mail if the Governor’s proclamation issued under § 8-710 of this article directs that the election be conducted by mail.

(d) (1) In this subsection, “local special election” means a special election to:

(i) fill a vacancy in the offices of county council member, chief executive officer, or county executive of a charter county if the charter of that county provides for special elections;

(ii) fill a vacancy in the board of county commissioners of a code home rule county if a local law enacted by that county provides for special elections;

(iii) fill a vacancy in the board of county commissioners of a commission county if a law provides for special elections;

(iv) fill a vacancy in a local board of education if State law provides for special elections;

(v) elect members of a charter board or submit a proposed charter to the voters for adoption or rejection in accordance with Article XI-A, § 1A of the Maryland Constitution; or

(vi) submit a local law enacted by a code home rule county to the voters for adoption or rejection in accordance with § 9-313 of the Local Government Article.

(2) A local special election shall be conducted by mail if the resolution of the county council or board of county commissioners establishing the date of the special election directs that the election be conducted by mail.

(e) Except as otherwise provided in this subtitle:

(1) provisions of this article relating to absentee voting apply to voting by mail; and

(2) all pertinent State or local laws relating to the conduct of a special election apply to a special election conducted under this subtitle.

(f) Provisions of this article relating to the conduct of elections apply to a special election conducted under this subtitle, unless a law specifically relevant to a special election applies.

~~11-302.~~

~~(b) (1) [A] EXCEPT AS PROVIDED IN PARAGRAPH (3) OF THIS SUBSECTION, A local board may not open any envelope of an absentee ballot prior to 8 a.m. on the Wednesday following election day.~~

~~(2) A local board may not delay the commencement of the canvass to await the receipt of late-arriving, timely absentee ballots.~~

~~(3) IF A LOCAL SPECIAL ELECTION IS CONDUCTED BY MAIL UNDER TITLE 9, SUBTITLE 5 OF THIS ARTICLE, THE LOCAL BOARD MAY COMMENCE THE CANVASS OF VOTE BY MAIL BALLOTS AT 2 P.M. ON THE DAY OF THE SPECIAL ELECTION.~~

9-506.

**(A) EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION, A LOCAL BOARD MAY COMMENCE THE CANVASS OF VOTE-BY-MAIL BALLOTS AT 2 P.M. ON THE DAY OF A SPECIAL ELECTION.**

**(B) THE STATE BOARD MAY ADOPT REGULATIONS AUTHORIZING A LOCAL BOARD TO COMMENCE THE CANVASS OF VOTE-BY-MAIL BALLOTS BEFORE THE TIME SPECIFIED IN SUBSECTION (A) OF THIS SECTION.**

**(C) THE STATE BOARD SHALL ADOPT REGULATIONS THAT PROVIDE FOR:**

**(1) PUBLIC OBSERVATION OF THE CANVASS OF VOTE-BY-MAIL BALLOTS IN ACCORDANCE WITH § 11-301(A-1) OF THIS ARTICLE; AND**

**(2) PROCEDURES FOR MAINTAINING THE SECRECY OF THE ELECTION RESULTS UNTIL AFTER 12 A.M. ON THE DAY AFTER A SPECIAL ELECTION.**

**[9-506.] 9-507.**

The State Board may adopt regulations as necessary to implement this subtitle.

11-101.

(c) (1) “Canvass” means the entire process of vote tallying, vote tabulation, and vote verification or audit, culminating in the production and certification of the official election results.

(2) For absentee ballots, the “canvass” includes the opening of any envelope accompanying an absentee ballot and the assembly and review of absentee ballots in preparation for vote tallying.

(3) For provisional ballots, the “canvass” includes the review of the provisional ballot applications described in § 11-303 of this title and the assembly and review of provisional ballots in preparation for vote tallying.

(4) For votes cast during early voting, the “canvass” includes the tabulation of votes cast during early voting.

**(5) FOR VOTES CAST IN A SPECIAL ELECTION CONDUCTED BY MAIL UNDER TITLE 9, SUBTITLE 5 OF THIS ARTICLE, THE “CANVASS” INCLUDES:**

**(I) THE OPENING OF ANY ENVELOPE ACCOMPANYING A VOTE-BY-MAIL BALLOT AND THE ASSEMBLY AND REVIEW OF VOTE-BY-MAIL BALLOTS IN PREPARATION FOR VOTE TABULATION; AND**

**(II) THE TABULATION OF VOTE-BY-MAIL BALLOTS.**

11-301.

(a-1) (1) Subject to paragraph (3) of this subsection, a board of canvassers and the staff of a local board may be observed as they complete each part of the canvass by authorized observers designated under paragraph (2) of this subsection and any other individuals who wish to be present.

(2) The following individuals or entities have the right to designate a registered voter as an observer at each counting center:

(i) a candidate;

(ii) a political party; and

(iii) any other group of voters supporting or opposing a candidate, principle, or proposition on the ballot.

(3) The State Board may adopt regulations prohibiting public observation of a part of the canvass only if prohibiting public observation is necessary to ensure:

(i) the integrity or accuracy of the canvass; or

(ii) that the canvass process is not impeded.

(4) The State Board shall ensure that the requirements of this subsection are implemented uniformly and consistently by each local board.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2016.

**Approved by the Governor, May 10, 2016.**

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## **Chapter 358**

**(House Bill 828)**

AN ACT concerning

### **Special Elections – Voting by Mail – Canvass of Votes**

FOR the purpose of authorizing a local board of elections to commence the canvass of vote-by-mail ballots cast in a special election conducted by mail at a certain time on the day of a special election; authorizing the State Board of Elections to adopt regulations authorizing a local board to commence the canvass of vote-by-mail

ballots before a certain time on the day of a special election; requiring the State Board to adopt regulations that provide for public observation of the canvass of vote-by-mail ballots and maintaining the secrecy of the election results until after a certain time on the day after a special election; altering the definition of “canvass” to include the canvass of vote-by-mail ballots; and generally relating to the canvass of vote-by-mail ballots cast in a special election conducted by mail.

BY repealing and reenacting, without amendments,

Article – Election Law

Section 9–501 and 11–301(a–1)

Annotated Code of Maryland

(2010 Replacement Volume and 2015 Supplement)

BY adding to

Article – Election Law

Section 9–506

Annotated Code of Maryland

(2010 Replacement Volume and 2015 Supplement)

BY repealing and reenacting, with amendments,

Article – Election Law

Section 9–506 and 11–101(c)

Annotated Code of Maryland

(2010 Replacement Volume and 2015 Supplement)

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

### **Article – Election Law**

9–501.

(a) This subtitle applies only to a special election that is not held concurrently with a regularly scheduled primary or general election.

(b) Voting by mail may be utilized in a special election in accordance with this subtitle.

(c) A special election to fill a vacancy in the Office of Representative in Congress shall be conducted by mail if the Governor’s proclamation issued under § 8–710 of this article directs that the election be conducted by mail.

(d) (1) In this subsection, “local special election” means a special election to:

(i) fill a vacancy in the offices of county council member, chief executive officer, or county executive of a charter county if the charter of that county provides for special elections;

(ii) fill a vacancy in the board of county commissioners of a code home rule county if a local law enacted by that county provides for special elections;

(iii) fill a vacancy in the board of county commissioners of a commission county if a law provides for special elections;

(iv) fill a vacancy in a local board of education if State law provides for special elections;

(v) elect members of a charter board or submit a proposed charter to the voters for adoption or rejection in accordance with Article XI–A, § 1A of the Maryland Constitution; or

(vi) submit a local law enacted by a code home rule county to the voters for adoption or rejection in accordance with § 9–313 of the Local Government Article.

(2) A local special election shall be conducted by mail if the resolution of the county council or board of county commissioners establishing the date of the special election directs that the election be conducted by mail.

(e) Except as otherwise provided in this subtitle:

(1) provisions of this article relating to absentee voting apply to voting by mail; and

(2) all pertinent State or local laws relating to the conduct of a special election apply to a special election conducted under this subtitle.

(f) Provisions of this article relating to the conduct of elections apply to a special election conducted under this subtitle, unless a law specifically relevant to a special election applies.

### **9–506.**

**(A) EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION, A LOCAL BOARD MAY COMMENCE THE CANVASS OF VOTE–BY–MAIL BALLOTS AT 2 P.M. ON THE DAY OF A SPECIAL ELECTION.**

**(B) THE STATE BOARD MAY ADOPT REGULATIONS AUTHORIZING A LOCAL BOARD TO COMMENCE THE CANVASS OF VOTE–BY–MAIL BALLOTS BEFORE THE TIME SPECIFIED IN SUBSECTION (A) OF THIS SECTION.**

**(C) THE STATE BOARD SHALL ADOPT REGULATIONS THAT PROVIDE FOR:**

**(1) PUBLIC OBSERVATION OF THE CANVASS OF VOTE-BY-MAIL BALLOTS IN ACCORDANCE WITH § 11-301(A-1) OF THIS ARTICLE; AND**

**(2) PROCEDURES FOR MAINTAINING THE SECRECY OF THE ELECTION RESULTS UNTIL AFTER 12 A.M. ON THE DAY AFTER A SPECIAL ELECTION.**

[9-506.] **9-507.**

The State Board may adopt regulations as necessary to implement this subtitle.

11-101.

(c) (1) “Canvass” means the entire process of vote tallying, vote tabulation, and vote verification or audit, culminating in the production and certification of the official election results.

(2) For absentee ballots, the “canvass” includes the opening of any envelope accompanying an absentee ballot and the assembly and review of absentee ballots in preparation for vote tallying.

(3) For provisional ballots, the “canvass” includes the review of the provisional ballot applications described in § 11-303 of this title and the assembly and review of provisional ballots in preparation for vote tallying.

(4) For votes cast during early voting, the “canvass” includes the tabulation of votes cast during early voting.

**(5) FOR VOTES CAST IN A SPECIAL ELECTION CONDUCTED BY MAIL UNDER TITLE 9, SUBTITLE 5 OF THIS ARTICLE, THE “CANVASS” INCLUDES:**

**(I) THE OPENING OF ANY ENVELOPE ACCOMPANYING A VOTE-BY-MAIL BALLOT AND THE ASSEMBLY AND REVIEW OF VOTE-BY-MAIL BALLOTS IN PREPARATION FOR VOTE TABULATION; AND**

**(II) THE TABULATION OF VOTE-BY-MAIL BALLOTS.**

11-301.

(a-1) (1) Subject to paragraph (3) of this subsection, a board of canvassers and the staff of a local board may be observed as they complete each part of the canvass by authorized observers designated under paragraph (2) of this subsection and any other individuals who wish to be present.

(2) The following individuals or entities have the right to designate a registered voter as an observer at each counting center:



(i) a candidate;

(ii) a political party; and

(iii) any other group of voters supporting or opposing a candidate, principle, or proposition on the ballot.

(3) The State Board may adopt regulations prohibiting public observation of a part of the canvass only if prohibiting public observation is necessary to ensure:

- (i) the integrity or accuracy of the canvass; or
- (ii) that the canvass process is not impeded.

(4) The State Board shall ensure that the requirements of this subsection are implemented uniformly and consistently by each local board.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2016.

**Approved by the Governor, May 10, 2016.**

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## Chapter 359

(Senate Bill 200)

AN ACT concerning

**Health Occupations – ~~Environmental Health Specialists – Regulation State Board of Environmental Health Specialists – Sunset Extension and Revisions~~**

FOR the purpose of continuing the State Board of Environmental Health Specialists in accordance with the provisions of the Maryland Program Evaluation Act (sunset law) by extending to a certain date the termination provisions relating to the statutory and regulatory authority of the Board; requiring that an evaluation of the Board and the statutes and regulations that relate to the Board be performed on or before a certain date; requiring a certain annual report filed by the Board to include a plan for special fund revenues; requiring the Board, on or before a certain date, to adopt certain regulations regarding continuing education, conduct a certain review of continuing education units and providers, make certain information available through the Board's Web site, conduct a certain evaluation, implement an online continuing education unit process, overhaul the Board's Web site to include certain content, and establish a method to improve the accuracy of licensee contact information; requiring the Board to monitor the Long Term Environmental Health

~~Workforce Work Group's activities and certain recommendations and assist the Work Group in instituting certain statutory and regulatory changes and distributing information to licensees; requiring the Board, on or before a certain date, to *provide a certain* report to certain committees of the General Assembly ~~on the implementation of the requirements of certain provisions of this Act; requiring the Board to develop a certain plan, submit certain legislation to certain committees of the General Assembly on or before a certain date, and report certain information to certain committees of the General Assembly on or before certain dates; and generally relating to the State Board of Environmental Health Specialists. repealing provisions of law that establish the State Board of Environmental Health Specialists, specify the membership, powers, and duties of the Board, and provide for the officers, meetings, compensation, and staff for the Board; repealing the State Board of Environmental Health Specialists Fund; repealing the requirement that an individual be licensed by the Board to practice as an environmental health specialist in the State; repealing provisions of law relating to the licensure of environmental health specialists; repealing certain prohibited acts and penalties; repealing a certain short title; repealing a certain termination provision; requiring an individual to obtain and maintain a certain credential and submit certain documentation to the individual's employer to practice as an environmental health specialist in the State; requiring the employer of an individual practicing as an environmental health specialist to verify the individual's compliance with certain provisions of this Act on a certain basis; providing exemptions from the application of certain provisions of this Act; authorizing certain individuals to practice as an environmental health specialist in the State under certain circumstances and for a certain period of time; repealing the requirement that the Department of Legislative Services conduct a certain evaluation of the Board; providing that an individual who is licensed by the Board on a certain date is considered to be licensed and deemed eligible to practice as an environmental health specialist for the duration of the term of the license; requiring that any balance in the Fund on a certain date be transferred to the General Fund; requiring the Department of Health and Mental Hygiene, on or before a certain date, to work with the National Environmental Health Association to secure a certain agreement; requiring the agreement to specify certain matters; requiring the Department of Health and Mental Hygiene to notify certain legislative committees and the Department of Legislative Services about the details of the agreement at a certain time; requiring the publishers of the Annotated Code of Maryland, in consultation with the Department of Legislative Services, to make certain corrections in a certain manner; repealing certain definitions; defining certain terms; altering a certain definition; providing for the application of certain provisions of this Act; and generally relating to the regulation of environmental health specialists.~~~~

~~BY repealing~~

~~Article — Health Occupations~~

~~Section 21-102 and the subtitle "Subtitle 1. General Provisions"; 21-201 through 21-207 and the subtitle "Subtitle 2. State Board of Environmental Health Specialists"; 21-301 through 21-315 and the subtitle "Subtitle 3. Licensing"; 21-401 and 21-402 and the subtitle "Subtitle 4. Prohibited Acts; Penalties";~~

~~and 21-501 and 21-502 and the subtitle “Subtitle 5. Short Title; Termination of Title”~~

~~Annotated Code of Maryland  
(2014 Replacement Volume and 2015 Supplement)~~

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

~~Article – Health Occupations~~

~~Section 21-101~~

~~Annotated Code of Maryland  
(2014 Replacement Volume and 2015 Supplement)~~

~~BY adding to~~

~~Article – Health Occupations~~

~~Section 21-102 through 21-104~~

~~Annotated Code of Maryland  
(2014 Replacement Volume and 2015 Supplement)~~

~~BY repealing~~

~~Article – State Government~~

~~Section 8-403(b)(20)~~

~~Annotated Code of Maryland  
(2014 Replacement Volume and 2015 Supplement)~~

~~BY renumbering~~

~~Article – State Government~~

~~Section 8-403(b)(21) through (57), respectively  
to be Section 8-403(b)(20) through (56), respectively~~

~~Annotated Code of Maryland  
(2014 Replacement Volume and 2015 Supplement)~~

~~SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,  
That Section (c) 21-102 and the subtitle “Subtitle 1. General Provisions”; 21-201 through  
21-207 and the subtitle “Subtitle 2. State Board of Environmental Health Specialists”;  
21-301 through 21-315 and the subtitle “Subtitle 3. Licensing”; 21-401 and 21-402 and  
the subtitle “Subtitle 4. Prohibited Acts; Penalties”; and 21-501 and 21-502 and the  
subtitle “Subtitle 5. Short Title; Termination of Title” of Article – Health Occupations of  
the Annotated Code of Maryland be repealed.~~

BY repealing and reenacting, with amendments,

Article – Health Occupations

Section 21-205 and 21-502

Annotated Code of Maryland  
(2014 Replacement Volume and 2015 Supplement)

BY repealing and reenacting, without amendments,

Article – State Government

Section 8-403(a)

Annotated Code of Maryland  
(2014 Replacement Volume and 2015 Supplement)

BY repealing and reenacting, with amendments,

Article – State Government

Section 8–403(b)(20)

Annotated Code of Maryland

(2014 Replacement Volume and 2015 Supplement)

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

~~**Article – Health Occupations**~~

~~21-101.~~

~~(a) In this title the following words have the meanings indicated.~~

~~(b) [“Board” means the State Board of Environmental Health Specialists.~~

~~(c) [“Environmental health specialist” means an individual who practices as an environmental health specialist.~~

~~(d) (C) [“Environmental health specialist in training” means an individual who meets the educational qualifications FOR AN REHS/RS CREDENTIAL required under this title but has not yet [completed the environmental health specialist in training program required under § 21-305 of this title] ACQUIRED THE WORK EXPERIENCE REQUIRED TO QUALIFY FOR AN REHS/RS CREDENTIAL.~~

~~(e) [“Environmental health specialist in training program” means a program of training and experience under the supervision of a licensed environmental health specialist or other individual acceptable to the Board.~~

~~(f) [“Hours of approved training” means the value given to participation in continuing education or experience as approved by the Board.~~

~~(g) [“License” means, unless the context requires otherwise, a license issued by the Board to practice as an environmental health specialist.~~

~~(h) [“Licensed environmental health specialist” means an individual licensed by the Board to practice as an environmental health specialist.]~~

~~(D) [“NEHA” MEANS THE NATIONAL ENVIRONMENTAL HEALTH ASSOCIATION.~~

~~[(i)] (E) “Practice as an environmental health specialist” means, as a major component of employment, to apply academic principles, methods and procedures of the environmental, physical, biological, and health sciences to the inspections and investigations necessary to collect and analyze data and to make decisions necessary to secure compliance with federal, State, and local health and environmental laws and regulations specifically relating to control of the public health aspects of the environment including:~~

- ~~(1) The manufacture, preparation, handling, distribution, or sale of food and milk;~~
- ~~(2) Water supply and treatment;~~
- ~~(3) Wastewater treatment and disposal;~~
- ~~(4) Solid waste management and disposal;~~
- ~~(5) Vector control;~~
- ~~(6) Insect and rodent control;~~
- ~~(7) Air quality;~~
- ~~(8) Noise control;~~
- ~~(9) Product safety;~~
- ~~(10) Recreational sanitation; and~~
- ~~(11) Institutional and residential sanitation.~~

~~(F) “REHS/RS CREDENTIAL” MEANS THE REGISTERED ENVIRONMENTAL HEALTH SPECIALIST/REGISTERED SANITARIAN CREDENTIAL ISSUED BY NEHA.~~

~~(G) “REHS/RS IT” MEANS AN INDIVIDUAL WHO HAS OBTAINED AN “IN TRAINING” STATUS REGISTRATION FROM NEHA TO ACQUIRE THE EXPERIENCE NECESSARY FOR AN REHS/RS CREDENTIAL.~~

~~21-102.~~

~~THIS TITLE DOES NOT APPLY TO:~~

~~(1) A STUDENT PARTICIPATING IN A FIELD EXPERIENCE AS PART OF AN EDUCATIONAL PROGRAM; OR~~

~~(2) A QUALIFIED INDIVIDUAL IN ANY OF THE FOLLOWING JOB CLASSIFICATIONS:~~

~~(I) INDUSTRIAL HYGIENISTS AS DEFINED BY THE AMERICAN INDUSTRIAL HYGIENE ASSOCIATION;~~

~~(II) CERTIFIED INDUSTRIAL HYGIENISTS AND INDUSTRIAL HYGIENISTS IN TRAINING AS DEFINED BY THE AMERICAN BOARD OF INDUSTRIAL HYGIENE;~~

~~(III) HEALTH PLANNERS OR NATURAL RESOURCE PLANNERS;~~

~~(IV) BUILDING AND HOUSING INSPECTORS;~~

~~(V) GEOLOGISTS;~~

~~(VI) CHEMISTS;~~

~~(VII) METEOROLOGISTS;~~

~~(VIII) LABORATORY SCIENTISTS;~~

~~(IX) PROFESSIONAL ENGINEERS WHO ARE LICENSED IN THE STATE UNDER TITLE 14 OF THE BUSINESS OCCUPATIONS AND PROFESSIONS ARTICLE AND WHOSE NORMAL PROFESSIONAL ACTIVITIES ARE AMONG THE ACTIVITIES SPECIFIED IN § 21-101(E) OF THIS TITLE;~~

~~(X) PUBLIC HEALTH ENGINEERS AND WATER RESOURCES ENGINEERS EMPLOYED BY THE STATE OR A LOCAL SUBDIVISION;~~

~~(XI) HYDROGRAPHERS AND HYDROGRAPHIC ENGINEERS;~~

~~(XII) NATURAL RESOURCES MANAGERS;~~

~~(XIII) NATURAL RESOURCES BIOLOGISTS;~~

~~(XIV) PROGRAM ADMINISTRATORS, ADMINISTRATION DIRECTORS, ADMINISTRATORS, ADMINISTRATIVE OFFICERS, AND ADMINISTRATIVE SPECIALISTS;~~

~~(XV) PARAPROFESSIONAL PERSONNEL, AIDES, AND TECHNICIANS WHOSE ROUTINE DUTIES INCLUDE MONITORING, SAMPLING, AND RECORDING OF DATA;~~

~~(XVI) INDIVIDUALS EMPLOYED BY THE DEPARTMENT OF NATURAL RESOURCES OR RELATED COUNTY DEPARTMENTS WHO PERFORM DUTIES AND HAVE RESPONSIBILITIES UNDER THE NATURAL RESOURCES ARTICLE;~~

~~(XVII) INDIVIDUALS EMPLOYED BY THE DEPARTMENT OF THE ENVIRONMENT OR RELATED COUNTY DEPARTMENTS WHO PERFORM DUTIES AND HAVE RESPONSIBILITIES FOR:~~

~~1. EROSION AND SEDIMENT CONTROL, STORMWATER MANAGEMENT, OR OIL POLLUTION CONTROL UNDER TITLE 4 OF THE ENVIRONMENT ARTICLE;~~

~~2. MOTOR VEHICLE POLLUTION CONTROL UNDER TITLE 2 OF THE ENVIRONMENT ARTICLE OR TITLE 23 OF THE TRANSPORTATION ARTICLE;~~  
~~OR~~

~~3. SEWAGE SLUDGE, WATER POLLUTION CONTROL, OR DRINKING WATER UNDER TITLE 9 OF THE ENVIRONMENT ARTICLE;~~

~~(XVIII) INDIVIDUALS EMPLOYED BY THE DEPARTMENT OF THE ENVIRONMENT WHO ARE CLASSIFIED AS:~~

~~1. A REGULATORY AND COMPLIANCE ENGINEER OR ARCHITECT; OR~~

~~2. AN ENVIRONMENTAL COMPLIANCE SPECIALIST;~~

~~(XIX) INDIVIDUALS EMPLOYED BY THE DIVISION OF LABOR AND INDUSTRY OF THE DEPARTMENT OF LABOR, LICENSING, AND REGULATION WHO PERFORM DUTIES AND HAVE RESPONSIBILITIES UNDER THE MARYLAND OCCUPATIONAL SAFETY AND HEALTH ACT;~~

~~(XX) OCCUPATIONAL SAFETY AND HEALTH TECHNOLOGISTS AS DEFINED BY THE AMERICAN BOARD OF INDUSTRIAL HYGIENE AND THE BOARD OF CERTIFIED SAFETY PROFESSIONALS;~~

~~(XXI) SAFETY PROFESSIONALS AS DEFINED BY THE AMERICAN SOCIETY OF SAFETY ENGINEERS;~~

~~(XXII) CERTIFIED SAFETY PROFESSIONALS AND ASSOCIATE SAFETY PROFESSIONALS AS DEFINED BY THE BOARD OF CERTIFIED SAFETY PROFESSIONALS;~~

~~(XXIII) INDIVIDUALS EMPLOYED BY INDUSTRIAL OPERATIONS WHOSE ENVIRONMENTAL SERVICES ARE PERFORMED SOLELY FOR THEIR EMPLOYER; OR~~

~~(XXIV) STATE MILK SAFETY INSPECTORS PERFORMING DUTIES UNDER THE NATIONAL CONFERENCE ON INTERSTATE MILK SHIPMENTS WHO ARE EMPLOYED BY THE DEPARTMENT.~~

~~21-103.~~

~~(A) EXCEPT AS OTHERWISE PROVIDED IN THIS TITLE, TO PRACTICE AS AN ENVIRONMENTAL HEALTH SPECIALIST IN THE STATE AN INDIVIDUAL SHALL:~~

~~(1) OBTAIN THE REHS/RS CREDENTIAL ISSUED BY NEHA BEFORE BEGINNING PRACTICE AS AN ENVIRONMENTAL HEALTH SPECIALIST;~~

~~(2) MAINTAIN THE REHS/RS CREDENTIAL ISSUED BY NEHA WHILE ACTIVELY IN PRACTICE AS AN ENVIRONMENTAL HEALTH SPECIALIST IN THE STATE; AND~~

~~(3) SUBMIT DOCUMENTATION BIENNIALLY TO THE INDIVIDUAL'S EMPLOYER VERIFYING THAT THE INDIVIDUAL IS IN COMPLIANCE WITH THE REQUIREMENTS OF THIS TITLE.~~

~~(C) THE EMPLOYER OF AN INDIVIDUAL WHOSE PRIMARY DUTIES REQUIRE PRACTICE AS AN ENVIRONMENTAL HEALTH SPECIALIST:~~

~~(1) INITIALLY SHALL VERIFY THAT THE INDIVIDUAL HAS OBTAINED THE CREDENTIAL AS REQUIRED UNDER SUBSECTION (A)(1) OF THIS SECTION; AND~~

~~(2) BIENNIALLY THEREAFTER SHALL VERIFY THAT THE INDIVIDUAL IS MAINTAINING THE CREDENTIAL AS REQUIRED UNDER SUBSECTION (A)(2) OF THIS SECTION.~~

~~21-104.~~

~~NOTWITHSTANDING ANY OTHER PROVISION OF LAW, AN ENVIRONMENTAL HEALTH SPECIALIST IN TRAINING OR AN REHS/RS IT MAY PRACTICE AS AN ENVIRONMENTAL HEALTH SPECIALIST IN THE STATE:~~

~~(1) FOR NO MORE THAN 3 YEARS IN ORDER TO ACQUIRE THE WORK EXPERIENCE REQUIRED TO QUALIFY FOR AN REHS/RS CREDENTIAL; AND~~



~~(2) ONLY UNDER THE SUPERVISION OF AN INDIVIDUAL WHO HOLDS A VALID REHS/RS CREDENTIAL OR ANOTHER INDIVIDUAL ACCEPTABLE TO THE DEPARTMENT.~~

~~Article State Government~~

~~§ 403.~~

~~(b) Each of the following governmental activities or units and the statutes and regulations that relate to the governmental activities or units are subject to preliminary evaluation in the evaluation year specified:~~

~~[(20) Environmental Health Specialists, State Board of (§ 21-201 of the Health Occupations Article: 2014);]~~

~~SECTION 3. AND BE IT FURTHER ENACTED, That Section(s) 8-403(b)(21) through (57), respectively, of Article State Government of the Annotated Code of Maryland be renumbered to be Section(s) 8-403(b)(20) through (56), respectively.~~

~~SECTION 4. AND BE IT FURTHER ENACTED, That any individual who, on the effective date of this Act, is licensed by the State Board of Environmental Health Specialists, which is repealed by this Act, is considered for all purposes to be licensed and deemed eligible to practice as an environmental health specialist for the duration of the term for which the license was issued.~~

~~SECTION 5. AND BE IT FURTHER ENACTED, That any balance remaining in the State Board of Environmental Health Specialists Fund on the effective date of this Act shall be transferred to the General Fund.~~

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

~~(a) On or before October 1, 2016, the Department of Health and Mental Hygiene shall work with the National Environmental Health Association (NEHA) to secure an agreement for a grace period to allow individuals who hold an environmental health specialist license issued by the State Board of Environmental Health Specialists to obtain an REHS/RS credential through reciprocity.~~

~~(b) Any agreement under subsection (a) of this section must specify:~~

~~(1) that all individuals who held a valid environmental health specialist license as of the termination date of the State Board of Environmental Health Specialists are eligible to receive the REHS/RS credential through reciprocity during the grace period; and~~

~~(2) any fees required to obtain an REHS/RS credential by reciprocity during the grace period.~~

~~(e) Within 30 days after securing an agreement with NEHA, the Department shall notify the Senate Education, Health, and Environmental Affairs Committee, the House Health and Government Operations Committee, and the Department of Legislative Services, in accordance with § 2-1246 of the State Government Article, about the details of the agreement.~~

~~SECTION 7. AND BE IT FURTHER ENACTED, That the publishers of the Annotated Code of Maryland, in consultation with and subject to the approval of the Department of Legislative Services, shall correct, with no further action required by the General Assembly, cross references and terminology rendered incorrect by this Act or any other Act of the General Assembly of 2016 that affects provisions enacted by this Act. The publishers shall adequately describe any such correction in an editor's note following the section affected.~~

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

Article – Health Occupations

21–205.

(a) In addition to the powers set forth elsewhere in this title, the Board may:

(1) Adopt rules, regulations, and bylaws to carry out the provisions of this title;

(2) Sue to enforce any provision of this title by injunction; and

(3) Issue subpoenas, summon witnesses, administer oaths, take affidavits, and take testimony about matters that relate to the jurisdiction of the Board.

(b) In addition to the duties set forth elsewhere in this title, the Board shall:

(1) Keep a current record of all licensed environmental health specialists;

(2) Collect and account for fees provided under this title;

(3) Pay all necessary expenses of the Board in accordance with the State budget;

(4) Keep a complete record of its proceedings;

(5) File an annual report of its activities[, including a financial statement,] with the Governor and the Secretary **THAT INCLUDES:**

**(I) A FINANCIAL STATEMENT; AND**

**(II) A PLAN FOR SPECIAL FUND REVENUES; and**

(6) Adopt an official seal.

21-502.

Subject to the evaluation and reestablishment provisions of the Program Evaluation Act, the provisions of this title and of any rule or regulation adopted under this title shall terminate and be of no effect after July 1, [2017] ~~2022~~ 2027.

**Article – State Government**

8-403.

(a) On or before December 15 of the evaluation year specified, the Department shall:

(1) conduct a preliminary evaluation of each governmental activity or unit to be evaluated under this section; and

(2) prepare a report on each preliminary evaluation conducted.

(b) Each of the following governmental activities or units and the statutes and regulations that relate to the governmental activities or units are subject to preliminary evaluation in the evaluation year specified:

(20) Environmental Health Specialists, State Board of (§ 21-201 of the Health Occupations Article: [2014] ~~2021~~ 2023);

**SECTION 2. AND BE IT FURTHER ENACTED, That:**

(a) On or before January 1, 2017, the Board of Environmental Health Specialists shall:

(1) adopt regulations regarding continuing education that include:

(i) a list of continuing education unit providers who are automatically approved; and

(ii) for continuing education units that are not automatically approved, a deadline by which the continuing education unit shall be submitted to the Board for approval;

(2) review the list of preapproved continuing education units and providers on the Board's Web site, remove the units and providers that are obsolete, and list the preapproved units and providers in a user-friendly format;

(3) make available, through the Board's Web site and by e-mail to licensees, a summary of the continuing education process, including any deadlines and preapproved providers;

(4) evaluate whether to implement an audit-based continuing education unit review system through which the Board will conduct a random audit of a minimum of 10% of licensees to determine compliance with the continuing education unit requirement;

(5) implement an online continuing education unit process;

(6) overhaul the Board's Web site to include the following specific content:

(i) fees;

(ii) application forms;

(iii) examination study links and resources;

(iv) board meeting minutes;

(v) continuing education training opportunities; and

(vi) links to National Environmental Health Association study aids and training; and

(7) establish a method to improve the accuracy of licensee contact information.

(b) The Board shall:

(1) monitor the Long Term Environmental Health Workforce Work Group's activities and recommendations for improving recruitment and retention of environmental health specialists and for statutory licensing exemptions; and

(2) assist the Work Group in instituting any statutory or regulatory changes necessary to implement the recommendations of the Work Group and distributing information to licensees in a timely manner.

(c) On or before January 1, 2017, the Board shall report, in accordance with § 2-1246 of the State Government Article, to the Senate Education, Health, and Environmental Affairs Committee and the House Health and Government Operations Committee on the implementation of the requirements of subsections (a) and (b) of this section.

~~SECTION 3. AND BE IT FURTHER ENACTED, That the State Board of Environmental Health Specialists shall:~~

- ~~(1) develop a plan for prospective licensees that will:~~
- ~~(i) better align current licensure requirements with the requirements of the National Environmental Health Association (NEHA);~~
- ~~(ii) encourage licensees to acquire the education and training necessary to obtain the NEHA credential, or to otherwise overcome any obstacles to obtaining the NEHA credential;~~
- ~~(iii) provide assistance to licensees in obtaining the NEHA credential; and~~
- ~~(iv) review State policy relating to the environmental health specialist profession in order to address any shortages in the availability of environmental health specialists and, as part of the review, examine the regulatory structure of the profession;~~
- ~~(2) on or before November 1, 2016, submit to the Senate Education, Health, and Environmental Affairs Committee and the House Health and Government Operations Committee, in accordance with § 2-1246 of the State Government Article, draft legislation needed to implement the plan developed under item (1) of this section; and~~
- ~~(3) on or before December 1, 2017, December 1, 2018, and December 1, 2019, report to the Governor and, in accordance with § 2-1246 of the State Government Article, to the Senate Education, Health, and Environmental Affairs Committee and the House Health and Government Operations Committee regarding:~~
- ~~(i) the number of licensees who meet the requirements to obtain the NEHA credential; and~~
- ~~(ii) the number of licensees who are unable to meet the requirements to obtain the NEHA credential, including a detailed explanation of why the licensees are unable to meet the requirements.~~

SECTION ~~8~~ ~~4~~ ~~3~~. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016.

Approved by the Governor, May 10, 2016.

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## Chapter 360

(House Bill 497)

AN ACT concerning

**Health Occupations – ~~Environmental Health Specialists – Regulation State Board of Environmental Health Specialists – Sunset Extension and Revisions~~**

FOR the purpose of continuing the State Board of Environmental Health Specialists in accordance with the provisions of the Maryland Program Evaluation Act (sunset law) by extending to a certain date the termination provisions relating to the statutory and regulatory authority of the Board; requiring that an evaluation of the Board and the statutes and regulations that relate to the Board be performed on or before a certain date; requiring a certain annual report filed by the Board to include a plan for special fund revenues; requiring the Board, on or before a certain date, to adopt certain regulations regarding continuing education, conduct a certain review of continuing education units and providers, make certain information available through the Board's Web site, conduct a certain evaluation, implement an online continuing education unit process, overhaul the Board's Web site to include certain content, and establish a method to improve the accuracy of licensee contact information; requiring the Board to monitor the Long Term Environmental Health Workforce Work Group's activities and certain recommendations and assist the Work Group in instituting certain statutory and regulatory changes and distributing information to licensees; requiring the Board, on or before a certain date, to provide a certain report to certain committees of the General Assembly; and generally relating to the State Board of Environmental Health Specialists. ~~repealing provisions of law that establish the State Board of Environmental Health Specialists, specify the membership, powers, and duties of the Board, and provide for the officers, meetings, compensation, and staff for the Board; repealing the State Board of Environmental Health Specialists Fund; repealing the requirement that an individual be licensed by the Board to practice as an environmental health specialist in the State; repealing provisions of law relating to the licensure of environmental health specialists; repealing certain prohibited acts and penalties; repealing a certain short title; repealing a certain termination provision; requiring an individual to obtain and maintain a certain credential and submit certain documentation to the individual's employer to practice as an environmental health specialist in the State; requiring the employer of an individual practicing as an environmental health specialist to verify the individual's compliance with certain provisions of this Act on a certain basis; providing exemptions from the application of certain provisions of this Act; authorizing certain individuals to practice as an environmental health specialist in the State under certain circumstances and for a certain period of time; repealing the requirement that the Department of Legislative Services conduct a certain evaluation of the Board; providing that an individual who is licensed by the Board on a certain date is considered to be licensed and deemed eligible to practice as an environmental health specialist for the duration of the term of the license; requiring that any balance in the Fund on a certain date be transferred to the General Fund; requiring the Department of Health and Mental Hygiene, on or before a certain date, to work with the National Environmental Health Association to secure a certain agreement; requiring the agreement to specify certain matters; requiring the Department of Health and Mental Hygiene to notify certain legislative committees and the Department of Legislative Services about the details of the~~

~~agreement at a certain time; requiring the publishers of the Annotated Code of Maryland, in consultation with the Department of Legislative Services, to make certain corrections in a certain manner; repealing certain definitions; defining certain terms; altering a certain definition; providing for the application of certain provisions of this Act; and generally relating to the regulation of environmental health specialists.~~

~~BY repealing~~

~~Article — Health Occupations~~

~~Section 21-102 and the subtitle “Subtitle 1. General Provisions”; 21-201 through 21-207 and the subtitle “Subtitle 2. State Board of Environmental Health Specialists”; 21-301 through 21-315 and the subtitle “Subtitle 3. Licensing”; 21-401 and 21-402 and the subtitle “Subtitle 4. Prohibited Acts; Penalties”; and 21-501 and 21-502 and the subtitle “Subtitle 5. Short Title; Termination of Title”~~

~~Annotated Code of Maryland~~

~~(2014 Replacement Volume and 2015 Supplement)~~

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

~~Article — Health Occupations~~

~~Section 21-101~~

~~Annotated Code of Maryland~~

~~(2014 Replacement Volume and 2015 Supplement)~~

~~BY adding to~~

~~Article — Health Occupations~~

~~Section 21-102 through 21-104~~

~~Annotated Code of Maryland~~

~~(2014 Replacement Volume and 2015 Supplement)~~

~~BY repealing~~

~~Article — State Government~~

~~Section 8-403(b)(20)~~

~~Annotated Code of Maryland~~

~~(2014 Replacement Volume and 2015 Supplement)~~

~~BY renumbering~~

~~Article — State Government~~

~~Section 8-403(b)(21) through (57), respectively to be Section 8-403(b)(20) through (56), respectively~~

~~Annotated Code of Maryland~~

~~(2014 Replacement Volume and 2015 Supplement)~~

~~SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That Section(c) 21-102 and the subtitle “Subtitle 1. General Provisions”; 21-201 through 21-207 and the subtitle “Subtitle 2. State Board of Environmental Health Specialists”; 21-301 through 21-315 and the subtitle “Subtitle 3. Licensing”; 21-401 and 21-402 and~~

~~the subtitle “Subtitle 4. Prohibited Acts; Penalties”; and 21-501 and 21-502 and the subtitle “Subtitle 5. Short Title; Termination of Title” of Article – Health Occupations of the Annotated Code of Maryland be repealed.~~

BY repealing and reenacting, with amendments,

Article – Health Occupations  
Section 21-205 and 21-502  
Annotated Code of Maryland  
(2014 Replacement Volume and 2015 Supplement)

BY repealing and reenacting, without amendments,

Article – State Government  
Section 8-403(a)  
Annotated Code of Maryland  
(2014 Replacement Volume and 2015 Supplement)

BY repealing and reenacting, with amendments,

Article – State Government  
Section 8-403(b)(20)  
Annotated Code of Maryland  
(2014 Replacement Volume and 2015 Supplement)

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

~~**Article – Health Occupations**~~

~~21-101.~~

~~(a) In this title the following words have the meanings indicated.~~

~~(b) [“Board” means the State Board of Environmental Health Specialists.~~

~~(c) [“Environmental health specialist” means an individual who practices as an environmental health specialist.~~

~~[(d)] (C) “Environmental health specialist in training” means an individual who meets the educational qualifications FOR AN REHS/RS CREDENTIAL required under this title but has not yet [completed the environmental health specialist in training program required under § 21-305 of this title] ACQUIRED THE WORK EXPERIENCE REQUIRED TO QUALIFY FOR AN REHS/RS CREDENTIAL.~~

~~(e) [“Environmental health specialist in training program” means a program of training and experience under the supervision of a licensed environmental health specialist or other individual acceptable to the Board.~~



~~(f) “Hours of approved training” means the value given to participation in continuing education or experience as approved by the Board.~~

~~(g) “License” means, unless the context requires otherwise, a license issued by the Board to practice as an environmental health specialist.~~

~~(h) “Licensed environmental health specialist” means an individual licensed by the Board to practice as an environmental health specialist.】~~

~~(D) “NEHA” MEANS THE NATIONAL ENVIRONMENTAL HEALTH ASSOCIATION.~~

~~[(i)] (E) “Practice as an environmental health specialist” means, as a major component of employment, to apply academic principles, methods and procedures of the environmental, physical, biological, and health sciences to the inspections and investigations necessary to collect and analyze data and to make decisions necessary to secure compliance with federal, State, and local health and environmental laws and regulations specifically relating to control of the public health aspects of the environment including:~~

- ~~(1) The manufacture, preparation, handling, distribution, or sale of food and milk;~~
- ~~(2) Water supply and treatment;~~
- ~~(3) Wastewater treatment and disposal;~~
- ~~(4) Solid waste management and disposal;~~
- ~~(5) Vector control;~~
- ~~(6) Insect and rodent control;~~
- ~~(7) Air quality;~~
- ~~(8) Noise control;~~
- ~~(9) Product safety;~~
- ~~(10) Recreational sanitation; and~~
- ~~(11) Institutional and residential sanitation.~~

~~(F) “REHS/RS CREDENTIAL” MEANS THE REGISTERED ENVIRONMENTAL HEALTH SPECIALIST/REGISTERED SANITARIAN CREDENTIAL ISSUED BY NEHA.~~

~~(C) "REHS/RS-IT" MEANS AN INDIVIDUAL WHO HAS OBTAINED AN "IN TRAINING" STATUS REGISTRATION FROM NEHA TO ACQUIRE THE EXPERIENCE NECESSARY FOR AN REHS/RS CREDENTIAL.~~

~~21-102.~~

~~THIS TITLE DOES NOT APPLY TO:~~

~~(1) A STUDENT PARTICIPATING IN A FIELD EXPERIENCE AS PART OF AN EDUCATIONAL PROGRAM; OR~~

~~(2) A QUALIFIED INDIVIDUAL IN ANY OF THE FOLLOWING JOB CLASSIFICATIONS:~~

~~(I) INDUSTRIAL HYGIENISTS AS DEFINED BY THE AMERICAN INDUSTRIAL HYGIENE ASSOCIATION;~~

~~(II) CERTIFIED INDUSTRIAL HYGIENISTS AND INDUSTRIAL HYGIENISTS IN TRAINING AS DEFINED BY THE AMERICAN BOARD OF INDUSTRIAL HYGIENE;~~

~~(III) HEALTH PLANNERS OR NATURAL RESOURCE PLANNERS;~~

~~(IV) BUILDING AND HOUSING INSPECTORS;~~

~~(V) GEOLOGISTS;~~

~~(VI) CHEMISTS;~~

~~(VII) METEOROLOGISTS;~~

~~(VIII) LABORATORY SCIENTISTS;~~

~~(IX) PROFESSIONAL ENGINEERS WHO ARE LICENSED IN THE STATE UNDER TITLE 14 OF THE BUSINESS OCCUPATIONS AND PROFESSIONS ARTICLE AND WHOSE NORMAL PROFESSIONAL ACTIVITIES ARE AMONG THE ACTIVITIES SPECIFIED IN § 21-101(E) OF THIS TITLE;~~

~~(X) PUBLIC HEALTH ENGINEERS AND WATER RESOURCES ENGINEERS EMPLOYED BY THE STATE OR A LOCAL SUBDIVISION;~~

~~(XI) HYDROGRAPHERS AND HYDROGRAPHIC ENGINEERS;~~

~~(XII) NATURAL RESOURCES MANAGERS;~~

~~(XIII) NATURAL RESOURCES BIOLOGISTS;~~

~~(XIV) PROGRAM ADMINISTRATORS, ADMINISTRATION DIRECTORS, ADMINISTRATORS, ADMINISTRATIVE OFFICERS, AND ADMINISTRATIVE SPECIALISTS;~~

~~(XV) PARAPROFESSIONAL PERSONNEL, AIDES, AND TECHNICIANS WHOSE ROUTINE DUTIES INCLUDE MONITORING, SAMPLING, AND RECORDING OF DATA;~~

~~(XVI) INDIVIDUALS EMPLOYED BY THE DEPARTMENT OF NATURAL RESOURCES OR RELATED COUNTY DEPARTMENTS WHO PERFORM DUTIES AND HAVE RESPONSIBILITIES UNDER THE NATURAL RESOURCES ARTICLE;~~

~~(XVII) INDIVIDUALS EMPLOYED BY THE DEPARTMENT OF THE ENVIRONMENT OR RELATED COUNTY DEPARTMENTS WHO PERFORM DUTIES AND HAVE RESPONSIBILITIES FOR:~~

~~1. EROSION AND SEDIMENT CONTROL, STORMWATER MANAGEMENT, OR OIL POLLUTION CONTROL UNDER TITLE 4 OF THE ENVIRONMENT ARTICLE;~~

~~2. MOTOR VEHICLE POLLUTION CONTROL UNDER TITLE 2 OF THE ENVIRONMENT ARTICLE OR TITLE 23 OF THE TRANSPORTATION ARTICLE;~~  
~~OR~~

~~3. SEWAGE SLUDGE, WATER POLLUTION CONTROL, OR DRINKING WATER UNDER TITLE 9 OF THE ENVIRONMENT ARTICLE;~~

~~(XVIII) INDIVIDUALS EMPLOYED BY THE DEPARTMENT OF THE ENVIRONMENT WHO ARE CLASSIFIED AS:~~

~~1. A REGULATORY AND COMPLIANCE ENGINEER OR ARCHITECT; OR~~

~~2. AN ENVIRONMENTAL COMPLIANCE SPECIALIST;~~

~~(XIX) INDIVIDUALS EMPLOYED BY THE DIVISION OF LABOR AND INDUSTRY OF THE DEPARTMENT OF LABOR, LICENSING, AND REGULATION WHO PERFORM DUTIES AND HAVE RESPONSIBILITIES UNDER THE MARYLAND OCCUPATIONAL SAFETY AND HEALTH ACT;~~

~~(XX) OCCUPATIONAL SAFETY AND HEALTH TECHNOLOGISTS AS DEFINED BY THE AMERICAN BOARD OF INDUSTRIAL HYGIENE AND THE BOARD OF CERTIFIED SAFETY PROFESSIONALS;~~

~~(XXI) SAFETY PROFESSIONALS AS DEFINED BY THE AMERICAN SOCIETY OF SAFETY ENGINEERS;~~

~~(XXII) CERTIFIED SAFETY PROFESSIONALS AND ASSOCIATE SAFETY PROFESSIONALS AS DEFINED BY THE BOARD OF CERTIFIED SAFETY PROFESSIONALS;~~

~~(XXIII) INDIVIDUALS EMPLOYED BY INDUSTRIAL OPERATIONS WHOSE ENVIRONMENTAL SERVICES ARE PERFORMED SOLELY FOR THEIR EMPLOYER; OR~~

~~(XXIV) STATE MILK SAFETY INSPECTORS PERFORMING DUTIES UNDER THE NATIONAL CONFERENCE ON INTERSTATE MILK SHIPMENTS WHO ARE EMPLOYED BY THE DEPARTMENT.~~

~~21-103.~~

~~(A) EXCEPT AS OTHERWISE PROVIDED IN THIS TITLE, TO PRACTICE AS AN ENVIRONMENTAL HEALTH SPECIALIST IN THE STATE AN INDIVIDUAL SHALL:~~

~~(1) OBTAIN THE REHS/RS CREDENTIAL ISSUED BY NEHA BEFORE BEGINNING PRACTICE AS AN ENVIRONMENTAL HEALTH SPECIALIST;~~

~~(2) MAINTAIN THE REHS/RS CREDENTIAL ISSUED BY NEHA WHILE ACTIVELY IN PRACTICE AS AN ENVIRONMENTAL HEALTH SPECIALIST IN THE STATE; AND~~

~~(3) SUBMIT DOCUMENTATION BIENNIALLY TO THE INDIVIDUAL'S EMPLOYER VERIFYING THAT THE INDIVIDUAL IS IN COMPLIANCE WITH THE REQUIREMENTS OF THIS TITLE.~~

~~(B) THE EMPLOYER OF AN INDIVIDUAL WHOSE PRIMARY DUTIES REQUIRE PRACTICE AS AN ENVIRONMENTAL HEALTH SPECIALIST:~~

~~(1) INITIALLY SHALL VERIFY THAT THE INDIVIDUAL HAS OBTAINED THE CREDENTIAL AS REQUIRED UNDER SUBSECTION (A)(1) OF THIS SECTION; AND~~

~~(2) BIENNIALLY THEREAFTER SHALL VERIFY THAT THE INDIVIDUAL IS MAINTAINING THE CREDENTIAL AS REQUIRED UNDER SUBSECTION (A)(2) OF THIS SECTION.~~

~~21-104.~~

~~NOTWITHSTANDING ANY OTHER PROVISION OF LAW, AN ENVIRONMENTAL HEALTH SPECIALIST IN TRAINING OR AN REHS/RS IT MAY PRACTICE AS AN ENVIRONMENTAL HEALTH SPECIALIST IN THE STATE:~~

~~(1) FOR NO MORE THAN 3 YEARS IN ORDER TO ACQUIRE THE WORK EXPERIENCE REQUIRED TO QUALIFY FOR AN REHS/RS CREDENTIAL; AND~~

~~(2) ONLY UNDER THE SUPERVISION OF AN INDIVIDUAL WHO HOLDS A VALID REHS/RS CREDENTIAL OR ANOTHER INDIVIDUAL ACCEPTABLE TO THE DEPARTMENT.~~

~~Article State Government~~

~~§ 403.~~

~~(b) Each of the following governmental activities or units and the statutes and regulations that relate to the governmental activities or units are subject to preliminary evaluation in the evaluation year specified:~~

~~[(20) Environmental Health Specialists, State Board of (§ 21-201 of the Health Occupations Article: 2014);]~~

~~SECTION 3. AND BE IT FURTHER ENACTED, That Section(s) 8-403(b)(21) through (57), respectively, of Article State Government of the Annotated Code of Maryland be renumbered to be Section(s) 8-403(b)(20) through (56), respectively.~~

~~SECTION 4. AND BE IT FURTHER ENACTED, That any individual who, on the effective date of this Act, is licensed by the State Board of Environmental Health Specialists, which is repealed by this Act, is considered for all purposes to be licensed and deemed eligible to practice as an environmental health specialist for the duration of the term for which the license was issued.~~

~~SECTION 5. AND BE IT FURTHER ENACTED, That any balance remaining in the State Board of Environmental Health Specialists Fund on the effective date of this Act shall be transferred to the General Fund.~~

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

~~(a) On or before October 1, 2016, the Department of Health and Mental Hygiene shall work with the National Environmental Health Association (NEHA) to secure an agreement for a grace period to allow individuals who hold an environmental health specialist license issued by the State Board of Environmental Health Specialists to obtain an REHS/RS credential through reciprocity.~~

~~(b) Any agreement under subsection (a) of this section must specify:~~

~~(1) that all individuals who held a valid environmental health specialist license as of the termination date of the State Board of Environmental Health Specialists are eligible to receive the REHS/RS credential through reciprocity during the grace period; and~~

~~(2) any fees required to obtain an REHS/RS credential by reciprocity during the grace period.~~

~~(e) Within 30 days after securing an agreement with NEHA, the Department shall notify the Senate Education, Health, and Environmental Affairs Committee, the House Health and Government Operations Committee, and the Department of Legislative Services, in accordance with § 2-1246 of the State Government Article, about the details of the agreement.~~

~~SECTION 7. AND BE IT FURTHER ENACTED, That the publishers of the Annotated Code of Maryland, in consultation with and subject to the approval of the Department of Legislative Services, shall correct, with no further action required by the General Assembly, cross references and terminology rendered incorrect by this Act or any other Act of the General Assembly of 2016 that affects provisions enacted by this Act. The publishers shall adequately describe any such correction in an editor's note following the section affected.~~

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

### Article – Health Occupations

21–205.

(a) In addition to the powers set forth elsewhere in this title, the Board may:

(1) Adopt rules, regulations, and bylaws to carry out the provisions of this title;

(2) Sue to enforce any provision of this title by injunction; and

(3) Issue subpoenas, summon witnesses, administer oaths, take affidavits, and take testimony about matters that relate to the jurisdiction of the Board.

(b) In addition to the duties set forth elsewhere in this title, the Board shall:

(1) Keep a current record of all licensed environmental health specialists;

(2) Collect and account for fees provided under this title;

(3) Pay all necessary expenses of the Board in accordance with the State budget;

(4) Keep a complete record of its proceedings;

(5) File an annual report of its activities[, including a financial statement.] with the Governor and the Secretary **THAT INCLUDES:**

**(I) A FINANCIAL STATEMENT; AND**

**(II) A PLAN FOR SPECIAL FUND REVENUES; and**

(6) Adopt an official seal.

21-502.

Subject to the evaluation and reestablishment provisions of the Program Evaluation Act, the provisions of this title and of any rule or regulation adopted under this title shall terminate and be of no effect after July 1, [2017] **2027.**

### **Article – State Government**

8-403.

(a) On or before December 15 of the evaluation year specified, the Department shall:

(1) conduct a preliminary evaluation of each governmental activity or unit to be evaluated under this section; and

(2) prepare a report on each preliminary evaluation conducted.

(b) Each of the following governmental activities or units and the statutes and regulations that relate to the governmental activities or units are subject to preliminary evaluation in the evaluation year specified:

(20) Environmental Health Specialists, State Board of (§ 21-201 of the Health Occupations Article: [2014] ~~2026~~ **2023**);

#### **SECTION 2. AND BE IT FURTHER ENACTED, That:**

(a) On or before January 1, 2017, the Board of Environmental Health Specialists shall:

(1) adopt regulations regarding continuing education that include:

(i) a list of continuing education unit providers who are automatically approved; and

(ii) for continuing education units that are not automatically approved, a deadline by which the continuing education unit shall be submitted to the Board for approval;

(2) review the list of preapproved continuing education units and providers on the Board's Web site, remove the units and providers that are obsolete, and list the preapproved units and providers in a user-friendly format;

(3) make available, through the Board's Web site and by e-mail to licensees, a summary of the continuing education process, including any deadlines and preapproved providers;

(4) evaluate whether to implement an audit-based continuing education unit review system through which the Board will conduct a random audit of a minimum of 10% of licensees to determine compliance with the continuing education unit requirement;

(5) implement an online continuing education unit process;

(6) overhaul the Board's Web site to include the following specific content:

(i) fees;

(ii) application forms;

(iii) examination study links and resources;

(iv) board meeting minutes;

(v) continuing education training opportunities; and

(vi) links to National Environmental Health Association study aids and training; and

(7) establish a method to improve the accuracy of licensee contact information.

(b) The Board shall:

(1) monitor the Long Term Environmental Health Workforce Work Group's activities and recommendations for improving recruitment and retention of environmental health specialists and for statutory licensing exemptions; and



(2) assist the Work Group in instituting any statutory or regulatory changes necessary to implement the recommendations of the Work Group and distributing information to licensees in a timely manner.

(c) On or before January 1, 2017, the Board shall report, in accordance with § 2–1246 of the State Government Article, to the Senate Education, Health, and Environmental Affairs Committee and the House Health and Government Operations Committee on the implementation of the requirements of subsections (a) and (b) of this section.

SECTION ~~8~~ 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016.

**Approved by the Governor, May 10, 2016.**

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## Chapter 361

(Senate Bill 226)

AN ACT concerning

**Professional Engineers – Engineering Documents Prepared at the Request of the State or Political Subdivision of the State – Signing and Sealing**

FOR the purpose of requiring certain engineering documents prepared at the request of the State or a political subdivision of the State, where certain skills are required, to be signed, sealed, and dated by a certain professional engineer; and generally relating to the signing and sealing of engineering documents by a professional engineer.

BY repealing and reenacting, without amendments,  
 Article – Business Occupations and Professions  
 Section 14–101(a), (j), and (k)  
 Annotated Code of Maryland  
 (2010 Replacement Volume and 2015 Supplement)

BY repealing and reenacting, with amendments,  
 Article – Business Occupations and Professions  
 Section 14–103  
 Annotated Code of Maryland  
 (2010 Replacement Volume and 2015 Supplement)

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

**Article – Business Occupations and Professions**

14–101.

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

(j) (1) “Practice engineering” means to provide any service or creative work the performance of which requires education, training, and experience in the application of:

(i) special knowledge of the mathematical, physical, and engineering sciences; and

(ii) the principles and methods of engineering analysis and design.

(2) In regard to a building or other structure, machine, equipment, process, works, system, project, or public or private utility, “practice engineering” includes:

(i) consultation;

(ii) design;

(iii) evaluation;

(iv) inspection of construction to ensure compliance with specifications and drawings;

(v) investigation;

(vi) planning; and

(vii) design coordination.

(3) “Practice engineering” does not include the exclusive and sole performance of nontechnical management activities.

(k) “Professional engineer” means, unless the context requires otherwise, an engineer who is licensed by the Board to practice engineering.

14–103.

(a) All engineering documents prepared in connection with the alteration, construction, design, or repair of a building, structure, building engineering system and its components, machine, equipment, process, works, subsystem, project, public or private utility, or facility in the built or economic environment, **INCLUDING AN ENGINEERING DOCUMENT PREPARED AT THE REQUEST OF THE STATE OR A POLITICAL SUBDIVISION OF THE STATE**, where the skills of a professional engineer are required,

shall be signed, sealed, and dated by the professional engineer who prepared or approved the documents.

(b) A professional engineer may perform design coordination for a project or portion of a project provided that the professional engineer:

(1) holds a current license issued by the Board; and

(2) has adequate experience in, and understanding of, achieving the purpose of the project or portion of the project being coordinated.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2016.

**Approved by the Governor, May 10, 2016.**

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## Chapter 362

(Senate Bill 227)

AN ACT concerning

### Washington County – Property Tax Credit – Disabled Veterans

FOR the purpose of authorizing the governing body of Washington County to grant, by law, a property tax credit against the county property tax imposed on certain residential property owned by certain disabled veterans of active military, naval, or air service; providing for the amount of the property tax credit; requiring certain disabled veterans or surviving spouses of disabled veterans to provide certain documents when applying for the property tax credit under this Act; prohibiting the inspection of a certain certificate of disability by certain individuals; authorizing the governing body of Washington County to provide, by law, for the duration of the credit and regulations, procedures, and any other provision necessary to carry out the tax credit; defining certain terms; providing for the application of this Act; and generally relating to a property tax credit for certain residential property in Washington County.

BY adding to

Article – Tax – Property

Section 9–323(g)

Annotated Code of Maryland

(2012 Replacement Volume and 2015 Supplement)

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

## Article – Tax – Property

9–323.

**(G) (1) (I) IN THIS SUBSECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.**

**(II) 1. “DISABLED VETERAN” MEANS AN INDIVIDUAL WHO:**

**A. IS HONORABLY DISCHARGED OR RELEASED UNDER HONORABLE CIRCUMSTANCES FROM ACTIVE MILITARY, NAVAL, OR AIR SERVICE AS DEFINED IN 38 U.S.C. § 101; AND**

**B. HAS BEEN DECLARED BY THE VETERANS’ ADMINISTRATION TO HAVE A PERMANENT SERVICE–CONNECTED DISABILITY OF AT LEAST 50% THAT RESULTS FROM BLINDNESS OR OTHER DISABLING CAUSE THAT:**

**I. IS REASONABLY CERTAIN TO CONTINUE FOR THE LIFE OF THE VETERAN; AND**

**II. WAS NOT CAUSED OR INCURRED BY MISCONDUCT OF THE VETERAN.**

**2. “DISABLED VETERAN” INCLUDES AN INDIVIDUAL WHO QUALIFIES POSTHUMOUSLY FOR A SERVICE–CONNECTED DISABILITY OF AT LEAST 50%.**

**(III) “DWELLING HOUSE”:**

**1. MEANS REAL PROPERTY THAT IS:**

**A. THE LEGAL RESIDENCE OF A DISABLED VETERAN OR A SURVIVING SPOUSE; AND**

**B. OCCUPIED BY NOT MORE THAN TWO FAMILIES; AND**

**2. INCLUDES THE LOT OR CURTILAGE AND STRUCTURES NECESSARY TO USE THE REAL PROPERTY AS A RESIDENCE.**

**(IV) “SURVIVING SPOUSE” MEANS AN INDIVIDUAL WHO HAS NOT REMARRIED AND WHO IS THE SURVIVING SPOUSE OF A DISABLED VETERAN.**

**(2) THE GOVERNING BODY OF WASHINGTON COUNTY MAY GRANT, BY LAW, A PROPERTY TAX CREDIT UNDER THIS SUBSECTION AGAINST THE COUNTY PROPERTY TAX IMPOSED ON A DWELLING HOUSE IF:**

**(I) THE DWELLING HOUSE IS OWNED BY:**

**1. A DISABLED VETERAN; OR**

**2. A SURVIVING SPOUSE OF A DISABLED VETERAN, IF:**

**A. THE DWELLING HOUSE WAS OWNED BY THE DISABLED VETERAN AT THE TIME OF THE DISABLED VETERAN'S DEATH; AND**

**B. THE SURVIVING SPOUSE MEETS THE REQUIREMENTS OF PARAGRAPH (4) OF THIS SUBSECTION; AND**

**(II) THE APPLICATION REQUIREMENTS OF PARAGRAPH (5) OF THIS SUBSECTION ARE MET.**

**(3) THE PROPERTY TAX CREDIT GRANTED UNDER THIS SUBSECTION SHALL EQUAL A PERCENTAGE OF THE AMOUNT OF PROPERTY TAX IMPOSED ON THE DWELLING HOUSE THAT IS EQUAL TO THE PERCENTAGE OF THE DISABLED VETERAN'S SERVICE-CONNECTED DISABILITY RATING.**

**(4) AFTER A DISABLED VETERAN DIES, THE SURVIVING SPOUSE OF THE DISABLED VETERAN MAY RECEIVE A DISABLED VETERAN'S PROPERTY TAX CREDIT FOR THE DWELLING HOUSE THAT WAS FORMERLY OWNED BY THE DISABLED VETERAN IF:**

**(I) THE DWELLING HOUSE RECEIVED A PROPERTY TAX CREDIT UNDER THIS SUBSECTION; AND**

**(II) THE SURVIVING SPOUSE OWNS AND RESIDES IN THE DWELLING HOUSE.**

**(5) (I) A DISABLED VETERAN OR A SURVIVING SPOUSE OF A DISABLED VETERAN SHALL APPLY FOR THE PROPERTY TAX CREDIT UNDER THIS SUBSECTION BY PROVIDING TO THE ~~SUPERVISOR~~ COUNTY:**

**1. A COPY OF THE DISABLED VETERAN'S DISCHARGE CERTIFICATE FROM ACTIVE MILITARY, NAVAL, OR AIR SERVICE; AND**

**2. ON THE FORM PROVIDED BY THE COUNTY, A CERTIFICATION OF THE DISABLED VETERAN’S DISABILITY FROM THE VETERANS’ ADMINISTRATION.**

**(II) THE DISABLED VETERAN’S CERTIFICATE OF DISABILITY MAY NOT BE INSPECTED BY INDIVIDUALS OTHER THAN:**

- 1. THE DISABLED VETERAN; OR**
- 2. APPROPRIATE EMPLOYEES OF THE COUNTY.**

**(6) THE GOVERNING BODY OF WASHINGTON COUNTY MAY PROVIDE, BY LAW, FOR:**

**(I) THE DURATION OF THE TAX CREDIT;**

**(II) REGULATIONS AND PROCEDURES FOR THE APPLICATION AND UNIFORM PROCESSING OF REQUESTS FOR THE TAX CREDIT; AND**

**(III) ANY OTHER PROVISION NECESSARY TO CARRY OUT THE TAX CREDIT UNDER THIS SUBSECTION.**

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2016, and shall be applicable to all taxable years beginning after June 30, 2016.

**Approved by the Governor, May 10, 2016.**

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