Laws of the State of Maryland

At the Session of the General Assembly Begun and Held in the City of Annapolis on the Tenth Day of January 2018 and Ending on the Ninth Day of April 2018

Bills vetoed by the Governor appear after the Laws

VOLUME IV
Chapter 565
(House Bill 1607)

AN ACT concerning

Education – Juvenile Services Education Programs – Management and Operation

FOR the purpose of authorizing a certain individual to be employed or contracted to provide certain services for a certain time period with a certain salary; establishing the Juvenile Services Education County Pilot Program; requiring the Program to begin in a certain school year; providing for the purpose of the Program; requiring the State Department of Education, after consultation with certain county boards of education, to identify a certain number of juvenile services education programs in certain locations to participate in the Program; requiring a certain county board to follow certain laws and regulations and ensure that certain individuals have access to certain curricula materials; authorizing a certain county board to employ or contract with certain teachers for a certain time period and to be paid at a salary determined by the county board; requiring the State to provide funding to a certain county board in a certain amount; requiring the Department to convene a certain workgroup on or before a certain date; providing for the composition, chair, and staffing of the workgroup; prohibiting a member of the workgroup from receiving certain compensation, but authorizing the reimbursement of certain expenses; requiring the workgroup to study certain issues and make certain recommendations related to the management and operation of juvenile services education programs; requiring the workgroup to report its findings and recommendations to the Governor and the General Assembly on or before a certain date; defining certain terms; providing for the termination of certain provisions of this Act; and generally relating to the operation of juvenile services education programs.

BY repealing and reenacting, with amendments,

Article – Education
Section 6–302
Annotated Code of Maryland
(2014 Replacement Volume and 2017 Supplement)

BY adding to

Article – Education
Section 22–308
Annotated Code of Maryland
(2014 Replacement Volume and 2017 Supplement)

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

Article – Education
(a) **Except as provided in subsection (c) of this section,** an individual who is employed as a teacher, librarian, principal, director of education, or supervisor of vocational education on the staffs of the following institutions or in the following programs, or an individual who is employed as a central office director, superintendent, specialist, or coordinator of education for the following institutions or programs, shall be paid the annual salary determined under subsection (b) of this section:

1. Any institution that is under the jurisdiction of:
   - The Department of Juvenile Services;
   - The Maryland Department of Health; **or**
   - The Juvenile Services Education County Pilot Program in the Department;

2. Any vocational rehabilitation program operated by the State Department of Education; and

3. Any correctional education program operated by the Department of Labor, Licensing, and Regulation in a facility of the Department of Public Safety and Correctional Services.

(b) (1) There shall be a single, statewide institutional educator pay plan for the positions described under subsection (a) of this section. The pay plan shall be established by the Department of Budget and Management as provided in paragraph (2) of this subsection.

(2) In establishing and administering the pay plan, the Secretary of Budget and Management on an annual basis shall review the salaries of public school teachers, librarians, and administrators in the six jurisdictions with the highest number of institutional educator positions and shall recommend salaries at levels that will be adequate to recruit and retain qualified institutional educators. The pay plan shall include classifications and pay grades based on the duties, responsibilities, education, and training required. The Secretary’s recommendations shall be made by December 1 of each year for implementation on July 1 of the following fiscal year.

(3) The Secretary of Budget and Management shall submit any recommendations to the Governor for approval.

(c) **Notwithstanding any other provision of law,** an individual in a position described under subsection (a) of this section at an institution that is under the jurisdiction of the Department of
IN THE DEPARTMENT MAY BE EMPLOYED OR CONTRACTED TO PROVIDE EDUCATION SERVICES FOR A 9–MONTH 10–MONTH OR 3–MONTH 2–MONTH PERIOD WITH A SALARY COMMENSURATE WITH THE PERIOD OF EMPLOYMENT.

22–308.

(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(2) “DAILY RATE” MEANS THE TARGET PER PUPIL FOUNDATION AMOUNT FOR THE CURRENT FISCAL YEAR DIVIDED BY THE NUMBER OF WEEKDAYS IN A FISCAL YEAR.

(3) “ELIGIBLE INDIVIDUAL” MEANS AN INDIVIDUAL WHO RECEIVES EDUCATION SERVICES FROM A JUVENILE SERVICES EDUCATION PROGRAM AT A FACILITY IN ACCORDANCE WITH THIS SUBTITLE.

(4) “PROGRAM” MEANS THE JUVENILE SERVICES EDUCATION COUNTY PILOT PROGRAM ESTABLISHED UNDER THIS SECTION.

(5) “REQUIRED REIMBURSEMENT” MEANS THREE TIMES THE PRODUCT OF THE DAILY RATE MULTIPLIED BY THE NUMBER OF DAYS THAT EDUCATION SERVICES ARE PROVIDED AT A FACILITY FOR EACH ELIGIBLE INDIVIDUAL IN THE PRIOR FISCAL YEAR.

(6) “TARGET PER PUPIL FOUNDATION AMOUNT” HAS THE MEANING STATED IN § 5–202 OF THIS ARTICLE.

(B) (1) THERE IS A JUVENILE SERVICES EDUCATION COUNTY PILOT PROGRAM.

(2) THE PROGRAM SHALL BEGIN IN THE 2018–2019 2019–2020 SCHOOL YEAR.

(3) THE PURPOSE OF THE PROGRAM IS TO PILOT A MANAGEMENT MODEL WHERE A JUVENILE SERVICES EDUCATION PROGRAM AT A FACILITY LOCATED IN A COUNTY IS OPERATED BY THE COUNTY BOARD OF EDUCATION.

(C) THE DEPARTMENT, AFTER CONSULTATION WITH THE COUNTY BOARDS OF EDUCATION, SHALL IDENTIFY UP TO THREE ONE JUVENILE SERVICES EDUCATION PROGRAMS AT FACILITIES THAT ARE EACH LOCATED IN A DIFFERENT COUNTY PROGRAM TO PARTICIPATE IN THE PROGRAM.
(D) A COUNTY BOARD THAT PARTICIPATES IN THE PROGRAM TO OPERATE A JUVENILE SERVICES EDUCATION PROGRAM AT A FACILITY IN THE COUNTY SHALL:

(1) FOLLOW ALL APPLICABLE LAWS AND REGULATIONS REGARDING HOURS AND DAYS OF INSTRUCTION; AND

(2) ENSURE THAT ELIGIBLE INDIVIDUALS HAVE ACCESS TO CURRICULA AND OTHER CONTENT STANDARDS THAT ARE COMPARABLE TO THOSE PROVIDED TO OTHER STUDENTS IN THE COUNTY.

(E) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, A PARTICIPATING COUNTY BOARD MAY EMPLOY OR CONTRACT WITH TEACHERS AND OTHER PERSONNEL TO PROVIDE EDUCATION SERVICES TO ELIGIBLE INDIVIDUALS AT THE FACILITY FOR A 9–MONTH, 10–MONTH, OR 3–MONTH, 2–MONTH PERIOD TO BE PAID AT A SALARY DETERMINED BY THE COUNTY BOARD.

(F) THE STATE SHALL PROVIDE FUNDING TO A PARTICIPATING COUNTY BOARD IN AN AMOUNT EQUAL TO THE REQUIRED REIMBURSEMENT.

SECTION 2. AND BE IT FURTHER ENACTED, That:

(a) On or before January 1, 2019, the State Department of Education shall convene a workgroup to analyze the results of the pilot program established under § 22–308 of the Education Article.

(b) The workgroup convened under subsection (a) of this section shall include:

(1) one member of the Senate of Maryland, selected by the President of the Senate;

(2) one member of the House of Delegates, selected by the Speaker of the House;

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

(4) the Secretary of Juvenile Services, or the Secretary’s designee;

(5) the Public Defender of Maryland, or the Public Defender’s designee;

(6) an academic expert in education in institutional settings;

(7) a teacher who works in a juvenile services education program in the State;
(8) an administrator who works in a juvenile services education program in the State;

(9) one representative of a criminal justice or civil rights advocacy group; and

(10) one representative of a disability rights advocacy group;

(11) a superintendent of a local public school system in the State, or the superintendent’s designee; and

(12) a member of a county board of education.

c) The State Superintendent of Schools, or the State Superintendent’s designee, shall chair the workgroup.

d) The State Department of Education shall provide staff for the workgroup.

e) A member of the workgroup:

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

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

f) The workgroup shall study the results of the pilot program and make recommendations regarding:

(1) whether the pilot program was more effective in meeting the needs of students in juvenile services education programs than the current management model;

(2) the management model that should be used to provide juvenile services education programs, including:

   (i) the current model operated by the State Department of Education;

   (ii) a model where local school systems operate the programs on a regionalized basis; and

   (iii) a model where an independent board of education operates the juvenile services education programs;

(3) a funding formula that is adequate and appropriate for juvenile services education programs;

(4) whether a 9–month or 12–month academic calendar is appropriate;
(5) how to ensure that students and their educational needs seamlessly and effectively transition between the student’s home school and the juvenile services education program and that students receive credit for their academic progress;

(6) how to best address staffing, curriculum, and procurement challenges in the current system, whether through new processes or a new management system; and

(7) how to ensure that students in juvenile services education programs who have completed a high school diploma or GED have access to postsecondary options; and

(8) how to eliminate disparities in course offerings, staffing, and budgetary support available to students in the Juvenile Services Education System and to students served by public schools in the State.

(g) On or before December 1, 2019, the workgroup shall report its findings and recommendations to the Governor and, in accordance with § 2–1246 of the State Government Article, the General Assembly.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2018. Section 2 of this Act shall remain effective for a period of 2 years and, at the end of June 30, 2020, Section 2 of this Act, with no further action required by the General Assembly, shall be abrogated and of no further force and effect.

Approved by the Governor, May 8, 2018.

Chapter 566

(House Bill 1819)

AN ACT concerning

Coppin State University and Morgan State University Higher Education – Cyber Warrior Diversity Program – Established

FOR the purpose of establishing the Cyber Warrior Diversity Program at Coppin State University and Morgan State University Baltimore City Community College, Bowie State University, Coppin State University, Morgan State University, and the University of Maryland Eastern Shore; providing for the purpose of the Program; exempting the Program from a certain process for proposing a new program or a substantial modification of an existing program; requiring that certain governing entities are responsible for administering the Program; prohibiting certain institutions of postsecondary education from establishing programs broadly similar to the Program; prohibiting the Maryland Higher Education Commission from
approving programs that are broadly similar to the Program at certain institutions; requiring the Program to provide students with training necessary to achieve certain certifications; requiring the Commission to compare successful completers of the Program to similarly situated students with regard to certain characteristics; requiring the Commission to report its findings to the Governor and the General Assembly on or before a certain date; requiring the Governor, beginning in a certain fiscal year, to include in the annual State operating budget an appropriation from the General Fund of the State at least equal to a certain amount to certain institutions for the Commission to provide grants to institutions of higher education for the Program; requiring certain governing entities to provide certain information to the Governor on or before a certain date each year; providing that certain funding shall be in addition to certain base funding appropriated to Coppin State University and Morgan State University and requiring certain funding to be specified as a certain line item in each university’s budget; supplement and not supplant certain funds; requiring the Commission annually to allocate certain funds to certain institutions of higher education on a certain basis; requiring Coppin State University and Morgan State University certain institutions of higher education to jointly hold a National Cyber Warrior Diversity Conference on their campuses on or before a certain date; defining certain terms; and generally relating to the Cyber Warrior Diversity Program at Coppin State University and Morgan State University.

BY repealing and reenacting, with amendments,

Article – Education
Section 11–206(a)
Annotated Code of Maryland
(2014 Replacement Volume and 2017 Supplement)

BY adding to

Article – Education
Section 11–1401 through 11–1406 to be under the new subtitle “Subtitle 14. Cyber Warrior Diversity Program”
Annotated Code of Maryland
(2014 Replacement Volume and 2017 Supplement)

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

Article – Education

11–206.

(a) This section does not apply to:

(1) New programs proposed to be implemented by public and private nonprofit institutions of higher education using existing program resources in accordance with § 11–206.1 of this subtitle; [and]
(2) Programs offered by institutions of higher education that operate in the State without a certificate of approval in accordance with § 11–202.1(b) of this subtitle; AND

(3) THE CYBER WARRIOR DIVERSITY PROGRAM ESTABLISHED UNDER SUBTITLE 14 OF THIS TITLE.

SUBTITLE 14. CYBER WARRIOR DIVERSITY PROGRAM.

11–1401.

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

(B) “COMPTIA” MEANS THE COMPUTING TECHNOLOGY INDUSTRY ASSOCIATION.

(C) “GOVERNING ENTITY” MEANS:

(1) THE PRESIDENT OF COPPIN STATE UNIVERSITY; AND

(2) THE BOARD OF REGENTS OF MORGAN STATE UNIVERSITY.

(1) THE BOARD OF TRUSTEES OF BALTIMORE CITY COMMUNITY COLLEGE;

(2) THE PRESIDENT OF BOWIE STATE UNIVERSITY;

(3) THE PRESIDENT OF COPPIN STATE UNIVERSITY;

(4) THE BOARD OF REGENTS OF MORGAN STATE UNIVERSITY; AND

(5) THE PRESIDENT OF THE UNIVERSITY OF MARYLAND EASTERN SHORE.

(D) “PROGRAM” MEANS A CYBER WARRIOR DIVERSITY PROGRAM.

(E) “SUCCESSFUL COMPLETER” MEANS A STUDENT WHO ENROLLED IN AND SUCCESSFULLY COMPLETED THE PROGRAM.

11–1402.

(A) THERE IS A CYBER WARRIOR DIVERSITY PROGRAM AT:

(1) COPPIN STATE UNIVERSITY; AND
(2) Morgan State University.

(1) Baltimore City Community College;

(2) Bowie State University;

(3) Coppin State University;

(4) Morgan State University; and

(5) University of Maryland Eastern Shore.

(B) The purpose of each program is to train students in computer networking and cybersecurity.

(C) The governing entity at each institution is responsible for administering the program at that institution.

(D) (1) An institution of postsecondary education that is certified by the Commission under § 11–202 of this title other than Coppin State University or Morgan State University may not establish a program that is broadly similar to a program established under this subtitle.

(2) The Commission may not approve a program that is broadly similar to a program established under this subtitle at any institution of postsecondary education.

11–1403.

Each program shall provide students with the training necessary to achieve the following CompTIA certifications:

(1) CompTIA A+;

(2) CompTIA Network+; and

(3) CompTIA Security+.

11–1404.

(A) The Commission shall compare successful completers of each program to similarly situated students who did not enroll in either program with regard to the following characteristics:
(1) EMPLOYMENT RATE;

(2) WAGE EARNINGS; AND

(3) JOB RETENTION RATE.

(B) ON OR BEFORE DECEMBER 1, 2021, THE COMMISSION SHALL REPORT ITS FINDINGS TO THE GOVERNOR AND, IN ACCORDANCE WITH § 2–1246 OF THE STATE GOVERNMENT ARTICLE, THE GENERAL ASSEMBLY.

11–1405.

(A) FOR FISCAL YEAR 2020 AND EACH FISCAL YEAR THEREAFTER, THE GOVERNOR SHALL INCLUDE IN THE ANNUAL STATE OPERATING BUDGET FOR COPPIN STATE UNIVERSITY AND MORGAN STATE UNIVERSITY AN APPROPRIATION FROM THE GENERAL FUND OF THE STATE AT LEAST EQUAL TO THE PROGRAM FUNDS COPPIN STATE UNIVERSITY AND MORGAN STATE UNIVERSITY ESTIMATE TO SPEND ON THE PROGRAM DURING THAT FISCAL YEAR AN APPROPRIATION OF $2,500,000 FOR THE COMMISSION TO PROVIDE GRANTS TO BALTIMORE CITY COMMUNITY COLLEGE, BOWIE STATE UNIVERSITY, COPPIN STATE UNIVERSITY, MORGAN STATE UNIVERSITY, AND THE UNIVERSITY OF MARYLAND EASTERN SHORE FOR THE PROGRAM ESTABLISHED UNDER THIS SECTION.

(B) ON OR BEFORE NOVEMBER 1, 2018, AND EACH NOVEMBER 1 THEREAFTER, THE GOVERNMENT ENTITIES SHALL NOTIFY THE GOVERNOR OF THE AMOUNT OF GENERAL FUNDS REQUIRED UNDER SUBSECTION (A) OF THIS SECTION FOR THE UPCOMING FISCAL YEAR COMMISSION ON THE NUMBER OF STUDENTS ENROLLED IN EACH INSTITUTION’S PROGRAM FOR THE CURRENT ACADEMIC YEAR.

(C) (1) THE FUNDING PROVIDED IN EACH FISCAL YEAR IN ACCORDANCE WITH THIS SECTION SHALL BE IN ADDITION TO THE BASE FUNDS APPROPRIATED TO COPPIN STATE UNIVERSITY AND MORGAN STATE UNIVERSITY IN THE STATE BUDGET FOR THE PRIOR FISCAL YEAR.

(2) COPPIN STATE UNIVERSITY AND MORGAN STATE UNIVERSITY SHALL REPORT FUNDING PROVIDED IN ACCORDANCE WITH THIS SECTION AS A SEPARATE LINE ITEM IN EACH UNIVERSITY’S BUDGET SUPPLEMENT, BUT NOT SUPPLANT, ANY FUNDS THAT WOULD OTHERWISE BE PROVIDED FOR EACH INSTITUTION.

(2) THE COMMISSION ANNUALLY SHALL ALLOCATE FUNDS TO BALTIMORE CITY COMMUNITY COLLEGE, BOWIE STATE UNIVERSITY, COPPIN STATE UNIVERSITY, MORGAN STATE UNIVERSITY, AND THE UNIVERSITY OF
MARYLAND EASTERN SHORE ON A PRO RATA BASIS ACCORDING TO THE MOST RECENT ENROLLMENT DATA REQUIRED UNDER SUBSECTION (B) OF THIS SECTION.

11–1406.

THE GOVERNING ENTITIES MAY ADOPT POLICIES NECESSARY TO CARRY OUT THIS SUBTITLE.

SECTION 2. AND BE IT FURTHER ENACTED, That, on or before December 1, 2019, Coppin State University and Morgan State University Baltimore City Community College, Bowie State University, Coppin State University, Morgan State University, and the University of Maryland Eastern Shore shall each jointly hold a National Cyber Warrior Diversity Conference on their campuses.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2018.

Approved by the Governor, May 8, 2018.

Chapter 567

(Senate Bill 615)

AN ACT concerning

Coppin State University and Morgan State University Higher Education – Cyber Warrior Diversity Program – Established

FOR the purpose of establishing the Cyber Warrior Diversity Program at Coppin State University and Morgan State University Baltimore City Community College, Bowie State University, Coppin State University, Morgan State University, and the University of Maryland Eastern Shore; providing for the purpose of the Program; exempting the Program from a certain process for proposing a new program or a substantial modification of an existing program; requiring that certain governing entities are responsible for administering the Program; prohibiting certain institutions of postsecondary education from establishing programs broadly similar to the Program; prohibiting the Maryland Higher Education Commission from approving programs that are broadly similar to the Program at certain institutions; requiring the Program to provide students with training necessary to achieve certain certifications; requiring the Commission to compare successful completers of the Program to similarly situated students with regard to certain characteristics; requiring the Commission to report its findings to the Governor and the General Assembly on or before a certain date; requiring the Governor, beginning in a certain fiscal year, to include in the annual State operating budget an appropriation from
the General Fund of the State at least equal to a certain amount to certain institutions for the Commission to provide grants to institutions of higher education for the Program; requiring certain governing entities to provide certain information to the Governor on or before a certain date each year; providing that certain funding shall be in addition to certain base funding appropriated to Coppin State University and Morgan State University certain institutions of higher education and requiring certain funding to be specified as a certain line item in each university’s institution’s budget; supplement and not supplant certain funds; requiring the Commission annually to allocate certain funds to certain institutions of higher education on a certain basis; requiring Coppin State University and Morgan State University certain institutions of higher education to jointly hold a National Cyber Warrior Diversity Conference on their campuses on or before a certain date; defining certain terms; and generally relating to the Cyber Warrior Diversity Program at Coppin State University and Morgan State University.

BY repealing and reenacting, with amendments,
Article – Education
Section 11–206(a)
Annotated Code of Maryland
(2014 Replacement Volume and 2017 Supplement)

BY adding to
Article – Education
Section 11–1401 through 11–1406 to be under the new subtitle “Subtitle 14. Cyber Warrior Diversity Program”
Annotated Code of Maryland
(2014 Replacement Volume and 2017 Supplement)

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

Article – Education

11–206.

(a) This section does not apply to:

(1) New programs proposed to be implemented by public and private nonprofit institutions of higher education using existing program resources in accordance with § 11–206.1 of this subtitle; [and]

(2) Programs offered by institutions of higher education that operate in the State without a certificate of approval in accordance with § 11–202.1(b) of this subtitle; AND
(3) The Cyber Warrior Diversity Program established under Subtitle 14 of this title.


11–1401.

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

(b) “CompTIA” means the Computing Technology Industry Association.

(c) “Governing entity” means:

(1) The President of Coppin State University; and

(2) The Board of Regents of Morgan State University.

(1) The Board of Trustees of Baltimore City Community College;

(2) The President of Bowie State University;

(3) The President of Coppin State University;

(4) The Board of Regents of Morgan State University; and

(5) The President of the University of Maryland Eastern Shore.

(d) “Program” means a Cyber Warrior Diversity Program.

(e) “Successful completer” means a student who enrolled in and successfully completed the Program.

11–1402.

(a) There is a Cyber Warrior Diversity Program at:

(1) Coppin State University; and

(2) Morgan State University.

(1) Baltimore City Community College;
(2) **Bowie State University;**

(3) **Coppin State University;**

(4) **Morgan State University; and**

(5) **University of Maryland Eastern Shore.**

(B) The purpose of each program is to train students in computer networking and cybersecurity.

(C) The governing entity at each institution is responsible for administering the program at that institution.

(D) (1) An institution of postsecondary education that is certified by the Commission under § 11–202 of this title other than Coppin State University or Morgan State University may not establish a program that is broadly similar to a program established under this subtitle.

(2) The Commission may not approve a program that is broadly similar to a program established under this subtitle at any institution of postsecondary education.

11–1403.

Each program shall provide students with the training necessary to achieve the following CompTIA certifications:

(1) **CompTIA A+;**

(2) **CompTIA Network+; and**

(3) **CompTIA Security+.

11–1404.

(A) The Commission shall compare successful completers of each program to similarly situated students who did not enroll in either program with regard to the following characteristics:

(1) **Employment rate;**

(2) **Wage earnings; and**
(3) **Job Retention Rate.**

(B) **On or before December 1, 2021,** the Commission shall report its findings to the Governor and, in accordance with § 2–1246 of the State Government Article, the General Assembly.

11–1405.

(A) **For fiscal year 2020 and each fiscal year thereafter,** the Governor shall include in the annual State operating budget for an appropriation of $2,500,000 for the Commission to provide grants to Coppin State University and Morgan State University Baltimore City Community College, Bowie State University, Coppin State University, Morgan State University, and the University of Maryland Eastern Shore an appropriation from the General Fund of the State at least equal to the Program funds Coppin State University and Morgan State University Baltimore City Community College, Bowie State University, Coppin State University, Morgan State University, and the University of Maryland Eastern Shore estimate to spend on the Program during that fiscal year for the Program established under this section.

(B) **On or before November 1, 2018,** and each November 1 thereafter, the governing entities shall notify the Governor of the amount of general funds required under subsection (A) of this section for the upcoming fiscal year Commission of the number of students enrolled in each institution’s Program for the current academic year.

(C) (1) The funding provided in each fiscal year in accordance with this section shall be in addition to the base funds appropriated to Coppin State University and Morgan State University Baltimore City Community College, Bowie State University, Coppin State University, Morgan State University, and the University of Maryland Eastern Shore in the State budget for the prior fiscal year.

(2) **Coppin State University and Morgan State University Baltimore City Community College, Bowie State University, Coppin State University, Morgan State University, and the University of Maryland Eastern Shore shall report funding provided in accordance with this section as a separate line item in each university’s institution’s budget supplement, but not supplant, any funds that would otherwise be provided for each institution.**
(2) The Commission annually shall allocate funds to Baltimore City Community College, Bowie State University, Coppin State University, Morgan State University, and the University of Maryland Eastern Shore on a pro rata basis according to the most recent enrollment data required under subsection (b) of this section.

11–1406.

The governing entities may adopt policies necessary to carry out this subtitle.

SECTION 2. AND BE IT FURTHER ENACTED, That, on or before December 1, 2019, Coppin State University and Morgan State University, Baltimore City Community College, Bowie State University, Coppin State University, Morgan State University, and the University of Maryland Eastern Shore shall each jointly hold a National Cyber Warrior Diversity Conference on their campuses.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2018.

Approved by the Governor, May 8, 2018.

Chapter 568
(Senate Bill 951)

AN ACT concerning

Tax Sales – Vacant and Abandoned Property

FOR the purpose of authorizing the governing body of a county or municipal corporation to release liens for unpaid real property taxes or other charges and assessments to facilitate a transfer of real property if certain conditions are satisfied; authorizing the governing body of a county or municipal corporation to direct the tax collector to withhold certain real property from tax sale under certain circumstances; requiring a county to adopt objective criteria for designating certain property to be withheld from tax sale; authorizing the governing body of a county or municipal corporation to sell certain abandoned property at tax sale for less than the total amount of certain taxes, interest and penalties, and expenses; authorizing the governing body of a county or municipal corporation to request a certain judgment in a proceeding to foreclose the right of redemption; authorizing the governing body of a county or municipal corporation to institute an action to collect a certain balance of unpaid taxes within a certain number of years after the tax sale; authorizing the governing body of a county or municipal corporation to immediately file a complaint to foreclose
the right of redemption on certain abandoned property that the county or municipal
corporation is required to purchase; making conforming changes; and generally
relating to tax sales of vacant and abandoned property.

BY repealing and reenacting, with amendments,
Article – Tax – Property
Section 14–806, 14–811, 14–817(c), 14–824, and 14–833(c)(2), (f), and (g)
Annotated Code of Maryland
(2012 Replacement Volume and 2017 Supplement)

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

Article – Tax – Property

14–806.

(a) In this section, “Board” means the Board of Estimates of Baltimore City.

(b)(1) To facilitate a transfer of real property [the Board] THE GOVERNING
BODY OF A COUNTY OR MUNICIPAL CORPORATION OR, IN BALTIMORE CITY, THE
BOARD may release any liens for unpaid [city] real property taxes or other charges and
assessments imposed [by the Mayor and City Council of Baltimore City] BY THE COUNTY
OR MUNICIPAL CORPORATION to which the property would otherwise be subject, if:

(i) the total amount of liens for unpaid [city] real property taxes, charges, and assessments imposed with respect to the property exceeds the lesser of the total value of the land and any improvement on the land as last determined by the Department or as determined by an appraisal report prepared not more than 6 months before the request for the release of the lien, by a real estate appraiser who is licensed under Title 16 of the Business Occupations and Professions Article;

(ii) the [Baltimore City Department of Housing and Community Development] LOCAL HOUSING AUTHORITY COUNTY OR MUNICIPAL CORPORATION OR, IN BALTIMORE CITY, THE BALTIMORE CITY DEPARTMENT OF HOUSING AND
COMMUNITY DEVELOPMENT certifies that the property:

1. is a vacant lot; or

2. has a building or structure that is:

   A. vacant; and

   B. unsafe or unfit for habitation;
(iii) the potential transferee demonstrates the ability to return the property to productive use within a reasonable period of time;

(iv) the [Board] GOVERNING BODY OF A THE COUNTY OR MUNICIPAL CORPORATION OR, IN BALTIMORE CITY, THE BOARD finds that a transfer under this section is necessary:

1. to eliminate a blighting influence; and

2. to prevent the tax abandonment of a property; and

(v) the potential transferee presents evidence to the [Board] GOVERNING BODY OF A THE COUNTY OR MUNICIPAL CORPORATION OR, IN BALTIMORE CITY, THE BOARD that fair market value is being paid.

(2) [The Board] A GOVERNING BODY OF A COUNTY OR MUNICIPAL CORPORATION OR, IN BALTIMORE CITY, THE BOARD may waive the requirement in paragraph (1)(v) of this subsection if:

(i) the potential transferee is a nonprofit organization as defined in § 1–101 of the Housing and Community Development Article; and

(ii) the [Mayor and the City Council] COUNTY OR MUNICIPAL CORPORATION receives from the transferor an amount equal to any federal, State, or local income tax benefit realized by the transferor as a result of a deduction from income for a charitable contribution of the property to a nonprofit organization.

(3) If the conditions in paragraph (2) of this subsection are met, the transferor’s property tax debt shall be reduced by an amount equal to the fair market value of the transferred property.

(c) The release of a lien for city real property taxes, charges, or assessments as authorized under subsection (b) of this section does not abate the transferor’s liability for the remaining amount of the tax debt.

(d) [The Board] A THE GOVERNING BODY OF A COUNTY OR MUNICIPAL CORPORATION OR, IN BALTIMORE CITY, THE BOARD may set additional standards and requirements for approval of the release of liens under this section.

14–811.

(a) Except as provided in subsection (b) of this section, the collector may withhold from sale any property, when the total taxes on the property, including interest and penalties, amount to less than $250 in any 1 year.
(b) In Baltimore City, the collector shall withhold from sale owner-occupied residential property, when the total taxes on the property, including interest and penalties, amount to less than $750.

(c) (1) **At the direction of the governing body of a county or municipal corporation, the collector shall withhold from sale property that has been designated for redevelopment purposes.**

(C) Except as provided in subsection (d) of this section, the governing body of a county or municipal corporation may withhold from sale property that has been designated for redevelopment purposes if:

(1) the county or municipal corporation certifies that the property:

   (i) is a vacant lot; or

   (ii) has a building or structure that is:

       A. vacant; and

       B. unsafe or unfit for habitation;

(2) the governing body of the county or municipal corporation finds that withholding the property from sale under this subsection is necessary:

   (i) to eliminate a blighting influence; and

   (ii) to prevent the tax abandonment of the property; and

(3) the property meets any additional objective criteria established by the governing body of the county or municipal corporation for withholding property from sale for redevelopment purposes.

(D) Baltimore City may withhold from sale property that has been designated for redevelopment purposes if the property meets objective criteria established by the mayor and city council of Baltimore City.
(2) A COUNTY SHALL ADOPT OBJECTIVE CRITERIA FOR DESIGNATING PROPERTY TO BE WITHHELD FROM SALE UNDER PARAGRAPH (1) OF THIS SUBSECTION.

14–817.

(c) (1) [In Baltimore City, abandoned] ABANDONED property consisting of either a vacant lot or improved property cited as vacant and unfit for habitation on a housing or building violation notice may be sold for a sum less than the total amount of:

(i) all taxes on the property that are certified to the collector under § 14–810 of this subtitle;

(ii) interest and penalties on the taxes; and

(iii) expenses incurred in making the sale.

(2) The collector shall establish a minimum bid for abandoned property sold under this subsection.

(3) The person responsible for the taxes prior to the sale shall remain liable to the collector for the difference between the amount received in the tax sale under this section and the taxes, interest, penalties, and expenses remaining after the sale.

(4) The balance remaining after the tax sale shall be included in the amount necessary to redeem the property under § 14–828 of this subtitle.

(5) In a proceeding brought by [the Mayor and City Council of Baltimore City] THE GOVERNING BODY OF A COUNTY OR MUNICIPAL CORPORATION to foreclose the right of redemption under this subtitle, the complaint may request a judgment for the [city] COUNTY OR MUNICIPAL CORPORATION in the amount of the balance.

(6) The balance remaining after the tax sale is no longer a lien on the property when:

(i) a judgment is entered foreclosing the owner’s right of redemption;

(ii) the deed is recorded; and

(iii) all liens accruing subsequent to the date of sale are paid in full.

(7) [The Mayor and City Council] THE GOVERNING BODY OF A COUNTY OR MUNICIPAL CORPORATION may institute a separate action to collect the balance at any time within 7 years after the tax sale if the plaintiff is a private purchaser.
14–824.

(a) Except as provided in subsection (b) of this section, the governing body of a county or other taxing agency shall buy in and hold any property in their respective counties offered for sale for nonpayment of any taxes for which there is no private purchaser.

(b) (1) The [Mayor and City Council of Baltimore City] GOVERNING BODY OF A COUNTY OR OTHER TAXING AGENCY may buy in and hold any abandoned property for which there is no private purchaser for the amount of the minimum bid set pursuant to § 14–817(c)(2) of this subtitle.

(2) The governing body of a county or other taxing agency may transfer any interest it acquires in abandoned property to a land bank authority established under § 1–1403 of the Local Government Article of which the governing body or other taxing agency is a member.

(c) The governing body of the county, a land bank authority established under § 1–1403 of the Local Government Article of which the county is a member, and other taxing agency have the same rights and remedies with regard to the property as other purchasers, including the right to foreclose the right of redemption.

(d) A certificate of sale in the form provided in this subtitle shall be issued by the collector in the name of the Mayor and City Council of Baltimore City or the governing body of the county or other taxing agency.

14–833.

(c) (2) [In Baltimore City a] A certificate for abandoned property sold under § 14–817(c) of this subtitle with a minimum bid less than the lien amount reverts to the [Mayor and City Council] COUNTY OR MUNICIPAL CORPORATION and is void as to the private purchaser at tax sale unless:

(i) a proceeding to foreclose the right of redemption is filed within 3 months of the date of the certificate of sale; and

(ii) unless the holder is granted an extension by the court due to a showing of extraordinary circumstances beyond the certificate holder’s control, the holder secures a decree from the circuit court in which the foreclosure proceeding was filed within 18 months from the date of the filing of the foreclosure proceeding.

(f) The holder of a certificate of sale for abandoned property [in Baltimore City] sold under § 14–817(c) of this subtitle with a minimum bid less than the lien amount may file a complaint to foreclose all rights of redemption in the property at any time after the date of sale.
When the governing body of the County or Municipal Corporation becomes the holder of a certificate of sale purchased in accordance with § 14–824 of this subtitle, the governing body of THE COUNTY OR MUNICIPAL CORPORATION may file a complaint, at any time after the date of sale, to foreclose all rights of redemption in abandoned property consisting of:

1. a vacant lot; or
2. improved property cited as vacant and unfit for habitation on a housing or building violation notice.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2018.

Approved by the Governor, May 8, 2018.

Chapter 569

( Senate Bill 711)

AN ACT concerning Health Occupations – Applications for Renewal of Licenses, Permits, Certifications, or Registrations – Available by Mail

FOR the purpose of requiring a health occupations board to send by first–class mail a renewal application at the request of a licensee, permit holder, certificate holder, or registrant if the health occupations board chooses to send renewal notices or renewed licenses, permits, certifications, or registrations exclusively by e–mail under certain provisions of law; and generally relating to applications for renewal of licenses, permits, certifications, or registrations for health occupations.

BY repealing and reenacting, with amendments,

Article – Health Occupations
Section 1–220
Annotated Code of Maryland
(2014 Replacement Volume and 2017 Supplement)

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

Article – Health Occupations
(a) Each health occupation board may develop a secure electronic system for the distribution of a renewed license, permit, certification, or registration required to be issued under this title.

(b) The system shall:

(1) Be accessible to the public for the purpose of verification of a current license, permit, certification, or registration; and

(2) Provide the licensee, permit holder, certificate holder, or registrant the option of printing a verification of the status of their license, permit, certification, or registration.

(c) Except as otherwise provided by law, a board that develops and implements a system authorized under subsection (a) of this section shall:

(1) Discontinue to send by first–class mail:

   (i) A renewal notice for a license, permit, certification, or registration; and

   (ii) A renewed license, permit, certification, or registration;

(2) Send by electronic means:

   (i) A renewal notice for a license, permit, certification, or registration; and

   (ii) A renewed license, permit, certification, or registration; and

(3) Continue to send by first–class mail an initial license, permit, certification, or registration.

(d) If a board chooses to send renewal notices or renewed licenses, permits, certifications, or registrations exclusively by electronic mail under subsection (c) of this section, the board shall, on request of the licensee, permit holder, certificate holder, or registrant, send by first–class mail:

(1) The renewal notice; [or]

(2) THE RENEWAL APPLICATION; OR

[(2) (3)] The renewed license, permit, certification, or registration.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
Chapter 570

(Senate Bill 185)

Budget Bill

(Fiscal Year 2019)

AN ACT for the purpose of making the proposed appropriations contained in the State Budget for the fiscal year ending June 30, 2019, in accordance with Article III, Section 52 of the Maryland Constitution; and generally relating to appropriations and budgetary provisions made pursuant to that section.

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That subject to the provisions hereinafter set forth and subject to the Public General Laws of Maryland relating to the Budget procedure, the several amounts hereinafter specified, or so much thereof as shall be sufficient to accomplish the purposes designated, are hereby appropriated and authorized to be disbursed for the several purposes specified for the fiscal year beginning July 1, 2018, and ending June 30, 2019, as hereinafter indicated.

PAYMENTS TO CIVIL DIVISIONS OF THE STATE

A15O00.01 Disparity Grants
   General Fund Appropriation ...................... 140,804,172

A15O00.02 Teacher Retirement Supplemental Grants
   General Fund Appropriation ...................... 27,658,661

A15O00.03 Miscellaneous Grants
   Special Fund Appropriation ...................... 1,200,000

SUMMARY

Total General Fund Appropriation ...................... 168,462,833
Total Special Fund Appropriation ...................... 1,200,000

Total Appropriation ................................ 169,662,833
### GENERAL ASSEMBLY OF MARYLAND

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>B75A01.01 Senate General Fund Appropriation</td>
<td>13,344,914</td>
</tr>
<tr>
<td>B75A01.02 House of Delegates General Fund Appropriation</td>
<td>25,485,536</td>
</tr>
<tr>
<td>B75A01.03 General Legislative Expenses General Fund Appropriation</td>
<td>1,140,289</td>
</tr>
</tbody>
</table>

### DEPARTMENT OF LEGISLATIVE SERVICES

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>B75A01.04 Office of the Executive Director General Fund Appropriation</td>
<td>8,569,544</td>
</tr>
<tr>
<td>B75A01.05 Office of Legislative Audits General Fund Appropriation</td>
<td>14,372,430</td>
</tr>
<tr>
<td>B75A01.06 Office of Legislative Information Systems General Fund Appropriation</td>
<td>7,264,435</td>
</tr>
<tr>
<td>B75A01.07 Office of Policy Analysis General Fund Appropriation</td>
<td>20,839,878</td>
</tr>
</tbody>
</table>

### SUMMARY

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total General Fund Appropriation</td>
<td>91,267,026</td>
</tr>
</tbody>
</table>
JUDICIARY

Provided that $6,723,905 in general funds for employee merit salary increases and increased compensation for judges is reduced. The Chief Judge is authorized to allocate this reduction across the Judiciary. These funds are provided for the following purposes:

- Employee merit salary increases .......... 3,918,030
- Judicial Compensation Commission recommended salary increases .......... 2,805,875

Further provided that $4,000,000 $2,710,207 $5,064,751 in general funds is reduced. The Chief Judge shall allocate this reduction across the Judiciary.

C00A00.01 Court of Appeals
General Fund Appropriation ....................... 13,303,584

C00A00.02 Court of Special Appeals
General Fund Appropriation ....................... 12,784,952

C00A00.03 Circuit Court Judges
General Fund Appropriation ....................... 73,520,213

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

C00A00.04 District Court
General Fund Appropriation, provided that $8,500,000 of the general fund appropriation may be expended only for the purpose of providing attorneys for required representation at initial appearances before District Court Commissioners consistent with the holding of the Court of Appeals in DeWolfe v. Richmond. Any funds not expended for this purpose shall revert to the General Fund ....................... 498,556,637 197,917,681
Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

### Administrative Office of the Courts

<table>
<thead>
<tr>
<th>Appropriation Type</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund Appropriation</td>
<td>70,904,549</td>
</tr>
<tr>
<td>Special Fund Appropriation</td>
<td>19,500,000</td>
</tr>
<tr>
<td>Federal Fund Appropriation</td>
<td>168,770</td>
</tr>
<tr>
<td>Total</td>
<td>90,573,319</td>
</tr>
</tbody>
</table>

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

### Court Related Agencies

<table>
<thead>
<tr>
<th>Appropriation Type</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund Appropriation</td>
<td>3,152,745</td>
</tr>
</tbody>
</table>

### State Law Library

<table>
<thead>
<tr>
<th>Appropriation Type</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund Appropriation</td>
<td>3,666,733</td>
</tr>
<tr>
<td>Special Fund Appropriation</td>
<td>9,000</td>
</tr>
<tr>
<td>Total</td>
<td>3,675,733</td>
</tr>
</tbody>
</table>

### Judicial Information Systems

<table>
<thead>
<tr>
<th>Appropriation Type</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund Appropriation</td>
<td>48,700,519</td>
</tr>
<tr>
<td>Special Fund Appropriation</td>
<td>8,374,854</td>
</tr>
<tr>
<td>Total</td>
<td>57,075,373</td>
</tr>
</tbody>
</table>

### Clerks of the Circuit Court

<table>
<thead>
<tr>
<th>Appropriation Type</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund Appropriation_ provided that $293,611 of the general fund appropriation is contingent upon the enactment of HB 286 or SB 668_</td>
<td>99,653,936</td>
</tr>
<tr>
<td>Special Fund Appropriation</td>
<td>19,666,240</td>
</tr>
<tr>
<td>Total</td>
<td>119,320,176</td>
</tr>
</tbody>
</table>

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted...
SUMMARY

OFFICE OF THE PUBLIC DEFENDER

C00A00.12 Major Information Technology Development Projects
Special Fund Appropriation ............................ 14,649,836

SUMMARY

Total General Fund Appropriation ............................ 522,532,524
Total Special Fund Appropriation ............................ 62,199,930
Total Federal Fund Appropriation ............................ 168,770

Total Appropriation .................................................. 584,901,224

C80B00.01 General Administration
General Fund Appropriation ................................. 8,023,960

C80B00.02 District Operations
General Fund Appropriation ................................. 87,896,426
Special Fund Appropriation ................................. 257,173
Federal Fund Appropriation ................................. 36,311 88,189,910

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

C80B00.03 Appellate and Inmate Services
General Fund Appropriation ................................. 7,098,042

C80B00.04 Involuntary Institutionalization Services
General Fund Appropriation ................................. 1,508,025

SUMMARY

Total General Fund Appropriation ............................ 104,526,453
Total Special Fund Appropriation ............................ 257,173
Total Federal Fund Appropriation ............................ 36,311
OFFICE OF THE ATTORNEY GENERAL

C81C00.01  Legal Counsel and Advice
General Fund Appropriation ....................... 5,315,781
Special Fund Appropriation ....................... 2,197,569 7,513,350

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

C81C00.04  Securities Division
General Fund Appropriation ....................... 2,685,155
Special Fund Appropriation ....................... 1,270,713 3,955,868

C81C00.05  Consumer Protection Division
Special Fund Appropriation ....................... 6,192,933

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

C81C00.06  Antitrust Division
General Fund Appropriation ....................... 909,991

C81C00.09  Medicaid Fraud Control Unit
General Fund Appropriation ....................... 1,206,006
Federal Fund Appropriation ....................... 3,622,925 4,828,931

C81C00.10  People’s Insurance Counsel Division
Special Fund Appropriation ....................... 630,098

C81C00.12  Juvenile Justice Monitoring Program
General Fund Appropriation ....................... 602,798

C81C00.14  Civil Litigation Division
General Fund Appropriation ....................... 2,627,233
Special Fund Appropriation .......................... 484,762  3,111,995

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

C81C00.15 Criminal Appeals Division
General Fund Appropriation ......................... 2,958,451

C81C00.16 Criminal Investigation Division
General Fund Appropriation ......................... 1,732,031

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

C81C00.17 Educational Affairs Division
General Fund Appropriation ......................... 357,067

C81C00.18 Correctional Litigation Division
General Fund Appropriation ......................... 340,038

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

C81C00.20 Contract Litigation Division

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

C81C00.21 Mortgage Foreclosure Settlement Program
Special Fund Appropriation .......................... 464,085

SUMMARY
Total General Fund Appropriation ................................................. 18,734,551
Total Special Fund Appropriation ................................................. 11,240,160
Total Federal Fund Appropriation ................................................ 3,622,925

Total Appropriation ...................................................................... 33,597,636

OFFICE OF THE STATE PROSECUTOR

C82D00.01 General Administration
  General Fund Appropriation ....................................................... 1,481,859

MARYLAND TAX COURT

C85E00.01 Administration and Appeals
  General Fund Appropriation ....................................................... 626,517

PUBLIC SERVICE COMMISSION

C90G00.01 General Administration and Hearings
  Special Fund Appropriation ....................................................... 11,221,450

C90G00.02 Telecommunications, Gas and Water Division
  Special Fund Appropriation ....................................................... 536,572

C90G00.03 Engineering Investigations
  Special Fund Appropriation ....................................................... 1,450,638
  Federal Fund Appropriation ....................................................... 593,421 2,044,059

C90G00.04 Accounting Investigations
  Special Fund Appropriation ....................................................... 694,993

C90G00.05 Common Carrier Investigations
  Special Fund Appropriation ....................................................... 1,932,217

C90G00.06 Washington Metropolitan Area Transit Commission
  Special Fund Appropriation ....................................................... 438,218

C90G00.07 Electricity Division
  Special Fund Appropriation ....................................................... 531,725
C90G00.08 Public Utility Law Judge
Special Fund Appropriation .......................... 927,522

C90G00.09 Staff Counsel
Special Fund Appropriation .......................... 1,094,373

C90G00.10 Energy Analysis and Planning Division
Special Fund Appropriation .......................... 700,213

SUMMARY

Total Special Fund Appropriation .......................... 19,527,921
Total Federal Fund Appropriation .......................... 593,421

Total Appropriation .......................... 20,121,342

OFFICE OF THE PEOPLE’S COUNSEL

C91H00.01 General Administration
Special Fund Appropriation .......................... 4,088,770

SUBSEQUENT INJURY FUND

C94I00.01 General Administration
Special Fund Appropriation .......................... 2,341,480

UNINSURED EMPLOYERS’ FUND

C96J00.01 General Administration
Special Fund Appropriation, provided that since the Uninsured Employers’ Fund (UEF) has had four or more repeat findings in the most recent fiscal compliance audit issued by the Office of Legislative Audits (OLA), $75,000 $125,000 $100,000 of this agency’s administrative appropriation may not be expended unless:

(1) UEF has taken corrective action with respect to all repeat audit findings on or before November 1, 2018; and
(2) a report is submitted to the budget committees by OLA listing each repeat audit finding along with a determination that each repeat finding was corrected. The budget committees shall have 45 days to review and comment to allow for funds to be released prior to the end of fiscal 2019.

Further provided that $50,000 of this appropriation made for the purpose of General Administration may not be expended until UEF submits a draft Request for Proposals (RFP) to competitively bid the third-party claims administrator contract to the budget committees. The report shall be submitted by August 1, 2018, and the budget committees shall have 45 days to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall be canceled if the report is not submitted to the budget committees.

Further provided that $50,000 of this appropriation made for the purpose of General Administration may not be expended until UEF submits a report providing the award information for the third-party claims administrator contract to the budget committees. The report shall include (1) the number of bidders; (2) the vendor awarded the contract; (3) the term of the contract; and (4) the amount of the contract. The report shall be submitted prior to the award of the contract by February 1, 2019, and the budget committees shall have 45 days to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall be canceled if the report is not submitted to the budget committees.
WORKERS' COMPENSATION COMMISSION

C98F00.01 General Administration
Special Fund Appropriation .......................... 14,691,668

C98F00.02 Major Information Technology Development Projects
Special Fund Appropriation .......................... 1,560,000

SUMMARY

Total Special Fund Appropriation .......................... 16,251,668
BOARD OF PUBLIC WORKS

D05E01.01 Administration Office
General Fund Appropriation ...................... 936,154

D05E01.02 Contingent Fund
To the Board of Public Works to be used by the Board in its judgment (1) for supplementing appropriations made in the budget for fiscal 2019 when the regular appropriations are insufficient for the operating expenses of the government beyond those that are contemplated at the time of the appropriation of the budget for this fiscal year, or (2) for any other contingencies that might arise within the State or other governmental agencies during the fiscal year or any other purposes provided by law, when adequate provision for such contingencies or purposes has not been made in this budget.
General Fund Appropriation ...................... 500,000

D05E01.05 Wetlands Administration
General Fund Appropriation ...................... 228,720

D05E01.10 Miscellaneous Grants to Private Non-Profit Groups
General Fund Appropriation ...................... 6,021,136

To provide annual grants to private groups and sponsors that have statewide implications and merit State support.
Council of State Governments .......... 166,927
Historic Annapolis Foundation ............. 789,000
Maryland Zoo in Baltimore ................. 4,815,209
Western Maryland Scenic Railroad...... 250,000

SUMMARY

Total General Fund Appropriation ................... 7,686,010

BOARD OF PUBLIC WORKS – CAPITAL APPROPRIATION

D06E02.01 Public Works Capital Appropriation
General Fund Appropriation ......................
this appropriation shall be reduced by $29,000,000 contingent upon the enactment of legislation altering the mandate that funding be provided for the construction of the University of Maryland Capital Region Medical Center (formerly Prince George’s Regional Medical Center) ................................................................. 29,000,000

D06E02.02 Public School Capital Appropriation
General Fund Appropriation, provided that $4,900,000 of this appropriation made for the purpose of Public School Capital Appropriation may not be expended for that purpose but instead may be transferred to Board of Public Works – Interagency Committee on School Construction program D25E03.01 General Administration for the purpose of conducting a statewide facilities assessment for public school facilities and creating an integrated facilities data system. Funds not expended for this restricted purpose may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund. Further provided that the transfer of funds is contingent on enactment of SB 1243 or HB 1783 ................................................................. 4,900,000

SUMMARY

Total General Fund Appropriation .................................................. 33,900,000

EXECUTIVE DEPARTMENT – GOVERNOR

D10A01.01 General Executive Direction and Control
General Fund Appropriation ......................................................... 11,331,792

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.
OFFICE OF THE DEAF AND HARD OF HEARING

D11A04.01 Executive Direction
  General Fund Appropriation ......................... 400,697

DEPARTMENT OF DISABILITIES

D12A02.01 General Administration
  General Fund Appropriation ......................... 3,476,685
  Special Fund Appropriation ......................... 324,732
  Federal Fund Appropriation ......................... 5,307,446 9,108,863

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

MARYLAND ENERGY ADMINISTRATION

D13A13.01 General Administration
  Special Fund Appropriation ......................... 4,541,122
  Federal Fund Appropriation ......................... 760,537 5,301,659

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

D13A13.02 The Jane E. Lawton Conservation Loan Program – Capital Appropriation
  Special Fund Appropriation ......................... 850,000

D13A13.03 State Agency Loan Program – Capital Appropriation
  Special Fund Appropriation ......................... 1,200,000

D13A13.06 Energy Efficiency and Conservation Programs, Low and Moderate Income Residential Sector
  Special Fund Appropriation ......................... 5,000,000
D13A13.07 Energy Efficiency and Conservation Programs, All Other Sectors
Special Fund Appropriation 7,000,000

D13A13.08 Renewable and Clean Energy Programs and Initiatives
Special Fund Appropriation 24,500,000

SUMMARY

Total Special Fund Appropriation 43,091,122
Total Federal Fund Appropriation 760,537

Total Appropriation 43,851,659

BOARDs, COMMISSIONS, AND OFFICES

D15A05.01 Survey Commissions
General Fund Appropriation 125,857

D15A05.03 Governor’s Office of Small, Minority & Women Business Affairs
General Fund Appropriation 1,217,201

D15A05.05 Governor’s Office of Community Initiatives
General Fund Appropriation 2,331,304
Special Fund Appropriation 333,834
Federal Fund Appropriation 4,848,892 7,514,030

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

D15A05.06 State Ethics Commission
General Fund Appropriation 1,328,049
Special Fund Appropriation 329,425 1,657,474

D15A05.07 Health Care Alternative Dispute Resolution Office
General Fund Appropriation 381,108
D15A05.16 Governor’s Office of Crime Control and Prevention

General Fund Appropriation, provided that, contingent on the enactment of SB 1265, $1,000,000 of this appropriation made for the purpose of funding school safety grants to public and nonpublic schools and day care centers at risk of hate crimes may not be expended for that purpose but instead may only be transferred by budget amendment to R00A02.13 Innovative Programs within the Maryland State Department of Education to be used for funding one-time operating grants to local education agencies to improve the safety and security of public schools. These expenses may include, but are not limited to, de-escalation training, problem solving training, and outreach to heighten awareness of existing mental health services available to students. Funds not expended for this restricted purpose may not be transferred by budget amendment or otherwise and shall revert to the General Fund

Special Fund Appropriation

Federal Fund Appropriation

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.
### SUMMARY

<table>
<thead>
<tr>
<th>Appropriation Type</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total General Fund Appropriation</td>
<td>120,947,452</td>
</tr>
<tr>
<td>Total Special Fund Appropriation</td>
<td>2,939,177</td>
</tr>
<tr>
<td>Total Federal Fund Appropriation</td>
<td>45,001,737</td>
</tr>
<tr>
<td>Total Appropriation</td>
<td>168,888,366</td>
</tr>
</tbody>
</table>

### SECRETARY OF STATE

<table>
<thead>
<tr>
<th>Appropriation Type</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund Appropriation</td>
<td>2,163,794</td>
</tr>
<tr>
<td>Special Fund Appropriation</td>
<td>863,159</td>
</tr>
</tbody>
</table>
Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

HISTORIC ST. MARY’S CITY COMMISSION

D17B01.51 Administration
General Fund Appropriation ......................... 2,726,922
Special Fund Appropriation ......................... 821,569 3,548,491

GOVERNOR’S OFFICE FOR CHILDREN

D18A18.01 Governor’s Office for Children
General Fund Appropriation ......................... 1,579,085

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

BOARD OF PUBLIC WORKS – INTERAGENCY COMMITTEE ON SCHOOL CONSTRUCTION

D25E03.01 General Administration
General Fund Appropriation ......................... 2,071,222

DEPARTMENT OF AGING

D26A07.01 General Administration
General Fund Appropriation, provided that $100,000 of this appropriation may not be expended until the department submits a report to the budget committees on the status of waitlist collection. The report shall be submitted by December 1, 2018, and the committees shall have 45 days to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if a report is not submitted.
Further provided that it is the intent of the General Assembly that allocations made to local Area Agencies on Aging (AAA) from the fiscal 2019 appropriation for Community Services (D26A07.03) shall be announced by September 1, 2018.

Further provided that $100,000 of this appropriation made for the purpose of General Administration may not be expended until the department submits a report to the budget committees confirming that allocations were made to AAAs by September 1, 2018. The report shall be submitted by October 1, 2018, and the committees shall have 45 days to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if a report is not submitted.

<table>
<thead>
<tr>
<th></th>
<th>$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Special Fund Appropriation</td>
<td>521,808</td>
</tr>
<tr>
<td>Federal Fund Appropriation</td>
<td>2,240,787</td>
</tr>
</tbody>
</table>

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

D26A07.02 Senior Citizens Activities Centers Operating Fund
General Fund Appropriation ........................................ 764,238

D26A07.03 Community Services
General Fund Appropriation, provided that $100,000 of this appropriation made for the purpose of the Nursing Home Diversion program may not be expended until the Department of Aging submits a report to the budget committees that explains how these funds will be used and how allocations to local Area Agencies on Aging will be determined. The budget committees shall have 45 days to review and comment.
Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if a report is not submitted  

<table>
<thead>
<tr>
<th>Funds</th>
<th>Amount</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Federal Fund Appropriation</td>
<td>21,834,029</td>
<td>49,152,117</td>
</tr>
</tbody>
</table>

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

**D26A07.04 Senior Call–Check Service and Notification Program**

<table>
<thead>
<tr>
<th>Funds</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Special Fund Appropriation</td>
<td>416,985</td>
</tr>
</tbody>
</table>

**SUMMARY**

<table>
<thead>
<tr>
<th>Funds</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total General Fund Appropriation</td>
<td>24,979,906</td>
</tr>
<tr>
<td>Total Special Fund Appropriation</td>
<td>938,793</td>
</tr>
<tr>
<td>Total Federal Fund Appropriation</td>
<td>29,558,875</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Funds</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Appropriation</td>
<td>55,477,574</td>
</tr>
</tbody>
</table>

**MARYLAND COMMISSION ON CIVIL RIGHTS**

**D27L00.01 General Administration**

<table>
<thead>
<tr>
<th>Funds</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund Appropriation</td>
<td>2,525,738</td>
</tr>
<tr>
<td>Federal Fund Appropriation</td>
<td>772,022</td>
</tr>
<tr>
<td>Total</td>
<td>3,297,760</td>
</tr>
</tbody>
</table>

**MARYLAND STADIUM AUTHORITY**

**D28A03.02 Maryland Stadium Facilities Fund**

<table>
<thead>
<tr>
<th>Funds</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Special Fund Appropriation</td>
<td>20,000,000</td>
</tr>
</tbody>
</table>

**D28A03.55 Baltimore Convention Center**

<table>
<thead>
<tr>
<th>Funds</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund Appropriation</td>
<td>6,344,537</td>
</tr>
</tbody>
</table>

**D28A03.58 Ocean City Convention Center**

<table>
<thead>
<tr>
<th>Funds</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund Appropriation</td>
<td>1,527,176</td>
</tr>
</tbody>
</table>

**D28A03.59 Montgomery County Conference Center**
General Fund Appropriation .............................. 1,555,000

D28A03.60 Hippodrome Performing Arts Center
General Fund Appropriation .............................. 1,393,258

D28A03.66 Baltimore City Public Schools
Construction Financing Fund
Special Fund Appropriation .............................. 20,000,000

D28A03.68 Baltimore City CORE
Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

**SUMMARY**

<table>
<thead>
<tr>
<th>Description</th>
<th>General Fund</th>
<th>Special Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total General Fund Appropriation</td>
<td>10,819,971</td>
<td></td>
</tr>
<tr>
<td>Total Special Fund Appropriation</td>
<td>40,000,000</td>
<td></td>
</tr>
<tr>
<td>Total Appropriation</td>
<td>50,819,971</td>
<td></td>
</tr>
</tbody>
</table>

**STATE BOARD OF ELECTIONS**

D38I01.01 General Administration
General Fund Appropriation ....................... 4,398,804
Special Fund Appropriation ....................... 133,554  4,532,358

D38I01.02 Help America Vote Act
General Fund Appropriation ....................... 7,769,691
Special Fund Appropriation ....................... 20,360,830  28,130,521
14,997,283  22,766,974

D38I01.03 Major Information Technology Development Projects
Special Fund Appropriation ....................... 650,000

**SUMMARY**

<table>
<thead>
<tr>
<th>Description</th>
<th>General Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total General Fund Appropriation</td>
<td>12,168,495</td>
</tr>
</tbody>
</table>
Total Special Fund Appropriation ........................................ 15,780,837

Total Appropriation ........................................................ 27,949,332

DEPARTMENT OF PLANNING

D40W01.01 Operations Division
General Fund Appropriation ......................... 2,861,316

D40W01.02 State Clearinghouse
General Fund Appropriation ......................... 534,184

D40W01.03 Planning Data and Research
General Fund Appropriation ......................... 2,314,653

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

D40W01.04 Planning Coordination
General Fund Appropriation ......................... 1,689,563
Federal Fund Appropriation ......................... 48,887 1,738,450

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

D40W01.07 Management Planning and Educational Outreach
General Fund Appropriation ......................... 931,341
Special Fund Appropriation, provided that $300,000 of this special fund appropriation be expended on the Maryland Historical Trust Non–Capital Grant Program contingent upon the enactment of legislation expanding the allowable uses of the Maryland Heritage Areas Authority Financing Fund .......................... 6,043,070
Federal Fund Appropriation ......................... 781,588 7,755,999
Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

D40W01.08 Museum Services
General Fund Appropriation ....................... 2,229,196
Special Fund Appropriation ....................... 609,216
Federal Fund Appropriation ....................... 87,497  2,925,909

D40W01.09 Research Survey and Registration
General Fund Appropriation ....................... 890,024
Special Fund Appropriation ....................... 78,752
Federal Fund Appropriation ....................... 321,545  1,290,321

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

D40W01.10 Preservation Services
General Fund Appropriation ....................... 728,119
Special Fund Appropriation ....................... 454,227
Federal Fund Appropriation ....................... 254,882  1,437,228

D40W01.11 Historic Preservation – Capital Appropriation
Special Fund Appropriation ....................... 300,000

D40W01.12 Heritage Structure Rehabilitation Tax Credit
General Fund Appropriation ....................... 8,905,935
Special Fund Appropriation ....................... 94,065  9,000,000

SUMMARY

Total General Fund Appropriation ....................... 21,084,331
Total Special Fund Appropriation ....................... 7,579,330
Total Federal Fund Appropriation ....................... 1,494,399
MILITARY DEPARTMENT
MILITARY DEPARTMENT OPERATIONS AND MAINTENANCE

<table>
<thead>
<tr>
<th>Article</th>
<th>Description</th>
<th>General Fund</th>
<th>Special Fund</th>
<th>Federal Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td>D50H01.01</td>
<td>Administrative Headquarters</td>
<td>2,691,689</td>
<td>39,976</td>
<td>618,420</td>
</tr>
<tr>
<td>D50H01.02</td>
<td>Air Operations and Maintenance</td>
<td>871,796</td>
<td></td>
<td>3,730,970</td>
</tr>
<tr>
<td>D50H01.03</td>
<td>Army Operations and Maintenance</td>
<td>3,964,957</td>
<td>121,991</td>
<td>8,958,993</td>
</tr>
<tr>
<td>D50H01.05</td>
<td>State Operations</td>
<td>2,996,219</td>
<td></td>
<td>3,339,936</td>
</tr>
<tr>
<td>D50H01.06</td>
<td>Maryland Emergency Management Agency</td>
<td>2,527,498</td>
<td>18,150,000</td>
<td>34,674,193</td>
</tr>
</tbody>
</table>

SUMMARY

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total General Fund Appropriation</td>
<td>13,052,159</td>
</tr>
<tr>
<td>Total Special Fund Appropriation</td>
<td>18,311,967</td>
</tr>
<tr>
<td>Total Federal Fund Appropriation</td>
<td>51,322,512</td>
</tr>
<tr>
<td>Total Appropriation</td>
<td>82,686,638</td>
</tr>
</tbody>
</table>
MARYLAND INSTITUTE FOR EMERGENCY MEDICAL SERVICES SYSTEMS

D53T00.01  General Administration
Special Fund Appropriation 16,184,898
Federal Fund Appropriation 2,532,800 18,717,698

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

D53T00.02  Maryland Information Technology Development Projects
Special Fund Appropriation 3,400,000

SUMMARY

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Special Fund Appropriation</td>
<td>19,584,898</td>
</tr>
<tr>
<td>Total Federal Fund Appropriation</td>
<td>2,532,800</td>
</tr>
<tr>
<td>Total Appropriation</td>
<td>22,117,698</td>
</tr>
</tbody>
</table>

DEPARTMENT OF VETERANS AFFAIRS

D55P00.01  Service Program
General Fund Appropriation 1,548,577

D55P00.02  Cemetery Program
General Fund Appropriation 2,174,828
Special Fund Appropriation 823,891
Federal Fund Appropriation 1,575,311 4,574,030

D55P00.03  Memorials and Monuments Program
General Fund Appropriation 409,626

D55P00.05  Veterans Home Program
General Fund Appropriation 3,333,872
Special Fund Appropriation 2,889,867
Federal Fund Appropriation 17,166,849 23,390,588

D55P00.08  Executive Direction
General Fund Appropriation .................................. 985,628

D55P00.11 Outreach and Advocacy
General Fund Appropriation .................................. 206,478

**SUMMARY**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total General Fund Appropriation</td>
<td>8,659,009</td>
</tr>
<tr>
<td>Total Special Fund Appropriation</td>
<td>3,713,758</td>
</tr>
<tr>
<td>Total Federal Fund Appropriation</td>
<td>18,742,160</td>
</tr>
<tr>
<td><strong>Total Appropriation</strong></td>
<td>31,114,927</td>
</tr>
</tbody>
</table>

**STATE ARCHIVES**

D60A10.01 Archives
General Fund Appropriation .................................. 5,893,436
Special Fund Appropriation .................................. 2,565,134 8,458,570

D60A10.02 Artistic Property
General Fund Appropriation .................................. 364,448
Special Fund Appropriation .................................. 32,129 396,577

**SUMMARY**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total General Fund Appropriation</td>
<td>6,257,884</td>
</tr>
<tr>
<td>Total Special Fund Appropriation</td>
<td>2,597,263</td>
</tr>
<tr>
<td><strong>Total Appropriation</strong></td>
<td>8,855,147</td>
</tr>
</tbody>
</table>

**MARYLAND HEALTH BENEFIT EXCHANGE**

D78Y01.01 Maryland Health Benefit Exchange
Special Fund Appropriation .................................. 25,296,510
Federal Fund Appropriation .................................. 26,759,065 52,055,575

D78Y01.02 Major Information Technology Development Projects
Special Fund Appropriation .................................. 9,703,490
Federal Fund Appropriation .................................. 21,401,394 31,104,884
SUMMARY

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Special Fund Appropriation</td>
<td>35,000,000</td>
</tr>
<tr>
<td>Total Federal Fund Appropriation</td>
<td>48,160,459</td>
</tr>
<tr>
<td>Total Appropriation</td>
<td>83,160,459</td>
</tr>
</tbody>
</table>

MARYLAND INSURANCE ADMINISTRATION

INSURANCE ADMINISTRATION AND REGULATION

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>D80Z01.01 Administration and Operations</td>
<td></td>
</tr>
<tr>
<td>Special Fund Appropriation</td>
<td>31,732,270</td>
</tr>
<tr>
<td>Federal Fund Appropriation</td>
<td>725,121</td>
</tr>
<tr>
<td>Total</td>
<td>32,457,391</td>
</tr>
</tbody>
</table>

CANAL PLACE PRESERVATION AND DEVELOPMENT AUTHORITY

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>D90U00.01 General Administration</td>
<td></td>
</tr>
<tr>
<td>General Fund Appropriation</td>
<td>128,000</td>
</tr>
<tr>
<td>Special Fund Appropriation</td>
<td>567,982</td>
</tr>
<tr>
<td>Total</td>
<td>695,982</td>
</tr>
</tbody>
</table>

OFFICE OF ADMINISTRATIVE HEARINGS

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>D99A11.01 General Administration</td>
<td></td>
</tr>
<tr>
<td>Special Fund Appropriation</td>
<td>52,636</td>
</tr>
</tbody>
</table>

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.
Provided that no more than $4,068,986 may be expended to support program E00A01.01 Executive Direction in fiscal 2019.

Further provided that $500,000 in general funds for regular personnel expenditures is reduced. The Comptroller may determine how the reduction is made. However, the reduction may only be made within program E00A01.01 and may not be allocated to any other program within the agency. Further provided that the Comptroller may not transfer by budget amendment or otherwise any funding from any other program or from any other fund source in the Office of the Comptroller into program E00A01.01 to backfill for this reduction. Further provided that, in fiscal 2019, the Comptroller may not fund any positions in program E00A01.01 that were filled as of March 1, 2018 except through the funding provided in the legislative appropriation for program E00A01.01.

General Fund Appropriation ......................... 3,884,845

Special Fund Appropriation .......................... 734,141 4,618,986

Funds are appropriated in other agency budgets to pay for services provided by this
program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

SUMMARY

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total General Fund Appropriation</td>
<td>6,665,852</td>
</tr>
<tr>
<td>Total Special Fund Appropriation</td>
<td>1,264,666</td>
</tr>
<tr>
<td>Total Appropriation</td>
<td>7,930,518</td>
</tr>
</tbody>
</table>

GENERAL ACCOUNTING DIVISION

E00A02.01 Accounting Control and Reporting
General Fund Appropriation                      | 5,693,815  |

BUREAU OF REVENUE ESTIMATES

E00A03.01 Estimating of Revenues
General Fund Appropriation                      | 1,464,485  |

REVENUE ADMINISTRATION DIVISION

E00A04.01 Revenue Administration
General Fund Appropriation                      | 29,811,396 |
| Special Fund Appropriation                     | 4,894,192  | 34,705,588 |

E00A04.02 Major Information Technology Development Projects
Special Fund Appropriation                      | 8,542,295  |

SUMMARY

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total General Fund Appropriation</td>
<td>29,811,396</td>
</tr>
<tr>
<td>Total Special Fund Appropriation</td>
<td>13,436,487</td>
</tr>
<tr>
<td>Total Appropriation</td>
<td>43,247,883</td>
</tr>
</tbody>
</table>

COMPLIANCE DIVISION
E00A05.01 Compliance Administration
General Fund Appropriation ......................  24,867,868
Special Fund Appropriation ......................  11,374,582  36,242,450

FIELD ENFORCEMENT DIVISION

E00A06.01 Field Enforcement Administration
General Fund Appropriation ......................  3,064,654
Special Fund Appropriation ......................  3,501,924  6,566,578

CENTRAL PAYROLL BUREAU

E00A09.01 Payroll Management
General Fund Appropriation ......................  2,581,875
Special Fund Appropriation ......................  161,826  2,743,701

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

INFORMATION TECHNOLOGY DIVISION

E00A10.01 Annapolis Data Center Operations

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

E00A10.02 Comptroller IT Services
General Fund Appropriation ......................  20,565,933
Special Fund Appropriation ......................  3,644,505  24,210,438

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

STATE TREASURER'S OFFICE
TREASURY MANAGEMENT

E20B01.01 Treasury Management
General Fund Appropriation ....................... 5,181,464
Special Fund Appropriation ....................... 592,410

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

E20B01.02 Major Information Technology Development Projects
Special Fund Appropriation ....................... 169,925

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

SUMMARY

Total General Fund Appropriation ....................... 5,181,464
Total Special Fund Appropriation ....................... 762,335

Total Appropriation ....................... 5,943,799

INSURANCE PROTECTION

E20B02.01 Insurance Management

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

E20B02.02 Insurance Coverage

Funds are appropriated in other agency budgets to pay for services provided by this
program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

**BOND SALE EXPENSES**

**E20B03.01 Bond Sale Expenses**

<table>
<thead>
<tr>
<th></th>
<th>General Fund Appropriation</th>
<th>Special Fund Appropriation</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>50,000</td>
<td>1,836,000</td>
</tr>
<tr>
<td></td>
<td>1,886,000</td>
<td></td>
</tr>
</tbody>
</table>

**STATE DEPARTMENT OF ASSESSMENTS AND TAXATION**

**E50C00.01 Office of the Director**

General Fund Appropriation, provided that this appropriation shall be reduced by $2,689,129 contingent upon the enactment of legislation that increases the local share to 90% of the cost of the Office of the Director program. Authorization is granted to process a special fund budget amendment of $2,689,129 to replace the aforementioned General Fund amount, provided that since the State Department of Assessments and Taxation (SDAT) has had four or more repeat findings in the most recent fiscal compliance audit issued by the Office of Legislative Audits (OLA), $100,000 of this agency’s administrative appropriation may not be expended unless:

1. SDAT has taken corrective action with respect to all repeat audit findings on or before November 1, 2018; and

2. a report is submitted to the budget committees by OLA listing each repeat audit finding along with a determination that each repeat finding was corrected. The budget committees shall have 45 days to review and comment to allow for funds to be released prior to the end of fiscal 2019.
### E50C00.02 Real Property Valuation

<table>
<thead>
<tr>
<th>Description</th>
<th>General Fund Amount</th>
<th>Special Fund Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Appropriation, provided that this appropriation shall be reduced by $14,067,949 contingent upon the enactment of legislation that increases the local share to 90% of the cost of the Real Property Valuation program. Authorization is granted to process a special fund budget amendment of $14,067,949 to replace the aforementioned General Fund amount</td>
<td>17,584,936</td>
<td>35,169,873</td>
</tr>
<tr>
<td>Special Fund Appropriation</td>
<td>17,584,937</td>
<td></td>
</tr>
</tbody>
</table>

### E50C00.04 Office of Information Technology

<table>
<thead>
<tr>
<th>Description</th>
<th>General Fund Amount</th>
<th>Special Fund Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Appropriation, provided that this appropriation shall be reduced by $1,560,777 contingent upon the enactment of legislation that increases the local share to 90% of the cost of the Office of Information Technology program. Authorization is granted to process a special fund budget amendment of $1,560,777 to replace the aforementioned General Fund amount</td>
<td>1,950,971</td>
<td>3,901,942</td>
</tr>
<tr>
<td>Special Fund Appropriation</td>
<td>1,950,971</td>
<td></td>
</tr>
</tbody>
</table>

### E50C00.05 Business Property Valuation

<table>
<thead>
<tr>
<th>Description</th>
<th>General Fund Amount</th>
<th>Special Fund Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Appropriation, provided that this appropriation shall be reduced by $1,371,914 contingent upon the enactment of legislation that increases the local share to 90% of the cost of the Business Property Valuation program. Authorization is granted to process a special fund budget amendment of $1,371,914 to replace the aforementioned General Fund amount</td>
<td>1,714,892</td>
<td>3,429,785</td>
</tr>
<tr>
<td>Special Fund Appropriation</td>
<td>1,714,893</td>
<td></td>
</tr>
</tbody>
</table>

### E50C00.06 Tax Credit Payments

<table>
<thead>
<tr>
<th>Description</th>
<th>General Fund Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Appropriation</td>
<td>90,632,786</td>
</tr>
</tbody>
</table>

### E50C00.08 Property Tax Credit Programs

<table>
<thead>
<tr>
<th>Description</th>
<th>General Fund Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Appropriation</td>
<td>2,024,286</td>
</tr>
</tbody>
</table>
Special Fund Appropriation .......................... 740,865 2,765,151

E50C00.09 Major Information Technology Development Projects
Special Fund Appropriation .......................... 1,028,060

E50C00.10 Charter Unit
General Fund Appropriation .......................... 83,157
Special Fund Appropriation .......................... 6,052,407 6,135,564

<table>
<thead>
<tr>
<th></th>
<th>General Fund Appropriations</th>
<th>Special Fund Appropriations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total General Fund</td>
<td>116,832,109</td>
<td>29,218,973</td>
</tr>
<tr>
<td>Total Special Fund</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Appropriation</td>
<td>146,051,082</td>
<td></td>
</tr>
</tbody>
</table>

MARYLAND LOTTERY AND GAMING CONTROL AGENCY

E75D00.01 Administration and Operations
Special Fund Appropriation .......................... 82,223,344

E75D00.02 Video Lottery Terminal and Gaming Operations
General Fund Appropriation .......................... 6,929,957
Special Fund Appropriation .......................... 10,264,474 17,194,431

<table>
<thead>
<tr>
<th></th>
<th>General Fund Appropriations</th>
<th>Special Fund Appropriations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total General Fund</td>
<td>6,929,957</td>
<td></td>
</tr>
<tr>
<td>Total Special Fund</td>
<td>92,487,818</td>
<td></td>
</tr>
<tr>
<td>Total Appropriation</td>
<td>99,417,775</td>
<td></td>
</tr>
</tbody>
</table>

PROPERTY TAX ASSESSMENT APPEALS BOARDS

E80E00.01 Property Tax Assessment Appeals Boards
General Fund Appropriation .......................... 1,049,701
F10A01.01 Executive Direction
General Fund Appropriation ......................... 2,430,976

Funds are appropriated in other agency budgets and funds will be transferred from the Employees’ and Retirees’ Health Insurance Non–Budgeted Fund Accounts to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

F10A01.02 Division of Finance and Administration
General Fund Appropriation ......................... 998,368

F10A01.03 Central Collection Unit
Special Fund Appropriation ......................... 15,927,191

F10A01.04 Division of Procurement Policy and Administration
General Fund Appropriation ......................... 2,111,654

SUMMARY

Total General Fund Appropriation ......................... 5,482,715
Total Special Fund Appropriation ......................... 15,927,191

Total Appropriation ........................................ 21,409,906

OFFICE OF PERSONNEL SERVICES AND BENEFITS

F10A02.01 Executive Direction
General Fund Appropriation, provided that $50,000 of this appropriation may not be expended until the Department of Budget and Management submits a report on fiscal 2018 closeout of the Employee and Retiree Health Insurance Account. This report shall include the (1) closing fiscal 2018 fund
balance; (2) actual provider payments due in the fiscal year; (3) State employee and retiree contributions; (4) an accounting of rebates, recoveries, and other costs; (5) any closeout transactions processed after the fiscal year ended; and (6) actual incurred but not received (IBNR) costs. The report shall also include actual IBNR costs in each year from fiscal 2012 to 2017. The report shall be submitted to the budget committees by October 1, 2018. The budget committees shall have 45 days to review and comment following the receipt of the report. Funds not expended for this restricted purpose may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund.

Further provided that $100,000 of this appropriation may not be expended until the Department of Budget and Management submits a report to the budget committees, as requested by the Spending Affordability Committee, which outlines a strategy to address barriers to filling vacant positions, including hiring standards, excessive turnover expectancy, or inadequate compensation. The report should include consideration of targeted compensation enhancements, reduced levels of turnover expectancy, and reexamination of hiring requirements. The report shall be submitted by June 1, 2018, and the budget committees shall have 45 days to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees ................................. 1,818,166

F10A02.02 Division of Employee Benefits

Funds will be transferred from the Employees’ and Retirees’ Health Insurance
Non-Budgeted Fund Accounts to pay for administration services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

F10A02.04 Division of Personnel Services
General Fund Appropriation .......................................... 3,173,935

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

F10A02.06 Division of Classification and Salary
General Fund Appropriation .......................................... 2,093,339

F10A02.07 Division of Recruitment and Examination
General Fund Appropriation .......................................... 1,268,530

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

F10A02.08 Statewide Expenses
General Fund Appropriation, provided that funds appropriated for Cost of Living Adjustments (COLA), State Law Enforcement Officers Labor Alliance bargaining agreement provisions, and Annual Salary Review (ASR) may be transferred to programs of other State agencies ............................................................. 54,864,888

Special Fund Appropriation, provided that funds appropriated for Cost of Living Adjustments (COLA), State Law Enforcement Officers Labor Alliance bargaining agreement provisions, and Annual Salary Review (ASR) may be transferred to programs of other State agencies ............................................................. 11,421,443

Federal Fund Appropriation, provided that funds appropriated for Cost of Living
Adjustments (COLA), State Law Enforcement Officers Labor Alliance bargaining agreement provisions, and Annual Salary Review (ASR) may be transferred to programs of other State agencies .......................................................... 4,502,385

70,788,716

SUMMARY

Total General Fund Appropriation ........................................ 63,218,858
Total Special Fund Appropriation ........................................ 11,421,443
Total Federal Fund Appropriation ....................................... 4,502,385

Total Appropriation .......................................................... 79,142,686

OFFICE OF BUDGET ANALYSIS

F10A05.01 Budget Analysis and Formulation

General Fund Appropriation, provided that $100,000 of this appropriation made for the purpose of executive direction may not be expended unless the Department of Budget and Management includes in its submission of the fiscal 2020 Governor’s budget books personnel and Managing for Results (MFR) data by agency. The personnel data shall be consistent with Section 7–115 of the State Finance and Procurement Article. The MFR data shall include the mission, vision, as well as key goals, objectives, and performance indicators. Funds restricted pending receipt of the volume of the Governor’s budget book may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the volume is not included with the Governor’s budget books submitted with the annual budget bill in January 2019 .......... 2,980,771

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted
to use these receipts as special funds for operating expenses in this program.

OFFICE OF CAPITAL BUDGETING

F10A06.01  Capital Budget Analysis and Formulation
General Fund Appropriation ............................. 1,262,159

DEPARTMENT OF INFORMATION TECHNOLOGY

MAJOR INFORMATION TECHNOLOGY DEVELOPMENT PROJECT FUND

F50A01.01  Major Information Technology Development Project Fund
General Fund Appropriation, provided that funds appropriated herein for Major Information Technology Development projects may be transferred to programs of the respective financial agencies ............... 67,600,896
Special Fund Appropriation, provided that funds appropriated herein for Major Information Technology Development projects may be transferred to programs of the respective financial agencies ............... 4,863,949  72,464,845

OFFICE OF INFORMATION TECHNOLOGY

F50B04.01  State Chief of Information Technology
General Fund Appropriation, provided that $250,000 of this appropriation made for the purpose of expenses for the State Chief of Information Technology may not be expended until the Department of Information Technology (DoIT) submits a report to the budget committees on enhancements to the eMaryland Marketplace system for a work order that was executed in August 2016 and suspended on March 3, 2017. The budget committees are concerned that the State was overbilled for these services and that none of the work performed can be used. A report shall
be submitted by August 31, 2018, that identifies:

(1) costs for which the State was billed before the work order was executed as well as after the work order was suspended;

(2) the extent to which indirect costs were billed twice;

(3) steps taken to recover the charges identified in (1) and (2);

(4) the extent to which labor costs can be substantiated;

(5) amount and sources of all payments made to the contractor in fiscal 2017 and 2018; and

(6) questionable charges and steps that DoIT is taking to recover charges that are not due to the vendor.

DoIT shall consult with the Office of the Attorney General to determine if the State can recover any amounts for which the State should not have been billed or can forego paying any amounts that have not yet been remitted to the vendor. The budget committees shall have 45 days to review and comment. Funds restricted pending receipt of the report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for
operating expenses in this program.

F50B04.02 Security
General Fund Appropriation .......................... 3,914,114

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

F50B04.03 Application Systems Management
General Fund Appropriation .......................... 11,383,255

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

F50B04.04 Infrastructure
General Fund Appropriation .......................... 9,014,942
Special Fund Appropriation ............................ 1,959,081
10,974,023

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

F50B04.05 Chief of Staff
General Fund Appropriation .......................... 1,830,466

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

F50B04.06 Major Information Technology Development Projects
Special Fund Appropriation ............................ 5,404,048

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted
to use these receipts as special funds for operating expenses in this program.

F50B04.07 Radio

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

F50B04.09 Telecommunications Access of Maryland
Special Fund Appropriation ............................ 5,021,294

SUMMARY

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total General Fund Appropriation</td>
<td>28,780,008</td>
</tr>
<tr>
<td>Total Special Fund Appropriation</td>
<td>12,384,423</td>
</tr>
<tr>
<td>Total Appropriation</td>
<td>41,164,431</td>
</tr>
</tbody>
</table>
MARYLAND STATE RETIREMENT AND PENSION SYSTEMS

STATE RETIREMENT AGENCY

Provided that contingent on the enactment of SB 899 or HB 1012, authorization to expend reimbursable funds is reduced by $2,316,965. Further provided that authorization to expend reimbursable funds is reduced by $400,000.

G20J01.01 State Retirement Agency
Special Fund Appropriation, provided that the appropriation made for the purpose of the Investment Division staff compensation and operating expenses shall be reduced by $4,474,108 contingent on enactment of SB 899 or HB 1012 (State Retirement and Pension System – Investment Division), which establishes that compensation and operating expenses for the Investment Division staff is not to be paid from special funds, but instead is paid from the accumulation funds of the several systems .......................................................... 21,669,007
20,869,007

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

G20J01.02 Major Information Technology Development Projects
Special Fund Appropriation ......................... 5,243,296

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

SUMMARY

Total Special Fund Appropriation ........................................ 26,112,303
<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maryland Supplemental Retirement Plan Board and Staff</td>
<td>1,778,456</td>
</tr>
<tr>
<td>Special Fund Appropriation</td>
<td></td>
</tr>
</tbody>
</table>
**DEPARTMENT OF GENERAL SERVICES**

**OFFICE OF THE SECRETARY**

H00A01.01 Executive Direction  
General Fund Appropriation .........................  1,621,413  

H00A01.02 Administration  
General Fund Appropriation .........................  2,230,042  

**SUMMARY**

Total General Fund Appropriation ......................  3,851,455  

**OFFICE OF FACILITIES SECURITY**

H00B01.01 Facilities Security  
General Fund Appropriation .........................  9,124,049  
Special Fund Appropriation .........................  81,108  
Federal Fund Appropriation .........................  315,131  9,520,288  

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

**OFFICE OF FACILITIES OPERATION AND MAINTENANCE**

H00C01.01 Facilities Operation and Maintenance  
General Fund Appropriation .........................  30,840,488  
Special Fund Appropriation .........................  371,822  
Federal Fund Appropriation .........................  1,020,490  32,232,800  

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

H00C01.04 Saratoga State Center  

Funds are appropriated in other agency budgets to pay for services provided by this program.
program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

H00C01.05  Reimbursable Lease Management

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

H00C01.07  Parking Facilities

General Fund Appropriation ......................... 1,668,910

SUMMARY

<table>
<thead>
<tr>
<th>Appropriation Type</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total General Fund Appropriation</td>
<td>32,509,398</td>
</tr>
<tr>
<td>Total Special Fund Appropriation</td>
<td>371,822</td>
</tr>
<tr>
<td>Total Federal Fund Appropriation</td>
<td>1,020,490</td>
</tr>
<tr>
<td>Total Appropriation</td>
<td>33,901,710</td>
</tr>
</tbody>
</table>

OFFICE OF PROCUREMENT AND LOGISTICS

H00D01.01  Procurement and Logistics

<table>
<thead>
<tr>
<th>Appropriation Type</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund Appropriation</td>
<td>4,163,326</td>
</tr>
<tr>
<td>Special Fund Appropriation</td>
<td>3,040,998</td>
</tr>
<tr>
<td>Total</td>
<td>7,204,324</td>
</tr>
</tbody>
</table>

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

OFFICE OF REAL ESTATE

H00E01.01  Real Estate Management

<table>
<thead>
<tr>
<th>Appropriation Type</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund Appropriation</td>
<td>1,542,540</td>
</tr>
<tr>
<td>Special Fund Appropriation</td>
<td>334,994</td>
</tr>
<tr>
<td>Total</td>
<td>1,877,534</td>
</tr>
</tbody>
</table>

Funds are appropriated in other agency budgets to pay for services provided by this
program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

OFFICE OF FACILITIES PLANNING, DESIGN AND CONSTRUCTION

H00G01.01 Facilities Planning, Design and Construction

General Fund Appropriation, provided that the amount appropriated herein for Maryland Environmental Service critical maintenance projects shall be transferred to the appropriate State facility effective July 1, 2018 ............................................. 14,989,284

Special Fund Appropriation ......................... 641,052  15,630,336

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.
Provided that it is the intent of the General Assembly that projects and funding levels appropriated for capital projects, as well as total estimated project costs within the Consolidated Transportation Program, shall be expended in accordance with the plan approved during the legislative session. The department shall prepare a report to notify the budget committees of the proposed changes in the event that the department modifies the program to:

(1) add a new project to the construction program or development and evaluation program meeting the definition of a “major project” under Section 2–103.1 of the Transportation Article that was not previously contained within a plan reviewed in a prior year by the General Assembly and will result in the need to expend funds in the current budget year; or

(2) change the scope of a project in the construction program or development and evaluation program meeting the definition of a “major project” under Section 2–103.1 of the Transportation Article that will result in an increase of more than 10% or $1,000,000, whichever is greater, in the total project costs as reviewed by the General Assembly during a prior session.

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

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

The Maryland Department of Transportation (MDOT) may not expend funds on any job or position of employment approved in this budget in excess of 9,057.5 positions and 122.2 contractual full-time equivalent (FTE) positions paid through special payments payroll (defined as the quotient of the sum of the hours worked by all such employees in the fiscal year divided by 2,080 hours) of the total authorized amount established in the budget for MDOT at any one time during fiscal 2019. The level of contractual FTE positions may be exceeded only if MDOT notifies the budget committees of the need and justification for additional contractual personnel due to:

1. business growth at the Helen Delich Bentley Port of Baltimore or Baltimore/Washington International Thurgood Marshall Airport, which demands additional personnel; or

2. emergency needs that must be met, such as transit security or highway maintenance.

The Secretary shall use the authority under Sections 2–101 and 2–102 of the Transportation Article to implement this provision. However, any authorized job or
position to be filled above the regular position ceiling approved by the Board of Public Works shall count against the Rule of 100 imposed by the General Assembly. The establishment of new jobs or positions of employment not authorized in the fiscal 2019 budget shall be subject to Section 7–236 of the State Finance and Procurement Article and the Rule of 100.

*It is the intent of the General Assembly that, at least 45 days before requesting the official designation of a public–private partnership under Section 10A–201(c) of the State Finance and Procurement Article, the reporting agency for a transportation facilities project, as defined in Section 4–101(h) of the Transportation Article, shall submit an outline of the environmental screening analysis of environmental issues to be examined in the draft environmental impact statement, to the Comptroller of Maryland, the State Treasurer, the budget committees, and the Department of Legislative Services, in accordance with Section 2–1246 of the State Government Article.*

THE SECRETARY’S OFFICE

J00A01.01 Executive Direction
Special Fund Appropriation .......................... 31,276,902

J00A01.02 Operating Grants–In–Aid
Special Fund Appropriation, provided that no more than $5,238,042 of this appropriation may be expended for operating grants–in–aid, except for:

1. any additional special funds necessary to match unanticipated federal fund attainments; or

2. any proposed increase either to provide funds for a new grantee or to expand funds for an existing
Further provided that no expenditures in excess of $5,238,042 may occur unless the department provides notification to the budget committees to justify the need for additional expenditures due to either item (1) or (2) above, and the committees provide review and comment or 45 days elapse from the date such notification is provided to the committees 5,238,042

Federal Fund Appropriation ................................. 9,418,102 14,656,144

J00A01.03 Facilities and Capital Equipment

Special Fund Appropriation, provided that these funds intended as transportation grants shall be allocated as follows:

Baltimore City ........................................... 5,558,937
County Governments................................. 27,794,685

Municipal Governments....................... 29,892,204

Further provided that $27,794,685 $29,892,204 of this appropriation to county governments and $20,382,769 $22,480,289 to municipal governments shall be allocated to eligible counties and municipalities as provided in Sections 8–404 and 8–405 of the Transportation Article and may be expended only in accordance with Section 8–408 of the Transportation Article.

Further provided that no funds may be expended by the Secretary’s Office for any system preservation or minor project with a total project cost in excess of $500,000 that is not currently included in the fiscal 2018–2023 Consolidated Transportation Program, except as outlined below:

(1) the Secretary shall notify the budget committees of any proposed system preservation or minor
project with a total project cost in excess of $500,000, including the need and justification for the project and its total cost; and

(2) the budget committees shall have 45 days to review and comment on the proposed system preservation or minor project ........................................ 89,514,460
Federal Fund Appropriation ................................. 13,000,000 102,514,460

J00A01.04 Washington Metropolitan Area Transit – Operating
Special Fund Appropriation ................................. 366,027,953

J00A01.05 Washington Metropolitan Area Transit – Capital
Special Fund Appropriation ................................. 155,922,000

J00A01.07 Office of Transportation Technology Services
Special Fund Appropriation ................................. 47,060,044

J00A01.08 Major Information Technology Development Projects
Special Fund Appropriation ................................. 1,655,540

SUMMARY

Total Special Fund Appropriation ............................ 696,694,941
Total Federal Fund Appropriation ............................ 22,418,102

Total Appropriation .............................................. 719,113,043

DEBT SERVICE REQUIREMENTS

Consolidated Transportation Bonds may be issued in any amount provided that the aggregate outstanding and unpaid balance of these bonds and bonds of prior issues may not exceed $3,422,265,000 as of June 30, 2019. Further provided that the amount paid for debt service shall be reduced by any proceeds generated from
net bond sale premiums, provided that those revenues are recognized by the department and reflected in the Transportation Trust Fund forecast. To achieve this reduction, the Maryland Department of Transportation (MDOT) may either use the proceeds from the net premium to reduce the size of the bond issuance and/or apply the proceeds from the net premium to eligible debt service.

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

(1) anticipated and actual nontraditional debt outstanding as of June 30 of each year; and

(2) anticipated and actual debt service payments for each outstanding nontraditional debt issuance from fiscal 2018 through 2028.

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

The total aggregate outstanding and unpaid principal balance of nontraditional debt, defined as any debt instrument that is not a Consolidated Transportation Bond or a Grant Anticipation Revenue Vehicle bond issued by MDOT, exclusive of any draws on the federal Transportation Infrastructure Finance and Innovation Act (TIFIA) loan for the Purple Line Light Rail Project, may not exceed $874,695,000 as of June 30, 2019. The total aggregate outstanding and
unpaid principal balance on the Purple Line TIFIA loan may not exceed $925,315,170 as of June 30, 2019. Provided, however, that in addition to the limits established under this provision, MDOT may increase the aggregate outstanding unpaid and principal balance of nontraditional debt so long as:

1. MDOT provides notice to the Senate Budget and Taxation Committee and the House Appropriations Committee stating the specific reason for the additional issuance and providing specific information regarding the proposed issuance, including information specifying the total amount of nontraditional debt that would be outstanding on June 30, 2019, and the total amount by which the fiscal 2019 debt service payment for all nontraditional debt would increase following the additional issuance; and

2. the Senate Budget and Taxation Committee and the House Appropriations Committee have 45 days to review and comment on the proposed additional issuance before the publication of a preliminary official statement. The Senate Budget and Taxation Committee and the House Appropriations Committee may hold a public hearing to discuss the proposed increase and shall signal their intent to hold a hearing within 45 days of receiving notice from MDOT.
J00B01.01  State System Construction and Equipment
Special Fund Appropriation, provided that $13,000,000 of this appropriation may be used only to construct the expansion of US 301 South at MD 5 and the Western bypass at the US 301/MD 5 interchange. Funds not expended for this restricted purpose may not be transferred by budget amendment or otherwise to any other purpose and shall be canceled.

Further provided that $3,000,000 of this appropriation may be used only to repair and resurface the Hanover Street Bridge in Baltimore City. Funds not expended for this restricted purpose may not be transferred by budget amendment or otherwise to any other purpose and shall be canceled

Federal Fund Appropriation ................................. 746,798,000

J00B01.02  State System Maintenance
Special Fund Appropriation ................................. 267,761,214
Federal Fund Appropriation ................................. 12,564,754  280,325,968

J00B01.03  County and Municipality Capital Funds
Special Fund Appropriation ................................. 6,550,000
Federal Fund Appropriation ................................. 65,850,000  72,400,000

J00B01.04  Highway Safety Operating Program
Special Fund Appropriation ................................. 10,770,883
Federal Fund Appropriation ................................. 2,863,421  13,634,304

J00B01.05  County and Municipality Funds
Special Fund Appropriation, provided that $5,856 of this appropriation made for the purpose of providing transportation aid to Deer Park in Garrett County may not be expended until the town has submitted audit reports and Uniform Financial Reports as required under Sections 16–304 and 16–306 of the Local Government
Article for fiscal 2015, 2016, and 2017. Funds restricted pending the receipt of these documents may not be transferred by budget amendment or otherwise to any other purpose and shall be canceled.

Further provided that $1,732 of this appropriation made for the purpose of providing transportation aid to Caroline County on behalf of Marvdel may not be expended until the town has submitted the audit reports and Uniform Financial Reports as required under Sections 16–304 and 16–306 of the Local Government Article for fiscal 2012, 2013, 2014, 2015, 2016, and 2017. Funds restricted pending the receipt of these documents may not be transferred by budget amendment or otherwise and shall be canceled.

Further provided that $400,000 of this appropriation made for the purpose of providing transportation aid to Baltimore City may be expended only for road diet and Complete Streets improvements for the Hamilton Business District area of Harford Road between Echodale Road and White Avenue in Baltimore City. Funds not expended for this restricted purpose may not be transferred by budget amendment or otherwise to any other purpose and shall be canceled.

Further provided that $600,000 of this appropriation made for the purpose of providing transportation aid to Baltimore City may be expended only to address the resurfacing and associated landscaping of Frederick Avenue between Overbrook Road and South Augusta Avenue in Baltimore City. Funds not expended for this restricted purpose may not be transferred by budget amendment or otherwise to any other purpose and shall be canceled.
SUMMARY

MARYLAND PORT ADMINISTRATION

J00D00.01 Port Operations
Special Fund Appropriation ....................... 50,536,717
Federal Fund Appropriation ....................... 50,387,501

J00D00.02 Port Facilities and Capital Equipment
Special Fund Appropriation ....................... 124,813,000
Federal Fund Appropriation ....................... 124,776,270

SUMMARY

Total Special Fund Appropriation ..................... 175,163,771
Total Federal Fund Appropriation ..................... 2,405,560

Total Appropriation ....................................... 177,569,331

MOTOR VEHICLE ADMINISTRATION

J00E00.01 Motor Vehicle Operations
Special Fund Appropriation ....................... 189,232,381

J00E00.03 Facilities and Capital Equipment
Special Fund Appropriation ....................... 15,855,134
Federal Fund Appropriation ....................... 678,000 16,533,134
<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
<th>Special Fund Appropriation</th>
<th>Federal Fund Appropriation</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>J00E00.04</td>
<td>Maryland Highway Safety Office</td>
<td>2,401,934</td>
<td>13,101,610</td>
<td>15,503,544</td>
</tr>
<tr>
<td>J00E00.08</td>
<td>Major Information Technology Development Projects</td>
<td>21,045,000</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**SUMMARY**

<table>
<thead>
<tr>
<th></th>
<th>Special Fund Appropriation</th>
<th>Federal Fund Appropriation</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Special Fund Appropriation</td>
<td></td>
<td></td>
<td>228,534,449</td>
</tr>
<tr>
<td>Total Federal Fund Appropriation</td>
<td></td>
<td></td>
<td>13,779,610</td>
</tr>
<tr>
<td>Total Appropriation</td>
<td></td>
<td></td>
<td>242,314,059</td>
</tr>
</tbody>
</table>

**MARYLAND TRANSIT ADMINISTRATION**

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
<th>Special Fund Appropriation</th>
<th>Federal Fund Appropriation</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>J00H01.01</td>
<td>Transit Administration</td>
<td>91,436,829</td>
<td>252,500</td>
<td>91,689,329</td>
</tr>
<tr>
<td>J00H01.02</td>
<td>Bus Operations</td>
<td>424,337,556</td>
<td>16,865,835</td>
<td>441,203,391</td>
</tr>
<tr>
<td>J00H01.04</td>
<td>Rail Operations</td>
<td>204,807,355</td>
<td>21,838,067</td>
<td>226,645,422</td>
</tr>
<tr>
<td>J00H01.05</td>
<td>Facilities and Capital Equipment</td>
<td>333,139,000</td>
<td>410,157,000</td>
<td>743,296,000</td>
</tr>
<tr>
<td>J00H01.06</td>
<td>Statewide Programs Operations</td>
<td>69,227,707</td>
<td>20,544,262</td>
<td>89,771,969</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
<th>Special Fund Appropriation</th>
<th>Federal Fund Appropriation</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>J00H01.08</td>
<td>Major Information Technology</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### Development Projects

<table>
<thead>
<tr>
<th></th>
<th>Special Fund Appropriation</th>
<th>Federal Fund Appropriation</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1,366,000</td>
<td>2,134,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>3,500,000</td>
</tr>
</tbody>
</table>

**SUMMARY**

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Special Fund Appropriation</td>
<td>1,124,314,447</td>
</tr>
<tr>
<td>Total Federal Fund Appropriation</td>
<td>471,791,664</td>
</tr>
</tbody>
</table>

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Appropriation</td>
<td>1,596,106,111</td>
</tr>
</tbody>
</table>

### MARYLAND AVIATION ADMINISTRATION

**J00I00.02 Airport Operations**

<table>
<thead>
<tr>
<th></th>
<th>Special Fund Appropriation</th>
<th>Federal Fund Appropriation</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>200,677,735</td>
<td>645,500</td>
</tr>
<tr>
<td></td>
<td></td>
<td>201,323,235</td>
</tr>
</tbody>
</table>

**J00I00.03 Airport Facilities and Capital Equipment**

<table>
<thead>
<tr>
<th></th>
<th>Special Fund Appropriation</th>
<th>Federal Fund Appropriation</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>50,605,340</td>
<td>10,228,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>60,833,340</td>
</tr>
</tbody>
</table>

**SUMMARY**

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Special Fund Appropriation</td>
<td>251,283,075</td>
</tr>
<tr>
<td>Total Federal Fund Appropriation</td>
<td>10,873,500</td>
</tr>
</tbody>
</table>

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Appropriation</td>
<td>262,156,575</td>
</tr>
</tbody>
</table>
DEPARTMENT OF NATURAL RESOURCES

OFFICE OF THE SECRETARY

K00A01.01  Secretariat
General Fund Appropriation ......................... 922,068
Special Fund Appropriation ......................... 1,589,581
Federal Fund Appropriation ......................... 110,300  2,621,949

K00A01.02  Office of the Attorney General
General Fund Appropriation ......................... 845,574
Special Fund Appropriation ......................... 916,611  1,762,185

K00A01.03  Finance and Administrative Services
General Fund Appropriation ......................... 2,997,960
Special Fund Appropriation ......................... 3,676,061
Federal Fund Appropriation ......................... 167,532  6,841,553

Funds are appropriated in other units of the Department of Natural Resources budget to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

K00A01.04  Human Resource Service
General Fund Appropriation ......................... 1,165,326
Special Fund Appropriation ......................... 541,485
Federal Fund Appropriation ......................... 45,300  1,752,111

K00A01.05  Information Technology Service
General Fund Appropriation ......................... 821,929
Special Fund Appropriation ......................... 1,204,075
Federal Fund Appropriation ......................... 125,800  2,151,804

K00A01.06  Office of Communications
General Fund Appropriation ......................... 479,975
Special Fund Appropriation ......................... 547,490  1,027,465

SUMMARY
Total General Fund Appropriation ........................................ 7,232,832
Total Special Fund Appropriation ........................................ 8,475,303
Total Federal Fund Appropriation ........................................ 448,932

Total Appropriation .......................................................... 16,157,067

FOREST SERVICE

K00A02.09 Forest Service
General Fund Appropriation ................................. 1,063,454
Special Fund Appropriation ................................. 8,449,376
Federal Fund Appropriation .................. 2,103,361

11,616,191

Funds are appropriated in other units of the Department of Natural Resources budget and other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

WILDLIFE AND HERITAGE SERVICE

K00A03.01 Wildlife and Heritage Service
General Fund Appropriation ................................. 85,000
Special Fund Appropriation ................................. 5,143,036
Federal Fund Appropriation .................. 6,156,398

11,384,434

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

MARYLAND PARK SERVICE

K00A04.01 Statewide Operations
General Fund Appropriation ................................. 2,469,000
Special Fund Appropriation ................................. 47,083,629
Federal Fund Appropriation .................. 470,000

50,022,629

Funds are appropriated in other agency
budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

K00A04.06 Revenue Operations
Special Fund Appropriation .................. 1,900,000

SUMMARY

Total General Fund Appropriation .................. 2,469,000
Total Special Fund Appropriation .................. 48,983,629
Total Federal Fund Appropriation .................. 470,000

Total Appropriation ................................... 51,922,629

LAND ACQUISITION AND PLANNING

K00A05.05 Land Acquisition and Planning
Special Fund Appropriation .................. 5,433,213

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

K00A05.10 Outdoor Recreation Land Loan
Special Fund Appropriation, provided that of the Special Fund allowance, $98,305,708 represents that share of Program Open Space revenues available for State projects and $52,387,825 represents that share of Program Open Space revenues available for local programs. These amounts may be used for any State projects or local share authorized in Chapter 403, Laws of Maryland, 1969 as amended, or in Chapter 81, Laws of Maryland, 1984; Chapter 106, Laws of Maryland, 1985; Chapter 109, Laws of Maryland, 1986; Chapter 121, Laws of Maryland, 1987; Chapter 10, Laws of Maryland, 1988; Chapter 14, Laws of Maryland, 1989; Chapter 409, Laws of Maryland, 1990; Chapter 3, Laws of
Maryland, 1991; Chapter 4, 1st Special Session, Laws of Maryland, 1992; Chapter 204, Laws of Maryland, 1993; Chapter 8, Laws of Maryland, 1994; Chapter 7, Laws of Maryland, 1995; Chapter 13, Laws of Maryland, 1996; Chapter 3, Laws of Maryland, 1997; Chapter 109, Laws of Maryland, 1998; Chapter 118, Laws of Maryland, 1999; Chapter 204, Laws of Maryland, 2000; Chapter 102, Laws of Maryland, 2001; Chapter 290, Laws of Maryland, 2002; Chapter 204, Laws of Maryland, 2003; Chapter 432, Laws of Maryland, 2004; Chapter 445, Laws of Maryland, 2005; Chapter 46, Laws of Maryland, 2006; Chapter 488, Laws of Maryland, 2007; Chapter 336, Laws of Maryland, 2008; Chapter 485, Laws of Maryland, 2009; Chapter 483, Laws of Maryland, 2010; Chapter 396, Laws of Maryland, 2011; Chapter 444, Laws of Maryland, 2012; Chapter 424, Laws of Maryland, 2013; Chapter 463, Laws of Maryland, 2014; Chapter 495, Laws of Maryland, 2015; Chapter 27, Laws of Maryland, 2016; Chapter 22, Laws of Maryland, 2017; and for any of the following State and local projects.

Further provided that $7,500,000 $500,000 of this appropriation made for the purpose of providing funding to the Maryland–National Capital Park and Planning Commission on behalf of Prince George’s County from the local share of Program Open Space shall be restricted until a confirmatory letter is sent jointly from the Maryland–National Capital Park and Planning Commission, Prince George’s County, and Green Branch Management Group Corporation to the budget committees indicating that a Memorandum of Understanding (MOU) has been signed between the Maryland–National Capital Park and Planning Commission, Prince George’s County, and Green Branch Management Group Corporation on
field-use time. The confirmatory letter shall be submitted within 30 days following the signing of the MOU. The budget committees shall have 45 days to review and comment upon receipt of the confirmatory letter. Funds restricted pending the receipt of the confirmatory letter may not be transferred by budget amendment or otherwise to any other purpose and shall be canceled if the confirmatory letter is not received.

Further provided that $3,700,000 $3,200,000 of this appropriation made for the purpose of providing funding to Baltimore City from the Program Open Space State allocation shall be allocated as follows:

1. $1,225,000 $625,000 for Herring Run Park;

2. $750,000 for Frank C. Bocek Park;

3. $500,000 for the Frederic B. Leidig Recreation Center;

4. $500,000 for Patterson Park;

5. $500,000 for the Mary E. Rodman Recreation Center;

6. $75,000 for Darley Park Community Park; and

7. $150,000 for Malone Children Memorial Playground and Community Park; and

8. $100,000 for Saint Charles Park 150,693,533

Allowance, Local Projects ......$52,387,825
Land Acquisitions .................$51,605,631

Department of Natural Resources Capital Improvements:
Natural Resource Development Fund ........$14,356,000
Ocean City Beach
  Maintenance .......... $1,000,000
  Critical Maintenance Program .......... $7,000,000

Subtotal .................................. $22,356,000

Heritage Conservation Fund ........ $4,326,373
Rural Legacy .............................. $20,017,704
Allowance, State Projects .......... $98,305,708

Federal Fund Appropriation ...................... 3,000,000  153,693,533

SUMMARY

Total Special Fund Appropriation ...................... 156,126,746
Total Federal Fund Appropriation ...................... 3,000,000

Total Appropriation .......................... 159,126,746

LICENSING AND REGISTRATION SERVICE

K00A06.01 Licensing and Registration Service
  Special Fund Appropriation ............ 3,950,206

NATURAL RESOURCES POLICE

K00A07.01 General Direction
  General Fund Appropriation .......... 9,180,757
  Special Fund Appropriation .......... 709,544
  Federal Fund Appropriation .......... 4,096,905  13,987,206

K00A07.04 Field Operations
  General Fund Appropriation, provided that $150,000 of the general fund appropriation made for the purpose of administration may not be expended until the Department of Natural Resources (DNR) submits a report outlining how DNR will establish and fund a whistleblower program. The
report should include the following: (1) an analysis of natural resources whistleblower programs in other jurisdictions; (2) an assessment of the funding mechanisms other jurisdictions use to fully fund and deploy whistleblower appropriations; and (3) a proposed funding mechanism, fund deployment schedule, and marketing and promotion strategy for Maryland. This report shall be submitted to the budget committees by January 1, 2019. The budget committees shall have 45 days to review and comment following the receipt of the report. Funds not expended for this restricted purpose may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees .................................. 25,172,549
Special Fund Appropriation .................................. 6,777,588
Federal Fund Appropriation .................................. 2,225,663 34,175,800

SUMMARY

Total General Fund Appropriation .................................. 34,353,306
Total Special Fund Appropriation .................................. 7,487,132
Total Federal Fund Appropriation .................................. 6,322,568

Total Appropriation .................................................. 48,163,006

ENGINEERING AND CONSTRUCTION

K00A09.01 General Direction
General Fund Appropriation ................................. 1,134,000
Special Fund Appropriation ................................. 4,694,699 5,828,699

Funds are appropriated in other units of the Department of Natural Resources budget to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.
### Summary

**K00A09.06 Ocean City Maintenance**  
Special Fund Appropriation .................. 1,000,000

**CRITICAL AREA COMMISSION**

<table>
<thead>
<tr>
<th>Appropriation Type</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total General Fund</td>
<td>1,134,000</td>
</tr>
<tr>
<td>Total Special Fund</td>
<td>5,694,699</td>
</tr>
<tr>
<td>Total Appropriation</td>
<td>6,828,699</td>
</tr>
</tbody>
</table>

**RESOURCES ASSESSMENT SERVICE**

**K00A12.05 Power Plant Assessment Program**  
General Fund Appropriation .................. 484,972  
Special Fund Appropriation .................. 5,832,154  
Federal Fund Appropriation .................. 1,861,301  
Funds are appropriated in other units of the Department of Natural Resources budget and in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

**K00A12.06 Monitoring and Ecosystem Assessment**  
General Fund Appropriation .................. 3,168,872  
Special Fund Appropriation .................. 1,944,063  
Federal Fund Appropriation .................. 1,861,301  
**K00A12.07 Maryland Geological Survey**  
General Fund Appropriation .................. 1,440,939  
Special Fund Appropriation .................. 404,508  
Federal Fund Appropriation .................. 235,295  
Funds are appropriated in other units of the Department of Natural Resources budget
and in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

**SUMMARY**

<table>
<thead>
<tr>
<th>Appropriation Type</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total General Fund Appropriation</td>
<td>5,094,783</td>
</tr>
<tr>
<td>Total Special Fund Appropriation</td>
<td>8,180,725</td>
</tr>
<tr>
<td>Total Federal Fund Appropriation</td>
<td>2,096,596</td>
</tr>
<tr>
<td><strong>Total Appropriation</strong></td>
<td><strong>15,372,104</strong></td>
</tr>
</tbody>
</table>

**MARYLAND ENVIRONMENTAL TRUST**

K00A13.01 Maryland Environmental Trust

- General Fund Appropriation .................... 602,962

Funds are appropriated in other units of the Department of Natural Resources budget and in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

**CHESAPEAKE AND COASTAL SERVICE**

K00A14.01 Waterway Capital

- Special Fund Appropriation .................... 12,500,000
- Federal Fund Appropriation .................... 2,500,000 15,000,000

K00A14.02 Chesapeake and Coastal Service

- General Fund Appropriation .................... 1,868,887
- Special Fund Appropriation .................... 55,500,708
- Federal Fund Appropriation .................... 9,321,826 66,691,421

Funds are appropriated in other units of the Department of Natural Resources budget and in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use
these receipts as special funds for operating expenses in this program.

### SUMMARY

<table>
<thead>
<tr>
<th>Appropriation Type</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total General Fund Appropriation</td>
<td>1,868,887</td>
</tr>
<tr>
<td>Total Special Fund Appropriation</td>
<td>68,000,708</td>
</tr>
<tr>
<td>Total Federal Fund Appropriation</td>
<td>11,821,826</td>
</tr>
<tr>
<td><strong>Total Appropriation</strong></td>
<td><strong>81,691,421</strong></td>
</tr>
</tbody>
</table>

### FISHING AND BOATING SERVICES

<table>
<thead>
<tr>
<th>Appropriation Type</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund Appropriation</td>
<td>6,240,807</td>
</tr>
<tr>
<td>Special Fund Appropriation</td>
<td>15,263,879</td>
</tr>
<tr>
<td>Federal Fund Appropriation</td>
<td>4,130,556</td>
</tr>
</tbody>
</table>

Funds are appropriated in other units of the Department of Natural Resources budget and in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.
DEPARTMENT OF AGRICULTURE

Provided that $100,000 $50,000 in general funds in the Department of Agriculture made for the purpose of general operating expenses may be expended only for the purpose of providing grants to local governments, businesses, and organizations to finance purchases of authorized equipment to remove, dispose of, and replace trees infested by the emerald ash borer that are located within emerald ash borer quarantine areas and in accordance with any applicable State or federal law, regulation, or quarantine. Funds not expended for this restricted purpose may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund.

OFFICE OF THE SECRETARY

L00A11.01 Executive Direction
General Fund Appropriation ......................... 1,276,670
Special Fund Appropriation ......................... 196,693 1,473,363

L00A11.02 Administrative Services
General Fund Appropriation ......................... 1,999,642

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

L00A11.03 Central Services
General Fund Appropriation ......................... 871,395
Federal Fund Appropriation ......................... 375,000 1,246,395

Funds are appropriated in other units of the Department of Agriculture budget to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for
operating expenses in this program.

L00A11.04 Maryland Agricultural Commission
General Fund Appropriation ............................ 158,025

L00A11.05 Maryland Agricultural Land
Preservation Foundation
Special Fund Appropriation ....................... 1,833,541

L00A11.11 Capital Appropriation
Special Fund Appropriation ....................... 48,976,142

**SUMMARY**

<table>
<thead>
<tr>
<th>Appropriation Type</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total General Fund Appropriation</td>
<td>4,305,732</td>
</tr>
<tr>
<td>Total Special Fund Appropriation</td>
<td>51,006,376</td>
</tr>
<tr>
<td>Total Federal Fund Appropriation</td>
<td>375,000</td>
</tr>
<tr>
<td><strong>Total Appropriation</strong></td>
<td>55,687,108</td>
</tr>
</tbody>
</table>

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

L00A12.01 Office of the Assistant Secretary
General Fund Appropriation ....................... 245,293

L00A12.02 Weights and Measures
General Fund Appropriation ....................... 366,677
Special Fund Appropriation ....................... 1,608,854 1,975,531

L00A12.03 Food Quality Assurance
General Fund Appropriation ....................... 168,179
Special Fund Appropriation ....................... 1,662,647
Federal Fund Appropriation ...................... 815,376 2,646,202

L00A12.04 Maryland Agricultural Statistics
Services
General Fund Appropriation ....................... 21,935

L00A12.05 Animal Health
General Fund Appropriation ....................... 2,332,696
Special Fund Appropriation ....................... 455,182
Federal Fund Appropriation ...................... 589,687 3,377,565
L00A12.07  State Board of Veterinary Medical Examiners
   Special Fund Appropriation ......................... 749,589

L00A12.08  Maryland Horse Industry Board
   Special Fund Appropriation ......................... 311,439

L00A12.10  Marketing and Agriculture Development
   General Fund Appropriation ......................... 816,316
   Special Fund Appropriation ......................... 2,452,223
   Federal Fund Appropriation ......................... 1,585,402 4,853,941

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

L00A12.11  Maryland Agricultural Fair Board
   Special Fund Appropriation ......................... 1,460,000

L00A12.13  Tobacco Transition Program
   Special Fund Appropriation, provided that this appropriation shall be distributed to each of the counties in the Tri County Council of Southern Maryland in the following allocation:
   Calvert County ....................................... $333,000
   Charles County ....................................... $333,000
   St. Mary's County .................................... $333,000 999,000

L00A12.18  Rural Maryland Council
   General Fund Appropriation ......................... 6,167,000

L00A12.19  Maryland Agricultural Education and Rural Development Assistance Fund
   General Fund Appropriation ......................... 167,000

L00A12.20  Maryland Agricultural and Resource–Based Industry Development Corporation

It is the intent of the General Assembly that each of the Governor's fiscal 2020 through
2022 budgets appropriate $2,500,000 in general funds for the Next Generation Farmland Acquisition Program.

General Fund Appropriation .......................... 5,375,000

| SUMMARY |
|-----------------|--------------|
| Total General Fund Appropriation | 15,660,096 |
| Total Special Fund Appropriation  | 9,698,934   |
| Total Federal Fund Appropriation  | 2,990,465   |
| Total Appropriation .......................... 28,349,495 |

OFFICE OF PLANT INDUSTRIES AND PEST MANAGEMENT

| L00A14.01 Office of the Assistant Secretary |
| General Fund Appropriation .................. 212,028 |

| L00A14.02 Forest Pest Management |
| General Fund Appropriation ............... 822,487 |
| Special Fund Appropriation ............... 129,063 |
| Federal Fund Appropriation ............... 294,120 1,245,670 |

| L00A14.03 Mosquito Control |
| General Fund Appropriation ............... 1,180,336 |
| Special Fund Appropriation ............... 1,592,978 2,773,314 |

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

| L00A14.04 Pesticide Regulation |
| Special Fund Appropriation ............ 832,792 |
| Federal Fund Appropriation ............. 317,055 1,149,847 |

| L00A14.05 Plant Protection and Weed Management |
| General Fund Appropriation ................ 1,031,022 |
| Special Fund Appropriation ................. 271,583 |
| Federal Fund Appropriation ................. 221,095 1,523,700 |
Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

<table>
<thead>
<tr>
<th>L00A14.06 Turf and Seed</th>
<th>General Fund Appropriation</th>
<th>710,729</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Special Fund Appropriation</td>
<td>344,938</td>
</tr>
<tr>
<td></td>
<td></td>
<td>1,055,667</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>L00A14.09 State Chemist</th>
<th>Special Fund Appropriation</th>
<th>3,439,962</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Federal Fund Appropriation</td>
<td>101,056</td>
</tr>
<tr>
<td></td>
<td></td>
<td>3,541,018</td>
</tr>
</tbody>
</table>

**SUMMARY**

<table>
<thead>
<tr>
<th></th>
<th>Total General Fund Appropriation</th>
<th>3,956,602</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Special Fund Appropriation</td>
<td>6,611,316</td>
<td></td>
</tr>
<tr>
<td>Total Federal Fund Appropriation</td>
<td>933,326</td>
<td></td>
</tr>
<tr>
<td>Total Appropriation</td>
<td>11,501,244</td>
<td></td>
</tr>
</tbody>
</table>

**OFFICE OF RESOURCE CONSERVATION**

| L00A15.01 Office of the Assistant Secretary | General Fund Appropriation | 213,755 |
| L00A15.02 Program Planning and Development | General Fund Appropriation | 454,762 |
|                                           | Special Fund Appropriation | 239,587  |
|                                           |                           | 694,349  |

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

<table>
<thead>
<tr>
<th>L00A15.03 Resource Conservation Operations</th>
<th>General Fund Appropriation</th>
<th>7,710,893</th>
</tr>
</thead>
</table>
Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

L00A15.04 Resource Conservation Grants
General Fund Appropriation ......................... 749,606
Special Fund Appropriation .......................... 13,999,803 14,749,409

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

L00A15.06 Nutrient Management
General Fund Appropriation ......................... 1,449,937
Special Fund Appropriation .......................... 137,188 1,587,125

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

L00A15.07 Watershed Implementation
General Fund Appropriation ......................... 387,085
Federal Fund Appropriation .......................... 257,760 644,845

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

SUMMARY

Total General Fund Appropriation ............................. 10,966,038
Total Special Fund Appropriation ............................. 14,376,578
Total Federal Fund Appropriation ............................. 257,760
Total Appropriation ................................................... 25,600,376
M00A01.01 Executive Direction

General Fund Appropriation, provided that since the Maryland Department of Health (MDH) – Office of the Secretary has had four or more repeat findings in the most recent fiscal compliance audit issued by the Office of Legislative Audits (OLA), $100,000 of this agency’s administrative appropriation may not be expended unless:

(1) MDH has taken corrective action with respect to all repeat audit findings on or before November 1, 2018; and

(2) a report is submitted to the budget committees by OLA listing each repeat audit finding along with a determination that each repeat finding was corrected. The budget committees shall have 45 days to review and comment to allow for funds to be released prior to the end of fiscal 2019.

Further provided that $250,000 of this appropriation made for the purpose of administration may not be expended until the Maryland Department of Health (MDH) submits a report to the budget committees detailing how MDH plans to improve the recruitment and retention of direct care employees at the department’s residential institutions. The report should include (1) an analysis of the appropriate compensation required to improve the recruitment and retention of direct care staff; and (2) the budgetary impact of closing the salary gap required to appropriately compensate the direct care staff. This report shall be submitted by November 1, 2018, and the committees shall have 45 days to review and comment.
Funds restricted pending the receipt of the report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted........... 9,987,641
Federal Fund Appropriation ......................... 2,110,451 12,098,092

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

M00A01.02 Operations
General Fund Appropriation ......................... 9,816,625
Federal Fund Appropriation ......................... 14,030,820 23,847,445

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

M00A01.08 Major Information Technology Development Projects
Special Fund Appropriation ......................... 734,500

SUMMARY

Total General Fund Appropriation ......................... 19,804,266
Total Special Fund Appropriation ......................... 734,500
Total Federal Fund Appropriation ......................... 16,141,271

Total Appropriation ........................................ 36,680,037

REGULATORY SERVICES

M00B01.03 Office of Health Care Quality
General Fund Appropriation ......................... 13,875,136
Special Fund Appropriation ......................... 535,871
Federal Fund Appropriation ......................... 6,961,176 21,372,183
M00B01.04 Health Professionals Boards and Commissions

General Fund Appropriation .................................. 499,824
Special Fund Appropriation ..................................... 19,021,018 19,520,842

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

M00B01.05 Board of Nursing

Special Fund Appropriation ................................. 8,174,357

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

M00B01.06 Maryland Board of Physicians

Special Fund Appropriation, provided that $150,000 of this appropriation made for the purpose of general administration may not be expended for that purpose and instead may only be used to provide the following separate continuing medical education courses that are to be made available at no cost to participants:

(1) medical best practices for individuals with sickle-cell disease and education related to identifying the sickle-cell trait and the medical services necessary for individuals with the sickle-cell trait;

(2) opioid use disorder with a focus on addiction treatment, the risks associated with the use of opioids, and instruction on how to communicate information with patients on opioids and the risks associated with opioids; and

(3) medical best practices and
treatment for Lyme disease.

The continuing medical education courses shall be developed in collaboration with a Maryland–based nonprofit accredited by the Accreditation Council for Continuing Medical Education.

Funds not used for this restricted purpose may not be transferred by budget amendment or otherwise and shall be canceled. Further provided that the Maryland Board of Physicians may process a budget amendment to offset the use of these funds once the continuing medical education courses have been developed

<table>
<thead>
<tr>
<th></th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>M00F01.01 Executive Direction</td>
<td></td>
</tr>
<tr>
<td>General Fund Appropriation</td>
<td>7,061,590</td>
</tr>
<tr>
<td>Special Fund Appropriation</td>
<td>356,890</td>
</tr>
<tr>
<td>Federal Fund Appropriation</td>
<td>771,046</td>
</tr>
<tr>
<td>Total</td>
<td>8,189,526</td>
</tr>
</tbody>
</table>

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

OFFICE OF POPULATION HEALTH IMPROVEMENT

<table>
<thead>
<tr>
<th></th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>M00F02.01 Office of Population Health Improvement</td>
<td></td>
</tr>
<tr>
<td>General Fund Appropriation</td>
<td>1,419,010</td>
</tr>
<tr>
<td>Federal Fund Appropriation</td>
<td>1,115,303</td>
</tr>
<tr>
<td>Total</td>
<td>2,534,313</td>
</tr>
</tbody>
</table>
M00F02.07 Core Public Health Services
General Fund Appropriation, provided that $890,794 of this appropriation shall be reduced contingent upon the enactment of legislation eliminating the mandated increase to the Core Local Public Health formula

50,379,267

SUMMARY

Total General Fund Appropriation ........................................ 51,798,277
Total Federal Fund Appropriation ........................................... 1,115,303

Total Appropriation .................................................................. 52,913,580

PREVENTION AND HEALTH PROMOTION ADMINISTRATION

M00F03.01 Infectious Disease and Environmental Health Services
General Fund Appropriation ................................. 15,750,427
Special Fund Appropriation ............................... 67,664,904
Federal Fund Appropriation ................................. 65,450,489 148,865,820

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

M00F03.04 Family Health and Chronic Disease Services
General Fund Appropriation, provided that $497,000 of this appropriation shall be reduced contingent upon the enactment of legislation authorizing the use of Advance Directive Program fund revenue for Maternal and Child Health Quality Initiatives. Authorization is granted to process a special fund budget amendment of $497,000 to replace the aforementioned general fund amount.
Further provided that $250,001 of this appropriation shall be reduced contingent upon the enactment of legislation authorizing the use of Cord Blood Transplant Special Fund balance for Maternal and Child Health Surveillance. Authorization is granted to process a special fund budget amendment of $250,001 to replace the aforementioned general fund amount 47,504,517

Special Fund Appropriation 48,898,539
Federal Fund Appropriation 149,728,746 246,131,802

SUMMARY

Total General Fund Appropriation 63,254,944
Total Special Fund Appropriation 116,563,443
Total Federal Fund Appropriation 215,179,235

Total Appropriation 394,997,622

OFFICE OF THE CHIEF MEDICAL EXAMINER

M00F05.01 Post Mortem Examining Services
General Fund Appropriation 13,565,831

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

OFFICE OF PREPAREDNESS AND RESPONSE

M00F06.01 Office of Preparedness and Response
General Fund Appropriation 366,600
Federal Fund Appropriation 15,796,544 16,163,144

WESTERN MARYLAND CENTER

M00I03.01 Services and Institutional Operations
General Fund Appropriation 22,163,686
Special Fund Appropriation .......................... 305,425 22,469,111

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

DEER’S HEAD CENTER

M00I04.01 Services and Institutional Operations
   General Fund Appropriation ......................... 20,563,741
   Special Fund Appropriation ......................... 3,029,711 23,593,452

LABORATORIES ADMINISTRATION

M00J02.01 Laboratory Services
   General Fund Appropriation ......................... 34,687,179
   Special Fund Appropriation ......................... 7,151,981
   Federal Fund Appropriation ......................... 4,637,918 46,477,078

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

DEPUTY SECRETARY FOR BEHAVIORAL HEALTH

Provided that $200,000 of the general fund appropriation in program M00A01.01 Executive Direction made for the purpose of administration may not be expended until the Maryland Department of Health submits a report to the budget committees on the appropriate staffing levels for direct care employees within the facilities administered by the Behavioral Health Administration (BHA). The report should include (1) the number and type of appropriate direct care staff needed to fully operate specific units of the various hospitals; and (2) the amount of staff that would be required based on these
standards given the bed capacity that BHA is expected to operate. The report shall be submitted by November 1, 2018, and the committees shall have 45 days to review and comment. Funds restricted pending the receipt of this report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted.

M00K01.01 Executive Direction
General Fund Appropriation .................. 1,900,667

BEHAVIORAL HEALTH ADMINISTRATION

M00L01.01 Program Direction
General Fund Appropriation ................. 15,317,838
Special Fund Appropriation .................. 508,793
Federal Fund Appropriation ................. 4,947,094 20,773,725

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

M00L01.02 Community Services

General Fund Appropriation, provided that this appropriation shall be reduced by $2,000,000 contingent upon the enactment of legislation reducing the required special fund appropriation for the Maryland Community Health Resources Commission. Authorization is granted to process a special fund budget amendment of $2,000,000 to replace the aforementioned general fund amount.

Further provided that $2,500,000 of this appropriation made for the purpose of provider reimbursements for substance use disorder residential treatment services may not be used for that purpose but
instead may only be transferred to Program M00L01.04 Opioid Operational Command Center to provide additional funding for the opioid crisis. These funds may not be transferred by budget amendment or otherwise to any other purpose and if not expended shall revert to the General Fund at the end of the fiscal year.

Further provided that $3,083,928 of this appropriation shall be reduced contingent upon the enactment of legislation reducing the required provider rate increase for certain behavioral health services ........................

Special Fund Appropriation ............................................. 164,569,263

Federal Fund Appropriation, provided that $64,643 of this appropriation shall be reduced contingent upon the enactment of legislation reducing the required provider rate increase for certain behavioral health services ................................................................. 72,414,874 264,940,676

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

M00L01.03 Community Services for Medicaid State Fund Recipients
General Fund Appropriation, provided that $578,154 of this appropriation shall be reduced contingent upon the enactment of legislation reducing the required provider rate increase for certain behavioral health services ................................................................. 86,893,320

M00L01.04 Opioid Operational Command Center
General Fund Appropriation ................................. 13,700,000

SUMMARY

Total General Fund Appropriation ............................................. 280,480,421
Total Special Fund Appropriation ............................................. 28,465,332
Total Federal Fund Appropriation ............................................. 77,361,968
Total Appropriation .................................................. 386,307,721

THOMAS B. FINAN HOSPITAL CENTER

M00L04.01 Thomas B. Finan Hospital Center
General Fund Appropriation ......................... 19,234,777
Special Fund Appropriation ......................... 1,319,059  20,553,836

REGIONAL INSTITUTE FOR CHILDREN AND ADOLESCENTS – BALTIMORE

M00L05.01 Regional Institute for Children and Adolescents – Baltimore
General Fund Appropriation ......................... 13,310,736
Special Fund Appropriation ......................... 2,198,577
Federal Fund Appropriation ......................... 100,952  15,610,265

EASTERN SHORE HOSPITAL CENTER

M00L07.01 Eastern Shore Hospital Center
General Fund Appropriation ......................... 21,229,997
Special Fund Appropriation ......................... 8,576  21,238,573

SPRINGFIELD HOSPITAL CENTER

M00L08.01 Springfield Hospital Center
General Fund Appropriation ......................... 73,213,237
Special Fund Appropriation ......................... 119,282  73,332,519

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

SPRING GROVE HOSPITAL CENTER

M00L09.01 Spring Grove Hospital Center
General Fund Appropriation ......................... 80,437,904
Special Fund Appropriation ......................... 2,664,192
Federal Fund Appropriation .......................... 20,332  83,122,428

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

### CLIFTON T. PERKINS HOSPITAL CENTER

M00L10.01 Clifton T. Perkins Hospital Center

<table>
<thead>
<tr>
<th>Appropriation Type</th>
<th>General Fund Appropriation</th>
<th>Special Fund Appropriation</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total</strong></td>
<td>69,107,738</td>
<td>41,650</td>
</tr>
</tbody>
</table>

### JOHN L. GILDNER REGIONAL INSTITUTE FOR CHILDREN AND ADOLESCENTS

M00L11.01 John L. Gildner Regional Institute for Children and Adolescents

<table>
<thead>
<tr>
<th>Appropriation Type</th>
<th>General Fund Appropriation</th>
<th>Special Fund Appropriation</th>
<th>Federal Fund Appropriation</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total</strong></td>
<td>12,509,343</td>
<td>80,714</td>
<td>52,290</td>
</tr>
</tbody>
</table>

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

### BEHAVIORAL HEALTH ADMINISTRATION FACILITY MAINTENANCE

M00L15.01 Behavioral Health Administration Facility Maintenance

<table>
<thead>
<tr>
<th>Appropriation Type</th>
<th>General Fund Appropriation</th>
<th>Special Fund Appropriation</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total</strong></td>
<td>903,917</td>
<td>397,630</td>
</tr>
</tbody>
</table>

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

### DEVELOPMENTAL DISABILITIES ADMINISTRATION
M00M01.01 Program Direction
General Fund Appropriation, provided that it is the intent of the General Assembly that the Maryland Department of Health submit monthly caseload data including total caseload numbers, attrition, and expansion in each placement category by month for the programs within M00M01.02. The data should be submitted on a monthly basis to the Department of Legislative Services ........................................ 4,880,818
Federal Fund Appropriation ........................................ 4,397,170 9,277,988

M00M01.02 Community Services
General Fund Appropriation, provided that this appropriation shall be reduced by $14,638,439 contingent upon the enactment of legislation reducing the mandated provider rate increase .............. 631,463,548
Special Fund Appropriation ........................................ 5,992,500
Federal Fund Appropriation, provided that this appropriation shall be reduced by $13,295,433 contingent upon the enactment of legislation reducing the mandated provider rate increase .............. 572,462,364 1,209,918,412

SUMMARY
Total General Fund Appropriation ........................................ 636,344,366
Total Special Fund Appropriation ........................................ 5,992,500
Total Federal Fund Appropriation ........................................ 576,859,534

Total Appropriation ........................................ 1,219,196,400

HOLLY CENTER
M00M05.01 Holly Center
General Fund Appropriation ........................................ 16,849,824
Special Fund Appropriation ........................................ 82,506 16,932,330

Funds are appropriated in other agency
budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

DEVELOPMENTAL DISABILITIES ADMINISTRATION COURT INVOLVED SERVICE DELIVERY SYSTEM

M00M06.01 Secure Evaluation and Therapeutic Treatment (SETT) Program
General Fund Appropriation ......................... 8,550,541

POTOMAC CENTER

M00M07.01 Potomac Center
General Fund Appropriation ......................... 16,669,382
Special Fund Appropriation ......................... 5,000 16,674,382

DEVELOPMENTAL DISABILITIES ADMINISTRATION FACILITY MAINTENANCE

M00M15.01 Developmental Disabilities Administration Facility Maintenance
General Fund Appropriation ......................... 903,154

MEDICAL CARE PROGRAMS ADMINISTRATION

M00Q01.01 Deputy Secretary for Health Care Financing
General Fund Appropriation, provided that $1,000,000 of this appropriation made for the purpose of administration may not be expended until the Maryland Department of Health has submitted all of the reports related to the Medical Care Programs Administration requested in the 2017 Joint Chairmen’s Report and the fiscal 2018 budget bill, and the Department of Legislative Services has reviewed all of those reports. Further provided that those reports shall be submitted no later than September 1, 2018. Funds restricted pending the receipt of these reports may not be transferred by budget amendment or otherwise to any other purpose and shall
revert to the General Fund if all of the reports are not submitted.

Further provided that since the Medical Care Programs Administration (MCPA) has had four or more repeat findings in the most recent fiscal compliance audit issued by the Office of Legislative Audits (OLA), $100,000 of this agency’s administrative appropriation may not be expended unless:

1. MCPA has taken corrective action with respect to all repeat audit findings on or before November 1, 2018; and

2. A report is submitted to the budget committees by OLA listing each repeat audit finding along with a determination that each repeat finding was corrected. The budget committees shall have 45 days to review and comment to allow for funds to be released prior to the end of fiscal 2019.

Further provided that $100,000 of this appropriation made for administration may not be expended until the Maryland Department of Health submits a broad-based plan to the budget committees to address hepatitis C in Maryland. The plan shall be submitted by July 1, 2018, and the committees shall have 45 days to review and comment. Funds restricted pending the receipt of the plan may not be transferred by budget amendment or otherwise and shall revert to the General Fund if the plan is not submitted.

Further provided that $100,000 of this appropriation made for administration may not be expended until the Maryland Department of Health submits a report to the budget committees detailing the findings and recommendations of the consultant hired through the Medicaid
Program Business Process Consulting Diagnostic Services and Roadmap for Change procurement. The report shall be submitted by November 1, 2018, and the committees shall have 45 days to review and comment. Funds restricted pending the receipt of the report may not be transferred by budget amendment or otherwise and shall revert to the General Fund if the report is not submitted.

Further provided that $200,000 of this appropriation made for administration may not be expended until the Maryland Department of Health submits two reports to the budget committees detailing the impact of data matching cost-containment initiatives as well as its proposed mail return policy. For each measure, the department shall track the number of individuals removed from the Medicaid program in each month after implementation; if, and when, those individuals returned to the Medicaid program; and the number of individuals who are recategorized but remain on the Medicaid program. The department shall submit an initial report by September 1, 2018, and a final report by December 1, 2018, and the committees shall have 45 days to review and comment. Funds restricted pending the receipt of the reports may not be transferred by budget amendment or otherwise and shall revert to the General Fund if the reports are not submitted.

| Special Fund Appropriation | 4,900,000 |
| Federal Fund Appropriation | 5,662,132 | 12,074,966 |

M00Q01.02  Office of Systems, Operations and Pharmacy
General Fund Appropriation 7,537,370
Federal Fund Appropriation 17,137,850 24,675,220

M00Q01.03  Medical Care Provider
Reimbursements

All appropriations provided for program M00Q01.03 Medical Care Provider Reimbursements are to be used for the purposes herein appropriated, and there shall be no budgetary transfer to any other program or purpose.

General Fund Appropriation, provided that no part of this General Fund appropriation may be paid to any physician or surgeon or any hospital, clinic, or other medical facility for or in connection with the performance of any abortion, except upon certification by a physician or surgeon, based upon his or her professional judgment that the procedure is necessary, provided one of the following conditions exists: where continuation of the pregnancy is likely to result in the death of the woman; or where the woman is a victim of rape, sexual offense, or incest that has been reported to a law enforcement agency or a public health or social agency; or where it can be ascertained by the physician with a reasonable degree of medical certainty that the fetus is affected by genetic defect or serious deformity or abnormality; or where it can be ascertained by the physician with a reasonable degree of medical certainty that termination of pregnancy is medically necessary because there is substantial risk that continuation of the pregnancy could have a serious and adverse effect on the woman’s present or future physical health; or before an abortion can be performed on the grounds of mental health there must be certification in writing by the physician or surgeon that in his or her professional judgment there exists medical evidence that continuation of the pregnancy is creating a serious effect on the woman’s present mental health and if carried to term there is a substantial risk of a serious or long lasting effect on the woman’s future mental health.
Further provided that $10,000,000 $5,000,000 of this appropriation shall be reduced contingent upon the enactment of legislation reducing the Medicaid Deficit Assessment reduction amount for fiscal 2019 from $35,000,000 to $25,000,000 $30,000,000. Authorization is granted to process a special fund budget amendment up to $10,000,000 $5,000,000 from Hospital Assessments to support Medicaid provider reimbursements.

Further provided that $8,000,000 of this appropriation shall be reduced contingent upon the enactment of legislation authorizing the use of the Maryland Trauma Physician Services Fund for Medicaid provider reimbursements. Authorization is granted to process a special fund budget amendment up to $8,000,000 from the Maryland Trauma Physician Services Fund to support Medicaid provider reimbursements.

Further provided that $635,000 of this appropriation made for the purpose of provider reimbursements may not be expended for that purpose and instead may only be expended to provide a grant to a not-for-profit 501(c)3 organization providing chronic pain management treatment to individuals up to 21 years of age through intensive rehabilitation and behavioral therapies rather than through the prescription of opioids. Further provided that, if the grant is made, the Maryland Department of Health shall report to the budget committees by December 1, 2018, on the efficacy of the program receiving the grant and plans to continue funding that program as well as replicating the program if results are promising. The report shall be submitted to the budget committees by December 1, 2018. Funds restricted to provide the grant may
not be transferred by budget amendment or otherwise and shall revert to the General Fund if the grant is not made

\begin{align*}
\text{Special Fund Appropriation, provided that authorization is hereby provided to process a special fund budget amendment of up to } & \$3,850,000 \text{ } \$1,850,000 \text{ from the Cigarette Restitution Fund to support Medicaid provider reimbursements} \\
\text{Federal Fund Appropriation} & \quad 906,888,641 \\
\end{align*}

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

\begin{itemize}
  \item \textbf{M00Q01.04 Office of Health Services}
    \item General Fund Appropriation \quad 11,699,057
    \item Special Fund Appropriation \quad 1,900,000
    \item Federal Fund Appropriation \quad 36,124,283 \quad 49,723,340
  \item \textbf{M00Q01.05 Office of Finance}
    \item General Fund Appropriation \quad 1,412,614
    \item Federal Fund Appropriation \quad 1,623,352 \quad 3,035,966
  \item \textbf{M00Q01.06 Kidney Disease Treatment Services}
    \item General Fund Appropriation \quad 5,106,487
    \item Special Fund Appropriation \quad 292,324 \quad 5,398,811
  \item \textbf{M00Q01.07 Maryland Children’s Health Program}
    \item General Fund Appropriation, provided that no part of this General Fund appropriation may be paid to any physician or surgeon or any hospital, clinic, or other medical facility for or in connection with the performance of any abortion, except upon certification by a physician or surgeon, based upon his or her professional
judgment that the procedure is necessary, provided one of the following conditions exists: where continuation of the pregnancy is likely to result in the death of the woman; or where the woman is a victim of rape, sexual offense, or incest that has been reported to a law enforcement agency or a public health or social agency; or where it can be ascertained by the physician with a reasonable degree of medical certainty that the fetus is affected by genetic defect or serious deformity or abnormality; or where it can be ascertained by the physician with a reasonable degree of medical certainty that termination of pregnancy is medically necessary because there is substantial risk that continuation of the pregnancy could have a serious and adverse effect on the woman’s present or future physical health; or before an abortion can be performed on the grounds of mental health there must be certification in writing by the physician or surgeon that in his or her professional judgment there exists medical evidence that continuation of the pregnancy is creating a serious effect on the woman’s present mental health and if carried to term there is a substantial risk of a serious or long lasting effect on the woman’s future mental health.

Special Fund Appropriation .................................. 30,766,410
Federal Fund Appropriation ................................. 225,620,341

M00Q01.08  Major Information Technology
Development Projects
Federal Fund Appropriation ............................... 44,007,555

M00Q01.09  Office of Eligibility Services
General Fund Appropriation ................................ 4,644,388
Federal Fund Appropriation ............................... 8,484,462

M00Q01.10  Medicaid Behavioral Health Provider
Reimbursements

All appropriations provided for program
M00Q01.10 Medicaid Behavioral Health Provider Reimbursements are to be used for the purposes herein appropriated, and there shall be no budgetary transfer to any other program or purpose.

General Fund Appropriation, provided that $4,280,672 of this appropriation shall be reduced contingent upon the enactment of legislation reducing the required provider rate increase for certain behavioral health services .......................... 467,548,159
Special Fund Appropriation ............................ 11,114,687
Federal Fund Appropriation, provided that $8,306,362 of this appropriation shall be reduced contingent upon the enactment of legislation reducing the required provider rate increase for certain behavioral health services .......................... 969,196,758

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

M00Q01.11 Senior Prescription Drug Assistance Program
Special Fund Appropriation ............................ 14,964,507

**SUMMARY**

<table>
<thead>
<tr>
<th>Appropriation Type</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total General Fund Appropriation</td>
<td>3,422,825,307</td>
</tr>
<tr>
<td>Total Special Fund Appropriation</td>
<td>941,942,407</td>
</tr>
<tr>
<td>Total Federal Fund Appropriation</td>
<td>7,153,511,054</td>
</tr>
<tr>
<td>Total Appropriation</td>
<td>11,518,278,768</td>
</tr>
</tbody>
</table>

**HEALTH REGULATORY COMMISSIONS**

M00R01.01 Maryland Health Care Commission
Special Fund Appropriation ............................ 60,809,628
                        54,809,628
| M00R01.02 Health Services Cost Review Commission |  |
| Special Fund Appropriation | 136,118,346 |
|  | 116,118,346 |

| M00R01.03 Maryland Community Health Resources Commission |  |
| Special Fund Appropriation, provided that this appropriation shall be reduced by $3,000,000 contingent upon the enactment of legislation reducing the required appropriation for the Maryland Community Health Resources Commission | 8,000,000 |

**SUMMARY**

| Total Special Fund Appropriation | 178,927,974 |
| Total Appropriation | 178,927,974 |
DEPARTMENT OF HUMAN SERVICES

Provided that the spending in fiscal 2019 of the Temporary Assistance for Needy Families federal funds shall not exceed $252,590,029.

OFFICE OF THE SECRETARY

N00A01.01 Office of the Secretary
General Fund Appropriation, provided that since the Department of Human Services (DHS) Office of the Secretary has had four or more repeat findings in the most recent fiscal compliance audit issued by the Office of Legislative Audits (OLA), $100,000 of this agency’s administrative appropriation may not be expended unless:

(1) DHS has taken corrective action with respect to all repeat audit findings on or before November 1, 2018; and

(2) a report is submitted to the budget committees by OLA listing each repeat audit finding along with a determination that each repeat finding was corrected. The budget committees shall have 45 days to review and comment to allow for funds to be released prior to the end of fiscal 2019.

Federal Fund Appropriation

<table>
<thead>
<tr>
<th></th>
<th>General Fund Appropriation</th>
<th>Federal Fund Appropriation</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>7,900,414</td>
<td>6,810,015</td>
</tr>
</tbody>
</table>

N00A01.02 Citizen’s Review Board for Children
General Fund Appropriation

<table>
<thead>
<tr>
<th></th>
<th>General Fund Appropriation</th>
<th>Federal Fund Appropriation</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>748,762</td>
<td>67,632</td>
</tr>
</tbody>
</table>

N00A01.03 Maryland Commission for Women
General Fund Appropriation

<table>
<thead>
<tr>
<th></th>
<th>General Fund Appropriation</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>135,843</td>
</tr>
</tbody>
</table>

N00A01.04 Maryland Legal Services Program
General Fund Appropriation, provided that $13,169,898 of this appropriation made for
the purpose of the Maryland Legal Services Program may be expended only for that purpose. Funds not used for this restricted purpose may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund ...................................................... 13,169,898

SUMMARY

Total General Fund Appropriation ........................................... 21,954,917
Total Federal Fund Appropriation ........................................... 6,877,647

Total Appropriation ................................................................. 28,832,564

SOCIAL SERVICES ADMINISTRATION

N00B00.04 General Administration – State

General Fund Appropriation, provided that $100,000 of this appropriation made for the purpose of administration may not be expended until the Department of Human Services submits a report to the budget committees detailing for each month of calendar 2017 and 2018 and separately by type of hospital: the number of youth in out-of-home placements served in hospitals; the average hospital length of stay for youth in out-of-home placements; and the number of days these youth were in the hospital longer than was deemed medically necessary by either the hospital or a judicial finding. The report shall include information for all youth in the care of the department regardless of whether the youth entered out-of-home care while in the hospital or prior to entering the hospital. The report shall be submitted by January 1, 2019, and the budget committees shall have 45 days to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted ........... 12,017,762
Federal Fund Appropriation ........................................ 15,893,853  27,911,615

OPERATIONS OFFICE

N00E01.01 Division of Budget, Finance, and Personnel
General Fund Appropriation ....................................... 10,509,537
Special Fund Appropriation ......................................  34,512
Federal Fund Appropriation .................................  8,932,689  19,476,738

N00E01.02 Division of Administrative Services
General Fund Appropriation .......................................  4,315,005
Federal Fund Appropriation .......................................  5,399,459  9,714,464

SUMMARY

Total General Fund Appropriation ................................ 14,824,542
Total Special Fund Appropriation ................................  34,512
Total Federal Fund Appropriation .............................. 14,332,148

Total Appropriation ..............................................  29,191,202

OFFICE OF TECHNOLOGY FOR HUMAN SERVICES

N00F00.02 Major Information Technology Development Projects
Federal Fund Appropriation .......................................  64,471,395

N00F00.04 General Administration
General Fund Appropriation .......................................  28,447,066
Special Fund Appropriation .......................................  1,327,053
Federal Fund Appropriation ....................................... 32,680,069  62,454,188

SUMMARY

Total General Fund Appropriation ................................ 28,447,066
Total Special Fund Appropriation ................................  1,327,053
Total Federal Fund Appropriation .............................. 97,151,464

Total Appropriation .............................................. 126,925,583
LOCAL DEPARTMENT OPERATIONS

N00G00.01 Foster Care Maintenance Payments

General Fund Appropriation, provided that funds appropriated herein may be used to develop a broad range of services to assist in returning children with special needs from out-of-state placements, to prevent unnecessary residential or institutional placements within Maryland, and to work with local jurisdictions in these regards. Policy decisions regarding the expenditures of such funds shall be made jointly by the Executive Director of the Governor’s Office for Children, the Secretaries of Health, Human Services, Juvenile Services, Budget and Management, and the State Superintendent of Education.

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

Further provided that $1,700,000 of this appropriation made for the purpose of the Foster Youth Savings program may not be expended until the Department of Human Services submits a report to the budget committees on (1) the determination regarding implementing a matched savings component to the program; (2) any plans, other than matched savings, for the department to increase the amount of the savings accounts; and (3) the planned use of the fiscal 2019 funds by category including establishing new accounts, increasing existing accounts, financial literacy/education programs, and administration. The report shall be submitted by July 1, 2018, and the budget committees shall have 45 days to review
and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees. Further provided the department shall provide notification to the budget committees of changes to the program related to use of funds, eligibility, or efforts to increase the amount of the savings accounts made after the submission of the report within 30 days of the change

<table>
<thead>
<tr>
<th>Description</th>
<th>General Fund</th>
<th>Special Fund</th>
<th>Federal Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td>185,645,964</td>
<td>160,852,965</td>
<td>160,088,619</td>
<td>233,870,770</td>
</tr>
<tr>
<td>Special Fund Appropriation</td>
<td>4,314,193</td>
<td>1,808,121</td>
<td>71,209,684</td>
</tr>
<tr>
<td>Federal Fund Appropriation</td>
<td>68,789,450</td>
<td>2,289,113</td>
<td>96,931,891</td>
</tr>
</tbody>
</table>

N00G00.02 Local Family Investment Program
General Fund Appropriation ..................  60,867,615
Special Fund Appropriation ...................  2,289,113
Federal Fund Appropriation ..................  96,931,891

N00G00.03 Child Welfare Services
General Fund Appropriation, provided that these funds are to be used only for the purposes herein appropriated, and there shall be no budgetary transfer to any other program or purpose except that funds may be transferred to program N00G00.01 Foster Care Maintenance Payments. Funds not expended or transferred shall revert to the General Fund .................. 160,852,965
Special Fund Appropriation ...................  1,808,121
Federal Fund Appropriation ..................  71,209,684

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

N00G00.04 Adult Services
General Fund Appropriation ..................  11,459,003
Special Fund Appropriation ...................  1,232,336
Federal Fund Appropriation ..................  32,937,499 45,628,838
N00G00.05 General Administration
General Fund Appropriation ...................... 25,876,538
Special Fund Appropriation ...................... 2,562,091
Federal Fund Appropriation ...................... 14,081,677 42,520,306

N00G00.06 Child Support Administration
General Fund Appropriation ...................... 16,736,341
Special Fund Appropriation ...................... 613,229
Federal Fund Appropriation ...................... 31,765,527 49,115,097

N00G00.08 Assistance Payments
General Fund Appropriation ...................... 45,359,069
Special Fund Appropriation ...................... 10,095,041
Federal Fund Appropriation ...................... 1,102,592,545 1,158,046,655

N00G00.10 Work Opportunities
Federal Fund Appropriation ...................... 32,528,479

SUMMARY

Total General Fund Appropriation ................... 506,797,495
Total Special Fund Appropriation ................... 22,914,124
Total Federal Fund Appropriation ................... 1,450,836,752

Total Appropriation ........................................... 1,980,548,371

CHILD SUPPORT ADMINISTRATION

N00H00.08 Child Support – State
General Fund Appropriation ...................... 2,509,017
Special Fund Appropriation ...................... 11,212,070
Federal Fund Appropriation ...................... 28,535,110 42,256,197

FAMILY INVESTMENT ADMINISTRATION

N00I00.04 Director’s Office
General Fund Appropriation, provided that since the Department of Human Services (DHS) Family Investment Administration
has had four or more repeat audit findings in the most recent fiscal compliance audit issued by the Office of Legislative Audits (OLA), and DHS failed to completely resolve or make adequate progress toward resolving those repeat audit findings. $250,000 of this agency’s administrative appropriation may not be expended unless:

(1) DHS has reported the corrective action taken with respect to all repeat findings on or before November 1, 2018; and

(2) a report is submitted to the budget committees by OLA listing each repeat finding along with an assessment of the corrective action taken by DHS for each repeat finding. The budget committees shall have 45 days to review and comment to allow funds to be released prior to the end of fiscal 2019.

<table>
<thead>
<tr>
<th>Special Fund Appropriation</th>
<th>9,622,214</th>
</tr>
</thead>
<tbody>
<tr>
<td>Federal Fund Appropriation</td>
<td>36,686,432</td>
</tr>
<tr>
<td>Federal Fund Appropriation</td>
<td>26,497,760</td>
</tr>
<tr>
<td>Maryland Office for Refugees and Asylees</td>
<td>14,625,561</td>
</tr>
<tr>
<td>Office of Home Energy Programs</td>
<td>566,458</td>
</tr>
</tbody>
</table>

provided that $100,000 of this appropriation made for the purpose of the Office of Home Energy Programs may not be expended until the Department of Human Services submits a report to the budget committees on actions taken, or planned, to reduce application denial rates, particularly for customers with missing documentation. The report shall include information on when planned actions will be implemented. The report shall be submitted by December 1, 2018, and the budget committees shall have 45 days to review and comment. Funds
restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall be canceled if the report is not submitted  

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Federal Fund Appropriation</td>
<td>60,927,634</td>
<td>129,602,798</td>
</tr>
<tr>
<td></td>
<td>68,675,164</td>
<td>129,602,798</td>
</tr>
</tbody>
</table>

N00I00.07 Office of Grants Management

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund Appropriation</td>
<td>6,772,801</td>
<td>7,441,777</td>
</tr>
<tr>
<td>Federal Fund Appropriation</td>
<td>668,976</td>
<td>7,441,777</td>
</tr>
</tbody>
</table>

**SUMMARY**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total General Fund Appropriation</td>
<td></td>
<td>16,395,015</td>
</tr>
<tr>
<td>Total Special Fund Appropriation</td>
<td></td>
<td>61,494,092</td>
</tr>
<tr>
<td>Total Federal Fund Appropriation</td>
<td></td>
<td>110,467,461</td>
</tr>
<tr>
<td>Total Appropriation</td>
<td></td>
<td>188,356,568</td>
</tr>
</tbody>
</table>
P00A01.01 Executive Direction

General Fund Appropriation, provided that $250,000 of this appropriation made for the purpose of Executive Direction may not be expended until the Maryland Occupational and Safety Administration submits a report to the budget committees including: (1) current organization chart outlining the current staff, vacant positions, the hierarchy of the department and the Spanish speaking employees; (2) the actions that have been or will be taken to attract new employees and improve retention; (3) the metric used to determine the optimum number of health and safety inspectors; (4) the total number of full-time equivalents dedicated to the Voluntary Protection Program and the number of Voluntary Protection Program site visits conducted; (5) a detailed explanation for decrease in the number of inspections opened and investigated; (6) a detailed explanation for failing to meet the annual enforcement goals described in the Federal Annual Monitoring and Evaluation Reports and what actions the agency is taking, or plans to take, to improve performance in order to meet these goals; (7) a detailed explanation for the decline in annual inspections and what actions have been, or will be, taken to address known or foreseeable challenges to performing inspection and enforcement responsibilities; (8) the procedures used to gather, review, and utilize enforcement data including geographic location and demographic data, to plan enforcement activities, for scheduling and prioritizing programmed inspections, including written documentation of the site specific targeting program; and (9) the procedures for reviewing and adopting federal Occupational Safety and Health Act directives and standards notices and a list
of all directives and standards notices received, noting the date received, the action taken, and if rejected, a reason for the rejection for fiscal 2018.

The report shall be submitted by October 1, 2018, and annually thereafter, and the budget committees shall have 45 days to review and comment. Funds restricted pending the receipt of the report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

---

### P00A01.02 Program Analysis and Audit

General Fund Appropriation ......................... 63,992  
Special Fund Appropriation ......................... 72,611  
Federal Fund Appropriation ......................... 266,241  

### P00A01.05 Legal Services

General Fund Appropriation ......................... 1,247,247  
Special Fund Appropriation ......................... 1,626,688  
Federal Fund Appropriation ......................... 1,244,848  

### P00A01.08 Office of Fair Practices

General Fund Appropriation ......................... 54,797  
Special Fund Appropriation ......................... 62,303  
Federal Fund Appropriation ......................... 229,428  

### P00A01.09 Governor’s Workforce Development Board

General Fund Appropriation ......................... 308,977  

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

### P00A01.11 Board of Appeals
Special Fund Appropriation ......................... 520,207
Federal Fund Appropriation .......................... 844,920 1,365,127

P00A01.12 Lower Appeals
Special Fund Appropriation ......................... 2,044,058
Federal Fund Appropriation .......................... 3,595,650 5,639,708

SUMMARY

Total General Fund Appropriation ......................... 10,208,810
Total Special Fund Appropriation ........................ 5,827,744
Total Federal Fund Appropriation ......................... 7,384,010

Total Appropriation ........................................ 23,420,564

DIVISION OF ADMINISTRATION

P00B01.01 Office of Administration
General Fund Appropriation ............................ 1,226,192
Special Fund Appropriation ............................. 1,333,916
Federal Fund Appropriation ............................. 4,500,276 7,060,384

P00B01.04 Office of General Services
General Fund Appropriation ............................ 751,142
Special Fund Appropriation ............................. 875,102
Federal Fund Appropriation ............................. 3,210,980 4,837,224

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

P00B01.05 Office of Information Technology
General Fund Appropriation ............................ 120,648
Special Fund Appropriation ............................. 2,014,476
Federal Fund Appropriation ............................. 2,987,276 5,122,400

SUMMARY
Total General Fund Appropriation .................................. 2,097,982
Total Special Fund Appropriation .................................. 4,223,494
Total Federal Fund Appropriation .................................. 10,698,532

Total Appropriation .......................................................... 17,020,008

DIVISION OF FINANCIAL REGULATION

P00C01.02 Financial Regulation
    General Fund Appropriation, provided that $1,258,607 of this appropriation shall be reduced contingent upon the enactment of legislation authorizing the deposit of Financial Regulation licensing and examination fees into a Non–Depository Special Fund. Authorization is granted to process a special fund budget amendment of $1,258,607 to replace the aforementioned general fund amount ........ 1,280,845
    Special Fund Appropriation ................................. 9,943,365  11,224,210

DIVISION OF LABOR AND INDUSTRY

P00D01.01 General Administration
    General Fund Appropriation ...................... 61,196
    Special Fund Appropriation ...................... 713,865
    Federal Fund Appropriation ...................... 260,697  1,035,758

P00D01.02 Employment Standards
    General Fund Appropriation ...................... 933,919
    Special Fund Appropriation ...................... 708,084  1,642,003

P00D01.03 Railroad Safety and Health
    Special Fund Appropriation ...................... 361,658

P00D01.05 Safety Inspection
    Special Fund Appropriation ...................... 5,254,374

P00D01.07 Prevailing Wage
    General Fund Appropriation ...................... 785,811
    Special Fund Appropriation ...................... 70,816  856,627
### SUMMARY

<table>
<thead>
<tr>
<th>Description</th>
<th>General Fund Appropriation</th>
<th>Special Fund Appropriation</th>
<th>Total</th>
<th>Federal Fund Appropriation</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>P00D01.08</td>
<td>4,606,008</td>
<td></td>
<td></td>
<td>5,027,904</td>
<td>9,633,912</td>
</tr>
<tr>
<td>P00E01.02</td>
<td>452,940</td>
<td>61,795,813</td>
<td>62,248,753</td>
<td></td>
<td></td>
</tr>
<tr>
<td>P00E01.05</td>
<td>2,123,572</td>
<td>600,000</td>
<td>2,723,572</td>
<td></td>
<td></td>
</tr>
<tr>
<td>P00E01.06</td>
<td></td>
<td>87,243,800</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>1,780,926</td>
<td>11,714,805</td>
<td></td>
<td>5,288,601</td>
<td>18,784,332</td>
</tr>
</tbody>
</table>

### DIVISION OF RACING

<table>
<thead>
<tr>
<th>Description</th>
<th>General Fund Appropriation</th>
<th>Special Fund Appropriation</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>P00E01.02</td>
<td>452,940</td>
<td>61,795,813</td>
<td>62,248,753</td>
</tr>
<tr>
<td>P00E01.05</td>
<td>2,123,572</td>
<td>600,000</td>
<td>2,723,572</td>
</tr>
<tr>
<td>P00E01.06</td>
<td></td>
<td>87,243,800</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>2,576,512</td>
<td>159,435,221</td>
<td></td>
</tr>
<tr>
<td></td>
<td>General Fund Appropriation</td>
<td>Special Fund Appropriation</td>
<td></td>
</tr>
<tr>
<td>---------------------</td>
<td>-----------------------------</td>
<td>----------------------------</td>
<td></td>
</tr>
<tr>
<td><strong>P00F01.01</strong></td>
<td>948,054</td>
<td>11,590,168</td>
<td></td>
</tr>
</tbody>
</table>

 Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

**DIVISION OF WORKFORCE DEVELOPMENT AND ADULT LEARNING**

<table>
<thead>
<tr>
<th></th>
<th>General Fund Appropriation</th>
<th>Special Fund Appropriation</th>
<th>Federal Fund Appropriation</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>P00G01.07</strong></td>
<td>2,608,839</td>
<td>1,786,376</td>
<td>61,929,387</td>
</tr>
</tbody>
</table>

 Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

<table>
<thead>
<tr>
<th></th>
<th>General Fund Appropriation</th>
<th>Special Fund Appropriation</th>
<th>Federal Fund Appropriation</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>P00G01.12</strong></td>
<td>888,781</td>
<td>29,782</td>
<td>2,358,490</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>General Fund Appropriation</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>P00G01.13</strong></td>
<td>14,723,138</td>
<td></td>
</tr>
</tbody>
</table>
operating expenses in this program.

P00G01.14 Aid to Education
General Fund Appropriation ...................... 8,011,986
Federal Fund Appropriation ...................... 8,200,000 16,211,986

SUMMARY

Total General Fund Appropriation ...................... 26,232,744
Total Special Fund Appropriation ...................... 1,816,158
Total Federal Fund Appropriation ...................... 72,276,877

Total Appropriation ....................................... 100,325,779

DIVISION OF UNEMPLOYMENT INSURANCE

P00H01.01 Office of Unemployment Insurance
Special Fund Appropriation ...................... 14,167,587
Federal Fund Appropriation ...................... 56,914,413 71,082,000

P00H01.02 Major Information Technology
Development Projects
Special Fund Appropriation ...................... 1,000,000
Federal Fund Appropriation ...................... 1,153,575 2,153,575

SUMMARY

Total Special Fund Appropriation ...................... 15,167,587
Total Federal Fund Appropriation ...................... 58,067,988

Total Appropriation ....................................... 73,235,575
Provided that 100 vacant positions are abolished in the Department of Public Safety and Correctional Services. General Fund savings from these positions will be utilized for overtime.

OFFICE OF THE SECRETARY

Q00A01.01 General Administration
General Fund Appropriation ......................... 35,813,940

Q00A01.02 Information Technology and Communications Division
General Fund Appropriation ......................... 27,532,506
Special Fund Appropriation ......................... 7,220,000
Federal Fund Appropriation ......................... 900,000 35,652,506

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

Q00A01.03 Intelligence and Investigative Division
General Fund Appropriation ......................... 9,863,808

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

Q00A01.04 9–1–1 Emergency Number Systems
Special Fund Appropriation ......................... 56,894,547

Q00A01.06 Division of Capital Construction and Facilities Maintenance
General Fund Appropriation ......................... 4,647,624

SUMMARY

Total General Fund Appropriation ......................... 77,857,878
Total Special Fund Appropriation ......................... 64,114,547
<table>
<thead>
<tr>
<th>Program</th>
<th>General Fund Appropriation</th>
<th>Special Fund Appropriation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q00A02.01 Administrative Services</td>
<td>7,977,678</td>
<td></td>
</tr>
<tr>
<td>Q00A02.03 Field Support Services</td>
<td>4,852,096</td>
<td>25,000</td>
</tr>
<tr>
<td>Q00A02.04 Security Operations</td>
<td>34,749,763</td>
<td></td>
</tr>
<tr>
<td>Q00A02.05 Central Home Detention Unit</td>
<td>8,138,484</td>
<td>85,000</td>
</tr>
</tbody>
</table>

**Summary**

<table>
<thead>
<tr>
<th>Appropriation</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total General Fund Appropriation</td>
<td>55,718,021</td>
</tr>
<tr>
<td>Total Special Fund Appropriation</td>
<td>110,000</td>
</tr>
<tr>
<td>Total Appropriation</td>
<td>55,828,021</td>
</tr>
</tbody>
</table>

**Maryland Correctional Enterprises**

<table>
<thead>
<tr>
<th>Program</th>
<th>Special Fund Appropriation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q00A03.01 Maryland Correctional Enterprises</td>
<td>59,206,618</td>
</tr>
</tbody>
</table>

**Division of Correction – Headquarters**
General Fund Appropriation, provided that $1,000,000 of this appropriation may not be expended until the Department of Public Safety and Correctional Services (DPSCS) submits a report to the budget committees no later than December 1, 2018, on correctional officer (CO) salaries. The report should include the following information:

1. the most common entry-level starting salary for COs;
2. median and mean salaries for all CO positions, delineated by rank and rate (hourly or annual);
3. minimum and maximum salaries for each CO position delineated by rank;
4. median and mean CO salaries in all 24 Maryland jurisdictions;
5. median and mean CO salaries in Virginia, Pennsylvania, and Washington, D.C.:
6. median and mean CO salaries nationwide;
7. the number of COs that worked double shifts in the most recent fiscal year;
8. the number of COs hired by the classification that they were placed in at initial testing as best qualified, better qualified or qualified;
9. information about existing department wellness programs or CO mental health counseling currently offered to COs; and
10. the cost to offer mental health
courses for COs in conjunction with the National Institute of Corrections (NIC) training curriculum.

The budget committees shall have 45 days to review and comment following receipt of the report. Funds restricted pending receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees ........................................ 15,506,008

MARYLAND PAROLE COMMISSION

Q00C01.01 General Administration and Hearings
   General Fund Appropriation .......................... 6,002,820

DIVISION OF PAROLE AND PROBATION

Q00C02.01 Division of Parole and Probation – Support Services
   General Fund Appropriation ......................... 18,978,217
   Special Fund Appropriation ......................... 86,500  19,064,717

   Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

PATUXENT INSTITUTION

Q00D00.01 Patuxent Institution
   General Fund Appropriation .......................... 53,065,753
   Special Fund Appropriation ......................... 66,300  53,132,053

   Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.
INMATE GRIEVANCE OFFICE

Q00E00.01 General Administration
Special Fund Appropriation ......................... 811,267

POLICE AND CORRECTIONAL TRAINING COMMISSIONS

Q00G00.01 General Administration
General Fund Appropriation ......................... 7,704,162
Special Fund Appropriation ......................... 365,200
Federal Fund Appropriation ......................... 580,425 8,649,787

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

CRIMINAL INJURIES COMPENSATION BOARD

Q00K00.01 Administration and Awards
Special Fund Appropriation ......................... 2,902,035
Federal Fund Appropriation ......................... 1,700,000 4,602,035

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

MARYLAND COMMISSION ON CORRECTIONAL STANDARDS

Q00N00.01 General Administration
General Fund Appropriation .......................... 552,923

DIVISION OF CORRECTION – WEST REGION

Q00R02.01 Maryland Correctional Institution – Hagerstown
General Fund Appropriation ......................... 55,709,114
Special Fund Appropriation ......................... 49,200 55,758,314
Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

Q00R02.02 Maryland Correctional Training Center
General Fund Appropriation ......................... 81,089,295
Special Fund Appropriation ......................... 445,700 81,534,995

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

Q00R02.03 Roxbury Correctional Institution
General Fund Appropriation ......................... 57,055,642
Special Fund Appropriation ......................... 144,500 57,200,142

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

Q00R02.04 Western Correctional Institution
General Fund Appropriation ......................... 62,390,367
Special Fund Appropriation ......................... 133,900 62,524,267

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

Q00R02.05 North Branch Correctional Institution
General Fund Appropriation ......................... 63,877,161
Special Fund Appropriation ......................... 101,500 63,978,661

SUMMARY

Total General Fund Appropriation .............................. 320,121,579
DIVISION OF PAROLE AND PROBATION – WEST REGION

Q00R03.01 Division of Parole and Probation – West Region

<table>
<thead>
<tr>
<th>General Fund Appropriation</th>
<th>18,707,965</th>
</tr>
</thead>
<tbody>
<tr>
<td>Special Fund Appropriation</td>
<td>2,798,104</td>
</tr>
</tbody>
</table>

DIVISION OF CORRECTION – EAST REGION

Q00S02.01 Jessup Correctional Institution

<table>
<thead>
<tr>
<th>General Fund Appropriation</th>
<th>77,677,368</th>
</tr>
</thead>
<tbody>
<tr>
<td>Special Fund Appropriation</td>
<td>137,500</td>
</tr>
</tbody>
</table>

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

Q00S02.02 Maryland Correctional Institution – Jessup

<table>
<thead>
<tr>
<th>General Fund Appropriation</th>
<th>44,781,742</th>
</tr>
</thead>
<tbody>
<tr>
<td>Special Fund Appropriation</td>
<td>85,200</td>
</tr>
</tbody>
</table>

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

Q00S02.03 Maryland Correctional Institution for Women

<table>
<thead>
<tr>
<th>General Fund Appropriation</th>
<th>41,126,871</th>
</tr>
</thead>
<tbody>
<tr>
<td>Special Fund Appropriation</td>
<td>127,200</td>
</tr>
</tbody>
</table>

Funds are appropriated in other agency budgets to pay for services provided by this
program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

Q00S02.04 Brockbridge Correctional Facility
General Fund Appropriation .......................... 26,007,987
Special Fund Appropriation ............................ 50,800

26,058,787

Q00S02.06 Southern Maryland Pre–Release Unit
General Fund Appropriation .......................... 5,505,053
Special Fund Appropriation ............................ 149,400

5,654,453

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

Q00S02.07 Eastern Pre–Release Unit
General Fund Appropriation .......................... 5,774,765
Special Fund Appropriation ............................ 157,500

5,932,265

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

Q00S02.08 Eastern Correctional Institution
General Fund Appropriation .......................... 118,989,920
Special Fund Appropriation ............................ 421,450
Federal Fund Appropriation ............................ 1,455,000

120,866,370

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

Q00S02.09 Dorsey Run Correctional Facility
General Fund Appropriation .......................... 34,944,224
Special Fund Appropriation ............................ 203,700

35,147,924
Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

Q00S02.10 Central Maryland Correctional Facility
General Fund Appropriation ......................... 16,607,854
Special Fund Appropriation ......................... 40,200 16,648,054

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

SUMMARY

Total General Fund Appropriation ......................... 371,415,784
Total Special Fund Appropriation ......................... 1,372,950
Total Federal Fund Appropriation ......................... 1,455,000

Total Appropriation ......................... 374,243,734

DIVISION OF PAROLE AND PROBATION – EAST REGION

Q00S03.01 Division of Parole and Probation – East Region
General Fund Appropriation ......................... 26,052,781
Special Fund Appropriation ......................... 2,168,576 28,221,357

DIVISION OF PAROLE AND PROBATION – CENTRAL REGION

Q00T03.01 Division of Parole and Probation – Central Region
General Fund Appropriation, provided that $100,000 of this appropriation provided for the purpose of establishing the new Community Adult Rehabilitation Center (CARC) may not be expended until the Department of Public Safety and Correctional Services (DPSCS) submits a
report on the timeline for establishing the new CARC, criteria for selection of offenders who are admitted, the number of employees needed, proposed location and/or lease arrangements, total costs, and the possibility of locating the facility within the Baltimore City Jail complex. The report should also include information on how DPSCS plans to keep the budget committees informed about the CARC population, progress, and performance measures in the future. The report shall be submitted no later than December 1, 2018. The budget committees shall have 45 days to review and comment following receipt of the report. Funds restricted pending receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

<table>
<thead>
<tr>
<th></th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Special Fund Appropriation</td>
<td>39,580,986</td>
</tr>
<tr>
<td>General Fund Appropriation</td>
<td>1,622,749</td>
</tr>
</tbody>
</table>

DIVISION OF PRETRIAL DETENTION

Q00T04.01 Chesapeake Detention Facility
- Special Fund Appropriation: 36,900
- Federal Fund Appropriation: 25,086,434

Q00T04.02 Pretrial Release Services
- General Fund Appropriation: 6,146,647

Q00T04.04 Baltimore Central Booking and Intake Center
- General Fund Appropriation: 65,359,002
- Special Fund Appropriation: 214,243

Q00T04.05 Baltimore Pretrial Complex
- General Fund Appropriation: 40,640,917
- Special Fund Appropriation: 4,100

Q00T04.06 Maryland Reception, Diagnostic and Classification Center
<table>
<thead>
<tr>
<th>Appropriation Type</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund Appropriation</td>
<td>39,978,410</td>
</tr>
<tr>
<td>Special Fund Appropriation</td>
<td>54,900</td>
</tr>
<tr>
<td>Federal Fund Appropriation</td>
<td>5,000</td>
</tr>
<tr>
<td>Total宜 appropriation</td>
<td>40,038,310</td>
</tr>
</tbody>
</table>

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

**Q00T04.07 Baltimore City Correctional Center**
- General Fund Appropriation: 15,518,015
- Special Fund Appropriation: 357,200
- Total: 15,875,215

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

**Q00T04.08 Metropolitan Transition Center**
- General Fund Appropriation: 50,940,480
- Special Fund Appropriation: 312,196
- Total: 51,252,676

**Q00T04.09 General Administration**
- General Fund Appropriation: 1,890,084

**SUMMARY**

<table>
<thead>
<tr>
<th>Appropriation Type</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total General Fund Appropriation</td>
<td>220,473,555</td>
</tr>
<tr>
<td>Total Special Fund Appropriation</td>
<td>979,539</td>
</tr>
<tr>
<td>Total Federal Fund Appropriation</td>
<td>25,091,434</td>
</tr>
<tr>
<td>Total Appropriation</td>
<td>246,544,528</td>
</tr>
</tbody>
</table>
R00A01.01 Office of the State Superintendent

General Fund Appropriation, provided that $500,000 of this appropriation may not be expended until the Maryland State Department of Education (MSDE) has submitted a waiver request to the United States Department of Education (USDE) to amend the State’s Consolidated State Plan under the federal Every Student Succeeds Act (ESSA) to allow high school students who have taken the Algebra I High School Assessment in middle school to satisfy the federal ESSA requirement for a mathematics assessment in high school by using alternative assessment options such as Advanced Placement Calculus or SAT. MSDE shall submit to the budget committees the following:

1. a copy of the requested ESSA waiver on or before July 1, 2018. It is the intent of the budget committees that funds shall not be released until evidence that the waiver request has been made has been submitted; and

2. the response to the waiver request from USDE immediately upon its receipt.

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

Funds are appropriated in other agency

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Special Fund Appropriation</td>
<td>2,186,882</td>
</tr>
<tr>
<td>Federal Fund Appropriation</td>
<td>1,769,976</td>
</tr>
<tr>
<td></td>
<td>13,662,953</td>
</tr>
<tr>
<td></td>
<td>9,706,095</td>
</tr>
</tbody>
</table>
budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

R00A01.02 Division of Business Services
General Fund Appropriation ......................... 968,730
Special Fund Appropriation ......................... 206,105
Federal Fund Appropriation ......................... 10,733,210 11,908,045

R00A01.04 Division of Accountability and Assessment
General Fund Appropriation ......................... 38,044,797
Special Fund Appropriation ......................... 476,902
Federal Fund Appropriation ......................... 11,113,064 49,634,763

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

R00A01.05 Office of Information Technology
General Fund Appropriation ......................... 3,768,235
Special Fund Appropriation ......................... 140,824
Federal Fund Appropriation ......................... 3,174,018 7,083,077

R00A01.06 Major Information Technology Development Projects
Federal Fund Appropriation ......................... 769,208

R00A01.07 Office of School and Community Nutrition Programs
General Fund Appropriation ......................... 255,583
Federal Fund Appropriation ......................... 7,483,258 7,738,841

R00A01.10 Division of Early Childhood Development
General Fund Appropriation ......................... 12,543,154
Federal Fund Appropriation, provided that $800,000 for the purpose of contractual services for research, research support, planning, and budgeting tasks for the Child
Care Subsidy Program may not be used for contractual services through an interagency agreement and instead may be used only for contractual services that are competitively bid. Funds not expended for this restricted purpose may not be transferred by budget amendment or otherwise to any other purpose and shall be canceled ........................................ 44,476,351 57,019,505

R00A01.11 Division of Curriculum, Assessment, and Accountability
General Fund Appropriation ...................... 1,809,571
Special Fund Appropriation ...................... 1,530,642
Federal Fund Appropriation ...................... 3,552,073 6,892,286

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

R00A01.12 Division of Student, Family and School Support
General Fund Appropriation ...................... 2,214,296
Federal Fund Appropriation ...................... 6,471,603 8,685,899

R00A01.13 Division of Special Education/Early Intervention Services
General Fund Appropriation ...................... 551,472
Special Fund Appropriation ...................... 1,086,729
Federal Fund Appropriation ...................... 12,472,250 14,110,451

R00A01.14 Division of Career and College Readiness
General Fund Appropriation ...................... 1,130,652
Federal Fund Appropriation ...................... 2,254,909 3,385,561

R00A01.15 Juvenile Services Education Program
General Fund Appropriation ...................... 15,953,211
Federal Fund Appropriation ...................... 1,475,974 17,429,185
Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

R00A01.18 Division of Certification and Accreditation
General Fund Appropriation .................. 2,331,236
Special Fund Appropriation .................. 282,880
Federal Fund Appropriation .................. 128,628 2,742,744

R00A01.20 Division of Rehabilitation Services – Headquarters
General Fund Appropriation .................. 1,481,852
Special Fund Appropriation .................. 109,354
Federal Fund Appropriation .................. 12,791,814 14,383,020

R00A01.21 Division of Rehabilitation Services – Client Services
General Fund Appropriation .................. 10,269,601
Federal Fund Appropriation .................. 33,646,394 43,915,995

R00A01.22 Division of Rehabilitation Services – Workforce and Technology Center
General Fund Appropriation .................. 1,665,980
Federal Fund Appropriation .................. 8,059,770 9,725,750

R00A01.23 Division of Rehabilitation Services – Disability Determination Services
Federal Fund Appropriation .................. 45,017,110

R00A01.24 Division of Rehabilitation Services – Blindness and Vision Services
General Fund Appropriation .................. 1,449,730
Special Fund Appropriation .................. 3,751,351
Federal Fund Appropriation .................. 5,059,688 10,260,769

SUMMARY

Total General Fund Appropriation .................. 104,144,195
Total Special Fund Appropriation ................................................. 9,771,669
Total Federal Fund Appropriation .............................................. 210,449,298

Total Appropriation ................................................................. 324,365,162

AID TO EDUCATION

Provided that the Maryland State Department of Education shall notify the budget committees of any intent to transfer the funds from program R00A.02 Aid to Education to any other budgetary unit. The budget committees shall have 45 days to review and comment on the planned transfer prior to its effect.

R00A02.01 State Share of Foundation Program
General Fund Appropriation ...................................................... 2,838,328,683
Special Fund Appropriation ...................................................... 502,907,270 3,341,235,953

R00A02.02 Compensatory Education
General Fund Appropriation ...................................................... 1,305,052,312

R00A02.03 Aid for Local Employee Fringe Benefits
General Fund Appropriation ...................................................... 732,920,781

R00A02.04 Children at Risk
General Fund Appropriation ...................................................... 10,450,207
Special Fund Appropriation ...................................................... 5,091,840
Federal Fund Appropriation ...................................................... 35,581,464 51,123,511

R00A02.05 Formula Programs for Specific Populations
General Fund Appropriation ...................................................... 2,000,000

R00A02.06 Maryland Prekindergarten Expansion
Program Financing Fund
General Fund Appropriation ...................................................... 27,377,176
Federal Fund Appropriation ...................................................... 16,000,000 43,377,176

R00A02.07 Students With Disabilities
General Fund Appropriation ...................................................... 449,073,658
To provide funds as follows:

- Formula ...........................................290,812,794
- Non–Public Placement Program ...........................................123,500,000
- Infants and Toddlers Program ......................................10,389,104
- Autism Waiver ......................................................24,371,760

Provided that funds appropriated for nonpublic placements may be used to develop a broad range of services to assist in returning children with special needs from out–of–state placements to Maryland; to prevent out–of–state placements of children with special needs; to prevent unnecessary separate day school, residential or institutional placements within Maryland; and to work with local jurisdictions in these regards. Policy decisions regarding the expenditures of such funds shall be made jointly by the Executive Director of the Governor’s Office for Children and the Secretaries of Health, Human Services, Juvenile Services, Budget and Management, and the State Superintendent of Education.

R00A02.08 Assistance to State for Educating Students With Disabilities
Federal Fund Appropriation ...........................................210,977,204

R00A02.12 Educationally Deprived Children
Federal Fund Appropriation ...........................................237,289,438

R00A02.13 Innovative Programs
General Fund Appropriation, provided that this appropriation shall be reduced by $5,000,000 contingent upon the enactment of legislation altering the mandate that funding be provided for the Public Schools Opportunities Enhancement Program. $4,500,000 of this appropriation made for the purpose of providing funding for the Public School Opportunities Enhancement Program may not be expended for that purpose but instead may be used only for the Learning in Extended
Academic Programs grant program contingent on the enactment of SB 1092 or HB 1415. Funds not expended for this restricted purpose may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund.

Further provided that $500,000 of this appropriation made for the purpose of providing funding for the Public School Opportunities Enhancement Program may be expended only to provide a grant to a nonprofit organization to support existing educational programming during the school day, including the recruitment, training, and ongoing professional development of new teachers. Funds not expended for this restricted purpose may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund.

Further provided that this appropriation shall be reduced by $5,000,000 contingent upon the enactment of legislation repealing the mandate that funding be provided for the Next Generation Scholars Program.

Further provided that this appropriation shall be reduced by $250,000 contingent upon the enactment of legislation repealing the mandate that funding be provided for the Robotics Program.

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.
Federal Fund Appropriation .................................. 10,443,044

R00A02.18  Career and Technology Education
Federal Fund Appropriation .................................. 14,429,645

R00A02.24  Limited English Proficient
General Fund Appropriation .................................. 288,041,382

R00A02.25  Guaranteed Tax Base
General Fund Appropriation .................................. 48,169,682

R00A02.27  Food Services Program
General Fund Appropriation .................................. 11,236,664
Federal Fund Appropriation ................................. 383,364,620 394,601,284

R00A02.39  Transportation
General Fund Appropriation .................................. 282,585,211

R00A02.52  Science and Mathematics Education Initiative
Federal Fund Appropriation .................................. 1,543,100

R00A02.55  Teacher Development
General Fund Appropriation, provided that this appropriation shall be reduced by $5,000,000 $2,000,000 contingent upon the enactment of legislation repealing altering the mandate that funding be provided for the Teacher Induction, Retention, and Advancement Pilot Program.

Further provided that this appropriation shall be reduced by $1,900,000 contingent upon the enactment of legislation repealing the stipend for specific Anne Arundel County Public School teachers.

Further provided that this appropriation shall be reduced by $2,100,000 contingent upon the enactment of legislation reducing the mandated stipend for teachers who hold a certificate issued by the National Board for Professional Teaching Standards .................................. 11,700,000 10,420,000

Special Fund Appropriation ................................. 300,000
Federal Fund Appropriation ................................. 29,999,542 41,999,542
<table>
<thead>
<tr>
<th>Program</th>
<th>General Fund Appropriation</th>
<th>Special Fund Appropriation</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>R00A02.57 Transitional Education Funding</td>
<td>10,575,000</td>
<td>1,320,000</td>
<td>11,895,000</td>
</tr>
<tr>
<td>R00A02.58 Head Start</td>
<td>1,800,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>R00A02.59 Child Care Subsidy Program</td>
<td>43,547,835</td>
<td>47,119,830</td>
<td>90,667,665</td>
</tr>
</tbody>
</table>

**SUMMARY**

<table>
<thead>
<tr>
<th>Appropriation Type</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total General Fund Appropriation</td>
<td>6,086,712,190</td>
</tr>
<tr>
<td>Total Special Fund Appropriation</td>
<td>509,619,110</td>
</tr>
<tr>
<td>Total Federal Fund Appropriation</td>
<td>1,006,599,987</td>
</tr>
<tr>
<td>Total Appropriation</td>
<td>7,602,931,287</td>
</tr>
</tbody>
</table>

**FUNDING FOR EDUCATIONAL ORGANIZATIONS**

<table>
<thead>
<tr>
<th>Institution</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>R00A03.01 Maryland School for the Blind</td>
<td>23,346,757</td>
</tr>
<tr>
<td>R00A03.02 Blind Industries and Services of Maryland</td>
<td>531,115</td>
</tr>
<tr>
<td>R00A03.03 Other Institutions</td>
<td>6,276,446</td>
</tr>
</tbody>
</table>

- Alice Ferguson Foundation: 79,378
- Alliance of Southern Prince George's Communities, Inc.: 31,752
- American Visionary Art Museum: 15,040
- Arts Excel – Baltimore Symphony Orchestra: 63,503
- B&O Railroad Museum: 60,161
<table>
<thead>
<tr>
<th>Organization</th>
<th>Attendance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Baltimore Museum of Industry</td>
<td>80,214</td>
</tr>
<tr>
<td>Best Buddies International (MD Program)</td>
<td>158,756</td>
</tr>
<tr>
<td>Calvert Marine Museum</td>
<td>50,000</td>
</tr>
<tr>
<td>Chesapeake Bay Foundation</td>
<td>416,945</td>
</tr>
<tr>
<td>Chesapeake Bay Maritime Museum</td>
<td>20,053</td>
</tr>
<tr>
<td>Citizenship Law–Related Education</td>
<td>29,244</td>
</tr>
<tr>
<td>College Bound</td>
<td>35,930</td>
</tr>
<tr>
<td>The Dyslexia Tutoring Program, Inc.</td>
<td>35,930</td>
</tr>
<tr>
<td>Echo Hill Outdoor School</td>
<td>53,476</td>
</tr>
<tr>
<td>Fire Museum of Maryland</td>
<td>10,000</td>
</tr>
<tr>
<td>Imagination Stage</td>
<td>238,136</td>
</tr>
<tr>
<td>Jewish Museum of Maryland</td>
<td>12,533</td>
</tr>
<tr>
<td>Junior Achievement of Central Maryland</td>
<td>40,106</td>
</tr>
<tr>
<td>Living Classrooms Foundation</td>
<td>304,145</td>
</tr>
<tr>
<td>Maryland Academy of Sciences</td>
<td>873,169</td>
</tr>
<tr>
<td>Maryland Historical Society</td>
<td>119,484</td>
</tr>
<tr>
<td>Maryland Humanities Council</td>
<td>41,777</td>
</tr>
<tr>
<td>Maryland Leadership Workshops</td>
<td>43,450</td>
</tr>
<tr>
<td>Maryland Mathematics, Engineering and Science</td>
<td>76,035</td>
</tr>
<tr>
<td>Maryland Zoological Park</td>
<td>812,171</td>
</tr>
<tr>
<td>Maryland Zoo in Baltimore – Education Component</td>
<td>474,601</td>
</tr>
<tr>
<td>National Aquarium in Baltimore</td>
<td>40,106</td>
</tr>
<tr>
<td>National Great Blacks in Wax Museum</td>
<td>40,106</td>
</tr>
<tr>
<td>National Museum of Ceramic Art and Glass</td>
<td>20,053</td>
</tr>
<tr>
<td>Northbay Adventure</td>
<td>927,558</td>
</tr>
<tr>
<td>Olney Theatre</td>
<td>139,539</td>
</tr>
<tr>
<td>Outward Bound</td>
<td>127,006</td>
</tr>
<tr>
<td>Port Discovery</td>
<td>111,130</td>
</tr>
<tr>
<td>Salisbury Zoological Park</td>
<td>17,546</td>
</tr>
<tr>
<td>Sotterley Foundation</td>
<td>12,533</td>
</tr>
<tr>
<td>South Baltimore Learning Center</td>
<td>40,106</td>
</tr>
<tr>
<td>State Mentoring Resource Center</td>
<td>76,036</td>
</tr>
<tr>
<td>Sultana Projects</td>
<td>20,053</td>
</tr>
<tr>
<td>Super Kids Camp</td>
<td>391,043</td>
</tr>
</tbody>
</table>
The Village Learning Place, Inc. 43,450
Walters Art Museum 15,875
Ward Museum 33,423
Young Audiences of Maryland 85,000

R00A03.04 Aid to Non–Public Schools

Special Fund Appropriation, provided that this appropriation shall be for the purchase of textbooks or computer hardware and software and other electronically delivered learning materials as permitted under Title IID, Section 2416(b)(4), (6), and (7) of the No Child Left Behind Act for loan to students in eligible nonpublic schools with a maximum distribution of $65 per eligible nonpublic school student for participating schools, except that at schools where at least 20% from 20% to 40% of the students are eligible for the free or reduced–price lunch program there shall be a distribution of $95 per student, and at schools where more than 40% of the students are eligible for the free or reduced–price lunch program there shall be a distribution of $155 per student. To be eligible to participate, a nonpublic school shall:

1. Hold a certificate of approval from or be registered with the State Board of Education;

2. Not charge more tuition to a participating student than the statewide average per pupil expenditure by the local education agencies, as calculated by the department, with appropriate exceptions for special education students as determined by the department; and

3. Comply with Title VI of the Civil Rights Act of 1964, as amended.

4. Submit its student handbook or other written policy related to


student conduct admissions to the Maryland State Department of Education and, if not included in the handbook, submit its (1) disciplinary policies; (2) anti-bullying policies; and (3) admission and retention policies for review to ensure compliance with program eligibility requirements.

The department shall establish a process to ensure that the local education agencies are effectively and promptly working with the nonpublic schools to assure that the nonpublic schools have appropriate access to federal funds for which they are eligible.

Further provided that the Maryland State Department of Education shall:

(1) Assure that the process for textbook, computer hardware, and computer software acquisition uses a list of qualified textbook, computer hardware, and computer software vendors and of qualified textbooks, computer hardware, and computer software; uses textbooks, computer hardware, and computer software that are secular in character and acceptable for use in any public elementary or secondary school in Maryland; and

(2) Receive requisitions for textbooks, computer hardware, and computer software to be purchased from the eligible and participating schools, and forward the approved requisitions and payments to the qualified textbook, computer hardware, or computer software vendor who will send the textbooks, computer hardware, or computer software directly to the eligible school, which will:
(i) Report shipment receipt to the department;

(ii) Provide assurance that the savings on the cost of the textbooks, computer hardware, or computer software will be dedicated to reducing the cost of textbooks, computer hardware, or computer software for students; and

(iii) Since the textbooks, computer hardware, or computer software shall remain property of the State, maintain appropriate shipment receipt records for audit purposes.

Further provided that a nonpublic school participating in the Aid to Non–Public Schools Program R00A03.04 shall certify compliance with Title 20, Subtitle 6 of the State Government Article. A nonpublic school participating in the program may not discriminate in student admissions on the basis of race, color, national origin, or sexual orientation. Nothing herein shall require any school or institution to adopt any rule, regulation, or policy that conflicts with its religious or moral teachings. However, all participating schools must agree that they will not discriminate in student admissions on the basis of race, color, national origin, or sexual orientation. Any school found to be in violation of the requirements to not discriminate shall be required to return to the Maryland State Department of Education all textbooks or computer hardware and software and other electronically delivered learning materials loaned to students under the program. The sole only other legal remedy for violation of these provisions is ineligibility for
participating in the Aid to Non–Public Schools Program. Any school that is found in violation of the nondiscrimination requirements in fiscal 2018 or 2019 may not participate in the program in fiscal 2019. It is the intent of the General Assembly that a school that violates the nondiscrimination requirements is ineligible to participate in the Aid to Non–Public Schools Program, the Broadening Options and Opportunities for Students Today Program, and the Nonpublic Aging Schools Program in the year of the violation and the following two years ........................................ 6,040,000

R00A03.05 Broadening Options and Opportunities for Students Today

Special Fund Appropriation, provided that appropriation shall be for a Broadening Options and Opportunities for Students Today (BOOST) Program that provides scholarships for students who are eligible for the free or reduced-price lunch program to attend eligible nonpublic schools. The Maryland State Department of Education (MSDE) shall administer the grant program in accordance with the following guidelines:

(1) To be eligible to participate in the BOOST Program, a nonpublic school must:

(a) participate in Program R00A03.04 Aid to Non–Public Schools Program for textbooks and computer hardware and software administered by MSDE;

(b) provide more than only prekindergarten and kindergarten programs;

(c) administer assessments to all students in accordance with federal and State law;
and

(d) comply with Title VI of the Civil Rights Act of 1964 as amended, Title 20, Subtitle 6 of the State Government Article, and not discriminate in student admissions on the basis of race, color, national origin, or sexual orientation. Nothing herein shall require any school or institution to adopt any rule, regulation, or policy that conflicts with its religious or moral teachings. However, all participating schools must agree that they will not discriminate in student admissions based on race, color, national origin, or sexual orientation. If a nonpublic school does not comply with these requirements, it shall reimburse MSDE all scholarship funds received under the BOOST Program and may not charge the student tuition and fees instead. The only other legal remedy for violation of this provision is ineligibility for participating in the BOOST Program.

(2) MSDE shall establish procedures for the application and award process for scholarships for students who are eligible for the free or reduced-price lunch program. The procedures shall include consideration for award adjustments if an eligible student becomes ineligible during the course of the school year.
Chapter 570  Laws of Maryland – 2018 Session

(3) MSDE shall compile and certify a list of applicants that ranks eligible students by family income expressed as a percent of the most recent federal poverty levels.

(4) MSDE shall submit the ranked list of applicants to the BOOST Advisory Board.

(5) There is a BOOST Advisory Board that shall be appointed as follows: 2 members appointed by the Governor, 2 members appointed by the President of the Senate, 2 members appointed by the Speaker of the House of Delegates, and 1 member jointly appointed by the President and the Speaker to serve as the chair. A member of the BOOST Advisory Board may not be an elected official and may not have any financial interest in an eligible nonpublic school.

(6) The BOOST Advisory Board shall review and certify the ranked list of applicants and shall determine the scholarship award amounts.

(7) MSDE shall make scholarship awards to eligible students as determined by the BOOST Advisory Board.

(8) The amount of a scholarship award may not exceed the lesser of:

(a) the statewide average per pupil expenditure by local education agencies, as calculated by MSDE; or

(b) the tuition of the nonpublic school.

(9) In order to meet its BOOST
Program reporting requirements to the budget committees. MSDE shall specify a date by which participating nonpublic schools must submit information to MSDE so that it may complete its required report. Any nonpublic schools that do not provide the necessary information by that specified date shall be ineligible to participate in the BOOST Program.

(10) Students who received a BOOST Program scholarship award in the prior year who still meet eligibility criteria for a scholarship shall receive a scholarship renewal award. For students who are receiving a BOOST Program scholarship for the first time, priority shall be given to students who attended public schools in the prior school year.

Further provided that no scholarship awards shall be made after March 1, 2018, for the 2017–2018 school year to eligible individuals who have not yet been offered an award. Any unexpended funds not awarded to students for scholarships in the 2017–2018 school year shall be encumbered at the end of the fiscal year and available for scholarships in the 2018–2019 school year.

Further provided that no awards shall be made after January 15, 2019, for the 2018–2019 school year to eligible individuals who have not yet been offered an award. Any unexpended funds not awarded to students for scholarships shall be encumbered at the end of fiscal 2019 and available for scholarships in the 2019–2020 school year.

Further provided that MSDE shall submit a report to the budget committees by December 15, 2018 January 15, 2019, that
includes the following:

(1) the number of students receiving BOOST Program scholarships;

(2) the amount of the BOOST Program scholarships received;

(3) the number of certified and noncertified teachers in core subject areas for each nonpublic school participating in the BOOST Program;

(4) the assessments being administered in accordance with federal and State law by nonpublic schools participating in the BOOST Program. For nonpublic schools administering norm-referenced assessments, the nonpublic schools shall provide to MSDE the results for all students receiving BOOST Program scholarships to whom assessments were administered. For those nonpublic schools administering nonstandardized assessments, the nonpublic schools shall provide to MSDE the results for all students receiving BOOST Program scholarships to whom assessments were administered and how students receiving BOOST Program scholarships performed in comparison to students who did not receive BOOST Program scholarships. MSDE shall report these assessment results reported by nonpublic schools to the budget committees in an aggregate manner that does not violate student data privacy.

(5) in the aggregate, for each BOOST Program scholarship awarded (1) the nonpublic school and grade level attended by the student; (2)
the school attended in the 2018–2019 school year by the student; and (3) if the student attended the same nonpublic school in the 2017–2018 school year, whether, what type, and how much nonpublic scholarship aid the student received in the 2017–2018 school year and will receive in the 2018–2019 school year;

(6) the average household income of students receiving BOOST Program scholarships;

(7) the racial breakdown of students receiving BOOST Program scholarships;

(8) the number of students designated as English language learners receiving BOOST Program scholarships;

(9) the number of special education students receiving BOOST Program scholarships;

(10) the county in which students receiving BOOST Program scholarships reside;

(11) the number of students who were offered BOOST Program scholarships but declined them, as well as their reasons for declining the scholarships, and the breakdown of students attending public and nonpublic schools for students who declined scholarships; and

(12) the number of students who received BOOST Program scholarships for the 2017–2018 school year who are attending public school for the 2018–2019
school year, as well as their reasons for returning to public schools; and

(12) the number of students who received BOOST Program scholarships for the 2017–2018 school year who withdrew or were expelled from the nonpublic schools they were attending, and the reasons for which they withdrew or were expelled; the schools they withdrew or were expelled from; and the length of time students receiving BOOST Program scholarships were enrolled at a nonpublic school before withdrawing or being expelled provided that this appropriation shall be for a Broadening Options and Opportunities for Students Today (BOOST) Program that provides scholarships for students who are eligible for the free or reduced-price lunch program to attend eligible nonpublic schools. The Maryland State Department of Education (MSDE) shall administer the grant program in accordance with the following guidelines:

(1) To be eligible to participate in the BOOST Program, a nonpublic school must:

(a) participate in Program R00A03.04 Aid to Non–Public Schools Program for textbooks and computer hardware and software administered by MSDE;

(b) provide more than only prekindergarten and kindergarten programs;
(c) administer national, norm referenced standardized assessments chosen from the list of assessments published by the United States Department of Education to qualify nonpublic schools for the National Blue Ribbon Schools Program. The nonpublic schools must administer the assessments to all students as follows:

(i) English/language arts and mathematics assessments each year for students in grades 3 through 8, and at least once for students in grades 9 through 12; and

(ii) a science assessment at least once for students in grades 3 through 5, at least once for students in grades 6 through 9, and at least once for students in grades 10 through 12; and

(d) comply with Title VI of the Civil Rights Act of 1964 as amended, Title 20, Subtitle 6 of the State Government Article, and not discriminate in student admissions on the basis of race, color, national origin, or sexual orientation. Nothing
herein shall require any school or institution to adopt any rule, regulation, or policy that conflicts with its religious or moral teachings. However, all participating schools must agree that they will not discriminate in student admissions based on race, color, national origin, or sexual orientation. If a nonpublic school does not comply with these requirements, it shall reimburse MSDE all scholarship funds received under the BOOST Program and may not charge the student tuition and fees instead. The only other legal remedy for violation of this provision is ineligibility for participating in the BOOST Program.

(2) MSDE shall establish procedures for the application and award process for scholarships for students who are eligible for the free or reduced-price lunch program. The procedures shall include consideration for award adjustments if an eligible student becomes ineligible during the course of the school year.

(3) MSDE shall compile and certify a list of applicants that ranks eligible students by family income expressed as a percent of the most recent federal poverty
levels.

(4) MSDE shall submit the ranked list of applicants to the BOOST Advisory Board.

(5) There is a BOOST Advisory Board that shall be appointed as follows: 2 members appointed by the Governor, 2 members appointed by the President of the Senate, 2 members appointed by the Speaker of the House of Delegates, and 1 member jointly appointed by the President and the Speaker to serve as the chair. A member of the BOOST Advisory Board may not be an elected official and may not have any financial interest in an eligible nonpublic school.

(6) The BOOST Advisory Board shall review and certify the ranked list of applicants and shall determine the scholarship award amounts. The BOOST Advisory Board shall take into account the special needs of students with disabilities when determining scholarship award amounts, and subject to the scholarship award amount limits in paragraph (8) below, may award higher scholarship amounts for students with special needs.

(7) MSDE shall make scholarship awards to eligible students as determined by the BOOST Advisory Board.

(8) The amount of a scholarship award may not exceed the lesser of:
(a) the statewide average per pupil expenditure by local education agencies, as calculated by MSDE; or

(b) the tuition of the nonpublic school.

(9) In order to meet its BOOST Program reporting requirements to the budget committees, MSDE shall specify a date by which participating nonpublic schools must submit information to MSDE so that it may complete its required report. Any nonpublic schools that do not provide the necessary information by that specified date shall be ineligible to participate in the BOOST Program.

(10) Students who received a BOOST Program scholarship award in the prior year who still meet eligibility criteria for a scholarship shall receive a scholarship renewal award. For students who are receiving a BOOST Program scholarship for the first time, priority shall be given to students who attended public schools in the prior school year.

Further provided that no scholarship awards shall be made after March 1, 2018, for the 2017–2018 school year to eligible individuals who have not yet been offered an award. Any unexpended funds not awarded to students for scholarships in the 2017–2018 school year shall be encumbered at the end of the fiscal year and available for scholarships in
the 2018–2019 school year.

Further provided that the BOOST Advisory Board shall make all scholarship awards no later than January 15, 2019, for the 2018–2019 school year to eligible individuals. Any unexpended funds not awarded to students for scholarships shall be encumbered at the end of fiscal 2019 and available for scholarships in the 2019–2020 school year.

Further provided that the BOOST Advisory Board shall make recommendations regarding a policy to encourage nonpublic schools to admit students with special needs who receive BOOST Program scholarships. The BOOST Advisory Board shall report its recommendations to the budget committees no later than December 1, 2018.

Further provided that $600,000 of this appropriation shall be used only for higher scholarship awards for students with special needs in accordance with paragraph (6) above.

Further provided that MSDE shall submit a report to the budget committees by January 15, 2019, that includes the following:

1. the number of students receiving BOOST Program scholarships;
2. the amount of the BOOST Program scholarships received;
3. the number of certified and noncertified teachers in core subject areas for each nonpublic school participating in the BOOST Program;
(4) the assessments being administered by nonpublic schools participating in the BOOST Program, and the results of these assessments. MSDE shall report the assessment results reported by nonpublic schools to the budget committees in an aggregate manner that does not violate student data privacy;

(5) in the aggregate, for each BOOST Program scholarship awarded (1) the nonpublic school and grade level attended by the student; (2) the school attended in the 2018–2019 school year by the student; and (3) if the student attended the same nonpublic school in the 2017–2018 school year, whether, what type, and how much nonpublic scholarship aid the student received in the 2017–2018 school year and will receive in the 2018–2019 school year;

(6) the average household income of students receiving BOOST Program scholarships;

(7) the racial breakdown of students receiving BOOST Program scholarships;

(8) the number of students designated as English language learners receiving BOOST Program scholarships;

(9) the number of special education students receiving BOOST Program scholarships;
(10) the county in which students receiving BOOST Program scholarships reside;

(11) the number of students who were offered BOOST Program scholarships but declined them, as well as their reasons for declining the scholarships and the breakdown of students attending public and nonpublic schools for students who declined scholarships;

(12) the number of students who received BOOST Program scholarships for the 2017–2018 school year who are attending public school for the 2018–2019 school year, as well as their reasons for returning to public schools; and

(13) the number of students who received BOOST Program scholarships for the 2017–2018 school year who withdrew or were expelled from the nonpublic schools they were attending, and the reasons for which they withdrew or were expelled; the schools they withdrew or were expelled from; and the length of time students receiving BOOST Program scholarships were enrolled at a nonpublic school before withdrawing or being expelled ...

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total General Fund Appropriation</td>
<td>30,154,318</td>
</tr>
<tr>
<td>Total Special Fund Appropriation</td>
<td>13,040,000</td>
</tr>
</tbody>
</table>

SUMMARY
### Total Appropriation

<table>
<thead>
<tr>
<th>Appropriation Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Appropriation</td>
<td>87,571,211</td>
</tr>
</tbody>
</table>

#### CHILDREN’S CABINET INTERAGENCY FUND

<table>
<thead>
<tr>
<th>Appropriation Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>R00A04.01 Children’s Cabinet Interagency Fund</td>
<td>18,490,376</td>
</tr>
</tbody>
</table>

#### MARYLAND LONGITUDINAL DATA SYSTEM CENTER

<table>
<thead>
<tr>
<th>Appropriation Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>R00A05.01 Maryland Longitudinal Data System Center</td>
<td>4,495,051</td>
</tr>
</tbody>
</table>

#### MARYLAND STATE LIBRARY AGENCY

**MARYLAND STATE LIBRARY**

<table>
<thead>
<tr>
<th>Appropriation Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>R01A11.01 Maryland State Library</td>
<td>4,192,885</td>
</tr>
</tbody>
</table>

**PUBLIC LIBRARY AID**

<table>
<thead>
<tr>
<th>Appropriation Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>R01A11.02 Public Library Aid</td>
<td>44,352,865</td>
</tr>
</tbody>
</table>

**STATE LIBRARY NETWORK**

<table>
<thead>
<tr>
<th>Appropriation Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>R01A11.03 State Library Network</td>
<td>18,380,048</td>
</tr>
</tbody>
</table>

**AID FOR LOCAL LIBRARY EMPLOYEE FRINGE BENEFITS**

<table>
<thead>
<tr>
<th>Appropriation Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>R01A11.04 Aid for Local Library Employee Fringe Benefits</td>
<td>20,645,413</td>
</tr>
</tbody>
</table>

#### SUMMARY

<table>
<thead>
<tr>
<th>Appropriation Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total General Fund Appropriation</td>
<td>84,201,879</td>
</tr>
<tr>
<td>Total Federal Fund Appropriation</td>
<td>3,369,332</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Appropriation Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Appropriation</td>
<td>87,571,211</td>
</tr>
</tbody>
</table>
MORGAN STATE UNIVERSITY

R13M00.00 Morgan State University
Current Unrestricted Appropriation, provided that $300,000 of this appropriation made for the purpose of converting contractual positions may not be expended until Morgan State University (MSU) submits a report to the budget committees documenting the positions that will be converted by August 1, 2018.

Further provided that $300,000 of this appropriation made for the purpose of converting contractual positions may not be expended until MSU submits a report to the budget committees documenting positions that were converted by December 1, 2018. The committees shall have 45 days to review and comment. Funds restricted pending the receipt of the reports may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the reports are not submitted.

<table>
<thead>
<tr>
<th>Appropriation Type</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current Unrestricted Appropriation</td>
<td>206,726,022</td>
</tr>
<tr>
<td>Current Restricted Appropriation</td>
<td>54,625,697</td>
</tr>
<tr>
<td>Total</td>
<td>261,351,719</td>
</tr>
</tbody>
</table>

ST. MARY’S COLLEGE OF MARYLAND

R14D00.00 St. Mary’s College of Maryland
Current Unrestricted Appropriation           65,964,437
Current Restricted Appropriation            5,300,000

<table>
<thead>
<tr>
<th>Appropriation Type</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current Unrestricted Appropriation</td>
<td>65,964,437</td>
</tr>
<tr>
<td>Current Restricted Appropriation</td>
<td>5,300,000</td>
</tr>
<tr>
<td>Total</td>
<td>71,264,437</td>
</tr>
</tbody>
</table>

MARYLAND PUBLIC BROADCASTING COMMISSION

R15P00.01 Executive Direction and Control
Special Fund Appropriation                  893,934

R15P00.02 Administration and Support Services
General Fund Appropriation                 8,311,867
Special Fund Appropriation                950,175

<table>
<thead>
<tr>
<th>Appropriation Type</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Executive Direction and Control Special Fund Appropriation</td>
<td>893,934</td>
</tr>
<tr>
<td>Administration and Support Services General Fund Appropriation</td>
<td>8,311,867</td>
</tr>
<tr>
<td>Administration and Support Services Special Fund Appropriation</td>
<td>950,175</td>
</tr>
<tr>
<td>Total</td>
<td>9,262,042</td>
</tr>
</tbody>
</table>

R15P00.03 Broadcasting
Special Fund Appropriation                  9,991,302
R15P00.04 Content Enterprises
Special Fund Appropriation ......................... 6,327,861
Federal Fund Appropriation ........................... 508,434 6,836,295

R15P00.05 Capital Appropriation
Federal Fund Appropriation ............................. 2,847,000

SUMMARY

Total General Fund Appropriation .......................... 8,311,867
Total Special Fund Appropriation .......................... 18,163,272
Total Federal Fund Appropriation .......................... 3,355,434

Total Appropriation ........................................ 29,830,573

UNIVERSITY SYSTEM OF MARYLAND

UNIVERSITY OF MARYLAND, BALTIMORE CAMPUS

R30B21.00 University of Maryland, Baltimore Campus
Current Unrestricted Appropriation .................... 663,530,194
Current Restricted Appropriation ....................... 519,430,988 1,182,961,182

UNIVERSITY OF MARYLAND, COLLEGE PARK CAMPUS

R30B22.00 University of Maryland, College Park Campus
Current Unrestricted Appropriation, provided that this appropriation shall be reduced by $2,000,000 contingent upon the enactment of legislation repealing the requirement that additional funding be provided to the University of Maryland Center for Economic and Entrepreneurship Development, provided that $500,000 of this appropriation made for the purpose of the University of Maryland, College Park Campus (UMCP) may not be expended until UMCP submits a report no later than July 1, 2018, that reviews and assesses the
administrative oversight of the Universities at Shady Grove (USG) by UMCP. The report shall include steps that will be undertaken by UMCP as the administrative unit responsible for USG to lead efforts to strengthen, enhance, and ensure ongoing growth and the long-term viability of USG. UMCP, in consultation with other University System of Maryland institutions with academic offerings at USG, shall also include in the report a plan to increase academic offerings at USG overall and specifically, academic offerings at the Shady Grove Education Center – Biomedical Sciences and Engineering Building.

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

<table>
<thead>
<tr>
<th>Current Restricted Appropriation</th>
<th>Current Unrestricted Appropriation</th>
</tr>
</thead>
<tbody>
<tr>
<td>462,679,791</td>
<td>2,144,877,782</td>
</tr>
</tbody>
</table>

BOWIE STATE UNIVERSITY

R30B23.00 Bowie State University

<table>
<thead>
<tr>
<th>Current Unrestricted Appropriation</th>
<th>Current Restricted Appropriation</th>
</tr>
</thead>
<tbody>
<tr>
<td>108,575,063</td>
<td>22,962,077</td>
</tr>
</tbody>
</table>

TOWSON UNIVERSITY

R30B24.00 Towson University

<table>
<thead>
<tr>
<th>Current Unrestricted Appropriation</th>
<th>Current Restricted Appropriation</th>
</tr>
</thead>
<tbody>
<tr>
<td>458,954,703</td>
<td>50,108,941</td>
</tr>
</tbody>
</table>

UNIVERSITY OF MARYLAND EASTERN SHORE

R30B25.00 University of Maryland Eastern Shore

Current Unrestricted Appropriation, provided that $1,400,000 of the appropriation may
be used only to match federal funding for the 1890 Extension Program. The University of Maryland Eastern Shore (UMES) shall submit a report to the budget committees detailing how the funds will be used by August 1, 2018. Funds not used for this purpose will revert to the General Fund.

Further provided that funding for the 1890 Extension Program and Evans–Allen Program and the McIntire–Stennis Program at the Agriculture Experiment Stations shall be separately identified in the UMES budget beginning with the fiscal 2020 budget. Current Restricted Appropriation

<table>
<thead>
<tr>
<th>Institution</th>
<th>Current Unrestricted Appropriation</th>
<th>Current Restricted Appropriation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Frostburg State University</td>
<td>104,381,011</td>
<td>118,878,983</td>
</tr>
<tr>
<td>Coppin State University</td>
<td>76,535,027</td>
<td>94,534,231</td>
</tr>
<tr>
<td>University of Baltimore</td>
<td>114,699,607</td>
<td>139,552,161</td>
</tr>
<tr>
<td>Salisbury University</td>
<td>198,021,556</td>
<td>210,974,655</td>
</tr>
</tbody>
</table>
UNIVERSITY OF MARYLAND UNIVERSITY COLLEGE

R30B30.00  University of Maryland University College
Current Unrestricted Appropriation .......................... 402,196,664
Current Restricted Appropriation ......................... 42,273,666 444,470,330

UNIVERSITY OF MARYLAND BALTIMORE COUNTY

R30B31.00  University of Maryland Baltimore County
Current Unrestricted Appropriation, provided that this appropriation shall be reduced by $4,000,000 contingent upon the enactment of legislation repealing the requirement that additional funding be provided to increase funding guideline attainment .......... 366,204,130
Current Restricted Appropriation ....................... 90,668,786 456,872,916

UNIVERSITY OF MARYLAND CENTER FOR ENVIRONMENTAL SCIENCE

R30B34.00  University of Maryland Center for Environmental Science
Current Unrestricted Appropriation ...................... 29,814,699
Current Restricted Appropriation ...................... 18,201,310 48,016,009

UNIVERSITY SYSTEM OF MARYLAND OFFICE

R30B36.00  University System of Maryland Office
Current Unrestricted Appropriation, provided that if SB 903 or HB 1143 authorizing the merger of the University System of Maryland Office and the Southern Maryland Higher Education Center (SMHEC) are not enacted, $512,739 may not be expended for any program or purpose and may be transferred to the Maryland Higher Education Commission Educational Grants (R62100.07) for the operation of SMHEC.

Further provided that $5,000,000 of this appropriation made for the computer science education initiative is contingent
on the enactment of SB 300 or HB 350 or HB 281.

Further provided that $500,000 of this appropriation may not be expended until the University System of Maryland Board of Regents submits the revised debt management and fund balance policies and procedures. The policies should be submitted to the budget committees by June 1, 2018. The committees shall have 45 days to review and comment. Funds restricted pending receipt of the policies may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the policies are not submitted.

Further provided that $500,000 of this appropriation made for the purpose of administration at the University System of Maryland Office may not be expended until the University System of Maryland (USM) Board of Regents (BOR) submits a report on how the consolidation of the University of Maryland Center for Environmental Science (UMCES) with the appropriate USM institution(s) could be accomplished in a manner that advances the research conducted and maintains and elevates the impact of the role of UMCES in the research and protection of Maryland’s environmental resources while also obtaining cost savings. The report should detail cost savings to be realized from the relocation of UMCES, or its laboratories, information on the rationale on why the selected academic institution(s) most closely aligns with UMCES and/or its laboratories, and a schedule for when the transfer(s) will be completed. BOR should find at least $3,000,000 in ongoing savings for the State as a result of the transfer(s). The report should also include how a portion of the cost savings might be used to enhance and advance the research activities under a more efficient model.
report should be submitted to the budget committees by December 1, 2018. The committees shall have 45 days to review and comment. Funds restricted pending receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted.

Further provided that $2,000,000 of this appropriation made for the purpose of workforce development initiatives at the University System of Maryland Office may not be spent for this purpose and instead may be expended only to reimburse institutions offering programs at the Shady Grove Educational Center – Biomedical Sciences and Engineering Education Building. Funds not expended for this restricted purpose may not be transferred by budget amendment or otherwise to any other purpose and shall be canceled.

Further provided that institutions shall not transfer funds from the fund balance to support the implementation of EXCEL Maryland .......................... 52,444,950
Current Restricted Appropriation .................. 2,454,778 54,899,728

MARYLAND HIGHER EDUCATION COMMISSION

R62I00.01 General Administration
General Fund Appropriation ....................... 5,369,436
Special Fund Appropriation ....................... 911,853
Federal Fund Appropriation ...................... 300,085 6,581,374

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

R62I00.02 College Prep/Intervention Program
General Fund Appropriation ...................... 750,000
R62I00.03 Joseph A. Sellinger Formula for Aid to Non–Public Institutions of Higher Education
General Fund Appropriation, provided that this appropriation shall be reduced by $7,364,333 contingent upon the enactment of legislation to level fund the grant to private colleges and universities at the fiscal 2018 working appropriation level .... 56,273,000

R62I00.05 The Senator John A. Cade Funding Formula for the Distribution of Funds to Community Colleges
General Fund Appropriation, provided that $2,000,000 of this appropriation made herein for the one–time supplemental grant for community colleges shall be used only for that purpose. A community college is eligible to receive a portion of funding from this grant if it raises tuition by no more than 2% for the 2018–2019 academic year. Total grant funding is to be distributed among eligible institutions, as determined by the Maryland Higher Education Commission (MHEC), in proportion to each institution’s share of Cade formula–eligible enrollments in fiscal 2017, also as determined by MHEC. Funding for the one–time grant shall not be incorporated into the Cade formula when calculating State support in fiscal 2020. Funds restricted for this specific purpose may not be transferred by budget amendment or otherwise to any other purpose and if not expended for this purpose shall revert to the General Fund ... 260,993,802

R62I00.06 Aid to Community Colleges – Fringe Benefits
General Fund Appropriation ......................... 61,395,171

R62I00.07 Educational Grants
General Fund Appropriation, provided that this appropriation shall be reduced by $5,000,000 $4,000,000 contingent upon the enactment of legislation altering the required appropriation for the State Contribution
To provide Education Grants to various State, Local and Private Entities

Complete College Maryland .......... 250,000
Regional Higher Education Centers, provided that $28,353 made for the purpose of the Southern Maryland Higher Education Center may be transferred by budget amendment to the University System of Maryland Office (R30B36.04) contingent on enactment of SB 903 or HB 1143

Washington Center for Internships and Academic Seminars ............. 175,000
UMB–WellMobile ......................... 285,000
John R. Justice Grant ...................... 30,000
Colleges Savings Plan Match .......... 7,000,000

R62I00.09 2 + 2 Transfer Scholarship Program
General Fund Appropriation ............... 300,000

R62I00.10 Educational Excellence Awards
General Fund Appropriation ............... 82,871,235
Special Fund Appropriation ............... 1,836,251 84,707,486

R62I00.12 Senatorial Scholarships
General Fund Appropriation ............... 6,486,000

R62I00.14 Edward T. and Mary A. Conroy Memorial Scholarship Program
General Fund Appropriation ............... 1,200,000

R62I00.15 Delegate Scholarships
General Fund Appropriation ............... 6,596,000

R62I00.16 Charles W. Riley Firefighter and Ambulance and Rescue Squad Member Scholarship Program
Special Fund Appropriation ............... 358,000
R62I00.17 Graduate and Professional Scholarship Program
General Fund Appropriation ....................... 1,174,473

R62I00.21 Jack F. Tolbert Memorial Student Grant Program
General Fund Appropriation ....................... 200,000

R62I00.26 Janet L. Hoffman Loan Assistance Repayment Program
General Fund Appropriation ....................... 1,305,000
Special Fund Appropriation ....................... 199,089 1,504,089

R62I00.27 Maryland Loan Assistance Repayment Program for Foster Care Recipients
General Fund Appropriation ....................... 100,000

R62I00.28 Maryland Loan Assistance Repayment Program for Physicians and Physician Assistants
Special Fund Appropriation ....................... 778,295

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

R62I00.33 Part–Time Grant Program
General Fund Appropriation ....................... 5,087,780

R62I00.36 Workforce Shortage Student Assistance Grants
General Fund Appropriation ....................... 1,229,853

R62I00.37 Veterans of the Afghanistan and Iraq Conflicts Scholarship
General Fund Appropriation ....................... 750,000

R62I00.38 Nurse Support Program II
Special Fund Appropriation ....................... 18,593,242

R62I00.44 Somerset Economic Impact Scholarship
General Fund Appropriation ....................... 87,659
### SUMMARY

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total General Fund Appropriation</td>
<td>502,779,670</td>
</tr>
<tr>
<td>Total Special Fund Appropriation</td>
<td>22,676,730</td>
</tr>
<tr>
<td>Total Federal Fund Appropriation</td>
<td>330,085</td>
</tr>
<tr>
<td><strong>Total Appropriation</strong></td>
<td>525,786,485</td>
</tr>
</tbody>
</table>

### HIGHER EDUCATION

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

The following amounts constitute the General Fund appropriation for the State operated institutions of higher education. The State Comptroller is hereby authorized to transfer these amounts to the accounts of the programs indicated below in four equal allotments; said allotments to be made on July 1 and October 1 of 2018 and January 1 and April 1 of 2019. Neither this appropriation nor the amounts herein enumerated constitute a lump sum appropriation as contemplated by Sections 7–207 and 7–233 of the State Finance and Procurement Article of the Code.

<table>
<thead>
<tr>
<th>Program</th>
<th>Title</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>R30B21</td>
<td>University of Maryland, Baltimore Campus</td>
<td>222,977,766</td>
</tr>
<tr>
<td>R30B22</td>
<td>University of Maryland, College Park Campus</td>
<td>501,752,942</td>
</tr>
<tr>
<td>R30B23</td>
<td>Bowie State University</td>
<td>43,553,974</td>
</tr>
<tr>
<td>R30B24</td>
<td>Towson University</td>
<td>113,611,022</td>
</tr>
<tr>
<td>R30B25</td>
<td>University of Maryland, Eastern Shore</td>
<td>41,821,054</td>
</tr>
<tr>
<td>R30B26</td>
<td>Frostburg State University</td>
<td>40,138,326</td>
</tr>
<tr>
<td>R30B27</td>
<td>Coppin State University</td>
<td>44,907,879</td>
</tr>
</tbody>
</table>
R30B28  University of Baltimore ...35,665,315
R30B29  Salisbury University .......52,083,628
R30B30  University of Maryland
   University College ..................41,187,978
R30B31  University of Maryland
   Baltimore County .................124,340,026
R30B34  University of Maryland
   Center for Environmental
   Science.............................21,657,941
R30B36  University System of
   Maryland Office....................34,368,357

Subtotal University System of Maryland..................1,318,066,208

R95C00  Baltimore City
   Community College.................40,649,547
R14D00  St. Mary’s College
   of Maryland.......................23,338,528
R13M00  Morgan State
   University.........................94,292,819

General Fund Appropriation, provided that
this appropriation shall be reduced by
$4,000,000 contingent on enactment of
legislation repealing the requirement that
additional funding be provided to increase
funding guideline attainment.

Further provided that this appropriation shall
be reduced by $2,000,000 contingent upon
the enactment of legislation repealing the
requirement that additional funding be
provided to the University of Maryland
Center for Economic and Entrepreneurship
Development.

Further provided that this appropriation shall
be reduced by $851,000 contingent upon
the enactment of legislation altering the
Baltimore City Community College
funding formula.

Further provided that if SB 903 or HB 1143
authorizing the merger of the University
System of Maryland Office and the
Southern Maryland Higher Education
Center (SMHEC) is not enacted, $512,739 may not be expended for any program or purpose and may be transferred to the Maryland Higher Education Commission Educational Grants (R62I00.07) for the operation of SMHEC.

Further provided that $1,400,000 of the appropriation made for the purpose of the University of Maryland Eastern Shore (UMES) may be used only to match federal funding for the 1890 Extension Program. UMES shall submit a report to the budget committees detailing how the funds will be used by August 1, 2018. Funds not used for this purpose will revert to the General Fund.

Further provided that funding for the 1890 Extension Program and Evans–Allen Program and the McIntire–Stennis Program at the Agriculture Experiment Stations shall be separately identified in the UMES budget beginning with the fiscal 2020 budget.

Further provided that $500,000 of this appropriation made for the purpose of the University System of Maryland Office may not be expended until the University System of Maryland Board of Regents submits the revised debt management and fund balance policies and procedures. The policies should be submitted to the budget committees by June 1, 2018. The committees shall have 45 days to review and comment. Funds restricted pending receipt of the policies may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the policies are not submitted.

Further provided that $5,000,000 of this appropriation made for the University System of Maryland Office for the computer science education initiative is
contingent on the enactment of SB 300 or HB 350 or HB 281.

Further provided that $500,000 of this appropriation made for the purpose of the University of Maryland, College Park Campus (UMCP) may not be expended until UMCP submits a report no later than July 1, 2018, that reviews and assesses the administrative oversight of the Universities at Shady Grove (USG) by UMCP. The report shall include steps that will be undertaken by UMCP as the administrative unit responsible for USG to lead efforts to strengthen, enhance, and ensure ongoing growth and the long-term viability of USG. UMCP, in consultation with other University System of Maryland institutions with academic offerings at USG, shall also include in the report a plan to increase academic offerings at USG overall and specifically, academic offerings at the Shady Grove Education Center – Biomedical Sciences and Engineering Building. The budget committees shall have 45 days to review and comment following receipt of the report. Funds restricted pending receipt of the report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted.

Further provided that $500,000 of this appropriation made for the purpose of administration at the University System of Maryland Office may not be expended until the University System of Maryland (USM) Board of Regents (BOR) submits a report on how the consolidation of the University of Maryland Center for Environmental Science (UMCES) with the appropriate USM institution(s) could be accomplished in a manner that advances the research
conducted and maintains and elevates the impact of the role of UMCES in the research and protection of Maryland’s environmental resources while also obtaining cost savings. The report should detail cost savings to be realized from the relocation of UMCES, or its laboratories, information on the rationale on why the selected academic institution(s) most closely aligns with UMCES and/or its laboratories, and a schedule for when the transfer(s) will be completed. BOR should find at least $3,000,000 in ongoing savings for the State as a result of the transfer(s). The report should also include how a portion of the cost savings might be used to enhance and advance the research activities under a more efficient model. The report should be submitted to the budget committees by December 1, 2018. The committees shall have 45 days to review and comment. Funds restricted pending receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted.

Further provided that $300,000 of this appropriation made for the purpose of converting contractual positions may not be expended until Morgan State University (MSU) submits a report to the budget committees documenting the positions that will be converted by August 1, 2018.

Further provided that $300,000 of this appropriation made for the purpose of converting contractual positions may not be expended until MSU submits a report to the budget committees documenting positions that were converted by December 1, 2018. The committees shall have 45 days to review and comment. Funds restricted pending the receipt of the reports may not be transferred by budget amendment or otherwise to any other purpose and shall
revert to the General Fund if the reports are not submitted.

Further provided that $500,000 of this appropriation made for the purpose of operations at Baltimore City Community College (BCCC) may not be expended until the Board of Trustees of BCCC submits a final implementation plan to the budget committees on the institution’s follow-up to the comprehensive report from the Schaefer Center. The Board of Trustees shall consult with the President in finalizing the implementation plan. The final implementation plan shall be submitted no later than July 1, 2018, and shall include completion dates for each realignment task required by Chapters 847 and 848 of 2017, and for every implementation tactic. The budget committees shall have 45 days to review and comment following receipt of the report.

Further provided that $500,000 of this appropriation made for the purpose of operations at BCCC may not be expended until the Board of Trustees of BCCC submits a report to the budget committees confirming that the components of its final implementation plan have been put into action in accordance with the recommendations of the report from the Schaefer Center and Chapters 847 and 848 of 2017 and updating the committees on the status of each realignment task and implementation tactic. The Board of Trustees shall consult with the President in preparing this report. This report shall be submitted no later than December 1, 2018. The budget committees shall have 45 days to review and comment following receipt of the report.

Funds restricted pending receipt of the reports may not be transferred by budget amendment or otherwise and shall revert
to the General Fund if the reports are not submitted to the budget committees ........ 1,476,347,102

The following amounts constitute an estimate of Special Fund revenues derived from the Higher Education Investment Fund and the Maryland Emergency Medical System Operations Fund. These revenues support the Special Fund appropriation for the State operated institutions of higher education. The State Comptroller is hereby authorized to transfer these amounts to the accounts of the programs indicated below in four allotments; said allotments to be made on July 1 and October 1 of 2018 and January 1 and April 1 of 2019. To the extent revenue attainment is lower than estimated, the State Comptroller shall adjust the transfers at year's end. Neither this appropriation nor the amounts herein enumerated constitute a lump sum appropriation as contemplated by Sections 7–207 and 7–233 of the State Finance and Procurement Article of the Code.

<table>
<thead>
<tr>
<th>Program</th>
<th>Title</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>R30B21</td>
<td>University of Maryland, Baltimore Campus</td>
<td>10,393,329</td>
</tr>
<tr>
<td>R30B22</td>
<td>University of Maryland, College Park Campus</td>
<td>32,478,114</td>
</tr>
<tr>
<td>R30B23</td>
<td>Bowie State University</td>
<td>2,031,325</td>
</tr>
<tr>
<td>R30B24</td>
<td>Towson University</td>
<td>5,329,319</td>
</tr>
<tr>
<td>R30B25</td>
<td>University of Maryland Eastern Shore</td>
<td>1,878,996</td>
</tr>
<tr>
<td>R30B26</td>
<td>Frostburg State University</td>
<td>1,861,035</td>
</tr>
<tr>
<td>R30B27</td>
<td>Coppin State University</td>
<td>2,097,367</td>
</tr>
<tr>
<td>R30B28</td>
<td>University of Baltimore</td>
<td>1,664,947</td>
</tr>
<tr>
<td>R30B29</td>
<td>Salisbury University</td>
<td>2,435,691</td>
</tr>
<tr>
<td>R30B30</td>
<td>University of Maryland University College</td>
<td>1,928,234</td>
</tr>
<tr>
<td>R30B31</td>
<td>University of Maryland Baltimore County</td>
<td>5,784,763</td>
</tr>
<tr>
<td>R30B34</td>
<td>University of Maryland Center for Environmental Science</td>
<td>1,009,627</td>
</tr>
</tbody>
</table>
Special Fund Appropriation, provided that $9,050,144 of this appropriation shall be used by the University of Maryland, College Park (R30B22) for no other purpose than to support the Maryland Fire and Rescue Institute as provided in Section 13-955 of the Transportation Article.

Further provided that $2,000,000 of this appropriation made for the purpose of workforce development initiatives at the University System of Maryland Office may not be spent for this purpose and instead may be expended only to reimburse institutions offering programs at the Shady Grove Educational Center – Biomedical Sciences and Engineering Education Building. Funds not expended for this restricted purpose may not be transferred by budget amendment or otherwise to any other purpose and shall be canceled.

Further provided that institutions shall not transfer funds from the fund balance to support the implementation of EXCEL Maryland

Baltimore City Community College

R95C00.00 Baltimore City Community College
Current Unrestricted Appropriation, provided that this appropriation shall be reduced by $851,000 contingent upon the enactment of legislation altering the Baltimore City Community College funding formula.
Further provided that $500,000 of this appropriation made for the purpose of operations at Baltimore City Community College (BCCC) may not be expended until the Board of Trustees of BCCC submits a final implementation plan to the budget committees on the institution's follow-up to the comprehensive report from the Schaefer Center. The Board of Trustees shall consult with the President in finalizing the implementation plan. The final implementation plan shall be submitted no later than July 1, 2018, and shall include completion dates for each realignment task required by Chapters 847 and 848 of 2017 and for every implementation tactic. The budget committees shall have 45 days to review and comment following receipt of the report.

Further provided that $500,000 of this appropriation made for the purpose of operations at BCCC may not be expended until the Board of Trustees of BCCC submits a report to the budget committees confirming that the components of its final implementation plan have been put into action in accordance with the recommendations of the report from the Schaefer Center and Chapters 847 and 848 of 2017 and updating the committees on the status of each realignment task and implementation tactic. The Board of Trustees shall consult with the President in preparing this report. This report shall be submitted no later than December 1, 2018. The budget committees shall have 45 days to review and comment following receipt of the report.

Funds restricted pending receipt of the reports may not be transferred by budget amendment or otherwise and shall revert to the General Fund if the reports are not submitted to the budget committees........ 65,009,158
MARYLAND SCHOOL FOR THE DEAF

R99E01.00 Services and Institutional Operations

| General Fund Appropriation | 31,577,550 |
| Special Fund Appropriation | 304,143 |
| Federal Fund Appropriation  | 587,521 |

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.
## DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

### OFFICE OF THE SECRETARY

**S00A20.01 Office of the Secretary**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund Appropriation</td>
<td>2,000,000</td>
</tr>
<tr>
<td>Special Fund Appropriation <strong>provided that $1,000,000 of this appropriation made for the purpose of department administration may not be expended until the Department of Housing and Community Development: (1) provides a grant of $850,000 to the City of Frederick from the fiscal 2019 general obligation bond authorization for the Strategic Demolition and Smart Growth Impact Fund for the acquisition of land and other infrastructure improvements for the development of a hotel in downtown Frederick; and (2) provides a letter to the budget committees confirming that a grant has been disbursed during fiscal 2019 to the City of Frederick. Funds restricted may not be transferred by budget amendment or otherwise to any other purpose and shall be canceled if the evidence of disbursement is not submitted to the budget committees by June 30, 2019</strong></td>
<td>3,019,102</td>
</tr>
<tr>
<td>Federal Fund Appropriation</td>
<td>1,412,848</td>
</tr>
</tbody>
</table>

**S00A20.03 Office of Management Services**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Special Fund Appropriation</td>
<td>3,508,217</td>
</tr>
<tr>
<td>Federal Fund Appropriation</td>
<td>1,504,478</td>
</tr>
</tbody>
</table>

### SUMMARY

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total General Fund Appropriation</td>
<td>2,000,000</td>
</tr>
<tr>
<td>Total Special Fund Appropriation</td>
<td>6,527,319</td>
</tr>
<tr>
<td>Total Federal Fund Appropriation</td>
<td>2,917,326</td>
</tr>
<tr>
<td>Total Appropriation</td>
<td>11,444,645</td>
</tr>
</tbody>
</table>
**DIVISION OF CREDIT ASSURANCE**

S00A22.01 Maryland Housing Fund  
Special Fund Appropriation .......................... 526,540

S00A22.02 Asset Management  
Special Fund Appropriation .......................... 6,093,884

S00A22.03 Maryland Building Codes  
Special Fund Appropriation .......................... 627,490

**SUMMARY**

Total Special Fund Appropriation ................................ 7,247,914

---

**DIVISION OF NEIGHBORHOOD REVITALIZATION**

S00A24.01 Neighborhood Revitalization  
General Fund Appropriation ............................. 9,682,628  
Special Fund Appropriation ............................. 11,799,067  
Federal Fund Appropriation ............................. 12,162,184  33,643,879

S00A24.02 Neighborhood Revitalization – Capital Appropriation  
General Fund Appropriation, provided that this appropriation shall be reduced by $9,000,000 $4,000,000 contingent upon the enactment of legislation altering the required appropriation for the Baltimore Regional Neighborhood Initiative.

Further provided that this appropriation shall be reduced by $5,000,000 $4,000,000 $1,000,000 contingent upon the enactment of legislation repealing altering the required appropriation for the Seed Community Development Anchor Institution Fund.

**Further provided that the $4,000,000 appropriation for the purpose of the Seed Community Development Anchor Institution Fund shall be used as a grant to the University of Maryland.**
Baltimore Campus (UMB) for the acquisition, planning, design, construction, expansion, repair, restoration, reconstruction, or capital equipping of the UMB Community Engagement Center. Funds not spent for this purpose may not be transferred by budget amendment or otherwise to any other purpose and if not expended for this purpose shall revert to the General Fund

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Special Fund Appropriation</td>
<td>$2,200,000</td>
</tr>
<tr>
<td>Federal Fund Appropriation</td>
<td>$9,000,000</td>
</tr>
<tr>
<td>Total General Fund Appropriation</td>
<td>$23,682,628</td>
</tr>
<tr>
<td>Total Special Fund Appropriation</td>
<td>$13,999,067</td>
</tr>
<tr>
<td>Total Federal Fund Appropriation</td>
<td>$21,162,184</td>
</tr>
<tr>
<td>Total Appropriation</td>
<td>$58,843,879</td>
</tr>
</tbody>
</table>

**DIVISION OF DEVELOPMENT FINANCE**

S00A25.01 Administration
Special Fund Appropriation ......................... $4,490,869

S00A25.02 Housing Development Program
Special Fund Appropriation ......................... $4,363,357

S00A25.03 Single Family Housing
Special Fund Appropriation ......................... $5,508,319
Federal Fund Appropriation ......................... $758,792 $6,267,111

S00A25.04 Housing and Building Energy Programs
Special Fund Appropriation ......................... $17,433,069
Federal Fund Appropriation ......................... $2,843,993 $20,277,062

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for
operating expenses in this program.

S00A25.05 Rental Services Programs
   Special Fund Appropriation .................. 50,000
   Federal Fund Appropriation .................. 257,794,411 257,844,411

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

S00A25.07 Rental Housing Programs – Capital Appropriation
   Special Fund Appropriation .................. 15,500,000
   Federal Fund Appropriation .................. 4,500,000 20,000,000

S00A25.08 Homeownership Programs – Capital Appropriation
   Special Fund Appropriation .................. 1,500,000

S00A25.09 Special Loans Program – Capital Appropriation
   Special Fund Appropriation .................. 3,400,000
   Federal Fund Appropriation .................. 2,000,000 5,400,000

S00A25.14 Maryland BRAC Preservation Loan Fund – Capital Appropriation
   Special Fund Appropriation .................. 2,500,000

S00A25.15 Housing and Building Energy Programs – Capital Appropriation
   Special Fund Appropriation .................. 8,350,000
   Federal Fund Appropriation .................. 700,000 9,050,000

**SUMMARY**

<table>
<thead>
<tr>
<th></th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Special Fund Appropriation</td>
<td>63,095,614</td>
</tr>
<tr>
<td>Total Federal Fund Appropriation</td>
<td>268,597,196</td>
</tr>
<tr>
<td>Total Appropriation</td>
<td>331,692,810</td>
</tr>
</tbody>
</table>
DIVISION OF INFORMATION TECHNOLOGY

S00A26.01 Information Technology
  General Fund Appropriation ........................... 8,182
  Special Fund Appropriation ............................. 1,905,968
  Federal Fund Appropriation ............................. 1,808,561
                                    3,722,711

DIVISION OF FINANCE AND ADMINISTRATION

S00A27.01 Finance and Administration
  Special Fund Appropriation ............................. 9,883,020
  Federal Fund Appropriation ............................. 1,166,848
                                    11,049,868

MARYLAND AFRICAN AMERICAN MUSEUM CORPORATION

S50B01.01 General Administration
  General Fund Appropriation ............................. 1,959,000
## DEPARTMENT OF COMMERCE

### OFFICE OF THE SECRETARY

<table>
<thead>
<tr>
<th>Code</th>
<th>Function</th>
<th>General Fund Appropriation</th>
<th>Special Fund Appropriation</th>
<th>Federal Fund Appropriation</th>
</tr>
</thead>
<tbody>
<tr>
<td>T00A00.01</td>
<td>Office of the Secretary</td>
<td>1,393,235</td>
<td>101,502</td>
<td>33,244</td>
</tr>
<tr>
<td>T00A00.02</td>
<td>Office of Policy and Research</td>
<td>1,353,581</td>
<td>265,945</td>
<td>21,024</td>
</tr>
<tr>
<td>T00A00.03</td>
<td>Office of the Attorney General</td>
<td>91,664</td>
<td>1,372,668</td>
<td>8,564</td>
</tr>
<tr>
<td>T00A00.06</td>
<td>Division of Marketing and Communications</td>
<td>1,784,583</td>
<td>555,913</td>
<td></td>
</tr>
<tr>
<td>T00A00.07</td>
<td>Office of International Investment and Trade</td>
<td>2,576,391</td>
<td>100,000</td>
<td>150,000</td>
</tr>
<tr>
<td>T00A00.08</td>
<td>Division of Administration and Technology</td>
<td>3,185,453</td>
<td>564,689</td>
<td>120,096</td>
</tr>
<tr>
<td>T00A00.09</td>
<td>Office of Military and Federal Affairs</td>
<td>929,642</td>
<td>162,226</td>
<td>499,022</td>
</tr>
<tr>
<td>Section Description</td>
<td>General Fund Appropriation</td>
<td>Special Fund Appropriation</td>
<td>Total Appropriation</td>
<td></td>
</tr>
<tr>
<td>---------------------</td>
<td>-----------------------------</td>
<td>-----------------------------</td>
<td>---------------------</td>
<td></td>
</tr>
<tr>
<td>T00A00.10 Maryland Marketing Partnership</td>
<td>1,000,000</td>
<td>1,000,000</td>
<td>2,000,000</td>
<td></td>
</tr>
<tr>
<td>SUMMARY</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total General Fund Appropriation</td>
<td>12,314,549</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Special Fund Appropriation</td>
<td>4,122,943</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Federal Fund Appropriation</td>
<td>831,950</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Appropriation</td>
<td>17,269,442</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

DIVISION OF BUSINESS AND INDUSTRY SECTOR DEVELOPMENT

<table>
<thead>
<tr>
<th>Section Description</th>
<th>General Fund Appropriation</th>
<th>Special Fund Appropriation</th>
<th>Total Appropriation</th>
</tr>
</thead>
<tbody>
<tr>
<td>T00F00.01 Managing Director of Business and Industry Sector Development</td>
<td>322,339</td>
<td>123,291</td>
<td>445,630</td>
</tr>
<tr>
<td>T00F00.02 Office of BioHealth</td>
<td></td>
<td></td>
<td>1,329,001</td>
</tr>
<tr>
<td>T00F00.03 Maryland Small Business Development Financing Authority</td>
<td></td>
<td>1,827,716</td>
<td></td>
</tr>
<tr>
<td>T00F00.04 Office of Business Development</td>
<td>3,676,010</td>
<td>881,954</td>
<td>4,557,964</td>
</tr>
<tr>
<td>T00F00.05 Office of Strategic Industries and Entrepreneurship</td>
<td>1,390,385</td>
<td>243,037</td>
<td>1,633,422</td>
</tr>
<tr>
<td>T00F00.06 Office of Cybersecurity and Aerospace</td>
<td></td>
<td></td>
<td>1,219,809</td>
</tr>
<tr>
<td>T00F00.07 Partnership for Workforce Quality</td>
<td></td>
<td></td>
<td>1,000,000</td>
</tr>
<tr>
<td>Code</td>
<td>Description</td>
<td>General Fund Appropriation</td>
<td>Special Fund Appropriation</td>
</tr>
<tr>
<td>--------------</td>
<td>------------------------------------------------------------------------------</td>
<td>-----------------------------</td>
<td>-----------------------------</td>
</tr>
<tr>
<td>T00F00.08</td>
<td>Office of Finance Programs</td>
<td>1,500,000</td>
<td>3,916,558</td>
</tr>
<tr>
<td>T00F00.09</td>
<td>Maryland Small Business Development Financing Authority – Business Assistance</td>
<td>1,500,000</td>
<td>3,360,000</td>
</tr>
<tr>
<td>T00F00.11</td>
<td>Maryland Not–For–Profit Development Fund</td>
<td></td>
<td>337,500</td>
</tr>
<tr>
<td>T00F00.12</td>
<td>Maryland Biotechnology Investment Tax Credit Reserve Fund</td>
<td>12,000,000</td>
<td></td>
</tr>
<tr>
<td>T00F00.16</td>
<td>Economic Development Opportunity Fund</td>
<td></td>
<td>10,000,000</td>
</tr>
<tr>
<td>T00F00.18</td>
<td>Military Personnel and Service–Disabled Veteran Loan Program</td>
<td>100,000</td>
<td>300,000</td>
</tr>
<tr>
<td>T00F00.19</td>
<td>Cybersecurity Investment Incentive Tax Credit Program</td>
<td></td>
<td>2,000,000</td>
</tr>
<tr>
<td>T00F00.20</td>
<td>Maryland E–Nnovation Initiative</td>
<td></td>
<td>9,500,000</td>
</tr>
<tr>
<td>T00F00.21</td>
<td>Maryland Economic Adjustment Fund</td>
<td></td>
<td>200,000</td>
</tr>
<tr>
<td>T00F00.23</td>
<td>Maryland Economic Development Assistance Authority and Fund</td>
<td></td>
<td>25,000,000</td>
</tr>
<tr>
<td>T00F00.24</td>
<td>More Jobs for Marylanders Tax Credit Reserve Fund</td>
<td></td>
<td>9,500,000</td>
</tr>
</tbody>
</table>
### General Fund Appropriation

<table>
<thead>
<tr>
<th>Item Description</th>
<th>Appropriation</th>
</tr>
</thead>
<tbody>
<tr>
<td>More Jobs for Marylanders Sales and Use Tax Credit Reserve Fund</td>
<td>1,000,000</td>
</tr>
<tr>
<td><strong>SUMMARY</strong></td>
<td></td>
</tr>
<tr>
<td>Total General Fund Appropriation</td>
<td>34,537,544</td>
</tr>
<tr>
<td>Total Special Fund Appropriation</td>
<td>55,690,056</td>
</tr>
<tr>
<td><strong>Total Appropriation</strong></td>
<td>90,227,600</td>
</tr>
</tbody>
</table>

### DIVISION OF TOURISM, FILM AND THE ARTS

<table>
<thead>
<tr>
<th>Item Description</th>
<th>Appropriation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Office of the Assistant Secretary</td>
<td>723,198</td>
</tr>
<tr>
<td>Office of Tourism Development</td>
<td>3,575,604</td>
</tr>
<tr>
<td>Maryland Tourism Development Board</td>
<td></td>
</tr>
<tr>
<td>General Fund Appropriation</td>
<td>9,250,000</td>
</tr>
<tr>
<td>Special Fund Appropriation</td>
<td>300,000</td>
</tr>
<tr>
<td><strong>Total General Fund Appropriation</strong></td>
<td>39,301,635</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Item Description</th>
<th>Appropriation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maryland State Arts Council</td>
<td></td>
</tr>
<tr>
<td>General Fund Appropriation, provided that this appropriation shall be reduced by $1,000,000 contingent upon the enactment of legislation reducing Maryland State Arts Council funding</td>
<td>20,752,833</td>
</tr>
<tr>
<td>Special Fund Appropriation</td>
<td>1,300,000</td>
</tr>
<tr>
<td>Federal Fund Appropriation</td>
<td>662,732</td>
</tr>
<tr>
<td><strong>Total General Fund Appropriation</strong></td>
<td>22,715,565</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Item Description</th>
<th>Appropriation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Film Production Rebate Program</td>
<td>5,000,000</td>
</tr>
<tr>
<td>Preservation of Cultural Arts Program</td>
<td>1,000,000</td>
</tr>
<tr>
<td><strong>SUMMARY</strong></td>
<td></td>
</tr>
<tr>
<td>Total General Fund Appropriation</td>
<td>39,301,635</td>
</tr>
</tbody>
</table>
MARYLAND TECHNOLOGY DEVELOPMENT CORPORATION

T50T01.01 Technology Development, Transfer and Commercialization
   General Fund Appropriation ........................... 4,574,480

T50T01.03 Maryland Stem Cell Research Fund
   General Fund Appropriation ........................... 8,200,000

T50T01.04 Maryland Innovation Initiative
   General Fund Appropriation ........................... 4,800,000

T50T01.05 Cybersecurity Investment Fund
   General Fund Appropriation ........................... 900,000

T50T01.06 Enterprise Investment Fund Administration
   Special Fund Appropriation ........................... 1,714,159

T50T01.07 Capital – Enterprise Investment Fund
   Special Fund Appropriation ........................... 6,000,000

T50T01.08 Second Stage Business Incubator
   General Fund Appropriation ........................... 1,000,000

SUMMARY

Total General Fund Appropriation ........................ 19,474,480
Total Special Fund Appropriation ........................ 7,714,159

Total Appropriation ........................................ 27,188,639
DEPARTMENT OF THE ENVIRONMENT

OFFICE OF THE SECRETARY

U00A01.01  Office of the Secretary

<table>
<thead>
<tr>
<th>Fund Type</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund Appropriation</td>
<td>908,350</td>
</tr>
<tr>
<td>Special Fund Appropriation</td>
<td>670,164</td>
</tr>
<tr>
<td>Federal Fund Appropriation</td>
<td>720,173</td>
</tr>
</tbody>
</table>

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

U00A01.03  Capital Appropriation – Water Quality Revolving Loan Fund

<table>
<thead>
<tr>
<th>Fund Type</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Special Fund Appropriation</td>
<td>110,400,000</td>
</tr>
<tr>
<td>Federal Fund Appropriation</td>
<td>33,000,000</td>
</tr>
</tbody>
</table>

Funds are appropriated in other units of the Department of the Environment to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

U00A01.04  Capital Appropriation – Hazardous Substance Clean–Up Program

<table>
<thead>
<tr>
<th>Fund Type</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund Appropriation</td>
<td>500,000</td>
</tr>
</tbody>
</table>

U00A01.05  Capital Appropriation – Drinking Water Revolving Loan Fund

<table>
<thead>
<tr>
<th>Fund Type</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Special Fund Appropriation</td>
<td>16,880,000</td>
</tr>
<tr>
<td>Federal Fund Appropriation</td>
<td>10,300,000</td>
</tr>
</tbody>
</table>

Funds are appropriated in other units of the Department of the Environment to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

U00A01.11  Capital Appropriation – Bay
Restoration Fund – Wastewater  
Special Fund Appropriation .............................. 70,000,000

U00A01.12 Capital Appropriation – Bay  
Restoration Fund – Septic Systems  
Special Fund Appropriation .............................. 15,000,000

U00A01.14 Capital Appropriation – Energy – Water  
Infrastructure Program  
Special Fund Appropriation .............................. 8,000,000

SUMMARY

Total General Fund Appropriation ................................ 1,408,350  
Total Special Fund Appropriation ................................ 220,950,164  
Total Federal Fund Appropriation ................................ 44,020,173

Total Appropriation ............................................. 266,378,687

OPERATIONAL SERVICES ADMINISTRATION

U00A02.02 Operational Services Administration  
General Fund Appropriation ............................... 5,018,410  
Special Fund Appropriation ............................... 2,816,930  
Federal Fund Appropriation ............................... 1,373,551  

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

WATER AND SCIENCE ADMINISTRATION

U00A04.01 Water and Science Administration  
General Fund Appropriation ............................... 17,517,245  
Special Fund Appropriation ............................... 9,511,343  
Federal Fund Appropriation ............................... 14,376,261  

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for
operating expenses in this program.

**LAND AND MATERIALS ADMINISTRATION**

<table>
<thead>
<tr>
<th>U00A06.01 Land and Materials Administration</th>
<th>General Fund Appropriation</th>
<th>Special Fund Appropriation</th>
<th>Federal Fund Appropriation</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2,301,583</td>
<td>20,250,038</td>
<td>9,295,847</td>
</tr>
</tbody>
</table>

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

**AIR AND RADIATION ADMINISTRATION**

<table>
<thead>
<tr>
<th>U00A07.01 Air and Radiation Administration</th>
<th>General Fund Appropriation</th>
<th>Special Fund Appropriation</th>
<th>Federal Fund Appropriation</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1,399,510</td>
<td>11,250,018</td>
<td>4,342,357</td>
</tr>
</tbody>
</table>

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

**COORDINATING OFFICES**

<table>
<thead>
<tr>
<th>U00A10.01 Coordinating Offices</th>
<th>General Fund Appropriation</th>
<th>Special Fund Appropriation</th>
<th>Federal Fund Appropriation</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2,770,525</td>
<td>22,463,737</td>
<td>2,419,575</td>
</tr>
</tbody>
</table>

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

<table>
<thead>
<tr>
<th>U00A10.02 Major Information Technology Development Projects</th>
<th>Special Fund Appropriation</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>841,448</td>
</tr>
</tbody>
</table>
### SUMMARY

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>U00A10.03 Bay Restoration Fund Debt Service</td>
<td>33,000,000</td>
</tr>
<tr>
<td>Special Fund Appropriation</td>
<td></td>
</tr>
<tr>
<td>Total General Fund Appropriation</td>
<td>2,770,525</td>
</tr>
<tr>
<td>Total Special Fund Appropriation</td>
<td>56,305,185</td>
</tr>
<tr>
<td>Total Federal Fund Appropriation</td>
<td>2,419,575</td>
</tr>
<tr>
<td>Total Appropriation</td>
<td>61,495,285</td>
</tr>
</tbody>
</table>
DEPARTMENT OF JUVENILE SERVICES

OFFICE OF THE SECRETARY

V00D01.01  Office of the Secretary
General Fund Appropriation ........................... 4,049,552

DEPARTMENTAL SUPPORT

V00D02.01  Departmental Support
General Fund Appropriation ........................... 24,684,353
Federal Fund Appropriation ........................... 220,524 24,904,877

RESIDENTIAL AND COMMUNITY OPERATIONS

V00E01.01  Residential and Community Operations
General Fund Appropriation ........................... 4,774,214
Special Fund Appropriation ........................... 12,810
Federal Fund Appropriation ........................... 715,385 5,502,409

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

BALTIMORE CITY REGION

V00G01.01  Baltimore City Region Operations
General Fund Appropriation ........................... 52,388,394
Special Fund Appropriation ........................... 860,054
Federal Fund Appropriation ........................... 896,050 54,144,498

CENTRAL REGION

V00H01.01  Central Region Operations
General Fund Appropriation ........................... 34,675,899
Special Fund Appropriation ........................... 488,488
Federal Fund Appropriation ........................... 530,330 35,694,717
WESTERN REGION

V00I01.01 Western Region Operations

<table>
<thead>
<tr>
<th>Appropriation Type</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund Appropriation</td>
<td>47,442,874</td>
</tr>
<tr>
<td>Special Fund Appropriation</td>
<td>889,093</td>
</tr>
<tr>
<td>Federal Fund Appropriation</td>
<td>1,318,983</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>49,650,950</strong></td>
</tr>
</tbody>
</table>

EASTERN SHORE REGION

V00J01.01 Eastern Shore Region Operations

<table>
<thead>
<tr>
<th>Appropriation Type</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund Appropriation</td>
<td>19,656,185</td>
</tr>
<tr>
<td>Special Fund Appropriation</td>
<td>228,236</td>
</tr>
<tr>
<td>Federal Fund Appropriation</td>
<td>258,378</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>20,142,799</strong></td>
</tr>
</tbody>
</table>

SOUTHERN REGION

V00K01.01 Southern Region Operations

<table>
<thead>
<tr>
<th>Appropriation Type</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund Appropriation</td>
<td>22,962,961</td>
</tr>
<tr>
<td>Special Fund Appropriation</td>
<td>400,978</td>
</tr>
<tr>
<td>Federal Fund Appropriation</td>
<td>584,775</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>23,948,714</strong></td>
</tr>
</tbody>
</table>

METRO REGION

V00L01.01 Metro Region Operations

<table>
<thead>
<tr>
<th>Appropriation Type</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund Appropriation</td>
<td>53,193,531</td>
</tr>
<tr>
<td>Special Fund Appropriation</td>
<td>736,450</td>
</tr>
<tr>
<td>Federal Fund Appropriation</td>
<td>799,561</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>54,729,542</strong></td>
</tr>
</tbody>
</table>
## DEPARTMENT OF STATE POLICE

### MARYLAND STATE POLICE

<table>
<thead>
<tr>
<th>W00A01.01</th>
<th>Office of the Superintendent</th>
<th>General Fund Appropriation</th>
<th>24,076,614</th>
</tr>
</thead>
<tbody>
<tr>
<td>W00A01.02</td>
<td>Field Operations Bureau</td>
<td>General Fund Appropriation, provided that $250,000 of this appropriation made for the purpose of funding personnel expenses may not be expended until the Department of State Police submits a report to the budget committees demonstrating that at least 15 positions currently filled by troopers have been reclassified as civilian positions by December 1, 2018. The report shall be submitted to the budget committees by December 15, 2018, and the budget committees shall have 45 days to review and comment. To the extent that positions are not successfully reclassified or the report is not submitted by the requested date, the restricted funds shall revert to the General Fund</td>
<td>122,802,558</td>
</tr>
<tr>
<td>W00A01.03</td>
<td>Criminal Investigation Bureau</td>
<td>General Fund Appropriation</td>
<td>61,208,953</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Federal Fund Appropriation</td>
<td>1,425,000</td>
</tr>
<tr>
<td>W00A01.04</td>
<td>Support Services Bureau</td>
<td>General Fund Appropriation</td>
<td>64,148,816</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Special Fund Appropriation</td>
<td>32,121,015</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Federal Fund Appropriation</td>
<td>5,500,000</td>
</tr>
</tbody>
</table>

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.
budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

W00A01.08 Vehicle Theft Prevention Council
Special Fund Appropriation ............................... 2,000,000

SUMMARY

<table>
<thead>
<tr>
<th>Appropriation</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total General Fund Appropriation</td>
<td>272,236,941</td>
</tr>
<tr>
<td>Total Special Fund Appropriation</td>
<td>96,501,728</td>
</tr>
<tr>
<td>Total Federal Fund Appropriation</td>
<td>6,925,000</td>
</tr>
<tr>
<td>Total Appropriation</td>
<td>375,663,669</td>
</tr>
</tbody>
</table>

FIRE PREVENTION COMMISSION AND FIRE MARSHAL

W00A02.01 Fire Prevention Services
General Fund Appropriation ....................... 9,302,159

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.
PUBLIC DEBT

X00A00.01 Redemption and Interest on State Bonds

<table>
<thead>
<tr>
<th></th>
<th>Amount</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund Appropriation</td>
<td>280,000,000</td>
<td>286,000,000</td>
</tr>
<tr>
<td>Special Fund Appropriation</td>
<td>1,004,000,000</td>
<td>1,305,831,083</td>
</tr>
<tr>
<td>Federal Fund Appropriation</td>
<td>12,831,083</td>
<td>1,302,831,083</td>
</tr>
</tbody>
</table>
STATE RESERVE FUND

Y01A01.01 Revenue Stabilization Account
General Fund Appropriation, provided that this appropriation is reduced by $193,000,000
contingent upon the enactment of legislation to maintain the fund balance at 5% of projected fiscal 2019
General Fund revenues. Further provided that $42,671,000 of this appropriation may not be credited to
the Revenue Stabilization Account and shall only be transferred by budget amendment to appropriations for the
following projects or programs in the following specified amounts:

(1) $12,100,000 to Program M00Q01.03 Medical Care Provider Reimbursements to raise the fiscal
2019 nursing home provider rate increase to 3%;

(2) $5,100,000 to Program M00Q01.03 Medical Care Provider Reimbursements to raise the fiscal
2019 home– and community–based services provider rate increase to 3%;

(3) $10,000,000 to Program D15A05.16 Governor’s Office of Crime Control and Prevention to support school safety grants
$9,000,000 to Program R00A02.13 Innovative Programs to be used only for funding one–time operating grants to local education agencies to improve the safety and security of public schools, which may include, but are not limited to, de–escalation training, problem–solving training, and outreach to heighten awareness of existing mental health services available to students:
(4) $5,000,000 to Program D15A05.16 Governor’s Office of Crime Control and Prevention to provide grants for the Tyrone Ray Violence Intervention and Prevention Fund and provide grants and funding for violence intervention and prevention initiatives;

(5) $3,000,000 to Program N00G00.01 Foster Care Maintenance Payments and V00A Department of Juvenile Services to raise the fiscal 2019 residential services for children services provider rate to 3%;

(6) $2,500,000 to Program R00A02.13 Innovative Programs to support the Maryland Early Literacy Initiative;

(7) $2,000,000 to Agency R62I Maryland Higher Education Commission for scholarships;

(8) $2,000,000 to Program R00A02.13 Innovative Programs to support career and technical education innovation;

(9) $250,000 to Program R00A02.13 Innovative Programs to support teacher recruitment and outreach;

(10) $121,000 to Program R00A01.13 Division of Special Education/Early Intervention Services to fund special education studies; and

(11) $100,000 to the Maryland Humanities Council;

(12) $3,000,000 to Program R15P00.04 Content Enterprises to produce a nationally syndicated level production on
both the life and impact of Harriet Tubman and the life and impact of Frederick Douglass;

(13) $20,000 to Program D60A10.01 Archives to research, write, design, and print fully illustrated booklet or booklets on the history of the Old Senate and House of Delegates chambers in the Maryland State House;

(14) $25,000 for 901 Arts in Baltimore City;

(15) $25,000 Arts Every Day in Baltimore City;

(16) $40,000 for Laurel Advocacy and Referral Services, Inc.; and

(17) $200,000 to Program L00A12.10 Marketing and Agricultural Development to provide grants for the Maryland Farms and Families Fund; and

(12) $500,000 to Program J00D01.01 Maryland Port Administration to support the Pride of Baltimore.

Funds not used for these restricted purposes shall revert to the General Fund

Y01A02.01 Dedicated Purpose Account
General Fund Appropriation, provided that $50,000,000 of this appropriation shall be reduced contingent upon the enactment of legislation reducing the amount of retirement reinvestment contributions.

Further provided that $15,000,000 of this appropriation shall be reduced contingent upon the enactment of legislation
adjusting the repayment schedule for programs supported by the transfer tax ...

71,000,000

Retirement Reinvestment Contributions 50,000,000
Program Open Space Repayment 21,000,000

Y01A03.01 Economic Development Opportunities Program Account
General Fund Appropriation, provided that $10,000,000 of this appropriation shall be contingent on the enactment of HB 989 or SB 877 ........................................ 15,000,000

Marriott International, Inc. 5,000,000
Amazon 10,000,000
OFFICE OF THE PUBLIC DEFENDER

FY 2018 Deficiency Appropriation

C80B00.01 General Administration
To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2018 to fund case–related and operating expenses incurred in fiscal 2017 that exceeded the fiscal 2017 appropriation.

General Fund Appropriation ........................................ 15,258

C80B00.01 General Administration
To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2018 to fund the relocation of information technology facilities.

General Fund Appropriation ........................................ 639,337

C80B00.01 General Administration
To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2018 to fund increased hiring for vacant administrative positions.

General Fund Appropriation ........................................ 15,563

C80B00.02 District Operations
To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2018 to fund case–related and operating expenses incurred in fiscal 2017 that exceeded the fiscal 2017 appropriation.

General Fund Appropriation ........................................ 2,470,153

C80B00.02 District Operations
To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2018 to fund increased hiring for vacant administrative positions.

General Fund Appropriation ........................................ 197,420
C80B00.02 District Operations
To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2018 to provide additional funds for panel attorney fees.

General Fund Appropriation ............................................. 130,987

C80B00.03 Appellate and Inmate Services
To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2018 to fund case–related and operating expenses incurred in fiscal 2017 that exceeded the fiscal 2017 appropriation.

General Fund Appropriation ............................................. 94,989

C80B00.03 Appellate and Inmate Services
To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2018 to fund increased hiring for vacant administrative positions.

General Fund Appropriation ............................................. 13,305

C80B00.04 Involuntary Institutionalization Services
To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2018 to fund increased hiring for vacant administrative positions.

General Fund Appropriation ............................................. 3,388

MARYLAND ENERGY ADMINISTRATION

FY 2018 Deficiency Appropriation

D13A13.01 General Administration
To become available immediately upon passage of this budget to reduce the appropriation for fiscal 2018 to recognize contractual salary and office equipment savings.
Special Fund Appropriation ........................................ -103,338

D13A13.07  Energy Efficiency and Conservation Programs, All Other Sectors
To become available immediately upon passage of this budget to increase the appropriation for fiscal 2018 to recognize Most Favored Nation payments as the result of the Exelon/Pepco merger settlement.

Special Fund Appropriation ........................................ 1,500,000

EXECUTIVE DEPARTMENT – BOARDS, COMMISSIONS AND OFFICES
FY 2018 Deficiency Appropriation

D15A05.05  Governor’s Office of Community Initiatives
To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2018 to provide funds for the Banneker–Douglas Museum to address maintenance and safety issues.

General Fund Appropriation ........................................ 165,268

D15A05.16  Governor’s Office of Crime Control and Prevention
To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2018 to provide funds for two new positions to support the Maryland Criminal Intelligence Network.

General Fund Appropriation ........................................ 50,974

SECRETARY OF STATE
FY 2018 Deficiency Appropriation

D16A06.01  Office of the Secretary of State
To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2018 to provide funds for personnel expenses.
General Fund Appropriation ............................................. 197,000

STATE BOARD OF ELECTIONS

FY 2018 Deficiency Appropriation

D38I01.02 Help America Vote Act
To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2018 to provide funds for voting equipment for the 2018 Gubernatorial election.

General Fund Appropriation ............................................. 239,301
Special Fund Appropriation ............................................. 239,301

478,602

D38I01.02 Help America Vote Act
To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2018 to provide funding for Oracle software licenses.

General Fund Appropriation ............................................. 249,705
Special Fund Appropriation ............................................. 249,706

499,411

MILITARY DEPARTMENT

FY 2018 Deficiency Appropriation

D50H01.02 Air Operations and Maintenance
To become available immediately upon passage of this budget to reduce the appropriation for fiscal 2018 to reflect fuel and utility savings.

General Fund Appropriation ............................................. –8,971

D50H01.03 Army Operations and Maintenance
To become available immediately upon passage of this budget to reduce the appropriation for fiscal 2018 to reflect fuel and utility savings.
DEPARTMENT OF VETERANS AFFAIRS

FY 2018 Deficiency Appropriation

D55P00.05 Veterans Home Program
To become available immediately upon passage of this budget to reduce the appropriation for fiscal 2018 for excess special fund appropriation that is no longer needed due to a delayed contract effective date.

Special Fund Appropriation ........................................... –301,500

D55P00.08 Executive Direction
To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2018 to provide funds to support personnel costs.

General Fund Appropriation ........................................... 98,046

CANAL PLACE PRESERVATION AND DEVELOPMENT AUTHORITY

FY 2018 Deficiency Appropriation

D90U00.01 General Administration
To become available immediately upon passage of this budget to reduce fiscal 2018 appropriation to reflect the cancellation of a capital lease agreement in fiscal 2018.

General Fund Appropriation ........................................... –33,553

STATE DEPARTMENT OF ASSESSMENTS AND TAXATION

FY 2018 Deficiency Appropriation

E50C00.02 Real Property Valuation
To become available immediately upon passage of this budget to reduce the appropriation for fiscal 2018 to match special funds to general funds reduced by the
Board of Public Works meeting on September 6, 2017.

Special Fund Appropriation .............................................. $-50,472

E50C00.04 Office of Information Technology
To become available immediately upon passage of this budget to reduce the appropriation for fiscal 2018 to match special funds to general funds reduced by the Board of Public Works meeting on September 6, 2017.

Special Fund Appropriation .............................................. $-136,800

E50C00.05 Business Property Valuation
To become available immediately upon passage of this budget to reduce the appropriation for fiscal 2018 to match special funds to general funds reduced by the Board of Public Works meeting on September 6, 2017.

Special Fund Appropriation .............................................. $-41,162

E50C00.06 Tax Credit Payments
To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2018 to provide funds for anticipated tax credit disbursements for Enterprise Zones.

General Fund Appropriation ............................................. $2,118,199

MARYLAND LOTTERY AND GAMING CONTROL AGENCY

FY 2018 Deficiency Appropriation

E75D00.01 Administration and Operations
To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2018 to provide funds to update the lottery ticket central system.

Special Fund Appropriation .............................................. $2,833,333

E75D00.02 Video Lottery Terminal and Gaming Operations
To become available immediately upon passage of this budget to reduce the appropriation for fiscal 2018 related to divesting the operation and maintenance of video lottery terminals.

General Fund Appropriation ........................................... 
Special Fund Appropriation ...........................................
= -10,217,724
-1,746,692

= -11,964,416

E75D00.02 Video Lottery Terminal and Gaming Operations
To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2018 to provide funds for negotiated personnel costs.

General Fund Appropriation ........................................... 

78,757

DEPARTMENT OF BUDGET AND MANAGEMENT
FY 2018 Deficiency Appropriation

F10A02.08 Statewide Expenses
To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2018 to provide federal reimbursement for Maryland Correctional Enterprises and State Treasurer’s Insurance fund balance transfers to the General Fund from fiscal 2012 through 2014.

General Fund Appropriation ........................................... 

60,041

DEPARTMENT OF INFORMATION TECHNOLOGY
FY 2018 Deficiency Appropriation

MAJOR INFORMATION TECHNOLOGY DEVELOPMENT PROJECT FUND

F50A01.01 Major Information Technology Development Project Fund
To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2018 to provide funds for the ONE Portal project.
General Fund Appropriation ......................................... 1,000,000

OFFICE OF INFORMATION TECHNOLOGY

F50B04.04 Infrastructure
To become available immediately upon passage of this budget to reduce the appropriation for fiscal 2018 to reflect nine positions that were transferred from the Department of Information Technology to the Department of Juvenile Services in fiscal 2018. Provided that the transfer of up to $172,000 in general funds to other State agencies is authorized.

General Fund Appropriation ......................................... −516,251

MARYLAND STATE RETIREMENT AND PENSION SYSTEMS

FY 2018 Deficiency Appropriation

G20J01.01 State Retirement Agency
To become available immediately upon passage of this budget to realign the appropriation for fiscal 2018 from the agency’s operating budget to cover costs related to MPAS–3.

Special Fund Appropriation ......................................... −845,000

G20J01.02 Major Information Technology Development Projects
To become available immediately upon passage of this budget to realign the appropriation for fiscal 2018 from the agency’s operating budget to cover costs related to MPAS–3.

Special Fund Appropriation ......................................... 845,000

TEACHERS AND STATE EMPLOYEES SUPPLEMENTAL RETIREMENT PLAN

FY 2018 Deficiency Appropriation

G50L00.01 Maryland Supplemental Retirement Plan Board
and Staff
To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2018 to provide funds for agency operations.

Special Fund Appropriation .......................................................... 57,300

---

DEPARTMENT OF GENERAL SERVICES

FY 2018 Deficiency Appropriation

H00C01.01 Facilities Operation and Maintenance
To become available immediately upon passage of this budget to reduce the appropriation for fiscal 2018 to reflect lower energy costs.

General Fund Appropriation ....................................................... –601,343
Special Fund Appropriation ....................................................... –17,214
Federal Fund Appropriation ....................................................... –37,689

---

–656,246

OFFICE OF PROCUREMENT AND LOGISTICS

H00D01.01 Procurement and Logistics
To become available immediately upon passage of this bill to reduce the appropriation for fiscal 2018 to reflect deferred revenues that should be reverted to the General Fund.

General Fund Appropriation ....................................................... –934,328

---

OFFICE OF REAL ESTATE

H00E01.01 Real Estate Management
To become available immediately upon passage of this bill to reduce the appropriation for fiscal 2018 to reflect deferred revenues that should be reverted to the General Fund.

General Fund Appropriation ....................................................... –387,126

---

DEPARTMENT OF NATURAL RESOURCES
FY 2018 Deficiency Appropriation

FOREST SERVICE

K00A02.09 Forest Service
To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2018 to provide funds for the replacement of fire suppression equipment.

Federal Fund Appropriation .............................................................. 80,040

MARYLAND PARK SERVICE

K00A04.01 Statewide Operations
To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2018 to provide funds for design and construction of improvements for the Fair Hill Natural Resource Management Area (NRMA).

Special Fund Appropriation .............................................................. 2,500,000

LAND ACQUISITION AND PLANNING

K00A05.10 Outdoor Recreation Land Loan
To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2018 to provide funds for repairs at Brownsville Pond under an agreement with Washington County.

Special Fund Appropriation .............................................................. 43,348

K00A05.10 Outdoor Recreation Land Loan
To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2018 to provide funds for the replacement of the Captain John Smith Plaza Playground at Sandy Point State Park.

Federal Fund Appropriation .............................................................. 200,000
NATURAL RESOURCES POLICE

K00A07.01 General Direction
To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2018 to provide funds for equipment replacement funded by High Intensity Drug Trafficking Agreements (HIDTA) with the Department of Justice.

Federal Fund Appropriation ........................................ 380,000

K00A07.04 Field Operations
To become available immediately upon passage of this budget to reduce the appropriation for fiscal 2018 to recognize fiscal 2018 salary savings.

General Fund Appropriation ......................................... −500,000

CHESAPEAKE AND COASTAL SERVICE

K00A14.02 Chesapeake and Coastal Service
To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2018 to provide funds for projects implemented by the Coastal Zone Management Program.

Federal Fund Appropriation ........................................ 169,205

DEPARTMENT OF AGRICULTURE

FY 2018 Deficiency Appropriation

OFFICE OF PLANT INDUSTRIES AND PEST MANAGEMENT

L00A14.03 Mosquito Control
To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2018 to provide funds for black fly eradication and control activities.

General Fund Appropriation ........................................ 190,000
MARYLAND DEPARTMENT OF HEALTH

FY 2018 Deficiency Appropriation

OFFICE OF THE SECRETARY

M00A01.02 Operations
To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2018 to provide funds to replace a declining share of indirect cost recoveries.

General Fund Appropriation .................................................. 1,924,819

M00A01.02 Operations
To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2018 to provide funds for facility maintenance across the Maryland Department of Health.

General Fund Appropriation .................................................. 1,719,300

DEPUTY SECRETARY FOR PUBLIC HEALTH SERVICES

M00F01.01 Executive Direction
To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2018 to provide funds for the development of an integrated electronic birth, death, and fetal death registration and cost accounting system.

General Fund Appropriation, provided that this funding may not be expended until the Department of Information Technology (DoIT) reviews the project and makes a determination on whether the project should be included as a Major Information Technology Project and the Maryland Department of Health submits a report that details the DoIT determination. The budget committees shall have 15 days to review and comment. Funds restricted pending receipt of the report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if a report is not submitted .................................................. 486,661
M00F01.01 Executive Direction
To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2018 to provide funds for the digitization of records at the Vital Statistics Administration that are currently contained on microfilm.

General Fund Appropriation .................................................. 200,000

BEHAVIORAL HEALTH ADMINISTRATION

M00L01.02 Community Services
To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2018 to provide funds for increasing capacity in the community to accommodate court–ordered placements for treatment.

General Fund Appropriation .................................................. 334,679

M00L01.02 Community Services
To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2018 to provide funds for fee–for–service residential treatment services.

General Fund Appropriation .................................................. 3,264,681

M00L01.03 Community Services for Medicaid State Fund Recipients
To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2018 to provide funds for increasing capacity in the community to accommodate court–ordered placements for treatment.

General Fund Appropriation .................................................. 1,640,656

REGIONAL INSTITUTE FOR CHILDREN AND ADOLESCENTS – BALTIMORE
M00L05.01 Regional Institute for Children and Adolescents – Baltimore
   To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2018 to provide funds for operations costs associated with increased bed capacity.

   General Fund Appropriation ........................................... 223,866

   EASTERN SHORE HOSPITAL CENTER

M00L07.01 Eastern Shore Hospital Center
   To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2018 to provide funds for operations costs associated with increased bed capacity.

   General Fund Appropriation ........................................... 392,289

   CLIFTON T. PERKINS HOSPITAL CENTER

M00L10.01 Clifton T. Perkins Hospital Center
   To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2018 to provide funds for operations costs associated with increased bed capacity.

   General Fund Appropriation ........................................... 135,871

   M00L10.01 Clifton T. Perkins Hospital Center
   To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2018 to provide funds for non-general funded positions that transferred into the facility to enable bed expansion.

   General Fund Appropriation ........................................... 423,220

   JOHN L. GILDNER REGIONAL INSTITUTE FOR CHILDREN AND ADOLESCENTS

M00L11.01 John L. Gildner Regional Institute for Children and Adolescents
   To become available immediately upon passage of this
budget to supplement the appropriation for fiscal 2018 to provide funds for operations costs associated with increased bed capacity.

General Fund Appropriation ................................................ 102,752

BEHAVIORAL HEALTH ADMINISTRATION

FACILITY MAINTENANCE

M00L15.01 Behavioral Health Administration Facility Maintenance
To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2018 to provide funds for fuel, utilities, security services, and other operational costs at Crownsville Hospital Center.

General Fund Appropriation ................................................ 733,593
Special Fund Appropriation .................................................... 6,273

739,866

POTOMAC CENTER

M00M07.01 Potomac Center
To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2018 to provide funds for operations costs associated with increased bed capacity.

General Fund Appropriation ................................................ 361,958

M00M07.01 Potomac Center
To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2018 to provide funds for non–general funded positions that transferred into the facility to enable bed expansion.

General Fund Appropriation ................................................ 130,555

MEDICAL CARE PROGRAMS ADMINISTRATION

M00Q01.03 Medical Care Provider Reimbursements
To become available immediately upon passage of this
budget to supplement the appropriation for fiscal 2018 to provide funds for medical provider reimbursements.

General Fund Appropriation ........................................... 20,500,000
Special Fund Appropriation ........................................... 21,400,000
−10,650,000

18,850,000
10,750,000

M00Q01.09 Office of Eligibility Services
To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2018 to provide additional positions to conduct Medicaid eligibility determination for individuals leaving DPSCS custody.

General Fund Appropriation ........................................... 33,680
Federal Fund Appropriation ........................................... 74,744

108,424

M00Q01.10 Medicaid Behavioral Health Provider Reimbursements
To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2018 to provide funds for service year 2017 medical provider reimbursements and contractual services.

General Fund Appropriation ........................................... 17,000,000
Federal Fund Appropriation ........................................... 34,460,000

51,460,000

M00Q01.10 Medicaid Behavioral Health Provider Reimbursements
To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2018 to provide funds for service year 2018 medical provider reimbursements and contractual services.

General Fund Appropriation ........................................... 7,800,000
Federal Fund Appropriation ........................................... 50,360,000
DEPARTMENT OF HUMAN SERVICES

FY 2018 Deficiency Appropriation

FAMILY INVESTMENT ADMINISTRATION

N00I00.06 Office of Home Energy Programs
To become available immediately upon passage of this budget to reduce the appropriation for fiscal 2018 to align appropriations with available Strategic Energy Investment Fund revenues.

Special Fund Appropriation .......................................................... −10,000,000

DEPARTMENT OF PUBLIC SAFETY AND CORRECTIONAL SERVICES

FY 2018 Deficiency Appropriation

OFFICE OF THE SECRETARY

Q00A01.01 General Administration
To become available immediately upon passage of this budget to reduce the appropriation for fiscal 2018 to reflect fuel and utility savings.

General Fund Appropriation ...................................................... −5,000

Q00A01.02 Information Technology and Communications Division
To become available immediately upon passage of this budget to reduce the appropriation for fiscal 2018 to reflect fuel and utility savings.

General Fund Appropriation ...................................................... −10,000

DEPUTY SECRETARY FOR OPERATIONS

Q00A02.01 Administrative Services
To become available immediately upon passage of this budget to reduce the appropriation for fiscal 2018 to
reflect fuel and utility savings.

General Fund Appropriation .................................................. -20,000

DIVISION OF CORRECTION – WEST REGION

Q00R02.04 Western Correctional Institution
To become available immediately upon passage of this budget to reduce the appropriation for fiscal 2018 to reflect fuel and utility savings.

General Fund Appropriation .................................................. -105,000

Q00R02.05 North Branch Correctional Institution
To become available immediately upon passage of this budget to reduce the appropriation for fiscal 2018 to reflect fuel and utility savings.

General Fund Appropriation .................................................. -105,000

DIVISION OF CORRECTION – EAST REGION

Q00S02.01 Jessup Correctional Institution
To become available immediately upon passage of this budget to reduce the appropriation for fiscal 2018 to reflect fuel and utility savings.

General Fund Appropriation .................................................. -325,000

Q00S02.06 Southern Maryland Pre-Release Unit
To become available immediately upon passage of this budget to reduce the appropriation for fiscal 2018 to reflect fuel and utility savings.

General Fund Appropriation .................................................. -10,000

Q00S02.07 Eastern Pre-Release Unit
To become available immediately upon passage of this budget to reduce the appropriation for fiscal 2018 to reflect fuel and utility savings.

General Fund Appropriation .................................................. -55,000
Q00S02.09 Dorsey Run Correctional Facility
   To become available immediately upon passage of this budget to reduce the appropriation for fiscal 2018 to reflect fuel and utility savings.
   General Fund Appropriation ............................................. −50,000

DIVISION OF PRETRIAL DETENTION

Q00T04.04 Baltimore Central Booking and Intake Center
   To become available immediately upon passage of this budget to reduce the appropriation for fiscal 2018 to reflect fuel and utility savings.
   General Fund Appropriation ............................................. −80,000

Q00T04.05 Baltimore Pretrial Complex
   To become available immediately upon passage of this budget to reduce the appropriation for fiscal 2018 to reflect fuel and utility savings.
   General Fund Appropriation ............................................. −505,000

Q00T04.06 Maryland Reception, Diagnostic and Classification Center
   To become available immediately upon passage of this budget to reduce the appropriation for fiscal 2018 to reflect fuel and utility savings.
   General Fund Appropriation ............................................. −400,000

Q00T04.07 Baltimore City Correctional Center
   To become available immediately upon passage of this budget to reduce the appropriation for fiscal 2018 to reflect fuel and utility savings.
   General Fund Appropriation ............................................. −30,000

Q00T04.08 Metropolitan Transition Center
   To become available immediately upon passage of this
budget to reduce the appropriation for fiscal 2018 to reflect fuel and utility savings.

General Fund Appropriation .................................. –200,000

MARYLAND STATE DEPARTMENT OF EDUCATION

FY 2018 Deficiency Appropriation

AID TO EDUCATION

R00A02.01 State Share of Foundation Program
To become available immediately upon passage of this budget to adjust the appropriation for fiscal 2018 to replace Education Trust Fund revenues with general funds due to revised Video Lottery Terminal revenue projections in fiscal 2018.

General Fund Appropriation .................................. 40,564,582
Special Fund Appropriation ................................... –40,564,582

0

R00A02.01 State Share of Foundation Program
To become available immediately upon passage of this budget to supplement the fiscal 2018 appropriation to replace Education Trust Fund revenues with general funds due to a Video Lottery Terminal revenue shortfall in fiscal 2017.

General Fund Appropriation .................................. 5,732,481
Special Fund Appropriation ................................... –5,732,481

0

MARYLAND PUBLIC BROADCASTING COMMISSION

FY 2018 Deficiency Appropriation

R15P00.02 Administration and Support Services
To become available immediately upon passage of this budget to adjust the fiscal 2018 appropriation to realign
funding for FCC Spectrum Repack capital expenditures.

Federal Fund Appropriation ........................................... -3,000,000

R15P00.05 Capital Appropriation
To become available immediately upon passage of this
budget to adjust the fiscal 2018 appropriation to realign
funding for FCC Spectrum Repack capital expenditures.

Federal Fund Appropriation ........................................... 3,000,000

MARYLAND HIGHER EDUCATION COMMISSION

FY 2018 Deficiency Appropriation

R62I00.09 2 + 2 Transfer Scholarship Program
To become available immediately upon passage of this
budget to adjust the appropriation for fiscal 2018 to
transfer funds from the Need–Based Student Financial
Assistance Fund to the 2+2 Transfer Scholarship to
provide awards to eligible students.

Special Fund Appropriation ........................................... 525,000

R62I00.14 Edward T. and Mary A. Conroy Memorial Scholarship Program
To become available immediately upon passage of this
budget to adjust the appropriation for fiscal 2018 to
transfer funds from the Need–Based Student Financial
Assistance Fund to the Edward T. and Mary A. Conroy
Memorial Scholarship Program to provide awards to
eligible students.

Special Fund Appropriation ........................................... 750,000

BALTIMORE CITY COMMUNITY COLLEGE

FY 2018 Deficiency Appropriation

R95C00.06 Institutional Support
To become available immediately upon passage of this
budget to reduce the fiscal 2018 appropriation to bring
funding in line with projected revenues.
Current Unrestricted Fund Appropriation .................. –1,500,000

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

FY 2018 Deficiency Appropriation

DIVISION OF DEVELOPMENT FINANCE

S00A25.04 Housing and Building Energy Programs
To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2018 from the Strategic Energy Investment Fund (SEIF) for weatherization projects.

Special Fund Appropriation ........................................ 415,606

DEPARTMENT OF COMMERCE

FY 2018 Deficiency Appropriation

DIVISION OF BUSINESS AND INDUSTRY SECTOR DEVELOPMENT

T00F00.18 Military Personnel and Service – Disabled Veteran Loan Program
To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2018 to spend available funds for no-interest loans.

Special Fund Appropriation ........................................ 100,000

T00F00.23 Maryland Economic Development Assistance Authority and Fund (MEDAAF)
To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2018 to spend available funds for loans.

Special Fund Appropriation ........................................ 2,500,000

DEPARTMENT OF JUVENILE SERVICES
FY 2018 Deficiency Appropriation

DEPARTMENTAL SUPPORT

V00D02.01 Departmental Support
To become available immediately upon the passage of this budget to supplement the appropriation for fiscal 2018 to provide funds for personnel expenses associated with the transfer of nine positions from the Department of Information Technology.

General Fund Appropriation ........................................... 407,080

BALTIMORE CITY REGION

V00G01.01 Baltimore City Region Operations
To become available immediately upon the passage of this budget to supplement the appropriation for fiscal 2018 to provide funds for personnel expenses associated with the transfer of nine positions from the Department of Information Technology.

General Fund Appropriation ........................................... 53,033

V00G01.01 Baltimore City Region Operations
To become available immediately upon passage of this budget to reduce the fiscal 2018 appropriation for residential per diems to bring funding in line with projected population declines.

General Fund Appropriation ........................................... −1,250,000

METRO REGION

V00L01.01 Metro Region Operations
To become available immediately upon the passage of this budget to supplement the appropriation for fiscal 2018 to provide funds for personnel expenses associated with the transfer of nine positions from the Department of Information Technology.

General Fund Appropriation ........................................... 56,138
SECTION 2. AND BE IT FURTHER ENACTED, That in order to carry out the provisions of these appropriations the Secretary of Budget and Management is authorized:

(a) To allot all or any portion of the funds herein appropriated to the various departments, boards, commissions, officers, schools and institutions by monthly, quarterly or seasonal periods and by objects of expense and may place any funds appropriated but not allotted in contingency reserve available for subsequent allotment. Upon the Secretary’s own initiative or upon the request of the head of any State agency, the Secretary may authorize a change in the amount of funds so allotted. The Secretary shall, before the beginning of the fiscal year, file with the Comptroller of the Treasury a schedule of allotments, if any a list limited to the appropriations restricted in this Act, to be placed in contingency reserve. The Comptroller shall not authorize any expenditure or obligation in excess of the allotment made and any expenditure so made shall be illegal.

(b) To allot all or any portion of funds coming into the hands of any department, board, commission, officer, school and institution of the State, from sources not estimated or calculated upon in the budget.

(c) The Secretary is authorized to fix the number and classes of positions, including temporary and permanent positions, or person years of authorized employment for each agency, unit, or program thereof, not inconsistent with the Public General Laws in regard to classification of positions. The Secretary shall make such determination before the beginning of the fiscal year and shall base them on the positions or person years of employment authorized in the budget as amended by approved budgetary position actions. No payment for salaries or wages nor any request for or certification of personnel shall be made except in accordance with the Secretary’s determinations. At any time during the fiscal year the Secretary may amend the number and classes of positions or person years of employment previously fixed by the Secretary; the Secretary may delegate all or part of this authority. The governing boards of public institutions of higher education shall have the authority to transfer positions between programs and campuses under each institutional board’s jurisdiction without the approval of the Secretary, as provided in Section 15–105 of the Education Article.

(d) To prescribe procedures and forms for carrying out the above provisions.

SECTION 3. AND BE IT FURTHER ENACTED, That in accordance with Section 7–109 of the State Finance and Procurement Article of the Annotated Code of Maryland, it is the intention of the General Assembly to include herein a listing of nonclassified flat rate or per diem positions by unit of State government, job classification, the number in each job classification and the amount proposed for each classification. The Chief Judge of the Court of Appeals may make adjustments to positions contained in the Judicial portion of this section (including judges) that are impacted by changes in salary plans or by salary actions in the executive agencies.
## JUDICIARY

<table>
<thead>
<tr>
<th>Position</th>
<th>Count</th>
<th>Salary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chief Judge, Court of Appeals</td>
<td>1</td>
<td>205,433</td>
</tr>
<tr>
<td>Judge, Court of Appeals (@ 186,433)</td>
<td>6</td>
<td>1,118,598</td>
</tr>
<tr>
<td>Chief Judge, Court of Special Appeals</td>
<td>1</td>
<td>176,633</td>
</tr>
<tr>
<td>Judge, Court of Special Appeals (@ 173,633)</td>
<td>14</td>
<td>2,430,862</td>
</tr>
<tr>
<td>Judge, Circuit Court (@ 164,433)</td>
<td>173</td>
<td>28,446,909</td>
</tr>
<tr>
<td>Chief Judge, District Court of Maryland</td>
<td>1</td>
<td>173,633</td>
</tr>
<tr>
<td>Judge, District Court (@ 151,333)</td>
<td>117</td>
<td>17,705,961</td>
</tr>
<tr>
<td>Judiciary Clerk of Court A (@ 113,985)</td>
<td>7</td>
<td>797,895</td>
</tr>
<tr>
<td>Judiciary Clerk of Court B (@ 117,134)</td>
<td>6</td>
<td>702,804</td>
</tr>
<tr>
<td>Judiciary Clerk of Court C (@ 118,341)</td>
<td>6</td>
<td>710,046</td>
</tr>
<tr>
<td>Judiciary Clerk of Court D (@ 120,177)</td>
<td>5</td>
<td>600,885</td>
</tr>
</tbody>
</table>

## OFFICE OF THE PUBLIC DEFENDER

<table>
<thead>
<tr>
<th>Position</th>
<th>Count</th>
<th>Salary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public Defender</td>
<td>1</td>
<td>154,433</td>
</tr>
</tbody>
</table>

## OFFICE OF THE ATTORNEY GENERAL

<table>
<thead>
<tr>
<th>Position</th>
<th>Count</th>
<th>Salary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Attorney General</td>
<td>1</td>
<td>149,500</td>
</tr>
</tbody>
</table>

## OFFICE OF THE STATE PROSECUTOR

<table>
<thead>
<tr>
<th>Position</th>
<th>Count</th>
<th>Salary</th>
</tr>
</thead>
<tbody>
<tr>
<td>State Prosecutor</td>
<td>1</td>
<td>154,433</td>
</tr>
</tbody>
</table>

## MARYLAND TAX COURT

<table>
<thead>
<tr>
<th>Position</th>
<th>Count</th>
<th>Salary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chief Judge, Tax Court</td>
<td>1</td>
<td>43,413</td>
</tr>
<tr>
<td>Judge, Tax Court (@ 37,170)</td>
<td>4</td>
<td>148,680</td>
</tr>
</tbody>
</table>

## PUBLIC SERVICE COMMISSION

<table>
<thead>
<tr>
<th>Position</th>
<th>Count</th>
<th>Salary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commissioner (@ 139,364)</td>
<td>4</td>
<td>557,456</td>
</tr>
</tbody>
</table>

## WORKERS' COMPENSATION COMMISSION

<table>
<thead>
<tr>
<th>Position</th>
<th>Count</th>
<th>Salary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chairman</td>
<td>1</td>
<td>143,033</td>
</tr>
<tr>
<td>Commissioner (@ 141,333)</td>
<td>9</td>
<td>1,271,997</td>
</tr>
</tbody>
</table>
EXECUTIVE DEPARTMENT – GOVERNOR

<table>
<thead>
<tr>
<th>Position</th>
<th>Number</th>
<th>Salary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Governor</td>
<td>1</td>
<td>180,000</td>
</tr>
<tr>
<td>Lieutenant Governor</td>
<td>1</td>
<td>149,500</td>
</tr>
</tbody>
</table>

EXECUTIVE DEPARTMENT – BOARDS, COMMISSIONS AND OFFICES

<table>
<thead>
<tr>
<th>Position</th>
<th>Number</th>
<th>Salary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chairman</td>
<td>1</td>
<td>124,811</td>
</tr>
<tr>
<td>Member (@ 112,572)</td>
<td>2</td>
<td>225,144</td>
</tr>
</tbody>
</table>

SECRETARY OF STATE

<table>
<thead>
<tr>
<th>Position</th>
<th>Number</th>
<th>Salary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Secretary of State</td>
<td>1</td>
<td>105,500</td>
</tr>
</tbody>
</table>

MARYLAND INSTITUTE FOR EMERGENCY MEDICAL SERVICES SYSTEMS

<table>
<thead>
<tr>
<th>Position</th>
<th>Number</th>
<th>Salary</th>
</tr>
</thead>
<tbody>
<tr>
<td>EMS Executive Director</td>
<td>1</td>
<td>300,225</td>
</tr>
</tbody>
</table>

OFFICE OF THE COMPTROLLER

<table>
<thead>
<tr>
<th>Position</th>
<th>Number</th>
<th>Salary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Comptroller</td>
<td>1</td>
<td>149,500</td>
</tr>
</tbody>
</table>

STATE TREASURER'S OFFICE

<table>
<thead>
<tr>
<th>Position</th>
<th>Number</th>
<th>Salary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Treasurer</td>
<td>1</td>
<td>149,500</td>
</tr>
</tbody>
</table>

STATE LOTTERY AND GAMING CONTROL AGENCY

<table>
<thead>
<tr>
<th>Position</th>
<th>Number</th>
<th>Salary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lottery and Gaming Commissioner (@ 18,000)</td>
<td>7</td>
<td>126,000</td>
</tr>
</tbody>
</table>

DEPARTMENT OF BUDGET AND MANAGEMENT

<table>
<thead>
<tr>
<th>Position</th>
<th>Number</th>
<th>Salary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Office of the Secretary</td>
<td>1</td>
<td>156,574</td>
</tr>
</tbody>
</table>

MARYLAND STATE RETIREMENT AND PENSION SYSTEMS

<table>
<thead>
<tr>
<th>Position</th>
<th>Number</th>
<th>Salary</th>
</tr>
</thead>
<tbody>
<tr>
<td>State Retirement Administrator</td>
<td>1</td>
<td>142,097</td>
</tr>
</tbody>
</table>

MARYLAND DEPARTMENT OF TRANSPORTATION

<table>
<thead>
<tr>
<th>Position</th>
<th>Number</th>
<th>Salary</th>
</tr>
</thead>
<tbody>
<tr>
<td>State Highway Administration</td>
<td>1</td>
<td>163,000</td>
</tr>
</tbody>
</table>
## Maryland Port Administration

<table>
<thead>
<tr>
<th>Position</th>
<th>Number</th>
<th>Salary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Executive Director</td>
<td>1</td>
<td>309,466</td>
</tr>
<tr>
<td>Deputy Executive Director, Development and Administration</td>
<td>1</td>
<td>172,264</td>
</tr>
<tr>
<td>Director, Operations</td>
<td>1</td>
<td>133,000</td>
</tr>
<tr>
<td>Director, Marketing</td>
<td>1</td>
<td>147,761</td>
</tr>
<tr>
<td>CFO and Treasurer (MIT)</td>
<td>1</td>
<td>137,299</td>
</tr>
<tr>
<td>Director, Maritime Commercial Management</td>
<td>1</td>
<td>140,630</td>
</tr>
<tr>
<td>General Manager Intermodal Trade Development</td>
<td>1</td>
<td>125,000</td>
</tr>
<tr>
<td>Director, Security</td>
<td>1</td>
<td>110,000</td>
</tr>
<tr>
<td>Director, Harbor Development</td>
<td>1</td>
<td>140,000</td>
</tr>
<tr>
<td>BCO Trade Development Executive</td>
<td>1</td>
<td>98,940</td>
</tr>
<tr>
<td>General Manager, Cruise MD Marketing</td>
<td>1</td>
<td>105,000</td>
</tr>
<tr>
<td>Deputy Executive Director, Logistics/Port Ops</td>
<td>1</td>
<td>190,000</td>
</tr>
</tbody>
</table>

## Maryland Transit Administration

<table>
<thead>
<tr>
<th>Position</th>
<th>Number</th>
<th>Salary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maryland Transit Administrator</td>
<td>1</td>
<td>215,200</td>
</tr>
<tr>
<td>Senior Deputy Administrator, Transit Operations</td>
<td>1</td>
<td>147,696</td>
</tr>
<tr>
<td>Executive Director of Safety and Risk Management</td>
<td>1</td>
<td>139,265</td>
</tr>
<tr>
<td>Executive Project Director, New Starts</td>
<td>1</td>
<td>150,032</td>
</tr>
<tr>
<td>Executive Project Director, New Starts</td>
<td>1</td>
<td>124,454</td>
</tr>
<tr>
<td>MTA Police Chief</td>
<td>1</td>
<td>129,355</td>
</tr>
</tbody>
</table>

## Maryland Aviation Administration

<table>
<thead>
<tr>
<th>Position</th>
<th>Number</th>
<th>Salary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Executive Director</td>
<td>1</td>
<td>294,304</td>
</tr>
<tr>
<td>Chief Engineer</td>
<td>1</td>
<td>151,356</td>
</tr>
<tr>
<td>Chief Administrative Officer</td>
<td>1</td>
<td>148,250</td>
</tr>
<tr>
<td>Chief Financial Officer</td>
<td>1</td>
<td>165,565</td>
</tr>
<tr>
<td>Director, Planning and Environmental Services</td>
<td>1</td>
<td>134,486</td>
</tr>
<tr>
<td>Director, Commercial Management</td>
<td>1</td>
<td>135,000</td>
</tr>
<tr>
<td>Director, Marketing, Communications and Customer Service</td>
<td>1</td>
<td>130,570</td>
</tr>
<tr>
<td>Director, Regional Aviation Assistance</td>
<td>1</td>
<td>110,313</td>
</tr>
<tr>
<td>Chief Operating Officer</td>
<td>1</td>
<td>168,655</td>
</tr>
<tr>
<td>Director of Engineering and Construction</td>
<td>1</td>
<td>137,000</td>
</tr>
<tr>
<td>Director of Martin State Airport</td>
<td>1</td>
<td>117,176</td>
</tr>
<tr>
<td>Director of Maintenance and Utilities</td>
<td>1</td>
<td>127,500</td>
</tr>
</tbody>
</table>

## MARYLAND DEPARTMENT OF HEALTH

### Office of the Chief Medical Examiner

<table>
<thead>
<tr>
<th>Position</th>
<th>Number</th>
<th>Salary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Resident Forensic Pathologist (@ 57,115)</td>
<td>3</td>
<td>171,345</td>
</tr>
</tbody>
</table>
DEPARTMENT OF PUBLIC SAFETY AND CORRECTIONAL SERVICES

Maryland Parole Commission

Chairman 1 106,452
Member (@ 94,214) 9 847,926

PUBLIC EDUCATION

State Department of Education – Headquarters

State Superintendent of Schools 1 236,000

MARYLAND SCHOOL FOR THE DEAF

MSD Non–Faculty Manager III 1 106,026
MSD Non–Faculty Manager I 1 89,126

SECTION 4. AND BE IT FURTHER ENACTED, That if any person holding an office of profit within the meaning of Article 35 of the Declaration of Rights, Constitution of Maryland, is appointed to or otherwise becomes the holder of a second office within the meaning of Article 35 of the Declaration of Rights, Constitution of Maryland, then no compensation or other emolument, except expenses incurred in connection with attendance at hearings, meetings, field trips, and working sessions, shall be paid from any funds appropriated by this bill to that person for any services in connection with the second office.

SECTION 5. AND BE IT FURTHER ENACTED, That amounts received pursuant to Sections 2–201 and 7–217 of the State Finance and Procurement Article may be expended by approved budget amendment.

SECTION 6. AND BE IT FURTHER ENACTED, That funds appropriated by this bill may be transferred among programs in accordance with the procedure provided in Sections 7–205 through 7–212, inclusive, of the State Finance and Procurement Article.

SECTION 7. AND BE IT FURTHER ENACTED, That, except as otherwise provided, amounts received from sources estimated or calculated upon in the budget in excess of the estimates for any special or federal fund appropriations listed in this bill may be made available by approved budget amendment.

SECTION 8. AND BE IT FURTHER ENACTED, That authorization is hereby granted to transfer by budget amendment General Fund amounts for the operations of State office buildings and facilities to the budgets of the various agencies and departments occupying the buildings.

SECTION 9. AND BE IT FURTHER ENACTED, That $11,535,100 is appropriated in the various agency budgets for tort claims (including motor vehicles) under the
provisions of the State Government Article, Title 12, Subtitle 1, the Maryland Tort Claims Act (MTCA). These funds are to be transferred to the State Insurance Trust Fund; these funds, together with funds appropriated in prior budgets for tort claims but unexpended, are the only funds available to make payments under the provisions of the MTCA.

(A) Tort claims for incidents or occurrences occurring after October 1, 1999, paid from the State Insurance Trust Fund, are limited hereby and by State Treasurer’s regulations to payments of no more than $200,000 to a single claimant for injuries arising from a single incident or occurrence.

(B) Tort claims for incidents or occurrences occurring after July 1, 1996, and before October 1, 1999, paid from the State Insurance Trust Fund, are limited hereby and by State Treasurer’s regulations to payments of no more than $100,000 to a single claimant for injuries arising from a single incident or occurrence.

(C) Tort claims for incidents or occurrences resulting in death on or after July 1, 1994, and before July 1, 1996, paid from the State Insurance Trust Fund, are limited hereby and by State Treasurer’s regulations to payments of no more than $75,000 to a single claimant. All other tort claims occurring on or after July 1, 1994, and before July 1, 1996, paid from the State Insurance Trust Fund, are limited hereby and by State Treasurer’s regulations to payments of no more than $50,000 to a single claimant for injuries arising from a single incident or occurrence.

(D) Tort claims for incidents or occurrences occurring prior to July 1, 1994, paid from the State Insurance Trust Fund, are limited hereby and by State Treasurer’s regulations to payments of no more than $50,000 to a single claimant for injuries arising from a single incident or occurrence.

SECTION 10. AND BE IT FURTHER ENACTED, That authorization is hereby granted to transfer by budget amendment General Fund amounts, budgeted to the various State agency programs and subprograms which comprise the indirect cost pools under the Statewide Indirect Cost Plan, from the State agencies providing such services to the State agencies receiving the services. It is further authorized that receipts by the State agencies providing such services from charges for the indirect services may be used as special funds for operating expenses of the indirect cost pools.

SECTION 11. AND BE IT FURTHER ENACTED, That certain funds appropriated to the various State agency programs and subprograms in Comptroller Object 0882 (In–State Services – Computer Usage – ADC Only) shall be utilized to pay for services provided by the Comptroller of the Treasury, Data Processing Division, Computer Center Operations (E00A10.01) consistent with the reimbursement schedule provided for in the supporting budget documents. The expenditure or transfer of these funds for other purposes requires the prior approval of the Secretary of Budget and Management. Notwithstanding any other provision of law, the Secretary of Budget and Management may transfer amounts appropriated in Comptroller Object 0882 between State departments and agencies by approved budget amendment in fiscal 2019.
SECTION 12. AND BE IT FURTHER ENACTED, That, pursuant to Section 8–102 of the State Personnel and Pensions Article, the salary schedule for the executive pay plan during fiscal 2018 shall be as set forth below. Adjustments to the salary schedule may be made during the fiscal year in accordance with the provisions of Sections 8–108 and 8–109 of the State Personnel and Pensions Article. Notwithstanding the inclusion of salaries for positions which are determined by agencies with independent salary setting authority in the salary schedule set forth below, such salaries may be adjusted during the fiscal year in accordance with such salary setting authority.

Fiscal 2019
Executive Salary Schedule

<table>
<thead>
<tr>
<th>Scale</th>
<th>Minimum</th>
<th>Maximum</th>
</tr>
</thead>
<tbody>
<tr>
<td>EPP 0001</td>
<td>9904</td>
<td>79,953</td>
</tr>
<tr>
<td>EPP 0002</td>
<td>9905</td>
<td>85,902</td>
</tr>
<tr>
<td>EPP 0003</td>
<td>9906</td>
<td>92,333</td>
</tr>
<tr>
<td>EPP 0004</td>
<td>9907</td>
<td>99,275</td>
</tr>
<tr>
<td>EPP 0005</td>
<td>9908</td>
<td>106,773</td>
</tr>
<tr>
<td>EPP 0006</td>
<td>9909</td>
<td>114,874</td>
</tr>
<tr>
<td>EPP 0007</td>
<td>9910</td>
<td>123,618</td>
</tr>
<tr>
<td>EPP 0008</td>
<td>9911</td>
<td>133,069</td>
</tr>
<tr>
<td>EPP 0009</td>
<td>9991</td>
<td>153,027</td>
</tr>
</tbody>
</table>

Classification Title

OFFICE OF THE PUBLIC DEFENDER

Deputy Public Defender  9909
Executive VI  9906

OFFICE OF THE ATTORNEY GENERAL

Deputy Attorney General  9909
Senior Executive Associate Attorney General  9908
Senior Executive Associate Attorney General  9908
Senior Executive Associate Attorney General  9908

PUBLIC SERVICE COMMISSION

Chair  9991

OFFICE OF THE PEOPLE’S COUNSEL

People’s Counsel  9906

SUBSEQUENT INJURY FUND
UNINSURED EMPLOYERS’ FUND

EXECUTIVE DEPARTMENT – GOVERNOR

EXECUTIVE DEPARTMENT – BOARDS, COMMISSIONS AND OFFICES

GOVERNOR’S OFFICE FOR CHILDREN

INTERAGENCY COMMITTEE FOR SCHOOL CONSTRUCTION

DEPARTMENT OF AGING
Secretary 9909
Deputy Secretary 9906

MARYLAND COMMISSION ON CIVIL RIGHTS

Executive Director 9906
Deputy Director 9904

STATE BOARD OF ELECTIONS

State Administrator of Elections 9907

DEPARTMENT OF PLANNING

Secretary 9909
Deputy Director 9906
Executive V 9905

MILITARY DEPARTMENT

Military Department Operations and Maintenance

The Adjutant General 9909
Executive IX 9909
Executive VII 9907
Executive VII 9907

DEPARTMENT OF VETERANS AFFAIRS

Secretary 9905

STATE ARCHIVES

State Archivist 9907

MARYLAND HEALTH BENEFIT EXCHANGE

Executive Senior 9991
Health Benefit Exchange Executive XI 9911
Health Benefit Exchange Executive XI 9911
Health Benefit Exchange Executive X 9910
Executive Aide IX 9909
Executive Aide VIII 9908

MARYLAND INSURANCE ADMINISTRATION

Maryland Insurance Commissioner 9911
Chapter 570  
Laws of Maryland – 2018 Session  

Maryland Deputy Insurance Commissioner  
9908

OFFICE OF ADMINISTRATIVE HEARINGS

Chief Administrative Law Judge  
9908

COMPTROLLER OF MARYLAND

Office of the Comptroller

Chief Deputy Comptroller  
9911
Executive Aide XI  
9911

General Accounting Division

Assistant State Comptroller VII  
9907

Bureau of Revenue Estimates

Assistant State Comptroller VII  
9907

Revenue Administration Division

Assistant State Comptroller VII  
9907

Compliance Division

Assistant State Comptroller VII  
9907

Field Enforcement Division

Assistant State Comptroller VI  
9906

Central Payroll Bureau

Assistant State Comptroller VI  
9906

Information Technology Division

Assistant State Comptroller VII  
9907

STATE TREASURER’S OFFICE

Chief Deputy Treasurer  
9909
Executive VIII  
9908
Executive VI  
9906
Executive V  
9905
Executive V
Executive V
Executive V
Executive IV

STATE DEPARTMENT OF ASSESSMENTS AND TAXATION

Director
Deputy Director
Executive V

MARYLAND LOTTERY AND GAMING CONTROL AGENCY

Director
Executive VIII
Executive VII
Executive VII
Executive VII

DEPARTMENT OF BUDGET AND MANAGEMENT

Office of the Secretary

Secretary
Deputy Secretary

Office of Personnel Services and Benefits

Executive VIII

Office of Budget Analysis

Executive VIII

Office of Capital Budgeting

Executive VII

DEPARTMENT OF INFORMATION TECHNOLOGY

Secretary
Deputy Secretary
Executive IX
Executive VIII

MARYLAND STATE RETIREMENT AND PENSION SYSTEMS
TEACHERS AND STATE EMPLOYEES SUPPLEMENTAL RETIREMENT PLANS

DEPARTMENT OF GENERAL SERVICES

Office of the Secretary

Secretary 9909
Executive VII 9907

Office of Facilities Operation and Maintenance

Executive V 9905

Office of Procurement and Logistics

Executive VI 9906

Office of Real Estate

Executive V 9905

Office of Facilities Planning, Design and Construction

Executive VI 9906
Executive VI 9906
Executive V 9905

DEPARTMENT OF NATURAL RESOURCES

Office of the Secretary

Secretary 9910
Deputy Secretary 9908
Executive VI 9906
Executive VI 9906

Critical Area Commission

Chairman 9906
DEPARTMENT OF AGRICULTURE

Office of the Secretary

Secretary
Deputy Secretary
Executive V

Office of Marketing, Animal Industries and Consumer Services

Executive V

Office of Plant Industries and Pest Management

Executive V

Office of Resource Conservation

Executive V

MARYLAND DEPARTMENT OF HEALTH

Office of the Secretary

Secretary
Deputy Secretary
Executive VII
Executive V

Office of the Chief Medical Examiner

Chief Medical Examiner Post Mortem

Laboratories Administration

Executive VI

Deputy Secretary for Behavioral Health

Executive V

Behavioral Health Administration

Executive IX

Developmental Disabilities Administration
Chapter 570

Laws of Maryland – 2018 Session

2892

Executive IX 9909

Medical Care Programs Administration

Deputy Secretary 9910
Executive VI 9906
Executive VI 9906
Executive VI 9906

Health Regulatory Commissions

Executive VIII 9908

DEPARTMENT OF HUMAN SERVICES

Office of the Secretary

Secretary 9911
Deputy Secretary 9908
Deputy Secretary 9908
Deputy Secretary 9908

Social Services Administration

Executive VI 9906

Child Support Administration

Executive Director 9906

Family Investment Administration

Executive VI 9906

DEPARTMENT OF LABOR, LICENSING AND REGULATION

Office of the Secretary

Secretary 9910
Deputy Secretary 9908

Division of Labor and Industry

Executive VI 9906

Division of Occupational and Professional Licensing
Executive VI

Division of Workforce Development and Adult Learning

Executive VII

Division of Unemployment Insurance

EXECUTIVE VII

DEPARTMENT OF PUBLIC SAFETY AND CORRECTIONAL SERVICES

Office of the Secretary

Secretary

Deputy Secretary

Executive VII

Executive VII

Deputy Secretary for Operations

Deputy Secretary

Division of Correction – Headquarters

Commissioner of Correction

Division of Parole and Probation

Director, Division of Parole and Probation

Division of Pretrial Detention

Commissioner

PUBLIC EDUCATION

State Department of Education – Headquarters

Deputy State Superintendent of Schools

Deputy State Superintendent of Schools

Deputy State Superintendent of Schools

Executive VII

Executive VII

Assistant State Superintendent

Assistant State Superintendent
Assistant State Superintendent 9906
Assistant State Superintendent 9906
Assistant State Superintendent 9906
Assistant State Superintendent 9906
Assistant State Superintendent 9906
Assistant State Superintendent 9906

Maryland Longitudinal Data System Center

Executive VI 9906

Maryland Higher Education Commission

Secretary 9910
Assistant Secretary 9907

Maryland School for the Deaf

Superintendent 9907

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

Office of the Secretary

Secretary 9910
Deputy Secretary 9908
Executive VIII 9908

Division of Credit Assurance

Executive VI 9906

Division of Neighborhood Revitalization

Executive VI 9906

Division of Development Finance

Executive VI 9906

DEPARTMENT OF COMMERCE

Office of the Secretary

Secretary 9911
Deputy Secretary 9909
Division of Business and Industry Sector Development
Executive VIII 9908

Division of Tourism, Film and the Arts
Executive VIII 9908

DEPARTMENT OF THE ENVIRONMENT
Office of the Secretary
Secretary 9910
Deputy Secretary 9908
Executive VII 9907

Water and Science Administration
Executive VI 9906

Land and Materials Administration
Executive VI 9906

Air and Radiation Administration
Executive VI 9906

DEPARTMENT OF JUVENILE SERVICES
Office of the Secretary
Secretary 9911

Departmental Support
Deputy Secretary 9908

Residential and Community Operations
Deputy Secretary 9908
Assistant Secretary 9905

DEPARTMENT OF STATE POLICE
Maryland State Police
SECTION 13. AND BE IT FURTHER ENACTED, That pursuant to Section 2–103.4(h) of the Transportation Article of the Annotated Code of Maryland, the salary schedule for the Department of Transportation executive pay plan during fiscal 2019 shall be as set forth below. Adjustments to the salary schedule may be made during the fiscal year in accordance with the provisions of Section 2–103.4(h) of the Transportation Article. Notwithstanding the inclusion of salaries for positions that are determined by agencies with independent salary setting authority in the salary schedule set forth below, such salaries may be adjusted during the fiscal year in accordance with such salary setting authority.

Fiscal 2019
Executive Salary Schedule

<table>
<thead>
<tr>
<th>Scale</th>
<th>Minimum</th>
<th>Maximum</th>
</tr>
</thead>
<tbody>
<tr>
<td>ES 4</td>
<td>9904</td>
<td>79,953</td>
</tr>
<tr>
<td>ES 5</td>
<td>9905</td>
<td>85,902</td>
</tr>
<tr>
<td>ES 6</td>
<td>9906</td>
<td>92,333</td>
</tr>
<tr>
<td>ES 7</td>
<td>9907</td>
<td>99,275</td>
</tr>
<tr>
<td>ES 8</td>
<td>9908</td>
<td>106,773</td>
</tr>
<tr>
<td>ES 9</td>
<td>9909</td>
<td>114,874</td>
</tr>
<tr>
<td>ES 10</td>
<td>9910</td>
<td>123,618</td>
</tr>
<tr>
<td>ES 11</td>
<td>9911</td>
<td>133,069</td>
</tr>
<tr>
<td>ES 91</td>
<td>9991</td>
<td>153,027</td>
</tr>
</tbody>
</table>

DEPARTMENT OF TRANSPORTATION

The Secretary’s Office

Secretary 9911
Deputy Secretary 9909
Deputy Secretary 9909

Motor Vehicle Administration

Motor Vehicle Administrator 9909

SECTION 14. AND BE IT FURTHER ENACTED, That if a person is placed by the Department of Health, Department of Human Services, or Department of Juvenile Services or the State Department of Education in a facility or program that becomes eligible for Medical Assistance Program (Medicaid) participation, and the Medical Assistance Program makes payment for such services, general funds equal to the general funds paid by the Medical Assistance Program to such a facility or program may be transferred from the previously mentioned departments to the Medical Assistance Program. Further, should the
facility or program become eligible subsequent to payment to the facility or program by any of the previously mentioned departments, and the Medical Assistance Program makes subsequent additional payments to the facility or program for the same services, any recoveries of overpayment, whether paid in this or prior fiscal years, shall become available to the Medical Assistance Program for provider reimbursement purposes.

SECTION 15. AND BE IT FURTHER ENACTED, That all funds appropriated to the various State departments and agencies in Comptroller Object 0831 (Office of Administrative Hearings) to conduct administrative hearings by the Office of Administrative Hearings are to be transferred to the Office of Administrative Hearings (D99A11.01) on July 1, 2018, and may not be expended for any other purpose.

SECTION 16. AND BE IT FURTHER ENACTED, That funds budgeted in the State Department of Education and the Department of Health, Department of Human Services, and Department of Juvenile Services may be transferred by budget amendment to the Children’s Cabinet Interagency Fund (R00A04.01). Funds transferred would represent costs associated with local partnership agreements approved by the Children’s Cabinet Interagency Fund.

SECTION 17. AND BE IT FURTHER ENACTED, That funds appropriated to the various State agency programs and subprograms in Comptroller Objects 0152 (Health Insurance), 0154 (Retirees Health Insurance Premiums), 0175 (Workers’ Compensation), 0217 (Health Insurance), 0305 (DBM Paid Telecommunications), 0322 (Capital Lease Telecommunications), 0839 (HR Shared Services), 0874 (Office of Attorney General Administrative Fee), 0876 (DoIT IT Services Allocation), 0894 (State Personnel System Allocation), 0897 (Enterprise Budget System Allocation), and 1303 (rent paid to DGS) are to be utilized for their intended purposes only. The expenditure or transfer of these funds for other purposes requires the prior approval of the Secretary of Budget and Management. Notwithstanding any other provision of law, the Secretary of Budget and Management may transfer amounts appropriated in Comptroller Objects 0152, 0154, 0217, 0305, 0322, and 0876 between State departments and agencies by approved budget amendment in fiscal 2018 and fiscal 2019. All funds budgeted in or transferred to Comptroller Objects 0152 and 0154, and any funds restricted in this budget for use in the employee and retiree health insurance program that are unspent shall be credited to the fund as established in accordance with Section 2–516 of the State Personnel and Pensions Article of the Annotated Code of Maryland.

Further provided that each agency that receives funding in this budget in any of the restricted Comptroller Objects listed within this section shall establish within the State’s accounting system a structure of accounts to separately identify for each restricted Comptroller Object, by fund source, the legislative appropriation, monthly transactions, and final expenditures. It is the intent of the General Assembly that an accounting detail be established so that the Office of Legislative Audits may review the disposition of funds appropriated for each restricted Comptroller Object as part of each closeout audit to ensure that funds are used only for the purposes for which they are restricted and that unspent funds are reverted or canceled.
SECTION 18. AND BE IT FURTHER ENACTED, That all funds appropriated to the various State departments and agencies in Comptroller Object 0875 (Retirement Administrative Fee) to support the Maryland State Retirement agency operations are to be transferred to the Maryland State Retirement agency (G20J01.01) on July 1, 2018, and may not be expended for any other purpose.

SECTION 19. AND BE IT FURTHER ENACTED, That for fiscal 2018 funding for health insurance shall be reduced by $78,621,256 $84,411,780 in Executive Branch, Legislative Branch, and Judicial Branch agencies to reflect health insurance savings due to two additional payroll health deduction holidays. Funding for this purpose shall be reduced in Comptroller Objects 0152 Health Insurance and 0154 – Retirees Health Insurance – within Executive Branch, Legislative Branch, and Judicial Branch agencies in fiscal 2018 by the following amounts in accordance with a schedule determined by the Governor, the Presiding Officers, and the Chief Judge:

<table>
<thead>
<tr>
<th>Agency</th>
<th>General Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>B75 General Assembly of Maryland</td>
<td>950,942</td>
</tr>
<tr>
<td>C00 Judiciary</td>
<td>4,549,245</td>
</tr>
<tr>
<td>C80 Office of the Public Defender</td>
<td>1,175,606</td>
</tr>
<tr>
<td>C81 Office of the Attorney General</td>
<td>200,543</td>
</tr>
<tr>
<td>C82 State Prosecutor</td>
<td>9,923</td>
</tr>
<tr>
<td>C85 Maryland Tax Court</td>
<td>8,205</td>
</tr>
<tr>
<td>D05 Board of Public Works (BPW)</td>
<td>13,298</td>
</tr>
<tr>
<td>D10 Executive Department – Governor</td>
<td>86,894</td>
</tr>
<tr>
<td>D11 Office of the Deaf and Hard of Hearing</td>
<td>4,109</td>
</tr>
<tr>
<td>D12 Department of Disabilities</td>
<td>19,677</td>
</tr>
<tr>
<td>D15 Boards and Commissions</td>
<td>85,026</td>
</tr>
<tr>
<td>D16 Secretary of State</td>
<td>28,521</td>
</tr>
<tr>
<td>D17 Historic St. Mary’s City Commission</td>
<td>32,416</td>
</tr>
<tr>
<td>D18 Governor’s Office for Children</td>
<td>19,295</td>
</tr>
<tr>
<td>D25 BPW Interagency Committee for School Construction</td>
<td>29,710</td>
</tr>
<tr>
<td>D26 Department of Aging</td>
<td>31,080</td>
</tr>
<tr>
<td>D27 Maryland Commission on Civil Rights</td>
<td>32,406</td>
</tr>
<tr>
<td>D38 State Board of Elections</td>
<td>48,630</td>
</tr>
<tr>
<td>D40 Department of Planning</td>
<td>152,918</td>
</tr>
<tr>
<td>D50 Military Department</td>
<td>109,478</td>
</tr>
<tr>
<td>D55 Department of Veterans Affairs</td>
<td>73,266</td>
</tr>
<tr>
<td>D60 Maryland State Archives</td>
<td>63,678</td>
</tr>
<tr>
<td>E00 Comptroller of Maryland</td>
<td>1,107,271</td>
</tr>
<tr>
<td>E20 State Treasurer’s Office</td>
<td>33,032</td>
</tr>
<tr>
<td>E50 Department of Assessments and Taxation</td>
<td>363,118</td>
</tr>
<tr>
<td>E75 State Lottery and Gaming Control Agency</td>
<td>179,441</td>
</tr>
<tr>
<td>E80 Property Tax Assessment Appeals Board</td>
<td>12,846</td>
</tr>
<tr>
<td>F10 Department of Budget and Management</td>
<td>180,046</td>
</tr>
<tr>
<td>F50 Department of Information Technology</td>
<td>230,159</td>
</tr>
<tr>
<td>H00 Department of General Services</td>
<td>498,745</td>
</tr>
<tr>
<td>K00 Department of Natural Resources</td>
<td>671,475</td>
</tr>
<tr>
<td>Agency</td>
<td>Special Funds</td>
</tr>
<tr>
<td>--------</td>
<td>---------------</td>
</tr>
<tr>
<td>L00 Department of Agriculture</td>
<td>307,432</td>
</tr>
<tr>
<td>M00 Maryland Department of Health</td>
<td>6,428,546</td>
</tr>
<tr>
<td>N00 Department of Human Services</td>
<td>3,905,266</td>
</tr>
<tr>
<td>P00 Department of Labor, Licensing and Regulation</td>
<td>327,431</td>
</tr>
<tr>
<td>Q00 Department of Public Safety and Correctional Services</td>
<td>18,577,426</td>
</tr>
<tr>
<td>R00 State Department of Education</td>
<td>618,524</td>
</tr>
<tr>
<td>R15 Maryland Public Broadcasting Commission</td>
<td>86,174</td>
</tr>
<tr>
<td>R62 Maryland Higher Education Commission</td>
<td>51,644</td>
</tr>
<tr>
<td>R75 Support for State Operated Institutions of Higher Education</td>
<td>12,453,948</td>
</tr>
<tr>
<td>R99 Maryland School for the Deaf</td>
<td>406,919</td>
</tr>
<tr>
<td>S00 Department of Housing and Community Development</td>
<td>5,109</td>
</tr>
<tr>
<td>T00 Department of Commerce</td>
<td>207,606</td>
</tr>
<tr>
<td>U00 Department of the Environment</td>
<td>328,246</td>
</tr>
<tr>
<td>V00 Department of Juvenile Services</td>
<td>2,505,930</td>
</tr>
<tr>
<td>W00 Department of State Police</td>
<td>2,788,800</td>
</tr>
<tr>
<td><strong>Total General Funds</strong></td>
<td><strong>54,499,813</strong></td>
</tr>
<tr>
<td></td>
<td><strong>60,000,000</strong></td>
</tr>
<tr>
<td>C00 Judiciary</td>
<td>290,337</td>
</tr>
<tr>
<td>C81 Office of the Attorney General</td>
<td>77,939</td>
</tr>
<tr>
<td>C90 Public Service Commission</td>
<td>183,320</td>
</tr>
<tr>
<td>C91 Office of the People’s Council</td>
<td>30,541</td>
</tr>
<tr>
<td>C94 Subsequent Injury Fund</td>
<td>26,063</td>
</tr>
<tr>
<td>C96 Uninsured Employers Fund</td>
<td>17,061</td>
</tr>
<tr>
<td>C98 Workers’ Compensation Commission</td>
<td>152,014</td>
</tr>
<tr>
<td>D12 Department of Disabilities</td>
<td>1,406</td>
</tr>
<tr>
<td>D13 Maryland Energy Administration</td>
<td>18,491</td>
</tr>
<tr>
<td>D15 Boards and Commissions</td>
<td>1,116</td>
</tr>
<tr>
<td>D16 Secretary of State</td>
<td>3,382</td>
</tr>
<tr>
<td>D17 Historic St. Mary’s City Commission</td>
<td>5,954</td>
</tr>
<tr>
<td>D26 Department of Aging</td>
<td>6,536</td>
</tr>
<tr>
<td>D38 State Board of Elections</td>
<td>5,247</td>
</tr>
<tr>
<td>D40 Department of Planning</td>
<td>11,961</td>
</tr>
<tr>
<td>D53 Maryland Institute for Emergency Medical Services Systems</td>
<td>121,425</td>
</tr>
<tr>
<td>D55 Department of Veterans Affairs</td>
<td>7,683</td>
</tr>
<tr>
<td>D60 Maryland State Archives</td>
<td>21,226</td>
</tr>
<tr>
<td>D78 Maryland Health Benefit Exchange</td>
<td>60,410</td>
</tr>
<tr>
<td>D80 Maryland Insurance Administration</td>
<td>359,204</td>
</tr>
<tr>
<td>D90 Canal Place Preservation and Development Authority</td>
<td>2,546</td>
</tr>
<tr>
<td>E00 Comptroller of Maryland</td>
<td>220,530</td>
</tr>
<tr>
<td>E20 State Treasurer’s Office</td>
<td>3,571</td>
</tr>
<tr>
<td>E50 Department of Assessments and Taxation</td>
<td>389,781</td>
</tr>
<tr>
<td>Agency</td>
<td>Federal Funds</td>
</tr>
<tr>
<td>--------</td>
<td>---------------</td>
</tr>
<tr>
<td>E75 Maryland Lottery and Gaming Control Agency</td>
<td>180,549</td>
</tr>
<tr>
<td>F10 Department of Budget and Management</td>
<td>153,947</td>
</tr>
<tr>
<td>F50 Department of Information Technology</td>
<td>8,148</td>
</tr>
<tr>
<td>G20 State Retirement Agency</td>
<td>186,053</td>
</tr>
<tr>
<td>G50 Teachers and State Employees Supplemental Retirement Plans</td>
<td>17,023</td>
</tr>
<tr>
<td>H00 Department of General Services</td>
<td>17,977</td>
</tr>
<tr>
<td>J00 Department of Transportation</td>
<td>8,292,612</td>
</tr>
<tr>
<td>K00 Department of Natural Resources</td>
<td>924,335</td>
</tr>
<tr>
<td>L00 Department of Agriculture</td>
<td>132,258</td>
</tr>
<tr>
<td>M00 Maryland Department of Health</td>
<td>527,685</td>
</tr>
<tr>
<td>N00 Department of Human Services</td>
<td>113,283</td>
</tr>
<tr>
<td>P00 Department of Labor, Licensing and Regulation</td>
<td>350,379</td>
</tr>
<tr>
<td>Q00 Department of Public Safety and Correctional Services</td>
<td>390,618</td>
</tr>
<tr>
<td>R00 State Department of Education</td>
<td>34,659</td>
</tr>
<tr>
<td>R15 Maryland Public Broadcasting Commission</td>
<td>111,468</td>
</tr>
<tr>
<td>R62 Maryland Higher Education Commission</td>
<td>9,496</td>
</tr>
<tr>
<td>S00 Department of Housing and Community Development</td>
<td>322,263</td>
</tr>
<tr>
<td>T00 Department of Commerce</td>
<td>61,604</td>
</tr>
<tr>
<td>U00 Department of the Environment</td>
<td>561,129</td>
</tr>
<tr>
<td>W00 Department of State Police</td>
<td>678,229</td>
</tr>
<tr>
<td><strong>Total Special Funds</strong></td>
<td><strong>14,801,122</strong></td>
</tr>
<tr>
<td></td>
<td><strong>15,091,459</strong></td>
</tr>
<tr>
<td>Agency</td>
<td>Federal Funds</td>
</tr>
<tr>
<td>C81 Office of the Attorney General</td>
<td>40,933</td>
</tr>
<tr>
<td>C90 Public Service Commission</td>
<td>5,842</td>
</tr>
<tr>
<td>D12 Department of Disabilities</td>
<td>13,633</td>
</tr>
<tr>
<td>D13 Maryland Energy Administration</td>
<td>3,772</td>
</tr>
<tr>
<td>D15 Boards and Commissions</td>
<td>22,876</td>
</tr>
<tr>
<td>D26 Department of Aging</td>
<td>19,026</td>
</tr>
<tr>
<td>D27 Maryland Commission on Civil Rights</td>
<td>7,777</td>
</tr>
<tr>
<td>D40 Department of Planning</td>
<td>12,465</td>
</tr>
<tr>
<td>D50 Military Department</td>
<td>193,647</td>
</tr>
<tr>
<td>D55 Department of Veterans Affairs</td>
<td>12,891</td>
</tr>
<tr>
<td>D78 Maryland Health Benefit Exchange</td>
<td>45,913</td>
</tr>
<tr>
<td>D80 Maryland Insurance Administration</td>
<td>1,398</td>
</tr>
<tr>
<td>H00 Department of General Services</td>
<td>7,841</td>
</tr>
<tr>
<td>J00 Department of Transportation</td>
<td>343,195</td>
</tr>
<tr>
<td>K00 Department of Natural Resources</td>
<td>142,111</td>
</tr>
<tr>
<td>L00 Department of Agriculture</td>
<td>21,013</td>
</tr>
<tr>
<td>M00 Maryland Department of Health</td>
<td>1,192,729</td>
</tr>
<tr>
<td>N00 Department of Human Services</td>
<td>3,984,459</td>
</tr>
<tr>
<td>P00 Department of Labor, Licensing and Regulation</td>
<td>1,207,889</td>
</tr>
<tr>
<td>Q00 Department of Public Safety and Correctional Services</td>
<td>426,722</td>
</tr>
</tbody>
</table>
SECTION 20. AND BE IT FURTHER ENACTED, That for fiscal 2019, the Governor is authorized to transfer positions and funding, by approved budget amendment, from the Department of Housing and Community Development (DHCD) to the Department of Labor, Licensing and Regulation (DLLR) contingent upon the passage of legislation transferring Maryland Building Codes Administration from DHCD to DLLR.

SECTION 21. AND BE IT FURTHER ENACTED, That the Governor’s budget books shall include a forecast of the impact of the executive budget proposal on the long–term fiscal condition of the General Fund, the Transportation Trust Fund, and higher education Current Unrestricted Fund accounts. This forecast shall estimate aggregate revenues, expenditures, and fund balances in each account for the fiscal year last completed, the current year, the budget year, and four years thereafter. Expenditures shall be reported at such agency, program or unit levels, or categories as may be determined appropriate after consultation with the Department of Legislative Services. A statement of major assumptions underlying the forecast shall also be provided, including but not limited to general salary increases, inflation, and growth of caseloads in significant program areas.

SECTION 22. AND BE IT FURTHER ENACTED, That all across–the–board reductions applied to the Executive Branch, unless otherwise stated, shall apply to current unrestricted and general funds in the University System of Maryland, St. Mary’s College of Maryland, Morgan State University, and Baltimore City Community College.
SECTION 23. AND BE IT FURTHER ENACTED, That the General Accounting Division of the Comptroller of Maryland shall establish a subsidiary ledger control account to debit all State agency funds budgeted under subobject 0175 (Workers’ Compensation) and to credit all payments disbursed to the Chesapeake Employers’ Insurance Company (CEIC) via transmittal. The control account shall also record all funds withdrawn from CEIC and returned to the State and subsequently transferred to the General Fund. CEIC shall submit monthly reports to the Department of Legislative Services concerning the status of the account.

SECTION 24. AND BE IT FURTHER ENACTED, That the Governor’s budget books shall include a summary statement of federal revenues by major federal program sources supporting the federal appropriations made therein along with the major assumptions underpinning the federal fund estimates. The Department of Budget and Management (DBM) shall exercise due diligence in reporting this data and ensure that they are updated as appropriate to reflect ongoing congressional action on the federal budget. In addition, DBM shall provide to the Department of Legislative Services (DLS) data for the actual, current, and budget years listing the components of each federal fund appropriation by Catalog of Federal Domestic Assistance number or equivalent detail for programs not in the catalog. Data shall be provided in an electronic format subject to the concurrence of DLS.

SECTION 25. AND BE IT FURTHER ENACTED, That in the expenditure of federal funds appropriated in this budget or subsequent to the enactment of this budget by the budget amendment process:

(1) State agencies shall administer these federal funds in a manner that recognizes that federal funds are taxpayer dollars that require prudent fiscal management, careful application to the purposes for which they are directed, and strict attention to budgetary and accounting procedures established for the administration of all public funds.

(2) For fiscal 2019, except with respect to capital appropriations, to the extent consistent with federal requirements:

(a) when expenditures or encumbrances may be charged to either State or federal fund sources, federal funds shall be charged before State funds are charged except that this policy does not apply to the Department of Human Services with respect to federal funds to be carried forward into future years for child welfare or welfare reform activities;

(b) when additional federal funds are sought or otherwise become available in the course of the fiscal year, agencies shall consider, in consultation with the Department of Budget and Management (DBM), whether opportunities exist to use these federal revenues to support existing operations rather than to expand programs or establish new ones; and

(c) DBM shall take appropriate actions to effectively establish the provisions of this section as policies of the State with respect to the administration of
federal funds by executive agencies.

SECTION 26. AND BE IT FURTHER ENACTED, That the Department of Budget and Management (DBM) shall provide an annual report on indirect costs to the General Assembly in January 2019 as an appendix in the Governor’s fiscal 2020 budget books. The report must detail by agency for the actual fiscal 2018 budget the amount of statewide indirect cost recovery received, the amount of statewide indirect cost recovery transferred to the General Fund, and the amount of indirect cost recovery retained for use by each agency. In addition, the report must list the most recently available federally approved statewide and internal agency cost–recovery rates. As part of the normal fiscal/compliance audit performed for each agency, the Office of Legislative Audits shall assess available information on the timeliness, completeness, and deposit history of indirect cost recoveries by State agencies. Further provided that for fiscal 2019, excluding the Maryland Department of Transportation, the amount of revenue received by each agency from any federal source for statewide cost recovery shall be transferred only to the General Fund and may not be retained in any clearing account or by any other means, nor may DBM or any other agency or entity approve exemptions to permit any agency to retain any portion of federal statewide cost recoveries.

SECTION 27. AND BE IT FURTHER ENACTED, That it is the intent of the General Assembly that all State departments, agencies, bureaus, commissions, boards, and other organizational units included in the State budget, including the Judiciary, shall prepare and submit items for the fiscal 2020 budget detailed by Comptroller subobject classification in accordance with instructions promulgated by the Comptroller of Maryland. The presentation of budget data in the Governor’s budget books shall include object, fund, and personnel data in the manner provided for in fiscal 2019 except as indicated elsewhere in this Act; however, this may not preclude the placement of additional information into the budget books. For actual fiscal 2018 spending, the fiscal 2019 working appropriation, and the fiscal 2020 allowance, the budget detail shall be available from the Department of Budget and Management (DBM) automated data system at the subobject level by subobject codes and classifications for all agencies. To the extent possible, except for public higher education institutions, subobject expenditures shall be designated by fund for actual fiscal 2018 spending, the fiscal 2019 working appropriation, and the fiscal 2020 allowance. The agencies shall exercise due diligence in reporting this data and ensuring correspondence between reported position and expenditure data for the actual, current, and budget fiscal years. This data shall be made available on request and in a format subject to the concurrence of the Department of Legislative Services (DLS). Further, the expenditure of appropriations shall be reported and accounted for by the subobject classification in accordance with the instructions promulgated by the Comptroller of Maryland.

Further provided that due diligence shall be taken to accurately report full–time equivalent counts of contractual full–time equivalents in the budget books. For the purpose of this count, contractual full–time equivalents are defined as those individuals having an employee–employer relationship with the State. This count shall include those individuals in higher education institutions who meet this definition but are paid with additional assistance funds.
Further provided that DBM shall provide to DLS with the allowance for each department, unit, agency, office, and institution, a one-page organizational chart in Microsoft Word or Adobe PDF format that depicts the allocation of personnel across operational and administrative activities of the entity.

Further provided that for each across-the-board reduction to appropriations or positions in the fiscal 2020 budget bill affecting fiscal 2019 or 2020, DBM shall allocate the reduction for each agency in a level of detail not less than the three-digit R*Stars financial agency code and by each fund type.

SECTION 28. AND BE IT FURTHER ENACTED, That on or before August 1, 2018, each State agency and each public institution of higher education shall report to the Department of Budget and Management (DBM) any agreements in place for any part of fiscal 2018 between State agencies and any public institution of higher education involving potential expenditures in excess of $100,000 over the term of the agreement. Further provided that DBM shall provide direction and guidance to all State agencies and public institutions of higher education as to the procedures and specific elements of data to be reported with respect to these interagency agreements, to include at a minimum:

1. a common code for each interagency agreement that specifically identifies each agreement and the fiscal year in which the agreement began;
2. the starting date for each agreement;
3. the ending date for each agreement;
4. a total potential expenditure, or not-to-exceed dollar amount, for the services to be rendered over the term of the agreement by any public institution of higher education to any State agency;
5. a description of the nature of the goods and services to be provided;
6. the total number of personnel, both full-time and part-time, associated with the agreement;
7. contact information for the agency and the public institution of higher education for the person(s) having direct oversight or knowledge of the agreement;
8. total indirect cost recovery or facilities and administrative (F&A) expenditures authorized for the agreement;
9. the indirect cost recovery or F&A rate for the agreement and brief description of how the rate was determined;
10. actual expenditures for the most recently closed fiscal year;
11. actual base expenditures that the indirect cost recovery or F&A rate
may be applied against during the most recently closed fiscal year:

(12) actual expenditures for indirect cost recovery or F&A for the most recently closed fiscal year; and

(13) total authorized expenditures for any subaward(s) or subcontract(s) being used as part of the agreement and a brief description of the type of award or contract.

Further provided that DBM shall submit a consolidated report to the budget committees and the Department of Legislative Services by December 1, 2018, that contains information on all agreements between State agencies and any public institution of higher education involving potential expenditures in excess of $100,000 that were in effect at any time during fiscal 2018.

Further provided that no new higher education interagency agreement with State agencies with a projected value in excess of $500,000 may be entered into during fiscal 2019 without prior approval of the Secretary of Budget and Management.

Further provided that all State agencies utilizing interagency agreements should establish a goal of having at least 5% of total annual interagency agreement expenditures awarded to agreements with Historically Black Colleges and Universities (HBCU). A waiver of the goal can be granted by DBM if an agency provides a reasonable demonstration of good-faith efforts to achieve the goal. In support of the efforts to improve utilization of HBCUs in these agreements, DBM should create a master list that identifies categories of services offered by each higher education institution and make that list available to state agencies for consultation prior to entering into an interagency agreement. Furthermore, DBM should include in its December 1 report the extent to which each state agency met the established goal and reasons why waivers were granted.

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

(1) This section may not apply to budget amendments for the sole purpose of:

(a) appropriating funds available as a result of the award of federal disaster assistance; and

(b) transferring funds from the State Reserve Fund – Economic Development Opportunities Account for projects approved by the Legislative Policy Committee.
(2) Budget amendments increasing total appropriations in any fund account by $100,000 or more may not be approved by the Governor until:

(a) that amendment has been submitted to the Department of Legislative Services (DLS); and

(b) the budget committees or the Legislative Policy Committee has considered the amendment or 45 days have elapsed from the date of submission of the amendment. Each amendment submitted to DLS shall include a statement of the amount, sources of funds and purposes of the amendment, and a summary of the impact on regular position or contractual full–time equivalent payroll requirements.

(3) Unless permitted by the budget bill or the accompanying supporting documentation or by any other authorizing legislation, and notwithstanding the provisions of Section 3–216 of the Transportation Article, a budget amendment may not:

(a) restore funds for items or purposes specifically denied by the General Assembly;

(b) fund a capital project not authorized by the General Assembly provided, however, that subject to provisions of the Transportation Article, projects of the Maryland Department of Transportation (MDOT) shall be restricted as provided in Section 1 of this Act;

(c) increase the scope of a capital project by an amount 7.5% or more over the approved estimate or 5.0% or more over the net square footage of the approved project until the amendment has been submitted to DLS and the budget committees have considered and offered comment to the Governor or 45 days have elapsed from the date of submission of the amendment. This provision does not apply to MDOT; and

(d) provide for the additional appropriation of special, federal, or higher education funds of more than $100,000 for the reclassification of a position or positions.

(4) A budget may not be amended to increase a federal fund appropriation by $100,000 or more unless documentation evidencing the increase in funds is provided with the amendment and fund availability is certified by the Secretary of Budget and Management.

(5) No expenditure or contractual obligation of funds authorized by a proposed budget amendment may be made prior to approval of that amendment by the Governor.

(6) Notwithstanding the provisions of this section, any federal, special, or higher education fund appropriation may be increased by budget amendment upon a declaration by the Board of Public Works that the amendment is essential to maintaining public safety, health, or welfare, including protecting the environment or the economic
welfare of the State.

(7) Budget amendments for new major information technology projects, as defined by Sections 3A–301 and 3A–302 of the State Finance and Procurement Article, must include an Information Technology Project Request, as defined in Section 3A–308 of the State Finance and Procurement Article.

(8) Further provided that the fiscal 2019 appropriation detail as shown in the Governor’s budget books submitted to the General Assembly in January 2019 and the supporting electronic detail may not include appropriations for budget amendments that have not been signed by the Governor, exclusive of the MDOT pay–as–you–go capital program.

(9) Further provided that it is the policy of the State to recognize and appropriate additional special, higher education, and federal revenues in the budget bill as approved by the General Assembly. Further provided that for the fiscal 2020 allowance, the Department of Budget and Management shall continue policies and procedures to minimize reliance on budget amendments for appropriations that could be included in a deficiency appropriation.

SECTION 30. AND BE IT FURTHER ENACTED, That:

(1) The Secretary of Health shall maintain the accounting systems necessary to determine the extent to which funds appropriated for fiscal 2018 in program M00Q01.03 Medical Care Provider Reimbursements and M00Q01.10 Medicaid Behavioral Health Provider Reimbursements have been disbursed for services provided in that fiscal year and shall prepare and submit the monthly reports required under this section for that program.

(2) The State Superintendent of Schools shall maintain the accounting systems necessary to determine the extent to which funds appropriated for fiscal 2018 to program R00A02.07 Students With Disabilities for nonpublic placements have been disbursed for services provided in that fiscal year and to prepare monthly reports as required under this section for that program.

(3) The Secretary of Human Services shall maintain the accounting systems necessary to determine the extent to which funds appropriated for fiscal 2018 in program N00G00.01 Foster Care Maintenance Payments have been disbursed for services provided in that fiscal year, including detail by placement type for the average monthly caseload, average monthly cost per case, and the total expended for each foster care program, and to prepare the monthly reports required under this section for that program.

(4) For the programs specified, reports must indicate by fund type total appropriations for fiscal 2018 and total disbursements for services provided during that fiscal year up through the last day of the second month preceding the date on which the report is to be submitted and a comparison to data applicable to those periods in the preceding fiscal year.
(5) Reports shall be submitted to the budget committees, the Department of Legislative Services, the Department of Budget and Management, and the Comptroller beginning August 15, 2018, and submitted on a monthly basis thereafter.

(6) It is the intent of the General Assembly that general funds appropriated for fiscal 2018 to the programs specified that have not been disbursed within a reasonable period, not to exceed 12 months from the end of the fiscal year, shall revert.

SECTION 31. AND BE IT FURTHER ENACTED, That the Board of Public Works (BPW), in exercising its authority to create additional positions pursuant to Section 7–236 of the State Finance and Procurement Article, may authorize during the fiscal year no more than 100 positions in excess of the total number of authorized State positions on July 1, 2018, as determined by the Secretary of Budget and Management. Provided, however, that if the imposition of this ceiling causes undue hardship in any department, agency, board, or commission, additional positions may be created for that affected unit to the extent that an equal number of positions authorized by the General Assembly for the fiscal year are abolished in that unit or in other units of State government. It is further provided that the limit of 100 does not apply to any position that may be created in conformance with specific manpower statutes that may be enacted by the State or federal government nor to any positions created to implement block grant actions or to implement a program reflecting fundamental changes in federal/State relationships. Notwithstanding anything contained in this section, BPW may authorize additional positions to meet public emergencies resulting from an act of God and violent acts of man that are necessary to protect the health and safety of the people of Maryland.

BPW may authorize the creation of additional positions within the Executive Branch provided that 1.25 contractual full–time equivalents (FTE) are abolished for each regular position authorized and that there be no increase in agency funds in the current budget and the next two subsequent budgets as the result of this action. It is the intent of the General Assembly that priority is given to converting individuals that have been in contractual FTEs for at least two years. Any position created by this method may not be counted within the limitation of 100 under this section.

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

(1) funds are available from non–State sources for each position established under this exception; and

(2) any positions created will be abolished in the event that non–State funds are no longer available.

The Secretary of Budget and Management shall certify and report to the General
Assembly by June 30, 2019, the status of positions created with non–State funding sources during fiscal 2015 through 2019 under this provision as remaining, authorized, or abolished due to the discontinuation of funds.

SECTION 32. AND BE IT FURTHER ENACTED, That immediately following the close of fiscal 2018, the Secretary of Budget and Management shall determine the total number of full–time equivalent (FTE) positions that are authorized as of the last day of fiscal 2018 and on the first day of fiscal 2019. Authorized positions shall include all positions authorized by the General Assembly in the personnel detail of the budgets for fiscal 2018 and 2019, including nonbudgetary programs, the Maryland Transportation Authority, the University System of Maryland self–supported activities, and the Maryland Correctional Enterprises.

The Department of Budget and Management shall also prepare a report during fiscal 2019 for the budget committees upon creation of regular FTE positions through Board of Public Works action and upon transfer or abolition of positions. This report shall also be provided as an appendix in the fiscal 2020 Governor’s budget books. It shall note, at the program level:

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

Provision of contractual FTE information in the same fashion as reported in the appendices of the fiscal 2019 Governor’s budget books shall also be provided.

SECTION 33. AND BE IT FURTHER ENACTED, That the Department of Budget and Management and the Maryland Department of Transportation are required to submit to the Department of Legislative Services (DLS) Office of Policy Analysis:

1. a report in Excel format listing the grade, salary, title, and incumbent of each position in the Executive Pay Plan (EPP) as of July 15, 2018; October 15, 2018; January 15, 2019; and April 15, 2019; and

2. detail on any lump–sum increases given to employees paid on the EPP subsequent to the previous quarterly report.

Flat–rate employees in the EPP shall be included in these reports. Each position in the report shall be assigned a unique identifier that describes the program to which the position is assigned for budget purposes and corresponds to the manner of identification of positions within the budget data provided annually to the DLS Office of Policy Analysis.
SECTION 34. AND BE IT FURTHER ENACTED, That no position identification number assigned to a position abolished in this budget may be reassigned to a job or function different from that to which it was assigned when the budget was submitted to the General Assembly. Incumbents in abolished positions may continue State employment in another position.

SECTION 35. AND BE IT FURTHER ENACTED, That the Secretary of Budget and Management shall include as an appendix in the fiscal 2020 Governor’s budget books an accounting of the fiscal 2018 actual, fiscal 2019 working appropriation, and fiscal 2020 estimated revenues and expenditures associated with the employees’ and retirees’ health plan. The data in this report should be consistent with the budget data submitted to the Department of Legislative Services. This accounting shall include:

(1) any health plan receipts received from State agencies, employees, and retirees, as well as prescription rebates or recoveries, or audit recoveries, and other miscellaneous recoveries;

(2) any premium, capitated, or claims expenditures paid on behalf of State employees and retirees for any health, mental health, dental, or prescription plan, as well as any administrative costs not covered by these plans; and

(3) any balance remaining and held in reserve for future provider payments.

SECTION 36. AND BE IT FURTHER ENACTED, That it is the intent of the General Assembly that the Department of Planning, the Department of Natural Resources, the Department of Agriculture, the Department of the Environment, and the Department of Budget and Management provide a report to the budget committees by December 1, 2018, on Chesapeake Bay restoration spending. The report shall be drafted subject to the concurrence of the Department of Legislative Services (DLS) in terms of both electronic format to be used and data to be included. The report should include:

(1) fiscal 2018 annual spending by fund, fund source, program, and State government agency; associated nutrient and sediment reduction; and the impact on living resources and ambient water quality criteria for dissolved oxygen, water clarity, and “chlorophyll a” for the Chesapeake Bay and its tidal tributaries to be submitted electronically in disaggregated form to DLS;

(2) projected fiscal 2019 to 2025 annual spending by fund, fund source, program, and State government agency; associated nutrient and sediment reductions; and the impact on living resources and ambient water quality criteria for dissolved oxygen, water clarity, and “chlorophyll a” for the Chesapeake Bay and its tidal tributaries to be submitted electronically in disaggregated form to DLS;

(3) an overall framework discussing the needed regulations, revenues, laws, and administrative actions and their impacts on individuals, organizations, governments, and businesses by year from fiscal 2018 to 2025 in order to reach the calendar
2025 requirement of having all best management practices in place to meet water quality standards for restoring the Chesapeake Bay to be both written in narrative form and tabulated in spreadsheet form that is submitted electronically in disaggregated form to DLS:

(4) an analysis of the various options for financing Chesapeake Bay restoration including public–private partnerships, a regional financing authority, nutrient trading, technological developments, and any other policy innovations that would improve the effectiveness of Maryland and other states’ efforts toward Chesapeake Bay restoration; and

(5) an analysis on how cost effective the existing State funding sources – such as the Bay Restoration Fund, Chesapeake and Atlantic Coastal Bays 2010 Trust Fund, and Water Quality Revolving Loan Fund among others – are for Chesapeake Bay restoration purposes.

SECTION 37. AND BE IT FURTHER ENACTED, That it is the intent of the General Assembly that the Department of Budget and Management, the Department of Natural Resources, and the Maryland Department of the Environment provide a report on Chesapeake Bay restoration spending. The report shall be drafted subject to the concurrence of the Department of Legislative Services (DLS) in terms of both electronic format to be used and data to be included. The scope of the report is as follows: Chesapeake Bay restoration operating and capital expenditures by agency, fund type, and particular fund source based on programs that have over 50% of their activities directly related to Chesapeake Bay restoration for the fiscal 2018 actual, fiscal 2019 working appropriation, and fiscal 2020 allowance to be included as an appendix in the fiscal 2020 budget volumes and submitted electronically in disaggregated form to DLS.

SECTION 38. AND BE IT FURTHER ENACTED, That the Department of Budget and Management shall provide an annual report on the revenue from the Regional Greenhouse Gas Initiative (RGGI) carbon dioxide emission allowance auctions and set–aside allowances to the General Assembly in conjunction with the submission of the fiscal 2020 budget and annually thereafter as an appendix to the Governor’s budget books. This report shall include information for the actual fiscal 2018 budget, fiscal 2019 working appropriation, and fiscal 2020 allowance. The report shall detail revenue assumptions used to calculate the available Strategic Energy Investment Fund (SEIF) from RGGI auctions for each fiscal year including:

(1) the number of auctions;

(2) the number of allowances sold;

(3) the allowance price for both current and future (if offered) control period allowances sold in each auction; and

(4) anticipated revenue from set–aside allowances.
The report shall also include detail on the amount of the SEIF from RGGI auction revenue available to each agency that receives funding through each required allocation:

1. energy assistance;

2. energy efficiency and conservation programs, low- and moderate-income sector;

3. energy efficiency and conservation programs, all other sectors;

4. renewable and clean energy programs and initiatives, education, climate change, and resiliency programs;

5. administrative expenditures;

6. dues owed to the RGGI, Inc.; and

7. transfers or diversions of revenue made to other funds.

The report should also provide detail on the fund balance for each SEIF subaccount for the fiscal 2018 actual, fiscal 2019 working appropriation, and fiscal 2020 allowance.

SECTION 39. AND BE IT FURTHER ENACTED, That the reimbursable fund appropriation in the State Retirement Agency, G20J01.01, shall be reduced by $400,000. The Governor shall develop a schedule for allocating this reimbursable fund reduction across State agencies. The reduction shall equal at least the amount indicated for the funds listed:

<table>
<thead>
<tr>
<th>Fund</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>General</td>
<td>$240,000</td>
</tr>
<tr>
<td>Special</td>
<td>$80,000</td>
</tr>
<tr>
<td>Federal</td>
<td>$80,000</td>
</tr>
</tbody>
</table>

SECTION 40. AND BE IT FURTHER ENACTED. That contingent upon the enactment of SB 899 or HB 1012, the reimbursable fund appropriation in the State Retirement Agency, G20J01.01, shall be reduced by $2,316,965. The Governor shall develop a schedule for allocating this reimbursable fund reduction across State agencies. The reduction shall equal at least the amount indicated for the funds listed:

<table>
<thead>
<tr>
<th>Fund</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>General</td>
<td>$1,390,179</td>
</tr>
<tr>
<td>Special</td>
<td>$463,393</td>
</tr>
<tr>
<td>Federal</td>
<td>$463,393</td>
</tr>
</tbody>
</table>

SECTION 41. AND BE IT FURTHER ENACTED. That for fiscal 2019 funding for State health insurance contributions for employees and retirees shall be reduced by $47,300,000 in Executive Branch, Legislative Branch, and Judicial Branch agencies
contingent upon the enactment of SB 187 or HB 161 to amend statute to align the elimination of Medicare-eligible retirees’ prescription drug coverage with closure of the Medicare Part D coverage gap on January 1, 2019. Funding for this purpose shall be reduced in Comptroller Object 0152 (Health Insurance), and Comptroller Object 0154 (Retirees Health Insurance Premiums) within Executive Branch, Legislative Branch, and Judicial Branch agencies in fiscal 2019 by the following amounts in accordance with a schedule determined by the Governor, the Presiding Officers, and Chief Judge:

<table>
<thead>
<tr>
<th>Programs</th>
<th>Fund</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Assembly of Maryland</td>
<td>General Fund</td>
<td>$506,305</td>
</tr>
<tr>
<td>Judiciary</td>
<td>General Fund</td>
<td>$2,231,012</td>
</tr>
<tr>
<td>Executive Branch</td>
<td>General Fund</td>
<td>$32,191,851</td>
</tr>
<tr>
<td>Judiciary</td>
<td>Special Fund</td>
<td>$145,837</td>
</tr>
<tr>
<td>Executive Branch</td>
<td>Special Fund</td>
<td>$7,583,014</td>
</tr>
<tr>
<td>Executive Branch</td>
<td>Federal Fund</td>
<td>$4,641,981</td>
</tr>
<tr>
<td>Morgan State University</td>
<td>Unrestricted Fund</td>
<td>$640,172</td>
</tr>
<tr>
<td>St. Mary's College of Maryland</td>
<td>Unrestricted Fund</td>
<td>$235,436</td>
</tr>
<tr>
<td>University System of Maryland</td>
<td>Unrestricted Fund</td>
<td>$12,245,912</td>
</tr>
<tr>
<td>Baltimore City Community College</td>
<td>Unrestricted Fund</td>
<td>$268,495</td>
</tr>
</tbody>
</table>

SECTION 42. AND BE IT FURTHER ENACTED, That $1,000,000 of the General Fund appropriation within the Department of State Police (DSP) may not be expended until DSP submits the Crime in Maryland, 2017 Uniform Crime Report (UCR) to the budget committees. The budget committees shall have 45 days to review and comment following receipt of the report. Funds restricted pending the receipt of the report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

Further provided that, if DSP encounters difficulty obtaining necessary crime data by November 1, 2018, from local jurisdictions who provide the data for inclusion in the UCR, DSP shall notify the Governor’s Office of Crime Control and Prevention (GOCCP). From each jurisdiction’s third quarterly State Aid for Police Protection (SAPP) disbursement, GOCCP shall withhold a portion, totaling at least 15%, but no more than 50%, of that jurisdiction’s SAPP grant for fiscal 2019 upon receipt of notification from DSP. GOCCP shall withhold SAPP funds until such a time that the jurisdiction submits its crime data to DSP and DSP verifies the accuracy of that data. DSP and GOCCP shall submit a report to the budget committees indicating any jurisdiction from which crime data was not received by November 1, 2018, and the amount of SAPP funding withheld from each jurisdiction.

Further provided that it is the intent of the budget committees that, in the event that DSP encounters issues with submitting the complete and accurate UCR due to issues outside its control, DSP may petition the budget committees for release of the restricted general funds following submission of a report detailing the department’s due diligence in attempting to collect the UCR data, including proof of competent oversight of the data contributors.
SECTION 43. AND BE IT FURTHER ENACTED, That $100,000 of the general fund appropriation within the Department of State Police (DSP) and $100,000 of the general fund appropriation within the Governor’s Office of Crime Control and Prevention (GOCCP) may not be expended until DSP and GOCCP, in consultation with Bowie State University, the Maryland State Department of Education, the Department of Budget and Management, and the Governor’s Office of Homeland Security, submit a report to the budget committees evaluating how best to manage and consolidate State resources available for monitoring and improving school safety. At a minimum, the report should:

(1) identify all current State resources and entities available for ensuring, monitoring, and improving the safety of public and private schools;

(2) evaluate the role of the State in ensuring safety at all public and private schools;

(3) establish clearly defined and measurable goals for addressing school safety concerns;

(4) evaluate the appropriate level of State funding required to effectively ensure that school safety concerns are addressed;

(5) evaluate the optimal organizational structure across State government for addressing the issue of school safety, including:
   (a) which agency should host this function;
   (b) whether or not other agencies should have a role, and if so, what that role should be;
   (c) how many positions are needed and for what purpose;
   (d) how many offices are needed statewide and where they should be located;
   (e) whether all school safety grant funding should be consolidated; and
   (f) which agency should administer school safety grants and provide grant oversight;

(6) make a recommendation regarding the necessity for the Maryland Center for School Safety (MCSS) and the appropriate State entity to maintain oversight of the operations and funding of the Center, including any necessary statutory changes; and

(7) develop a plan for how to expend the funding allocated to MCSS, including how many positions are needed for MCSS to effectively carry out its mission.
The report shall be submitted by November 15, 2018, and the budget committees shall have 45 days to review and comment. Funds restricted pending the receipt of the report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted.

SECTION 44. AND BE IT FURTHER ENACTED, That no funds in this budget may be expended to pay the salary of a Secretary or an Acting Secretary of any department whose nomination as Secretary has been rejected by the Senate or an Acting Secretary who was serving in that capacity prior to the 2018 session who was not nominated for the Secretary position during the 2018 session, or whose nomination for the Secretary position was not put forward and approved by the Senate during the 2018 session, unless the Acting Secretary is appointed under Article II, Section 11 of the Maryland Constitution prior to July 1, 2018.

Further provided that no funds in this budget may be expended to pay the salary of a Secretary or Acting Secretary of any department who was a recess appointment in 2017 and whose nomination as Secretary was put forward and/or was not acted upon by the Executive Nominations Committee, or whose nomination was rejected by the Executive Nominations Committee and whose nomination was withdrawn before the full Senate acted.

Further provided that no funds in this budget may be expended to pay the salary of an Assistant Secretary or Deputy Secretary who was a recess appointment as Secretary in 2017 and whose nomination was rejected by the Executive Nominations Committee and was withdrawn before the full Senate acted or whose nomination was not acted upon by the Executive Nominations Committee.

Nothing in this language may be construed to prohibit employment in State Government not serving in a leadership capacity in the agency or department in which the Secretary or Acting Secretary’s nomination as Secretary was put forward and was rejected by the Executive Nominations Committee or who was not acted upon by the Executive Nominations Committee.

SECTION 45. AND BE IT FURTHER ENACTED, That funds are appropriated in other agency budgets to pay for Local Care Team grants to Local Management Boards provided by the Children’s Cabinet Interagency Fund: (1) In fiscal 2018 in the following amounts: (a) $660,000 from Program N00B00.04 Social Services Administration; (b) $165,000 from Program R00A01.01 Office of the State Superintendent; and (c) $165,000 from Program M00A01.01 Office of the Executive Direction; and (2) In fiscal 2019 in the following amounts: (a) $1,320,000 from Program N00B00.04 Social Services Administration; (b) $330,000 from Program R00A01.01 Office of the State Superintendent; and (c) $330,000 from Program M00A01.01 Office of the Executive Direction. Authorization is hereby granted to use these receipts as special funds for operating expenses in Program R00A04.01 Children’s Cabinet Interagency Fund.

SECTION 45. AND BE IT FURTHER ENACTED, That for fiscal 2019 $1,900,000 of
the special fund appropriation for Land Acquisitions under K00A05.10 Outdoor Recreation Land Loan shall be reduced.

Further, it is the intent of the General Assembly that the following special fund appropriations be increased in fiscal 2019 by the amounts specified:

1. K00A04.01 Statewide Operations—$600,000;
2. K00A05.10 Outdoor Recreation Land Loan—Allowance, Local Projects—$900,000; and
3. K00A05.10 Outdoor Recreation Land Loan—Department of Natural Resources Capital Improvements: Natural Resource Development Fund—$400,000.

Authorization is granted to the Department of Natural Resources to process a special fund budget amendment to increase the appropriations as noted above.

SECTION 46. AND BE IT FURTHER ENACTED, That $200,000 of the general fund appropriation in the Department of the Environment (MDE) and $200,000 of the general fund appropriation in the Department of Agriculture (MDA) made for the purpose of general operating expenses may be expended only for the purpose of filling vacant compliance and enforcement positions, provided, however, that no funds may be expended until MDE and MDA jointly prepare and submit quarterly reports on July 1, 2018; October 1, 2018; January 1, 2019; and April 1, 2019; which shall include:

1. an evaluation of the adequacy of Maryland’s current authorized compliance and enforcement positions in the departments. In completing the assessment, the departments should:

   a. provide information on the delegation of authority to other entities; and

   b. assess the impact of the role that technology has played on compliance and enforcement responsibilities;

2. a comparison of the size, roles, and responsibilities of the departments’ compliance and enforcement positions to neighboring or similar states;

3. a list of all inspection activities conducted by MDE Water Management Administration, Land Management Administration, Air and Radiation Management Administration, and MDA Office of Resource Conservation;

4. the number of:

   a. regular positions and contractual full-time equivalents associated with the inspections, including the number of vacancies for fiscal 2012 through
(a) 2018 actuals; and

(b) fiscal 2019 current and fiscal 2020 estimated appropriations; and

(5) the position identification numbers and titles for all positions filled with restricted funding and how the positions are being used.

Further provided that funding restricted for this purpose may be released quarterly in $50,000 installments for each agency upon receipt of the required quarterly reports by the budget committees. The budget committees shall have 45 days to review and comment on the submitted quarterly reports. Funds restricted may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the reports are not submitted to the budget committees, and the released funding is not used to fill vacant compliance and enforcement positions.

SECTION 47. AND BE IT FURTHER ENACTED, That $100,000 of the general fund appropriation made for the purpose of administration in the Maryland Department of Health and $100,000 of the general fund appropriation made for the purpose of administration in the Maryland Department of Human Services may not be expended until the departments jointly submit a report to the budget committees regarding the use of voluntary placement agreements for youth with a behavioral health disorder or co-occurring developmental disability and behavioral health disorder who are discharged from Residential Treatment Centers. Specifically, for fiscal 2016, fiscal 2017 and fiscal 2018, the report should detail:

(1) the number of voluntary placement agreements requested, approved and denied;

(2) the reasons for denial;

(3) the subsequent disposition of the youth after placement in the Residential Treatment Center distinguishing between those youth approved for a voluntary placement agreement and those denied a voluntary placement agreement;

(4) the extent to which the initial discharge planning recommendation made by the Residential Treatment Center was followed; and

(5) 30-day readmission rates to an inpatient hospital setting or Residential Treatment Center, distinguishing between (a) youth not placed in a setting initially recommended by the Residential Treatment Center and those appropriately placed according to the initial discharge planning recommendation, and (b) youth approved for a voluntary placement agreement and those denied a voluntary placement agreement.

The report shall be submitted by December 1, 2018, and the budget
committees shall have 45 days to review and comment. Funds restricted pending receipt of this report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted.

SECTION 48. AND BE IT FURTHER ENACTED, That, before January 10, 2019:

(1) No State funds, including any State funds appropriated to any local jurisdiction or municipality, may be expended for development, production, or distribution to the public of promotional or informational materials on behalf of State programs through billboard, magazine, newspaper, electronic, radio, or television media which bear the likeness or voice, or include the name, of a person who has filed a certificate of candidacy for statewide office with the State Board of Elections for an election to occur in calendar year 2018.

(2) Any contracts or agreements authorizing distribution of materials or content subject to subsection (1) of this section or materials or content scheduled to run after a candidate has filed a certificate of candidacy shall be terminated for convenience or otherwise as authorized under the provisions of the State Finance and Procurement Article or otherwise and the materials or content shall be returned to the contracting agency.

(3) This section does not apply to the use of locally derived revenues or to communications of any candidate for statewide office to the media that are directly connected to the performance of the duties of office essential to the protection of public welfare, health, or safety.

SECTION 21. 46. 47. 49. AND BE IT FURTHER ENACTED, That numerals of this bill showing subtotals and totals are informative only and are not actual appropriations. The actual appropriations are in the numerals for individual items of appropriation. It is the legislative intent that in subsequent printings of the bill the numerals in subtotals and totals shall be administratively corrected or adjusted for continuing purposes of information, in order to be in arithmetic accord with the numerals in the individual items.

SECTION 22. 47. 48. 50. AND BE IT FURTHER ENACTED, That pursuant to the provisions of Article III, Section 52(5a) of the Maryland Constitution, the following total of all proposed appropriations and the total of all estimated revenues available to pay the appropriations for the 2019 fiscal year are submitted.
### BUDGET SUMMARY ($)

#### Fiscal Year 2018

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund Balance, June 30, 2017 available for 2018 Operations</td>
<td>258,549,955</td>
</tr>
<tr>
<td>2018 Estimated Revenues (all funds)</td>
<td>43,514,925,321</td>
</tr>
<tr>
<td>Reimbursement from reserve for Tax Credits</td>
<td>21,761,071</td>
</tr>
<tr>
<td>Transfer from other funds</td>
<td>9,000,000</td>
</tr>
<tr>
<td>2018 Appropriations as amended (all funds)</td>
<td>43,681,797,923</td>
</tr>
<tr>
<td>2018 Deficiencies (all funds)</td>
<td>133,992,640</td>
</tr>
<tr>
<td>Section 19 Health Insurance Reduction</td>
<td>(78,621,256)</td>
</tr>
<tr>
<td>Specific Reversions</td>
<td>(42,541,437)</td>
</tr>
<tr>
<td>Board of Public Works – September 6, 2017</td>
<td>(62,928,555)</td>
</tr>
<tr>
<td>Estimated Agency Reversions</td>
<td>(35,000,000)</td>
</tr>
<tr>
<td><strong>Subtotal Appropriations (all funds)</strong></td>
<td>43,596,699,315</td>
</tr>
<tr>
<td>2018 General Funds Reserved for 2019 Operations</td>
<td>207,537,032</td>
</tr>
</tbody>
</table>

#### Fiscal Year 2019

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018 General Funds Reserved for 2019 Operations</td>
<td>207,537,032</td>
</tr>
<tr>
<td>2019 Estimated Revenues (all funds)</td>
<td>44,284,031,868</td>
</tr>
<tr>
<td>Reimbursement from reserve for Tax Credits</td>
<td>25,178,233</td>
</tr>
<tr>
<td>2019 Appropriations (all funds)</td>
<td>44,881,801,544</td>
</tr>
<tr>
<td>Budget Bill Reductions</td>
<td>(430,649,135)</td>
</tr>
<tr>
<td>Estimated Agency General Fund Reversions</td>
<td>(35,000,000)</td>
</tr>
<tr>
<td><strong>Subtotal Appropriations (all funds)</strong></td>
<td>44,416,152,409</td>
</tr>
<tr>
<td>2019 General Fund Unappropriated Balance</td>
<td>100,594,724</td>
</tr>
</tbody>
</table>
Mr. President, Mr. Speaker, 
Ladies and Gentlemen of the General Assembly:

Pursuant to the authority conferred on me by Article III, Section 52, Subsection (5) of the Constitution of Maryland, and in accordance with the consent of the (State Senate) – (House of Delegates), duly granted, I hereby submit a supplement to Senate Bill 185 and/or House Bill 160 in the form of an amendment to the original budget for the Fiscal Year ending June 30, 2019.

Supplemental Budget No. 1 will affect previously estimated funds available for budget operations as shown on the following summary statement.

SUPPLEMENTAL BUDGET SUMMARY

Sources:
Estimated general fund unappropriated balance
July 1, 2019 (per Original Budget) 100,594,724

Adjustment to General Fund Appropriations:
Medical Care Provider Reimbursements – FY 2017 Reversion 15,000,000 15,000,000

Total Available 115,594,724

Uses:
General Funds 5,000,000 5,000,000

Revised estimated general fund unappropriated Balance July 1, 2019 110,594,724

BOARDS, COMMISSIONS, AND OFFICES

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

To add an appropriation on page 13 of the printed bill (first reading file bill), to provide grants to local school systems to carry out mandated safety assessments.

Object .12 Grants, Subsidies and
Contributions .......................................................... 2,500,000

General Fund Appropriation, provided that $2,500,000 of this appropriation made for the purpose of funding a school safety assessment grant program within the Governor’s Office of Crime Control and Prevention is contingent on the enactment of SB 1257, SB 1265, or HB 1816 mandating that annual school safety assessments be conducted for each public school .................................................................................. 2,500,000

DEPARTMENT OF STATE POLICE

2. W00A01.01 Office of the Superintendent

To add an appropriation on page 134 of the printed bill (first reading file bill), to provide additional resources to monitor school safety in the Maryland Center of School Safety.

Personnel Detail:

Assistant Attorney General VII 1.00 .... 100,660
Program Manager Senior II 1.00 .... 85,580
Program Manager Senior I 5.00 .... 344,795
Administrator VI 3.00 .... 181,629
Administrator IV 2.00 .... 106,386
Administrative Aide 1.00 .... 32,364
Fringe Benefits ......................................................... 444,419
Turnover ..................................................................... –75,613

Object .01 Salaries, Wages and Fringe Benefits ........................................................ 1,220,220
Object .02 Technical and Special Fees .............. 160,000
Object .03 Communications ......................... 22,750
Object .04 Travel ................................................. 6,557
Object .07 Motor Vehicle Operations and Maintenance ............................................. 234,868
Object .08 Contractual Services ...................... 661,605
Object .09 Supplies and Materials ................. 43,500
Object .11 Equipment – Additional ................. 45,500
Object .13 Fixed Charges ............................... 105,000

General Fund Appropriation, provided that this appropriation of $2,500,000 in general
funds and 13 positions made for the purpose of funding additional resources to monitor school safety in the Maryland Center for School Safety (MCSS) is contingent on the enactment of SB 1257, SB 1265, or HB 1816 expanding the role and responsibilities of MCSS to include a regional structure, the review of school safety assessments and plans, and certification and/or training of school security personnel .......................... 2,500,000
## SUMMARY

### SUPPLEMENTAL APPROPRIATIONS

<table>
<thead>
<tr>
<th></th>
<th>General Funds</th>
<th>Special Funds</th>
<th>Federal Funds</th>
<th>Current Unrestricted Funds</th>
<th>Total Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Appropriation</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2018 FY</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>2019 FY</td>
<td>5,000,000</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>5,000,000</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>5,000,000</td>
</tr>
<tr>
<td><strong>Reduction in</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2018 FY</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>2019 FY</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Net Change in</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Appropriation</td>
<td>5,000,000</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>5,000,000</td>
</tr>
</tbody>
</table>

Sincerely,

Lawrence J. Hogan, Jr.
Governor
SUPPLEMENTAL BUDGET NO. 2 – FISCAL YEAR 2019

March 21, 2018

Mr. President, Mr. Speaker,
Ladies and Gentlemen of the General Assembly:

Pursuant to the authority conferred on me by Article III, Section 52, Subsection (5) of the Constitution of Maryland, and in accordance with the consent of the (State Senate) – (House of Delegates), duly granted, I hereby submit a supplement to Senate Bill 185 and/or House Bill 160 in the form of an amendment to the original budget for the Fiscal Year ending June 30, 2019.

Supplemental Budget No. 2 will affect previously estimated funds available for budget operations as shown on the following summary statement.

SUPPLEMENTAL BUDGET SUMMARY

Sources:
  Estimated general fund unappropriated balance
    July 1, 2019 (per Supplemental Budget #1)  110,594,724

Adjustment to revenue:
  General Funds
    Fiscal Year 2018 Revenues
      Board of Revenue Estimates – March 2018  –39,377,354
    Fiscal Year 2019 Revenues
      Board of Revenue Estimates – March 2018  433,612,436  394,235,082

Total Available  504,829,806

Uses:
  General Funds  2,556,191  2,556,191

Revised estimated general fund unappropriated
Balance July 1, 2019  502,273,615

STATE DEPARTMENT OF EDUCATION

1. R00A01.01 Office of the State Superintendent

In addition to the appropriation shown on page 94 of the printed bill (first reading file bill), to create an Education Monitoring Unit within the Maryland State Department of Education.
Personnel Detail:
Inspector General 1.00 ..... 86,003
Deputy Inspector General 1.00 ..... 80,572
Administrator IV 2.00 ..... 116,549
Administrator III 2.00 ..... 99,227
Fringe Benefits ........................................ 152,687

Object .01 Salaries, Wages and Fringe Benefits ........................................ 535,038
Object .03 Communications ...................... 1,350
Object .04 Travel ................................ 9,000
Object .07 Motor Vehicle Operations and Maintenance .............................. 80,000
Object .09 Supplies and Materials .............. 1,463
Object .13 Equipment – Additional .............. 29,340

656,191

General Fund Appropriation, provided that this appropriation of $656,191 in general funds and 6 positions made for the purpose of creating an Education Monitoring Unit within the Maryland State Department of Education is contingent on the enactment of SB 302 or HB 355 ........................................ 656,191

2. R00A01.01 Office of the State Superintendent

To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2018 to provide funds to facilitate an independent follow–up audit of local jurisdictions.

Object .08 Contractual Services ...................... 1,500,000

General Fund Appropriation, provided that $1,500,000 of this appropriation made for the purpose of facilitating an independent follow–up audit of local jurisdictions is contingent on the enactment of SB 302 or HB 355 .............. 1,500,000

3. R00A01.01 Office of the State Superintendent
In addition to the appropriation shown on page 94 of the printed bill (first reading file bill), to create an Office of Compliance and Oversight within the Maryland State Department of Education.

Personnel Detail:

<table>
<thead>
<tr>
<th>Position</th>
<th>Hours</th>
<th>Salary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administrator IV</td>
<td>2.00</td>
<td>116,549</td>
</tr>
<tr>
<td>Administrator III</td>
<td>3.00</td>
<td>148,840</td>
</tr>
<tr>
<td>Fringe Benefits</td>
<td></td>
<td>73,062</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Object</th>
</tr>
</thead>
<tbody>
<tr>
<td>.01 Salaries, Wages and Fringe Benefits</td>
</tr>
<tr>
<td>.03 Communications</td>
</tr>
<tr>
<td>.04 Travel</td>
</tr>
<tr>
<td>.09 Supplies and Materials</td>
</tr>
<tr>
<td>.13 Equipment – Additional</td>
</tr>
</tbody>
</table>

General Fund Appropriation, provided that this appropriation of $400,000 in general funds and 5 positions made for the purpose of creating an Office of Compliance and Oversight within the Maryland State Department of Education is contingent on the enactment of SB 302 or HB 355 400,000
## SUMMARY

### SUPPLEMENTAL APPROPRIATIONS

<table>
<thead>
<tr>
<th></th>
<th>General Funds</th>
<th>Special Funds</th>
<th>Federal Funds</th>
<th>Current Unrestrained Funds</th>
<th>Total Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>Appropriation</td>
<td>1,500,000</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1,500,000</td>
</tr>
<tr>
<td>2018 FY</td>
<td>1,056,191</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1,056,191</td>
</tr>
<tr>
<td>Subtotal</td>
<td>2,556,191</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>2,556,191</td>
</tr>
<tr>
<td>Reduction in</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Appropriation</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2018 FY</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>2019 FY</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Subtotal</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Net Change in</td>
<td>2,556,191</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>2,556,191</td>
</tr>
<tr>
<td>Appropriation</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Sincerely,

Lawrence J. Hogan, Jr.
Governor
SUPPLEMENTAL BUDGET NO. 3 – FISCAL YEAR 2019

March 22, 2018

Mr. President, Mr. Speaker,
Ladies and Gentlemen of the General Assembly:

Pursuant to the authority conferred on me by Article III, Section 52, Subsection (5) of the Constitution of Maryland, and in accordance with the consent of the (State Senate) – (House of Delegates), duly granted, I hereby submit a supplement to Senate Bill 185 and/or House Bill 160 in the form of an amendment to the original budget for the Fiscal Year ending June 30, 2019.

Supplemental Budget No. 3 will affect previously estimated funds available for budget operations as shown on the following summary statement.

SUPPLEMENTAL BUDGET SUMMARY

Sources:

- Estimated general fund unappropriated balance
  - July 1, 2019 (per Supplemental Budget #2) 502,273,615

Special Funds

- D80305 Insurance Regulation Fund 355,000
- E00355 Revenue Collections of Outside Agencies 3,000,000
- J00301 Transportation Trust Fund 4,195,039
- K00351 POS Transfer Tax 600,000
- K00351 POS Transfer Tax –600,000
- M00389 Natalie M. LaPrade Medical Cannabis Commission Fund 100,000
- M00389 Natalie M. LaPrade Medical Cannabis Commission Fund 1,800,000
- M00368 State Board of Examiners of Professional Counselors 120,341

Federal Funds

- 64.203 State Cemetery Grants 2,000,000
- 93.791 Money Follows the Person Rebalancing Demonstration 875,000

Current Unrestricted Funds

- University of Maryland, College Park Campus 450,000
- University of Maryland, College Park Campus 100,000

Total Available

Uses:
- General Funds: 26,147,768
- Special Funds: 9,570,380
- Federal Funds: 2,875,000
- Current Unrestricted: 550,000

Revised estimated general fund unappropriated Balance July 1, 2019

OFFICE OF THE ATTORNEY GENERAL

1. C81C00.01 Legal Counsel and Advice

   In addition to the appropriation shown on page 5 of the printed bill (first reading file bill), to provide additional funding to support one Assistant Attorney General for the Sexual Assault Evidence Kit Policy and Funding Committee.

   Personnel Detail:
   - Assistant Attorney General V: 1.00 ..... 60,543
   - Fringe Benefits: 30,033
   - Turnover: –5,453

   Object .01 Salaries, Wages and Fringe Benefits: 85,123
   Object .03 Communications: 1,050
   Object .09 Supplies and Materials: 1,706
   Object .11 Equipment – Additional: 2,403

   General Fund Appropriation: 90,282

BOARD OF PUBLIC WORKS – CAPITAL APPROPRIATION

2. D06E02.01 Public Works Capital Appropriation

   In addition to the appropriation shown on page 11 of the printed bill (first reading file bill), to provide a security grant for the installation of an electric gate at Camp Shoresh.

   Object .12 Grants, Subsidies, and
Contributions ........................................... 73,500

General Fund Appropriation ......................... 73,500

3. D06E02.01 Public Works Capital Appropriation

In addition to the appropriation shown on page 11 of the printed bill (first reading file bill), to provide capital improvements at Franklin Square Hospital.

Object .12 Grants, Subsidies, and Contributions ........................................... 2,000,000

General Fund Appropriation ......................... 2,000,000

EXECUTIVE DEPARTMENT – GOVERNOR

4. D10A01.01 General Executive Direction and Control

To become available immediately upon passage of this budget to reduce the appropriation for fiscal 2018 to reflect the transfer of one position and funding to the Department of Labor, Licensing and Regulation to reflect the creation of the Office of Small Business Regulatory Assistance pursuant to Executive Order 01.01.2018.04.

Personnel Detail:

Regular Earnings ........................................... –32,911
Fringe Benefits ........................................... –12,630
Turnover Expectancy ................................. 493

Object .01 Salaries, Wages and Fringe Benefits ........................................... –45,048

General Fund Appropriation ......................... –45,048

5. D10A01.01 General Executive Direction and Control

To reduce the appropriation shown on page 11 (first reading file bill), to reduce the funding for fiscal 2019 to reflect the
transfer of one position and funding to the Department of Labor, Licensing and Regulation to reflect the creation of the Office of Small Business Regulatory Assistance pursuant to Executive Order 01.01.2018.04.

Personnel Detail:
Regular Earnings ........................................... –110,000
Fringe Benefits ........................................... –41,740
Turnover Expectancy ................................. 2,640

Object .01 Salaries, Wages, and Fringe Benefits ........................................... –149,100

General Fund Appropriation ......................... –149,100

6. D15A05.16 Governor’s Office of Crime Control and Prevention

In addition to the appropriation shown on page 13 (first reading file bill), to provide grants, technical assistance and other support to local governments for the establishment, expansion, and improvement of pretrial services agencies.

Object .12 Grants, Subsidies, and Contributions ........................................... 1,000,000

General Fund Appropriation ......................... 1,000,000

7. D15A05.16 Governor’s Office of Crime Control and Prevention

In addition to the appropriation shown on page 13 (first reading file bill), to provide school safety grants.

Object .12 Grants, Subsidies, and Contributions ........................................... 10,000,000

General Fund Appropriation, provided that this appropriation made for the purpose of funding school safety
grants within the Governor’s Office of Crime Control and Prevention may not be expended for that purpose but instead may only be transferred by budget amendment to D06E02.02 Public School Capital Appropriation to be used for funding pay-as-you-go capital expenses that improve the safety and security of public school facilities. Funds should be distributed to local education agencies by the Interagency Committee on School Construction for school security improvements based on deficiencies identified through facility safety risk assessments. These improvements may include, but are not limited to, secure and lockable classroom doors, areas of safe refuge within classrooms, and surveillance and other security technology for school monitoring purposes. Funds not expended for this restricted purpose may not be transferred by budget amendment or otherwise and shall revert to the General Fund

8. D17B01.51 Administration

To become available immediately upon passage of this budget to supplement the appropriation for fiscal year 2018 to provide funds for health insurance.

Personnel Detail:
Fringe Benefits .......................................................... 56,043

Object .01 Salaries, Wages and Fringe Benefits .......................................................... 56,043

General Fund Appropriation ................................. 56,043

9. D17B01.51 Administration

In addition to the appropriation shown on page
15 of the printed bill (first reading file bill), to provide additional personnel, grounds keeping, and maintenance services.

Personnel Detail:
Administrator III  2.00 ....  99,798
Fringe Benefits .......................... 39,919
Turnover Expectancy .....................  -8,870

Object .01 Salaries, Wages and Fringe Benefits .......................... 130,847
Object .08 Contractual Services .............. 69,153

General Fund Appropriation ...................... 200,000

DEPARTMENT OF AGING

10. D26A07.01 General Administration

In addition to the appropriation shown on page 15 of the printed bill (first reading file bill), to provide funds to be used for certain Money Follows the Person initiatives.

Personnel Detail:
Regular Earnings .......................... 52,781

Object .01 Salaries, Wages and Fringe Benefits .......................... 52,781

General Fund Appropriation ...................... 52,781

11. D26A07.03 Community Services

In addition to the appropriation shown on page 16 of the printed bill (first reading file bill), to provide funds to be used for certain Money Follows the Person initiatives.

Object .12 Grants, Subsidies, and Contributions .......................... 72,219

General Fund Appropriation ...................... 72,219

MARYLAND DEPARTMENT OF VETERANS AFFAIRS
12. D55P00.01 Service Program

In addition to the appropriation shown on page 21 of the printed bill (first reading file bill), to provide funds for the Maryland Veterans Service Animal Program.

Object .12 Grants, Subsidies, and Contributions .......................... 150,000

General Fund Appropriation ................................................. 150,000

MARYLAND HEALTH BENEFIT EXCHANGE

13. D55P00.04 Cemetery Program – Capital

To add an appropriation on page 21 of the printed bill (first reading file bill), to expand burial capacity at Cheltenham Veterans Cemetery.

Object .14 Land and Structures ........................................... 2,000,000

Federal Fund Appropriation ................................................. 2,000,000

MARYLAND INSURANCE ADMINISTRATION

14. D80Z01.02 Major Information Technology Development Projects

To add an appropriation on page 23 of the printed bill (first reading file bill), to support the Enterprise Complaint Tracking System project.

Object .08 Contractual Services ........................... 355,000

Special Fund Appropriation .............................................. 355,000

OFFICE OF THE COMPTROLLER OF MARYLAND

15. E00A05.01 Compliance Division

To become available immediately upon passage of this budget to supplement the appropriation for fiscal year 2018 to provide for the payment of additional
commissions to outside collection agencies.

Object .08 Contractual Services ......................... 3,000,000

Special Fund Appropriation .................. 3,000,000

STATE TREASURER'S OFFICE

16. E20B01.01 Treasury Management

To become available immediately upon passage of this budget to supplement the appropriation for fiscal year 2018 to cover costs in the Cash Management Improvement Act program.

Object .13 Fixed Charges ............................... 58,861

General Fund Appropriation ...................... 58,861

DEPARTMENT OF INFORMATION TECHNOLOGY

17. F50B04.01 State Chief of Information Technology

To become available immediately upon passage of this budget to supplement the appropriation for fiscal year 2018 to provide funds to cover eMaryland Marketplace contractor payments from fiscal year 2017.

Object .08 Contractual Services ......................... 2,780,875

General Fund Appropriation ...................... 2,780,875

18. F50B04.04 Infrastructure

To become available immediately upon passage of this budget to supplement the appropriation for fiscal year 2018 to provide funds to cover agency operational shortfalls from fiscal year 2017.

Object .08 Contractual Services ......................... 1,539,886

General Fund Appropriation ...................... 1,539,886
19. F50B04.05 Chief of Staff

To become available immediately upon passage of this budget to supplement the appropriation for fiscal year 2018 to provide additional funding for procurement review costs.

Object .08 Contractual Services .................. 150,000

General Fund Appropriation .................. 150,000

DEPARTMENT OF TRANSPORTATION

20. J00A01.03 Facilities and Capital Equipment

In addition to the appropriation shown on page 39 of the printed bill (first reading file bill), to provide transportation grants to be allocated to eligible counties and municipalities as provided in Sections 8–404 and 8–405 of the Transportation Article and may be expended only in accordance with Section 8–408 of the Transportation Article.

Object .12 Grants, Subsidies, and Contributions .................. 4,195,039

Special Fund Appropriation, provided that $2,097,519 of this appropriation intended for grants to eligible municipalities may not be expended for that purpose but instead may be expended only for grants to eligible counties. Funds not expended for this restricted purpose may not be transferred by budget amendment or otherwise to any other purpose and shall be canceled .................. 4,195,039

DEPARTMENT OF NATURAL RESOURCES

21. K00A04.01 Statewide Operations – Maryland Park Service
In addition to the appropriation shown on page 45 of the printed bill (first reading file bill), to provide funds for the State Forest, State Park, and Wildlife Management Area Revenue Equity Program based on revised acreage and property value data.

Object .12 Grants, Subsidies, and Contributions ................................................. 834,370

General Fund Appropriation ................................................................. 834,370

22. K00A04.01 Statewide Operations – Maryland Park Service

In addition to the appropriation shown on page 45 of the printed bill (first reading file bill), to provide funds for heavy equipment to address maintenance needs at State park facilities.

Object .11 Equipment – Additional ......................... 600,000

Special Fund Appropriation ................................................. 600,000

23. K00A05.10 Outdoor Recreation Land Loan – Land Acquisition and Planning

To reduce the appropriation shown on page 47 of the printed bill (first reading file bill), to realign transfer tax revenue to the Maryland Park Service.

Object .14 Land and Structures ......................... −600,000

Special Fund Appropriation ................................................. −600,000

24. K00A17.01 Fishing and Boating Services

To become available immediately upon passage of this budget to supplement the appropriation for fiscal year 2018 to provide funds to support oyster seeding projects.

Object .08 Contractual Services ......................... 750,000
MARYLAND DEPARTMENT OF HEALTH

25. M00A01.02 Operations

To become available immediately upon passage of this budget to supplement the appropriation for fiscal year 2018 to provide funds to be used for nurse signing and retention bonuses.

Object .01 Salaries, Wages and Fringe Benefits .......................................................... 1,999,664

General Fund Appropriation ............................................ 1,999,664

26. M00B01.04 Health Professional Boards and Commissions

To become available immediately upon passage of this budget to supplement the appropriation for fiscal year 2018 to provide funds to be used by the Maryland Medical Cannabis Commission for contractual services needed to update licensing regulations.

Object .08 Contractual Services .................. 100,000

Special Fund Appropriation, provided that this additional appropriation shall be contingent on the enactment of HB 2 ....... 100,000

27. M00B01.04 Health Professional Boards and Commissions

In addition to the appropriation shown on page 59 of the printed bill (first reading file bill), to provide funds to be used by the Maryland Medical Cannabis Commission for contractual services needed to review, evaluate, and rank license applications.

Object .08 Contractual Services .................. 1,800,000

Special Fund Appropriation, provided that
this additional appropriation shall be contingent on the enactment of HB 2 .......

28. M00B01.04 Health Professional Boards and Commissions

In addition to the appropriation shown on page 59 of the printed bill (first reading file bill), to provide funds to be used to support licensing and investigation efforts at the Board of Professional Counselors and Therapists.

Personnel Detail:
Administrator I 1.00 .... 44,017
Administrative Specialist II 1.00 .... 32,364
Fringe Benefits .......................... 47,837
Turnover Expectancy ...................... −3,877

Object .01 Salaries, Wages and Fringe Benefits .......................... 120,341

Special Fund Appropriation ...................... 120,341

29. M00F02.01 Office of Population Health

In addition to the appropriation shown on page 60 of the printed bill (first reading file bill), to provide funds to develop a Non-Emergency Medical Transport (NEMT) pilot program in Garrett County.

Object .12 Grants, Subsidies, and Contributions .......................... 500,000

General Fund Appropriation ...................... 500,000

30. M00F02.01 Office of Population Health

In addition to the appropriation shown on page 60 of the printed bill (first reading file bill), to provide funds to create a Rural Health Collaborative to enhance access and utilization of health care services in the Mid Shore Region.

Object .12 Grants, Subsidies, and
Contributions .................................................. 150,000

General Fund Appropriation .............................. 150,000

31. M00L01.02 Community Services

In addition to the appropriation shown on page 63 of the printed bill (first reading file bill), to provide funds as a grant to Living in Recovery to provide affordable housing to individuals recovering from drug and alcohol addiction.

Object .12 Grants, Subsidies, and Contributions .................................................. 50,000

General Fund Appropriation .............................. 50,000

32. M00Q01.03 Medical Care Provider Reimbursements

In addition to the appropriation shown on page 69 of the printed bill (first reading file bill), to provide funds to be used to support the Money Follows the Person program and to correctly allocate funds associated with certain Money Follows the Person initiatives to the Department of Aging.

Object .08 Contractual Services ......................... 750,000

General Fund Appropriation .............................. –125,000
Federal Fund Appropriation .............................. 875,000

DEPARTMENT OF HUMAN SERVICES

33. N00I00.07 Office of Grants Management – Family Investment Administration

In addition to the appropriation shown on page 76 of the printed bill (first reading file bill), to provide additional funds for the Maryland Food Bank to enhance the School Pantry Program.

Object .08 Contractual Services ......................... 500,000
34. P00A01.01 Executive Direction – Office of the Secretary

To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2018 to facilitate the transfer of funds and positions for the creation of the Office of Small Business Regulatory Assistance pursuant to Executive Order 01.01.2018.04.

Personnel Detail:
- Regular Earnings: 129,277
- Fringe Benefits: 58,200
- Turnover Expectancy: -7,218

Object .01 Salaries, Wages and Fringe Benefits: 180,259

General Fund Appropriation: 180,259

35. P00A01.01 Executive Direction – Office of the Secretary

In addition to the appropriation shown on page 78 of the printed bill (first reading file bill), to facilitate the transfer of funds and positions for the creation of the Office of Small Business Regulatory Assistance pursuant to Executive Order 01.01.2018.04.

Personnel Detail:
- Regular Earnings: 432,082
- Fringe Benefits: 194,052
- Turnover Expectancy: -25,116

Object .01 Salaries, Wages and Fringe Benefits: 601,018

Object .12 Grants, Subsidies, and Contributions: 225,400

General Fund Appropriation: 826,418
STATE DEPARTMENT OF EDUCATION

36. R00A02.01 State Share of Foundation Program

To reduce the appropriation shown on page 97 of the printed bill (first reading file bill), to reflect updated enrollment and wealth numbers.

Object .12 Grants, Subsidies, and Contributions ......................................................... -2,174,689

General Fund Appropriation .............................. -2,174,689

37. R00A02.02 Compensatory Education

In addition to the appropriation shown on page 97 of the printed bill (first reading file bill), to reflect updated enrollment and wealth numbers.

Object .12 Grants, Subsidies, and Contributions ......................................................... 3,283,978

General Fund Appropriation .............................. 3,283,978

38. R00A02.06 Maryland Prekindergarten Expansion Program Financing Fund

In addition to the appropriation shown on page 97 of the printed bill (first reading file bill), to reflect updated enrollment figures.

Object .12 Grants, Subsidies, and Contributions ......................................................... 306,001

General Fund Appropriation .............................. 306,001

MARYLAND PUBLIC BROADCASTING COMMISSION

39. R15P00.02 Administration and Support Services

In addition to the appropriation shown on page 108 of the printed bill (first reading file bill), to provide funds consistent with
statute.

Object .13 Fixed Charges .......................... 260,606

General Fund Appropriation ..................... 260,606

UNIVERSITY OF MARYLAND, COLLEGE PARK CAMPUS

40. R30B22.00 University of Maryland, College Park Campus

In addition to the appropriation shown on page 109 of the printed bill (first reading file bill), to provide funds to expand program offerings at the Judge Alexander Williams, Jr. Center for Education, Justice and Ethics.

Object .08 Contractual Services ..................... 450,000

Current Unrestricted Appropriation ............. 450,000

41. R30B22.00 University of Maryland, College Park Campus

In addition to the appropriation shown on page 109 of the printed bill (first reading file bill), to provide funds to support civic competency and engagement programming.

Object .08 Contractual Services ..................... 100,000

Current Unrestricted Appropriation ............. 100,000

MARYLAND HIGHER EDUCATION COMMISSION

42. R62I00.07 Educational Grants

In addition to the appropriation shown on page 112 of the printed bill (first reading file bill), to provide funds for additional scholarships at the Washington Center for Internships and Academic Seminars.

Object .12 Grants, Subsidies, and Contributions ............................... 75,000
General Fund Appropriation ............................. 75,000

43. R62I00.44 Somerset Economic Impact Scholarship

In addition to the appropriation shown on page 114 of the printed bill (first reading file bill), to provide funds for additional Somerset Economic Impact Scholarships.

Object .12 Grants, Subsidies, and Contributions ................................. 84,430

General Fund Appropriation ............................. 84,430

44. R62I00.46 Cybersecurity Public Service Scholarship Program

To add an appropriation on page 114 of the printed bill (first reading file bill), to provide funds for the Cybersecurity Public Service Scholarship Program.

Object .12 Grants, Subsidies, and Contributions ................................. 250,000

General Fund Appropriation, provided that this additional appropriation shall be contingent on the enactment of SB 204 .... 250,000

SUPPORT FOR STATE OPERATED INSTITUTIONS OF HIGHER EDUCATION

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

In addition to the appropriation shown on page 116 of the printed bill (first reading file bill), to provide funds to expand program offerings at the Judge Alexander Williams, Jr. Center for Education, Justice and Ethics.

Object .12 Grants, Subsidies, and Contributions ................................. 450,000
General Fund Appropriation .............................................. 450,000

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

In addition to the appropriation shown on page 116 of the printed bill (first reading file bill), to provide funds to support civic competency and engagement programming at University of Maryland, College Park.

Object .12 Grants, Subsidies, and Contributions .................................................. 100,000

General Fund Appropriation .............................. 100,000

MARYLAND SCHOOL FOR THE DEAF

47. R99E01.00 Services and Institutional Operations

In addition to the appropriation shown on page 117 of the printed bill (first reading file bill), to provide funds to correct for a technical error in the school’s funding formula.

Object .08 Contractual Services ...................... 128,961

General Fund Appropriation .............................. 128,961

DEPARTMENT OF COMMERCE

48. T00F00.04 Office of Business Development

To become available immediately upon passage of this budget to reduce the appropriation for fiscal 2018 to reflect the transfer of positions and funding to the Department of Labor, Licensing and Regulation to reflect the creation of the Office of Small Business Regulatory Assistance pursuant to Executive Order 01.01.2018.04.

Personnel Detail:
Regular Earnings ............................................. -74,832
Fringe Benefits .............................................. -34,865
Turnover Expectancy ................................. 5,222

Object .01 Salaries, Wages and Fringe Benefits ................................................................. -104,475

General Fund Appropriation .......................... -104,475

49. T00F00.04 Office of Business Development

To reduce the appropriation shown on page 124 of the printed bill (first reading file bill), to reduce the funding for fiscal 2019 to reflect the transfer positions and funding to the Department of Labor, Licensing and Regulation to reflect the creation of the Office of Small Business Regulatory Assistance pursuant to Executive Order 01.01.2018.04.

Personnel Detail:
Regular Earnings ............................................. -250,110
Fringe Benefits .............................................. -116,531
Turnover Expectancy ................................. 17,453

Object .01 Salaries, Wages and Fringe Benefits ................................................................. -349,188
Object .12 Grants, Subsidies and Contributions ........................................................... -225,400

General Fund Appropriation .......................... -574,588

50. T00F00.05 Office of Strategic Industries and Entrepreneurship

To become available immediately upon passage of this budget to reduce the appropriation for fiscal 2018 to reflect the transfer of positions and funding to the Department of Labor, Licensing and Regulation to reflect the creation of the Office of Small Business Regulatory Assistance pursuant to Executive Order 01.01.2018.04.

Personnel Detail:
Regular Earnings ............................................. -21,534
Fringe Benefits ............................................. -10,705
Turnover Expectancy ................................. 1,503

Object .01 Salaries, Wages and Fringe Benefits ............................................. -30,736

General Fund Appropriation ......................... -30,736

51. T00F00.05 Office of Strategic Industries and Entrepreneurship

To reduce the appropriation shown on page 124 of the printed bill (first reading file bill), to reduce the funding for fiscal 2019 to reflect the transfer positions and funding to the Department of Labor, Licensing and Regulation to reflect the creation of the Office of Small Business Regulatory Assistance pursuant to Executive Order 01.01.2018.04.

Personnel Detail:
Regular Earnings ............................................. -71,972
Fringe Benefits ............................................. -35,781
Turnover Expectancy ................................. 5,023

Object .01 Salaries, Wages and Fringe Benefits ............................................. -102,730

General Fund Appropriation ......................... -102,730

DEPARTMENT OF THE ENVIRONMENT

52. U00A04.01 Water and Science Administration

In addition to the appropriation shown on page 129 of the printed bill (first reading file bill), to provide funds for a system to track data related to lead content in drinking water at Maryland public and nonpublic schools, in support of Chapter 386 of 2017.

Object .08 Contractual Services ......................... 500,000

General Fund Appropriation ......................... 500,000
AMENDMENTS TO SENATE BILL 185 / HOUSE BILL 160
(First Reading File Bill)

Amendment No. 1:
On page 39, on line 15, strike “20,382,769” and substitute “24,577,808 22,480,289” and on line 18, strike “$20,382,769” and substitute “24,577,808 22,480,289”.

Updates the allocation of Highway User Revenues for municipalities to be spent consistent with Section 8–408 of the Transportation Article.

Amendment No. 2:
On page 46, on line 24, strike “98,305,708” and substitute “96,805,708”, on line 27, strike “52,387,825” and substitute “53,287,825”, on page 47, on line 30, strike “52,387,825” and substitute “53,287,825”, on line 31, strike “51,605,631” and substitute “49,705,631”, on line 35, strike “14,356,000” and substitute “14,756,000”, on line 41, strike “22,356,000” and substitute “22,756,000”, and on page 48, line 1, strike “98,305,708” and substitute “96,805,708”.

Updates the allocation of transfer tax revenues to Program Open Space programs to align with Chapter 660 and 661 of 2017 (Program Open Space (POS) – Authorized Transfer to the Maryland Heritage Areas Authority Financing Fund).

Amendment No. 3:
On page 64, after line 7, insert “provided that funds appropriated herein may be transferred to programs of agencies to support the State’s response to the heroin/opioid epidemic.”

Adds language that allows reimbursable fund agreements between the Opioid Operational Command Center and other State agencies in support of the State’s response to the heroin/opioid epidemic.

Amendment No. 4:
On page 112, in line 31, strike “175,000” and substitute “$250,000”

Updates the appropriation for the Maryland Higher Education Commission to provide additional funds for the Washington Center for Internships and Academic Seminars.

Amendment No. 5:
On page 115, in line 5, strike “501,752,942” and substitute “502,302,942”, and on line 27 strike “1,318,066,208” and substitute “1,318,616,208”.

Updates the appropriation for the University of Maryland, College Park Campus to provide funds for the Judge Alexander Williams, Jr. Center for Education, Justice, and Ethics as well as civic competency and engagement programming.

Amendment No. 6:
On page 147, in line 17, strike “National” and substitute “Natural”
Technical correction to reflect the appropriate unit name in the Department of Natural Resources deficiency item.

Amendment No. 7:
On page 166, in line 3, strike “2018” and substitute “2019”

Technical correction to reflect the appropriate fiscal year as fiscal 2019 in Section 12 of the budget bill.

Amendment No. 8:
On page 171, after line 12 insert “Executive Aide X   9910”

Technical correction to add an Executive Aide X as an Executive Pay Plan position for the Department of General Services in Section 12 of the budget bill.

Amendment No. 9:
On page 182 after line 12, insert “SECTION 21. AND BE IT FURTHER ENACTED, That the Department of Human Services, the Maryland Department of Health, the Maryland State Department of Education, and the Department of Juvenile Services are hereby authorized to use general fund appropriation to reimburse the Children’s Cabinet Interagency Fund, by approved budget amendment to provide Local Care Team grants to Local Management Boards in fiscal 2018 and fiscal 2019 to meet the requirements of Section 7–209(e)(3)(iv) of the State Finance and Procurement Article.” In line 13, strike “21” and substitute “22” and on line 19, strike “22” and substitute “23”

Advises language to allow a reimbursable fund agreement between the Children’s Cabinet Interagency Fund and other various State agencies to allow the Children’s Cabinet Interagency Fund to implement Local Care Team grants in FY 2018 and FY 2019.
SUMMARY

SUPPLEMENTAL APPROPRIATIONS

<table>
<thead>
<tr>
<th></th>
<th>General Funds</th>
<th>Special Funds</th>
<th>Federal Funds</th>
<th>Current Funds</th>
<th>Total Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Appropriation</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2018 FY</td>
<td>7,515,588</td>
<td>3,100,000</td>
<td>0</td>
<td>0</td>
<td>10,615,588</td>
</tr>
<tr>
<td>2019 FY</td>
<td>21,813,546</td>
<td>7,070,380</td>
<td>2,875,000</td>
<td>550,000</td>
<td>32,308,926</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td>29,329,134</td>
<td>10,170,380</td>
<td>2,875,000</td>
<td>550,000</td>
<td>42,924,514</td>
</tr>
<tr>
<td><strong>Reduction in</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Appropriation</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2018 FY</td>
<td>–180,259</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>–180,259</td>
</tr>
<tr>
<td>2019 FY</td>
<td>–3,001,107</td>
<td>–600,000</td>
<td>0</td>
<td>0</td>
<td>–3,601,107</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td>–3,181,366</td>
<td>–600,000</td>
<td>0</td>
<td>0</td>
<td>–3,781,366</td>
</tr>
<tr>
<td><strong>Net Change in</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Appropriation</td>
<td>26,147,768</td>
<td>9,570,380</td>
<td>2,875,000</td>
<td>550,000</td>
<td>39,143,148</td>
</tr>
</tbody>
</table>

Sincerely,

Lawrence J. Hogan, Jr.
Governor


Chapter 571

(Senate Bill 134)

AN ACT concerning

Small Business Relief Tax Credit
FOR the purpose of authorizing a tax credit against the State income tax for certain small businesses that provide certain employer benefits to certain qualified employees; providing for the calculation of the credit; \textit{making the credit refundable}; requiring the Department of Commerce, on application of a small business, to issue a tax credit certificate under certain circumstances; requiring the application to contain certain information; requiring the Department to approve applications on a first–come, first–served basis and notify applicants of approval or denial of an application within a certain number of days after receipt of the application; providing that the total amount of tax credit certificates issued by the Department may not exceed a certain amount for each taxable year; requiring the Department to report certain information to the Comptroller on or before a certain date each year; requiring the Department \textit{and the Comptroller jointly} to adopt certain regulations; defining certain terms; providing for the application of this Act; \textit{making this Act contingent on the taking effect of another Act}; and generally relating to a State income tax credit for businesses that provide employer benefits to qualified employees.

BY adding to Article – Tax – General Section 10–746 Annotated Code of Maryland (2016 Replacement Volume and 2017 Supplement)

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

\textbf{Article – Tax – General 10–746.}

\textbf{(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.}

\textbf{(2) “DEPARTMENT” MEANS THE DEPARTMENT OF COMMERCE.}

\textbf{(3) “QUALIFIED EMPLOYEE” MEANS AN INDIVIDUAL WHO:}

\textbf{(I) IS EMPLOYED BY A SMALL BUSINESS;}

\textbf{(II) EARN WAGES PAID BY THE SMALL BUSINESS THAT ARE EQUAL TO OR LESS THAN 200\% OF THE ANNUAL FEDERAL POVERTY GUIDELINES FOR A SINGLE-PERSON HOUSEHOLD \$30,000 A YEAR 250\% OF THE ANNUAL FEDERAL POVERTY GUIDELINES FOR A SINGLE–PERSON HOUSEHOLD; AND}

\textbf{(III) EARN TIME OFF SICK AND SAFE LEAVE IN ACCORDANCE WITH TITLE 3, SUBTITLE 13 OF THE LABOR AND EMPLOYMENT}
ARTICLE AND AT LEAST ONE ADDITIONAL QUALIFIED EMPLOYER BENEFIT DESCRIBED UNDER PARAGRAPH (4)(II) THROUGH (V) OF THIS SUBSECTION.

(4) “QUALIFIED EMPLOYER BENEFIT” MEANS PAID EARNED SICK AND SAFE LEAVE THAT:

(I) IS PAID AT THE SAME WAGE RATE AS THE QUALIFIED EMPLOYEE NORMALLY EARNS; AND

(II) PAID TIME OFF PROVIDED IN ACCORDANCE WITH MEETS OR EXCEEDS THE REQUIREMENTS UNDER Title 3, Subtitle 13 of the Labor and Employment Article;

(II) A QUALIFIED TRANSPORTATION FRINGE, AS DEFINED IN § 132(F) OF THE INTERNAL REVENUE CODE;

(III) A DEPENDENT CARE ASSISTANCE PROGRAM, AS DESCRIBED IN § 129 OF THE INTERNAL REVENUE CODE;

(IV) AN EDUCATIONAL ASSISTANCE PROGRAM, AS DESCRIBED IN § 127 OF THE INTERNAL REVENUE CODE; OR

(V) EMPLOYER CONTRIBUTIONS TO HEALTH SAVINGS ACCOUNTS, AS DESCRIBED IN § 106 OF THE INTERNAL REVENUE CODE.

(5) “SMALL BUSINESS” MEANS AN INDIVIDUAL, A PARTNERSHIP, A LIMITED PARTNERSHIP, A LIMITED LIABILITY PARTNERSHIP, A LIMITED LIABILITY COMPANY, OR A CORPORATION THAT EMPLOYS 14 OR FEWER THAN 50 EMPLOYEES.

(B) A SMALL BUSINESS THAT HIRES EMPLOYS A QUALIFIED EMPLOYEE MAY CLAIM A CREDIT AGAINST THE STATE INCOME TAX IN THE AMOUNT STATED ON THE TAX CREDIT CERTIFICATE ISSUED UNDER SUBSECTION (D) OF THIS SECTION.

(C) (1) FOR EACH TAXABLE YEAR, THE CREDIT ALLOWED UNDER THIS SECTION MAY NOT EXCEED THE LESSER OF:

(i) AN AMOUNT THAT EQUALS $1,000 $500 FOR EACH QUALIFIED EMPLOYEE; OR

(2) AN AMOUNT THAT EQUALS THE TOTAL AMOUNT OF QUALIFIED EMPLOYER BENEFITS ACCRUED BY ALL QUALIFIED EMPLOYEES OF THE SMALL BUSINESS.
(2) If the credit allowed under this section in any taxable year exceeds the State income tax for that taxable year, a small business may claim a refund in the amount of the excess.

(D) (1) Subject to the limitations of this subsection, on application by a small business, the Department shall issue a tax credit certificate in the amount allowable under subsection (c) of this section.

(2) The application shall include:

(I) the name of the small business;

(II) evidence that the small business is:

1. duly organized and in good standing in the jurisdiction under the laws under which it is organized;

2. current in the payment of all tax obligations to the State or any unit or subdivision of the State; and

3. not in default under the terms of any contract with, indebtedness to, or grant from the State or any unit or subdivision of the State;

(III) proof of the wages paid to each qualified employee;

(IV) proof of the type and value of qualified employer benefits accrued to each qualified employee; and

(V) any other information that the Department requires.

(3) The Department shall:

(I) approve all applications that qualify for a tax credit certificate under this subsection on a first-come, first-served basis; and

(II) notify the small business within 45 days after the receipt of the application of the Department’s approval or denial of the application.
THE FOR ANY TAXABLE YEAR, THE TOTAL AMOUNT OF CREDIT CERTIFICATES ISSUED BY THE DEPARTMENT UNDER THIS SUBSECTION MAY NOT EXCEED:

(I) FOR TAXABLE YEAR 2018, $5,000,000;

(II) FOR TAXABLE YEAR 2019, $15,000,000;

(III) FOR TAXABLE YEAR 2020, $25,000,000;

(IV) FOR TAXABLE YEAR 2021, $35,000,000;

(V) FOR TAXABLE YEAR 2022 AND EACH TAXABLE YEAR THEREAFTER, $5,000,000.

(E) ON OR BEFORE JANUARY 31 EACH TAXABLE YEAR, THE DEPARTMENT SHALL REPORT TO THE COMPTROLLER ON THE TAX CREDIT CERTIFICATES ISSUED UNDER THIS SECTION DURING THE PRIOR TAXABLE YEAR.

(F) THE DEPARTMENT AND THE COMPTROLLER JOINTLY SHALL ADOPT REGULATIONS TO:

(1) IMPLEMENT THE PROVISIONS OF THIS SECTION; AND

(2) SPECIFY CRITERIA AND PROCEDURES FOR THE APPLICATION FOR, APPROVAL OF, AND MONITORING OF CONTINUING ELIGIBILITY FOR THE TAX CREDIT UNDER THIS SECTION.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall apply to all taxable years beginning after December 31, 2017.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2018, contingent on the taking effect of Chapter____ (S.B.____/H.B.____)(Sb0118/Hb0117) of the Acts of the General Assembly of 2018, and if Chapter____ (S.B.____/H.B.____)(Sb0118/Hb0117) does not become effective, this Act, with no further action required by the General Assembly, shall be null and void and shall be applicable to all taxable years beginning after December 31, 2017.

Approved by the Governor, May 15, 2018.

Chapter 572

(House Bill 327)
AN ACT concerning

Income Tax – Subtraction Modification – Military Retirement Income

FOR the purpose of altering for certain taxable years a certain limitation on a subtraction modification under the Maryland State income tax for certain military retirement income for individuals who are at least a certain age; providing for a delayed effective date the application of this Act; and generally relating to a subtraction modification for military retirement income.

BY repealing and reenacting, without amendments,
Article – Tax – General
Section 10–207(a)
Annotated Code of Maryland
(2016 Replacement Volume and 2017 Supplement)

BY repealing and reenacting, with amendments,
Article – Tax – General
Section 10–207(q)
Annotated Code of Maryland
(2016 Replacement Volume and 2017 Supplement)

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

Article – Tax – General

10–207.

(a) To the extent included in federal adjusted gross income, the amounts under this section are subtracted from the federal adjusted gross income of a resident to determine Maryland adjusted gross income.

(q) (1) (i) In this subsection the following words have the meanings indicated.

(ii) “Military retirement income” means retirement income received as a result of military service.

(iii) “Military service” means:

1. induction into the armed forces of the United States for training and service under the Selective Training and Service Act of 1940 or a subsequent act of a similar nature;
2. membership in a reserve component of the armed forces of the United States;

3. membership in an active component of the armed forces of the United States;

4. membership in the Maryland National Guard; or

5. active duty with the commissioned corps of the Public Health Service, the National Oceanic and Atmospheric Administration, or the Coast and Geodetic Survey.

(2) The subtraction under subsection (a) of this section includes:

\[\text{if, on the last day of the taxable year, the individual is under the age of 65 years, the first}\]$5,000$\text{ of military retirement income received by an individual during the taxable year; and}\]

\[\text{if, on the last day of the taxable year, the individual is at least 65 years old, the first}\]$10,000$\text{ of military retirement income received by an individual during the taxable year.}\]

(I) THE GREATER OF $10,000 OR 50\% OF THE MILITARY RETIREMENT INCOME RECEIVED BY AN INDIVIDUAL DURING A TAXABLE YEAR BEGINNING AFTER DECEMBER 31, 2018, BUT BEFORE JANUARY 1, 2020;

(II) THE GREATER OF $10,000 OR 75\% OF THE MILITARY RETIREMENT INCOME RECEIVED BY AN INDIVIDUAL DURING A TAXABLE YEAR BEGINNING AFTER DECEMBER 31, 2019, BUT BEFORE JANUARY 1, 2021; AND

(III) ALL MILITARY RETIREMENT INCOME RECEIVED BY AN INDIVIDUAL DURING A TAXABLE YEAR BEGINNING AFTER DECEMBER 31, 2020.

(I) IF, ON THE LAST DAY OF THE TAXABLE YEAR, THE INDIVIDUAL IS UNDER THE AGE OF 65 YEARS;

1. THE FIRST $7,500 OF MILITARY RETIREMENT INCOME RECEIVED BY AN INDIVIDUAL DURING A TAXABLE YEAR BEGINNING AFTER DECEMBER 31, 2018, BUT BEFORE JANUARY 1, 2020;

2. THE FIRST $15,000 OF MILITARY RETIREMENT INCOME RECEIVED BY AN INDIVIDUAL DURING A TAXABLE YEAR BEGINNING AFTER DECEMBER 31, 2019, BUT BEFORE JANUARY 1, 2021;
3. THE FIRST $20,000 OF MILITARY RETIREMENT INCOME RECEIVED BY AN INDIVIDUAL DURING A TAXABLE YEAR BEGINNING AFTER DECEMBER 31, 2020, BUT BEFORE JANUARY 1, 2022; AND

4. ALL MILITARY RETIREMENT INCOME RECEIVED BY AN INDIVIDUAL DURING A TAXABLE YEAR BEGINNING AFTER DECEMBER 31, 2021; AND

(ii) IF, ON THE LAST DAY OF THE TAXABLE YEAR, THE INDIVIDUAL IS AT LEAST 65 YEARS OLD:

1. THE FIRST $12,500 OF MILITARY RETIREMENT INCOME RECEIVED BY AN INDIVIDUAL DURING A TAXABLE YEAR BEGINNING AFTER DECEMBER 31, 2018, BUT BEFORE JANUARY 1, 2020;

2. THE FIRST $20,000 OF MILITARY RETIREMENT INCOME RECEIVED BY AN INDIVIDUAL DURING A TAXABLE YEAR BEGINNING AFTER DECEMBER 31, 2019, BUT BEFORE JANUARY 1, 2021;

3. THE FIRST $25,000 OF MILITARY RETIREMENT INCOME RECEIVED BY AN INDIVIDUAL DURING A TAXABLE YEAR BEGINNING AFTER DECEMBER 31, 2020, BUT BEFORE JANUARY 1, 2022; AND

4. ALL MILITARY RETIREMENT INCOME RECEIVED BY AN INDIVIDUAL DURING A TAXABLE YEAR BEGINNING AFTER DECEMBER 31, 2021.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2018, and shall be applicable to all taxable years beginning after December 31, 2017.

Approved by the Governor, May 15, 2018.
circumstances for a certain amount of retirement income attributable to certain employment as a correctional officer; defining a certain term; providing for the application of this Act; and generally relating to the State income tax on certain retirement income.

BY repealing and reenacting, without amendments,
Article – Tax – General
Section 10–207(a)
Annotated Code of Maryland
(2016 Replacement Volume and 2017 Supplement)

BY repealing and reenacting, with amendments,
Article – Tax – General
Section 10–207(q) and 10–209
Annotated Code of Maryland
(2016 Replacement Volume and 2017 Supplement)

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

Article – Tax – General

10–207.

(a) To the extent included in federal adjusted gross income, the amounts under this section are subtracted from the federal adjusted gross income of a resident to determine Maryland adjusted gross income.

(q) (1) (i) In this subsection the following words have the meanings indicated.

(ii) “Military retirement income” means retirement income received as a result of military service.

(iii) “Military service” means:

1. induction into the armed forces of the United States for training and service under the Selective Training and Service Act of 1940 or a subsequent act of a similar nature;

2. membership in a reserve component of the armed forces of the United States;

3. membership in an active component of the armed forces of the United States;

4. membership in the Maryland National Guard; or
active duty with the commissioned corps of the Public
Health Service, the National Oceanic and Atmospheric Administration, or the Coast and
Geodetic Survey.

(2) The subtraction under subsection (a) of this section includes:

(i) if, on the last day of the taxable year, the individual is under the
age of 65 years, the first $5,000 of military retirement income received by an individual
during the taxable year; and

(ii) if, on the last day of the taxable year, the individual is at least 65
years old, the first [$10,000] $15,000 of military retirement income received by an
individual during the taxable year.

10–209.

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

(2) “CORRECTIONAL OFFICER” MEANS AN INDIVIDUAL WHO:

(I) WAS EMPLOYED IN:

1. A STATE CORRECTIONAL FACILITY, AS DEFINED IN §
   1–101 OF THE CORRECTIONAL SERVICES ARTICLE;

2. A LOCAL CORRECTIONAL FACILITY, AS DEFINED IN §
   1–101 OF THE CORRECTIONAL SERVICES ARTICLE;

3. A JUVENILE DETENTION FACILITY IN THE STATE
   INCLUDED IN § 9–226 OF THE HUMAN SERVICES ARTICLE; OR

4. A FACILITY OF THE UNITED STATES THAT IS
   EQUIVALENT TO A STATE OR LOCAL CORRECTIONAL FACILITY OR A JUVENILE
   DETENTION FACILITY IN THE STATE INCLUDED IN § 9–226 OF THE HUMAN SERVICES
   ARTICLE; AND

   (II) IS ELIGIBLE TO RECEIVE RETIREMENT INCOME
   ATTRIBUTABLE TO THE INDIVIDUAL’S EMPLOYMENT UNDER ITEM (I) OF THIS
   PARAGRAPH.

[(2)(3) “Emergency services personnel” means emergency medical
technicians or paramedics.

[(3)(4) (i) “Employee retirement system” means a plan:
1. established and maintained by an employer for the benefit of its employees; and
2. qualified under § 401(a), § 403, or § 457(b) of the Internal Revenue Code.

(ii) “Employee retirement system” does not include:
1. an individual retirement account or annuity under § 408 of the Internal Revenue Code;
2. a Roth individual retirement account under § 408A of the Internal Revenue Code;
3. a rollover individual retirement account;
4. a simplified employee pension under Internal Revenue Code § 408(k); or
5. an ineligible deferred compensation plan under § 457(f) of the Internal Revenue Code.

(b) Subject to subsections (d) and (e) of this section, to determine Maryland adjusted gross income, if, on the last day of the taxable year, a resident is at least 65 years old or is totally disabled or the resident’s spouse is totally disabled, or the resident is at least 55 years old and is a retired CORRECTIONAL OFFICER, OR law enforcement officer, or fire, rescue, or emergency services personnel of the United States, the State, or a political subdivision of the State, an amount is subtracted from federal adjusted gross income equal to the lesser of:

(1) the cumulative or total annuity, pension, or endowment income from an employee retirement system included in federal adjusted gross income; or

(2) the maximum annual benefit under the Social Security Act computed under subsection (c) of this section, less any payment received as old age, survivors, or disability benefits under the Social Security Act, the Railroad Retirement Act, or both.

(c) For purposes of subsection (b)(2) of this section, the Comptroller:

(1) shall determine the maximum annual benefit under the Social Security Act allowed for an individual who retired at age 65 for the prior calendar year; and

(2) may allow the subtraction to the nearest $100.
(d) Military retirement income that is included in the subtraction under § 10–207(q) of this subtitle may not be taken into account for purposes of the subtraction under this section.

(e) In the case of a retired CORRECTIONAL OFFICER, OR law enforcement officer, OR fire, rescue, or emergency services personnel of the United States, the State, or a political subdivision of the State, the amount included under subsection (b)(1) of this section is limited to the first $15,000 of retirement income that is attributable to the resident’s employment as a CORRECTIONAL OFFICER, A law enforcement officer, OR fire, rescue, or emergency services personnel of the United States, the State, or a political subdivision of the State unless:

1. the resident is at least 65 years old or is totally disabled; or
2. the resident’s spouse is totally disabled.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2018, and shall be applicable to all taxable years beginning after December 31, 2017.

Approved by the Governor, May 15, 2018.

Chapter 574

(House Bill 365)

AN ACT concerning

Income Tax – Personal Exemptions – Alteration

FOR the purpose of altering the determination of the number of exemptions that an individual may use to calculate a certain deduction under the Maryland income tax; requiring the Bureau of Revenue Estimates, in consultation with the Consensus Revenue Monitoring and Forecasting Group, to review and update a certain report relating to certain federal tax changes and to include certain information in the updated report; requiring the Bureau to report to the Governor and the General Assembly on or before a certain date; providing for the application of this Act; and generally relating to a deduction for certain exemptions under the Maryland income tax.

BY repealing and reenacting, with amendments,

Article – Tax – General
Section 10–211
Annotated Code of Maryland
(2016 Replacement Volume and 2017 Supplement)
SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

Article – Tax – General

10–211.

(a) SUBJECT TO THE PROVISIONS OF THIS SECTION, AN INDIVIDUAL MAY DEDUCT AN EXEMPTION FOR:

(1) THE TAXPAYER;

(2) THE SPOUSE OF THE TAXPAYER IF:

(I) A JOINT RETURN IS NOT MADE BY THE TAXPAYER AND THE SPOUSE; AND

(II) THE SPOUSE, FOR THE CALENDAR YEAR IN WHICH THE TAXABLE YEAR OF THE TAXPAYER BEGINS, HAS NO GROSS INCOME AND IS NOT A DEPENDENT OF ANOTHER TAXPAYER; AND

(3) EACH INDIVIDUAL WHO IS A DEPENDENT, AS DEFINED IN § 152 OF THE INTERNAL REVENUE CODE, OF THE TAXPAYER FOR THE TAXABLE YEAR.

(b) Except as provided in subsection [(b)] (C) of this section, whether or not a federal return is filed, to determine Maryland taxable income, an individual other than a fiduciary may deduct as an exemption:

(1) $3,200 for each exemption that the individual may deduct in the taxable year to determine federal taxable income under § 151 of the Internal Revenue Code UNDER SUBSECTION (A) OF THIS SECTION;

(2) an additional $3,200 for each dependent, as defined in § 152 of the Internal Revenue Code, who is at least 65 years old on the last day of the taxable year;

(3) an additional $1,000 if the individual, on the last day of the taxable year, is at least 65 years old; and

(4) an additional $1,000 if the individual, on the last day of the taxable year, is a blind individual, as described in § 10–208(c) of this subtitle.

[(b)] (C) (1) If an individual other than one described in paragraph (2) of this subsection has federal adjusted gross income for the taxable year greater than $100,000, the amount allowed for each exemption under subsection [(a)(1) or (2)] (B)(1) OR (2) of this section is limited to:
(i) $1,600 if federal adjusted gross income for the taxable year does not exceed $125,000;

(ii) $800 if federal adjusted gross income for the taxable year is greater than $125,000 but not greater than $150,000; and

(iii) $0 if federal adjusted gross income for the taxable year is greater than $150,000.

(2) If a married couple filing a joint return or an individual described in § 2 of the Internal Revenue Code as a head of household or as a surviving spouse has federal adjusted gross income for the taxable year greater than $150,000, the amount allowed for each exemption under subsection [(a)(1) or (2)] (B)(1) OR (2) of this section is limited to:

(i) $1,600 if federal adjusted gross income for the taxable year does not exceed $175,000;

(ii) $800 if federal adjusted gross income for the taxable year is greater than $175,000 but not greater than $200,000; and

(iii) $0 if federal adjusted gross income for the taxable year is greater than $200,000.

SECTION 2. AND BE IT FURTHER ENACTED, That:


(b) The updated report required under subsection (a) of this section shall, at a minimum, provide:

(1) detailed charts that provide revised information and estimates on the impacts of each relevant provision of the federal Tax Cuts and Jobs Act, including summary charts of how the provisions interact with each other and impact federal, State, and local revenues;

(2) a detailed explanation and rationale for any significant differences in the revenue estimates as compared to the original January 2018 report;

(3) information on any changes or proposed changes to federal law or regulations that may impact the revenue estimates or provisions of State law, and any resulting recommendations for changes to State law;
(4) revised estimates of the impacts of the federal Tax Cuts and Jobs Act on the State’s overall economy;

(5) a review of applicable studies by other states and organizations as to the impacts of the federal Tax Cuts and Jobs Act; and

(6) any other relevant information.

(c) The updated report required under subsection (a) of this section shall be submitted to the Governor and, in accordance with § 2–1246 of the State Government Article, to the General Assembly on or before December 15, 2018.

SECTION 3. AND BE IT FURTHER ENACTED, That Section 1 of this Act shall be applicable to all taxable years beginning after December 31, 2017.

SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2018, and shall be applicable to all taxable years beginning after December 31, 2017.

Approved by the Governor, May 15, 2018.

Chapter 575
(Senate Bill 184)

AN ACT concerning

Income Tax – Personal Exemptions – Alteration

FOR the purpose of altering the determination of the number of exemptions that an individual may use to calculate a certain deduction under the Maryland income tax; requiring the Bureau of Revenue Estimates, in consultation with the Consensus Revenue Monitoring and Forecasting Group, to review and update a certain report relating to certain federal tax changes and to include certain information in the updated report; requiring the Bureau to report to the Governor and the General Assembly on or before a certain date; providing for the application of this Act; and generally relating to a deduction for certain exemptions under the Maryland income tax.

BY repealing and reenacting, with amendments, Article – Tax – General Section 10–211 Annotated Code of Maryland (2016 Replacement Volume and 2017 Supplement)
SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

**Article – Tax – General**

10–211.

(a) **SUBJECT TO THE PROVISIONS OF THIS SECTION, AN INDIVIDUAL MAY DEDUCT AN EXEMPTION FOR:**

(1) THE TAXPAYER;

(2) THE SPOUSE OF THE TAXPAYER IF:

   (I) A JOINT RETURN IS NOT MADE BY THE TAXPAYER AND THE SPOUSE; AND

   (II) THE SPOUSE, FOR THE CALENDAR YEAR IN WHICH THE TAXABLE YEAR OF THE TAXPAYER BEGINS, HAS NO GROSS INCOME AND IS NOT A DEPENDENT OF ANOTHER TAXPAYER; AND

(3) EACH INDIVIDUAL WHO IS A DEPENDENT, AS DEFINED IN § 152 OF THE INTERNAL REVENUE CODE, OF THE TAXPAYER FOR THE TAXABLE YEAR.

(B) Except as provided in subsection [(b)] (C) of this section, whether or not a federal return is filed, to determine Maryland taxable income, an individual other than a fiduciary may deduct as an exemption:

(1) $3,200 for each exemption that the individual may deduct [in the taxable year to determine federal taxable income under § 151 of the Internal Revenue Code] UNDER SUBSECTION (A) OF THIS SECTION;

(2) an additional $3,200 for each dependent, as defined in § 152 of the Internal Revenue Code, who is at least 65 years old on the last day of the taxable year;

(3) an additional $1,000 if the individual, on the last day of the taxable year, is at least 65 years old; and

(4) an additional $1,000 if the individual, on the last day of the taxable year, is a blind individual, as described in § 10–208(c) of this subtitle.

[(b)] (C) (1) If an individual other than one described in paragraph (2) of this subsection has federal adjusted gross income for the taxable year greater than $100,000, the amount allowed for each exemption under subsection [(a)(1) or (2)] (B)(1) OR (2) of this section is limited to:
(i) $1,600 if federal adjusted gross income for the taxable year does not exceed $125,000;

(ii) $800 if federal adjusted gross income for the taxable year is greater than $125,000 but not greater than $150,000; and

(iii) $0 if federal adjusted gross income for the taxable year is greater than $150,000.

(2) If a married couple filing a joint return or an individual described in § 2 of the Internal Revenue Code as a head of household or as a surviving spouse has federal adjusted gross income for the taxable year greater than $150,000, the amount allowed for each exemption under subsection [(a)(1) or (2)] (B)(1) OR (2) of this section is limited to:

(i) $1,600 if federal adjusted gross income for the taxable year does not exceed $175,000;

(ii) $800 if federal adjusted gross income for the taxable year is greater than $175,000 but not greater than $200,000; and

(iii) $0 if federal adjusted gross income for the taxable year is greater than $200,000.

SECTION 2. AND BE IT FURTHER ENACTED, That:


(b) The updated report required under subsection (a) of this section shall, at a minimum, provide:

(1) detailed charts that provide revised information and estimates on the impacts of each relevant provision of the federal Tax Cuts and Jobs Act, including summary charts of how the provisions interact with each other and impact federal, State, and local revenues;

(2) a detailed explanation and rationale for any significant differences in the revenue estimates as compared to the original January 2018 report;

(3) information on any changes or proposed changes to federal law or regulations that may impact the revenue estimates or provisions of State law, and any resulting recommendations for changes to State law:
(4) revised estimates of the impacts of the federal Tax Cuts and Jobs Act on the State’s overall economy;

(5) a review of applicable studies by other states and organizations as to the impacts of the federal Tax Cuts and Jobs Act; and

(6) any other relevant information.

(c) The updated report required under subsection (a) of this section shall be submitted to the Governor and, in accordance with § 2–1246 of the State Government Article, to the General Assembly on or before December 15, 2018.

SECTION 3. AND BE IT FURTHER ENACTED, That Section 1 of this Act shall be applicable to all taxable years beginning after December 31, 2017.

SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2018, and shall be applicable to all taxable years beginning after December 31, 2017.

Approved by the Governor, May 15, 2018.

Chapter 576
(House Bill 570)

AN ACT concerning


FOR the purpose of altering the determination of the amount of the standard deduction allowed for an individual under the Maryland income tax; providing for the application of this Act; altering the determination of the amount of the standard deduction allowed for an individual under the Maryland income tax; altering the minimum and maximum limitation amounts of certain standard deductions allowed under the State Maryland income tax for certain taxable years by a certain cost–of–living adjustment; providing for the application of this Act; and generally relating to the standard deduction allowed for an individual under the Maryland income tax, a cost–of–living adjustment for the State Maryland standard deductions the standard deduction allowed under the State Maryland income tax.

BY repealing and reenacting, with amendments,

Article – Tax – General
Section 10–217
Annotated Code of Maryland
(2016 Replacement Volume and 2017 Supplement)
SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

**Article – Tax – General**

10–217.

(a) (1) (i) Except as otherwise provided in this subsection, an individual may elect to use the standard deduction to compute Maryland taxable income whether or not the individual itemizes deductions on the individual’s federal income tax return in determining federal taxable income.

(ii) If an individual elects to use the standard deduction on the federal income tax return, the individual may not take any itemized deduction in § 10–218 of this subtitle.

(2) A fiduciary may not use the standard deduction.

(b) **Subject to the limitation in subsection (c) of this section, the standard deduction for an individual is an amount equal to 15% of the individual’s Maryland adjusted gross income.**

(c) 1. For an individual other than one described in paragraphs (2) and (3) of this subsection, the standard deduction:

   (i) may not be less than $1,500; and

   (ii) may not exceed **$2,250**.

2. For an individual described in § 2 of the Internal Revenue Code as a head of household or as a surviving spouse, the standard deduction:

   (i) may not be less than $3,000; and

   (ii) may not exceed **$4,500**.

3. For spouses on a joint return, the standard deduction:

   (i) may not be less than $3,000; and

   (ii) may not exceed **$4,500**.

(D) (1) **FOR EACH TAXABLE YEAR BEGINNING AFTER DECEMBER 31, 2018, EACH MINIMUM AND MAXIMUM STANDARD DEDUCTION LIMITATION AMOUNT SPECIFIED IN SUBSECTION (C) OF THIS SECTION SHALL BE INCREASED BY AN AMOUNT EQUAL TO THE PRODUCT OF MULTIPLYING THE MINIMUM AND MAXIMUM**
STANDARD DEDUCTION LIMITATION AMOUNT BY THE COST–OF–LIVING ADJUSTMENT SPECIFIED IN THIS SUBSECTION.


(3) IF ANY INCREASE DETERMINED UNDER PARAGRAPH (1) OF THIS SUBSECTION IS NOT A MULTIPLE OF $50, THE INCREASE SHALL BE ROUNDED DOWN TO THE NEXT LOWEST MULTIPLE OF $50.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2018, and shall be applicable to all taxable years beginning after December 31, 2017.

Approved by the Governor, May 15, 2018.

Chapter 577
(Senate Bill 318)

AN ACT concerning


FOR the purpose of altering the determination of the amount of the standard deduction allowed for an individual under the Maryland income tax; altering the minimum and maximum limitation amounts of certain standard deductions allowed under the Maryland income tax for certain taxable years by a certain cost–of–living adjustment; providing for the application and termination of this Act; and generally relating to the standard deduction allowed under the Maryland income tax.

BY repealing and reenacting, with amendments,
Article – Tax – General
Section 10–217
Annotated Code of Maryland
(2016 Replacement Volume and 2017 Supplement)

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

10–217.

(a) (1) (i) Except as otherwise provided in this subsection, an individual may elect to use the standard deduction to compute Maryland taxable income whether or not the individual itemizes deductions on the individual’s federal income tax return in determining federal taxable income.

(ii) If an individual elects to use the standard deduction on the federal income tax return, the individual may not take any itemized deduction in § 10–218 of this subtitle.

(2) A fiduciary may not use the standard deduction.

(b) Subject to the limitation in subsection (c) of this section, the standard deduction for an individual is an amount equal to 15% of the individual’s Maryland adjusted gross income.

(c) (1) For an individual other than one described in paragraphs (2) and (3) of this subsection, the standard deduction:

(i) may not be less than $1,500; and

(ii) may not exceed $7,500 $2,500 $2,250.

(2) For an individual described in § 2 of the Internal Revenue Code as a head of household or as a surviving spouse, the standard deduction:

(i) may not be less than $3,000; and

(ii) may not exceed $10,000 $5,000 $4,500.

(3) For spouses on a joint return, the standard deduction:

(i) may not be less than $3,000; and

(ii) may not exceed $10,000 $5,000 $4,500.

(D) (1) For each taxable year beginning after December 31, 2018, each minimum and maximum standard deduction limitation amount specified in subsection (c) of this section shall be increased by an amount equal to the product of multiplying the minimum and maximum standard deduction limitation amount by the cost–of–living adjustment specified in this subsection.
Section 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2018, and shall be applicable to all taxable years beginning after December 31, 2017 but before January 1, 2021. It shall remain effective for a period of 2 years and 6 months and, at the end of December 31, 2020, this Act, with no further action required by the General Assembly, shall be abrogated and of no further force and effect.

Approved by the Governor, May 15, 2018.

Chapter 578

(Senate Bill 228)

AN ACT concerning

Cybersecurity Investment Incentive Tax Credit—Eligibility, Appropriation, and Sunset Extension Credits

FOR the purpose of altering the eligibility criteria for the cybersecurity investment incentive tax credit to provide the credit to a certain qualified investor in a certain qualified Maryland cybersecurity company rather than providing the credit to the company; altering the definition of “company” to include an entity that becomes duly organized and existing under certain laws and for a certain purpose within a certain time period; altering the definition of “investment” to include certain types of debt; altering the appropriation to a certain special fund the Governor is required to include each fiscal year in the budget bill; providing for the recapture of the credit under certain circumstances; authorizing certain buyers of certain technology to claim a credit against the State income tax for certain costs incurred to purchase certain technology or a certain service; providing that the credit may not exceed certain amounts under certain circumstances; authorizing the Department of Commerce, in consultation with the Maryland Technology Development Corporation, to establish a certain panel to assist the Department with certain determinations; authorizing certain qualified buyers to apply for the credit; requiring a qualified buyer to attach a certain certificate to the qualified buyer's
income tax return; requiring the Secretary of Commerce to approve each application that qualifies for a credit; providing that for certain taxable years the total amount of credit certificates issued may not exceed certain amounts; providing for the revocation and recapture of a credit under certain circumstances; requiring the Department to make a certain report by a certain date each year; requiring the Department and the Comptroller jointly to adopt certain regulations; making a certain cybersecurity incentive tax credit subject to evaluation under the Tax Credit Evaluation Act on or before a certain date; altering the date for a certain evaluation of a certain cybersecurity investment incentive tax credit; making conforming changes; extending the termination date of the a certain credit; providing for the application of this Act; and generally relating to the cybersecurity investment incentive tax credits.

BY repealing and reenacting, with amendments,
Article – Tax – General
Section 1–303(g) and 10–733
Annotated Code of Maryland
(2016 Replacement Volume and 2017 Supplement)

BY adding to
Article – Tax – General
Section 1–303(i) and 10–733.1
Annotated Code of Maryland
(2016 Replacement Volume and 2017 Supplement)

BY repealing and reenacting, with amendments,
Chapter 390 of the Acts of the General Assembly of 2013
Section 2

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

Article – Tax – General

1–303.

(g) On or before July 1, 2019, an evaluation shall be made of the tax credits under:

(1) § 10–702 of this article (wages paid in a Regional Institution Strategic Enterprise zone) and § 9–103.1 of the Tax – Property Article (qualified property in a Regional Institution Strategic Enterprise zone); and

(2) § 10–733 of this article (cybersecurity investment incentive).
(1) **On or before July 1, 2023, an evaluation shall be made of the tax credits under § 10–733 of this article (Cybersecurity Investment Incentive) and § 10–733.1 of this article (PurCHASE of Cybersecurity Technology or service).**

10–733.

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

(2) (i) 1. “Company” means any entity of any form duly organized and existing under the laws of any jurisdiction for the purpose of conducting business for profit.

2. **“COMPANY” INCLUDES AN ENTITY THAT BECOMES DULY ORGANIZED AND EXISTING UNDER THE LAWS OF ANY JURISDICTION FOR THE PURPOSE OF CONDUCTING BUSINESS FOR PROFIT WITHIN 4 MONTHS OF RECEIVING A QUALIFIED INVESTMENT.**

(ii) “Company” does not include a sole proprietorship.

(3) “Cybersecurity company” means a company organized for profit that is engaged primarily in the development of innovative and proprietary cybersecurity technology.

(4) “Cybersecurity technology” means products or goods intended to detect or prevent activity intended to result in unauthorized access to, exfiltration of, manipulation of, or impairment to the integrity, confidentiality, or availability of an information system or information stored on or transiting an information system.

(5) “Department” means the Department of Commerce.

(6) (i) “Investment” means the contribution of money in cash or cash equivalents expressed in United States dollars, at a risk of loss, to a qualified Maryland cybersecurity company in exchange for stock, a partnership or membership interest, or any other ownership interest in the equity of the qualified Maryland cybersecurity company, title to which ownership interest shall vest in the qualified investor.

(ii) “Investment” does not include debt **UNLESS IT IS CONVERTIBLE DEBT.**

(iii) For purposes of this section, an investment is at risk of loss when repayment entirely depends on the success of the business operations of the qualified company.

(7) “Panel” means the panel that the Department may establish under subsection (e) of this section composed of experts in the area of cybersecurity technology.
(8)  (i) “Qualified investor” means any individual or entity that invests at least $25,000 in a qualified Maryland cybersecurity company and that is required to file an income tax return in any jurisdiction.

(ii) “Qualified investor” does not include a qualified pension plan, an individual retirement account, or any other qualified retirement plan under the Employee Retirement Income Security Act of 1974, as amended, or fiduciaries or custodians under such plans, or similar tax–favored plans or entities under the laws of other countries.

(9) “Qualified Maryland cybersecurity company” means a cybersecurity company that has met the criteria set forth in subsection [(c)(2)] (B)(2) of this section [and been determined under subsection (c)(3)(ii)2 of this section to qualify for the tax credit under this section].

(10) “Secretary” means the Secretary of Commerce.

(b)  (1) Subject to paragraph (2) of this subsection and subsections (d) and (f) of this section, for the taxable year in which an investment in a qualified Maryland cybersecurity company is made, a qualified Maryland cybersecurity company INVESTOR may claim a credit against the State income tax in an amount equal to the amount of tax credit stated in the final credit certificate approved by the Secretary for the investment as provided under this section.

(2) [For purposes of] TO BE ELIGIBLE FOR the tax credit described in paragraph (1) of this subsection, the qualified investor:

(i) may not, after making the proposed investment, own or control more than 25% of the equity interests in the qualified Maryland cybersecurity company in which the investment is made; and

(ii) AT LEAST 30 DAYS PRIOR TO MAKING AN INVESTMENT IN A QUALIFIED MARYLAND CYBERSECURITY COMPANY FOR WHICH THE QUALIFIED INVESTOR WOULD BE ELIGIBLE FOR AN INITIAL TAX CREDIT CERTIFICATE UNDER THIS SUBSECTION, shall submit an application to the Department containing the following:

1. evidence that the investor is:

   A. if a company, duly organized and in good standing in the jurisdiction under the laws under which it is organized;

   B. current in the payment of all tax obligations to a state or any unit or subdivision of a state; and
C. not in default under the terms of any contract with, indebtedness to, or grant from a state or any unit or subdivision of a state; [and

2. any other information the Department may require.

(c) (1) At least 30 days prior to receiving an investment in a qualified Maryland cybersecurity company for which a qualified Maryland cybersecurity company would be eligible for an initial tax credit certificate, the qualified Maryland cybersecurity company shall submit an application to the Department.

(2) 2. The application shall evidence that the qualified Maryland cybersecurity company has satisfied the following minimum requirements for consideration as a qualified Maryland cybersecurity company:

[(i)] A. has its headquarters and base of operations in this State;

[(ii)] B. has not participated in the tax credit program under this section for more than 1 prior fiscal year;

[(iii)] C. has been in active business no longer than 5 years;

[(iv)] D. has an aggregate capitalization of at least $100,000;

[(v)] E. owns or has properly licensed any proprietary technology;

[(vi)] F. has fewer than 50 full–time employees;

[(vii)] G. does not have its securities publicly traded on any exchange;

[(viii)] H. is in good standing;

[(ix)] I. is current in the payment of all tax obligations to the State or any unit or subdivision of the State;

[(x)] J. is not in default under the terms of any contract with, indebtedness to, or grant from the State or any unit or subdivision of the State; and

[(xi)] K. meets any other reasonable requirements of the Department evidencing that the company is a going concern primarily engaged in the development of innovative and proprietary cybersecurity technology; AND

3. ANY OTHER INFORMATION THE DEPARTMENT MAY REQUIRE.
The Department shall:

(i) approve all applications that qualify for credits under this section on a first–come, first–served basis; and

(ii) within 30 calendar days of receipt of an application:

1. certify the amount of any approved tax credits to a qualified Maryland cybersecurity company INVESTOR; and

2. determine whether a cybersecurity company qualifies for investments that are eligible for the tax credit under this section.

After the date on which the Department issues an initial tax credit certificate under this section, a qualified investor shall have 30 calendar days to make an investment in a qualified Maryland cybersecurity company under this section.

(i) Within 10 calendar days after the date on which a qualified investor makes the investment, the qualified Maryland cybersecurity company INVESTOR shall provide to the Department notice and proof of the making of the investment, including:

1. the date of the investment;

2. the amount invested;

3. proof of the receipt of the invested funds by the qualified Maryland cybersecurity company;

4. a complete description of the nature of the ownership interest in the equity of the qualified Maryland cybersecurity company acquired in consideration of the investment; and

5. any reasonable supporting documentation the Department may require.

(iii) If a qualified Maryland cybersecurity company INVESTOR does not provide the notice and proof of the making of the investment required in subparagraph (ii) of this paragraph within 40 calendar days after the date on which the Department issues an initial tax credit certificate under this section:

1. the Department shall rescind the initial tax credit certificate; and

2. the credit amount allocated to the rescinded certificate shall revert to the Maryland Cybersecurity Investment Tax Credit Reserve Fund and shall
be available in the applicable fiscal year for allocation by the Department to other initial tax credit certificates in accordance with the provisions of this section.

(d) (1) The tax credit allowed in an initial tax credit certificate issued under this section is:

(i) except as provided in item (ii) of this paragraph, 33% of the investment in a qualified Maryland cybersecurity company, not to exceed $250,000; or

(ii) if a qualified Maryland cybersecurity company is located in Allegany County, Dorchester County, Garrett County, or Somerset County, 50% of the investment in the qualified Maryland cybersecurity company, not to exceed $500,000.

(2) During any fiscal year, the Secretary may not certify eligibility for tax credits for investments in a single qualified Maryland cybersecurity company that in the aggregate exceed 15% of the total appropriations to the Maryland Cybersecurity Investment Tax Credit Reserve Fund for that fiscal year.

(3) If the credit allowed under this section in any taxable year exceeds the State income tax for that taxable year, an individual or a corporation may claim a refund in the amount of the excess.

(e) (1) The Department may establish a panel composed of experts in the area of cybersecurity technology.

(2) The Department may establish the panel under service contracts with independent reviewers.

(3) The panel shall assist the Department in its determination as to whether a company is a qualified Maryland cybersecurity company.

(4) A member of the panel is not eligible to receive any benefit, direct or indirect, from the tax credit under this section.

(5) (i) Except as provided in subparagraph (ii) of this paragraph, Division II of the State Finance and Procurement Article does not apply to a service that the Department obtains under this section.

(ii) The Department is subject to Title 12, Subtitle 4 of the State Finance and Procurement Article for services the Department obtains under this section.

(f) (1) In this subsection, “Reserve Fund” means the Maryland Cybersecurity Investment Tax Credit Reserve Fund established under paragraph (2) of this subsection.

(2) (i) There is a Maryland Cybersecurity Investment Tax Credit Reserve Fund which is a special continuing, nonlapsing fund that is not subject to § 7–302 of the State Finance and Procurement Article.
(ii) The money in the Reserve Fund shall be invested and reinvested by the Treasurer, and interest and earnings shall be credited to the General Fund.

(iii) The money in the Reserve Fund may be used by the Department to pay the costs of administering the tax credit program under this section.

(3) (i) Subject to the provisions of this subsection, the Secretary shall issue an initial tax credit certificate to a qualified Maryland cybersecurity company INVESTOR for each approved investment in a qualified Maryland cybersecurity company eligible for a tax credit.

(ii) An initial tax credit certificate issued under this subsection shall state the maximum amount of tax credit for which the qualified Maryland cybersecurity company INVESTOR is eligible.

(iii) 1. Except as otherwise provided in this subparagraph, for any fiscal year, the Secretary may not issue initial tax credit certificates for credit amounts in the aggregate totaling more than the amount appropriated to the Reserve Fund for that fiscal year in the State budget as approved by the General Assembly, as reduced by the amount needed to pay the costs of administering the tax credit program under this section.

2. If the aggregate credit amounts under initial tax credit certificates issued in a fiscal year total less than the amount appropriated to the Reserve Fund for that fiscal year, any excess amount shall remain in the Reserve Fund and may be issued under initial tax credit certificates for the next fiscal year.

3. For any fiscal year, if funds are transferred from the Reserve Fund under the authority of any provision of law other than under paragraph (4) of this subsection, the maximum credit amounts in the aggregate for which the Secretary may issue initial tax credit certificates shall be reduced by the amount transferred.

(iv) 1. Except as provided in subsubparagraph 2 of this subparagraph, for each fiscal year, the Governor shall include in the budget bill an appropriation of at least $2,000,000 to the Reserve Fund.

2. In fiscal year 2016, the Governor shall include in the budget bill an appropriation of at least $3,000,000 to the Reserve Fund.

(v) Notwithstanding the provisions of § 7–213 of the State Finance and Procurement Article, the Governor may not reduce an appropriation to the Reserve Fund in the State budget as approved by the General Assembly.

(vi) Based on the actual amount of an investment made by a qualified investor, the Secretary shall issue a final tax credit certificate to the qualified Maryland cybersecurity company INVESTOR.
(4) (i) Except as otherwise provided in this paragraph, money appropriated to the Reserve Fund shall remain in the Reserve Fund.

(ii) 1. Within 15 days after the end of each calendar quarter, the Department shall notify the Comptroller as to each final credit certificate issued during the quarter:

   A. the maximum credit amount stated in the initial tax credit certificate for the investment in the qualified Maryland cybersecurity company; and

   B. the final certified credit amount for the investment in the qualified Maryland cybersecurity company.

2. On notification that an investment has been certified, the Comptroller shall transfer an amount equal to the credit amount stated in the initial tax credit certificate for the investment from the Reserve Fund to the General Fund.

(iii) 1. Periodically, but not more frequently than quarterly, the Department may submit invoices for costs that have been incurred or are anticipated to be incurred in administering the tax credit program under this section.

2. The Comptroller shall transfer money from the Reserve Fund to the Department to pay for costs that have been incurred or are anticipated to be incurred in administering the tax credit program under this section.

(g) (1) The credit claimed under this section shall be recaptured as provided in paragraph [(2)](3) of this subsection if within 2 years from the close of the taxable year for which the credit is claimed:

   (i) the qualified investor sells, transfers, or otherwise disposes of the ownership interest in the qualified Maryland cybersecurity company that gave rise to the credit; or

   (ii) the qualified Maryland cybersecurity company that [received] GAVE RISE TO the credit:

1. ceases operating as an active business with its headquarters and base of operations in the State; or

2. pays out as dividends or otherwise distributes the equity investment.

(2) THE CREDIT CLAIMED UNDER THIS SECTION SHALL BE RECAPTURED AS PROVIDED IN PARAGRAPH (3) OF THIS SUBSECTION IF, WITHIN 4 MONTHS OF RECEIVING A QUALIFIED INVESTMENT, A QUALIFIED MARYLAND
CYBERSECURITY COMPANY IS NOT DULY ORGANIZED AND EXISTING UNDER THE LAWS OF ANY JURISDICTION FOR THE PURPOSES OF CONDUCTING BUSINESS FOR PROFIT.

(3) The amount required to be recaptured under this subsection is the product of multiplying:

(i) the total amount of the credit claimed or, in the case of an event described in paragraph (1)(i) of this subsection, the portion of the credit attributable to the ownership interest disposed of; and

(ii) 1. 100%, if the event requiring recapture of the credit occurs during the taxable year for which the tax credit is claimed;

2. 67%, if the event requiring recapture of the credit occurs during the first year after the close of the taxable year for which the tax credit is claimed; or

3. 33%, if the event requiring recapture of the credit occurs more than 1 year but not more than 2 years after the close of the taxable year for which the tax credit is claimed.

[(3)] (4) The qualified [Maryland cybersecurity company] INVESTOR that claimed the credit shall pay the amount to be recaptured as determined under paragraph [(2)] (3) of this subsection as taxes payable to the State for the taxable year in which the event requiring recapture of the credit occurs.

(h) (1) The Department may revoke its initial or final certification of an approved credit under this section if any representation made in connection with the application for the certification is determined by the Department to have been false.

(2) The revocation may be in full or in part as the Department may determine and, subject to paragraph (3) of this subsection, shall be communicated to the qualified investor, the qualified Maryland cybersecurity company, and the Comptroller.

(3) The qualified [Maryland cybersecurity company] INVESTOR shall have an opportunity to appeal any revocation to the Department prior to notification of the Comptroller.

(4) The Comptroller may make an assessment against the qualified [Maryland cybersecurity company] INVESTOR to recapture any amount of tax credit that the qualified [Maryland cybersecurity company] INVESTOR has already claimed.

(i) (1) In accordance with § 2.5–109 of the Economic Development Article, the Department shall submit a report on the initial tax credit certificates awarded under this section for the calendar year.
(2) The report required under paragraph (1) of this subsection shall include for each initial tax credit certificate awarded:

(i) the name of the qualified investor and the amount of credit awarded or allocated to each qualified Maryland cybersecurity company INVESTOR;

(ii) the name and address of the qualified Maryland cybersecurity company that received THE INVESTMENT GIVING RISE TO the credit under this section and the county where the qualified Maryland cybersecurity company is located; and

(iii) the dates of receipt and approval by the Department of all applications for initial tax credit certificates.

(3) The report required under paragraph (1) of this subsection shall summarize for the categories of qualified investors and qualified Maryland cybersecurity companies:

(i) the total number of applicants for initial tax credit certificates under this section in each calendar year;

(ii) the number of applications for which initial tax credit certificates were issued in each calendar year; and

(iii) the total initial tax credit certificates authorized under this section for all calendar years under this section.

(j) The Department and the Comptroller jointly shall adopt regulations to carry out the provisions of this section and to specify criteria and procedures for application for, approval of, and monitoring continuing eligibility for the tax credit under this section.

10–733.1.

(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(2) “CYBERSECURITY BUSINESS” MEANS AN ENTITY ORGANIZED FOR PROFIT THAT IS ENGAGED PRIMARILY IN THE DEVELOPMENT OF INNOVATIVE AND PROPRIETARY CYBERSECURITY TECHNOLOGY OR THE PROVISION OF CYBERSECURITY SERVICE.

(3) “CYBERSECURITY SERVICE” MEANS AN ACTIVITY THAT IS ASSOCIATED WITH A CATEGORY OR SUBCATEGORY IDENTIFIED UNDER THE FRAMEWORK CORE ESTABLISHED BY THE NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY’S CYBERSECURITY FRAMEWORK.
“(4) “CYBERSECURITY TECHNOLOGY” MEANS PRODUCTS OR GOODS INTENDED TO DETECT OR PREVENT ACTIVITY INTENDED TO RESULT IN UNAUTHORIZED ACCESS TO, EXFILTRATION OF, MANIPULATION OF, OR IMPAIRMENT TO THE INTEGRITY, CONFIDENTIALITY, OR AVAILABILITY OF AN INFORMATION SYSTEM OR INFORMATION STORED ON OR TRANSITING AN INFORMATION SYSTEM.

(5) “DEPARTMENT” MEANS THE DEPARTMENT OF COMMERCE.

(6) “PANEL” MEANS THE PANEL THAT THE DEPARTMENT MAY ESTABLISH UNDER SUBSECTION (C) OF THIS SECTION COMPOSED OF EXPERTS IN THE AREAS OF CYBERSECURITY TECHNOLOGY AND CYBERSECURITY SERVICE.

(7) “QUALIFIED BUYER” MEANS ANY ENTITY THAT HAS FEWER THAN 50 EMPLOYEES IN THE STATE AND THAT IS REQUIRED TO FILE AN INCOME TAX RETURN IN THE STATE.

(8) “QUALIFIED SELLER” MEANS A CYBERSECURITY BUSINESS THAT:

(I) HAS ITS HEADQUARTERS AND BASE OF OPERATIONS IN THE STATE;

(II) 1. HAS LESS THAN $5,000,000 IN ANNUAL REVENUE;

2. IS A MINORITY–OWNED, WOMAN–OWNED, VETERAN–OWNED, OR SERVICE–DISABLED–VETERAN–OWNED BUSINESS; OR

3. IS LOCATED IN A HISTORICALLY UNDERUTILIZED BUSINESS ZONE DESIGNATED BY THE UNITED STATES SMALL BUSINESS ADMINISTRATION;

(III) 1. OWNS OR HAS PROPERLY LICENSED ANY PROPRIETARY CYBERSECURITY TECHNOLOGY; OR

2. PROVIDES A CYBERSECURITY SERVICE;

(IV) IS IN GOOD STANDING;

(V) IS CURRENT IN THE PAYMENT OF ALL TAX OBLIGATIONS TO THE STATE OR ANY UNIT OR SUBDIVISION OF THE STATE; AND

(VI) IS NOT IN DEFAULT UNDER THE TERMS OF ANY CONTRACT WITH, INDEBTEDNESS TO, OR GRANT FROM THE STATE OR ANY UNIT OR SUBDIVISION OF THE STATE.
(B) (1) Subject to paragraphs (2) and (3) of this subsection, a qualified buyer may claim a credit against the State income tax in an amount equal to 50% of the cost incurred during the taxable year to purchase cybersecurity technology or a cybersecurity service from one or more qualified sellers.

(2) For any taxable year, the credit allowed under this section may not exceed $50,000 for each qualified buyer.

(3) For any taxable year, the aggregate credits claimed for cybersecurity technology or cybersecurity service purchased from a single qualified seller may not exceed $200,000.

(C) (1) The Department, in consultation with the Maryland Technology Development Corporation, may establish a panel composed of experts in the areas of cybersecurity technology and cybersecurity service.

(2) The Department may establish the panel under service contracts with independent reviewers.

(3) The panel shall assist the Department in its determination as to whether a company is a qualified seller.

(4) A member of the panel is not eligible to receive any benefit, direct or indirect, from the tax credit under this section.

(5) (I) Except as provided in subparagraph (II) of this paragraph, Division II of the State Finance and Procurement Article does not apply to a service that the Department obtains under this section.

(II) The Department is subject to Title 12, Subtitle 4 of the State Finance and Procurement Article for services the Department obtains under this section.

(D) (1) (I) A qualified buyer eligible for the credit under this section may apply to the Department for a credit certificate that states the amount of the credit the qualified buyer may claim under subsection (B) of this section.

(II) A qualified buyer shall attach the credit certificate to the income tax return on which the qualified buyer claims the credit under subsection (B) of this section.
(2) Subject to paragraph (3) of this subsection, the Secretary of Commerce shall approve each application under paragraph (1) of this subsection that qualifies for a credit certificate.

(3) (I) The total amount of the credit certificates approved by the Secretary of Commerce under this subsection may not exceed:

1. For taxable year 2018, $2,000,000; and
2. For taxable year 2019, $4,000,000;
3. For taxable year 2020, $6,000,000;
4. For taxable year 2021, $8,000,000; and
5. For taxable year 2022 and each taxable year thereafter, $10,000,000.

(II) For each taxable year, the Secretary of Commerce shall award 25% of the amount of tax credits authorized under subparagraph (I) of this paragraph to qualified buyers that purchase cybersecurity services.

(E) (1) The Department may revoke its certification of a credit under this section if any representation made in connection with the application for the certification is determined by the Department to have been false.

(2) The revocation may be in full or in part as the Department may determine and, subject to paragraph (3) of this subsection, shall be communicated to the qualified buyer and the Comptroller.

(3) The qualified buyer shall have an opportunity to appeal any revocation to the Department before notification of the Comptroller.

(4) The Comptroller may make an assessment against the qualified buyer to recapture any amount of tax credit that the qualified buyer has already claimed.
IN ACCORDANCE WITH § 2.5–109 OF THE ECONOMIC DEVELOPMENT ARTICLE, THE DEPARTMENT SHALL SUBMIT A REPORT ON THE CREDIT CERTIFICATES AWARDED UNDER THIS SECTION FOR THE CALENDAR YEAR.

THE REPORT REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL INCLUDE FOR EACH CREDIT CERTIFICATE AWARDED:

(I) THE NAMES OF THE QUALIFIED BUYER AND THE QUALIFIED SELLER AND THE AMOUNT OF THE CREDIT CERTIFICATE APPROVED FOR EACH QUALIFIED BUYER;

(II) THE NAME AND ADDRESS OF THE QUALIFIED BUYER THAT RECEIVED THE CREDIT UNDER THIS SECTION AND THE COUNTY WHERE THE QUALIFIED BUYER IS LOCATED; AND

(III) THE DATES OF RECEIPT AND APPROVAL BY THE DEPARTMENT OF ALL APPLICATIONS FOR CREDIT CERTIFICATES.

THE REPORT REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL SUMMARIZE FOR THE CATEGORIES OF QUALIFIED BUYERS:

(I) THE TOTAL NUMBER OF APPLICANTS FOR CREDIT CERTIFICATES UNDER THIS SECTION IN EACH CALENDAR YEAR;

(II) THE NUMBER OF APPLICATIONS FOR WHICH CREDIT CERTIFICATES WERE ISSUED IN EACH CALENDAR YEAR; AND

(III) THE TOTAL AMOUNT OF CREDIT CERTIFICATES AUTHORIZED UNDER THIS SECTION FOR ALL CALENDAR YEARS UNDER THIS SECTION.

THE DEPARTMENT AND THE COMPTROLLER JOINTLY SHALL ADOPT REGULATIONS TO CARRY OUT THIS SECTION AND TO SPECIFY CRITERIA AND PROCEDURES FOR APPLICATION FOR, APPROVAL OF, AND MONITORING CONTINUING ELIGIBILITY FOR THE TAX CREDIT UNDER THIS SECTION.
SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2018, and shall be applicable to all initial tax credit certificates issued after June 30, 2018.

Approved by the Governor, May 15, 2018.

Chapter 579

(Senate Bill 299)

AN ACT concerning

Income Tax Subtraction Modification—Correctional Officers
(Hometown Heroes Act of 2018)
Correctional Officers’ Retirement System – Membership

FOR the purpose of including certain individuals employed by the Department of Juvenile Services and the Department of Public Safety and Correctional Services in the membership of the Correctional Officers’ Retirement System; providing a subtraction modification under the Maryland income tax under certain circumstances for a certain amount of retirement income attributable to an individual’s employment as a correctional officer; providing for the application of certain provisions of this Act; 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; defining a certain term; and generally relating to a subtraction modification for retired correctional officers, requiring a certain transfer and combination of certain service credit for certain individuals; requiring the Board of Trustees for the State Retirement and Pension System to calculate a certain disability benefit for certain individuals and to grant a certain benefit under certain circumstances; 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 and 25–401
Annotated Code of Maryland
(2015 Replacement Volume and 2017 Supplement)

BY repealing and reenacting, with amendments,
Article – Tax General
Section 10–209
Annotated Code of Maryland
(2016 Replacement Volume and 2017 Supplement)
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;

(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;

(7) an individual serving as a correctional case management specialist, supervisor, or manager on or after July 1, 2016; [and]

(8) an individual serving as a parole and probation agent, supervisor, or regional administrator on or after July 1, 2017; [and]

(9) an individual serving as a Department of Public Safety and Correctional Services employee in one of the following positions on or after July 1, 2017:
(i) an alcohol and drug:

1. associate counselor, counselor lead, counselor provisional, or counselor supervisor;

2. professional counselor, counselor provisional, or counselor supervisor; or

3. supervised counselor or counselor provisional;

(ii) a mental health professional counselor, graduate professional counselor, professional counselor advanced, or professional supervisor;

(iii) a psychologist, psychology associate, or psychology associate doctorate;

(iv) a social worker, social worker advanced, social worker supervisor, or social work regional supervisor; or

(v) a recreation officer or supervisor; AND

(10) AN INDIVIDUAL SERVING AS A DEPARTMENT OF JUVENILE SERVICES EMPLOYEE IN ONE OF THE FOLLOWING POSITIONS ON OR AFTER JULY 1, 2018:

(I) AN ADVISOR LEAD, ADVISOR SUPERVISOR, OR ADVISOR TRAINEE;

(II) A COOK OR A FOOD SERVICE WORKER;

(III) A MAINTENANCE ASSISTANT, MAINTENANCE CHIEF, MAINTENANCE MECHANIC, OR MAINTENANCE SUPERVISOR; OR

(IV) A RESIDENT ADVISOR OR RESIDENT ADVISOR TEAM LEAD A COMMUNITY DETENTION OFFICER OR COMMUNITY DETENTION SUPERVISOR;

(II) A YOUTH TRANSPORTATION OFFICER, YOUTH TRANSPORTATION OFFICER LEAD, YOUTH TRANSPORTATION OFFICER SUPERVISOR, OR YOUTH TRANSPORTATION OFFICER TRAINEE; OR

(III) A RESIDENT ADVISOR, RESIDENT ADVISOR LEAD, RESIDENT ADVISOR SUPERVISOR, OR RESIDENT ADVISOR TRAINEE; OR

(IV) A YOUTH RECREATION SPECIALIST; AND
(11) A INDIVIDUAL SERVING AS A DEPARTMENT OF PUBLIC SAFETY AND CORRECTIONAL SERVICES EMPLOYEE IN ONE OF THE FOLLOWING POSITIONS ON OR AFTER JULY 1, 2018:

(I) A PAROLE AND PROBATION ASSISTANT REGIONAL ADMINISTRATOR;

(II) A PSYCHOLOGY SERVICES CHIEF;

(III) A CORRECTIONAL MAINTENANCE OFFICER SUPERVISOR;

(IV) A CORRECTIONAL MAINTENANCE OFFICER MANAGER;

(V) A CORRECTIONAL MAINTENANCE SERVICES OFFICER;

(VI) A CORRECTIONAL MAINTENANCE SERVICES SUPERVISOR;

OR

(VII) A CORRECTIONAL MAINTENANCE SERVICES MANAGER.

(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.

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;

(iii) 1. is serving in a position specified in:

A. § 25–201(a)(8) or (9) of this title on or before June 30, 2017;

OR

B. § 25–201(a)(10) or (11) OF THIS TITLE ON OR BEFORE JUNE 30, 2018;

and

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; or

(iv) 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; 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:

(i) 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; or

(ii) a member serving in a position specified in § 25–201(a)(8), [or] (9), OR (10), OR (11) of this title who has a combined total of 20 years of eligibility service as provided in subsection (a)(1)(iii) 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 the Laws of Maryland read as follows:

Article—Tax—General

10–209.

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

(2) “CORRECTIONAL OFFICER” INCLUDES:

(i) A RETIREE OF THE CORRECTIONAL OFFICERS’ RETIREMENT SYSTEM, AS DEFINED IN § 25–201 OF THE STATE PERSONNEL AND PENSIONS ARTICLE;

(II) A DETENTION CENTER OFFICER EMPLOYED BY A PARTICIPATING GOVERNMENTAL UNIT AS A LOCAL DETENTION CENTER OFFICER WHO IS NOT A RETIREE OF THE CORRECTIONAL OFFICERS’ RETIREMENT SYSTEM, AND

AND
(III) A SECURITY CHIEF, A FACILITY ADMINISTRATOR, AN ASSISTANT WARDEN, OR A WARDEN WHO IS A RETIREE OF THE EMPLOYEES’ PENSION SYSTEM OR THE EMPLOYEES’ RETIREMENT SYSTEM.

(2) “Emergency services personnel” means emergency medical technicians or paramedics.

(3) “Employee retirement system” means a plan:

1. established and maintained by an employer for the benefit of its employees; and

2. qualified under § 401(a), § 403, or § 457(b) of the Internal Revenue Code.

(ii) “Employee retirement system” does not include:

1. an individual retirement account or annuity under § 408 of the Internal Revenue Code;

2. a Roth individual retirement account under § 408A of the Internal Revenue Code;

3. a rollover individual retirement account;

4. a simplified employee pension under Internal Revenue Code § 408(k); or

5. an ineligible deferred compensation plan under § 457(f) of the Internal Revenue Code.

(b) Subject to subsections (d) and (e) of this section, to determine Maryland adjusted gross income, if, on the last day of the taxable year, a resident is at least 65 years old or is totally disabled or the resident's spouse is totally disabled, or the resident [is at least 55 years old and] is a retired CORRECTIONAL OFFICER, law enforcement officer, or fire, rescue, or emergency services personnel of the United States, the State, or a political subdivision of the State, an amount is subtracted from federal adjusted gross income equal to the lesser of:

(1) the cumulative or total annuity, pension, or endowment income from an employee retirement system included in federal adjusted gross income; or

(2) the maximum annual benefit under the Social Security Act computed under subsection (e) of this section, less any payment received as old age, survivors, or disability benefits under the Social Security Act, the Railroad Retirement Act, or both.
Section 579

(c) For purposes of subsection (b)(2) of this section, the Comptroller:

(1) shall determine the maximum annual benefit under the Social Security Act allowed for an individual who retired at age 65 for the prior calendar year; and

(2) may allow the subtraction to the nearest $100.

(d) Military retirement income that is included in the subtraction under § 10–207(q) of this subtitle may not be taken into account for purposes of the subtraction under this section.

(e) In the case of a retired CORRECTIONAL OFFICER, law enforcement officer, or fire, rescue, or emergency services personnel of the United States, the State, or a political subdivision of the State, the amount included under subsection (b)(1) of this section:

(1) FOR THE TAXABLE YEAR BEGINNING AFTER DECEMBER 31, 2017, BUT BEFORE JANUARY 1, 2019, MAY BE SUBTRACTED ONLY IF THE RESIDENT IS AT LEAST 55 YEARS OLD ON THE LAST DAY OF THE TAXABLE YEAR AND IS LIMITED TO THE first $15,000 of retirement income that is attributable to the resident’s employment as a CORRECTIONAL OFFICER, law enforcement officer, or fire, rescue, or emergency services personnel of the United States, the State, or a political subdivision of the State; and

(2) FOR THE TAXABLE YEAR BEGINNING AFTER DECEMBER 31, 2018, BUT BEFORE JANUARY 1, 2020, MAY BE SUBTRACTED ONLY IF THE RESIDENT IS AT LEAST 50 YEARS OLD ON THE LAST DAY OF THE TAXABLE YEAR AND IS LIMITED TO 50% OF THE RETIREMENT INCOME THAT IS ATTRIBUTABLE TO THE RESIDENT’S EMPLOYMENT AS A CORRECTIONAL OFFICER, LAW ENFORCEMENT OFFICER, OR FIRE, RESCUE, OR EMERGENCY SERVICES PERSONNEL OF THE UNITED STATES, THE STATE, OR A POLITICAL SUBDIVISION OF THE STATE; AND

(3) FOR ANY TAXABLE YEAR BEGINNING AFTER DECEMBER 31, 2019, MAY BE SUBTRACTED ONLY IF THE RESIDENT IS AT LEAST 50 YEARS OLD ON THE LAST DAY OF THE TAXABLE YEAR AND INCLUDES ALL OF THE RETIREMENT INCOME THAT IS ATTRIBUTABLE TO THE RESIDENT’S EMPLOYMENT AS A CORRECTIONAL OFFICER, LAW ENFORCEMENT OFFICER, OR FIRE, RESCUE, OR EMERGENCY SERVICES PERSONNEL OF THE UNITED STATES, THE STATE, OR A POLITICAL SUBDIVISION OF THE STATE.

(F) THE LIMITATIONS SET FORTH IN SUBSECTION (E) OF THIS SECTION DO NOT APPLY IF:

(1) the resident is at least 65 years old or is totally disabled; or

(2) the resident’s spouse is totally disabled.
SECTION 2. AND BE IT FURTHER ENACTED, That, on or before October 1, 2018 January 1, 2019, 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 3. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall be applicable to all taxable years beginning after December 31, 2017 § 37–203(f)(3) of the State Personnel and Pensions Article does not apply to an individual who transfers service credit to the Correctional Officers’ Retirement System under Title 37 of the State Personnel and Pensions Article in accordance with this Act, Chapters 218 or 219 of the Acts of the General Assembly of 2016, or Chapters 688, 689, or 690 of the Acts of the General Assembly of 2017.

SECTION 4. AND BE IT FURTHER ENACTED, That:

(a) This section applies to an individual who:

(1) is employed in a position:

(i) affected by this Act on July 1, 2018;

(ii) affected by Chapters 218 or 219 of the Acts of the General Assembly of 2016 and has not transferred service credit from the Employees’ Pension System to the Correctional Officers’ Retirement System; or

(iii) affected by Chapters 688, 689, or 690 of the Acts of the General Assembly of 2017 and has not transferred service credit from the Employees’ Pension System to the Correctional Officers’ Retirement System; and

(2) has no creditable service in the Employees’ Pension System before July 1, 2008.

(b) An individual described under subsection (a) of this section shall have the individual’s service credit from the Employees’ Pension System transferred and combined with the individual’s service in the Correctional Officers’ Retirement System.

(c) If an individual described under subsection (a) of this section is granted an ordinary disability benefit under Title 29, Subtitle 1 of the State Personnel and Pensions Article, the Board of Trustees for the State Retirement and Pension System shall calculate the ordinary disability benefit under §§ 29–106 and 29–108 of the State Personnel and Pensions Article and grant the individual the greater benefit.

SECTION 5. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2018.

Approved by the Governor, May 15, 2018.
Chapter 580
(House Bill 36)

AN ACT concerning
Correctional Officers’ Retirement System – Membership

FOR the purpose of altering the membership of the Correctional Officers’ Retirement System to include certain individuals serving in certain positions in the Department of Juvenile Services; 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; including certain individuals employed by the Department of Juvenile Services and the Department of Public Safety and Correctional Services in the membership of the Correctional Officers’ Retirement System; providing for the application of certain provisions of this Act; 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; requiring a certain transfer and combination of certain service credit for certain individuals; requiring the Board of Trustees for the State Retirement and Pension System to calculate a certain disability benefit for certain individuals and to grant a certain benefit under certain circumstances; 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 and 25–401
Annotated Code of Maryland
(2015 Replacement Volume and 2017 Supplement)

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;

(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;

(7) an individual serving as a correctional case management specialist, supervisor, or manager on or after July 1, 2016; [and]

(8) an individual serving as a parole and probation agent, supervisor, or regional administrator on or after July 1, 2017; [and]

(9) an individual serving as a Department of Public Safety and Correctional Services employee in one of the following positions on or after July 1, 2017:

   (i) an alcohol and drug:

       1. associate counselor, counselor lead, counselor provisional, or counselor supervisor;

       2. professional counselor, counselor provisional, or counselor supervisor; or

       3. supervised counselor or counselor provisional;

   (ii) a mental health professional counselor, graduate professional counselor, professional counselor advanced, or professional supervisor;
(iii) a psychologist, psychology associate, or psychology associate
doctorate;

(iv) a social worker, social worker advanced, social worker
supervisor, or social work regional supervisor; or

(v) a recreation officer or supervisor; AND

(10) AN INDIVIDUAL SERVING AS A DEPARTMENT OF JUVENILE
SERVICES EMPLOYEE IN ONE OF THE FOLLOWING POSITIONS ON OR AFTER JULY 1,
2018:

(i) AN ALCOHOL AND DRUG:

1. ASSOCIATE COUNSELOR, COUNSELOR PROVISIONAL,
OR COUNSELOR LEAD;

2. PROFESSIONAL COUNSELOR ADVANCED, COUNSELOR
PROVISIONAL, OR COUNSELOR SUPERVISOR; OR

3. SUPERVISED COUNSELOR;

(ii) A CASE MANAGEMENT SPECIALIST, SPECIALIST
SUPERVISOR, OR PROGRAM SUPERVISOR;

(iii) A COORDINATOR OF RECREATION;

(iv) A DETENTION OFFICER OR SUPERVISOR;

(v) A PROGRAM ADMINISTRATOR;

(vi) A PSYCHOLOGIST, PSYCHOLOGY ASSOCIATE, OR
PSYCHOLOGY SERVICE CHIEF;

(vii) A RESIDENT ADVISOR, ADVISOR LEAD, ADVISOR
SUPERVISOR, OR ADVISOR TRAINEE;

(viii) A RESIDENT YOUTH CENTER COOK OR COOK LEAD;

(ix) A RESIDENTIAL GROUP LIFE MANAGER;

(x) A SOCIAL WORKER, SOCIAL WORKER ADVANCED, OR SOCIAL
WORK REGIONAL SUPERVISOR;

(xi) A YOUTH RECREATION SPECIALIST; OR
(XII) A YOUTH TRANSPORTATION OFFICER, OFFICER LEAD, OFFICER SUPERVISOR, OR OFFICER TRAINEE.

(I) A COMMUNITY DETENTION OFFICER OR COMMUNITY DETENTION SUPERVISOR;

(II) A YOUTH TRANSPORTATION OFFICER, YOUTH TRANSPORTATION OFFICER LEAD, YOUTH TRANSPORTATION OFFICER SUPERVISOR, OR YOUTH TRANSPORTATION OFFICER TRAINEE;

(III) A RESIDENT ADVISOR, RESIDENT ADVISOR LEAD, RESIDENT ADVISOR SUPERVISOR, OR RESIDENT ADVISOR TRAINEE; OR

(IV) A YOUTH RECREATION SPECIALIST; AND

(11) AN INDIVIDUAL SERVING AS A DEPARTMENT OF PUBLIC SAFETY AND CORRECTIONAL SERVICES EMPLOYEE IN ONE OF THE FOLLOWING POSITIONS ON OR AFTER JULY 1, 2018:

(I) A PAROLE AND PROBATION ASSISTANT REGIONAL ADMINISTRATOR;

(II) A PSYCHOLOGY SERVICES CHIEF;

(III) A CORRECTIONAL MAINTENANCE OFFICER SUPERVISOR;

(IV) A CORRECTIONAL MAINTENANCE OFFICER MANAGER;

(V) A CORRECTIONAL MAINTENANCE SERVICES OFFICER;

(VI) A CORRECTIONAL MAINTENANCE SERVICES SUPERVISOR; OR

(VII) A CORRECTIONAL MAINTENANCE SERVICES MANAGER.

(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.

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;

(iii) 1. is serving in a position specified in:

A. § 25–201(a)(8) or (9) of this title on or before June 30, 2017; OR

B. § 25–201(A)(10) OR (11) OF THIS TITLE ON OR BEFORE JUNE 30, 2018;
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; or

(iv) 1. is serving in a position specified in § 25–201(A)(10) of this title on or before June 30, 2018;

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; or

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; 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:
(i) 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; or

(ii) a member serving in a position specified in § 25–201(a)(8) or (9), (10), OR (11) of this title who has a combined total of 20 years of eligibility service as provided in subsection (a)(1)(iii) of this section; OR

(III) A MEMBER SERVING IN A POSITION SPECIFIED IN § 25–201(A)(10) OF THIS TITLE WHO HAS A COMBINED TOTAL OF 20 YEARS OF ELIGIBILITY SERVICE AS PROVIDED IN SUBSECTION (A)(1)(IV) 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, 2018 January 1, 2019, 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 3. AND BE IT FURTHER ENACTED, That § 37–203(f)(3) of the State Personnel and Pensions Article does not apply to an individual who transfers service credit to the Correctional Officers’ Retirement System under Title 37 of the State Personnel and Pensions Article in accordance with this Act, Chapters 218 or 219 of the Acts of the General Assembly of 2016, or Chapters 688, 689, or 690 of the Acts of the General Assembly of 2017.

SECTION 4. AND BE IT FURTHER ENACTED, That:

(a) This section applies to an individual who:

(1) is employed in a position:

(i) affected by this Act on July 1, 2018;

(ii) affected by Chapters 218 or 219 of the Acts of the General Assembly of 2016 and has not transferred service credit from the Employees’ Pension System to the Correctional Officers’ Retirement System; or

(iii) affected by Chapters 688, 689, or 690 of the Acts of the General Assembly of 2017 and has not transferred service credit from the Employees’ Pension System to the Correctional Officers’ Retirement System; and

(2) has no creditable service in the Employees’ Pension System before July 1, 2008.
(b) An individual described under subsection (a) of this section shall have the individual’s service credit from the Employees’ Pension System transferred and combined with the individual’s service in the Correctional Officers’ Retirement System.

(c) If an individual described under subsection (a) of this section is granted an ordinary disability benefit under Title 29, Subtitle 1 of the State Personnel and Pensions Article, the Board of Trustees for the State Retirement and Pension System shall calculate the ordinary disability benefit under §§ 29–106 and 29–108 of the State Personnel and Pensions Article and grant the individual the greater benefit.

SECTION 2.5. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2018.

Approved by the Governor, May 15, 2018.

Chapter 581

(House Bill 296)

AN ACT concerning

Income Tax – Subtraction Modification – Retirement Income of Correctional Officers

FOR the purpose of altering a certain subtraction modification under the Maryland income tax to include certain retirement income attributable to a resident’s employment as a correctional officer under certain circumstances; providing a subtraction modification under the Maryland income tax under certain circumstances for a certain amount of retirement income attributable to certain employment as a correctional officer; defining a certain term; providing for the application of this Act; and generally relating to a subtraction modification under the Maryland income tax for certain retirement income attributable to a resident’s employment as a correctional officer.

BY repealing and reenacting, with amendments,

Article – Tax – General
Section 10–209
Annotated Code of Maryland
(2016 Replacement Volume and 2017 Supplement)

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

Article – Tax – General
(a) (1) In this section the following words have the meanings indicated.

(2) "CORRECTIONAL OFFICER" MEANS AN INDIVIDUAL WHO:

(1) WAS EMPLOYED IN:

1. A STATE CORRECTIONAL FACILITY, AS DEFINED IN § 1–101 OF THE CORRECTIONAL SERVICES ARTICLE;

2. A LOCAL CORRECTIONAL FACILITY, AS DEFINED IN § 1–101 OF THE CORRECTIONAL SERVICES ARTICLE;

3. A JUVENILE DETENTION FACILITY IN THE STATE INCLUDED IN § 9–226 OF THE HUMAN SERVICES ARTICLE; OR

4. A FACILITY OF THE UNITED STATES THAT IS EQUIVALENT TO A STATE OR LOCAL CORRECTIONAL FACILITY OR A JUVENILE DETENTION FACILITY IN THE STATE INCLUDED IN § 9–226 OF THE HUMAN SERVICES ARTICLE; AND

(II) IS ELIGIBLE TO RECEIVE RETIREMENT INCOME ATTRIBUTABLE TO THE INDIVIDUAL’S EMPLOYMENT UNDER ITEM (1) OF THIS PARAGRAPH.

(2) (3) “Emergency services personnel” means emergency medical technicians or paramedics.

(2) (4) (i) “Employee retirement system” means a plan:

1. established and maintained by an employer for the benefit of its employees; and

2. qualified under § 401(a), § 403, or § 457(b) of the Internal Revenue Code.

(ii) “Employee retirement system” does not include:

1. an individual retirement account or annuity under § 408 of the Internal Revenue Code;

2. a Roth individual retirement account under § 408A of the Internal Revenue Code;
3. a rollover individual retirement account;

4. a simplified employee pension under Internal Revenue Code § 408(k); or

5. an ineligible deferred compensation plan under § 457(f) of the Internal Revenue Code.

(b) Subject to subsections (d) and (e) of this section, to determine Maryland adjusted gross income, if, on the last day of the taxable year, a resident is at least 65 years old or is totally disabled or the resident’s spouse is totally disabled, or the resident is at least 55 years old and is a retired CORRECTIONAL OFFICER, law enforcement officer, or fire, rescue, or emergency services personnel of the United States, the State, or a political subdivision of the State, an amount is subtracted from federal adjusted gross income equal to the lesser of:

(1) the cumulative or total annuity, pension, or endowment income from an employee retirement system included in federal adjusted gross income; or

(2) the maximum annual benefit under the Social Security Act computed under subsection (c) of this section, less any payment received as old age, survivors, or disability benefits under the Social Security Act, the Railroad Retirement Act, or both.

(c) For purposes of subsection (b)(2) of this section, the Comptroller:

(1) shall determine the maximum annual benefit under the Social Security Act allowed for an individual who retired at age 65 for the prior calendar year; and

(2) may allow the subtraction to the nearest $100.

(d) Military retirement income that is included in the subtraction under § 10–207(q) of this subtitle may not be taken into account for purposes of the subtraction under this section.

(e) In the case of a retired CORRECTIONAL OFFICER, law enforcement officer, or fire, rescue, or emergency services personnel of the United States, the State, or a political subdivision of the State, the amount included under subsection (b)(1) of this section is limited to the first $15,000 of retirement income that is attributable to the resident’s employment as a CORRECTIONAL OFFICER, a law enforcement officer, or fire, rescue, or emergency services personnel of the United States, the State, or a political subdivision of the State unless:

(1) the resident is at least 65 years old or is totally disabled; or

(2) the resident’s spouse is totally disabled.
SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2018, and shall be applicable to all taxable years beginning after December 31, 2017.

Approved by the Governor, May 15, 2018.

Chapter 582

(House Bill 1069)

AN ACT concerning

Income Tax – Subtraction Modification – Volunteer Fire, Rescue, and Emergency Medical Services Members

FOR the purpose of altering the amount of a subtraction modification under the State income tax for certain qualifying volunteer fire, rescue, and emergency medical services members; and generally relating to a subtraction modification under the State income tax for qualifying volunteer fire, rescue, and emergency medical services members.

BY repealing and reenacting, without amendments,
Article – Tax – General
Section 10–208(a)
Annotated Code of Maryland
(2016 Replacement Volume and 2017 Supplement)

BY repealing and reenacting, with amendments,
Article – Tax – General
Section 10–208(i–1)
Annotated Code of Maryland
(2016 Replacement Volume and 2017 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.

(i–1) (1) The subtraction under subsection (a) of this section includes an amount equal to the amount specified in paragraph (3) of this subsection if an individual is a
qualifying volunteer fire, rescue, or emergency medical services member for the taxable year, as determined under paragraph (2) of this subsection.

(2) An individual is a qualifying volunteer fire, rescue, or emergency medical services member for the taxable year eligible for the subtraction modification under this subsection if the individual:

(i) is an active member of:

1. a bona fide Maryland fire, rescue, or emergency medical services organization;

2. an auxiliary organization of a bona fide Maryland fire, rescue, or emergency medical services organization;

3. the United States Coast Guard Auxiliary;

4. the Maryland Defense Force; or

5. the Maryland Civil Air Patrol;

(ii) serves the organization in a volunteer capacity without compensation, except nominal expenses or meals;

(iii) 1. qualifies for active status during the taxable year under:

A. a volunteer fire, rescue, or emergency medical services personnel or auxiliary length of service award program operated by a county or municipal corporation of the State, if the length of service award program requires for active status qualification a minimum of 50 points per year and that points be earned in at least two different categories; or

B. a point system established by a county or municipal corporation that does not operate a volunteer fire, rescue, or emergency medical services personnel or auxiliary length of service award program or by the United States Coast Guard Auxiliary, the Maryland Defense Force, or the Maryland Civil Air Patrol, to identify active members of a volunteer fire, rescue, or emergency medical services organization or auxiliary organization, if the point system requires for active status qualification a minimum of 50 points per year and that points be earned in at least two different categories;

2. has maintained active status for at least 25 years under a volunteer fire, rescue, or emergency medical services personnel or auxiliary length of service award program or a point system established in lieu of a length of service award program;

3. is a member of the National Guard or other reserve component of the United States armed forces who has been ordered into active military
service and who serves on active duty in the armed forces of the United States during the taxable year; or

4. is a civilian or a member of the Merchant Marine on assignment in support of the armed forces of the United States during the taxable year in an area designated as a combat zone by executive order of the President; and

(iv) will have been an active member of a bona fide Maryland fire, rescue, or emergency medical services organization, an auxiliary organization of a bona fide Maryland fire, rescue, or emergency medical services organization, or the United States Coast Guard Auxiliary, the Maryland Defense Force, or the Maryland Civil Air Patrol for at least 36 months during the last 10 calendar years by December 31 of the taxable year.

(3) The amount of the subtraction under paragraph (1) of this subsection is equal to:

(i) $3,750 for a taxable year beginning after December 31, 2013, but before January 1, 2015;

(ii) $4,000 for a taxable year beginning after December 31, 2014, but before January 1, 2016;

(iii) $4,250 for a taxable year beginning after December 31, 2015, but before January 1, 2017;

(iv) $4,500 for a taxable year beginning after December 31, 2016, but before January 1, 2018;

(v) $4,750 for a taxable year beginning after December 31, 2017, but before January 1, 2019; [and

(vi)] (II) $5,000 for a taxable year beginning after December 31, 2018, but before January 1, 2020;

(III) $6,000 for a taxable year beginning after December 31, 2019, but before January 1, 2021;

(IV) $6,500 for a taxable year beginning after December 31, 2020, but before January 1, 2022; and

(V) $7,000 for a taxable year beginning after December 31, 2021.

(4) (i) Each fire, rescue, or emergency medical services organization or auxiliary organization shall:
1. maintain a record of the points earned by each individual during each calendar year;

2. provide each member a report identifying the number of points earned in each category by February 15 of the following year; and

3. provide a report that includes the names, Social Security numbers, and points earned by those members qualifying for the subtraction modification under this subsection to the Maryland State Firemen’s Association by May 1 of the following year.

(ii) An individual may not qualify for the subtraction under this subsection based on membership in the United States Coast Guard Auxiliary, the Maryland Defense Force, or the Maryland Civil Air Patrol unless the United States Coast Guard Auxiliary, the Maryland Defense Force, or the Maryland Civil Air Patrol:

1. maintains a record of the points earned by each individual during each calendar year;

2. provides each member a report identifying the number of points earned in each category by February 15 of the following year; and

3. provides a report that includes the names, Social Security numbers, and points earned by those members qualifying for the subtraction modification under this subsection to the Comptroller on or before October 1 of each year.

(5) To qualify for the subtraction modification under this subsection, an individual shall attach to the individual’s income tax return a copy of the report provided by the organization under paragraph (4) of this subsection.

(6) On or before October 1 of each year, the Maryland State Firemen’s Association shall submit to the Department of Public Safety and Correctional Services and the Office of the Comptroller a report stating the participation in the point system by the various local subdivisions with the names and Social Security numbers of individuals who qualified for the subtraction modification under this subsection for the preceding taxable year.

(7) (i) A person may not knowingly make or cause any false statement or report to be made in any application or in any document required under this subsection.

(ii) Any person who violates or attempts to violate any provision of subparagraph (i) of this paragraph shall be subject to a fine of $1,000.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2018.

Approved by the Governor, May 15, 2018.
Chapter 583
(Senate Bill 989)

AN ACT concerning
One Maryland Economic Development Tax Credits – Simplification and Alteration

FOR the purpose of altering the definition of “qualified distressed county” by altering certain income levels in the definition and renaming it to be “Tier I county”; repealing a certain start-up tax credit under the One Maryland Economic Development Tax Credit Program; expanding the eligibility requirements for a certain project tax credit by altering, under certain circumstances, the number of qualified positions that a qualified business entity is required to create; altering the calculation of the project tax credit; requiring the Department of Commerce to certify the amount of the project tax credit; requiring a qualified business entity to report certain information to the Department for certain taxable years; providing that a failure to report the information shall disqualify the qualified business entity from claiming certain credits; repealing a certain limitation on the amount of the project tax credit allowed under certain circumstances; altering the circumstances under which a certain qualified business entity may claim the project tax credit; altering the circumstances under which a qualified business entity may carry forward and claim a refund of certain excess credits; prohibiting a qualified business entity from claiming a certain other credit under certain circumstances; exempting certain property of a qualified business entity from a certain limitation on the applicability of certain Maryland income tax modifications for certain deductions for the cost of business property placed in service that is treated as an expense for federal income tax purposes; exempting certain property of a qualified business entity from a certain limitation on the applicability of certain Maryland income tax modifications for a certain additional depreciation allowance under the federal income tax; requiring the publisher of the Annotated Code of Maryland, in consultation with and subject to the approval of the Department of Legislative Services, to correct any cross-references or terminology rendered incorrect by this Act and to describe any corrections made in an editor’s note following the section affected; altering certain definitions; defining a certain term; making conforming changes; providing for the application of this Act; and generally relating to the One Maryland Economic Development Tax Credit Program.

BY repealing and reenacting, with amendments,
Article – Economic Development
Section 1–101, 6–401 through 6–403, 6–406, and 6–407
Annotated Code of Maryland
(2008 Volume and 2017 Supplement)

BY repealing
Article – Economic Development
Section 6–404 and 6–405
Annotated Code of Maryland
(2008 Volume and 2017 Supplement)

BY adding to
Article – Economic Development
Section 6–405
Annotated Code of Maryland
(2008 Volume and 2017 Supplement)

BY repealing and reenacting, with amendments,
Article – Tax – General
Section 10–210.1(a) and (b)(1) and (3)
Annotated Code of Maryland
(2016 Replacement Volume and 2017 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.

(b) “County” means a county of the State or Baltimore City.

(c) “Department” means the Department of Commerce.

(d) “Person” means an individual, receiver, trustee, guardian, personal representative, fiduciary, representative of any kind, partnership, firm, association, corporation, or other entity.

(e) (1) “Qualified distressed county” means a county with:

(i) an average rate of unemployment for the most recent 24-month period for which data are available that exceeds 150% of the average rate of unemployment for the State during that period;

(ii) an average rate of unemployment for the most recent 24-month period for which data are available that exceeds the average rate of unemployment in the State by at least 2 percentage points; or

(iii) an average per capita personal income for the most recent 24-month period for which data are available that is equal to or less than 67% of the average per capita personal income for the State during that period.
(2) "Qualified distressed county" includes a county that:

(i) no longer meets either criterion stated in paragraph (1) of this subsection; but

(ii) has met at least one of the criteria at some time during the preceding 24–month period.

(f) "Secretary" means the Secretary of Commerce.

(g) (1) Except as provided in paragraph (2) of this subsection, "state" means:

(i) a state, possession, territory, or commonwealth of the United States; or

(ii) the District of Columbia.

(2) When capitalized, "State" means Maryland.

(G) (1) "TIER I COUNTY" MEANS A COUNTY WITH:

(I) an average rate of unemployment for the most recent 24–month period for which data are available that exceeds 150% of the average rate of unemployment for the State during that period;

(II) an average rate of unemployment for the most recent 24–month period for which data are available that exceeds the average rate of unemployment in the State by at least 2 percentage points; or

(III) a median household income for the most recent 24–month period for which data are available that is equal to or less than 75% of the median household income for the State during that period.

(2) "TIER I COUNTY" INCLUDES A COUNTY THAT:

(I) no longer meets either criterion stated in paragraph (1) of this subsection; but

(II) has met at least one of the criteria at some time during the preceding 24–month period.
6–401.

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

(B) “CREDIT YEAR” MEANS THE TAXABLE YEAR IN WHICH A QUALIFIED BUSINESS ENTITY CLAIMS THE TAX CREDIT AUTHORIZED UNDER THIS SUBTITLE.

[(b)] (C) “Eligible economic development project” means an economic development project that:

(1) establishes or expands a business facility within a [qualified distressed] TIER I county; and

(2) is approved for a project tax credit [or a start–up tax credit] in accordance with this subtitle.

[(c)] (D) (1) “Eligible project cost” means the cost and expense a qualified business entity incurs to acquire, construct, rehabilitate, install, or equip an eligible economic development project.

(2) “Eligible project cost” includes:

(i) the cost of:

1. obligations for labor and payments made to contractors, subcontractors, builders, and suppliers;

2. acquiring land, rights in land, and costs incidental to acquiring land or rights in land;

3. contract bonds and insurance needed during the acquisition, construction, or installation of the project;

4. test borings, surveys, estimates, plans, specifications, preliminary investigations, environmental mitigation, supervision of construction, and other architectural and engineering services;

5. performing duties required by or consequent to the acquisition, construction, and installation of the project;

6. installing water, sewer, sewer treatment, gas, electricity, communications, railroads, and similar utilities; and

7. bond insurance, letters of credit, or other forms of credit enhancement or liquidity facilities;
(ii) the interest cost before and during the acquisition, construction, installation, and equipping of the project, and for up to 2 years after project completion; [and]

(iii) legal, accounting, financial, printing, recording, filing, and other fees and expenses incurred to finance the project.[; AND]

[(d) (1)] (IV) “Eligible start–up cost” means a qualified business entity’s cost to furnish and equip a new location for ordinary business functions[, INCLUDING:

[(2) “Eligible start–up cost” includes:]  

[(i)] 1. the cost of computers, nonrecurring costs of fixed telecommunications equipment, furnishings, and office equipment; and

[(ii)] 2. expenditures for moving costs, separation costs, and other costs directly related to moving from outside of the State to a location in a [qualified distressed] TIER I county.

(e) “Project tax credit” means a tax credit for eligible project costs allowed under § 6–403 of this subtitle.

(f) “Qualified business entity” means a person that:

(1) (i) conducts or operates a trade or business in the State; or

(ii) operates in the State and is exempt from taxation under § 501(c)(3) or (4) of the Internal Revenue Code; and

(2) is certified in accordance with [§ 6–402 of] this subtitle as qualifying for a project tax credit [or a start–up tax credit] under this subtitle.

(g) (1) “Qualified position” means a position that:

(i) is a full–time position and is of indefinite duration;

(ii) pays at least [150%] 120% of the [federal] STATE minimum wage;

(iii) is in a [qualified distressed] TIER I county;

(iv) is newly created because a business facility begins or expands in one location in a [qualified distressed] TIER I county; and

(v) is filled.
(2) “Qualified position” does not include a position that is:

(i) created when an employment function is shifted from an existing business facility of a business entity in the State to another business facility of the same business entity if the position is not a net new job in the State;

(ii) created through a change in ownership of a trade or business;

(iii) created through a consolidation, merger, or restructuring of a business entity if the position is not a net new job in the State;

(iv) created when an employment function is contractually shifted from an existing business entity in the State to another business entity if the position is not a net new job in the State; or

(v) filled for a period of less than 12 months.

(h) “Start–up tax credit” means a tax credit for eligible start–up costs allowed under § 6–404 of this subtitle.

(H) (1) “TIER I COUNTY” MEANS A COUNTY WITH:

(I) AN AVERAGE RATE OF UNEMPLOYMENT FOR THE MOST RECENT 24–MONTH PERIOD FOR WHICH DATA ARE AVAILABLE THAT EXCEEDS 150% OF THE AVERAGE RATE OF UNEMPLOYMENT FOR THE STATE DURING THAT PERIOD;

(II) AN AVERAGE RATE OF UNEMPLOYMENT FOR THE MOST RECENT 24–MONTH PERIOD FOR WHICH DATA ARE AVAILABLE THAT EXCEEDS THE AVERAGE RATE OF UNEMPLOYMENT FOR THE STATE BY AT LEAST 2 PERCENTAGE POINTS; OR

(III) A MEDIAN HOUSEHOLD INCOME FOR THE MOST RECENT 24–MONTH PERIOD FOR WHICH DATA ARE AVAILABLE THAT IS EQUAL TO OR LESS THAN 75% OF THE MEDIAN HOUSEHOLD INCOME FOR THE STATE DURING THAT PERIOD.

(2) “TIER I COUNTY” INCLUDES A COUNTY THAT:

(I) NO LONGER MEETS ANY OF THE CRITERIA STATED IN PARAGRAPH (1) OF THIS SUBSECTION; BUT

(II) HAS MET AT LEAST ONE OF THE CRITERIA AT SOME TIME DURING THE PRECEDING 24–MONTH PERIOD.

6–402.
(a) (1) To qualify for a project tax credit [or a start-up tax credit], a person shall be certified by the Secretary as meeting the requirements of this subtitle and as being eligible for the tax credit.

(2) The Secretary may not certify a person as a qualified business entity unless the person notifies the Department of its intent to seek certification before hiring any qualified employees to fill the qualified positions necessary to satisfy the employment threshold under subsection (b)(2) of this section.

(b) To be eligible for a project tax credit [or a start-up tax credit], a person shall:

(1) establish or expand a business facility that:

   (i) is located in a [qualified distressed] TIER I county; and

   (ii) 1. is located in a priority funding area under § 5–7B–02 of the State Finance and Procurement Article; or

        2. is eligible for funding outside of a priority funding area under § 5–7B–05 or § 5–7B–06 of the State Finance and Procurement Article;

(2) during any 24–month period, create at least [25] THE NUMBER OF qualified positions at the new or expanded business facility SPECIFIED IN § 6–403(B) OF THIS SUBTITLE; and

(3) be primarily engaged at the new or expanded business facility in any combination of:

   (i) manufacturing or mining;

   (ii) transportation or communications;

   (iii) filmmaking, resort business, or recreational business;

   (iv) agriculture, forestry, or fishing;

   (v) research, development, or testing;

   (vi) biotechnology;

   (vii) computer programming, information technology, or other computer–related services;

   (viii) central services for a business entity engaged in financial services, real estate services, or insurance services;
(ix) the operation of central administrative offices;

(x) the operation of a company headquarters other than the headquarters of a professional sports organization;

(xi) the operation of a public utility;

(xii) warehousing; or

(xiii) other business services.

(c) To be certified as a qualified business entity for a project tax credit [or a start–up tax credit], a person shall submit to the Secretary an application that specifies:

(1) the effective date of the start–up or expansion;

(2) the number of full–time employees before the start–up or expansion and the payroll of the existing employees;

(3) the number of qualified positions created and qualified employees hired and the payroll of the new qualified employees; and

(4) any other information that the Secretary requires by regulation.

(d) The Secretary may require any information required under this section to be verified by an independent auditor that the qualified business entity selects.

6–403.

(a) (1) A qualified business entity may claim a project tax credit for the cost of an eligible economic development project in a [qualified distressed] TIER I county if the total eligible project cost for the eligible economic development project is at least $500,000.

(2) A qualified business entity is not entitled to a project tax credit for a cost incurred before notifying the Department of its intent to seek certification as qualifying for the project tax credit.

(b) (1) (I) Subject to the limitation in paragraph (2) of this subsection, the project tax credit allowed under this section is the lesser of [[$5,000,000] THE MAXIMUM AMOUNT SPECIFIED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH and the total eligible project cost for the eligible economic development project, less the amount of the credit previously taken for the project in prior taxable years.

(ii) FOR PURPOSES OF CALCULATION OF THE CREDIT UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH, THE MAXIMUM AMOUNT IS:
1. **$5,000,000**, IF THE QUALIFIED BUSINESS ENTITY CREATES AT LEAST 50 QUALIFIED POSITIONS;

2. **$2,500,000**, IF THE QUALIFIED BUSINESS ENTITY CREATES AT LEAST 25 QUALIFIED POSITIONS BUT FEWER THAN 50 QUALIFIED POSITIONS; OR

3. **$1,000,000**, IF THE QUALIFIED BUSINESS ENTITY CREATES AT LEAST 10 QUALIFIED POSITIONS BUT FEWER THAN 25 QUALIFIED POSITIONS.

(2) Except as provided in subsections [(e)] [(D)] and [(f)] [(E)] of this section, the project tax credit allowed in a taxable year may not exceed the State tax for that year on the qualified business entity’s income [generated by or arising out of the eligible economic development project, as determined under subsections (c) and (d) of this section].

(3) **THE DEPARTMENT SHALL CERTIFY THE AMOUNT OF THE PROJECT TAX CREDIT FOR WHICH A QUALIFIED BUSINESS ENTITY IS ELIGIBLE.**

(4) (I) A QUALIFIED BUSINESS ENTITY SHALL REPORT TO THE DEPARTMENT THE AMOUNT OF THE PROJECT TAX CREDIT THAT THE ENTITY CLAIMS ON THE ENTITY’S TAX RETURN FOR EACH TAXABLE YEAR THAT THE ENTITY CLAIMS ANY PORTION OF THE PROJECT TAX CREDIT.

(II) THE FAILURE OF THE QUALIFIED BUSINESS ENTITY TO PROVIDE THE INFORMATION REQUIRED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH SHALL DISQUALIFY THE ENTITY FROM CLAIMING ANY UNCLAIMED AMOUNT OF THE PROJECT TAX CREDIT.

[(c)] (1) This subsection does not apply to a person subject to taxation under Title 6 of the Insurance Article.

(2) The State tax for the taxable year on a qualified business entity’s income generated by or arising out of an eligible economic development project equals the difference between:

(i) the State tax without regard to this subtitle; and

(ii) the State tax on the qualified business entity’s Maryland taxable income reduced by the amount of its net income attributable to the eligible economic development project.

(3) If an eligible economic development project is a totally separate facility, net income attributable to the project shall be determined under the separate accounting
method reflecting only the gross income, deductions, expenses, gains, and losses that are directly attributable to the facility and the overhead expenses apportioned to the facility.

(4) If the eligible economic development project is an expansion to a previously existing facility:

(i) net income attributable to the entire facility shall be determined under the separate accounting method reflecting only the gross income, deductions, expenses, gains, and losses that are directly attributable to the facility and the overhead expenses apportioned to the facility; and

(ii) net income attributable to the eligible economic development project shall be determined by apportioning the net income of the entire facility, as calculated under item (i) of this paragraph, to the eligible economic development project by a formula approved by the Comptroller or the State Department of Assessments and Taxation.

(5) If the Comptroller or the State Department of Assessments and Taxation is satisfied that the nature and activities of a qualified business entity make it impractical to use the separate accounting method, the qualified business entity shall determine net income from the eligible economic development project using an alternative method approved by the Comptroller or the State Department of Assessments and Taxation.

[(d)] (C) A qualified business entity that is subject to taxation under Title 6 of the Insurance Article may [not] claim the project tax credit [for the taxable year in which the project is placed in service or for the next 4 taxable years] AGAINST THE INSURANCE PREMIUM TAX.

[(e)] (D) (1) Subject to paragraph (2) of this subsection, if the eligible project cost for the eligible economic development project exceeds the State tax on the qualified business entity’s income [generated by or arising out of the project for the taxable year in which the project is placed in service], the qualified business entity may apply any excess as a project tax credit for succeeding taxable years against the State tax on the qualified business entity’s income [generated by or arising out of the project] until the earlier of:

(i) the full amount of the excess is used; or

(ii) the expiration of the [14th] 10TH taxable year following the [taxable year in which the project is placed in service] CREDIT YEAR.

(2) (i) A qualified business entity may claim a prorated share of the credit under this subsection if:

1. during any taxable year after the qualified business entity is certified for the tax credit, the number of qualified positions filled by the qualified
business entity falls below [25] THE MINIMUM NUMBER OF QUALIFIED POSITIONS REQUIRED TO QUALIFY FOR THE PROJECT TAX CREDIT, but does not fall below 10; and

2. the qualified business entity has maintained at least [25] THE MINIMUM NUMBER OF qualified positions REQUIRED TO QUALIFY FOR THE PROJECT TAX CREDIT for at least 5 years.

(ii) The prorated share of the credit is calculated based on the number of qualified positions filled for the taxable year divided by [25] THE MINIMUM NUMBER OF QUALIFIED POSITIONS REQUIRED TO QUALIFY FOR THE PROJECT TAX CREDIT.

[(f)] (E) (1) Subject to the limitation in paragraph (4) of this subsection [and subject to § 6–405 of this subtitle], this subsection applies to any taxable year after the 4th but before the 15th taxable year following the taxable year in which the project is placed in service CREDIT YEAR.

(2) A qualified business entity other than a person subject to taxation under Title 6 of the Insurance Article may:

(i) apply any excess of eligible project costs for the eligible economic development project over the cumulative amount used as a project tax credit for the taxable year and all prior taxable years as a tax credit against the State tax for the taxable year on the qualified business entity’s income other than income generated by or arising out of the project; and

(ii) claim a refund in the amount, if any, by which the QUALIFIED BUSINESS ENTITY’S unused excess exceeds the State tax for the taxable year [on the qualified business entity’s income other than income generated by or arising out of the project].

(3) A qualified business entity that is subject to taxation under Title 6 of the Insurance Article may:

(i) apply any excess of eligible project costs for the eligible economic development project over the cumulative amount used as a project tax credit for the taxable year and all prior taxable years as a tax credit against the premium tax imposed for the taxable year; and

(ii) claim a refund in the amount, if any, by which the unused excess exceeds the premium tax for the taxable year.

(4) For any taxable year, the total amount [used as a project tax credit and] claimed as a refund under this subsection may not exceed the amount of tax that the
qualified business entity is required to withhold for the taxable year from the wages of qualified employees under § 10–908 of the Tax – General Article.

(5) (i) A qualified business entity may claim a prorated share of the credit under this subsection if:

1. during any taxable year after the qualified business entity is certified for the tax credit, the number of qualified positions filled by the qualified business entity falls below \[25\] THE MINIMUM NUMBER OF QUALIFIED POSITIONS REQUIRED TO QUALIFY FOR THE PROJECT TAX CREDIT, but does not fall below 10; and

2. the qualified business entity has maintained at least \[25\] THE MINIMUM NUMBER OF QUALIFIED POSITIONS REQUIRED TO QUALIFY FOR THE PROJECT TAX CREDIT for at least 5 years.

(ii) The prorated share of the credit is calculated based on the number of qualified positions filled for the taxable year divided by \[25\] THE MINIMUM NUMBER OF QUALIFIED POSITIONS REQUIRED TO QUALIFY FOR THE PROJECT TAX CREDIT.

[(g) (F)] A qualified business entity shall attach the certification required under § 6–402 of this subtitle to the tax return on which the project tax credit is claimed.

[6–404.

(a) (1) A qualified business entity that locates in a qualified distressed county may claim a start–up tax credit in the amount provided in subsection (b) of this section.

(2) A qualified business entity is not entitled to a start–up tax credit for a cost incurred before notifying the Department of its intent to seek certification as qualifying for the start–up tax credit.

(b) The start–up tax credit allowed under this section for each taxable year equals the least of:

(1) the qualified business entity’s total eligible start–up cost associated with establishing or expanding a business facility in the qualified distressed county, less the amount of the credit previously taken for the project;

(2) the product of multiplying $10,000 times the number of qualified employees employed at the new or expanded business facility; or

(3) $500,000.

(c) (1) Subject to paragraph (2) of this subsection, if the start–up tax credit allowed under subsection (b) of this section for the taxable year in which a qualified
business entity locates in a qualified distressed county exceeds the total tax otherwise due from the qualified business entity for that taxable year, the qualified business entity may apply the excess as a credit for succeeding taxable years until the earlier of:

(i) the full amount of the excess is used; or

(ii) the expiration of the 14th taxable year following the taxable year in which the qualified business entity locates in a qualified distressed county.

(2) (i) A qualified business entity may claim a prorated share of the credit under this subsection if:

1. during any taxable year after the qualified business entity is certified for the tax credit, the number of qualified positions filled by the qualified business entity falls below 25, but does not fall below 10; and

2. the qualified business entity has maintained at least 25 qualified positions for at least 5 years.

(ii) The prorated share of the credit is calculated based on the number of qualified positions filled for the taxable year divided by 25.

(d) (1) Subject to the limitation in paragraph (3) of this subsection and subject to § 6–405 of this subtitle, this subsection applies to any taxable year after the 4th but before the 15th taxable year following the taxable year in which the qualified business entity locates in a qualified distressed county.

(2) A qualified business entity may claim a refund in the amount, if any, by which the qualified business entity’s eligible start–up cost exceeds the cumulative amount used as a start–up tax credit for the taxable year and all prior taxable years.

(3) For any taxable year, the total amount claimed as a refund under this subsection may not exceed the amount of tax that the qualified business entity is required to withhold for the taxable year from the wages of qualified employees under § 10–908 of the Tax – General Article.

(4) (i) A qualified business entity may claim a prorated share of the credit under this subsection if:

1. during any taxable year after the qualified business entity is certified for the tax credit, the number of qualified positions filled by the qualified business entity falls below 25, but does not fall below 10; and

2. the qualified business entity has maintained at least 25 qualified positions for at least 5 years.
(ii) The prorated share of the credit is calculated based on the number of qualified positions filled for the taxable year divided by 25.

(e) A qualified business entity shall attach the certification required under § 6–402(a) of this subtitle to the tax return on which the start–up tax credit is claimed.]  

[6–405.]

If the pay for the majority of the qualified positions created from the establishment or expansion of a business facility is at least 250% of the federal minimum wage, §§ 6–403(f) and 6–404(d) of this subtitle apply beginning with the taxable year after the 2nd taxable year that follows the taxable year when the qualified business entity locates in a qualified distressed county.]  


A refund payable to a qualified business entity under [§ 6–403(f) or § 6–404(d)] § 6–403(E) of this subtitle reduces:

(1) the income tax revenue from corporations if the qualified business entity is a corporation subject to the income tax under Title 10 of the Tax – General Article;

(2) the income tax revenue from individuals if the qualified business entity is:

(i) an individual subject to the income tax under Title 10 of the Tax – General Article; or

(ii) an organization exempt from taxation under § 501(c)(3) or (4) of the Internal Revenue Code; and

(3) insurance premium tax revenues if the qualified business entity is subject to taxation under Title 6 of the Insurance Article.

6–405.

FOR ANY TAXABLE YEAR, IF A QUALIFIED BUSINESS ENTITY CLAIMS THE PROJECT TAX CREDIT AUTHORIZED UNDER THIS SUBTITLE, THE QUALIFIED BUSINESS ENTITY MAY NOT ALSO CLAIM A CREDIT AUTHORIZED UNDER SUBTITLE 3 OF THIS TITLE.


The Secretary shall adopt regulations to specify criteria and procedures for application and approval of projects for the tax credit under this subtitle.
SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:

Article—Tax—General

10–210.1.

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

(2) “Depreciation” includes any deduction allowed under § 179 of the Internal Revenue Code.

(3) “Heavy-duty SUV” means a 4–wheeled vehicle that:

(i) is manufactured primarily for use on public streets, roads, and highways;

(ii) is rated at more than 6,000 but not more than 14,000 pounds gross vehicle weight; and

(iii) would be a passenger automobile as defined in § 280F of the Internal Revenue Code if it were rated at 6,000 pounds gross vehicle weight or less.

(4) (i) “Manufacturing entity” means a person conducting or operating a trade or business that is primarily engaged in activities that, in accordance with the North American Industrial Classification System (NAICS), United States Manual, United States Office of Management and Budget, 2012 Edition, would be included in Sector 31, 32, or 33.

(ii) “Manufacturing entity” does not include a refiner, as defined in § 10–101 of the Business Regulation Article.

(5) “QUALIFIED BUSINESS ENTITY” HAS THE MEANING STATED IN § 6–401 OF THE ECONOMIC DEVELOPMENT ARTICLE.

(b) In addition to the modifications under §§ 10–204 through 10–210 of this subtitle, to determine Maryland adjusted gross income of an individual:

(i) except as provided in item (ii) of this item, an amount is added to or subtracted from federal adjusted gross income to reflect the determination of the depreciation deduction provided under § 167(a) of the Internal Revenue Code and the adjusted basis of property without regard to the additional allowance under § 168(k) of the Internal Revenue Code; and

(ii) item (i) of this item does not apply to property placed in service by a manufacturing entity OR QUALIFIED BUSINESS ENTITY on or after January 1, 2019;
(ii) (i) except as provided in item (ii) of this item, an amount is added to or subtracted from federal adjusted gross income to reflect the determination of the maximum aggregate costs that the taxpayer may treat as an expense under § 179 of the Internal Revenue Code for any taxable year without regard to any changes made to that section after December 31, 2002:

1. increasing above $25,000 the dollar limitation set forth in § 179(b)(1) of the Internal Revenue Code; or

2. increasing above $200,000 the phase-out threshold set forth in § 179(b)(2) of the Internal Revenue Code; and

(ii) item (i) of this item does not apply to property that is placed in service by a manufacturing entity OR QUALIFIED BUSINESS ENTITY on or after January 1, 2019;

SECTION 3. 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 2018 that affects provisions enacted by this Act. The publisher shall adequately describe any correction that is made in an editor’s note following the section affected.

SECTION 4. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall be applicable to all taxable years beginning after December 31, 2018.

SECTION 5. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2018, and shall be applicable to certifications of qualified business entities issued after June 30, 2018.

Approved by the Governor, May 15, 2018.

Chapter 584

(House Bill 1295)

AN ACT concerning

One Maryland Economic Development Tax Credits – Simplification and Alteration

FOR the purpose of altering the definition of “qualified distressed county” by altering certain income levels in the definition and renaming it to be “Tier I county”; altering the definition of “qualified distressed county” by altering certain income levels in the
Lawrence J. Hogan, Jr., Governor

Chapter 584

definition and renaming it to be “Tier I county”; repealing a certain start-up tax credit under the One Maryland Economic Development Tax Credit Program; expanding the eligibility requirements for a certain project tax credit by altering, under certain circumstances, the number of qualified positions that a qualified business entity is required to create; altering the calculation of the project tax credit; requiring the Department of Commerce to certify the amount of the project tax credit; requiring a qualified business entity to report certain information to the Department for certain taxable years; providing that a failure to report the information shall disqualify the qualified business entity from claiming certain credits; repealing a certain limitation on the amount of the project tax credit allowed under certain circumstances; altering the circumstances under which a certain qualified business entity may claim the project tax credit; altering the circumstances under which a qualified business entity may carry forward and claim a refund of certain excess credits; prohibiting a qualified business entity from claiming a certain other credit under certain circumstances; exempting certain property of a qualified business entity from a certain limitation on the applicability of certain Maryland income tax modifications for certain deductions for the cost of business property placed in service that is treated as an expense for federal income tax purposes; exempting certain property of a qualified business entity from a certain limitation on the applicability of certain Maryland income tax modifications for a certain additional depreciation allowance under the federal income tax; requiring the publisher of the Annotated Code of Maryland, in consultation with and subject to the approval of the Department of Legislative Services, to correct any cross-references or terminology rendered incorrect by this Act and to describe any corrections made in an editor’s note following the section affected; altering certain definitions; defining a certain term; making conforming changes; providing for the application of this Act; and generally relating to the One Maryland Economic Development Tax Credit Program.

BY repealing and reenacting, with amendments,

Article – Economic Development
Section 1–101, 1–102, 6–401 through 6–403, 6–406, and 6–407
Annotated Code of Maryland
(2008 Volume and 2017 Supplement)

BY repealing

Article – Economic Development
Section 6–404 and 6–405
Annotated Code of Maryland
(2008 Volume and 2017 Supplement)

BY adding to

Article – Economic Development
Section 6–405
Annotated Code of Maryland
(2008 Volume and 2017 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.  
(b) “County” means a county of the State or Baltimore City.  
(c) “Department” means the Department of Commerce.  
(d) “Person” means an individual, receiver, trustee, guardian, personal representative, fiduciary, representative of any kind, partnership, firm, association, corporation, or other entity.  
(e) (1) “Qualified distressed county” means a county with:  
   (i) an average rate of unemployment for the most recent 24-month period for which data are available that exceeds 150% of the average rate of unemployment for the State during that period;  
   (ii) an average rate of unemployment for the most recent 24-month period for which data are available that exceeds the average rate of unemployment in the State by at least 2 percentage points; or  
   (iii) an average per capita personal income for the most recent 24-month period for which data are available that is equal to or less than 67% of the average per capita personal income for the State during that period.  
(2) “Qualified distressed county” includes a county that:  
   (i) no longer meets either criterion stated in paragraph (1) of this subsection; but  
   (ii) has met at least one of the criteria at some time during the preceding 24-month period.  
   (f) “Secretary” means the Secretary of Commerce.
Except as provided in paragraph (2) of this subsection, “state” means:

(i) a state, possession, territory, or commonwealth of the United States; or

(ii) the District of Columbia.

(2) When capitalized, “State” means Maryland.

(6) (1) “TIER I COUNTY” means a county with:

(I) an average rate of unemployment for the most recent 24-month period for which data are available that exceeds 150% of the average rate of unemployment for the State during that period;

(II) an average rate of unemployment for the most recent 24-month period for which data are available that exceeds the average rate of unemployment in the State by at least 2 percentage points; or

(III) a median household income for the most recent 24-month period for which data are available that is equal to or less than 75% of the median household income for the State during that period.

(2) “TIER I COUNTY” includes a county that:

(I) no longer meets either criterion stated in paragraph (1) of this subsection; but

(II) has met at least one of the criteria at some time during the preceding 24-month period.

1–101.

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

(b) “County” means a county of the State or Baltimore City.

(c) “Department” means the Department of Commerce.

(d) “Person” means an individual, receiver, trustee, guardian, personal representative, fiduciary, representative of any kind, partnership, firm, association, corporation, or other entity.
“Qualified distressed county” means a county with:

(i) an average rate of unemployment for the most recent 24–month period for which data are available that exceeds 150% of the average rate of unemployment for the State during that period;

(ii) an average rate of unemployment for the most recent 24–month period for which data are available that exceeds the average rate of unemployment in the State by at least 2 percentage points; or

(iii) an average per capita personal income for the most recent 24–month period for which data are available that is equal to or less than 67% of the average per capita personal income for the State during that period.

“Qualified distressed county” includes a county that:

(i) no longer meets either criterion stated in paragraph (1) of this subsection; but

(ii) has met at least one of the criteria at some time during the preceding 24–month period.

“Secretary” means the Secretary of Commerce.

Except as provided in paragraph (2) of this subsection, “state” means:

(i) a state, possession, territory, or commonwealth of the United States; or

(ii) the District of Columbia.

When capitalized, “State” means Maryland.

“Tier I county” means a county with:

(I) an average rate of unemployment for the most recent 24–month period for which data are available that exceeds 150% of the average rate of unemployment for the State during that period;

(II) an average rate of unemployment for the most recent 24–month period for which data are available that exceeds the average rate of unemployment for the State by at least 2 percentage points; or
(III) A MEDIAN HOUSEHOLD INCOME FOR THE MOST RECENT 24–MONTH PERIOD FOR WHICH DATA ARE AVAILABLE THAT IS EQUAL TO OR LESS THAN 75% OF THE MEDIAN HOUSEHOLD INCOME FOR THE STATE DURING THAT PERIOD.

(2) “TIER I COUNTY” INCLUDES A COUNTY THAT:

(I) NO LONGER MEETS ANY OF THE CRITERIA STATED IN PARAGRAPH (1) OF THIS SUBSECTION; BUT

(II) HAS MET AT LEAST ONE OF THE CRITERIA AT SOME TIME DURING THE PRECEDING 24–MONTH PERIOD.

In this subtitle the following words have the meanings indicated.

(B) “CREDIT YEAR” MEANS THE TAXABLE YEAR IN WHICH A QUALIFIED BUSINESS ENTITY CLAIMS THE TAX CREDIT AUTHORIZED UNDER THIS SUBTITLE.

[(b)] (C) “Eligible economic development project” means an economic development project that:

(1) establishes or expands a business facility within a [qualified distressed] TIER I county; and

(2) is approved for a project tax credit [or a start–up tax credit] in accordance with this subtitle.

[(c)] (D) (1) “Eligible project cost” means the cost and expense a qualified business entity incurs to acquire, construct, rehabilitate, install, or equip an eligible economic development project.

(2) “Eligible project cost” includes:

(i) the cost of:

1. obligations for labor and payments made to contractors, subcontractors, builders, and suppliers;

2. acquiring land, rights in land, and costs incidental to acquiring land or rights in land;

3. contract bonds and insurance needed during the acquisition, construction, or installation of the project;
4. test borings, surveys, estimates, plans, specifications, preliminary investigations, environmental mitigation, supervision of construction, and other architectural and engineering services;

5. performing duties required by or consequent to the acquisition, construction, and installation of the project;

6. installing water, sewer, sewer treatment, gas, electricity, communications, railroads, and similar utilities; and

7. bond insurance, letters of credit, or other forms of credit enhancement or liquidity facilities;

(ii) the interest cost before and during the acquisition, construction, installation, and equipping of the project, and for up to 2 years after project completion;[and]

(iii) legal, accounting, financial, printing, recording, filing, and other fees and expenses incurred to finance the project.; AND

[(d) (1) (IV) “ Eligible start–up cost” means a qualified business entity’s cost to furnish and equip a new location for ordinary business functions, INCLUDING:

[(2) “ Eligible start–up cost” includes:]

[(i) 1. the cost of computers, nonrecurring costs of fixed telecommunications equipment, furnishings, and office equipment; and

[(ii) 2. expenditures for moving costs, separation costs, and other costs directly related to moving from outside of the State to a location in a qualified distressed TIER I county.

(e) “Project tax credit” means a tax credit for eligible project costs allowed under § 6–403 of this subtitle.

(f) “Qualified business entity” means a person that:

(1) (i) conducts or operates a trade or business in the State; or

(ii) operates in the State and is exempt from taxation under § 501(c)(3) or (4) of the Internal Revenue Code; and

(2) is certified in accordance with §§ 6–402 of this subtitle as qualifying for a project tax credit or a start–up tax credit under this subtitle.

(g) (1) “Qualified position” means a position that:
(i) is a full–time position and is of indefinite duration;
(ii) pays at least \(150\%\) of the federal \(\text{STATE}\) minimum wage;
(iii) is in a [qualified distressed] \(\text{TIER I}\) county;
(iv) is newly created because a business facility begins or expands in one location in a [qualified distressed] \(\text{TIER I}\) county; and
(v) is filled.

(2) “Qualified position” does not include a position that is:

(i) created when an employment function is shifted from an existing business facility of a business entity in the State to another business facility of the same business entity if the position is not a net new job in the State;
(ii) created through a change in ownership of a trade or business;
(iii) created through a consolidation, merger, or restructuring of a business entity if the position is not a net new job in the State;
(iv) created when an employment function is contractually shifted from an existing business entity in the State to another business entity if the position is not a net new job in the State; or
(v) filled for a period of less than 12 months.

[h] “Start–up tax credit” means a tax credit for eligible start–up costs allowed under § 6–404 of this subtitle.]

(H) (1) **“TIER I COUNTY” MEANS A COUNTY WITH:**

(I) **AN AVERAGE RATE OF UNEMPLOYMENT FOR THE MOST RECENT 24–MONTH PERIOD FOR WHICH DATA ARE AVAILABLE THAT EXCEEDS 150% OF THE AVERAGE RATE OF UNEMPLOYMENT FOR THE STATE DURING THAT PERIOD:**

(II) **AN AVERAGE RATE OF UNEMPLOYMENT FOR THE MOST RECENT 24–MONTH PERIOD FOR WHICH DATA ARE AVAILABLE THAT EXCEEDS THE AVERAGE RATE OF UNEMPLOYMENT \(\text{FOR THE STATE}\) BY AT LEAST 2 PERCENTAGE POINTS; OR**

(III) **A MEDIAN HOUSEHOLD INCOME FOR THE MOST RECENT 24–MONTH PERIOD FOR WHICH DATA ARE AVAILABLE THAT IS EQUAL TO OR LESS**
 THAN 75% OF THE MEDIAN HOUSEHOLD INCOME FOR THE STATE DURING THAT PERIOD.

(2) “TIER I COUNTY” INCLUDES A COUNTY THAT:

(I) NO LONGER MEETS ANY OF THE CRITERIA STATED IN PARAGRAPH (1) OF THIS SUBSECTION; BUT

(II) HAS MET AT LEAST ONE OF THE CRITERIA AT SOME TIME DURING THE PRECEDEING 24–MONTH PERIOD.

6–402.

(a) (1) To qualify for a project tax credit [or a start–up tax credit], a person shall be certified by the Secretary as meeting the requirements of this subtitle and as being eligible for the tax credit.

(2) The Secretary may not certify a person as a qualified business entity unless the person notifies the Department of its intent to seek certification before hiring any qualified employees to fill the qualified positions necessary to satisfy the employment threshold under subsection (b)(2) of this section.

(b) To be eligible for a project tax credit [or a start–up tax credit], a person shall:

(1) establish or expand a business facility that:

(i) is located in a [qualified distressed] TIER I county; and

(ii) 1. is located in a priority funding area under § 5–7B–02 of the State Finance and Procurement Article; or

2. is eligible for funding outside of a priority funding area under § 5–7B–05 or § 5–7B–06 of the State Finance and Procurement Article;

(2) during any 24–month period, create at least [25] THE NUMBER OF qualified positions at the new or expanded business facility SPECIFIED IN § 6–403(B) OF THIS SUBTITLE; and

(3) be primarily engaged at the new or expanded business facility in any combination of:

(i) manufacturing or mining;

(ii) transportation or communications;

(iii) filmmaking, resort business, or recreational business;
(iv) agriculture, forestry, or fishing;

(v) research, development, or testing;

(vi) biotechnology;

(vii) computer programming, information technology, or other computer–related services;

(viii) central services for a business entity engaged in financial services, real estate services, or insurance services;

(ix) the operation of central administrative offices;

(x) the operation of a company headquarters other than the headquarters of a professional sports organization;

(xi) the operation of a public utility;

(xii) warehousing; or

(xiii) other business services.

(c) To be certified as a qualified business entity for a project tax credit [or a start–up tax credit], a person shall submit to the Secretary an application that specifies:

(1) the effective date of the start–up or expansion;

(2) the number of full–time employees before the start–up or expansion and the payroll of the existing employees;

(3) the number of qualified positions created and qualified employees hired and the payroll of the new qualified employees; and

(4) any other information that the Secretary requires by regulation.

(d) The Secretary may require any information required under this section to be verified by an independent auditor that the qualified business entity selects.

6–403.

(a) (1) A qualified business entity may claim a project tax credit for the cost of an eligible economic development project in a [qualified distressed] TIER I county if the total eligible project cost for the eligible economic development project is at least $500,000.
(2) A qualified business entity is not entitled to a project tax credit for a cost incurred before notifying the Department of its intent to seek certification as qualifying for the project tax credit.

(b) (1) Subject to the limitation in paragraph (2) of this subsection, the project tax credit allowed under this section is the lesser of [$5,000,000] THE MAXIMUM AMOUNT SPECIFIED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH and the total eligible project cost for the eligible economic development project, less the amount of the credit previously taken for the project in prior taxable years.

(II) FOR PURPOSES OF CALCULATION OF THE CREDIT UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH, THE MAXIMUM AMOUNT IS:

1. $5,000,000, IF THE QUALIFIED BUSINESS ENTITY CREATE AT LEAST 50 QUALIFIED POSITIONS;

2. $2,500,000, IF THE QUALIFIED BUSINESS ENTITY CREATE AT LEAST 25 QUALIFIED POSITIONS BUT FEWER THAN 50 QUALIFIED POSITIONS; OR

3. $1,000,000, IF THE QUALIFIED BUSINESS ENTITY CREATE AT LEAST 10 QUALIFIED POSITIONS BUT FEWER THAN 25 QUALIFIED POSITIONS.

(2) Except as provided in subsections [(e)] (D) and [(f)] (E) of this section, the project tax credit allowed in a taxable year may not exceed the State tax for that year on the qualified business entity’s income [generated by or arising out of the eligible economic development project, as determined under subsections (c) and (d) of this section].

(3) THE DEPARTMENT SHALL CERTIFY THE AMOUNT OF THE PROJECT TAX CREDIT FOR WHICH A QUALIFIED BUSINESS ENTITY IS ELIGIBLE.

(4) (I) A QUALIFIED BUSINESS ENTITY SHALL REPORT TO THE DEPARTMENT THE AMOUNT OF THE PROJECT TAX CREDIT THAT THE ENTITY CLAIMS ON THE ENTITY’S TAX RETURN FOR EACH TAXABLE YEAR THAT THE ENTITY CLAIMS ANY PORTION OF THE PROJECT TAX CREDIT.

(II) THE FAILURE OF THE QUALIFIED BUSINESS ENTITY TO PROVIDE THE INFORMATION REQUIRED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH SHALL DISQUALIFY THE ENTITY FROM CLAIMING ANY UNCLAIMED AMOUNT OF THE PROJECT TAX CREDIT.

[(c) (1) This subsection does not apply to a person subject to taxation under Title 6 of the Insurance Article.]
(2) The State tax for the taxable year on a qualified business entity’s income generated by or arising out of an eligible economic development project equals the difference between:

(i) the State tax without regard to this subtitle; and

(ii) the State tax on the qualified business entity’s Maryland taxable income reduced by the amount of its net income attributable to the eligible economic development project.

(3) If an eligible economic development project is a totally separate facility, net income attributable to the project shall be determined under the separate accounting method reflecting only the gross income, deductions, expenses, gains, and losses that are directly attributable to the facility and the overhead expenses apportioned to the facility.

(4) If the eligible economic development project is an expansion to a previously existing facility:

(i) net income attributable to the entire facility shall be determined under the separate accounting method reflecting only the gross income, deductions, expenses, gains, and losses that are directly attributable to the facility and the overhead expenses apportioned to the facility; and

(ii) net income attributable to the eligible economic development project shall be determined by apportioning the net income of the entire facility, as calculated under item (i) of this paragraph, to the eligible economic development project by a formula approved by the Comptroller or the State Department of Assessments and Taxation.

(5) If the Comptroller or the State Department of Assessments and Taxation is satisfied that the nature and activities of a qualified business entity make it impractical to use the separate accounting method, the qualified business entity shall determine net income from the eligible economic development project using an alternative method approved by the Comptroller or the State Department of Assessments and Taxation.

[(d) (C) A qualified business entity that is subject to taxation under Title 6 of the Insurance Article may [not] claim the project tax credit [for the taxable year in which the project is placed in service or for the next 4 taxable years] AGAINST THE INSURANCE PREMIUM TAX.

[(e) (D) (1) Subject to paragraph (2) of this subsection, if the eligible project cost for the eligible economic development project exceeds the State tax on the qualified business entity’s income [generated by or arising out of the project for the taxable year in which the project is placed in service], the qualified business entity may apply any excess]
as a project tax credit for succeeding taxable years against the State tax on the qualified business entity’s income [generated by or arising out of the project] until the earlier of:

   (i) the full amount of the excess is used; or

   (ii) the expiration of the [14th] 10TH taxable year following the [taxable year in which the project is placed in service] CREDIT YEAR.

(2) (i) A qualified business entity may claim a prorated share of the credit under this subsection if:

   1. during any taxable year after the qualified business entity is certified for the tax credit, the number of qualified positions filled by the qualified business entity falls below [25] THE MINIMUM NUMBER OF QUALIFIED POSITIONS REQUIRED TO QUALIFY FOR THE PROJECT TAX CREDIT, but does not fall below 10; and

   2. the qualified business entity has maintained at least [25] THE MINIMUM NUMBER OF qualified positions REQUIRED TO QUALIFY FOR THE PROJECT TAX CREDIT for at least 5 years.

   (ii) The prorated share of the credit is calculated based on the number of qualified positions filled for the taxable year divided by [25] THE MINIMUM NUMBER OF QUALIFIED POSITIONS REQUIRED TO QUALIFY FOR THE PROJECT TAX CREDIT.

[(f)] (E) (1) Subject to the limitation in paragraph (4) of this subsection [and subject to § 6–405 of this subtitle], this subsection applies to any taxable year after the 4th [but before the 15th taxable year following the taxable year in which the project is placed in service] CREDIT YEAR.

(2) A qualified business entity other than a person subject to taxation under Title 6 of the Insurance Article may:

   (i) apply any excess of eligible project costs for the eligible economic development project over the cumulative amount used as a project tax credit for the taxable year and all prior taxable years as a tax credit against the State tax for the taxable year on the qualified business entity’s income other than income generated by or arising out of the project; and

   (ii) claim a refund in the amount, if any, by which the QUALIFIED BUSINESS ENTITY’S unused excess exceeds the State tax for the taxable year [on the qualified business entity’s income other than income generated by or arising out of the project].
A qualified business entity that is subject to taxation under Title 6 of the Insurance Article may:

(i) apply any excess of eligible project costs for the eligible economic development project over the cumulative amount used as a project tax credit for the taxable year and all prior taxable years as a tax credit against the premium tax imposed for the taxable year; and

(ii) claim a refund in the amount, if any, by which the unused excess exceeds the premium tax for the taxable year.

For any taxable year, the total amount claimed as a refund under this subsection may not exceed the amount of tax that the qualified business entity is required to withhold for the taxable year from the wages of qualified employees under § 10–908 of the Tax – General Article.

(i) A qualified business entity may claim a prorated share of the credit under this subsection if:

1. during any taxable year after the qualified business entity is certified for the tax credit, the number of qualified positions filled by the qualified business entity falls below 25 THE MINIMUM NUMBER OF QUALIFIED POSITIONS REQUIRED TO QUALIFY FOR THE PROJECT TAX CREDIT, but does not fall below 10; and

2. the qualified business entity has maintained at least 25 THE MINIMUM NUMBER OF QUALIFIED POSITIONS REQUIRED TO QUALIFY FOR THE PROJECT TAX CREDIT for at least 5 years.

(ii) The prorated share of the credit is calculated based on the number of qualified positions filled for the taxable year divided by 25 THE MINIMUM NUMBER OF QUALIFIED POSITIONS REQUIRED TO QUALIFY FOR THE PROJECT TAX CREDIT.

A qualified business entity shall attach the certification required under § 6–402 of this subtitle to the tax return on which the project tax credit is claimed.

A qualified business entity that locates in a qualified distressed county may claim a start–up tax credit in the amount provided in subsection (b) of this section.

A qualified business entity is not entitled to a start–up tax credit for a cost incurred before notifying the Department of its intent to seek certification as qualifying for the start–up tax credit.
(b) The start–up tax credit allowed under this section for each taxable year equals the least of:

1. the qualified business entity’s total eligible start–up cost associated with establishing or expanding a business facility in the qualified distressed county, less the amount of the credit previously taken for the project;

2. the product of multiplying $10,000 times the number of qualified employees employed at the new or expanded business facility; or

3. $500,000.

(c) (1) Subject to paragraph (2) of this subsection, if the start–up tax credit allowed under subsection (b) of this section for the taxable year in which a qualified business entity locates in a qualified distressed county exceeds the total tax otherwise due from the qualified business entity for that taxable year, the qualified business entity may apply the excess as a credit for succeeding taxable years until the earlier of:

(i) the full amount of the excess is used; or

(ii) the expiration of the 14th taxable year following the taxable year in which the qualified business entity locates in a qualified distressed county.

(2) (i) A qualified business entity may claim a prorated share of the credit under this subsection if:

1. during any taxable year after the qualified business entity is certified for the tax credit, the number of qualified positions filled by the qualified business entity falls below 25, but does not fall below 10; and

2. the qualified business entity has maintained at least 25 qualified positions for at least 5 years.

(ii) The prorated share of the credit is calculated based on the number of qualified positions filled for the taxable year divided by 25.

(d) (1) Subject to the limitation in paragraph (3) of this subsection and subject to § 6–405 of this subtitle, this subsection applies to any taxable year after the 4th but before the 15th taxable year following the taxable year in which the qualified business entity locates in a qualified distressed county.

(2) A qualified business entity may claim a refund in the amount, if any, by which the qualified business entity’s eligible start–up cost exceeds the cumulative amount used as a start–up tax credit for the taxable year and all prior taxable years.

(3) For any taxable year, the total amount claimed as a refund under this subsection may not exceed the amount of tax that the qualified business entity is required
to withhold for the taxable year from the wages of qualified employees under § 10–908 of the Tax – General Article.

(4) (i) A qualified business entity may claim a prorated share of the credit under this subsection if:

1. during any taxable year after the qualified business entity is certified for the tax credit, the number of qualified positions filled by the qualified business entity falls below 25, but does not fall below 10; and

2. the qualified business entity has maintained at least 25 qualified positions for at least 5 years.

(ii) The prorated share of the credit is calculated based on the number of qualified positions filled for the taxable year divided by 25.

(e) A qualified business entity shall attach the certification required under § 6–402(a) of this subtitle to the tax return on which the start–up tax credit is claimed.

If the pay for the majority of the qualified positions created from the establishment or expansion of a business facility is at least 250% of the federal minimum wage, §§ 6–403(f) and 6–404(d) of this subtitle apply beginning with the taxable year after the 2nd taxable year that follows the taxable year when the qualified business entity locates in a qualified distressed county.

A refund payable to a qualified business entity under §§ 6–403(f) or § 6–404(d) of this subtitle reduces:

(1) the income tax revenue from corporations if the qualified business entity is a corporation subject to the income tax under Title 10 of the Tax – General Article;

(2) the income tax revenue from individuals if the qualified business entity is:

(i) an individual subject to the income tax under Title 10 of the Tax – General Article; or

(ii) an organization exempt from taxation under § 501(c)(3) or (4) of the Internal Revenue Code; and

(3) insurance premium tax revenues if the qualified business entity is subject to taxation under Title 6 of the Insurance Article.
6–405.

FOR ANY TAXABLE YEAR, IF A QUALIFIED BUSINESS ENTITY CLAIMS THE PROJECT TAX CREDIT AUTHORIZED UNDER THIS SUBTITLE, THE QUALIFIED BUSINESS ENTITY MAY NOT ALSO CLAIM A CREDIT AUTHORIZED UNDER SUBTITLE 3 OF THIS TITLE.


The Secretary shall adopt regulations to specify criteria and procedures for application and approval of projects for the tax credit under this subtitle.

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

Article—Tax—General

10–210.1.

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

(2) “Depreciation” includes any deduction allowed under § 179 of the Internal Revenue Code.

(2) “Heavy-duty SUV” means a 4-wheeled vehicle that:

(i) is manufactured primarily for use on public streets, roads, and highways;

(ii) is rated at more than 6,000 but not more than 14,000 pounds gross vehicle weight; and

(iii) would be a passenger automobile as defined in § 280F of the Internal Revenue Code if it were rated at 6,000 pounds gross vehicle weight or less.

(4) (i) “Manufacturing entity” means a person conducting or operating a trade or business that is primarily engaged in activities that, in accordance with the North American Industrial Classification System (NAICS), United States Manual, United States Office of Management and Budget, 2012 Edition, would be included in Sector 31, 32, or 33.

(ii) “Manufacturing entity” does not include a refiner, as defined in § 10–101 of the Business Regulation Article.
“QUALIFIED BUSINESS ENTITY” has the meaning stated in § 6–401 of the Economic Development Article.

(b) In addition to the modifications under §§ 10–204 through 10–210 of this subtitle, to determine Maryland adjusted gross income of an individual:

(1) (i) except as provided in item (ii) of this item, an amount is added to or subtracted from federal adjusted gross income to reflect the determination of the depreciation deduction provided under § 167(a) of the Internal Revenue Code and the adjusted basis of property without regard to the additional allowance under § 168(k) of the Internal Revenue Code; and

(ii) item (i) of this item does not apply to property placed in service by a manufacturing entity OR QUALIFIED BUSINESS ENTITY on or after January 1, 2019;

(2) (i) except as provided in item (ii) of this item, an amount is added to or subtracted from federal adjusted gross income to reflect the determination of the maximum aggregate costs that the taxpayer may treat as an expense under § 179 of the Internal Revenue Code for any taxable year without regard to any changes made to that section after December 31, 2002:

1. increasing above $25,000 the dollar limitation set forth in § 179(b)(1) of the Internal Revenue Code; or

2. increasing above $200,000 the phase–out threshold set forth in § 179(b)(2) of the Internal Revenue Code; and

(ii) item (i) of this item does not apply to property that is placed in service by a manufacturing entity OR QUALIFIED BUSINESS ENTITY on or after January 1, 2019;

SECTION 2. 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 2018 that affects provisions enacted by this Act. The publisher shall adequately describe any correction that is made in an editor’s note following the section affected.

SECTION 4. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall be applicable to all taxable years beginning after December 31, 2018.

SECTION 5. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2018, and shall be applicable to certifications of qualified business entities issued after June 30, 2018.
Chapter 585
(House Bill 1765)

AN ACT concerning


FOR the purpose of authorizing a local jurisdiction to count a certain reduction in nitrogen from a certain upgrade to an on–site sewage disposal system to count toward a nitrogen load reduction required in a certain watershed implementation plan under certain circumstances; authorizing a certain reduction in nitrogen from a certain pump out of an on–site sewage disposal system to count toward a nitrogen load reduction required in a certain watershed implementation plan under certain circumstances; authorizing certain fee revenue deposited in the Bay Restoration Fund to be used by a local jurisdiction to provide a certain amount of financial assistance to certain homeowners for the reasonable cost of an operation and maintenance contract for the pumping out of an on–site sewage disposal system at certain intervals; authorizing certain fee revenue deposited into the Fund to be used, in certain fiscal years, for financial assistance to a local jurisdiction for the development of a certain plan; specifying that the amount of financial assistance under this Act is based on homeowner income and is subject to a certain priority; specifying that financial assistance under this Act may be provided only if the homeowner verifies a pump out has occurred and resides in a local jurisdiction that has developed and implemented a certain septic stewardship plan that meets certain requirements; requiring the Department of the Environment to convene a certain meeting of certain individuals for certain purposes; and generally relating to on–site sewage disposal systems.

BY adding to
Article – Environment
Section 9–1108.2 and 9–1605.2(h)(2)(i)5. and 6. and (8)
Annotated Code of Maryland
(2014 Replacement Volume and 2017 Supplement)

BY repealing and reenacting, without amendments,
Article – Environment
Section 9–1605.2(a)(4) and (h)(1) and (2)(i)4. and (ii) (2)(ii)
Annotated Code of Maryland
(2014 Replacement Volume and 2017 Supplement)

BY repealing and reenacting, with amendments,
Article – Environment
Section 9–1605.2(h)(2)(i)3. and 4.
Annotated Code of Maryland
(2014 Replacement Volume and 2017 Supplement)

BY repealing and reenacting, without amendments,
Article – Natural Resources
Section 8–2A–01(a) and (e)
Annotated Code of Maryland
(2012 Replacement Volume and 2017 Supplement)

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

Article – Environment

9–1108.2.

(A) IN THIS SECTION, “WATERSHED IMPLEMENTATION PLAN” HAS THE MEANING STATED IN § 8–2A–01 OF THE NATURAL RESOURCES ARTICLE.

(B) A REDUCTION IN NITROGEN FROM UPGRADING AN ON–SITE SEWAGE DISPOSAL SYSTEM TO THE BEST AVAILABLE TECHNOLOGY FOR THE REMOVAL OF NITROGEN MAY COUNT TOWARD A NITROGEN LOAD REDUCTION REQUIRED IN A LOCAL JURISDICTION’S WATERSHED IMPLEMENTATION PLAN IF THERE IS A CURRENT OPERATION AND MAINTENANCE CONTRACT FOR THE ON–SITE SEWAGE DISPOSAL SYSTEM.

(B) THE FOLLOWING MAY COUNT TOWARD A NITROGEN LOAD REDUCTION IDENTIFIED IN THE STATE’S OR A LOCAL JURISDICTION’S WATERSHED IMPLEMENTATION PLAN:

(1) A REDUCTION IN NITROGEN FROM UPGRADING AN ON–SITE SEWAGE DISPOSAL SYSTEM TO THE BEST AVAILABLE TECHNOLOGY FOR THE REMOVAL OF NITROGEN IF THE OPERATION AND MAINTENANCE FOR THE ON–SITE SEWAGE DISPOSAL SYSTEM IS CURRENT; AND

(2) A REDUCTION IN NITROGEN FROM PUMPING OUT AN ON–SITE SEWAGE DISPOSAL SYSTEM THAT IS SUBJECT TO A LOCAL JURISDICTION’S SEPTIC STEWARDSHIP PLAN IF THE LOCAL JURISDICTION’S SEPTIC STEWARDSHIP PLAN MEETS THE REQUIREMENTS UNDER SUBSECTION (H)(8)(III)2 OF THIS SECTION.

9–1605.2.
(a) (4) There is established a Bay Restoration Fee to be paid by any user of a wastewater facility, an on-site sewage disposal system, or a holding tank that:

(i) Is located in the State; or

(ii) Serves a Maryland user and is eligible for funding under this subtitle.

(h) (1) With regard to the funds collected under subsection (b)(1)(i)1 of this section from users of an on-site sewage disposal system or holding tank that receive a water bill and subsection (b)(1)(i)2 and 3 of this section, beginning in fiscal year 2006, the Comptroller shall:

(i) Establish a separate account within the Bay Restoration Fund; and

(ii) Disburse the funds as provided under paragraph (2) of this subsection.

(2) The Comptroller shall:

(i) Deposit 60% of the funds in the separate account to be used for:

3. A portion of the reasonable costs of a local public entity that has been delegated by the Department under § 1–301(b) of this article to administer and enforce environmental laws, not to exceed 10% of the funds deposited into the separate account, to implement regulations adopted by the Department for on-site sewage disposal systems that utilize the best available technology for the removal of nitrogen; [and]

4. Subject to paragraph (7) of this subsection, financial assistance to low-income homeowners, as defined by the Department, for up to 50% of the cost of an operation and maintenance contract of up to 5 years for an on-site sewage disposal system that utilizes nitrogen removal technology; [and]

5. SUBJECT TO PARAGRAPH (8) OF THIS SUBSECTION, A LOCAL JURISDICTION TO PROVIDE FINANCIAL ASSISTANCE TO ELIGIBLE HOMEOWNERS FOR THE REASONABLE COST OF AN OPERATION AND MAINTENANCE CONTRACT THAT PROVIDES FOR, AT LEAST ONCE EVERY 5 YEARS, THE PUMPING OUT OF AN ON-SITE SEWAGE DISPOSAL SYSTEM, AT LEAST ONCE EVERY 5 YEARS, UNLESS A MORE FREQUENT PUMP OUT SCHEDULE IS RECOMMENDED DURING AN INSPECTION, NOT TO EXCEED 10% OF THE FUNDS ALLOCATED TO THE LOCAL JURISDICTION; AND

6. IN FISCAL YEARS 2020 AND 2021, FINANCIAL ASSISTANCE TO A LOCAL JURISDICTION FOR THE DEVELOPMENT OF A SEPTIC
STEWARDSHIP PLAN THAT MEETS THE REQUIREMENTS UNDER PARAGRAPH (8)(III)2
OF THIS SUBSECTION; AND

(ii) Transfer 40% of the funds to the Maryland Agriculture Water
Quality Cost Share Program in the Department of Agriculture in order to fund cover crop
activities.

(8) (I) THE AMOUNT OF FINANCIAL ASSISTANCE UNDER
PARAGRAPH (2)(I)5 OF THIS SUBSECTION SHALL BE BASED ON HOMEOWNER
INCOME, WITH PRIORITY GIVEN TO LOW–INCOME HOMEOWNERS.

(II) FINANCIAL ASSISTANCE UNDER PARAGRAPH (2)(I)5 OF
THIS SUBSECTION MAY BE PROVIDED THROUGH GRANTS, REBATES, OR LOW– OR
NO–INTEREST LOANS.

(III) FINANCIAL ASSISTANCE UNDER PARAGRAPH (2)(I)5 OF
THIS SUBSECTION MAY BE PROVIDED ONLY IF:

1. THE HOMEOWNER VERIFIES THE OPERATION AND
MAINTENANCE CONTRACT PUMP OUT HAS OCCURRED; AND

2. THE HOMEOWNER RESIDES IN A LOCAL
JURISDICTION THAT HAS DEVELOPED AND IMPLEMENTED A SEPTIC STEWARDSHIP
PLAN THAT:

A. HAS BEEN ADOPTED BY THE LOCAL GOVERNING BODY
OF THE JURISDICTION, AFTER CONSULTATION WITH THE JURISDICTION’S LOCAL
HEALTH DEPARTMENT;

A. B. STATES SPECIFIC GOALS CONSISTENT WITH THE
NITROGEN LOAD REDUCTION IDENTIFIED IN THE LOCAL JURISDICTION’S
WATERSHED IMPLEMENTATION PLAN;

B. C. SPECIFIES PUBLIC EDUCATION AND OUTREACH
MEASURES THAT WILL BE TAKEN, INCLUDING EDUCATION AND OUTREACH ON BEST
MANAGEMENT PRACTICES, LEGAL REQUIREMENTS, AND EXISTING SUPPORT AND
FINANCIAL ASSISTANCE;

C. D. PROVIDES TECHNICAL GUIDANCE FOR THE SITING,
DESIGN, EVALUATION, AND CONSTRUCTION OF AN ON–SITE SEWAGE DISPOSAL
SYSTEM;

D. E. REQUIRES AN ON–SITE SEWAGE DISPOSAL SYSTEM
LOCATED ON RESIDENTIAL PROPERTY TO BE PUMPED OUT AND INSPECTED AND
HAVE ITS WATER TESTED AT LEAST ONCE EVERY 5 YEARS, UNLESS A MORE
FREQUENT PUMP OUT SCHEDULE IS RECOMMENDED DURING AN INSPECTION;

E. F. REQUIRES AN ON–SITE SEWAGE DISPOSAL SYSTEM
LOCATED ON COMMERCIAL PROPERTY TO BE PUMPED OUT AND INSPECTED AT
LEAST ONCE EVERY 5 YEARS, UNLESS A MORE FREQUENT PUMP OUT SCHEDULE IS
RECOMMENDED DURING AN INSPECTION;

E. G. SPECIFIES CERTIFICATION AND LICENSING
PROCEDURES FOR A PERSON THAT PUMPS OUT AND INSPECTS ON–SITE SEWAGE
DISPOSAL SYSTEMS;

E. H. SPECIFIES ENFORCEMENT MECHANISMS,
COMPLIANCE INCENTIVES, AND PENALTIES;

E. I. OUTLINES FUNDING MECHANISMS TO SUPPORT THE
PLAN AND EXPAND EDUCATION, DEMONSTRATION PROJECTS, AND INSPECTIONS;

E. J. SPECIFIES REQUIREMENTS FOR RECORD KEEPING;

AND

J. K. ESTABLISHES A PROCESS FOR PERIODICALLY
EVALUATING AND REVISING THE PLAN.

Article – Natural Resources

8–2A–01.

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

(e) “Watershed implementation plan” means a plan to achieve the nutrient and
sediment limits required under the Chesapeake Bay total maximum daily load.

SECTION 2. AND BE IT FURTHER ENACTED, That the Department of the
Environment shall convene a meeting of representatives of county environmental health
directors, local government Watershed Implementation Plan programs, the environmental
community, and on–site sewage disposal system installers and inspectors to:

(1) ensure that appropriate local government personnel are given access to
the Best Available Technology Management and Network in order to implement the
provisions of § 9–1108.2 of the Environment Article as enacted by this Act;

(2) ensure that local government personnel receive the appropriate
training to access and use the Network; and
(3) review and offer recommendations on improving the general accessibility, ease of use, and functionality of the Network.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2018.

Approved by the Governor, May 15, 2018.

Chapter 586
(Senate Bill 152)

AN ACT concerning

Labor and Employment – Hiring and Promotion Preferences – Veterans of Commissioned Corps

FOR the purpose of altering the definition of “eligible veteran” to include certain commissioned corps for the purpose of granting a certain preference in hiring and promotion to certain veterans, spouses of certain veterans, and surviving spouses of certain veterans; and generally relating to hiring and promotion preferences for veterans and their spouses.

BY repealing and reenacting, with amendments,
Article – Labor and Employment
Section 3–714
Annotated Code of Maryland
(2016 Replacement Volume and 2017 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:

(1) the National Guard [and];

(2) the military reserves;
(3) THE COMMISSIONED CORPS OF THE PUBLIC HEALTH SERVICE;

AND

(4) THE COMMISSIONED CORPS OF THE NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION.

(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, 2018.

Approved by the Governor, May 15, 2018.

Chapter 587

(House Bill 1617)

AN ACT concerning

Labor and Employment – Hiring and Promotion Preferences – Veterans of Commissioned Corps

FOR the purpose of altering the definition of “eligible veteran” to include certain commissioned corps for the purpose of granting a certain preference in hiring and promotion to certain veterans, spouses of certain veterans, and surviving spouses of certain veterans; and generally relating to hiring and promotion preferences for veterans and their spouses.

BY repealing and reenacting, with amendments,
Article – Labor and Employment
Section 3–714
Annotated Code of Maryland
(2016 Replacement Volume and 2017 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:

(1) the National Guard [and];

(2) the military reserves;

AND

(3) THE COMMISSIONED CORPS OF THE PUBLIC HEALTH SERVICE;

AND

(4) THE COMMISSIONED CORPS OF THE NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION.

(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, 2018.

Approved by the Governor, May 15, 2018.

Chapter 588

(Senate Bill 48)

AN ACT concerning
Workers' Compensation – Permanent Partial Disability – State Correctional Officers

FOR the purpose of providing for enhanced workers’ compensation benefits for a State correctional officer for a compensable permanent partial disability of less than a certain number of weeks; providing for the application of this Act; and generally relating to workers’ compensation benefits for State correctional officers.

BY repealing and reenacting, with amendments,

Article – Labor and Employment
Section 9–628(a)
Annotated Code of Maryland
(2016 Replacement Volume and 2017 Supplement)

BY repealing and reenacting, without amendments,

Article – Labor and Employment
Section 9–628(h) and 9–629
Annotated Code of Maryland
(2016 Replacement Volume and 2017 Supplement)

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

Article – Labor and Employment

9–628.

(a) In this section, “public safety employee” means:

(1) a firefighter, fire fighting instructor, or paramedic employed by:

(i) a municipal corporation;

(ii) a county;

(iii) the State;

(iv) the State Airport Authority; or

(v) a fire control district;

(2) a volunteer firefighter or volunteer ambulance, rescue, or advanced life support worker who is a covered employee under § 9–234 of this title and who provides volunteer fire or rescue services to:

(i) a municipal corporation;
(ii) a county;

(iii) the State;

(iv) the State Airport Authority; or

(v) a fire control district;

(3) a police officer employed by:

(i) a municipal corporation;

(ii) a county;

(iii) the State;

(iv) the State Airport Authority;

(v) the Maryland–National Capital Park and Planning Commission;

or

(vi) the Washington Metropolitan Area Transit Authority;

(4) a Prince George’s County deputy sheriff or correctional officer;

(5) a Montgomery County deputy sheriff or correctional officer;

(6) an Allegany County deputy sheriff;

(7) a Howard County deputy sheriff;

(8) an Anne Arundel County deputy sheriff or detention officer; [or]

(9) a Baltimore County deputy sheriff, but only when the deputy sheriff sustains an accidental personal injury that arises out of and in the course and scope of performing duties directly related to:

(i) courthouse security;

(ii) prisoner transportation;

(iii) service of warrants;

(iv) personnel management; or

(v) other administrative duties; OR
(10) A STATE CORRECTIONAL OFFICER.

(h) If a public safety employee is awarded compensation for less than 75 weeks, the employer or its insurer shall pay the public safety employee compensation at the rate set for an award of compensation for a period greater than or equal to 75 weeks but less than 250 weeks under § 9–629 of this subtitle.

9–629.

If a covered employee is awarded compensation for a period equal to or greater than 75 weeks but less than 250 weeks, the employer or its insurer shall pay the covered employee weekly compensation that equals two–thirds of the average weekly wage of the covered employee but does not exceed one–third of the State average weekly wage.

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 claims arising from events occurring before the effective date of this Act.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2018.

Approved by the Governor, May 15, 2018.

Chapter 589

(House Bill 205)

AN ACT concerning

Workers’ Compensation – Permanent Partial Disability – State Correctional Officers

FOR the purpose of providing for enhanced workers’ compensation benefits for a State correctional officer for a compensable permanent partial disability of less than a certain number of weeks; providing for the application of this Act; and generally relating to workers’ compensation benefits for State correctional officers.

BY repealing and reenacting, with amendments,

Article – Labor and Employment
Section 9–628(a)
Annotated Code of Maryland
(2016 Replacement Volume and 2017 Supplement)

BY repealing and reenacting, without amendments,
SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

Article – Labor and Employment

9–628.

(a) In this section, “public safety employee” means:

(1) a firefighter, firefighting instructor, or paramedic employed by:

(i) a municipal corporation;

(ii) a county;

(iii) the State;

(iv) the State Airport Authority; or

(v) a fire control district;

(2) a volunteer firefighter or volunteer ambulance, rescue, or advanced life support worker who is a covered employee under § 9–234 of this title and who provides volunteer fire or rescue services to:

(i) a municipal corporation;

(ii) a county;

(iii) the State;

(iv) the State Airport Authority; or

(v) a fire control district;

(3) a police officer employed by:

(i) a municipal corporation;

(ii) a county;

(iii) the State;
(iv) the State Airport Authority;

(v) the Maryland–National Capital Park and Planning Commission;

or

(vi) the Washington Metropolitan Area Transit Authority;

(4) a Prince George’s County deputy sheriff or correctional officer;

(5) a Montgomery County deputy sheriff or correctional officer;

(6) an Allegany County deputy sheriff;

(7) a Howard County deputy sheriff;

(8) an Anne Arundel County deputy sheriff or detention officer; [or]

(9) a Baltimore County deputy sheriff, but only when the deputy sheriff sustains an accidental personal injury that arises out of and in the course and scope of performing duties directly related to:

(i) courthouse security;

(ii) prisoner transportation;

(iii) service of warrants;

(iv) personnel management; or

(v) other administrative duties; OR

(10) a State correctional officer.

(h) If a public safety employee is awarded compensation for less than 75 weeks, the employer or its insurer shall pay the public safety employee compensation at the rate set for an award of compensation for a period greater than or equal to 75 weeks but less than 250 weeks under § 9–629 of this subtitle.

9–629.

If a covered employee is awarded compensation for a period equal to or greater than 75 weeks but less than 250 weeks, the employer or its insurer shall pay the covered employee weekly compensation that equals two–thirds of the average weekly wage of the covered employee but does not exceed one–third of the State average weekly wage.
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 claims arising from events occurring before the effective date of this Act.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2018.

Approved by the Governor, May 15, 2018.

Chapter 590
(House Bill 1804)

AN ACT concerning

Health – University of Maryland Medical System – Grant Medical Research Funding

FOR the purpose of authorizing, notwithstanding any other provision of law, certain funds from the Maryland Trauma Physician Services Fund for a certain fiscal year to be used to provide a grant to the University of Maryland Medical System to establish a certain partnership for the purpose of immunotherapy research; establishing the Academic Health Center Immunotherapy Research Fund as a special, nonlapsing fund; specifying the purpose of the Fund; requiring the Secretary of Health to administer the Fund in a certain manner; requiring the State Treasurer to hold the Fund and the Comptroller to account for the Fund; specifying the contents of the Fund; specifying the purpose for which the Fund may be used; requiring a statewide academic health center to dedicate certain funding for a certain purpose to qualify for a grant from the Fund; prohibiting the amount of a certain grant from exceeding the amount of certain funding; providing for the investment of money in and expenditures from the Fund; defining certain terms; requiring the Governor to include in the budget bill a certain appropriation for a certain grant; prohibiting a certain grant from requiring a matching fund; providing that the grant is in addition to and may not supplant the funds of the University of Maryland Medical System School of Medicine; and generally relating to a grant to the University of Maryland Medical System for immunotherapy research funding for medical research.

BY adding to
Article – Health – General
Section 18–1101 and 18–1102 to be under the new subtitle “Subtitle 11. Academic Health Center Immunotherapy Research Fund”
Annotated Code of Maryland
(2015 Replacement Volume and 2017 Supplement)
SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That, notwithstanding any other provision of law, for fiscal year 2020 only, $2,500,000 from the Maryland Trauma Physician Services Fund, established under § 19–130 of the Health—General Article, may be used to provide a grant to the University of Maryland Medical System to establish a partnership between the Institute of Human Virology, the University of Maryland School of Medicine, and the University of Maryland Medical System for the purpose of immunotherapy research. The Laws of Maryland read as follows:

ARTICLE – HEALTH – GENERAL

SUBTITLE 11. ACADEMIC HEALTH CENTER IMMUNOTHERAPY RESEARCH FUND.

18–1101.

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

(B) “FUND” MEANS THE ACADEMIC HEALTH CENTER IMMUNOTHERAPY RESEARCH FUND.

(C) “STATEWIDE ACADEMIC HEALTH CENTER” MEANS:

(1) THE UNIVERSITY OF MARYLAND MEDICAL SYSTEM CORPORATION, THE UNIVERSITY OF MARYLAND MEDICAL SCHOOL, AND THE UNIVERSITY OF MARYLAND, BALTIMORE CAMPUS; OR

(2) THE JOHNS HOPKINS UNIVERSITY AND THE JOHNS HOPKINS HEALTH SYSTEMS.

18–1102.

(A) THERE IS AN ACADEMIC HEALTH CENTER IMMUNOTHERAPY RESEARCH FUND.

(B) THE PURPOSE OF THE FUND IS TO PROVIDE MATCHING GRANTS TO STATEWIDE ACADEMIC HEALTH CENTERS FOR IMMUNOTHERAPY RESEARCH.

(C) THE SECRETARY 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 APPROPRIATED IN THE STATE BUDGET TO THE FUND;

AND

2. ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED FOR THE BENEFIT OF THE FUND.

(F) (1) **THE FUND MAY BE USED ONLY FOR IMMUNOTHERAPY RESEARCH.**

(2) **TO QUALIFY FOR A GRANT FROM THE FUND, A STATEWIDE ACADEMIC HEALTH CENTER MUST DEDICATE FUNDING FROM OTHER SOURCES TO BE USED FOR THE PURPOSE DESCRIBED UNDER SUBSECTION (B) OF THIS SECTION.**

(3) **THE AMOUNT OF A GRANT AWARDED FROM THE FUND MAY NOT EXCEED THE AMOUNT OF FUNDING DEDICATED BY THE STATEWIDE ACADEMIC HEALTH CENTER UNDER PARAGRAPH (2) OF THIS SUBSECTION.**

(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 GENERAL FUND OF THE STATE.**

(H) **EXPENDITURES FROM THE FUND MAY BE MADE ONLY IN ACCORDANCE WITH THE STATE BUDGET.**

(I) **MONEY EXPENDED FROM THE FUND IS SUPPLEMENTAL TO AND IS NOT INTENDED TO TAKE THE PLACE OF FUNDING THAT OTHERWISE WOULD BE APPROPRIATED TO A STATEWIDE ACADEMIC HEALTH CENTER.**

SECTION 2. AND BE IT FURTHER ENACTED, That:

(a) For fiscal year 2020, the Governor shall include in the budget bill an appropriation of $2,500,000 to provide a grant to the University of Maryland Medical System School of Medicine for the purpose of immunotherapy research.

(b) The grant:

1. may not require a matching fund; and

2. shall be in addition to and may not supplant the funds of the University of Maryland Medical System School of Medicine.
SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2018.

Approved by the Governor, May 15, 2018.

Chapter 591

(House Bill 97)

AN ACT concerning

State Board of Law Examiners – Sunset Extension

FOR the purpose of continuing the State Board of Law Examiners 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; and generally relating to the State Board of Law Examiners.

BY repealing and reenacting, with amendments,
Article – Business Occupations and Professions
Section 10–218
Annotated Code of Maryland
(2010 Replacement Volume and 2017 Supplement)

BY repealing and reenacting, without amendments,
Article – State Government
Section 8–403(a)
Annotated Code of Maryland
(2014 Replacement Volume and 2017 Supplement)

BY repealing and reenacting, with amendments,
Article – State Government
Section 8–403(b)(33)
Annotated Code of Maryland
(2014 Replacement Volume and 2017 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

10–218.
Subject to the evaluation and reestablishment provisions of the Maryland Program Evaluation Act, this subtitle shall terminate and be of no effect after July 1, [2020] 2030.

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:

(33) Law Examiners, State Board of (§ 10–201 of the Business Occupations and Professions Article: [2017] 2027);

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2018.

Approved by the Governor, May 15, 2018.

Chapter 592

(House Bill 1480)

AN ACT concerning

Controlled Dangerous Substances – Distributors – Reporting Suspicious Orders

FOR the purpose of requiring a certain distributor of controlled dangerous substances to report certain suspicious orders to the Maryland Department of Health and the Office of the Attorney General; authorizing a certain distributor to satisfy a certain reporting obligation by providing to the Department and the Office of the Attorney General copies of certain reports; requiring the Department and the Office of the Attorney General to maintain certain reports confidentially, with a certain exception; and generally relating to controlled dangerous substances.

BY repealing and reenacting, with amendments,

Article – Criminal Law
Section 5–303
Annotated Code of Maryland
(2012 Replacement Volume and 2017 Supplement)

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

Article – Criminal Law

5–303.

(a) Unless the Department determines that the issuance of the registration is inconsistent with the public interest, the Department shall register an applicant to manufacture or distribute controlled dangerous substances included in Schedule I through Schedule V.

(b) To determine the public interest, the Department shall consider:

(1) the maintenance of effective controls against diversion of particular controlled dangerous substances and any Schedule I or Schedule II substance compounded from a controlled dangerous substance into other than legitimate medical, scientific, or industrial channels;

(2) compliance with applicable federal, State, and local law;

(3) any convictions of the applicant under federal, State, and local laws relating to the manufacture, distribution, or dispensing of controlled dangerous substances;

(4) the applicant’s experience in the manufacture and distribution of controlled dangerous substances and the effectiveness of the applicant’s controls against diversion; and

(5) any other factor that is relevant to and consistent with public health and safety.

(c) (1) A registrant may manufacture or distribute only a controlled dangerous substance that is specified in the registration.

(2) A manufacturer or distributor who complies with federal law on registration, other than fees, is deemed to have complied with this section.

(d) (1) A registrant may distribute controlled dangerous substances in Schedule I and Schedule II only in accordance with an order form.

(2) A registrant who complies with federal law on order forms for Schedule I and Schedule II is deemed to have complied with this subsection.
(E) (1) A registrant distributor shall report to the Department and the Office of the Attorney General any suspicious order of controlled dangerous substances, including an order:

(i) of unusual size;

(ii) of unusual frequency; or

(iii) that deviates substantially from a normal pattern.

(2) A registrant distributor may satisfy the reporting requirement under paragraph (1) of this subsection by providing to the Department and the Office of the Attorney General copies of reports made under 21 C.F.R. § 1301.74(b).

(3) Unless disclosed in the course of an administrative, civil, or criminal investigation or proceeding initiated to enforce local, State, or federal law or to protect the public health, a report made under paragraph (1) of this subsection shall be maintained confidentially.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2018.

Approved by the Governor, May 15, 2018.

Chapter 593
(Senate Bill 982)

AN ACT concerning

Controlled Dangerous Substances – Distributors – Reporting Suspicious Orders

FOR the purpose of requiring a certain distributor of controlled dangerous substances to report certain suspicious orders to the Maryland Department of Health and the Office of the Attorney General; authorizing a certain distributor to satisfy a certain reporting obligation by providing to the Department and the Office of the Attorney General copies of certain reports; requiring the Department and the Office of the Attorney General to maintain certain reports confidentially, with a certain exception; and generally relating to controlled dangerous substances.

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

Article – Criminal Law

5–303.

(a) Unless the Department determines that the issuance of the registration is inconsistent with the public interest, the Department shall register an applicant to manufacture or distribute controlled dangerous substances included in Schedule I through Schedule V.

(b) To determine the public interest, the Department shall consider:

1. the maintenance of effective controls against diversion of particular controlled dangerous substances and any Schedule I or Schedule II substance compounded from a controlled dangerous substance into other than legitimate medical, scientific, or industrial channels;

2. compliance with applicable federal, State, and local law;

3. any convictions of the applicant under federal, State, and local laws relating to the manufacture, distribution, or dispensing of controlled dangerous substances;

4. the applicant’s experience in the manufacture and distribution of controlled dangerous substances and the effectiveness of the applicant’s controls against diversion; and

5. any other factor that is relevant to and consistent with public health and safety.

(c) (1) A registrant may manufacture or distribute only a controlled dangerous substance that is specified in the registration.

(2) A manufacturer or distributor who complies with federal law on registration, other than fees, is deemed to have complied with this section.

(d) (1) A registrant may distribute controlled dangerous substances in Schedule I and Schedule II only in accordance with an order form.

(2) A registrant who complies with federal law on order forms for Schedule I and Schedule II is deemed to have complied with this subsection.
(E) (1) A REGISTRANT DISTRIBUTOR SHALL REPORT TO THE
DEPARTMENT AND THE OFFICE OF THE ATTORNEY GENERAL ANY SUSPICIOUS
ORDER OF CONTROLLED DANGEROUS SUBSTANCES, INCLUDING AN ORDER:

(I) OF UNUSUAL SIZE;

(II) OF UNUSUAL FREQUENCY; OR

(III) THAT DEVIATES SUBSTANTIALLY FROM A NORMAL
PATTERN.

(2) A REGISTRANT DISTRIBUTOR MAY SATISFY THE REPORTING
REQUIREMENT UNDER PARAGRAPH (1) OF THIS SUBSECTION BY PROVIDING TO THE
DEPARTMENT AND THE OFFICE OF THE ATTORNEY GENERAL COPIES OF REPORTS
MADE UNDER 21 C.F.R. § 1301.74(B).

(3) UNLESS DISCLOSED IN THE COURSE OF AN ADMINISTRATIVE,
CIVIL, OR CRIMINAL INVESTIGATION OR PROCEEDING INITIATED TO ENFORCE
LOCAL, STATE, OR FEDERAL LAW OR TO PROTECT THE PUBLIC HEALTH, A REPORT
MADE UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL BE MAINTAINED
CONFIDENTIALLY.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
October 1, 2018.

Approved by the Governor, May 15, 2018.

Chapter 594
(Senate Bill 999)

AN ACT concerning

Recordation Tax – Exemptions

FOR the purpose of altering an exemption from recordation tax to include certain
transactions of an original mortgagor; altering the
definition
definitions of “business
to include a partnership and business trust to exempt, “owner”, and
“ownership interest” for purposes of provisions of law exempting from the
recordation tax transfers between certain related business entities; altering an
exemption from recordation tax for certain transfers of a controlling interest; and
generally relating to the recordation tax.
BY repealing and reenacting, with amendments,
Article – Tax – Property
Section 12–108(g) and (p) and 12–117(c)
Annotated Code of Maryland
(2012 Replacement Volume and 2017 Supplement)

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

Article – Tax – Property

12–108.

(g)  (1) In this subsection, “original mortgagor” includes:

   (i) a person that assumed a debt secured by real property that the
       person purchased and paid the recordation tax on the consideration paid for the property; [and]

   (II) A PERSON THAT RECEIVED THE PROPERTY FROM THE
         ORIGINAL MORTGAGOR UNDER A DEED THAT IS EXEMPT FROM RECORDATION
         TAX UNDER SUBSECTION (P) OR (Y) OF THIS SECTION; AND

   [(ii)] (III) the trustee of an inter vivos trust if the trustee or the
             settlor of the trust originally assumed or incurred the debt secured by the mortgage or deed
             of trust.

   (2) A mortgage or deed of trust is not subject to recordation tax to the
     extent that it secures the refinancing of an amount not greater than the unpaid principal
     amount secured by an existing mortgage, indemnity mortgage, or deed of trust at the time
     of refinancing if the mortgage or deed of trust secures the refinancing of real property that
     is:

     (i) being refinanced by the original mortgagor or by the original
         mortgagor and, if applicable, the spouse of the original mortgagor; or

     (ii) being refinanced by the settlor of an inter vivos trust if the
         mortgage or deed of trust is given by a trustee of the trust.

   (3) To qualify for an exemption under paragraph (2) of this subsection an
      original mortgagor or agent of the original mortgagor shall include a statement in the
      recitals or in the acknowledgment of the mortgage or deed of trust, or submit with the
      mortgage or deed of trust, an affidavit under oath, signed by the original mortgagor or agent
      of the original mortgagor, stating:
that the person is the original mortgagor or agent of the original mortgagor; and

(ii) the amount of unpaid outstanding principal of the original mortgage, indemnity mortgage, or deed of trust that is being refinanced.

(4) A statement under paragraph (3) of this subsection by an agent of the original mortgagor shall state that the statement:

(i) is based on a diligent inquiry made by the agent with respect to the facts set forth in the statement; and

(ii) is true to the best of the knowledge, information, and belief of the agent.

(p) (1) (i) In this subsection the following words have the meanings indicated.

(ii) “Business entity” means a limited liability company, corporation, LIMITED PARTNERSHIP, OR BUSINESS STATUTORY TRUST.

(iii) “Owner” means a member, stockholder, LIMITED PARTNER, OR BENEFICIAL OWNER of a business entity.

(iv) “Ownership interest” means a membership interest, stock, LIMITED PARTNERSHIP INTEREST, OR BENEFICIAL INTEREST.

(2) An instrument of writing is not subject to recordation tax if the instrument of writing is:

(i) a transfer of title to real property between a parent business entity and its wholly owned subsidiary business entity or between 2 or more subsidiary business entities wholly owned by the same parent business entity, if the parent business entity is an original owner of the subsidiary business entity, or became an owner through gift or bequest from an original owner of the subsidiary business entity, for:

1. no consideration;

2. nominal consideration; or

3. consideration that comprises only the issuance, cancellation, or surrender of the ownership interests of a subsidiary business entity;

(ii) an instrument of writing made pursuant to the reorganization of a business entity as described in § 368(a) of the Internal Revenue Code; or
(iii) a transfer of title to real property from a subsidiary business entity to its parent business entity for no consideration, nominal consideration or consideration that comprises only the issuance, cancellation, or surrender of a subsidiary’s ownership interest, where the parent business entity:

1. previously owned the real property;

2. currently owns the ownership interest of the subsidiary and has owned that ownership interest for a period greater than 18 months; or

3. acquires the ownership interest of a subsidiary business entity which has been in existence and has owned the real property for a period of 2 years.

12–117.

(c) (1) (i) Except as provided in subparagraph (ii) of this paragraph, the transfer of a controlling interest in a real property entity is not subject to recordation tax if the transfer of the real property owned by the real property entity between the same transferor and transferee of the controlling interest and under the same circumstances would have been exempt under § 12–108 of this title.

(ii) Subparagraph (i) of this paragraph does not apply to transactions under § 12–108(y)(2)(i)3 of this subtitle.

(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 entity if the ownership interests in the transferee real property entity are owned, directly or indirectly, by the same persons and in the same proportions as those persons own, directly or indirectly, the transferor entity [or the real property entity the controlling interest of which was transferred] AFTER THE TRANSFER.

(4) 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.

(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 (4) of this subsection.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2018.

Approved by the Governor, May 15, 2018.

Chapter 595

(Senate Bill 1154)

AN ACT concerning

Income Tax – Film Production Activity Tax Credit – Alterations

FOR the purpose of altering the definition of “film production activity” to include each season of a television series; excluding certain activities from eligibility for the film production activity tax credit program; altering the definition of “direct costs” to exclude compensation for certain film production employees; authorizing a Maryland small or independent film entity to qualify as a film production entity under certain circumstances; altering certain information that the application for the tax credit must include; altering the minimum amount of direct costs a film production entity must incur in the State to qualify for the tax credit; altering a certain audit requirement to apply only to a film production entity with total direct costs that exceed a certain amount; providing that the Secretary of Commerce may not issue tax credit certificates for credit amounts that in the aggregate exceed a certain amount for certain fiscal years; prohibiting the Secretary from issuing more than a certain amount in tax credit certificates to a single film production activity; requiring the Secretary to make available a certain percent of the total amount of tax credits that the Secretary may approve in a fiscal year to Maryland small or independent film entities; repealing the Maryland Film Production Activity Reserve Fund and certain limitations on the amount of tax credit certificates that may be issued; defining a certain term; providing for the application of this Act; and generally relating to the film production activity tax credit.

BY repealing and reenacting, with amendments,
Article – Tax – General
Section 10–730
Annotated Code of Maryland
(2016 Replacement Volume and 2017 Supplement)
SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, 
That the Laws of Maryland read as follows:

Article – Tax – General

10–730.

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

(2) “Department” means the Department of Commerce.

(3) (i) “Film production activity” means:

1. the production of a film or video project that is intended for nationwide commercial distribution; AND

2. FOR A TELEVISION SERIES, EACH SEASON OF THE TELEVISION SERIES.

(ii) “Film production activity” includes the production of:

1. a feature film;

2. a television project;

3. a commercial;

4. a corporate film; OR

5. [an infomercial;

6.] a music video[;

7. a digital project;

8. an animation project; or

9. a multimedia project].

(iii) “Film production activity” does not include production of:

1. a student film;

2. a noncommercial personal video;
3. a sports broadcast;
4. a broadcast of a live event;
5. a talk show;
6. a video, computer, or social networking game; [or]
7. pornography;
8. AN INFOMERCIAL;
9. A DIGITAL PROJECT;
10. AN ANIMATION PROJECT; OR
11. A MULTIMEDIA PROJECT.

(4) “MARYLAND SMALL OR INDEPENDENT FILM ENTITY” MEANS A QUALIFIED FILM PRODUCTION ENTITY THAT:

(I) HAS BEEN INCORPORATED IN MARYLAND FOR AT LEAST 1 YEAR;

(II) IS INDEPENDENTLY OWNED AND OPERATED;

(III) IS NOT A SUBSIDIARY OF ANOTHER ENTITY;

(IV) IS NOT DOMINANT IN ITS FIELD OF OPERATION;

(V) EMPLOYS 25 OR FEWER FULL–TIME EMPLOYEES; AND

(VI) EMPLOYS MARYLAND RESIDENTS AS AT LEAST 40% OF ITS WORKFORCE IN THE FILM PRODUCTION ACTIVITY.

(5) “Pornography” means any production for which records are required to be maintained under § 2257 of Title 18, U.S.C., with respect to any performer in such production engaging in sexually explicit conduct.

(6) “Qualified film production entity” means an entity that:

(i) is carrying out a film production activity; and

(ii) the Secretary determines to be eligible for the tax credit under this section in accordance with subsection (c) of this section.
(7) “Secretary” means the Secretary of Commerce.

(8) “Television series” means a group of program episodes intended for television broadcast or transmission with a common series title, with or without a predetermined number of episodes, and shall include a miniseries and a pilot episode produced for an intended television series.

(9) (i) “Total direct costs”, with respect to a film production activity, means the total costs incurred in the State that are necessary to carry out the film production activity.

(ii) “Total direct costs” includes costs incurred for:

1. employee wages and benefits;
2. fees for services;
3. acquiring or leasing property; and
4. any other expense necessary to carry out a film production activity, including costs associated with:
   A. set construction and operation;
   B. wardrobe, makeup, and related services;
   C. photography and sound synchronization, lighting, and related services and materials;
   D. editing and related services, including film processing, transfers of film to tape or digital format, sound mixing, computer graphic services, special effects services, and animation services;
   E. salary, wages, and other compensation including related benefits, for work performed in the State, paid to persons employed in the production, writers, directors, and producers;
   F. rental of facilities in the State and equipment used in the State;
   G. leasing of vehicles;
   H. food and lodging;
I. music, if performed, composed, or recorded by a Maryland musician or published by a person or company domiciled in Maryland;

J. travel expenses incurred to bring persons employed, either directly or indirectly, in the production of the project to Maryland, but not including expenses of these persons departing from Maryland; and

K. legal and accounting services performed by attorneys or accountants licensed in Maryland.

(iii) “Total direct costs” does not include any salary, wages, or other compensation for:

1. personal services of an individual who receives more than $500,000 in salary, wages, or other compensation for personal services in connection with any film production activity; OR

2. WRITERS, DIRECTORS, OR PRODUCERS.

(b) (1) A qualified film production entity may claim a credit against the State income tax for film production activities in the State in an amount equal to the amount stated in the final tax credit certificate approved by the Secretary for film production activities.

(2) If the tax credit allowed under this section in any taxable year exceeds the total tax otherwise payable by the qualified film production entity for that taxable year, the qualified film production entity may claim a refund in the amount of the excess.

(c) (1) Before beginning a film production activity, a film production entity shall submit to the Department an application to qualify as a film production entity.

(2) The application shall describe the anticipated film production activity, including:

(i) the projected total budget;

(ii) the estimated number of MARYLAND RESIDENT AND OUT–OF–STATE employees and total wages to be paid; and

(iii) the anticipated dates for carrying out the major elements of the film production activity.

(3) To EXCEPT AS PROVIDED IN SUBSECTION (H) OF THIS SECTION, TO qualify as a film production entity, the estimated total direct costs incurred in the State must exceed [$500,000] $250,000.
(4) The application shall include any other information required by the Secretary.

(5) For a film production entity with total direct costs that exceed $250,000, the Secretary may require the information provided in an application to be verified by an independent auditor selected and paid for by the film production entity seeking certification.

(6) The Secretary shall:

(i) determine if the film production entity qualifies for the credit under this section; and

(ii) notify the Comptroller of the estimated amount of total direct costs and the taxable year the credit will be claimed.

(d) (1) After completion of the film production activity, a qualified film production entity shall apply to the Department for a tax credit certificate.

(2) The application shall be on a form required by the Secretary and shall include:

(i) proof of the total direct costs that qualify for the tax credit; and

(ii) the number of employees hired and wages paid.

(3) Subject to subsections (f) and (g) of this section, the Secretary shall determine the total direct costs that qualify for the tax credit and issue a tax credit certificate for:

(i) except as provided in item (ii) of this paragraph, 25% of the total direct costs that qualify for the tax credit; and

(ii) for a television series, 27% of the total direct costs that qualify for the tax credit.

(e) (1) In accordance with § 2.5–109 of the Economic Development Article, the Department shall submit a report that includes:

(i) the number of film production entities submitting applications under subsection (c) of this section;

(ii) the number and amount of tax credit certificates issued under subsection (d) of this section;

(iii) the number of local technicians, actors, and extras hired for film production activity during the reporting period;
(iv) a list of companies doing business in the State, including hotels, that directly provided goods or services for film production activity during the reporting period;

(v) a list of companies doing business in the State that directly provided goods or services for film production activity during the reporting period that qualified during the reporting period as minority business enterprises under § 14–301(f) of the State Finance and Procurement Article;

(vi) a list of companies doing business in the State that directly provided goods or services for film production activity during the reporting period that, as determined by the Department, are considered small businesses; and

(vii) any other information that indicates the economic benefits to the State resulting from film production activity during the reporting period.

(2) On or before July 1 of each year, the Department shall report to the Governor and, subject to § 2–1246 of the State Government Article, the General Assembly on:

(i) the amount of tax credits necessary to maintain the current level of film production activity in the State; and

(ii) the amount of tax credits necessary to attract new film production activity to the State.

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

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

(ii) for fiscal year 2015, $7,500,000; [and]

(iii) for fiscal year 2016, $7,500,000; AND

(IV) FOR EACH OF FISCAL YEARS 2019 THROUGH 2021, $30,000,000 FOR FISCAL YEAR 2019, $15,000,000 $8,000,000;

(V) FOR FISCAL YEAR 2020, $20,000,000 $11,000,000;

(VI) FOR FISCAL YEAR 2021, $25,000,000 $14,000,000; AND

(VII) FOR FISCAL YEAR 2022, $17,000,000; AND
(VII) FOR FISCAL YEAR 2022 AND EACH FISCAL YEAR THEREAFTER, $30,000,000.

(2) If the aggregate credit amounts under the tax credit certificates issued by the Secretary total less than the maximum provided under paragraph (1) of this subsection in any fiscal year, any excess amount may be carried forward and issued under tax credit certificates in a subsequent fiscal year.

(3) THE SECRETARY MAY NOT ISSUE TAX CREDIT CERTIFICATES FOR CREDIT AMOUNTS TOTALING MORE THAN $10,000,000 IN THE AGGREGATE FOR A SINGLE FILM PRODUCTION ACTIVITY.

(4) (I) FOR FISCAL YEAR 2019 AND EACH FISCAL YEAR THEREAFTER, THE SECRETARY SHALL MAKE 10% OF THE CREDIT AMOUNT AUTHORIZED UNDER PARAGRAPH (1) OF THIS SUBSECTION AVAILABLE FOR MARYLAND SMALL OR INDEPENDENT FILM ENTITIES.

(II) IF THE TOTAL AMOUNT OF CREDITS APPLIED FOR BY MARYLAND SMALL OR INDEPENDENT FILM ENTITIES IS LESS THAN THE AMOUNT MADE AVAILABLE UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH, THE SECRETARY SHALL MAKE AVAILABLE THE UNUSED AMOUNT OF CREDITS FOR USE BY QUALIFIED FILM PRODUCTION ENTITIES.

[g] (1) In this subsection, “Reserve Fund” means the Maryland Film Production Activity Tax Credit Reserve Fund established under paragraph (2) of this subsection.

(2) (i) There is a Maryland Film Production Activity Tax Credit Reserve Fund that is a special continuing, nonlapsing fund that is not subject to § 7–302 of the State Finance and Procurement Article.

(ii) The money in the Reserve Fund shall be invested and reinvested by the Treasurer, and interest and earnings shall be credited to the General Fund.

(3) (i) Subject to the provisions of this subsection, the Secretary shall issue an initial tax credit certificate for the total direct costs incurred by a film production entity that qualifies for a tax credit.

(ii) An initial tax credit certificate issued under this subsection shall state the maximum amount of tax credit for which the film production entity is eligible.

(iii) 1. Except as otherwise provided in this subparagraph, for any fiscal year, the Secretary may not issue initial tax credit certificates for credit amounts in the aggregate totaling more than the amount appropriated to the Reserve Fund for that fiscal year in the State budget as approved by the General Assembly.
2. If the aggregate credit amounts under initial tax credit certificates issued in a fiscal year total less than the amount appropriated to the Reserve Fund for that fiscal year, any excess amount shall remain in the Reserve Fund and may be issued under initial tax credit certificates for the next fiscal year.

3. For any fiscal year, if funds are transferred from the Reserve Fund under the authority of any provision of law other than under paragraph (4) of this subsection, the maximum credit amounts in the aggregate for which the Secretary may issue initial tax credit certificates shall be reduced by the amount transferred.

(iv) For fiscal year 2017 and each fiscal year thereafter, it is the intent of the General Assembly that the Governor include in the budget bill an appropriation to the Reserve Fund in an amount equal to the amount the Department reports as necessary under subsection (e)(2) of this section to:

1. maintain the current level of film production activity in the State; and

2. attract new film production activity to the State.

(v) Notwithstanding the provisions of § 7–213 of the State Finance and Procurement Article, the Governor may not reduce an appropriation to the Reserve Fund in the State budget as approved by the General Assembly.

(vi) Based on the actual amount of total direct costs incurred by a film production entity, the Secretary shall issue a final tax credit certificate to the film production entity.

(4) (i) Except as provided in this paragraph, money appropriated to the Reserve Fund shall remain in the Fund.

(ii) 1. Within 15 days after the end of each calendar quarter, the Department shall notify the Comptroller as to each final credit certificate issued during the quarter:

A. the maximum credit amount stated in the initial tax credit certificate for the film production entity; and

B. the final certified credit amount for the film production entity.

2. On notification that a final credit amount has been certified, the Comptroller shall transfer an amount equal to the credit amount stated in the initial tax credit certificate for the film production entity from the Reserve Fund to the General Fund.]
[h] (G) (1) Except as provided in paragraph (2) of this subsection, a qualified film production entity that receives a tax credit certificate under this section for a film production activity shall include:

(i) for a feature film project, a 5–second long static or animated logo that promotes the State in the end credits before the below–the–line crew crawl for the life of the project and a link to the State’s Web site on the project’s Web site;

(ii) for a television series project, an embedded 5–second long static or animated logo that promotes the State during each broadcast worldwide for the life of the project and a link to the State’s Web site on the project’s Web site; or

(iii) for any other project, the State logo at the end of each project and in online promotions.

(2) In lieu of including a State logo as required under paragraph (1) of this subsection, the qualified film production entity may offer alternative marketing opportunities to be evaluated by the Department to ensure that those opportunities offer equal or greater promotional value to the State.

[i] (H) (1) FOR A MARYLAND SMALL OR INDEPENDENT FILM ENTITY TO QUALIFY AS A FILM PRODUCTION ENTITY:

(I) THE ESTIMATED TOTAL DIRECT COSTS INCURRED IN THE STATE SHALL EXCEED $25,000; AND

(II) AT LEAST 50% OF THE FILMING OF THE FILM PRODUCTION ACTIVITY MUST OCCUR WITHIN THE STATE.

(2) THE SECRETARY SHALL DETERMINE THE TOTAL DIRECT COSTS THAT QUALIFY FOR THE TAX CREDIT AND ISSUE A TAX CREDIT CERTIFICATE TO A MARYLAND SMALL OR INDEPENDENT FILM ENTITY FOR 25% OF THE TOTAL DIRECT COSTS THAT QUALIFY FOR THE TAX CREDIT, NOT TO EXCEED $125,000.

(1) The Department and the Comptroller jointly shall adopt regulations to carry out the provisions of this section and to specify criteria and procedures for the application for, approval of, and monitoring of continuing eligibility for the tax credit under this section.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2018, and shall be applicable to all taxable years beginning after December 31, 2017.

Approved by the Governor, May 15, 2018.
Chapter 596
(Senate Bill 1001)

AN ACT concerning

Employee Benefits – State Employee and Retiree Health and Welfare Benefits Program and Maryland Small Business Retirement Savings Program – Revisions

FOR the purpose of altering the entities for which the State Department of Assessments and Taxation is required to waive a certain filing fee; designating the Maryland Small Business Retirement Savings Board as a body politic and corporate and an instrumentality of the State; providing that, except under certain circumstances, the Board is not subject to any law that affects governmental units; authorizing the appointing authority, rather than the Governor, to remove a member of the Maryland Small Business Retirement Savings Board; altering a requirement related to the preparation, adoption, and review of a written statement of investment policy; authorizing, rather than requiring, the Maryland Small Business Retirement Savings Board to procure certain insurance; authorizing the Maryland Small Business Retirement Savings Board to evaluate and establish a process by which a noncovered employer or a self-employed individual may enroll in and make contributions to the Maryland Small Business Retirement Savings Program; altering the definition of “qualifying nonprofit organization” to include the Program for the purposes of certain provisions of law governing the enrollment and participation of certain employees in the State Employee and Retiree Health and Welfare Benefits Program; requiring the Secretary of Budget and Management to make certain ongoing eligibility determinations regarding the State Employee and Retiree Health and Welfare Benefits Program; authorizing the Maryland Small Business Retirement Savings Board to enroll and participate in the State Employee and Retiree Health and Welfare Benefits Program; requiring the Maryland Small Business Retirement Savings Board to pay certain costs and a certain fee and determine the extent to which the Board will subsidize certain participation; authorizing Maryland Small Business Retirement Savings Board employees who have been determined by the State Board of Trustees of the Maryland Teachers and State Employees Supplemental Retirement Plans to be eligible under the federal Internal Revenue Code to participate in a certain deferred compensation plan; defining a certain term; making conforming changes; and generally relating to the Maryland Small Business Retirement Savings Program.

BY repealing and reenacting, with amendments,
Article – Corporations and Associations
Section 1–203(b)(14)
Annotated Code of Maryland
(2014 Replacement Volume and 2017 Supplement)

BY adding to
Article – Labor and Employment
Section 12–101(e)
Annotated Code of Maryland
(2016 Replacement Volume and 2017 Supplement)

BY repealing and reenacting, with amendments,
Article – Labor and Employment
Section 12–101(e) through (k), 12–201(a) and (e), 12–203(b)(1), 12–204(a)(9) and (16),
and 12–402(c)
Annotated Code of Maryland
(2016 Replacement Volume and 2017 Supplement)

BY repealing and reenacting, with amendments,
Article – State Personnel and Pensions
Section 2–512(a), 2–503(a) and 35–602
Annotated Code of Maryland
(2015 Replacement Volume and 2017 Supplement)

BY adding to
Article – State Personnel and Pensions
Section 2–515.2
Annotated Code of Maryland
(2015 Replacement Volume and 2017 Supplement)

BY repealing and reenacting, without amendments,
Article – State Personnel and Pensions
Section 35–101(a) and (b)
Annotated Code of Maryland
(2015 Replacement Volume and 2017 Supplement)

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

Article – Corporations and Associations
1–203.

(b) (14) The Department shall waive the 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 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 (c) an employer–offered savings arrangement, as defined in § 12–101(e) of the Labor and Employment Article, that is in compliance with federal law.

Article – Labor and Employment

12–101.

(E) “EMPLOYER–OFFERED SAVINGS ARRANGEMENT” INCLUDES ANY OF THE FOLLOWING IF IN COMPLIANCE WITH FEDERAL LAW:

(1) AN IRA;
(2) A DEFINED BENEFIT PLAN;
(3) A 401(K);
(4) A SIMPLIFIED EMPLOYEE PENSION (SEP) PLAN;
(5) A SAVINGS INCENTIVE MATCH PLAN FOR EMPLOYEES (SIMPLE) PLAN; OR
(6) ANOTHER ARRANGEMENT, IF IN COMPLIANCE WITH FEDERAL LAW, THAT THE BOARD SPECIFIES BY REGULATION.

(F) “IRA” means an individual retirement account or an individual retirement annuity under 26 U.S.C. § 408(a) or (b).

(G) “Maryland Small Business Retirement Savings Program” means a retirement savings program established by the Maryland Small Business Retirement Savings Board under this title.

(H) “Participating employee” means an employee that is participating in the Program through a payroll deposit retirement savings arrangement in accordance with regulations adopted by the Board.

(I) “Participating employer” means a covered employer that provides a payroll deposit retirement savings arrangement under this title for covered employees.

(J) “Payroll deposit retirement savings arrangement” means an arrangement by which a covered employer remits payroll deduction contributions of participating employees to the Program.

(K) “Program” means the Maryland Small Business Retirement Savings Program established under this title.
[(k)] (L) “Trust” means the Maryland Small Business Retirement Savings Trust established under this title.

12–201.

(a) (1) There is a Maryland Small Business Retirement Savings Board.

(2) The Board is a body politic and corporate and is an instrumentality of the State.

(3) (I) Except as provided in subparagraphs (II) and (III) of this subsection, the Board is not subject to any law, including § 6–106 of the State Government Article, that affects governmental units.

(II) The Board is subject to:

1. The Open Meetings Act; and

2. The Public Information Act.

(III) The Board and its employees are subject to the Public Ethics Law.

(e) The Governor appointing authority may remove a member whom the appointing authority appointed, for incompetence or misconduct.

12–203.

(b) (1) The Board shall annually prepare, and adopt, and annually review a written statement of investment policy that includes a risk management and oversight program.

12–204.

(a) In addition to the powers and duties set forth elsewhere in this title, the Board:

(9) May 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;

(16) may evaluate and establish the process by which a noncovered employer, an employee of a nonparticipating employer, or a self-employed individual may enroll in and make contributions to the Program.
12–402.

(c) Employers shall retain the option at all times to set up any type of employer–offered savings arrangement[1, 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.

Article – State Personnel and Pensions

2–512.

(a) In this section, “qualifying nonprofit organization” means an organization that:

1. receives State funds from the Maryland Department of Health that cover more than one–third of the organization’s operating expenses; and
2. is described in § 501(c)(3) of the Internal Revenue Code; and

(1) is the Legal Aid Bureau, Inc.;

(2) is a corporation, a limited liability company, or any other entity that is wholly owned by the Legal Aid Bureau, Inc.; [or

(3) is the Maryland Crime Victims’ Resource Center; or

(4) is the Maryland Small Business Retirement Savings Board.

2–503.

(a) The Secretary shall:

1. adopt regulations for the administration of the Program;
2. ensure that the Program complies with all federal and State laws governing employee benefit plans; [and]
(3) each year, recommend to the Governor the State share of the costs of the Program; AND

(4) MAKE ONGOING ELIGIBILITY DETERMINATIONS TO ENSURE THAT PARTICIPATION IN THE Program DOES NOT IMPEDE, UNDERMINE, OR CONFLICT WITH FEDERAL COMPLIANCE OBLIGATIONS OR GOVERNMENT AND CAFETERIA PLAN STATUS.

2–515.2.

(A) The Maryland Small Business Retirement Savings Board may enroll and participate in the Program as a satellite organization.

(B) The Board shall:

(1) Pay to the State the total costs resulting from the participation of its employees in the Program and a monthly administrative fee determined by the Secretary; and

(2) Determine the extent to which the Board will subsidize participation of its employees in the Program.

35–101.

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

(b) “Board” means the State Board of Trustees of the Maryland Teachers and State Employees Supplemental Retirement Plans.

35–602.

An individual is eligible to participate in the deferred compensation plan if the individual is:

(1) an officer of this State;

(2) an employee of this State, including a contractual employee;

(3) an employee of the Northeast Maryland Waste Disposal Authority; OR

(4) an independent contractor who performs service under § 21–304(c) of the Education Article; OR
AN EMPLOYEE OF THE MARYLAND SMALL BUSINESS RETIREMENT SAVINGS BOARD WHO HAS BEEN DETERMINED BY THE BOARD TO BE AN ELIGIBLE EMPLOYEE UNDER THE FEDERAL INTERNAL REVENUE CODE.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2018.

Approved by the Governor, May 15, 2018.

Chapter 597

(Senate Bill 1202)

AN ACT concerning

Higher Education – Richard W. Collins III Leadership With Honor Scholarship – Establishment

FOR the purpose of establishing the Richard W. Collins III Leadership With Honor Scholarship Program; establishing certain eligibility requirements for the scholarship; requiring the Office of Student Financial Assistance in the Maryland Higher Education Commission to award a certain percentage of certain grant money to certain students and to make certain determinations when making certain awards; requiring the Governor to include a certain amount in the annual State budget for the Program; authorizing the Office to adopt certain procedures or regulations; and generally relating to the establishment of the Richard W. Collins III Leadership With Honor Scholarship Program.

BY adding to
Article – Education
Section 18–605
Annotated Code of Maryland
(2014 Replacement Volume and 2017 Supplement)

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

Article – Education

18–605.

(A) THERE IS A RICHARD W. COLLINS III LEadership With Honor Scholarship Program.
(B) An individual is eligible for a scholarship under this section if the individual is:

1. Eligible for in-state tuition;
2. A member of a Reserve Officer Training Corps (ROTC) program;
3. A minority student or a student who is a member of another group historically underrepresented in Reserve Officer Training Corps (ROTC) programs; and
4. A student at a historically black college or university in the state.

(C) The office shall:

1. Award 25% of its total annual grant money to students at Bowie State University;
2. Award 75% of its total annual grant money to students at historically black colleges and universities other than Bowie State University;
3. Determine the amount of each award;
4. Select the recipient of each award; and
5. Prioritize students with financial need in selecting recipients of each award.

(D) The governor shall include in the state budget an annual appropriation of at least $1,000,000 to the program.

(E) The office may adopt procedures or regulations necessary to implement this section.

Section 2, and be it further enacted, That this Act shall take effect July 1, 2018.

Approved by the Governor, May 15, 2018.
Chapter 598
(House Bill 2)

AN ACT concerning

Natalie M. LaPrade Medical Cannabis Commission Reform Act

FOR the purpose of altering the definition of “grower” for purposes of certain provisions of law governing medical cannabis; declaring the intent of the General Assembly with regard to the State’s medical cannabis programs; requiring altering the information that the Natalie M. LaPrade Medical Cannabis Commission is required to maintain on the Commission’s website; requiring the Commission to conduct certain outreach to certain small, minority, and women business owners and entrepreneurs for certain purposes; authorizing requiring the Commission to make grants to certain educational and business development organizations for certain purposes; requiring the Commission to partner with the Department of Labor, Licensing, and Regulation to identify certain employment opportunities; altering the membership of the Commission; providing that the certain appointments made to the Commission are subject to the advice and consent of the Senate of Maryland; requiring the Commission, the Department of Labor, Licensing, and Regulation, and certain entities to comply with federal and State laws in performing certain actions; prohibiting the Commission from retaining the services of certain persons for certain purposes; establishing certain qualifications for appointed members of the Commission; prohibiting a member of the Commission from having certain interests in certain licensees, having a certain relationship to a person who holds a certain license, being a certain official, receiving or sharing in certain receipts or proceeds, or having a certain interest in certain contracts; requiring the membership of the Commission, to the extent practicable and consistent with federal and State law, to reflect the racial, ethnic, and gender diversity of the State; requiring a member of the Commission to file a certain disclosure statement; providing that the terms of the appointed members of the Commission are staggered as required by the terms provided for members on a certain date; providing that appointed members of the Commission are entitled to a certain salary and reimbursement for certain expenses; requiring that an appointed member of the Commission be paid at certain intervals; providing that the Secretary of Health, or the Secretary’s designee, is entitled to certain reimbursement; authorizing the Governor to remove a member of the Commission for just cause; requiring the Governor to appoint, in a certain manner, an executive director of the Commission with the advice and consent of the Senate of Maryland; requiring the executive director to serve at the pleasure of the Commission; establishing the Natalie M. LaPrade Medical Cannabis Compassionate Use Fund; requiring the Maryland Department of Health to administer the Fund and set certain fees; prohibiting the Commission from imposing certain fees on certain licensed medical cannabis growers, processors, and dispensaries under certain circumstances; providing that the Fund is a special, nonlapsing fund that is not subject to a certain provision of law; providing for the purpose of the Fund; requiring the State Treasurer to hold the Fund separately and the Comptroller to
account for the Fund; requiring the Fund to be invested and reinvested in a certain manner; providing that interest earnings of the Fund shall be retained to the credit of the Fund; exempting the Fund from a certain provision of law requiring interest earnings on State money to accrue to the General Fund of the State; providing that the Fund is subject to a certain audit; requiring the Comptroller to pay out money from the Fund as directed by the Department; requiring the Commission, in consultation with the Maryland Department of Health, to report to the General Assembly, on or before a certain date, on certain anticipated revenues, the amount of certain fees and on which licensees the fees should be assessed in order to generate certain revenues, the use of any other funding mechanisms to implement a certain program, and certain anticipated savings; authorizing the Commission to hire a certain actuary for a certain purpose; prohibiting any part of the Fund from reverting or being credited to certain funds; providing that expenditures from the Fund may be made only in accordance with the State budget; requiring the Maryland Department of Health, in consultation with the Commission, to establish a certain program to allow certain individuals to obtain medical cannabis from certain dispensaries at no cost or a reduced cost and to reimburse certain dispensaries from a certain Fund; requiring the Maryland Department of Health to adopt certain regulations; prohibiting a constitutional officer or a secretary of a principal department of the Executive Branch of State government, except under certain circumstances, from being an owner or an employee of a certain business entity that holds a certain license or from having an official relationship to a certain business entity; prohibiting former members of the General Assembly from being an owner or employee of, or having a certain relationship with, certain entities for a certain period of time; requiring the Commission, in consultation with certain entities, to evaluate a certain study of the medical cannabis industry, make a certain determination relating to certain business participation in the medical cannabis industry, evaluate certain race–neutral programs and other methods, and submit certain emergency regulations; authorizing the Commission to report to the General Assembly certain information that the Commission determines to be necessary to the consideration, development, or implementation of certain remedial measures; requiring a person that applies for a certain medical cannabis grower, processor, or dispensary license to submit, with a certain application, a certain affidavit; altering the number of medical cannabis growers that may be licensed by the Commission; altering the persons to which a medical cannabis grower is licensed to provide medical cannabis; requiring the Commission to rescind a certain applicant’s Stage One preapproval under certain circumstances; requiring that the maximum number of medical cannabis grower licenses be reduced by a certain number under certain circumstances; altering a certain illustrative list of certain strains of cannabis; authorizing the Commission to license a certain number of processors; requiring the Commission to rescind a certain processor applicant’s Stage One preapproval under certain circumstances; requiring that the maximum number of medical cannabis processor licenses be reduced by a certain number under certain circumstances; requiring the Commission to report to the General Assembly, on or before beginning on a certain date, on the number of grower and processor licenses necessary to meet a demand for medical cannabis by certain individuals; prohibiting the Commission from submitting a certain report.
before a certain date; authorizing the Commission to submit a certain report during a certain time period only under certain circumstances; requiring the Commission, before determining to submit a certain report, to provide the Legislative Policy Committee at least a certain period of time to submit comments to the Commission; requiring the Commission, to the extent permitted by federal and State law, to seek to achieve certain diversity when licensing certain growers, processors, and dispensaries; requiring the Commission to encourage applicants who are small, minority, or women–owned business entities to apply for licensure; authorizing the Commission, except under certain circumstances, to register as an agent of certain licensed entities an individual who has been convicted of a certain offense; altering the period of time for which certain medical cannabis grower, dispensary, and processor licenses are valid; altering certain reporting requirements for certain medical cannabis growers; prohibiting certain medical cannabis growers and medical cannabis grower agents from being penalized or arrested under State law for certain actions; requiring certain dispensaries and processors, beginning on a certain date, to annually report certain information to the Commission; altering the information that the Commission must report to the Governor and the General Assembly; altering the actions for which certain processors and processor agents may not be penalized or arrested under State law; authorizing the holder of a medical cannabis grower, processor, or dispensary license to sell or transfer ownership of the license under certain circumstances; authorizing the Commission to rescind the Stage One preapproval of certain applicants under certain circumstances; authorizing the Commission to extend the time frame for certain applicants to become operational under certain circumstances; altering the membership of the Commission; providing that certain appointments made to the Commission are subject to the advice and consent of the Senate; providing that the terms of the appointed members of the Commission are staggered as required by the terms provided for members on a certain date; requiring the terms of certain members of the Commission to terminate on a certain date; declaring the intent of the General Assembly relating to continuity within the membership of the Commission; specifying the terms of certain initial members of the Commission; prohibiting the Commission, except under certain circumstances, from reviewing, evaluating, or ranking an application for certain licenses or awarding granting Stage One preapproval for certain additional licenses until certain regulations are adopted; declaring the intent of the General Assembly as to the date by which the Commission should submit certain regulations; requiring the Commission to report, under certain circumstances, to certain committees of the General Assembly on certain matters; requiring the Commission, under certain circumstances, to accept certain applications for licensure, allow certain persons who previously applied for licensure to amend, if necessary, and resubmit or withdraw certain applications, and resume reviewing, evaluating, or ranking applications for certain licenses and awarding certain additional licenses; providing that the Commission, under certain circumstances, may waive a certain initial application fee for a certain person, but may charge a certain fee for the submission resubmission of amended certain application; prohibiting the Commission from being required to consider for licensure under certain provisions of law a certain person except under certain circumstances; authorizing requiring the Commission, notwithstanding certain provisions of this Act, on or before a certain date, to award...
Stage One preapproval to certain applicants in a certain manner under certain circumstances; requiring an applicant who is granted Stage One preapproval for licensure under certain provisions of this Act to meet certain requirements; requiring the Governor to appropriate certain funds in the aggregate in certain fiscal years to the Natalie M. LaPrade Medical Cannabis Commission Fund for a certain purpose; requiring the Department of Agriculture, in consultation with the Commission, on or before a certain date, to submit emergency regulations that authorize the use of certain crop protection agents; requiring that an approved crop protection agent be applied in a certain manner under certain circumstances; requiring the Commission to develop certain guidelines; authorizing the Commission to remove a crop protection agent from a certain list under certain circumstances; requiring the Commission to submit a certain report to the General Assembly on or before a certain date; requiring the Commission, in consultation with the Maryland Department of Health, to report to the General Assembly on or before a certain date; defining certain terms; making certain conforming and stylistic changes; repealing certain provisions of law made obsolete by this Act; providing for the construction of certain provisions of this Act; applying certain provisions of this Act prospectively; making the provisions of this Act severable; providing for a delayed effective date for certain provisions of this Act; making this Act an emergency measure; and generally relating to the Natalie M. LaPrade Medical Cannabis Commission.

BY repealing and reenacting, without amendments,
Article – Health – General
Section 13–3301(a), 13–3307(a), and 13–3309(a)
Annotated Code of Maryland
(2015 Replacement Volume and 2017 Supplement)

BY repealing and reenacting, with amendments,
Article – Health – General
Section 13–3301(h), 13–3302, 13–3303, 13–3305, 13–3306(a), 13–3307(c) and (d), 13–3307(a), (c), and (d), 13–3308(d), 13–3309(c), (d), and (e), 13–3310(d), and 13–3316
Annotated Code of Maryland
(2015 Replacement Volume and 2017 Supplement)

BY adding to
Article – Health – General
Section 13–3301.1, 13–3303.1, 13–3305.1, and 13–3305.2, 13–3305.2, 13–3305.3, 13–3306(h), and 13–3311.1
Annotated Code of Maryland
(2015 Replacement Volume and 2017 Supplement)

BY repealing and reenacting, with amendments,
Article – Health – General
Section 13–3302, 13–3303, 13–3305, 13–3306(a), 13–3307(c), 13–3308(d), 13–3309(e) and (d), 13–3310(d), and 13–3316
Annotated Code of Maryland
(As enacted by Section 1 of this Act)

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

Article – Health – General

13–3301.

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

(h) “Grower” means an entity licensed under this subtitle that:

(1) Cultivates, manufactures, processes, OR packages, or dispenses medical cannabis; or
(ii) Processes medical cannabis products;] and

(2) Is authorized by the Commission to provide cannabis to a [qualifying patient, caregiver,] processor, dispensary, or independent testing laboratory.

13–3301.1.

**THE GENERAL ASSEMBLY INTENDS THAT THE PROGRAMS IMPLEMENTED IN ACCORDANCE WITH THIS SUBTITLE YIELD A SUCCESSFUL BUT CONSUMER–FRIENDLY MEDICAL CANNABIS INDUSTRY IN THE STATE TO PROVIDE PATIENTS AFFORDABLE AND ADEQUATE ACCESS TO MEDICAL CANNABIS.**

13–3302.

(a) There is a Natalie M. LaPrade Medical Cannabis Commission.

(b) The Commission is an independent commission that functions within the Department.

(c) The purpose of the Commission is to develop policies, procedures, guidelines, and regulations to implement programs to make medical cannabis available to qualifying patients in a safe and effective manner.

(d) (1) The Commission shall develop identification cards for qualifying patients and caregivers.

(2) (i) The Department shall adopt regulations that establish the requirements for identification cards provided by the Commission.

(ii) The regulations adopted under subparagraph (i) of this paragraph shall include:

1. The information to be included on an identification card;

2. The method through which the Commission will distribute identification cards; and

3. The method through which the Commission will track identification cards.

(e) The Commission shall develop and maintain a Website [WEBSITE] that:

(1) Provides information on how an individual can obtain medical cannabis in the State; and

(2) Provides contact information for licensed dispensaries;
(3) Provides information concerning the collateral consequences, with respect to federal law, of registering as a qualifying patient or caregiver; and

(4) Discloses, with the exception of any confidential or proprietary information:

(i) the methodology for the ranking of applicants for licensure under this subtitle; and

(ii) the results of any rankings of applicants for licensure under this subtitle.

(F) (1) The Commission shall:

(i) conduct ongoing, thorough, and comprehensive outreach to small, minority, and women business owners and entrepreneurs who may have an interest in applying for medical cannabis grower, processor, or dispensary licenses; and

(ii) may make grants to appropriate educational and business development organizations to train and assist small, minority, and women business owners and entrepreneurs seeking to become licensed as medical cannabis growers, processors, or dispensaries.

(2) The outreach required under paragraph (1)(i) of this subsection shall include:

(i) developing partnerships with:

1. traditional minority–serving institutions in the state and surrounding jurisdictions, including historically black colleges and universities;

2. trade associations representing minority and women–owned businesses; and

3. the governor’s office of small, minority, and women business affairs;

(ii) establishing and conducting training programs for employment in the medical cannabis industry;
(III) Disseminating information about the licensing process for medical cannabis growers, processors, and dispensaries through media demonstrated to reach large numbers of minority and women business owners and entrepreneurs; and

(IV) Collaborating with the partners described in item (I) of this paragraph to ensure that outreach is appropriately targeted.

(3) The Commission and the entities with which the Commission develops partnerships under paragraph (2)(I) of this subsection shall comply with federal and State laws in performing the actions required under paragraph (2)(II) through (IV) of this subsection.

(G) (1) The Commission shall partner with the Department of Labor, Licensing, and Regulation to identify employment opportunities within the medical cannabis industry for job seekers, dislocated workers, and ex–offenders.

(2) In performing the duties required under paragraph (1) of this subsection, the Commission and the Department of Labor, Licensing, and Regulation shall comply with federal and state laws.

(H) If the Commission retains a third party to assist the Commission in the evaluation or ranking of applications for licensure under this subtitle, the Commission may not retain the services of a person that:

(1) Has a direct or indirect financial, ownership, or management interest, including ownership of any stocks, bonds, or other similar financial instruments, in:

(I) Any state–licensed medical cannabis grower, processor, or dispensary; or

(II) An applicant for licensure under this subtitle; or

(2) Has an official relationship with a person who holds a license under this subtitle or an applicant for licensure under this subtitle.

13–3303.
(a) The Commission consists of the following \{16\} NINE members:

(1) The Secretary of Health, or the Secretary’s designee; \(\text{and} \)

(2) The following 15 members, appointed by the Governor:

(i) Two members of the public who support the use of cannabis for medical purposes and who are or were patients who found relief from the use of medical cannabis;

(ii) One member of the public designated by the Maryland Chapter of the National Council on Alcoholism and Drug Dependence;

(iii) Three physicians licensed in the State;

(iv) One nurse licensed in the State who has experience in hospice care, nominated by a State research institution or trade association;

(v) One pharmacist licensed in the State, nominated by a State research institution or trade association;

(vi) One scientist who has experience in the science of cannabis, nominated by a State research institution;

(vii) One representative of the Maryland State’s Attorneys’ Association;

(viii) One representative of law enforcement;

(ix) An attorney who is knowledgeable about medical cannabis laws in the United States;

(x) An individual with experience in horticulture, recommended by the Department of Agriculture;

(xi) One representative of the University of Maryland Extension; and

(xii) One representative of the Office of the Comptroller

(2) FIVE MEMBERS, APPOINTED BY THE GOVERNOR WITH THE ADVICE AND CONSENT OF THE SENATE;

(3) ONE MEMBER APPOINTED BY THE GOVERNOR FROM A LIST OF THREE INDIVIDUALS RECOMMENDED BY THE PRESIDENT OF THE SENATE;
(4) **ONE MEMBER APPOINTED BY THE GOVERNOR FROM A LIST OF THREE INDIVIDUALS RECOMMENDED BY THE SPEAKER OF THE HOUSE OF DELEGATES; AND**

(5) **ONE MEMBER APPOINTED BY THE GOVERNOR FROM EITHER OF THE TWO LISTS DESCRIBED IN ITEMS (3) AND (4) OF THIS SUBSECTION.**

(B) (1) **AN APPOINTED MEMBER OF THE COMMISSION SHALL:**

(I) **BE AT LEAST 25 YEARS OLD;**

(II) **BE A RESIDENT OF THE STATE WHO HAS RESIDED IN THE STATE FOR AT LEAST THE IMMEDIATELY PRECEDING 5 YEARS; AND**

(III) **BE A QUALIFIED VOTER OF THE STATE; AND**

(IV) **HAVE SUBSTANTIAL EXPERIENCE:**

1. **AS AN EXECUTIVE WITH FIDUCIARY RESPONSIBILITIES FOR A LARGE ORGANIZATION OR FOUNDATION;**

2. **IN AN ACADEMIC FIELD RELATING TO HEALTH, AGRICULTURE, OR FINANCE; OR**

3. **AS A PROFESSIONAL IN A PROFESSION RELATING TO HEALTH, AGRICULTURE, OR FINANCE.**

(2) **A MEMBER OF THE COMMISSION MAY NOT:**

(I) **HAVE A DIRECT OR INDIRECT FINANCIAL, OWNERSHIP, OR MANAGEMENT INTEREST, INCLUDING OWNERSHIP OF ANY STOCKS, BONDS, OR OTHER SIMILAR FINANCIAL INSTRUMENTS, IN ANY STATE LICENSED MEDICAL CANNABIS GROWER, PROCESSOR, OR DISPENSARY;**

(II) **HAVE AN OFFICIAL RELATIONSHIP TO A PERSON WHO HOLDS A LICENSE UNDER THIS SUBTITLE;**

(III) **BE AN ELECTED OFFICIAL OF STATE OR LOCAL GOVERNMENT;**

(IV) **RECEIVE OR SHARE IN, DIRECTLY OR INDIRECTLY, THE RECEIPTS OR PROCEEDS OF ANY STATE LICENSED MEDICAL CANNABIS GROWER, PROCESSOR, OR DISPENSARY; OR**
(V) **HAVE A BENEFICIAL INTEREST IN ANY CONTRACT FOR THE MANUFACTURE OR SALE OF MEDICAL CANNABIS OR THE PROVISION OF ANY INDEPENDENT CONSULTING SERVICES IN CONNECTION WITH ANY MEDICAL CANNABIS LICENSE.**

(3) **TO THE EXTENT PRACTICABLE AND CONSISTENT WITH FEDERAL AND STATE LAW, THE MEMBERSHIP OF THE COMMISSION SHALL REFLECT THE RACIAL, ETHNIC, AND GENDER DIVERSITY OF THE STATE.**

(4) **A MEMBER OF THE COMMISSION SHALL FILE A FINANCIAL DISCLOSURE STATEMENT WITH THE STATE ETHICS COMMISSION IN ACCORDANCE WITH TITLE 5, SUBTITLE 6 OF THE GENERAL PROVISIONS ARTICLE.**

[(b)] (C)  (1) The term of a member is 4 years.

(2) The terms of the APPOINTED members are staggered as required by the terms provided for members on **October 1, 2013**. **JUNE 1, 2018.**

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

(4) A member may not serve more than three consecutive full terms.

(5) 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.

[(c)] (D) The Governor shall designate the chair from among the members of the Commission.

[(d)] (E) A majority of the full authorized membership of the Commission is a quorum.

[(e)] (F)  (1) **AN APPOINTED** member of the Commission IS ENTITLED TO:

[(1)] May not receive compensation as a member of the Commission; but]

(i) **THE SALARY PROVIDED IN THE BUDGET OF THE COMMISSION; AND**

(ii) **REIMBURSEMENT FOR REASONABLE EXPENSES:**

1. **INCURRED IN THE PERFORMANCE OF THE COMMISSION MEMBER’S DUTIES; AND**
2. **AS PROVIDED IN THE BUDGET OF THE COMMISSION.**

   (2) **AN APPOINTED MEMBER OF THE COMMISSION SHALL BE PAID ONCE EVERY 2 WEEKS.**

   [(2)] (3) **THREE SECRETARY OF HEALTH, OR THE SECRETARY’S DESIGNEE, IS entitled to reimbursement for expenses under the Standard State Travel Regulations, as provided in the State budget.**

   (G) **THE GOVERNOR MAY REMOVE A MEMBER OF THE COMMISSION FOR JUST CAUSE.**

   [(f)] (H) (1) **THE COMMISSION may employ a staff, including contractual staff, in accordance with the State budget.**

   (2) **THE WITHIN 30 DAYS AFTER RECEIVING A LIST OF THREE NAMES SUBMITTED BY THE COMMISSION, THE GOVERNOR SHALL APPOINT AN EXECUTIVE DIRECTOR OF THE COMMISSION FROM THE LIST WITH THE ADVICE AND CONSENT OF THE SENATE.**

   (3) **THE EXECUTIVE DIRECTOR SHALL SERVE AT THE PLEASURE OF THE COMMISSION.**

   [(g)] (I) **The Commission may set reasonable fees to cover the costs of operating the Commission.**

   [(h)] (J) (1) **There is a Natalie M. LaPrade Medical Cannabis Commission Fund.**

   (2) **The Commission shall administer the Fund.**

   (3) **The Fund is a special [continuing], nonlapsing fund that is not subject to § 7–302 of the State Finance and Procurement Article.**

   (4) **The State Treasurer shall hold the Fund separately, and the Comptroller shall account for the Fund.**

   (5) **The Fund shall be invested and reinvested in the same manner as other State funds, and any investment earnings shall be retained to the credit of the Fund.**

   (6) **The Fund shall be subject to an audit by the Office of Legislative Audits as provided for in § 2–1220 of the State Government Article.**
(7) The Comptroller shall pay out money from the Fund as directed by the Commission.

(8) The Fund consists of:

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

(ii) Any other money from any other source accepted for the benefit of the Fund, in accordance with any conditions adopted by the Commission for the acceptance of donations or gifts to the Fund; and

(iii) [Any] EXCEPT AS PROVIDED IN § 13–3303.1 OF THIS SUBTITLE, ANY fees collected by the Commission under this subtitle.

(9) 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.

(10) Expenditures from the Fund may be made only in accordance with the State budget.

13–3303.1.

(A) IN THIS SECTION, “COMPASSIONATE USE FUND” MEANS THE NATALIE M. LAPRADE MEDICAL CANNABIS COMPASSIONATE USE FUND.

(B) THERE IS A NATALIE M. LAPRADE MEDICAL CANNABIS COMPASSIONATE USE FUND.

(C) (1) THE DEPARTMENT SHALL:

(I) ADMINISTER THE COMPASSIONATE USE FUND; AND

(II) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, SET FEES IN AN AMOUNT NECESSARY TO PROVIDE REVENUES FOR THE PURPOSES OF THE COMPASSIONATE USE FUND.

(2) THE COMMISSION MAY NOT IMPOSE THE FEES ESTABLISHED UNDER PARAGRAPH (1)(II) OF THIS SUBSECTION ON A LICENSED MEDICAL CANNABIS GROWER, PROCESSOR, OR DISPENSARY DURING THE 2 YEARS IMMEDIATELY FOLLOWING THE PREAPPROVAL OF THE LICENSEE FOR A LICENSE UNDER THIS SUBTITLE.
(D) **The purpose of the Compassionate Use Fund is to provide access to medical cannabis for individuals enrolled in the Maryland Medical Assistance Program or in the Veterans Administration Maryland Health Care System.**

(E) (1) **The Compassionate Use 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 Compassionate Use Fund separately, and the Comptroller shall account for the Compassionate Use Fund.**

(3) **The Compassionate Use Fund shall be invested and reinvested in the same manner as other State funds, and any investment earnings shall be retained to the credit of the Compassionate Use Fund.**

(4) **The Compassionate Use Fund shall be subject to an audit by the Office of Legislative Audits as provided for in § 2–1220 of the State Government Article.**

(5) **The Comptroller shall pay out money from the Compassionate Use Fund as directed by the Department.**

(F) (1) **On or before December 1, 2018, the Commission, in consultation with the Department, shall report to the General Assembly, in accordance with § 2–1246 of the State Government Article, on:**

(1) **The revenues the Commission anticipates are necessary to implement the program described in subsection (i) of this section;**

(2) **The amount of fees and the licensees on which those fees shall be assessed in order to generate the necessary revenues;**

(3) **The use of any other funding mechanism to implement the program; and**

(4) **Any anticipated savings in prescription drug costs for the Maryland Medical Assistance Program that would result from the provision of medical cannabis under this subtitle.**
(2) The Commission may hire an independent actuary to assist the Commission in the preparation of the report required under paragraph (1) of this subsection.

(G) No part of the Compassionate Use Fund may revert or be credited to:

(1) the General Fund of the State; or

(2) any other special fund of the State.

(H) Expenditures from the Compassionate Use Fund may be made only in accordance with the State budget.

(I) (1) The department, in consultation with the Commission, shall establish a program to allow eligible individuals enrolled in the Maryland Medical Assistance Program or in the Veterans Administration Maryland Health Care System to:

(i) obtain medical cannabis from a licensed dispensary at no cost or a reduced cost; and

(ii) reimburse a licensed dispensary for the cost of the medical cannabis dispensed to an eligible individual under the program from the Compassionate Use Fund.

(2) The department shall adopt regulations to implement this subsection.

13–3305.

On or before January 1 each year, the Commission shall report to the Governor and, in accordance with § 2–1246 of the State Government Article, the General Assembly on [providers]:

(1) providers certified under this subtitle; and

(2) the demand consumption amount sold, by condition treated, and average consumer price for medical cannabis products provided in accordance with this subtitle.

13–3305.1.
(A) IN THIS SECTION, “OWNER” INCLUDES ANY TYPE OF OWNER OR BENEFICIARY OF A BUSINESS ENTITY, INCLUDING AN OFFICER, A DIRECTOR, A PRINCIPAL EMPLOYEE, A PARTNER, AN INVESTOR, A STOCKHOLDER, OR A BENEFICIAL OWNER OF THE BUSINESS ENTITY AND, NOTWITHSTANDING ANY OTHER PROVISION OF THIS SUBTITLE, A PERSON HAVING ANY OWNERSHIP INTEREST REGARDLESS OF THE PERCENTAGE OF OWNERSHIP INTEREST.

(B) EXCEPT AS PROVIDED IN SUBSECTION (C) OF THIS SECTION, A CONSTITUTIONAL OFFICER OR A SECRETARY OF A PRINCIPAL DEPARTMENT OF THE EXECUTIVE BRANCH OF THE STATE GOVERNMENT MAY NOT:

1. BE AN OWNER OR AN EMPLOYEE OF ANY BUSINESS ENTITY THAT HOLDS A LICENSE UNDER THIS SUBTITLE; OR

2. HAVE AN OFFICIAL RELATIONSHIP TO A BUSINESS ENTITY THAT HOLDS A LICENSE UNDER THIS SUBTITLE.

(C) A CONSTITUTIONAL OFFICER OR A SECRETARY OF A PRINCIPAL DEPARTMENT OF THE EXECUTIVE BRANCH OF THE STATE GOVERNMENT MAY REMAIN AN OWNER OR AN EMPLOYEE OF A BUSINESS ENTITY THAT HOLDS A LICENSE UNDER THIS SUBTITLE IF THE CONSTITUTIONAL OFFICER OR SECRETARY WAS AN OWNER OR EMPLOYEE OF THE BUSINESS ENTITY BEFORE THE CONSTITUTIONAL OFFICER’S ELECTION OR APPOINTMENT OR THE SECRETARY’S APPOINTMENT.

(D) A FORMER MEMBER OF THE GENERAL ASSEMBLY, FOR THE 2–YEAR 1–YEAR PERIOD IMMEDIATELY AFTER THE MEMBER LEAVES OFFICE, MAY NOT:

1. BE AN OWNER OR AN EMPLOYEE OF ANY BUSINESS ENTITY THAT HOLDS A LICENSE UNDER THIS SUBTITLE; OR

2. HAVE AN OFFICIAL RELATIONSHIP WITH A BUSINESS ENTITY THAT HOLDS A LICENSE UNDER THIS SUBTITLE.

(A) THE COMMISSION, IN CONSULTATION WITH THE CERTIFICATION AGENCY AS DEFINED IN § 14–301 OF THE STATE FINANCE AND PROCUREMENT ARTICLE, THE GOVERNOR’S OFFICE OF SMALL, MINORITY, AND WOMEN BUSINESS AFFAIRS, AND THE OFFICE OF THE ATTORNEY GENERAL, SHALL:

1. EVALUATE A STUDY OF THE MEDICAL CANNABIS INDUSTRY AND MARKET TO DETERMINE WHETHER THERE IS A COMPELLING INTEREST TO IMPLEMENT REMEDIAL MEASURES, INCLUDING THE APPLICATION OF THE STATE MINORITY BUSINESS ENTERPRISE PROGRAM UNDER TITLE 14, SUBTITLE 3 OF THE
STATE FINANCE AND PROCUREMENT ARTICLE OR A SIMILAR PROGRAM, TO ASSIST MINORITIES AND WOMEN IN THE MEDICAL CANNABIS INDUSTRY;

(2) EVALUATE RACE–NEUTRAL PROGRAMS OR OTHER METHODS THAT MAY BE USED TO ADDRESS THE NEEDS OF MINORITY AND WOMEN APPLICANTS AND MINORITY AND WOMEN–OWNED BUSINESSES SEEKING TO PARTICIPATE IN THE MEDICAL CANNABIS INDUSTRY; AND

(3) SUBMIT EMERGENCY REGULATIONS, IN ACCORDANCE WITH TITLE 10, SUBTITLE 1 OF THE STATE GOVERNMENT ARTICLE, TO IMPLEMENT REMEDIAL MEASURES, IF NECESSARY AND TO THE EXTENT PERMITTED BY STATE AND FEDERAL LAW, BASED ON THE FINDINGS OF THE STUDY EVALUATED UNDER ITEM (1) OF THIS SECTION SUBSECTION.

(B) THE COMMISSION MAY REPORT TO THE GENERAL ASSEMBLY, IN ACCORDANCE WITH § 2–1246 OF THE STATE GOVERNMENT ARTICLE, ANY INFORMATION THAT THE COMMISSION DETERMINES TO BE NECESSARY TO THE CONSIDERATION, DEVELOPMENT, OR IMPLEMENTATION OF ANY REMEDIAL MEASURES REQUIRED UNDER THIS SECTION.

13–3305.3.

A PERSON THAT APPLIES FOR LICENSURE UNDER THIS SUBTITLE SHALL SUBMIT WITH THE APPLICATION FOR LICENSURE AN AFFIDAVIT ATTESTING TO:

(1) THE NUMBER OF MINORITY AND WOMEN OWNERS OF THE APPLICANT;

(2) THE OWNERSHIP INTEREST OF ANY MINORITY AND WOMEN OWNERS OF THE APPLICANT;

(3) THE NUMBER OF MINORITY AND WOMEN EMPLOYEES OF THE APPLICANT; AND

(4) ANY OTHER INFORMATION CONSIDERED NECESSARY BY THE COMMISSION.

13–3306.

(a) (1) The Commission shall license medical cannabis growers that meet all requirements established by the Commission to operate in the State to provide cannabis to:

(i) Processors licensed by the Commission under this subtitle;
(ii) Dispensaries licensed by the Commission under this subtitle; AND

(iii) Qualifying patients and caregivers; and

(iv) Independent testing laboratories registered with the Commission under this subtitle.

(2) (i) [Except as provided in subparagraph (ii) of this paragraph, the]

THE SUBJECT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH, THE Commission may license no more than [15] 20 22 medical cannabis growers.

(II) 1. IF AN APPLICANT FOR LICENSURE THAT RECEIVED STAGE ONE PREAPPROVAL IN CALENDAR YEAR 2016 FOR A MEDICAL CANNABIS GROWER LICENSE FAILS TO SATISFY THE REQUIREMENTS FOR LICENSURE ESTABLISHED BY THE COMMISSION, THE COMMISSION SHALL RESCIND THE APPLICANT’S STAGE ONE PREAPPROVAL.

2. IF THE COMMISSION RESCINDS THE STAGE ONE PREAPPROVAL FOR A LICENSE OF AN APPLICANT UNDER SUBSUBPARAGRAPH 1 OF THIS SUBPARAGRAPH, THE MAXIMUM NUMBER OF MEDICAL CANNABIS GROWER LICENSES AUTHORIZED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH SHALL BE REDUCED BY ONE MEDICAL CANNABIS GROWER LICENSE.

(iii) (III) 1. [Beginning June 1, 2018, the] SUBJECT TO SUBSUBPARAGRAPHS 2 AND 3 SUBSUBPARAGRAPH 2 OF THIS SUBPARAGRAPH, ON OR BEFORE BEGINNING DECEMBER 1, 2024, THE Commission [may issue] SHALL MAY REPORT TO THE GENERAL ASSEMBLY, IN ACCORDANCE WITH § 2–1246 OF THE STATE GOVERNMENT ARTICLE, ON the number of licenses necessary to meet the demand for medical cannabis by qualifying patients and caregivers issued identification cards under this subtitle in an affordable, accessible, secure, and efficient manner.

2. THE COMMISSION MAY NOT SUBMIT THE REPORT REQUIRED UNDER SUBSUBPARAGRAPH 1 OF THIS SUBPARAGRAPH BEFORE DECEMBER 1, 2024.

3. BEGINNING DECEMBER 1, 2024, BUT BEFORE DECEMBER 1, 2028, THE Commission may submit the report required under subsubparagraph 1 of this subparagraph only if the Commission first obtains the approval of the Legislative Policy Committee.

2. BEFORE THE COMMISSION DETERMINES TO SUBMIT THE REPORT DESCRIBED UNDER SUBSUBPARAGRAPH 1 OF THIS SUBPARAGRAPH,
THE COMMISSION SHALL PROVIDE THE LEGISLATIVE POLICY COMMITTEE AT LEAST 30 DAYS TO SUBMIT COMMENTS TO THE COMMISSION.

(IV) The Commission shall establish an application review process for granting medical cannabis grower licenses in which applications are reviewed, evaluated, and ranked based on criteria established by the Commission.

(V) The Commission may not issue more than one medical cannabis grower license to each applicant.

(VI) A grower shall pay an application fee in an amount to be determined by the Commission consistent with this subtitle.

(3) The Commission shall set standards for licensure as a medical cannabis grower to ensure public safety and safe access to medical cannabis, which may include a requirement for the posting of security.

(4) Each medical cannabis grower agent shall:

(i) Be registered with the Commission before the MEDICAL CANNABIS GROWER agent may volunteer or work for a licensed grower; and

(ii) Obtain a State and national criminal history records check in accordance with § 13–3312 of this subtitle.

(5) (i) A licensed grower shall apply to the Commission for a registration card for each MEDICAL CANNABIS grower agent by submitting the name, address, and date of birth of the agent.

(ii) 1. Within 1 business day after a MEDICAL CANNABIS grower agent ceases to be associated with a grower, the grower shall:

   A. Notify the Commission; and

   B. Return the MEDICAL CANNABIS grower agent’s registration card to the Commission.

   2. On receipt of a notice described in subsubparagraph 1A of this subparagraph, the Commission shall:

   A. Immediately revoke the registration card of the MEDICAL CANNABIS grower agent; and

   B. If the registration card was not returned to the Commission, notify the Department of State Police.
(iii) The Commission may [not] register a person who has been convicted of a felony drug offense as a MEDICAL CANNABIS grower agent UNLESS:

1. **WITHIN** EXCEPT AS PROVIDED IN ITEM 2 OF THIS SUBPARAGRAPH, **WITHIN THE 7–YEAR PERIOD IMMEDIATELY PRECEDING THE DATE ON WHICH THE INDIVIDUAL SUBMITTED AN APPLICATION UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH, THE INDIVIDUAL WAS CONVICTED OF THE OFFENSE OR SATISFACTORILY COMPLETED THE SENTENCE FOR THE OFFENSE, INCLUDING PROBATION, THAT WAS IMPOSED FOR THE CONVICTION; THE INDIVIDUAL SUBMITTED AN APPLICATION UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH EARLIER THAN 7 YEARS AFTER THE INDIVIDUAL SATISFIED THE SENTENCE IMPOSED FOR THE CONVICTION, INCLUDING PAROLE, PROBATION, OR MANDATORY SUPERVISION; OR

2. **THE INDIVIDUAL HAS BEEN CONVICTED OF A VIOLATION OF § 5–612 OR § 5–613 OF THE CRIMINAL LAW ARTICLE, REGARDLESS OF WHETHER THE INDIVIDUAL HAS SATISFACTORILY COMPLETED THE SENTENCE FOR THE OFFENSE; OR

3. **THE COMMISSION FINDS A SUBSTANTIAL REASON TO DENY THE REGISTRATION.**

(6) (i) A medical cannabis grower license is valid for [4] 6 years on initial licensure.

(ii) A medical cannabis grower license is valid for [2] 4 years on renewal.

(7) An application to operate as a medical cannabis grower may be submitted in paper or electronic form.

(8) The Commission shall encourage licensing medical cannabis growers that grow strains of cannabis, including strains with high cannabidiol content AND A BROAD VARIETY OF TETRAHYDROCANNABINOL (THC) AND CANNABIDIOL (CBD) CONTENT, with demonstrated success in alleviating symptoms of specific diseases or conditions.

(ii) The Commission shall encourage licensing medical cannabis growers that prepare medical cannabis in a range of routes of administration.

(9) (i) The Commission shall:

1. [Actively] **TO THE EXTENT PERMITTED BY FEDERAL AND STATE LAW, ACTIVELY** seek to achieve racial, ethnic, GENDER, and geographic diversity when licensing medical cannabis growers; and
2. Encourage applicants who qualify as a minority business enterprise, as defined in § 14–301 of the State Finance and Procurement Article, OR WHO ARE SMALL, MINORITY, OR WOMEN–OWNED BUSINESS ENTITIES TO APPLY FOR LICENSURE AS MEDICAL CANNABIS GROWERS.

(ii) Beginning June 1, [2016] 2018, a grower licensed under this subtitle to operate as a medical cannabis grower shall report annually to the Commission on [the minority owners and]:

1. THE NUMBER OF MINORITY AND WOMEN OWNERS OF THE GROWER;

2. THE OWNERSHIP INTEREST OF ANY MINORITY AND WOMEN OWNERS OF THE GROWER; AND

3. THE NUMBER OF MINORITY AND WOMEN employees of the grower.

(10) An entity seeking licensure as a medical cannabis grower shall meet local zoning and planning requirements.

(H) A GROWER LICENSED UNDER THIS SECTION OR A MEDICAL CANNABIS GROWER AGENT REGISTERED UNDER THIS SECTION MAY NOT BE PENALIZED OR ARRESTED UNDER STATE LAW FOR:

(1) CULTIVATING, POSSESSING, PACKAGING, TRANSFERRING, TRANSPORTING, SELLING, OR DISTRIBUTING MEDICAL CANNABIS TO A PROCESSOR OR DISPENSARY; OR

(2) TRANSPORTING THE MEDICAL CANNABIS TO AN INDEPENDENT TESTING LABORATORY.

13–3307.

(a) (1) A dispensary shall be licensed by the Commission.

(2) (1) SUBJECT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH, BEGINNING DECEMBER 1, 2024, THE COMMISSION MAY REPORT TO THE GENERAL ASSEMBLY, IN ACCORDANCE WITH § 2–1246 OF THE STATE GOVERNMENT ARTICLE, ON THE NUMBER OF LICENSES NECESSARY TO MEET THE DEMAND FOR MEDICAL CANNABIS BY QUALIFYING PATIENTS AND CAREGIVERS ISSUED IDENTIFICATION CARDS UNDER THIS SUBTITLE IN AN AFFORDABLE, ACCESSIBLE, SECURE, AND EFFICIENT MANNER.
(II) BEFORE THE COMMISSION DETERMINES TO SUBMIT THE REPORT DESCRIBED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH, THE COMMISSION SHALL PROVIDE THE LEGISLATIVE POLICY COMMITTEE AT LEAST 30 DAYS TO SUBMIT COMMENTS TO THE COMMISSION.

(c) (1) The Commission shall:

[(1)] (I) Establish an application review process for granting dispensary licenses in which applications are reviewed, evaluated, and ranked based on criteria established by the Commission; [and]

[(2)] (II) [Actively] TO THE EXTENT PERMITTED BY FEDERAL AND STATE LAW, ACTIVELY seek to achieve racial, ethnic, GENDER, and geographic diversity when licensing dispensaries; AND

(III) ENCOURAGE APPLICANTS WHO QUALIFY AS A MINORITY BUSINESS ENTERPRISE, AS DEFINED IN § 14–301 OF THE STATE FINANCE AND PROCUREMENT ARTICLE, OR WHO ARE SMALL, MINORITY, OR WOMEN–OWNED BUSINESS ENTITIES TO APPLY FOR LICENSURE AS DISPENSARIES.

(2) BEGINNING JUNE 1, 2018, A DISPENSARY LICENSED UNDER THIS SUBTITLE SHALL REPORT ANNUALLY TO THE COMMISSION ON:

(I) THE NUMBER OF MINORITY AND WOMEN OWNERS OF THE DISPENSARY;

(II) THE OWNERSHIP INTEREST OF ANY MINORITY AND WOMEN OWNERS OF THE DISPENSARY; AND

(III) THE NUMBER OF MINORITY AND WOMEN EMPLOYEES OF THE DISPENSARY.

(d) (1) A dispensary license is valid for [4] 6 years on initial licensure.

(2) A dispensary license is valid for [2] 4 years on renewal.

13–3308.

(d) The Commission may [not] register an individual who has been convicted of a felony drug offense as a dispensary agent UNLESS:

(1) WITHIN EXCEPT AS PROVIDED IN ITEM (2) OF THIS SUBSECTION, WITHIN THE 7–YEAR PERIOD IMMEDIATELY PRECEDING THE DATE ON WHICH THE INDIVIDUAL SUBMITTED AN APPLICATION UNDER SUBSECTION (B) OF THIS
SECTION, THE INDIVIDUAL WAS CONVICTED OF THE OFFENSE OR SATISFACTORILY COMPLETED THE SENTENCE FOR THE OFFENSE, INCLUDING PROBATION, THAT WAS IMPOSED FOR THE CONVICTION; THE INDIVIDUAL SUBMITTED AN APPLICATION UNDER SUBSECTION (B) OF THIS SECTION EARLIER THAN 7 YEARS AFTER THE INDIVIDUAL SATISFIED THE SENTENCE IMPOSED FOR THE CONVICTION, INCLUDING PAROLE, PROBATION, OR MANDATORY SUPERVISION; OR

(2) THE INDIVIDUAL HAS BEEN CONVICTED OF A VIOLATION OF § 5–612 OR § 5–613 OF THE CRIMINAL LAW ARTICLE, REGARDLESS OF WHETHER THE INDIVIDUAL HAS SATISFACTORILY COMPLETED THE SENTENCE FOR THE OFFENSE; OR

(3) THE COMMISSION FINDS A SUBSTANTIAL REASON TO DENY THE REGISTRATION.

13–3309.

(a) A processor shall be licensed by the Commission.

(c) (1) (i) The subject to subparagraph (ii) of this paragraph, the Commission may license no more than 20 25 30 28 processors.

(ii) 1. If an applicant for licensure that received stage one preapproval in calendar year 2016 for a medical cannabis processor license fails to satisfy the requirements for licensure established by the Commission, the Commission shall rescind the applicant’s stage one preapproval.

2. If the Commission rescinds the stage one preapproval for a license of an applicant under subsubparagraph 1 of this subparagraph, the maximum number of medical cannabis processor licenses authorized under subparagraph (i) of this paragraph shall be reduced by the number of medical cannabis processor licenses rescinded by the Commission.

(2) (i) Subject to subparagraphs (ii) and (iii) subparagraph (ii) of this paragraph, on or before beginning December 1, 2028 2024, the Commission shall may report to the General Assembly, in accordance with § 2–1246 of the State Government Article, on the number of licenses necessary to meet the demand for medical cannabis by qualifying patients and caregivers issued identification cards under this subtitle in an affordable, accessible, secure, and efficient manner.
(II) The Commission may not submit the report required under subparagraph (i) of this paragraph before December 1, 2024.

(III) Beginning December 1, 2024, but before December 1, 2028, the Commission may submit the report required under subparagraph (i) of this paragraph only if the Commission first obtains the approval of the Legislative Policy Committee.

(II) Before the Commission determines to submit the report described under subparagraph (i) of this paragraph, the Commission shall provide the Legislative Policy Committee at least 30 days to submit comments to the Commission.

(3) The Commission shall establish an application review process for granting processor licenses in which applications are reviewed, evaluated, and ranked based on criteria established by the Commission.

(4) (1) The Commission shall:

1. To the extent permitted by federal and State law, actively seek to achieve racial, ethnic, gender, and geographic diversity when licensing processors; and

2. Encourage applicants who qualify as a minority business enterprise, as defined in § 14–301 of the State Finance and Procurement Article, or who are small, minority, or women–owned business entities to apply for licensure as processors.

(II) Beginning June 1, 2018, a processor licensed under this subtitle shall report annually to the Commission on:

1. The number of minority and women owners of the processor;

2. The ownership interest of any minority and women owners of the processor; and

3. The number of minority and women employees of the processor.

(d) (1) A processor license is valid for [4] 6 years on initial licensure.

(2) A processor license is valid for [2] 4 years on renewal.
(e) A processor licensed under this section or a processor agent registered under § 13–3310 of this subtitle may not be penalized or arrested under State law for:

(1) acquiring, possessing, processing, packaging, labeling, transferring, transporting, selling, OR distributing MEDICAL cannabis OR products containing MEDICAL cannabis, related supplies, or educational materials TO A DISPENSARY for use by a licensee under this subtitle or a qualifying patient or a caregiver; OR

(2) TRANSPORTING MEDICAL CANNABIS OR PRODUCTS CONTAINING MEDICAL CANNABIS TO AN INDEPENDENT TESTING LABORATORY.

13–3310.

(d) The Commission may [not] register an individual who has been convicted of a felony drug offense as a processor agent UNLESS:

(1) WITHIN EXCEPT AS PROVIDED IN ITEM (2) OF THIS SUBSECTION, WITHIN THE 7–YEAR PERIOD IMMEDIATELY PRECEDING THE DATE ON WHICH THE INDIVIDUAL SUBMITTED AN APPLICATION UNDER SUBSECTION (B) OF THIS SECTION, THE INDIVIDUAL WAS CONVICTED OF THE OFFENSE OR SATISFACTORILY COMPLETED THE SENTENCE FOR THE OFFENSE, INCLUDING PROBATION, THAT WAS IMPOSED FOR THE CONVICTION; THE INDIVIDUAL SUBMITTED AN APPLICATION UNDER SUBSECTION (B) OF THIS SECTION EARLIER THAN 7 YEARS AFTER THE INDIVIDUAL SATISFIED THE SENTENCE IMPOSED FOR THE CONVICTION, INCLUDING PAROLE, PROBATION, OR MANDATORY SUPERVISION; OR

(2) THE INDIVIDUAL HAS BEEN CONVICTED OF A VIOLATION OF § 5–612 OR § 5–613 OF THE CRIMINAL LAW ARTICLE, REGARDLESS OF WHETHER THE INDIVIDUAL HAS SATISFACTORILY COMPLETED THE SENTENCE FOR THE OFFENSE; OR

(3) THE COMMISSION FINDS A SUBSTANTIAL REASON TO DENY THE REGISTRATION.

13–3311.1.

(A) (1) THE HOLDER OF A MEDICAL CANNABIS GROWER, PROCESSOR, OR DISPENSARY LICENSE MAY SELL OR TRANSFER OWNERSHIP OF THE LICENSE IF THE LICENSEE WAS PHYSICALLY AND ACTIVELY ENGAGED IN THE CULTIVATION, PROCESSING, OR DISPENSING OF MEDICAL CANNABIS FOR AT LEAST 2 YEARS IMMEDIATELY PRECEDING THE SALE OR TRANSFER OF THE OWNERSHIP OF THE LICENSE.
(2) **NOTHING IN PARAGRAPH (1) OF THIS SUBSECTION MAY BE CONSTRUED TO LIMIT THE ABILITY OF THE COMMISSION TO ENFORCE THIS SUBTITLE.**

(B) (1) **SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, THE COMMISSION MAY RESCIND THE STAGE ONE PREAPPROVAL OF AN APPLICANT IF THE FACILITY OF THE APPLICANT IS NOT OPERATIONAL WITHIN § 12 MONTHS AFTER ISSUANCE OF THE LICENSE STAGE ONE PREAPPROVAL DUE TO A LACK OF A GOOD FAITH EFFORT BY THE APPLICANT TO BECOME OPERATIONAL.**

(2) **IF THE APPLICANT CAN DEMONSTRATE TO THE COMMISSION THAT THE FAILURE TO BECOME OPERATIONAL UNDER PARAGRAPH (1) OF THIS SUBSECTION WAS DUE TO UNFORESEEN HARDSHIP BEYOND THE CONTROL OF THE APPLICANT, THE COMMISSION MAY EXTEND THE TIME FRAME TO BECOME OPERATIONAL FOR AN ADDITIONAL § 12 MONTHS BEFORE RESCINDING THE STAGE ONE PREAPPROVAL.**

13–3316.

[On or before September 15, 2014, the] **THE Commission shall adopt regulations to implement the provisions of this subtitle.**

**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:**

101. the Advance Directive Program Fund; [and]

102. the Make Office Vacancies Extinct Matching Fund; **AND**

103. **THE NATALIE M. LA PRADE MEDICAL CANNABIS COMPASSIONATE USE FUND.**
SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:

Article – Health – General

13–3303.

(a) The Commission consists of the following [16] 13 members:

(1) The Secretary of Health, or the Secretary’s designee; and

(2) The following [15] 5 members, appointed by the Governor WITH THE ADVICE AND CONSENT OF THE SENATE:

[(i) Two members of the public who support the use of cannabis for medical purposes and who are or were patients who found relief from the use of medical cannabis;

(ii) One member of the public designated by the Maryland Chapter of the National Council on Alcoholism and Drug Dependence;]

[(iii)] (I) [Three physicians licensed in the State] TWO CERTIFYING PROVIDERS LICENSED NONCERTIFIED PROVIDERS WHO ARE PHYSICIANS, DENTISTS, PODIATRISTS, NURSE PRACTITIONERS, OR NURSE MIDWIVES;

[(iv)] (II) One nurse OR OTHER HEALTH CARE PROVIDER licensed in the State who has experience in hospice care, nominated by a State [research institution or] HOSPICE trade association;

[(v)] (III) One pharmacist licensed in the State, nominated by a State research institution or trade association; AND

[(vi)] (IV) One scientist who has experience in the science of cannabis, nominated by a State research institution;

[(vii)] One representative of the Maryland State’s Attorneys’ Association;

[(viii)] One representative of law enforcement;

[(ix)] An attorney who is knowledgeable about medical cannabis laws in the United States;

[(x)] An individual with experience in horticulture, recommended by the Department of Agriculture;]
(xi) One representative of the University of Maryland Extension; and
(xii) One representative of the Office of the Comptroller.

(3) **Four members appointed by the Governor with the advice and consent of the Senate;**

(4) **One member appointed by the Governor from a list of three individuals recommended by the President of the Senate;**

(5) **One member appointed by the Governor from a list of three individuals recommended by the Speaker of the House of Delegates; and**

(6) **One member appointed by the Governor from either of the two lists described in items (4) and (5) of this subsection.**

(b) (1) An appointed member of the Commission shall:

(i) Be at least 25 years old;

(ii) Be a resident of the State who has resided in the State for at least the immediately preceding 5 years; [and]

(iii) Be a qualified voter of the State; AND

(IV) **With respect to a member appointed under subsection (A)(3), (4), (5), or (6) of this section, have substantial experience:**

1. **As an executive with fiduciary responsibilities for a large organization or foundation;**

2. **In an academic field relating to health, agriculture, finance, or addiction treatment; or**

3. **As a professional in a profession relating to health, agriculture, finance, or addiction treatment.**

(2) A member of the Commission may not:

(i) Have a direct or indirect financial, ownership, or management interest, including ownership of any stocks, bonds, or other similar financial instruments, in any State licensed medical cannabis grower, processor, or dispensary;
(ii) Have an official relationship to a person who holds a license under this subtitle;

(iii) Be an elected official of State or local government;

(iv) Receive or share in, directly or indirectly, the receipts or proceeds of any State licensed medical cannabis grower, processor, or dispensary; or

(v) Have a beneficial interest in any contract for the manufacture or sale of medical cannabis or the provision of any independent consulting services in connection with any medical cannabis license.

(3) To the extent practicable and consistent with federal and State law, the membership of the Commission shall reflect the racial, ethnic, and gender diversity of the State.

(4) A member of the Commission shall file a financial disclosure statement with the State Ethics Commission in accordance with Title 5, Subtitle 6 of the General Provisions Article.

(c) (1) The term of a member is 4 years.

(2) The terms of the appointed members are staggered as required by the terms provided for members on October 1, [2013] 2019.

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

(4) A member may not serve more than three consecutive full terms.

(5) 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.

SECTION 2. AND BE IT FURTHER ENACTED, That, to implement the change in the composition of the Natalie M. LaPrade Medical Cannabis Commission under § 13–3303 of the Health – General Article, as enacted by Section 1 2 of this Act, the terms of all members serving on the Commission before the effective date of Section 2 of this Act shall terminate June 1, 2018 October 1, 2019.

SECTION 3. AND BE IT FURTHER ENACTED, That it is the intent of the General Assembly that, in filling the five positions provided for in § 13–3303(a)(2) of the Health – General Article, as enacted by Section 1 2 of this Act, the Governor may reappoint a member of the Commission who served before of the effective date of Section 2 of this Act in order to ensure a level of continuity within the membership of the Natalie M. LaPrade Medical Cannabis Commission.
SECTION 4. AND BE IT FURTHER ENACTED, That the terms of the eight initial members of the Natalie M. LaPrade Medical Cannabis Commission provided for in § 13–3303(a)(2) through (6) of the Health – General Article, as enacted by Section 4 of this Act, shall expire as follows:

(1) two members in 2020;
(2) two members in 2021;
(3) two members in 2022; and
(4) two members in 2023.

SECTION 5. AND BE IT FURTHER ENACTED, That the Natalie M. LaPrade Medical Cannabis Commission may not review, evaluate, or rank an application for a license under Title 13, Subtitle 33 of the Health – General Article or award any additional licenses grant Stage One preapproval for licensure under Title 13, Subtitle 33 of the Health – General Article until the regulations required under § 13–3305.2 of the Health – General Article, as enacted by Section 1 of this Act, have been adopted.

SECTION 6. AND BE IT FURTHER ENACTED, That:

(a) It is the intent of the General Assembly that the Natalie M. LaPrade Medical Cannabis Commission submit the emergency regulations described under § 13–3305.2(a)(3) of the Health – General Article, as enacted by Section 1 of this Act, on or before June 1, 2018.

(b) Until the submission of the emergency regulations described under § 13–3305.2(a)(3) of the Health – General Article, as enacted by Section 1 of this Act, the Commission shall report, in accordance with § 2–1246 of the State Government Article, at least once every 30 days to the following committees of the General Assembly on the progress towards submitting the emergency regulations:

(1) the Joint Committee on Administrative, Executive, and Legislative Review;
(2) the Senate Finance Committee; and
(3) the House Health and Government Operations Committee.

SECTION 8. AND BE IT FURTHER ENACTED, That, following:

(a) Following the adoption of any regulations in accordance with § 13–3305.2 of the Health – General Article, as enacted by Section 1 of this Act, the Natalie M. LaPrade Medical Cannabis Commission:
(1) shall accept new applications for licensure under Title 13, Subtitle 33 of the Health – General Article in addition to the applications that the Commission previously received;

(2) shall allow a person who previously applied for licensure under Title 13, Subtitle 33 of the Health – General Article to amend, if necessary, and resubmit the person’s application or to withdraw the person’s application entirely;

(3) may waive the initial application fee for a person who previously applied for licensure under Title 13, Subtitle 33 of the Health – General Article, but may charge the person a reasonable fee for the resubmission of an unamended or amended application; and

(4) shall resume reviewing, evaluating, and ranking applications for licensure under Title 13, Subtitle 33 of the Health – General Article in accordance with the evaluation system adopted in regulation and awarding licenses under Title 13, Subtitle 33 of the Health – General Article.

(b) The Natalie M. LaPrade Medical Cannabis Commission may not be required to consider for a license under Title 13, Subtitle 33 of the Health – General Article a person who previously applied for licensure and who was not awarded a license unless the person resubmits the application as allowed under subsection (a)(2) of this section and pays any fee charged under subsection (a)(3) of this section.

SECTION 9. AND BE IT FURTHER ENACTED, That:

(a) (1) Notwithstanding Section 6 of this Act, if on or before June 1, 2018, the Natalie M. LaPrade Medical Cannabis Commission rescinds or revokes the Stage One preapproval of an applicant for licensure that received Stage One preapproval in calendar year 2016, the Commission may grant Stage One preapproval for licensure to an applicant in accordance with the numerical selection sequence for additional license preapprovals that the Commission unanimously adopted during the Commission’s public meetings held in calendar year 2016 shall grant Stage One preapproval for two medical cannabis grower licenses from the medical cannabis grower license applications that were initially ranked by the Regional Economic Studies Institute in July 2016.

(2) The Commission’s grant of Stage One preapproval for two cannabis grower licenses under paragraph (1) of this subsection shall be done in accordance with the numerical selection sequence for additional grower license preapprovals that the Commission unanimously adopted during the Commission’s public meeting held on August 5, 2016.

(3) An applicant who is granted Stage One preapproval for a medical cannabis grower license under paragraph (1) of this subsection shall meet the requirements established by the Commission for final approval of a medical cannabis grower license.

(4) (i) If an applicant that is granted Stage One preapproval for a medical cannabis grower license under paragraph (1) of this subsection fails to meet the
requirements established by the Commission for final approval of a medical cannabis grower license:

1. the Commission shall rescind the applicant’s Stage One preapproval; and

2. the maximum number of medical cannabis grower licenses authorized under § 13–3306(a)(2)(i) of the Health – General Article, as enacted by Section 1 of this Act, shall be reduced by the same number of Stage One preapprovals rescinded by the Commission under item 1 of this subparagraph.

(ii) Any reduction in the maximum number of medical cannabis grower licenses under subparagraph (i)2 of this paragraph shall be in addition to any other reduction required under § 13–3306(a)(2)(ii) of the Health – General Article, as enacted by Section 1 of this Act.

(b) Notwithstanding Section 6 of this Act, on or before June 1, 2018, the Natalie M. LaPrade Medical Cannabis Commission shall:

(1) grant a person Stage One preapproval for licensure as a medical cannabis grower under § 13–3306 of the Health – General Article, as enacted by Section 1 of this Act, if the person:

(i) is licensed as a processor under § 13–3309 of the Health – General Article, as enacted by Section 1 of this Act; and

(ii) applied for a medical cannabis grower license and was initially ranked among the top 30 grower applicants by the Regional Economic Studies Institute in July 2016; and

(2) grant a person Stage One preapproval for licensure as a processor under § 13–3309 of the Health – General Article, as enacted by Section 1 of this Act, if the person:

(i) is licensed as a medical cannabis grower under § 13–3306 of the Health – General Article, as enacted by Section 1 of this Act; and

(ii) applied for a processor license and was ranked among the top 30 processor applicants by the Commission in August 2016.

(c) An applicant who is granted Stage One preapproval for a license under subsection (a) or (b) of this section shall meet the requirements established by the Commission for final approval of licensure, including any new date set by the Commission for the applicant to become operational.

SECTION 10. AND BE IT FURTHER ENACTED, That, in fiscal year 2019 and fiscal year 2020, the Governor shall appropriate at least $1,800,000, in the aggregate, to the Natalie M. LaPrade Medical Cannabis Commission Fund for the purpose of
reviewing, evaluating, and ranking applications for licensure under Title 13, Subtitle 33 of the Health – General Article in accordance with Section 6 of this Act.

SECTION 11. AND BE IT FURTHER ENACTED, That:

(a) Subject to subsection (b) of this section, on or before June 1, 2018, in order to ensure provide for both patient safety and the reliable supply of medical cannabis, the Department of Agriculture, in consultation with the Natalie M. LaPrade Medical Cannabis Commission, shall submit emergency regulations, in accordance with Title 10, Subtitle 1 of the State Government Article, that permit allow the registration and use of crop protection agents in the growing cultivation of medical cannabis as part of an integrated pest management plan.

(b) The regulations submitted in accordance with subsection (a) of this section shall authorize the use of any crop protection agent that is labeled for use in a greenhouse environment and is:

(1) included in the list of products that the United States Environmental Protection Agency has exempted from registration under the Federal Insecticide, Fungicide, and Rodenticide Act;

(2) permitted for use on tobacco by included in the list of products that the United States Environmental Protection Agency has exempted from the food residue tolerance requirements listed in 40 C.F.R. 180;

(3) permitted by the United States Environmental Protection Agency to be labeled as meeting the criteria for organic food production as defined in the United States Department of Agriculture’s National Organic Program regulations; or

(4) specifically labeled allowed by the United States Environmental Protection Agency as permitted for for a use that is broad enough to include use on cannabis.

(c) If an approved crop protection agent is used in the cultivation of medical cannabis, the approved crop protection agent shall be applied in a manner consistent with State and federal application requirements.

(d) In the interest of promoting patient safety, the Natalie M. LaPrade Medical Cannabis Commission:

(1) shall develop guidance that does not adversely affect the affordability of medical cannabis for registered independent testing laboratories to follow when analyzing medical cannabis; and

(2) may remove a crop protection agent from the list of approved crop protection agents if there is reasonable, documented evidence that the crop protection agent has the potential to cause harm to patients.
SECTION 12. AND BE IT FURTHER ENACTED, That, on or before January 1, 2019, the Natalie M. LaPrade Medical Cannabis Commission shall report to the General Assembly, in accordance with § 2–1246 of the State Government Article, on potential rules and regulations governing marketing and advertising practices of entities licensed and certified by the Commission.

SECTION 7. AND BE IT FURTHER ENACTED, That, on or before January 1, 2019, the Natalie M. LaPrade Medical Cannabis Commission, in consultation with the Maryland Department of Health, shall report to the General Assembly, in accordance with § 2–1246 of the State Government Article, on the treatment of an opioid use disorder by using medical cannabis.

SECTION 8. AND BE IT FURTHER ENACTED, That any remedial measures adopted in regulation in accordance with § 13–3305.2 of the Health – General Article, as enacted by Section 1 of this Act, shall be construed to apply only prospectively and may not be applied or interpreted to have any effect on or application to a medical cannabis grower, processor, or dispenser awarded Stage One pre–approval before the effective date of this Act.

SECTION 9. AND BE IT FURTHER ENACTED, That, if any provision of this Act or the application thereof to any person or circumstance is held invalid for any reason in a court of competent jurisdiction, the invalidity does not affect other provisions or any other application of this Act that can be given effect without the invalid provision or application, and for this purpose the provisions of this Act are declared severable.

SECTION 10. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall take effect October 1, 2019.

SECTION 11. AND BE IT FURTHER ENACTED, That, except as provided in Section 16 of this Act, 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, May 15, 2018.
FOR the purpose of requiring, rather than authorizing, a qualifying patient to be a patient of a certain certifying provider or to be referred to the certifying provider, subject to certain conditions; requiring a certain referral to be made by a certain health care provider; prohibiting certain referrals from certain persons or entities; and generally relating to the referral of patients to certifying providers registered with the Natalie M. LaPrade Medical Cannabis Commission.

BY repealing and reenacting, with amendments,

Article – Health – General
Section 13–3304
Annotated Code of Maryland
(2015 Replacement Volume and 2017 Supplement)

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

Article – Health – General

13–3304.

(a) The Commission shall register as a certifying provider an individual who:

(1) Meets the requirements of this subtitle; and

(2) Submits application materials that meet the requirements of this subtitle.

(b) To be registered as a certifying provider, a provider shall submit a proposal to the Commission that includes:

(1) The reasons for including a patient under the care of the provider for the purposes of this subtitle, including the patient’s qualifying medical conditions;

(2) An attestation that a standard patient evaluation will be completed, including a history, a physical examination, a review of symptoms, and other pertinent medical information; and

(3) The provider’s plan for the ongoing assessment and follow–up care of a patient and for collecting and analyzing data.

(c) The Commission may not require an individual to meet requirements in addition to the requirements listed in subsections (a) and (b) of this section to be registered as a certifying provider.

(d) (1) The Commission is encouraged to approve provider applications for the following medical conditions:
(i) A chronic or debilitating disease or medical condition that results in a patient being admitted into hospice or receiving palliative care; or

(ii) A chronic or debilitating disease or medical condition or the treatment of a chronic or debilitating disease or medical condition that produces:

1. Cachexia, anorexia, or wasting syndrome;
2. Severe or chronic pain;
3. Severe nausea;
4. Seizures; or
5. Severe or persistent muscle spasms.

(2) The Commission may not limit treatment of a particular medical condition to one class of providers.

(e) The Commission may approve applications that include any other condition that is severe and for which other medical treatments have been ineffective if the symptoms reasonably can be expected to be relieved by the medical use of cannabis.

(f) (1) A certifying provider or the spouse of a certifying provider may not receive any gifts from or have an ownership interest in a medical cannabis grower, a processor, or a dispensary.

(2) A certifying provider may receive compensation from a medical cannabis grower, a processor, or a dispensary if the certifying provider:

   (i) Obtains the approval of the Commission before receiving the compensation; and

   (ii) Discloses the amount of compensation received from the medical cannabis grower, processor, or dispensary to the Commission.

(g) (1) (I) SUBJECT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH, A qualifying patient MAY BE

   1. a patient of the certifying provider;
   2. referred to the certifying provider.

(II) A REFERRAL OF A PATIENT TO A CERTIFYING PROVIDER UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH:
1. **Shall be made by the patient’s primary care health care provider or a health care provider who is responsible for the treatment of the patient’s medical condition; and**

2. **May may not be made by any person or entity employed, contracted, volunteering, or compensated by any form of remuneration, gift, donation, or bartering to register individuals as qualifying patients, to complete application forms, or to assist individuals in completing application forms to become qualifying patients, or to transport or deliver to the commission application forms for individuals seeking to become qualifying patients.**

   (2) A certifying provider shall provide each written certification to the Commission.

   (3) On receipt of a written certification provided under paragraph (2) of this subsection, the Commission shall issue an identification card to each qualifying patient or caregiver named in the written certification.

   (4) A certifying provider may discuss medical cannabis with a patient.

   (5) (i) Except as provided in subparagraph (ii) of this paragraph, a qualifying patient or caregiver may obtain medical cannabis only from a medical cannabis grower licensed by the Commission or a dispensary licensed by the Commission.

   (ii) A qualifying patient under the age of 18 years may obtain medical cannabis only through the qualifying patient’s caregiver.

   (6) (i) A caregiver may serve no more than five qualifying patients at any time.

   (ii) A qualifying patient may have no more than two caregivers.

   (h) (1) A certifying provider may register biennially.

   (2) The Commission shall grant or deny a renewal of a registration for approval based on the provider’s performance in complying with regulations adopted by the Commission.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2018.

Approved by the Governor, May 15, 2018.
Chapter 600  
(Senate Bill 1063)

AN ACT concerning  
Natalie M. LaPrade Medical Cannabis Commission – Certifying Providers – Referrals

FOR the purpose of requiring, rather than authorizing, a qualifying patient to be a patient of a certain certifying provider or to be referred to the certifying provider, subject to certain conditions; requiring a certain referral to be made by a certain health care provider; prohibiting certain referrals from certain persons or entities; and generally relating to the referral of patients to certifying providers registered with the Natalie M. LaPrade Medical Cannabis Commission.

BY repealing and reenacting, with amendments,  
Article – Health – General  
Section 13–3304  
Annotated Code of Maryland  
(2015 Replacement Volume and 2017 Supplement)

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

Article – Health – General

13–3304.

(a) The Commission shall register as a certifying provider an individual who:

(1) Meets the requirements of this subtitle; and

(2) Submits application materials that meet the requirements of this subtitle.

(b) To be registered as a certifying provider, a provider shall submit a proposal to the Commission that includes:

(1) The reasons for including a patient under the care of the provider for the purposes of this subtitle, including the patient’s qualifying medical conditions;

(2) An attestation that a standard patient evaluation will be completed, including a history, a physical examination, a review of symptoms, and other pertinent medical information; and
(3) The provider’s plan for the ongoing assessment and follow-up care of a patient and for collecting and analyzing data.

(c) The Commission may not require an individual to meet requirements in addition to the requirements listed in subsections (a) and (b) of this section to be registered as a certifying provider.

(d) (1) The Commission is encouraged to approve provider applications for the following medical conditions:

   (i) A chronic or debilitating disease or medical condition that results in a patient being admitted into hospice or receiving palliative care; or

   (ii) A chronic or debilitating disease or medical condition or the treatment of a chronic or debilitating disease or medical condition that produces:

       1. Cachexia, anorexia, or wasting syndrome;
       2. Severe or chronic pain;
       3. Severe nausea;
       4. Seizures; or
       5. Severe or persistent muscle spasms.

(2) The Commission may not limit treatment of a particular medical condition to one class of providers.

(e) The Commission may approve applications that include any other condition that is severe and for which other medical treatments have been ineffective if the symptoms reasonably can be expected to be relieved by the medical use of cannabis.

(f) (1) A certifying provider or the spouse of a certifying provider may not receive any gifts from or have an ownership interest in a medical cannabis grower, a processor, or a dispensary.

(2) A certifying provider may receive compensation from a medical cannabis grower, a processor, or a dispensary if the certifying provider:

   (i) Obtains the approval of the Commission before receiving the compensation; and

   (ii) Discloses the amount of compensation received from the medical cannabis grower, processor, or dispensary to the Commission.
(g) (1) (I) A SUBJECT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH, A qualifying patient \{may be\} SHALL:

1. BE a patient of the certifying provider; or \{may be\}

2. BE referred to the certifying provider.

(II) A REFERRAL OF A PATIENT TO A CERTIFYING PROVIDER UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH:

1. SHALL BE MADE BY THE PATIENT’S PRIMARY CARE HEALTH CARE PROVIDER OR A HEALTH CARE PROVIDER WHO IS RESPONSIBLE FOR THE TREATMENT OF THE PATIENT’S MEDICAL CONDITION; AND

2. MAY MAY NOT BE MADE BY ANY PERSON OR ENTITY EMPLOYED, CONTRACTED, VOLUNTEERING, OR COMPENSATED BY ANY FORM OF REMUNERATION, GIFT, DONATION, OR BARTERING TO REGISTER INDIVIDUALS AS QUALIFYING PATIENTS, TO COMPLETE APPLICATION FORMS, OR TO ASSIST INDIVIDUALS IN COMPLETING APPLICATION FORMS TO BECOME QUALIFYING PATIENTS, OR TO TRANSPORT OR DELIVER TO THE COMMISSION APPLICATION FORMS FOR INDIVIDUALS SEEKING TO BECOME QUALIFYING PATIENTS.

(2) A certifying provider shall provide each written certification to the Commission.

(3) On receipt of a written certification provided under paragraph (2) of this subsection, the Commission shall issue an identification card to each qualifying patient or caregiver named in the written certification.

(4) A certifying provider may discuss medical cannabis with a patient.

(5) (i) Except as provided in subparagraph (ii) of this paragraph, a qualifying patient or caregiver may obtain medical cannabis only from a medical cannabis grower licensed by the Commission or a dispensary licensed by the Commission.

(ii) A qualifying patient under the age of 18 years may obtain medical cannabis only through the qualifying patient’s caregiver.

(6) (i) A caregiver may serve no more than five qualifying patients at any time.

(ii) A qualifying patient may have no more than two caregivers.

(h) (1) A certifying provider may register biennially.
(2) The Commission shall grant or deny a renewal of a registration for approval based on the provider’s performance in complying with regulations adopted by the Commission.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2018.

Approved by the Governor, May 15, 2018.

Chapter 601

(Senate Bill 874)

AN ACT concerning

Natalie M. LaPrade Medical Cannabis Commission – Secure Transportation Companies Immunity

FOR the purpose of providing that certain immunity provisions relating to medical cannabis apply to the possession of medical cannabis; prohibiting a secure transportation company and a courier of a secure transportation company authorized under certain regulations to transport products containing medical cannabis certain third–party vendors authorized by the Natalie M. LaPrade Medical Cannabis Commission to take certain actions from being subject to certain arrest, prosecution, or certain penalties or being denied certain rights or privileges based on the transportation of products containing medical cannabis on a certain basis; and generally relating to the Natalie M. LaPrade Medical Cannabis Commission.

BY repealing and reenacting, with amendments,

Article – Health – General
Section 13–3313
Annotated Code of Maryland
(2015 Replacement Volume and 2017 Supplement)

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

Article – Health – General

13–3313.

(a) Any of the following persons acting in accordance with the provisions of this subtitle may not be subject to arrest, prosecution, or any civil or administrative penalty, including a civil penalty or disciplinary action by a professional licensing board, or be
denied any right or privilege, for the medical use of OR POSSESSION OF MEDICAL cannabis:

(1) A qualifying patient:

   (i) In possession of an amount of medical cannabis determined by the Commission to constitute a 30–day supply; or

   (ii) In possession of an amount of medical cannabis that is greater than a 30–day supply if the qualifying patient’s certifying provider stated in the written certification that a 30–day supply would be inadequate to meet the medical needs of the qualifying patient;

(2) A grower licensed under § 13–3306 of this subtitle or a grower agent registered under § 13–3306 of this subtitle;

(3) A certifying provider;

(4) A caregiver;

(5) A dispensary licensed under § 13–3307 of this subtitle or a dispensary agent registered under § 13–3308 of this subtitle;

(6) A processor licensed under § 13–3309 of this subtitle or a processor agent registered under § 13–3310 of this subtitle;

(7) A hospital, medical facility, or hospice program where a qualifying patient is receiving treatment; OR

(8) A THIRD–PARTY VENDOR AUTHORIZED BY THE COMMISSION TO TEST, TRANSPORT, OR DISPOSE OF MEDICAL CANNABIS, MEDICAL CANNABIS PRODUCTS, OR MEDICAL CANNABIS WASTE UNDER THE PROVISIONS OF THIS SUBTITLE.

(b) A SECURE TRANSPORTATION COMPANY OR A COURIER OF A SECURE TRANSPORTATION COMPANY AUTHORIZED UNDER REGULATIONS ADOPTED BY THE COMMISSION TO TRANSPORT PRODUCTS CONTAINING MEDICAL CANNABIS MAY NOT BE SUBJECT TO ARREST, PROSECUTION, OR ANY CIVIL OR ADMINISTRATIVE PENALTY, OR BE DENIED ANY RIGHT OR PRIVILEGE BASED ON THE TRANSPORTATION OF PRODUCTS CONTAINING MEDICAL CANNABIS.

{(b)} (c) A person may not distribute, possess, manufacture, or use cannabis that has been diverted from a qualifying patient, a caregiver, a licensed grower, or a licensed dispensary.
(2) A person who violates this subsection is guilty of a felony and on conviction is subject to imprisonment not exceeding 5 years or a fine not exceeding $10,000 or both.

(3) The penalty under this subsection is in addition to any penalties that a person may be subject to for manufacture, possession, or distribution of marijuana under the Criminal Law Article.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2018.

Approved by the Governor, May 15, 2018.

Chapter 602

(Senate Bill 423)

AN ACT concerning
Criminal Procedure – Postconviction – DNA Testing and Petition for Writ of Actual Innocence

FOR the purpose of clarifying the group of persons who may file a certain petition for postconviction DNA testing or a database or log search; requiring a court to order a new trial or vacate a conviction under certain circumstances for certain classes of persons filing for postconviction DNA testing; defining the term “conviction” as it relates to the standard required to file a writ of actual innocence by a person convicted at trial; establishing a standard required to file a petition for writ of actual innocence by a person convicted as a result of a guilty plea, an Alford plea, or a plea of nolo contendere; defining a certain term; authorizing a court to order a new trial or vacate a conviction under certain circumstances for certain classes of persons filing for writ of actual innocence; authorizing an appeal to be taken by certain persons under certain circumstances; making conforming changes; and generally relating to postconviction DNA testing and petitions for writ of actual innocence.

BY repealing and reenacting, with amendments,
Article – Criminal Procedure
Section 8–201
Annotated Code of Maryland
(2008 Replacement Volume and 2017 Supplement)

BY repealing and reenacting, with amendments,
Article – Criminal Procedure
SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

Article – Criminal Procedure

8–201.

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

(2) “Biological evidence” includes, but is not limited to, any blood, hair, saliva, semen, epithelial cells, buccal cells, or other bodily substances from which genetic marker groupings may be obtained.

(2) “CONVICTION” MEANS:

(I) A VERDICT OF GUILTY REACHED AS A RESULT OF A TRIAL;

(II) A PLEA OF GUILTY;

(III) AN ALFORD PLEA; OR

(IV) A PLEA OF NOLO CONTENDERE.

(4) (3) “DNA” means deoxyribonucleic acid.

“Law enforcement agency” means any of the following:

(i) a municipal or county police department;

(ii) sheriff’s office;

(iii) the Maryland State Police;

(iv) any prosecuting authority;

(v) any state, university, county, or municipal police unit or police force; and

(vi) any hospital, medical facility, or private entity that is conducting forensic examinations and securing biological evidence related to criminal investigations.

“Scientific identification evidence” means evidence that:
(i) is related to an investigation or prosecution that resulted in a judgment of conviction;

(ii) is in the actual or constructive possession of a law enforcement agency or agent of a law enforcement agency; and

(iii) contains biological evidence from which DNA may be recovered that may produce exculpatory or mitigating evidence relevant to a claim of a convicted person of wrongful conviction or sentencing if subject to DNA testing.

(b) Notwithstanding any other law governing postconviction relief, a person who is convicted of a crime of violence under § 14–101 of the Criminal Law Article may file a petition:

(1) for DNA testing of scientific identification evidence that the State possesses that is related to the judgment of conviction; or

(2) for a search by a law enforcement agency of a law enforcement data base or log for the purpose of identifying the source of physical evidence used for DNA testing.

c) A petitioner may move for a new trial under this section on the grounds that the conviction was based on unreliable scientific identification evidence and a substantial possibility exists that the petitioner would not have been convicted without the evidence.

d) (1) Subject to subsection (F) of this section, **IF A PETITIONER WAS CONVICTED AS THE RESULT OF A TRIAL, A GUILTY PLEA, AN ALFORD PLEA, OR A PLEA OF NOLO CONTENDERE**, a court shall order DNA testing if the court finds that:

(i) a reasonable probability exists that the DNA testing has the scientific potential to produce exculpatory or mitigating evidence relevant to a claim of wrongful conviction or sentencing; and

(ii) the requested DNA test employs a method of testing generally accepted within the relevant scientific community.

(2) A court shall order a data base search by a law enforcement agency if the court finds that a reasonable probability exists that the data base search will produce exculpatory or mitigating evidence relevant to a claim of wrongful conviction or sentencing.

e) (1) A petitioner shall notify the State in writing of the filing of a petition under this section.

(2) The State may file a response to the petition within 15 days after notice of the filing or within the time that the court orders.
(f) If the court orders DNA testing under subsection (d) of this section, the court in its order may issue orders the court considers appropriate, including designation of any of the following:

1. the specific evidence to be tested;
2. the method of testing to be used;
3. the preservation of some of the sample for replicate testing and analysis;
4. the laboratory where the testing is to be performed, provided that if the parties cannot agree on a laboratory, the court may approve testing at any laboratory accredited by the American Society of Crime Laboratory Directors (ASCLAD), the Laboratory Accreditation Board (LAB), or the National Forensic Science Technology Center; and
5. release of biological evidence by a third party.

(g) (1) Except as provided in paragraph (2) of this subsection, DNA testing ordered under subsection (d) of this section shall be conducted as soon as practicable.

(2) Based on a finding of necessity, the court may order the DNA testing to be completed by a date that the court provides.

(h) (1) Except as provided in paragraph (2) of this subsection, the petitioner shall pay the cost of DNA testing ordered under subsection (d) of this section.

(2) If the results of the DNA testing that the court orders under this section are favorable to the petitioner, the court shall order the State to pay the costs of the testing.

(i) (1) If the results of the postconviction DNA testing are unfavorable to the petitioner, the court shall dismiss the petition.

(2) **IF THE PETITIONER WAS CONVICTED AS THE RESULT OF A TRIAL AND** the results of the postconviction DNA testing are favorable to the petitioner, the court shall:

(i) if no postconviction proceeding has been previously initiated by the petitioner under § 7–102 of this article, open a postconviction proceeding under § 7–102 of this article;

(ii) if a postconviction proceeding has been previously initiated by the petitioner under § 7–102 of this article, reopen a postconviction proceeding under § 7–104 of this article;
(iii) In the case of a petitioner who was convicted by means of a guilty verdict reached as a result of a trial, on a finding that a substantial possibility exists that the petitioner would not have been convicted if the DNA testing results had been known or introduced at trial, order a new trial; or

(iv) In the case of a petitioner who was convicted by means of a guilty plea, an Alford plea, or a plea of no contest, on a finding that a substantial possibility exists that the DNA testing results substantially or significantly undermine the facts set forth by the State as the basis of a plea agreement, order a new trial.

(3) If the court finds that a substantial possibility does not exist under paragraph (2)(iii) of this subsection, the court may order a new trial if the court determines that the action is in the interest of justice.

(4) (I) If the petitioner was convicted as the result of a guilty plea, an Alford plea, or a plea of no contest, the court may grant a new trial or vacate the conviction if the court determines that the DNA test results establish by clear and convincing evidence the petitioner’s actual innocence of the offense or offenses that are the subject of the petitioner’s motion, the court may, as the court considers appropriate:

1. If no postconviction proceeding has been previously initiated by the petitioner under § 7–102 of this article, open a postconviction proceeding under § 7–102 of this article;

2. If a postconviction proceeding has been previously initiated by the petitioner under § 7–102 of this article, reopen a postconviction proceeding under § 7–104 of this article; or

3. Set aside the conviction and schedule the matter for trial.

(II) When assessing the impact of the DNA test results on the strength of the State’s case against the petitioner at the time the plea was entered, the court may consider, in addition to evidence that was presented as part of the factual support of the plea, admissible evidence submitted by either party that was contained in law enforcement files in existence at the time the plea was entered.

(III) When determining whether to grant a new trial or vacate the conviction an appropriate remedy under this paragraph, the court may consider any additional admissible evidence submitted by
EITHER PARTY THAT CAME INTO EXISTENCE AFTER THE PLEA WAS ENTERED AND IS RELEVANT TO THE PETITIONER’S CLAIM OF ACTUAL INNOCENCE.

(4) (5) If a new trial is granted or the matter is scheduled for trial, the court may order the release of the petitioner on bond or on conditions that the court finds will reasonably assure the presence of the petitioner at trial.

(j) (1) The State shall preserve scientific identification evidence that:

(i) the State has reason to know contains DNA material; and

(ii) is secured in connection with a violation of § 2–201, § 2–204, § 2–207, § 3–303, or § 3–304 of the Criminal Law Article.

(2) The State shall preserve scientific identification evidence described in paragraph (1) of this subsection for the time of the sentence, including any consecutive sentence imposed in connection with the offense.

(3) (i) If the State is unable to produce scientific identification evidence described in paragraph (1) of this subsection, the court shall hold a hearing to determine whether the failure to produce evidence was the result of intentional and willful destruction.

(ii) If the court determines at a hearing under subparagraph (i) of this paragraph that the failure to produce evidence was the result of intentional and willful destruction, the court shall:

1. order a postconviction hearing to be conducted in accordance with subparagraph (iii) of this paragraph; and

2. at the postconviction hearing infer that the results of the postconviction DNA testing would have been favorable to the petitioner.

(iii) 1. A court ordering a postconviction hearing under subparagraph (ii) of this paragraph shall open the postconviction hearing under § 7–102 of this article, if no postconviction hearing has been previously initiated by the petitioner under § 7–102 of this article.

2. A court ordering a postconviction hearing under subparagraph (ii) of this paragraph shall reopen the postconviction hearing under § 7–104 of this article, if a postconviction hearing has been previously initiated by the petitioner under § 7–102 of this article.

INFER THAT THE RESULTS OF THE POSTCONVICTIO
DNA TESTING WOULD HAVE BEEN FAVORABLE TO THE PETITIONER IN ANY PROCEEDING TO DETERMINE WHETHER THE PETITIONER SHOULD BE GRANTED RELIEF UNDER SUBSECTION (I)(2) OF THIS SECTION.
(4) The State shall make the scientific identification evidence available to parties in the case under terms that are mutually agreed on between them.

(5) If an agreement cannot be reached, the party requesting the testing may file an application in the circuit court that entered the judgment for an order setting the terms under which the evidence will be made available for testing.

(k) (1) The State may dispose of scientific identification evidence before the expiration of the time period described in subsection (j) of this section if the State notifies the following persons:

(i) the person who is incarcerated in connection with the case;

(ii) any attorney of record for the person incarcerated; and

(iii) the Office of Public Defender for the judicial district in which the judgment of conviction was entered.

(2) The notification required in paragraph (1) of this subsection shall include:

(i) a description of the scientific identification evidence;

(ii) a statement that the State intends to dispose of the evidence;

(iii) a statement that the State will dispose of the evidence unless a party files an objection in writing within 120 days from the date of service in the circuit court that entered the judgment; and

(iv) the name and mailing address of the circuit court where an objection may be filed.

(3) Unless another law or court order requires the preservation of the scientific identification evidence, if no objection to the disposition of the evidence is filed within 120 days of the notice required under this subsection, the State may dispose of the evidence.

(4) If a person files written objections to the State’s notice that it intends to dispose of scientific identification evidence, the court shall hold a hearing on the proposed disposition of the evidence and at the conclusion of the hearing, if the court determines by a preponderance of the evidence that:

(i) the evidence has no significant value for forensic science analysis, the court may order the return of the evidence to its rightful owner, the destruction of the evidence, or other disposition as provided by law; or
(ii) the evidence is of such size, bulk, or physical character that it cannot practicably be retained by a law enforcement agency, on a showing of need, the court shall order that the evidence be made available to the party objecting to the disposition of the evidence for the purpose of obtaining representative samples from the evidence in the form of cuttings, swabs, or other means, prior to the release or destruction of the evidence.

(5) If the court orders that representative samples be made available under paragraph (4)(ii) of this subsection, the court shall further order that the samples be obtained by a qualified crime scene technician acting on behalf of the party seeking to obtain the samples or by the law enforcement agency in possession of the evidence, which also shall preserve and store the representative samples until the representative samples are released to the custody of a DNA testing facility.

(6) An appeal to the court of appeals may be taken from an order entered under this section.

8–301.

(a) (1) In this subsection, “conviction” means:

(I) A verdict of guilty reached as a result of a trial;

(II) A plea of guilty;

(III) An Alford plea; or

(IV) A plea of no lo contendere.

(2) A person charged by indictment or criminal information with a crime triable in circuit court and convicted of that crime may, at any time, file a petition for writ of actual innocence in the circuit court for the county in which the conviction was imposed if the person claims that there is newly discovered evidence that:

1. If the conviction resulted from a trial, creates a substantial or significant possibility that the result may have been different, as that standard has been judicially determined; [and] OR

2. If the conviction resulted from a guilty plea, an Alford plea, or a plea of no lo contendere, substantially or significantly undermines the facts set forth by the State as the basis of the plea agreement when considered with admissible evidence in addition to the evidence that was presented as part of the factual support of the plea that was contained in law enforcement files in existence at the time the plea was entered, establishes by clear and
CONVINCING EVIDENCE THE PETITIONER’S ACTUAL INNOCENCE OF THE OFFENSE OR OFFENSES THAT ARE THE SUBJECT OF THE PETITIONER’S MOTION; AND

{(2)} could not have been discovered in time to move for a new trial under Maryland Rule 4–331.

(b) A petition filed under this section shall:

(1) be in writing;

(2) state in detail the grounds on which the petition is based;

(3) describe the newly discovered evidence;

(4) contain or be accompanied by a request for hearing if a hearing is sought; and

(5) distinguish the newly discovered evidence claimed in the petition from any claims made in prior petitions.

(c) (1) A petitioner shall notify the State in writing of the filing of a petition under this section.

(2) The State may file a response to the petition within 90 days after receipt of the notice required under this subsection or within the period of time that the court orders.

(d) (1) Before a hearing is held on a petition filed under this section, the victim or victim’s representative shall be notified of the hearing as provided under § 11–104 or § 11–503 of this article.

(2) A victim or victim’s representative has the right to attend a hearing on a petition filed under this section as provided under § 11–102 of this article.

(e) (1) Except as provided in paragraph (2) of this subsection, the court shall hold a hearing on a petition filed under this section if the petition satisfies the requirements of subsection (b) of this section and a hearing was requested.

(2) The court may dismiss a petition without a hearing if the court finds that the petition fails to assert grounds on which relief may be granted.

(f) (1) [In] IF THE CONVICTION RESULTED FROM A TRIAL, IN ruling on a petition filed under this section, the court may set aside the verdict, resentence, grant a new trial, or correct the sentence, as the court considers appropriate.
Chapter 602  Laws of Maryland – 2018 Session

(2)  (i)  If the conviction resulted from a guilty plea, an Alford plea, or a plea of no lo contendere, when assessing the impact of the newly discovered evidence on the strength of the State’s case against the petitioner at the time of the plea, the court may consider admissible evidence submitted by either party, in addition to the evidence that was presented as part of the factual support of the plea, that was contained in law enforcement files in existence at the time the plea was entered.

(ii)  If the court determines that, when considered with admissible evidence, in addition to the evidence presented as part of the factual support of the plea, that was contained in law enforcement files in existence at the time the plea was entered, the newly discovered evidence establishes by clear and convincing evidence the petitioner’s actual innocence of the offense or offenses that are the subject of the petitioner’s motion, the court may:

1.  Allow the petitioner to withdraw the guilty plea, Alford plea, or plea of no lo contendere; and

2.  Grant a new trial or vacate the conviction set aside the conviction, resentence, schedule the matter for trial, or correct the sentence, as the court considers appropriate.

(iii)  When determining the appropriate remedy, the court may allow both parties to present any admissible evidence that came into existence after the plea was entered and is relevant to the petitioner’s claim of actual innocence.

(2)  (3)  The court shall state the reasons for its ruling on the record.

(g)  A petitioner in a proceeding under this section has the burden of proof.

(h)  If the petitioner was convicted as a result of a guilty plea, an Alford plea, or a plea of no lo contendere, an appeal may be taken either by the State or the petitioner from an order entered under this section.

(h)  (1)  On written request by the petitioner, the State’s Attorney may certify that a conviction was in error, if:

1.  the court grants a petition for relief under this section;
in ruling on a petition under this section, the court sets aside the verdict or grants a new trial:

(I) SETS ASIDE THE VERDICT OR CONVICTION; OR

(II) SCHEDULES THE MATTER FOR TRIAL OR GRANTS A NEW TRIAL; and

(3) the State’s Attorney declines to prosecute the petitioner because the State’s Attorney determines that the petitioner is innocent.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2018.

Approved by the Governor, May 15, 2018.

Chapter 603

(House Bill 572)

AN ACT concerning

Income Tax – Oyster Shell Recycling Credit – Maximum Allowable Amount and Sunset Repeal Extension

FOR the purpose of increasing the maximum allowable amount of a certain credit against the State income tax for certain bushels of oyster shells recycled during a taxable year; repealing extending for a certain number of years certain termination provisions related to the credit; providing for the application of certain provisions of this Act; and generally relating to an income tax credit for oyster shell recycling.

BY repealing and reenacting, with amendments,

Article – Tax – General
Section 10–724.1
Annotated Code of Maryland
(2016 Replacement Volume and 2017 Supplement)

BY repealing and reenacting, with amendments,

Chapter 278 of the Acts of the General Assembly of 2013
Section 2

BY repealing and reenacting, with amendments,

Chapter 279 of the Acts of the General Assembly of 2013
Section 2
SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

Article – Tax – General

10–724.1.

(a) (1) Subject to the limitations of this section, an individual or a corporation may claim a credit against the State income tax in an amount equal to $5 for each bushel of oyster shells recycled during the taxable year.

(2) An individual or a corporation that claims the credit under this section shall provide verification of the amount of oyster shells recycled during the taxable year with the individual or corporation tax return.

(b) (1) For any taxable year, the credit allowed under this section may not exceed the lesser of:

(i) [§750] $1,500; or

(ii) the State income tax calculated before application of the credit allowed under this section and §§ 10–701 and 10–701.1 of this subtitle.

(2) The unused amount of the credit may not be carried over to any other taxable year.

(c) (1) The Department of Natural Resources and the Comptroller jointly shall adopt regulations to carry out the provisions of this section.

(2) The regulations shall establish eligibility criteria and provide for the certification of businesses, landfills, and nonprofit organizations to verify the amount of oyster shells recycled by each individual or corporation.

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

Chapter 278 of the Acts of 2013

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2013, and shall be applicable to all taxable years beginning after December 31, 2012. It shall remain effective for a period of 8 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.

Chapter 279 of the Acts of 2013
SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2013, and shall be applicable to all taxable years beginning after December 31, 2012. It shall remain effective for a period of 8 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.

SECTION 3. AND BE IT FURTHER ENACTED, That Section 1 of this Act shall be applicable to all taxable years beginning after December 31, 2017.

SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2018.

Approved by the Governor, May 15, 2018.

Chapter 604
(Senate Bill 153)

AN ACT concerning

Income Tax Credit – Oyster Shell Recycling Credit – Sunset Extension
Maximum Allowable Amount and Sunset Repeal Extension

FOR the purpose of extending the termination date of a certain tax credit allowed for oyster shell recycling, increasing the maximum allowable amount of a certain credit against the State income tax for certain bushels of oyster shells recycled during a taxable year; repealing extending for a certain number of years certain termination provisions related to the credit; providing for the application of certain provisions of this Act; and generally relating to an income tax credit for oyster shell recycling.

BY repealing and reenacting, without amendments,
Article – Tax – General
Section 10–724.1
Annotated Code of Maryland
(2016 Replacement Volume and 2017 Supplement)

BY repealing and reenacting, with amendments,
Chapter 278 of the Acts of the General Assembly of 2013
Section 2

BY repealing and reenacting, with amendments,
Chapter 279 of the Acts of the General Assembly of 2013
Section 2
SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

Article – Tax – General

10–724.1.

(a) (1) Subject to the limitations of this section, an individual or a corporation may claim a credit against the State income tax in an amount equal to $5 for each bushel of oyster shells recycled during the taxable year.

(2) An individual or a corporation that claims the credit under this section shall provide verification of the amount of oyster shells recycled during the taxable year with the individual or corporation tax return.

(b) (1) For any taxable year, the credit allowed under this section may not exceed the lesser of:

(i) $750
(ii) $1,500; or

(ii) the State income tax calculated before application of the credit allowed under this section and §§ 10–701 and 10–701.1 of this subtitle.

(2) The unused amount of the credit may not be carried over to any other taxable year.

(c) (1) The Department of Natural Resources and the Comptroller jointly shall adopt regulations to carry out the provisions of this section.

(2) The regulations shall establish eligibility criteria and provide for the certification of businesses, landfills, and nonprofit organizations to verify the amount of oyster shells recycled by each individual or corporation.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2013, and shall be applicable to all taxable years beginning after December 31, 2012. It shall remain effective for a period of [5] 10 years and, at the end of June 30, [2018] 2023, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.

Chapter 278 of the Acts of 2013

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2013, and shall be applicable to all taxable years beginning after December 31, 2012. It shall remain effective for a period of [5] 10 years and, at the end of June 30, [2018] 2023, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.

Chapter 279 of the Acts of 2013
SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2013, and shall be applicable to all taxable years beginning after December 31, 2012. It shall remain effective for a period of [5] 10 years and, at the end of June 30, [2018] 2023, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect. It shall remain effective for a period of [5] 10 years and, at the end of June 30, [2018] 2023, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.

SECTION 3. AND BE IT FURTHER ENACTED, That Section 1 of this Act shall be applicable to all taxable years beginning after December 31, 2017.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2018.

Approved by the Governor, May 15, 2018.

Chapter 605

(Senate Bill 682)

AN ACT concerning

Medical Assistance Program and Health Insurance—Emergency Medical Services Providers—Coverage and Reimbursement of Services—Reports and Plan

FOR the purpose of requiring the Maryland Department of Health to reimburse certain emergency medical services providers for certain services provided to Maryland Medical Assistance Program recipients; requiring insurers, nonprofit health service plans, and health maintenance organizations that provide health insurance benefits under certain insurance policies or contracts to provide coverage for certain services provided by certain emergency medical services providers; defining certain terms; making a conforming change; providing for the application of this Act by Maryland Health Care Commission and the Maryland Institute for Emergency Medical Services Systems, in consultation with certain entities, jointly to develop a certain plan, identify a certain process, study and make recommendations regarding certain matters, and submit certain reports on or before a certain date; providing for the construction of this Act; and generally relating to the coverage and reimbursement of services provided by emergency medical services providers.

BY repealing and reenacting, with amendments,

Article—Health—General

Section 15–114.1

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

Article—Health—General

15–114.1.

(a) (1) In this section[1], “emergency” THE FOLLOWING WORDS HAVE THE
MEANINGS INDICATED.

(2) “EMERGENCY MEDICAL SERVICES PROVIDER” HAS THE MEANING
STATED IN § 13–516 OF THE EDUCATION ARTICLE.

(3) “EMERGENCY service transporter” means a public entity or volunteer
fire, rescue, or emergency medical service that provides emergency medical services.

(4) “MOBILE INTEGRATED HEALTH SERVICE” MEANS A
COMMUNITY–BASED PREVENTIVE, PRIMARY, CHRONIC, PREADMISSION, OR
POSTADMISSION HEALTH CARE SERVICE OR TRANSPORT PROVIDED BY AN
EMERGENCY MEDICAL SERVICES PROVIDER TO AN INDIVIDUAL TO REDUCE THE
UNNECESSARY USE OF 911 AND TRANSPORTS TO HOSPITAL EMERGENCY
DEPARTMENTS FOR MINOR MEDICAL CONDITIONS.

(b) (1) If an emergency service transporter charges for its services and requests reimbursement from the Program,
the Department shall reimburse the emergency service transporter, in an amount as
specified by regulations adopted by the Department, for the cost of:

(1) Transportation the emergency service transporter provides to a
Program recipient to a facility in response to a 911 call; and

(2) Medical services the emergency service transporter provides to the
Program recipient while transporting the Program recipient to a facility in response to a
911 call.

(c) (1) THE DEPARTMENT SHALL REIMBURSE AN EMERGENCY MEDICAL
SERVICES PROVIDER FOR MOBILE INTEGRATED HEALTH SERVICES PROVIDED TO A
PROGRAM RECIPIENT.
(2) The services subject to reimbursement under paragraph (1) of this subsection shall include:

(i) Health care services, including health assessments, chronic disease monitoring and education, medication compliance, immunizations and vaccinations, laboratory specimen collection, hospital discharge follow-up care, and minor medical procedures, provided by an emergency medical services provider that are:

1. Within the scope of practice of the provider;

2. Provided in a home or any other community-based setting to a Program recipient who does not require emergency medical transport; and

(ii) Transportation provided by the emergency medical services provider to a Program recipient with a low-acuity health condition to and from a location in which urgent health care services are provided to individuals.

(e) The Department shall adopt any regulations necessary to carry out this section.

Article—Insurance

15–853.

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

(2) "Emergency medical services provider" has the meaning stated in § 13–516 of the Education Article.

(3) "Mobile integrated health service" has the meaning stated in § 15–114.1 of the Health—General Article.

(B) 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 OR CONTRACTS 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.

(C) (1) AN ENTITY SUBJECT TO THIS SECTION SHALL PROVIDE COVERAGE FOR MOBILE INTEGRATED HEALTH SERVICES PROVIDED BY AN EMERGENCY MEDICAL SERVICES PROVIDER TO AN INSURED OR ENROLLEE.

(2) THE SERVICES FOR WHICH COVERAGE IS REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL INCLUDE:

(I) HEALTH CARE SERVICES, INCLUDING HEALTH ASSESSMENTS, CHRONIC DISEASE MONITORING AND EDUCATION, MEDICATION COMPLIANCE, IMMUNIZATIONS AND VACCINATIONS, LABORATORY SPECIMEN COLLECTION, HOSPITAL DISCHARGE FOLLOW-UP CARE, AND MINOR MEDICAL PROCEDURES, PROVIDED BY AN EMERGENCY MEDICAL SERVICES PROVIDER THAT ARE:

1. WITHIN THE SCOPE OF PRACTICE OF THE PROVIDER; AND

2. PROVIDED IN A HOME OR ANY OTHER COMMUNITY-BASED SETTING TO AN INSURED OR ENROLLEE WHO DOES NOT REQUIRE EMERGENCY MEDICAL TRANSPORT; AND

(II) TRANSPORTATION PROVIDED BY THE EMERGENCY MEDICAL SERVICES PROVIDER TO AN INSURED OR ENROLLEE WITH A LOW-ACUITY HEALTH CONDITION TO AND FROM A LOCATION IN WHICH URGENT HEALTH CARE SERVICES ARE PROVIDED TO INDIVIDUALS.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall apply to all policies, contracts, and health benefit plans issued, delivered, or renewed in the State on or after January 1, 2019.

(a) (1) The Maryland Health Care Commission and the Maryland Institute for Emergency Medical Services Systems, in consultation with the Maryland Department of Health, the Health Services Cost Review Commission, the Maryland Hospital Association, the Maryland State Medical Society, the Maryland Nurses Association, and managed care organizations in the State, jointly shall:
(i) develop a statewide plan for the reimbursement of services provided by emergency medical services providers to Maryland Medical Assistance Program recipients, including:

1. mobile integrated health services;

2. emergency medical services without transport; and

3. emergency medical services with transport to an alternative destination; and

(ii) identify a process for obtaining Medicare reimbursement for the services specified under item (i) of this paragraph.

(2) On or before January 1, 2019, the Maryland Health Care Commission and the Maryland Institute for Emergency Medical Services Systems jointly shall submit a report that includes the plan developed and a description of the process identified under paragraph (1) of this subsection to the Governor and, in accordance with § 2–1246 of the State Government Article, the General Assembly.

(3) This subsection may not be construed to preclude the Maryland Department of Health from initiating reimbursement for any of the services specified in paragraph (1)(i) of this subsection before the submission of the report required under paragraph (2) of this subsection.

(b) (1) The Maryland Health Care Commission and the Maryland Institute for Emergency Medical Services Systems, in consultation with the Maryland Department of Health, the Health Services Cost Review Commission, the Maryland Hospital Association, the Maryland State Medical Society, the Maryland Nurses Association, and commercial health insurers, nonprofit health service plans, and health maintenance organizations in the State, jointly shall study and make recommendations regarding the desirability and feasibility of reimbursement for services provided by emergency medical services providers to enrollees of health insurers, nonprofit health service plans, and health maintenance organizations, including:

(i) mobile integrated health services;

(ii) emergency medical services without transport; and

(iii) emergency medical services with transport to an alternative destination.

(2) On or before January 1, 2019, the Maryland Health Care Commission and the Maryland Institute for Emergency Medical Services Systems jointly shall submit a report on the findings and recommendations from the study required under paragraph (1) of this subsection, including any legislative proposals, to the Governor and, in accordance with § 2–1246 of the State Government Article, the General Assembly.
(3) This subsection may not be construed to preclude a health insurer, nonprofit health service plan, or health maintenance organization from initiating reimbursement for any of the services specified in paragraph (1) of this subsection before the submission of the report required under paragraph (2) of this subsection.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2018.

Approved by the Governor, May 15, 2018.

Chapter 606
(Senate Bill 1056)

AN ACT concerning

Rural Health Collaborative Pilot

FOR the purpose of establishing the Rural Health Collaborative Pilot in the Maryland Department of Health; specifying the membership of the Collaborative; providing for the purposes of the Collaborative; establishing a Rural Health Collaborative Executive Committee; providing for the membership of the Executive Committee; establishing certain duties of the Executive Committee; requiring the Executive Committee, with the approval of the Secretary of Health, to appoint an Executive Director of the Collaborative; specifying that the Executive Director serves at the pleasure of the Executive Committee; requiring the Executive Committee to determine certain compensation for the Executive Director; specifying the role and duties of the Executive Director; authorizing the Executive Director to employ and retain certain staff; requiring the Executive Director to determine the classification, grade, and compensation of certain positions under certain circumstances; establishing certain powers and duties of the Collaborative; requiring the Governor to provide a certain appropriation in the State budget in certain fiscal years; requiring the Collaborative to direct the establishment of certain rural health complexes by assessing certain needs, identifying certain care delivery models, and convening certain systems, community organizations, and certain stakeholders for certain purposes; requiring the Secretary to approve a certain rural health complex under certain circumstances; requiring a certain rural health complex to relinquish a certain designation under certain circumstances; requiring the Collaborative, on or before a certain date, to report to the Governor and the General Assembly on certain standards and criteria; requiring the Collaborative, beginning on a certain date, to annually report to the Governor and General Assembly on certain activities in a certain region including certain information on certain rural health complexes; providing for the application of this Act; defining certain terms; and generally relating to the Rural Health Collaborative Pilot.
BY adding to
   Article – Health – General
Section 2–901 through 2–908 to be under the new subtitle “Subtitle 9. Rural Health Collaborative Pilot”
Annotated Code of Maryland
(2015 Replacement Volume and 2017 Supplement)

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

   Article – Health – General

   SUBTITLE 9. RURAL HEALTH COLLABORATIVE PILOT.

2–901.

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

   (B) “COLLABORATIVE” MEANS THE RURAL HEALTH COLLABORATIVE PILOT ESTABLISHED UNDER § 2–902 OF THIS SUBTITLE.

   (C) “EXECUTIVE COMMITTEE” MEANS THE EXECUTIVE COMMITTEE OF THE RURAL HEALTH COLLABORATIVE PILOT.

   (D) “MID–SHORE REGION” INCLUDES CAROLINE COUNTY, DORCHESTER COUNTY, KENT COUNTY, QUEEN ANNE’S COUNTY, AND TALBOT COUNTY.

   (E) “PRIMARY CARE PROVIDER” INCLUDES A PRIMARY CARE PHYSICIAN, A PHYSICIAN ASSISTANT, AND A NURSE PRACTITIONER.

   (F) “RURAL HEALTH COMPLEX” MEANS A COMMUNITY–BASED AMBULATORY CARE SETTING OR INPATIENT CARE SETTING THAT INTEGRATES PRIMARY CARE AND OTHER HEALTH CARE SERVICES DETERMINED TO BE ESSENTIAL BY THE COLLABORATIVE WITH INPUT BY THE COMMUNITY, AND DETERMINED TO BE SUSTAINABLE BY THE COLLABORATIVE.

2–902.

   (A) THERE IS A RURAL HEALTH COLLABORATIVE PILOT WITHIN THE MID–SHORE REGION.

   (B) THE COLLABORATIVE IS AN INDEPENDENT UNIT IN THE DEPARTMENT.
(C) **The Collaborative shall have a minimum of 29 members but may not exceed 35 members.**

(D) **The Collaborative shall include the following members:**

1. **The Executive Committee; and**

2. **The following members appointed by the Secretary:**
   
   (i) One representative from a local department of social services in the Mid- Shore Region;

   (ii) One representative from a local management board in the Mid-Shore Region;

   (iii) One representative from a department of emergency services in the Mid-Shore Region;

   (iv) One representative from a local agency on aging in the Mid-Shore Region;

   (v) One representative from a local board of education in the Mid-Shore Region;

   (vi) One health care consumer from each county in the Mid-Shore Region;

   (vii) One health care provider from each county in the Mid-Shore Region; and

   (viii) Two representatives from primary transportation providers in the Mid-Shore Region.

(E) **The purposes of the Collaborative are to:**

1. **Lead a regional partnership in building a rural health system that enhances access to and utilization of health care services designed to meet the triple aim of:**

   (i) Providing health care;

   (ii) Alignment with the State’s Medicare waiver; and

   (iii) Improving population health;
(2) **Mediate disputes between stakeholders;**

(3) **Assist in collaboration among health care service providers in the mid–shore region;**

(4) **Increase the awareness among county officials and residents regarding the health status, health needs, and available resources in the mid–shore region; and**

(5) **Enhance rural economic development in the mid–shore region.**

2–903.

**This subtitle does not affect the authority of the Secretary, the Maryland Health Care Commission, or the Health Services Cost Review Commission to regulate a health care facility, a health care institution, a health care service, or a health care program under this article.**

2–904.

(A) **There is a Rural Health Care Collaborative Executive Committee.**

(B) **The Executive Committee consists of the following members:**

(1) **The health officers from Caroline County, Dorchester County, Kent County, Queen Anne’s County, and Talbot County;**

(2) **The chief executive officer of:**

   (i) **University of Maryland Shore Regional Health;**

   AND

   (ii) **The Anne Arundel Medical Center;**

(3) **The chief executive officer of a federally qualified health center that serves the mid–shore region; and**

(4) **The following members appointed by the Secretary:**

   (i) **One primary care provider who practices in the mid–shore region;**
(II) ONE SPECIALTY CARE PHYSICIAN WHO PRACTICES IN THE MID-SHORE REGION;

(III) ONE BEHAVIORAL HEALTH PROVIDER WHO PRACTICES IN THE MID-SHORE REGION; AND

(IV) ONE HEALTH CARE CONSUMER RESIDING IN THE MID-SHORE REGION.

(C) THE EXECUTIVE COMMITTEE SHALL:

(1) PROVIDE GENERAL DIRECTION TO THE COLLABORATIVE; AND

(2) MAKE OPERATING DECISIONS ON PROJECTS APPROVED BY THE COLLABORATIVE.

2–905.

(A) (1) WITH THE APPROVAL OF THE SECRETARY, THE EXECUTIVE COMMITTEE SHALL APPOINT AN EXECUTIVE DIRECTOR OF THE COLLABORATIVE.

(2) THE EXECUTIVE DIRECTOR SHALL SERVE AT THE PLEASURE OF THE EXECUTIVE COMMITTEE.

(3) IN ACCORDANCE WITH THE STATE BUDGET, THE EXECUTIVE COMMITTEE SHALL DETERMINE THE APPROPRIATE COMPENSATION FOR THE EXECUTIVE DIRECTOR.

(B) UNDER THE DIRECTION OF THE EXECUTIVE COMMITTEE, THE EXECUTIVE DIRECTOR SHALL:

(1) BE THE CHIEF ADMINISTRATIVE OFFICER OF THE COLLABORATIVE;

(2) DIRECT, ADMINISTER, AND MANAGE THE OPERATIONS OF THE COLLABORATIVE; AND

(3) PERFORM ALL DUTIES NECESSARY TO COMPLY WITH AND CARRY OUT THE PROVISIONS OF THIS SUBTITLE.

(C) IN ACCORDANCE WITH THE STATE BUDGET, THE EXECUTIVE DIRECTOR MAY EMPLOY AND RETAIN A STAFF FOR THE COLLABORATIVE.
(D) The Executive Director shall determine the classification, grade, and compensation of those positions designated under subsection (C) of this section:

1. In consultation with the Secretary of Budget and Management;

2. With the approval of the Executive Committee; and

3. In accordance with the State pay plan.

2–906.

(A) In addition to the powers set forth elsewhere in this subtitle, the Collaborative may:

1. Adopt bylaws, rules, and policies;

2. Adopt regulations to carry out this subtitle;

3. Maintain an office at the place designated by the Collaborative;

4. Apply for and receive grants, contracts, or other public or private funding;

5. Issue and award contracts and grants; and

6. Do all things necessary or convenient to carry out the powers granted by this subtitle.

(B) To carry out the purposes of this subtitle, the Collaborative may create and consult with ad hoc advisory committees.

2–907.

For fiscal year 2019 and for each fiscal year thereafter, the Governor shall provide an appropriation in the State budget adequate to fully fund the operations of the Collaborative.

2–908.

(A) (1) The Collaborative shall direct the establishment of rural health complexes by:
(I) Assessing the needs of communities in the mid–shore region that lack access to essential community–based primary care, behavioral health, specialty care, or dental care services;

(II) Identifying care delivery models that have the potential to reduce deficits in care; and

(III) Convening health and hospital systems, community organizations, and local stakeholders to build consensus on the appropriate scale of a rural health complex.

(2) (1) The Secretary shall approve a rural health complex:

1. Recommended by the Collaborative by a majority of a quorum of the Collaborative present and voting;

2. That meets the standards and criteria established by the Collaborative for a rural health complex; and

3. If the rural health complex demonstrates that it meets the standards and criteria established by the Collaborative.

(II) A complex that fails to meet the standards and criteria established by the Collaborative shall relinquish its designation as a complex.

(3) On or before December 1, 2020, the Collaborative shall report to the Governor and, in accordance with § 2–1246 of the State Government Article, the General Assembly on the standards and criteria that a community must meet to establish a rural health complex before the Collaborative approves a rural health complex.

(B) On or before December 1, 2021, and December 1 each year thereafter, the Collaborative shall report to the Governor and, in accordance with § 2–1246 of the State Government Article, the General Assembly on its activities regarding health care delivery in the mid–shore region, including:

(1) The number of rural health complexes approved;
Chapter 607

(House Bill 284)

AN ACT concerning

Cecil County – Office of the Sheriff – Employees and Collective Bargaining

FOR the purpose of altering the period of time for which certain employees of the Office of the Sheriff of Cecil County are required to serve a probationary period; altering which deputy sheriffs in the Office have the right to organize and collectively bargain with the Sheriff and the Cecil County Executive with regard to certain wages, benefits, and working conditions; correcting certain references to the government of Cecil County and to a certain position in the Office; making certain stylistic changes; and generally relating to the Office of the Sheriff of Cecil County.

BY repealing and reenacting, with amendments,

Article – Courts and Judicial Proceedings
Section 2–309(i)
Annotated Code of Maryland
(2013 Replacement Volume and 2017 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.

(i) (1) (i) The Sheriff of Cecil County shall receive an annual salary of:
1. $71,500 for fiscal year 2015;
2. $75,075 for fiscal year 2016;
3. $77,350 for fiscal year 2017;
4. $79,675 for fiscal year 2018;
5. Except as provided in item 6 of this subparagraph, $82,075 for fiscal year 2019; and
6. For each term of office beginning with the term that begins in fiscal year 2019, not less than $100,000, as determined by the County Council of Cecil County.

(ii) In addition, the Sheriff shall receive the benefits and reimbursements for reasonable expenses in the performance of duties as provided in the Cecil County budget or by law, including, where appropriate:

1. Reimbursements under the Standard State Travel Regulations; and
2. Participation in the health care plan that is negotiated for county employees.

(iii) 1. The Sheriff shall appoint a chief deputy sheriff, a community [adult rehabilitation center administrator] CORRECTIONS DIRECTOR, a detention center director, a detention center deputy director, a law enforcement director, law enforcement personnel, and a personal secretary to the Sheriff.

2. The Sheriff may remove the chief deputy sheriff, community [adult rehabilitation center administrator] CORRECTIONS DIRECTOR, detention center director, detention center deputy director, law enforcement director, and personal secretary to the Sheriff at any time whether or not for cause.

(iv) The Sheriff shall appoint full–time or part–time employees, as provided in the county budget, to perform the duties of the Sheriff’s [department. These employees shall include] OFFICE, INCLUDING:

1. Deputy sheriffs to perform law enforcement functions;
2. Deputy sheriffs to perform correctional functions;
3. Clerical and other civilian employees;
4. A director of the detention center; and
5. A community [adult rehabilitation center administrator] CORRECTIONS DIRECTOR.

(v) 1. Except for the chief deputy sheriff, each employee of the Sheriff's [department] OFFICE shall serve a probationary period of [12] 18 months.

2. The Sheriff may extend the probationary period REQUIRED UNDER SUBSUBPARAGRAPH 1 OF THIS SUBPARAGRAPH for cause.

(vi) During the probationary period of an employee in the Sheriff's [department] OFFICE:

1. The employee shall satisfactorily complete any certification or training program specified by the Sheriff; and

2. The determination of an employee's qualifications and ability to serve in the position of a permanent non–probationary employee shall be within the sole discretion of the Sheriff.

(vii) Except for the chief deputy sheriff, community [adult rehabilitation center administrator] CORRECTIONS DIRECTOR, detention center director, detention center deputy director, law enforcement director, law enforcement personnel, and personal secretary to the Sheriff, all employees of the Sheriff's department:

1. Shall be governed by the rank, salary, and benefit structures of the Cecil County personnel policy; and

2. Except as provided in subparagraph (viii) of this paragraph, upon completion of the probationary period, shall be subject to the Cecil County personnel regulations and policies in all matters.

(viii) Law enforcement officers and correctional officers of the Sheriff's [department] OFFICE may be terminated only for just cause.

(ix) Nothing in this subsection shall affect the rights and protections accorded an employee under any other provision of law.

(2) The [County Commissioners] COUNTY shall pay the cost of all necessary expenses incurred by the Sheriff and his staff.

(3) The Sheriff of Cecil County shall have the authority to formulate and administer a plan that includes the method of supervision to use inmates the Sheriff deems eligible and selects to perform, under the supervision of State, county, or municipal employees, tasks the Sheriff assigns within the county or any incorporated municipality within the county.
(4) (i) 1. **[This]** EXCEPT AS PROVIDED IN SUBSUBPARAGRAPH 2 OF THIS SUBPARAGRAPH, THIS paragraph applies only to all full–time sworn law enforcement deputy sheriffs in the Office of the Sheriff of Cecil County at the rank of [Sergeant] CAPTAIN and below.

2. **THIS PARAGRAPH DOES NOT APPLY TO THE CHIEF DEPUTY SHERIFF, COMMUNITY CORRECTIONS DIRECTOR, DETENTION CENTER DIRECTOR, DETENTION CENTER DEPUTY DIRECTOR, OR LAW ENFORCEMENT DIRECTOR IN THE OFFICE OF THE SHERIFF OF CECIL COUNTY.**

(ii) A full–time sworn law enforcement deputy sheriff at the rank of [Sergeant] CAPTAIN and below may:

1. Take part in or refrain from taking part in forming, joining, supporting, or participating in a labor organization or its lawful activities;

2. Select a labor organization as the exclusive representative of the deputy sheriffs subject to this paragraph;

3. Engage in collective bargaining with the Sheriff and the County [Commissioners] EXECUTIVE of Cecil County, or the designee of the Sheriff and the County [Commissioners] EXECUTIVE, concerning wages, benefits, and any working conditions that are not included in subparagraph (v)4A of this paragraph through a labor organization certified as the exclusive representative of the deputy sheriffs subject to this paragraph;

4. Subject to item 2 of this subparagraph, enter into a collective bargaining agreement, through the exclusive representative of the deputy sheriffs subject to this paragraph, covering the wages, benefits, and other working conditions of the deputy sheriffs subject to this paragraph, to the extent that the agreement does not impair the rights of the Sheriff set forth in subparagraph (v)4 of this paragraph; and

5. Decertify a labor organization as the exclusive representative of the deputy sheriffs subject to this paragraph.

(iii) 1. A labor organization seeking certification as an exclusive representative must submit a petition to the Sheriff and the County [Commissioners] EXECUTIVE that is signed by more than 50% of the sworn law enforcement deputy sheriffs at the rank of [Sergeant] CAPTAIN and below indicating the desire of the deputy sheriffs subject to this paragraph to be represented exclusively by the labor organization for the purpose of collective bargaining.

2. If the Sheriff and the County [Commissioners] EXECUTIVE do not challenge the validity of the petition within 20 calendar days following the receipt of the petition, the labor organization shall be deemed certified as the exclusive
representative.

3. If the Sheriff or the County [Commissioners] EXECUTIVE challenge the validity of the petition, the American Arbitration Association shall appoint a neutral third party to conduct an election and to certify whether the labor organization has been selected as the exclusive representative by a majority of the votes cast in the election.

4. The costs associated with the appointment of a neutral third party shall be shared equally by the parties.

5. A labor organization shall be deemed decertified if a petition is submitted to the Sheriff and the County [Commissioners] EXECUTIVE that is signed by more than 50% of the full–time sworn law enforcement deputy sheriffs at the rank of [Sergeant] CAPTAIN and below indicating the desire of the deputy sheriffs to decertify the labor organization as the exclusive representative of the deputy sheriffs subject to this paragraph.

(iv) 1. Following certification of an exclusive representative as provided in subparagraph (iii) of this paragraph, the certified labor organization and the Sheriff and the County [Commissioners] EXECUTIVE shall meet at reasonable times and engage in collective bargaining in good faith.

2. The certified labor organization, the Sheriff, and the County [Commissioners] EXECUTIVE shall make every reasonable effort to conclude negotiations on or before February 15 of the year in which a collective bargaining agreement is to take effect by the Sheriff of matters agreed upon in its budget request to the County [Commissioners] COUNCIL.

3. A. If the certified labor organization and the Sheriff and the County [Commissioners] EXECUTIVE are unable to reach an agreement before the date set forth in subsubparagraph 2 of this subparagraph, either the certified labor organization or the Sheriff and the County [Commissioners] EXECUTIVE may seek nonbinding mediation through the Federal Mediation and Conciliation Service.

B. A party seeking nonbinding mediation under subsubsubparagraph A of this subsubparagraph shall give written notice to the other party and to the Federal Mediation and Conciliation Service at least 15 days prior to the start of the first mediation meeting.

C. The costs associated with the mediator or mediation process shall be shared equally by the parties.

D. The certified labor organization, the Sheriff, and the County [Commissioners] EXECUTIVE shall engage in nonbinding mediation for at least 30 days unless they mutually agree in writing to termination or extension of the mediation or reach an agreement.
E. The contents of the mediation proceedings may not be disclosed by any of the parties or the mediator.

4. The [governing body of Cecil] County COUNCIL shall enact a local ordinance that allows for nonbinding arbitration if the certified labor organization, the Sheriff, and the County [Commissioners] EXECUTIVE are unable to reach an agreement through mediation under subsubparagraph 3 of this subparagraph.

(v) 1. A collective bargaining agreement shall contain all matters of agreement reached in the collective bargaining process.

2. A collective bargaining agreement may contain a grievance procedure providing for binding arbitration of grievances in reference to a labor contract, including grievances related to interpretation or breach of contract.

3. A collective bargaining agreement reached in accordance with this paragraph shall be in writing and signed by the certified representatives of the parties involved in the collective bargaining negotiations.

4. Except as provided in the code and regulations of Cecil County, the provisions of this subparagraph and any agreement made under it may not impair the right and the responsibility of the Sheriff to:

A. Determine the mission, budget, organization, numbers, types, classes, grades, and ranks of deputy sheriffs assigned, the services to be rendered, operations to be performed, and the technology to be used;

B. Set the standards of service and exercise control over operations, including the rights to determine work shifts and the number of deputy sheriffs on each shift;

C. Assign and retain deputy sheriffs in positions within the office;

D. Determine and set work projects, tours of duty, schedules, assignments, and methods, means, and personnel by which operations are conducted;

E. Determine and set technology needs, internal security practices, equipment, and the location of facilities;

F. Maintain and improve the efficiency and effectiveness of operations;

G. Hire, direct, supervise, promote, demote, discipline, assign, and with reasonable cause discharge full-time sworn law enforcement deputy sheriffs, with the exception that the promotional process for deputy sheriffs up to the rank
of [Sergeant] CAPTAIN and the number and composition of trial boards for the discipline process for deputy sheriffs at the rank of [Sergeant] CAPTAIN and below are subject to collective bargaining;

H. Determine and set the qualifications of deputy sheriffs for appointment and promotions; and

I. Determine and set the standards of conduct, and with consultation and input from the certified labor organization, adopt rules, orders, policies, regulations, and procedures on mutually agreed on subjects.

5. A collective bargaining agreement is not effective until it is ratified by the majority of votes cast by the deputy sheriffs in the bargaining unit and approved by the Sheriff [and], the County [Commissioners] EXECUTIVE, AND THE COUNTY COUNCIL.

(vi) Nothing in this paragraph may be construed to:

1. Authorize or otherwise allow a deputy sheriff to engage in a strike as defined in § 3–303 of the State Personnel and Pensions Article; and

2. Authorize the collection of mandatory membership fees from nonmembers of the employee organization.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2018.

Approved by the Governor, May 15, 2018.
charge a certain inmate a certain fee for a certain purpose; requiring the Sheriff or 
the Sheriff's designee to notify the court in writing of a certain violation; establishing 
certain penalties for a violation of a trust or condition established for participation 
in a certain program; defining certain terms; and generally relating to home 
detention, pretrial release, work release, and prerelease programs in Cecil County.

BY repealing and reenacting, with amendments, 
Article – Correctional Services 
Section 11–709 
Annotated Code of Maryland 
(2017 Replacement Volume)

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

Article – Correctional Services 
11–709.

(a) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS 
INDICATED.

(2) “SHERIFF” MEANS THE SHERIFF OF CECIL COUNTY.

(3) “WARDEN” MEANS THE WARDEN OF THE CECIL COUNTY 
COMMUNITY CORRECTIONS CENTER.

(B) This section applies only in Cecil County.

[(b) (1) The Sheriff shall:

 (i) establish and administer a home detention program; and

 (ii) adopt regulations to implement the program.

 (2) (i) At the time of sentencing or at any time during an individual’s 
confinement, the sentencing judge may place the individual in the home detention program.

 (ii) The Sheriff may place an inmate in the home detention program 
at any time after the inmate has served 25% of the inmate’s sentence.

 (3) Subject to paragraph (4) of this subsection, an inmate is eligible for the 
home detention program if the inmate:

 (i) is placed in the program by the sentencing judge or the Sheriff; 
and
(ii) has no other charges pending in any jurisdiction.

(4) An inmate is not eligible for the home detention program if the inmate:
   (i) is serving a sentence for a crime of violence; or
   (ii) has been found guilty of the crime of:
      1. child abuse under § 3–601 or § 3–602 of the Criminal Law Article; or
      2. escape under § 9–404 of the Criminal Law Article.

(5) The Sheriff shall:
   (i) determine the amount of a reasonable fee for the cost of electronic supervision, including the administrative costs associated with the supervision; and
   (ii) collect the fee from each inmate in the program.

(C) (1) THE SHERIFF MAY ESTABLISH PROGRAMS FOR:
   (I) HOME DETENTION;
   (II) PRETRIAL RELEASE;
   (III) WORK RELEASE; AND
   (IV) PRERELEASE.

   (2) (I) THE SHERIFF SHALL ADOPT REGULATIONS NECESSARY TO IMPLEMENT EACH PROGRAM ESTABLISHED UNDER THIS SECTION.

   (II) IF A CONDITION THAT A COURT IMPOSES ON AN INMATE IS INCONSISTENT WITH A REGULATION ADOPTED UNDER THIS SUBSECTION, THE CONDITION IMPOSED BY THE COURT SUPERSEDES THE REGULATION.

   (D) (1) AT THE TIME OF SENTENCING OR AT ANY TIME DURING AN INDIVIDUAL’S CONFINEMENT, THE COURT MAY ALLOW THE INDIVIDUAL TO PARTICIPATE IN A PROGRAM ESTABLISHED UNDER THIS SECTION IF THE INDIVIDUAL:

   (I) IS SENTENCED TO THE CUSTODY OF THE WARDEN; AND
(II) HAS NO OTHER FELONY CHARGES PENDING IN ANY JURISDICTION.

(2) AN INMATE DESIGNATED TO PARTICIPATE IN A PROGRAM UNDER THIS SECTION MAY LEAVE THE COMMUNITY CORRECTIONS CENTER TO:

(I) CONTINUE REGULAR EMPLOYMENT;

(II) SEEK NEW EMPLOYMENT;

(III) ATTEND COURT–ORDERED TREATMENT APPOINTMENTS;

(IV) UNDERGO INTENSIVE COUNSELING;

(V) PURSUE ACADEMIC EDUCATION; OR

(VI) USE OTHER COMMUNITY RESOURCES OR PARTICIPATE IN OTHER ACTIVITIES FOR THE PURPOSE OF REHABILITATION.

(E) THE SHERIFF MAY CHARGE AN INMATE PARTICIPATING IN A PROGRAM ESTABLISHED UNDER THIS SECTION A REASONABLE PROGRAM PARTICIPATION FEE TO PAY FOR THE COSTS INCURRED BY THE COUNTY FOR THE MANAGEMENT AND ADMINISTRATION OF THE PROGRAM.

(F) (1) IF AN INMATE VIOLATES A TRUST OR A CONDITION THAT A COURT OR THE SHERIFF HAS ESTABLISHED FOR PARTICIPATING IN A PROGRAM UNDER THIS SECTION, THE SHERIFF OR THE SHERIFF’S DESIGNEE SHALL NOTIFY THE COURT IN WRITING OF THE VIOLATION.

(2) AN INMATE WHO VIOLATES A TRUST OR CONDITION THAT A COURT OR THE SHERIFF HAS ESTABLISHED FOR PARTICIPATING IN A PROGRAM ESTABLISHED UNDER THIS SECTION IS SUBJECT TO:

(I) REMOVAL FROM THE PROGRAM; AND

(II) CANCELLATION OF ANY EARNED DIMINUTION OF THE INMATE’S TERM OF CONFINEMENT.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2018.

Approved by the Governor, May 15, 2018.
Chapter 609
(Senate Bill 563)

AN ACT concerning

Income Tax Credit – Qualified Research and Development Expenses – Application for and Procedure to Claim Credit

FOR the purpose of altering the date by which an individual or a corporation is required to submit a certain application for a certain credit against the State income tax for certain research and development expenses incurred by the individual or corporation; altering the date by which the Department of Commerce shall certify the credits approved for the individual or corporation; altering the method by which the individual or corporation may claim the credit; and generally relating to certain credits against the State income tax based on certain expenses paid or incurred for certain research and development conducted in the State.

BY repealing and reenacting, without amendments,
Article – Tax – General
Section 10–205(a) and (i) and 10–306(a) and (b)(5)
Annotated Code of Maryland
(2016 Replacement Volume and 2017 Supplement)

BY repealing and reenacting, with amendments,
Article – Tax – General
Section 10–721
Annotated Code of Maryland
(2016 Replacement Volume and 2017 Supplement)

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

Article – Tax – General

10–205.

(a) In addition to the modification under § 10–204 of this subtitle, the amounts under this section are added to the federal adjusted gross income of a resident to determine Maryland adjusted gross income.

(i) The addition under subsection (a) of this section includes the amount of a credit claimed under § 10–721 of this title for Maryland qualified research and development expenses.

10–306.
(a) In addition to the modification under § 10–305 of this subtitle, the amounts under this section are added to the federal taxable income of a corporation to determine Maryland modified income.

(b) The addition under subsection (a) of this section includes the additions required for an individual under:

(5) § 10–205(i) of this title (Maryland research and development tax credit).

10–721.

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

(2) “Department” means the Department of Commerce.

(3) “Maryland base amount” means the base amount as defined in § 41(c) of the Internal Revenue Code that is attributable to Maryland, determined by:

(i) substituting “Maryland qualified research and development expense” for “qualified research expense”;

(ii) substituting “Maryland qualified research and development” for “qualified research”; and

(iii) using, instead of the “fixed base percentage”:

1. the percentage that the Maryland qualified research and development expense for the 4 taxable years immediately preceding the taxable year in which the expense is incurred is of the gross receipts for those years; or

2. for a taxpayer who has fewer than 4 but at least 1 prior taxable year, the percentage as determined under item 1 of this item, determined using the number of immediately preceding taxable years that the taxpayer has.

(4) “Maryland gross receipts” means gross receipts that are reasonably attributable to the conduct of a trade or business in this State, determined under methods prescribed by the Comptroller based on standards similar to the standards under § 10–402 of this title.

(5) “Maryland qualified research and development” means qualified research as defined in § 41(d) of the Internal Revenue Code that is conducted in this State.

(6) “Maryland qualified research and development expenses” means qualified research expenses as defined in § 41(b) of the Internal Revenue Code incurred for Maryland qualified research and development.
“Small business” means a for-profit corporation, limited liability company, partnership, or sole proprietorship with net book value assets totaling, at the beginning or the end of the taxable year for which Maryland qualified research and development expenses are incurred, as reported on the balance sheet, less than $5,000,000.

(b) Subject to the limitations of this section, an individual or a corporation may claim credits against the State income tax in an amount equal to:

1. 3% of the Maryland qualified research and development expenses, not exceeding the Maryland base amount for the individual or corporation, paid or incurred by the individual or corporation during the taxable year; and

2. 10% of the amount by which the Maryland qualified research and development expenses paid or incurred by the individual or corporation during the taxable year exceed the Maryland base amount for the individual or corporation.

(c) (1) By November 15 of the calendar year following the end of the taxable year in which the Maryland qualified research and development expenses were incurred, an individual or corporation shall submit an application to the Department for the credits allowed under subsection (b)(1) and (2) of this section.

(2) (i) Except as provided under paragraph (4) of this subsection, the total amount of credits approved by the Department under subsection (b)(1) of this section may not exceed:

1. $4,500,000 in calendar year 2016; and

2. $5,500,000 in calendar year 2017 and each calendar year thereafter.

(ii) Subject to paragraph (4) of this subsection, if the total amount of credits applied for by all individuals and corporations under subsection (b)(1) of this section exceeds the maximum specified under subparagraph (i) of this paragraph, the Department shall approve a credit under subsection (b)(1) of this section for each applicant in an amount equal to the product of multiplying the credit applied for by the applicant times a fraction:

1. the numerator of which is the maximum specified under subparagraph (i) of this paragraph; and

2. the denominator of which is the total of all credits applied for by all applicants under subsection (b)(1) of this section in the calendar year.

(3) (i) Except as provided in paragraph (4) of this subsection, the total amount of credits approved by the Department under subsection (b)(2) of this section may not exceed:

1. $4,500,000 in calendar year 2016; and
2. $6,500,000 in calendar year 2017 and each calendar year thereafter.

(ii) Subject to paragraph (4) of this subsection, if the total amount of credits applied for by all individuals and corporations under subsection (b)(2) of this section exceeds the maximum specified under subparagraph (i) of this paragraph, the Department shall approve a credit under subsection (b)(2) of this section for each applicant in an amount equal to the product of multiplying the credit applied for by the applicant times a fraction:

1. the numerator of which is the maximum specified under subparagraph (i) of this paragraph; and

2. the denominator of which is the total of all credits applied for by all applicants under subsection (b)(2) of this section in the calendar year.

(4) (i) For any calendar year, if the maximum specified under paragraph (2)(i) of this subsection exceeds the total amount of credits applied for by all individuals and corporations under subsection (b)(1) of this section, the maximum specified under paragraph (3)(i) of this subsection shall be increased for that calendar year by an amount equal to the amount by which the maximum specified under paragraph (2)(i) of this subsection exceeds the total amount of credits applied for by all individuals and corporations under subsection (b)(1) of this section.

(ii) For any calendar year, if the maximum specified under paragraph (3)(i) of this subsection exceeds the total amount of credits applied for by all individuals and corporations under subsection (b)(2) of this section, the maximum specified under paragraph (2)(i) of this subsection shall be increased for that calendar year by an amount equal to the amount by which the maximum specified under paragraph (3)(i) of this subsection exceeds the total amount of credits applied for by all individuals and corporations under subsection (b)(2) of this section.

(5) By [December 15] February 15 of the calendar year following the end of the [taxable] year in which the Maryland qualified research and development expenses were incurred, INDIVIDUAL OR CORPORATION SUBMITTED AN APPLICATION FOR THE CREDIT IN ACCORDANCE WITH PARAGRAPH (1) OF THIS SUBSECTION, the Department shall certify to the individual or corporation the amount of the research and development tax credits approved by the Department for the individual or corporation under subsection (b)(1) and (2) of this section.

(6) To claim the approved credits allowed under this section, an individual or corporation shall:

(i) 1. file an amended income tax return for the taxable year in which the Maryland qualified research and development expense was incurred; and
[3167 Lawrence J. Hogan, Jr., Governor

Chapter 609

2. attach a copy of the Department’s certification of the approved credit amount to the amended income tax return; OR

(II) SUBJECT TO SUBSECTION (D) OF THIS SECTION, ATTACH A COPY OF THE DEPARTMENT’S CERTIFICATION OF THE APPROVED CREDIT AMOUNT TO AN INCOME TAX RETURN FILED FOR ANY OF THE 7 TAXABLE YEARS AFTER THE TAXABLE YEAR IN WHICH THE MARYLAND QUALIFIED RESEARCH AND DEVELOPMENT EXPENSES WERE INCURRED.

(d) (1) Except as provided in paragraph (2) of this subsection, if the credit allowed under this section in any taxable year exceeds the State income tax for that taxable year, an individual or corporation 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 7th taxable year after the taxable year in which the Maryland qualified research and development expense was incurred.

(2) If the credit allowed under this section in any taxable year exceeds the State income tax for that taxable year, a small business may claim a refund in the amount of the excess.

(e) (1) In determining the amount of the credit under this section:

(i) all members of the same controlled group of corporations, as defined under § 41(f) of the Internal Revenue Code, shall be treated as a single taxpayer; and

(ii) the credit allowable by this section to each member shall be its proportionate shares of the qualified research expenses giving rise to the credit.

(2) The Comptroller shall adopt regulations providing for:

(i) determination of the amount of the credit under this section in the case of trades or businesses, whether or not incorporated, that are under common control;

(ii) pass–through and allocation of the credit in the case of estates and trusts, partnerships, unincorporated trades or businesses, and S corporations;

(iii) adjustments in the case of acquisitions and dispositions described in § 41(f)(3) of the Internal Revenue Code; and

(iv) determination of the credit in the case of short taxable years.
(f) (1) The Department of Commerce and the Comptroller jointly shall adopt regulations to prescribe standards for determining when research or development is considered conducted in the State for purposes of determining the credit under this section.

(2) In adopting regulations under this subsection, the Department and the Comptroller may consider:

(i) the location where services are performed;

(ii) the residence or business location of the person or persons performing services;

(iii) the location where supplies used in research and development are consumed; and

(iv) any other factors that the Department determines are relevant for the determination.

(g) (1) In accordance with § 2.5–109 of the Economic Development Article, the Department shall report on the credits approved under this section.

(2) The report required under paragraph (1) of this subsection shall include for each individual or corporation approved to receive a credit under subsection (b)(1) and (2) of this section in the prior calendar year:

(i) the individual’s or corporation’s name and address; and

(ii) the amount of the credit approved.

(3) The report required under paragraph (1) of this subsection shall include the name of the individual or corporation and the aggregate amount of credits approved in all calendar years for each individual or corporation under subsection (b)(1) and (2) of this section.

(4) The report required under paragraph (1) of this subsection shall summarize for the credits approved under subsection (b)(1) of this section and for the credits approved under subsection (b)(2) of this section:

(i) the total number of applicants for credits under this section in each calendar year; and

(ii) the number of applications for which a tax credit was approved in each calendar year; and
(iii) the total credits authorized under this section for all calendar years under this section.

(h) If the provisions of § 41 of the Internal Revenue Code governing the federal research and development tax credit are repealed or terminate, the provisions of this section continue to operate as if the provisions of § 41 of the Internal Revenue Code remain in effect, and the Maryland research and development tax credit under this section shall continue to be available.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2018.

Approved by the Governor, May 15, 2018.

Chapter 610
(Senate Bill 564)

AN ACT concerning

Income Tax Credit – Security Clearance Costs – Procedure to Claim Credit

FOR the purpose of altering the method by which an individual or a corporation may claim a credit against the State income tax for certain costs incurred to obtain federal security clearances, to rent certain spaces, and to construct or renovate certain sensitive compartmented information facilities in the State; and generally relating to a credit against the State income tax for costs related to federal security clearances.

BY repealing and reenacting, without amendments,

Article – Tax – General
Section 10–204(a) and (j) and 10–305(a) and (d)(5)
Annotated Code of Maryland
(2016 Replacement Volume and 2017 Supplement)

BY repealing and reenacting, with amendments,

Article – Tax – General
Section 10–732
Annotated Code of Maryland
(2016 Replacement Volume and 2017 Supplement)

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

Article – Tax – General
10–204.

(a) To the extent excluded from federal adjusted gross income, the amounts under this section are added to the federal adjusted gross income of a resident to determine Maryland adjusted gross income.

(j) The addition under subsection (a) of this section includes any amount deducted for costs, as defined under § 10–732 of this title, for security clearance administrative expenses and construction and equipment costs incurred to construct or renovate a sensitive compartmented information facility if an amount is included in the application for a credit under § 10–732 of this title.

10–305.

(a) To the extent excluded from federal taxable income, the amounts under this section are added to the federal taxable income of a corporation to determine Maryland modified income.

(d) The addition under subsection (a) of this section includes the additions required for an individual under:

(5) § 10–204(j) of this title (Deduction for costs for security clearance administrative expenses and construction and equipment costs incurred to construct or renovate a sensitive compartmented information facility); and

10–732.

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

(2) “Costs” means the costs to an individual or corporation for:

(i) security clearance administrative expenses incurred with regard to an employee in the State including, but not limited to:

1. processing application requests for clearances for employees in the State;

2. maintaining, upgrading, or installing computer systems in the State required to obtain federal security clearances; and

3. training employees in the State to administer the application process; and

(ii) construction and equipment costs incurred to construct or renovate a sensitive compartmented information facility (“SCIF”) located in the State as required by the federal government.
“Department” means the Department of Commerce.

“Secretary” means the Secretary of Commerce.

“Small business” has the meaning stated in § 7–218 of this article.

(b) (1) Subject to the limitations of this section, for a taxable year beginning after December 31, 2012, but before January 1, 2022, an individual or a corporation may claim credits against the State income tax for:

(i) security clearance administrative expenses, not to exceed $200,000;

(ii) expenses incurred for rental payments owed during the first year of a rental agreement for spaces leased in the State if the individual or corporation is a small business that performs security–based contracting, not to exceed $200,000; and

(iii) subject to paragraph (2) of this subsection, construction and equipment costs incurred to construct or renovate a single SCIF in an amount equal to the lesser of 50% of the costs or $200,000.

(2) The total amount of construction and equipment costs incurred to construct or renovate multiple SCIFs for which an individual or a corporation is eligible to claim as a credit against the State income tax is $500,000.

(c) (1) By September 15 of the calendar year following the end of the taxable year in which the costs were incurred, an individual or a corporation shall submit an application to the Department for the credits allowed under subsection (b) of this section.

(2) (i) The total amount of credits approved by the Department under subsection (b) of this section may not exceed $2,000,000 for any calendar year.

(ii) If the total amount of credits applied for by all individuals and corporations under subsection (b) of this section exceeds the maximum specified under subparagraph (i) of this paragraph, the Department shall approve a credit under subsection (b) of this section for each applicant in an amount equal to the product of multiplying the credit applied for by the applicant times a fraction:

1. the numerator of which is the maximum specified under subparagraph (i) of this paragraph; and

2. the denominator of which is the total of all credits applied for by all applicants under subsection (b) of this section in the calendar year.

(3) By December 15 of the calendar year following the end of the taxable year in which the costs were incurred, the Department shall certify to the individual or
corporation the amount of tax credits approved by the Department for the individual or 
corporation under this section.

(4) To claim the approved credits allowed under this section, an individual 
or a corporation shall:

(i) 1. file an amended income tax return for the taxable year in 
which the costs were incurred; and

[(ii)] 2. attach a copy of the Department’s certification of the 
approved credit amount to the amended income tax return; OR

(II) SUBJECT TO SUBSECTION (D) OF THIS SECTION, ATTACH A 
COPY OF THE DEPARTMENT’S CERTIFICATION OF THE APPROVED CREDIT AMOUNT 
TO AN INCOME TAX RETURN FILED FOR ANY TAXABLE YEAR AFTER THE TAXABLE 
YEAR IN WHICH THE COSTS WERE INCURRED.

(d) If the credit allowed for any taxable year under this section exceeds the total 
tax otherwise due, an individual or corporation may apply the excess as a credit against 
the State income tax for succeeding taxable years until the full amount of the excess is 
used.

(e) The Department, in consultation with the Comptroller, shall adopt 
regulations to carry out the provisions of this section.

(f) In accordance with § 2.5–109 of the Economic Development Article, the 
Department shall submit a report on the number of credits certified in the previous 
calendar year.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 
1, 2018.

Approved by the Governor, May 15, 2018.

______________________________

Chapter 611

(Senate Bill 647)

AN ACT concerning

Earned Income Tax Credit – Individuals Without Qualifying Children – 
Expansion Repeal of Minimum Age Requirement
FOR the purpose of altering the calculation of the Maryland earned income tax credit to increase the amount of credit that certain individuals without qualifying children may claim; expanding eligibility of the credit to allow certain individuals without certain qualifying children to claim the credit; allowing certain individuals to claim a refund of the credit; allowing certain individuals to claim the credit without regard to a certain age limitation; providing that the amount of the credit that may be claimed by certain individuals is adjusted for inflation each year; providing for the application of this Act; making this Act contingent on the taking effect of another Act; and generally relating to the Maryland earned income tax credit.

BY repealing and reenacting, with amendments, Article – Tax – General Section 10–704 Annotated Code of Maryland (2016 Replacement Volume and 2017 Supplement)

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

Article – Tax – General

10–704.

(a) (1) A resident may claim a credit against the State income tax for a taxable year in the amount determined under subsection (b) of this section for earned income.

(2) A resident may claim a credit against the county income tax for a taxable year in the amount determined under subsection (c) of this section for earned income.

(b) (1) Except as provided in [paragraph (2)] PARAGRAPH (2) AND (3) of this subsection and subject to subsection (d) of this section, the credit allowed against the State income tax under subsection (a)(1) of this section is the lesser of:

(i) 50% of the earned income credit allowable for the taxable year under § 32 of the Internal Revenue Code; or

(ii) the State income tax for the taxable year.

(2) (i) Subject to subsection (d) of this section, a resident may claim a refund in the amount, if any, by which the applicable percentage specified in subparagraph (ii) of this paragraph of the earned income credit allowable for the taxable year under § 32 of the Internal Revenue Code exceeds the State income tax for the taxable year.

(ii) The applicable percentage of the earned income credit allowable under § 32 of the Internal Revenue Code to be used for purposes of determining the refund provided under this paragraph is:
1. 25% for a taxable year beginning after December 31, 2013, but before January 1, 2015;
2. 25.5% for a taxable year beginning after December 31, 2014, but before January 1, 2016;
3. 26% for a taxable year beginning after December 31, 2015, but before January 1, 2017;
4. 27% for a taxable year beginning after December 31, 2016, but before January 1, 2018; and
5. 28% for a taxable year beginning after December 31, 2017.

(3) (I) THE CREDIT ALLOWED AGAINST THE STATE INCOME TAX UNDER SUBSECTION (A)(1) OF THIS SECTION FOR AN INDIVIDUAL WITHOUT A QUALIFYING CHILD:
1. IS EQUAL TO 100% OF THE EARNED INCOME CREDIT ALLOWABLE FOR THE TAXABLE YEAR UNDER § 32 OF THE INTERNAL REVENUE CODE; AND
2. IS CALCULATED BY SUBSTITUTING:
   A. $6,670 FOR THE EARNED INCOME AMOUNT IN § 32(B)(2)(A) OF THE INTERNAL REVENUE CODE; AND
   B. $17,400 FOR THE PHASE–OUT AMOUNT IN § 32(B)(2)(A) OF THE INTERNAL REVENUE CODE.

(II) IF THE TAX CREDIT ALLOWED UNDER THIS PARAGRAPH IN ANY TAXABLE YEAR EXCEEDS THE TOTAL TAX OTHERWISE PAYABLE BY THE INDIVIDUAL WITHOUT A QUALIFYING CHILD FOR THAT TAXABLE YEAR, THE INDIVIDUAL MAY CLAIM A REFUND IN THE AMOUNT OF THE EXCESS.

(III) 1. FOR EACH TAXABLE YEAR BEGINNING AFTER DECEMBER 31, 2018, THE EARNED INCOME AMOUNT AND PHASE–OUT AMOUNT IN SUBPARAGRAPH (I)2 OF THIS PARAGRAPH SHALL BE INCREASED BY AN AMOUNT EQUAL TO THE PRODUCT OF MULTIPLYING EACH AMOUNT BY THE COST–OF–LIVING ADJUSTMENT SPECIFIED IN SUBSUBPARAGRAPH 2 OF THIS SUBPARAGRAPH.
IN WHICH A TAXABLE YEAR BEGINS, AS DETERMINED BY THE COMPTROLLER BY SUBSTITUTING “CALENDAR YEAR 2017” FOR “CALENDAR YEAR 1992” IN § 1(F)(3)(B) OF THE INTERNAL REVENUE CODE.

3. IF ANY INCREASE DETERMINED UNDER SUBSUBPARAGRAPH 1 OF THIS SUBPARAGRAPH IS NOT A MULTIPLE OF $50, THE INCREASE SHALL BE ROUNDED DOWN TO THE NEXT LOWEST MULTIPLE OF $50.

(IV) FOR PURPOSES OF THIS SECTION FOR AN INDIVIDUAL WITHOUT A QUALIFYING CHILD, THE CREDIT ALLOWABLE FOR A TAXABLE YEAR UNDER § 32 OF THE INTERNAL REVENUE CODE IS CALCULATED WITHOUT REGARD TO THE MINIMUM AGE REQUIREMENT UNDER § 32(C)(1)(A)(II)(II) OF THE INTERNAL REVENUE CODE.

(c) (1) Except as provided in paragraph (2) of this subsection and subject to subsection (d) of this section, the credit allowed against the county income tax under subsection (a)(2) of this section is the lesser of:

(i) the earned income credit allowable for the taxable year under § 32 of the Internal Revenue Code multiplied by 10 times the county income tax rate for the taxable year; or

(ii) the county income tax for the taxable year.

(2) (i) A county may provide, by law, for a refundable county earned income credit as provided in this paragraph.

(ii) If a county provides for a refundable county earned income credit under this paragraph, on or before July 1 prior to the beginning of the first taxable year for which it is applicable, the county shall give the Comptroller notice of the refundable county earned income credit.

(iii) If a county provides for a refundable county earned income credit under this paragraph, a resident may claim a refund of the amount, if any, by which the product of multiplying the credit allowable for the taxable year under § 32 of the Internal Revenue Code by 5 times the county income tax rate for the taxable year exceeds the county income tax for the taxable year.

(iv) The amount of any refunds payable under a refundable county earned income credit operates to reduce the income tax revenue from individuals attributable to the county income tax for that county.

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

\[
\frac{(1)}{\text{the numerator of which is the Maryland adjusted gross income of the individual; and}}
\]

\[
\frac{(2)}{\text{the denominator of which is the federal adjusted gross income of the individual.}}
\]

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2018, and shall be applicable to all taxable years beginning after December 31, 2017.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2018, contingent on the taking effect of Chapter ____ (S.B. 318) of the Acts of the General Assembly of 2018, and if Chapter ____ (S.B. 318) does not become effective, this Act, with no further action required by the General Assembly, shall be null and void.

Approved by the Governor, May 15, 2018.

Chapter 612
(House Bill 856)

AN ACT concerning
Earned Income Tax Credit – Individuals Without Qualifying Children – Expansion Alteration Repeal of Minimum Age Requirement

FOR the purpose of altering the calculation of the Maryland earned income tax credit to increase the amount of credit that certain individuals without qualifying children may claim; expanding eligibility of the credit to allow certain individuals who are at least a certain age and without certain qualifying children to claim the credit; allowing certain individuals to claim a refund of the credit; allowing certain individuals to claim the credit without regard to a certain age limitation; providing that the amount of the credit that may be claimed by certain individuals is adjusted for inflation each year; providing for the application of this Act; making this Act contingent on the taking effect of another Act; and generally relating to the Maryland earned income tax credit.

BY repealing and reenacting, with amendments,

Article – Tax – General
Section 10–704
Annotated Code of Maryland
(2016 Replacement Volume and 2017 Supplement)
SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

Article – Tax – General

10–704.

(a)  (1) A resident may claim a credit against the State income tax for a taxable year in the amount determined under subsection (b) of this section for earned income.

(2) A resident may claim a credit against the county income tax for a taxable year in the amount determined under subsection (c) of this section for earned income.

(b)  (1) Except as provided in [paragraph (2)] PARAGRAPHS (2) AND (3) of this subsection and subject to subsection (d) of this section, the credit allowed against the State income tax under subsection (a)(1) of this section is the lesser of:

(i) 50% of the earned income credit allowable for the taxable year under § 32 of the Internal Revenue Code; or

(ii) the State income tax for the taxable year.

(2) (i) Subject to subsection (d) of this section, a resident may claim a refund in the amount, if any, by which the applicable percentage specified in subparagraph (ii) of this paragraph of the earned income credit allowable for the taxable year under § 32 of the Internal Revenue Code exceeds the State income tax for the taxable year.

(ii) The applicable percentage of the earned income credit allowable under § 32 of the Internal Revenue Code to be used for purposes of determining the refund provided under this paragraph is:

1. 25% for a taxable year beginning after December 31, 2013, but before January 1, 2015;

2. 25.5% for a taxable year beginning after December 31, 2014, but before January 1, 2016;

3. 26% for a taxable year beginning after December 31, 2015, but before January 1, 2017;

4. 27% for a taxable year beginning after December 31, 2016, but before January 1, 2018; and

5. 28% for a taxable year beginning after December 31, 2017.
(3) (i) The credit allowed against the State income tax under subsection (a)(1) of this section for an individual without a qualifying child:

1. is equal to 100% of the earned income credit allowable for the taxable year under § 32 of the Internal Revenue Code; and

2. is calculated by substituting:

A. $6,670 for the earned income amount in §32(b)(2)(A) of the Internal Revenue Code; and

B. $17,400 for the phase-out amount in §32(b)(2)(A) of the Internal Revenue Code.

(ii) If the tax credit allowed under this paragraph in any taxable year exceeds the total tax otherwise payable by the individual without a qualifying child for that taxable year, the individual may claim a refund in the amount of the excess.

(iii) 1. For each taxable year beginning after December 31, 2018, the earned income amount and phase-out amount in subparagraph (i)2 of this paragraph shall be increased by an amount equal to the product of multiplying each amount by the cost-of-living adjustment specified in subsubparagraph 2 of this subparagraph.

2. For purposes of this subparagraph, the cost-of-living adjustment is the cost-of-living adjustment within the meaning of §1(f)(3) of the Internal Revenue Code for the calendar year in which a taxable year begins, as determined by the Comptroller by substituting “calendar year 2017” for “calendar year 1992” in §1(f)(3)(B) of the Internal Revenue Code.

3. If any increase determined under subsubparagraph 1 of this subparagraph is not a multiple of $50, the increase shall be rounded down to the next lowest multiple of $50.

(iv) For purposes of this section for an individual without a qualifying child, the credit allowable for a taxable year under §32 of the Internal Revenue Code is calculated without regard to by substituting age 21 for without regard to the minimum age requirement under §32(c)(1)(A)(ii)(II) of the Internal Revenue Code.
(c) (1) Except as provided in paragraph (2) of this subsection and subject to subsection (d) of this section, the credit allowed against the county income tax under subsection (a)(2) of this section is the lesser of:

(i) the earned income credit allowable for the taxable year under § 32 of the Internal Revenue Code multiplied by 10 times the county income tax rate for the taxable year; or

(ii) the county income tax for the taxable year.

(2) (i) A county may provide, by law, for a refundable county earned income credit as provided in this paragraph.

(ii) If a county provides for a refundable county earned income credit under this paragraph, on or before July 1 prior to the beginning of the first taxable year for which it is applicable, the county shall give the Comptroller notice of the refundable county earned income credit.

(iii) If a county provides for a refundable county earned income credit under this paragraph, a resident may claim a refund of the amount, if any, by which the product of multiplying the credit allowable for the taxable year under § 32 of the Internal Revenue Code by 5 times the county income tax rate for the taxable year exceeds the county income tax for the taxable year.

(iv) The amount of any refunds payable under a refundable county earned income credit operates to reduce the income tax revenue from individuals attributable to the county income tax for that county.

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

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

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

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2018, and shall be applicable to all taxable years beginning after December 31, 2017.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2018, contingent on the taking effect of Chapter ____ (S.B. 318) of the Acts of the General Assembly of 2018, and if Chapter ____ (S.B. 318) does not become effective, this Act, with no further action required by the General Assembly, shall be null and void.
AN ACT concerning

Income Tax Credit – Wineries and Vineyards – Procedures to Claim Credit and Sunset Extension

FOR the purpose of altering the method by which an individual or a corporation may claim a credit against the State income tax for certain expenses related to certain wineries and vineyards in the State; extending for a certain number of years a certain termination provision for an income tax credit for certain expenses related to certain wineries and vineyards in the State; providing for the application of this Act; and generally relating to an income tax credit for certain winery and vineyard expenses.

BY repealing and reenacting, with amendments,

Article – Tax – General
Section 10–735
Annotated Code of Maryland
(2016 Replacement Volume and 2017 Supplement)

BY repealing and reenacting, with amendments,
Section 2

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

Article – Tax – General

10–735.

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

(2) “Department” means the Department of Commerce.

(3) “Qualified capital expenses” means all expenditures made by the taxpayer for the purchase and installation of equipment or agricultural materials for use in the production of agricultural products at a vineyard, or in a winery, including:
(i) barrels;
(ii) bins;
(iii) bottling equipment;
(iv) canopy management machines;
(v) capsuling equipment;
(vi) chemicals;
(vii) corkers;
(viii) crushers;
(ix) destemmers;
(x) fermenters or other recognized fermentation devices;
(xi) fertilizer and soil amendments;
(xii) filters;
(xiii) fruit harvesters;
(xiv) fruit plants;
(xv) hoses;
(xvi) irrigation equipment;
(xvii) labeling equipment;
(xviii) lugs;
(xix) mowers;
(xx) poles;
(xxi) posts;
(xxii) presses;
(xxiii) pruning equipment;
(xxiv) pumps;
refractometers;
refrigeration equipment;
seeders;
soil;
small tools;
tanks;
tractors;
vats;
weeding and spraying equipment;
wine tanks;
wire; and
any other items as approved by the Department.

“Vineyard” means agricultural lands located in the State consisting of at least 1 contiguous acre dedicated to the growing of grapes that are used or are intended to be used in the production of wine by a winery as well as any plants or other improvements located thereon.

“Winery” means an establishment licensed by the Comptroller as either a Class 3 or Class 4 winery under § 2–205 or § 2–206 of the Alcoholic Beverages Article.

Subject to the limitations of this section, an individual or a corporation may claim a credit against the State income tax in an amount equal to 25% of the qualified capital expenses made in connection with:

the establishment of new wineries or vineyards; or

the capital improvements made to existing wineries or vineyards.

By September 15 of the calendar year following the end of the taxable year in which the qualified capital expenses were paid or incurred, an individual or a corporation shall submit an application to the Department for the credit allowed under this section.
(2) (i) The total amount of credits approved by the Department under this section for a taxable year may not exceed $500,000.

(ii) If the total amount of credits applied for by all individuals and corporations under this section exceeds the maximum specified under subparagraph (i) of this paragraph, the Department shall approve a credit under this section for each applicant in an amount equal to the product of multiplying the credit applied for by the applicant times a fraction:

1. the numerator of which is the maximum specified under subparagraph (i) of this paragraph; and

2. the denominator of which is the total of all credits applied for by all applicants in the calendar year.

(iii) By December 15 of the calendar year following the end of the taxable year in which the qualified capital expenses were paid or incurred, the Department shall certify to the individual or corporation the amount of the tax credit approved by the Department for the individual or corporation under this section.

(3) To claim the approved credit allowed under this section, an individual or a corporation shall:

(i) 1. file an amended income tax return for the taxable year in which the qualified capital expenses were paid or incurred; and

(ii) 2. attach a copy of the Department’s certification of the approved credit amount to the amended income tax return; OR

(II) SUBJECT TO SUBSECTION (D) OF THIS SECTION, ATTACH A COPY OF THE DEPARTMENT’S CERTIFICATION OF THE APPROVED CREDIT AMOUNT TO AN INCOME TAX RETURN FILED FOR ANY TAXABLE YEAR AFTER THE TAXABLE YEAR IN WHICH THE QUALIFIED CAPITAL EXPENSES WERE INCURRED.

(d) If the credit allowed under this section in any taxable year exceeds the total tax otherwise payable by the individual or corporation for that taxable year, the individual or corporation may apply the excess as a credit for succeeding taxable years until:

(1) the full amount of the excess is used; or

(2) the expiration of the 15th taxable year after the taxable year in which the qualified capital expenses were paid or incurred.

(e) The Department and the Comptroller jointly shall adopt regulations to:

(1) implement the provisions of this section; and
(2) specify criteria and procedures for application for, approval of, and monitoring continuing eligibility for the tax credit under this section.

(f) The Comptroller shall adopt regulations providing for:

(1) determination of the amount of the credit under this section in the case of trades or businesses, whether or not incorporated, that are under common control;

(2) pass-through and allocation of the credit in the case of estates and trusts, partnerships, unincorporated trades or businesses, and S corporations;

(3) adjustments in the case of acquisitions and dispositions described in § 41(f)(3) of the Internal Revenue Code; and

(4) determination of the credit in the case of short taxable years.

Chapter 659 of the Acts of 2013

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2013, and shall be applicable to all taxable years beginning after December 31, 2012. It shall remain effective for a period of 5 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.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2018, and shall be applicable to all credits certified after December 31, 2017.

Approved by the Governor, May 15, 2018.

Chapter 614

(Senate Bill 848)

AN ACT concerning

Income Tax Credit – Wineries and Vineyards – Procedures to Claim Credit and Sunset Extension

FOR the purpose of altering the method by which an individual or a corporation may claim a credit against the State income tax for certain expenses related to certain wineries and vineyards in the State; extending for a certain number of years a certain termination provision for the credit; providing for the application of this Act; and generally relating to an income tax credit for certain winery and vineyard expenses.
BY repealing and reenacting, with amendments,
  Article – Tax – General
  Section 10–735
  Annotated Code of Maryland
  (2016 Replacement Volume and 2017 Supplement)

BY repealing and reenacting, with amendments,
  Section 2

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

Article – Tax – General

10–735.

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

(2)  “Department” means the Department of Commerce.

(3)  “Qualified capital expenses” means all expenditures made by the
taxpayer for the purchase and installation of equipment or agricultural materials for use
in the production of agricultural products at a vineyard, or in a winery, including:

(i)  barrels;

(ii)  bins;

(iii)  bottling equipment;

(iv)  canopy management machines;

(v)  capsuling equipment;

(vi)  chemicals;

(vii)  corkers;

(viii)  crushers;

(ix)  destemmers;

(x)  fermenters or other recognized fermentation devices;

(xi)  fertilizer and soil amendments;
(xii) filters;
(xiii) fruit harvesters;
(xiv) fruit plants;
(xv) hoses;
(xvi) irrigation equipment;
(xvii) labeling equipment;
(xviii) lugs;
(xix) mowers;
(xx) poles;
(xxi) posts;
(xxii) presses;
(xxiii) pruning equipment;
(xxiv) pumps;
(xxv) refractometers;
(xxvi) refrigeration equipment;
(xxvii) seeders;
(xxviii) soil;
(xxix) small tools;
(xxx) tanks;
(XXX) tractors;
(XXXI) vats;
(XXXII) weeding and spraying equipment;
(XXXIII) wine tanks;
(XXXIV) wire; and
any other items as approved by the Department.

(4) “Vineyard” means agricultural lands located in the State consisting of at least 1 contiguous acre dedicated to the growing of grapes that are used or are intended to be used in the production of wine by a winery as well as any plants or other improvements located thereon.

(5) “Winery” means an establishment licensed by the Comptroller as either a Class 3 or Class 4 winery under § 2–205 or § 2–206 of the Alcoholic Beverages Article.

(b) Subject to the limitations of this section, an individual or a corporation may claim a credit against the State income tax in an amount equal to 25% of the qualified capital expenses made in connection with:

(1) the establishment of new wineries or vineyards; or

(2) the capital improvements made to existing wineries or vineyards.

(c) (1) By September 15 of the calendar year following the end of the taxable year in which the qualified capital expenses were paid or incurred, an individual or a corporation shall submit an application to the Department for the credit allowed under this section.

(2) (i) The total amount of credits approved by the Department under this section for a taxable year may not exceed $500,000.

(ii) If the total amount of credits applied for by all individuals and corporations under this section exceeds the maximum specified under subparagraph (i) of this paragraph, the Department shall approve a credit under this section for each applicant in an amount equal to the product of multiplying the credit applied for by the applicant times a fraction:

1. the numerator of which is the maximum specified under subparagraph (i) of this paragraph; and

2. the denominator of which is the total of all credits applied for by all applicants in the calendar year.

(iii) By December 15 of the calendar year following the end of the taxable year in which the qualified capital expenses were paid or incurred, the Department shall certify to the individual or corporation the amount of the tax credit approved by the Department for the individual or corporation under this section.

(3) To claim the approved credit allowed under this section, an individual or a corporation shall:
(i) 1. file an amended income tax return for the taxable year in which the qualified capital expenses were paid or incurred; and

[[ii] 2. attach a copy of the Department’s certification of the approved credit amount to the amended income tax return; OR

(II) SUBJECT TO SUBSECTION (D) OF THIS SECTION, ATTACH A COPY OF THE DEPARTMENT’S CERTIFICATION OF THE APPROVED CREDIT AMOUNT TO AN INCOME TAX RETURN FILED FOR ANY TAXABLE YEAR AFTER THE TAXABLE YEAR IN WHICH THE QUALIFIED CAPITAL EXPENSES WERE INCURRED.

(d) If the credit allowed under this section in any taxable year exceeds the total tax otherwise payable by the individual or corporation for that taxable year, the individual or corporation may apply the excess as a credit for succeeding taxable years until:

(1) the full amount of the excess is used; or

(2) the expiration of the 15th taxable year after the taxable year in which the qualified capital expenses were paid or incurred.

(e) The Department and the Comptroller jointly shall adopt regulations to:

(1) implement the provisions of this section; and

(2) specify criteria and procedures for application for, approval of, and monitoring continuing eligibility for the tax credit under this section.

(f) The Comptroller shall adopt regulations providing for:

(1) determination of the amount of the credit under this section in the case of trades or businesses, whether or not incorporated, that are under common control;

(2) pass-through and allocation of the credit in the case of estates and trusts, partnerships, unincorporated trades or businesses, and S corporations;

(3) adjustments in the case of acquisitions and dispositions described in § 41(f)(3) of the Internal Revenue Code; and

(4) determination of the credit in the case of short taxable years.

Chapter 659 of the Acts of 2013

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2013, and shall be applicable to all taxable years beginning after December 31, 2012. It shall remain effective for a period of [5] 8 years and, at the end of June 30, [2018] 2021, 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, 2018, and shall be applicable to all credits certified after December 31, 2017.

Approved by the Governor, May 15, 2018.

Chapter 615

(Senate Bill 1148)

AN ACT concerning

Washington County – Advisory School Design Review Committee – Repeal

FOR the purpose of repealing a provision of law requiring the Washington County Commissioners to establish an Advisory School Design Review Committee; repealing provisions establishing the Committee’s duties and relating to the review of the Committee’s comments and recommendations; repealing a provision requiring the Washington County Board of Education to provide a certain schedule of project milestones to the Committee; repealing certain definitions; making this Act an emergency measure; and generally relating to advisory school design review in Washington County.

BY repealing
The Public Local Laws of Washington County
Section 2–701(i)
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

2–701.

[(i) (1) (i) ] In this subsection the following words have the meanings indicated.

(ii) “Bidding document stage” means the period of time following the completion of design where all documents are compiled and made suitable for advertisement and competitive bidding.

(iii) “Committee” means the Advisory School Design Review
Committee established by the County Commissioners.

(iv) 1. “Schematic design” means initial design concepts.

2. “Schematic design” includes a basic floor plan, exterior building elevations, and building cross sections.

(v) “Schematic design state” means the period of time when the schematic design for the project is developed.

2) The County Commissioners shall establish an Advisory School Design Review Committee.

3) The Washington County Board of Education shall provide a schedule of project milestones to the Committee at the beginning of the schematic design stage.

4) The Committee shall:

(i) Review all construction plans for school capital improvement projects that exceed $2,000,000; and

(ii) Ensure that the construction and operational and maintenance efficiencies for each capital improvement project provide an effective educational environment in a cost–efficient manner.

5) The Committee shall begin its duties specified in paragraph (4) of this subsection at the schematic design stage for each capital improvement project and conclude its review at the bidding document stage of each capital improvement project.

6) (i) The Committee may submit comments to the Washington County Board of Education after review of each stage of the project design.

(ii) The Washington County Board of Education shall accept, reject, or modify the Committee’s comments during a regularly scheduled public meeting.

7) At the conclusion of the Committee’s review of a project, the Committee shall prepare a report summarizing its findings and making recommendations regarding the capital improvement project to the County Commissioners and the Washington County Board of Education.

8) Before advertisement for competitive bids, the County Commissioners and the Washington County Board of Education jointly shall review the recommendations of the Committee.

9) The County Commissioners shall have the responsibility of determining whether a capital improvement project may proceed to the bidding document stage.
(10) The County Commissioners are not bound by the recommendations submitted by the Committee.

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, May 15, 2018.

Chapter 616

(Senate Bill 1143)

AN ACT concerning

Property Tax Credit – Baltimore County – Leadership Through Athletics, Inc.

FOR the purpose of authorizing the governing body of Baltimore County to grant, by law, a property tax credit against the county property tax imposed on certain property that is owned or leased by a certain organization; providing that the amount of the credit under this Act shall accrue to the organization under certain circumstances; providing for the application of this Act; and generally relating to a property tax credit in Baltimore County.

BY repealing and reenacting, with amendments,

Article – Tax – Property
Section 9–305(b)(20)
Annotated Code of Maryland
(2012 Replacement Volume and 2017 Supplement)

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

Article – Tax – Property

9–305.

(b) The governing body of Baltimore County may grant, by law, a property tax credit under this section against the county property tax imposed on:

(20) REAL PROPERTY OR personal property that is owned OR LEASED by Leadership Through Athletics, Inc., PROVIDED THAT, IN THE CASE OF REAL PROPERTY
LEASED BY LEADERSHIP THROUGH ATHLETICS, INC., THE AMOUNT OF THE CREDIT SHALL ACCRUE TO LEADERSHIP THROUGH ATHLETICS, INC.;

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2018, and shall be applicable to all taxable years beginning after June 30, 2018.

Approved by the Governor, May 15, 2018.

Chapter 617
(Senate Bill 1144)

AN ACT concerning

Baltimore County – Alcoholic Beverages – Education Conference Facility/Dining Service License

FOR the purpose of establishing in Baltimore County a Class B–ECF/DS beer, wine, and liquor license; authorizing the Board of License Commissioners for Baltimore County to issue the license to certain people; authorizing the license holder to sell beer, wine, and liquor for on–premises consumption at certain University of Maryland, Baltimore County events; requiring profits from beer, wine, and liquor sales to be deposited into a certain account; authorizing the Board to regulate the manner in which beer, wine, and liquor is dispensed under the license; requiring the Board to perform certain functions before issuing the license; requiring certain policies of the University to be included in an application for the license; establishing certain hours and days of sale for the license; establishing a certain annual license fee; and generally relating to a Class B–ECF/DS beer, wine, and liquor license.

BY renumbering
Article – Alcoholic Beverages
Section 13–1001
to be Section 13–1001.1
Annotated Code of Maryland
(2016 Volume and 2017 Supplement)

BY repealing and reenacting, without amendments,
Article – Alcoholic Beverages
Section 13–102
Annotated Code of Maryland
(2016 Volume and 2017 Supplement)

BY adding to
Article – Alcoholic Beverages
Section 13–1001
SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That Section(s) 13–1001 of Article – Alcoholic Beverages of the Annotated Code of Maryland be renumbered to be Section(s) 13–1001.1.

SECTION 2. AND BE IT FURTHER ENACTED, 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 A CLASS B–ECF/DS (EDUCATION CONFERENCE FACILITY/DINING SERVICE) BEER, WINE, AND LIQUOR LICENSE.

(B) THE BOARD MAY ISSUE THE LICENSE TO AN INDIVIDUAL WHO IS:

(1) AUTHORIZED BY THE UNIVERSITY OF MARYLAND, BALTIMORE COUNTY TO:

(I) ACT ON BEHALF OF THE CAMPUS UNDER THE LICENSE; AND

(II) BE SUBJECT TO THE PENALTIES, CONDITIONS, AND RESTRICTIONS UNDER THIS TITLE; AND

(2) A RESIDENT OF THE COUNTY STATE.

(C) (1) THE LICENSE AUTHORIZES THE LICENSE HOLDER TO SELL BEER, WINE, AND LIQUOR FOR ON–PREMISES CONSUMPTION FROM MULTIPLE DESIGNATED OUTLETS ON THE UNIVERSITY’S CAMPUS ONLY AT UNIVERSITY–AUTHORIZED UNIVERSITY–RELATED EVENTS AS AUTHORIZED BY THE UNIVERSITY OFFICE OF ADMINISTRATIVE SERVICES CATERED BY THE UNIVERSITY’S CAMPUS DINING SERVICES CONTRACTOR.

(2) BEER, WINE, AND LIQUOR PURCHASED AT A DESIGNATED OUTLET ARE TO BE CONSUMED IN THE CONFINES OF THAT OUTLET AND MAY NOT BE TRANSPORTED TO ANOTHER OUTLET.
(D) All profits from the retail sale of beer, wine, and liquor shall be deposited in the auxiliary services account of the University of Maryland, Baltimore County.

(E) The Board:

(1) May regulate the manner in which beer, wine, and liquor are dispensed under the license;

(2) Before issuing the license, shall designate the exact campus locations for the outlets for the sale of beer, wine, and liquor;

(3) Shall maintain a map and description of the designated outlets for verification on the renewal of the license; and

(4) Shall require the University of Maryland, Baltimore County to report to the Board at least 5 days before a University–authorized University–related event at which beer, wine, or liquor is intended to be sold or served.

(F) The policies of the University of Maryland, Baltimore County that pertain to the sponsorship of University–authorized events at which alcoholic beverages may be sold shall be filed with the application.

(G) 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 § 13–2004 of this title.

(H) The annual license fee is $1,000.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2018.

Approved by the Governor, May 15, 2018.

Chapter 618

(House Bill 114)

AN ACT concerning

Baltimore City – Alcoholic Beverages – Class B–D–7 Licenses
FOR the purpose of altering the location at which the Board of License Commissioners for Baltimore City may issue a Class B–D–7 license on North Avenue; and generally relating to alcoholic beverages licenses issued in Baltimore City.

BY repealing and reenacting, without amendments,
   Article – Alcoholic Beverages
   Section 12–102
   Annotated Code of Maryland
   (2016 Volume and 2017 Supplement)

BY repealing and reenacting, with amendments,
   Article – Alcoholic Beverages
   Section 12–1603(c)(5)
   Annotated Code of Maryland
   (2016 Volume and 2017 Supplement)

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

   Article – Alcoholic Beverages

12–102.

   This title applies only in Baltimore City.

12–1603.

   (c) The Board may issue:

   (5) a Class B–D–7 license in the [100] UNIT block of WEST North Avenue in the 45th alcoholic beverages district; and

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2018.

Approved by the Governor, May 15, 2018.

Chapter 619

(House Bill 312)

AN ACT concerning
FOR the purpose of increasing the penalties for voluntarily causing physical injury to certain individuals providing public transportation services, obstructing, hindering, or interfering with a school bus driver or a certain individual who is involved in providing public transportation services under certain circumstances; and generally relating to penalties for assault, obstructing, hindering, or interfering with a school bus driver or public transportation worker.

BY repealing and reenacting, with amendments,
Article – Criminal Law
Section 3–203
Annotated Code of Maryland
(2012 Replacement Volume and 2017 Supplement)

BY repealing and reenacting, with amendments,
Article – Education
Section 26–104
Annotated Code of Maryland
(2018 Replacement Volume)

BY repealing and reenacting, with amendments,
Article – Transportation
Section 7–705(f)
Annotated Code of Maryland
(2015 Replacement Volume and 2017 Supplement)

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

Article – Criminal Law

3–203.

(a) A person may not commit an assault.

(b) Except as provided in subsection (c) of this section, a person who violates subsection (a) of this section is guilty of the misdemeanor of assault in the second degree and on conviction is subject to imprisonment not exceeding 10 years or a fine not exceeding $2,500 or both.

(c) (1) In this subsection, “physical injury” means any impairment of physical condition, excluding minor injuries.

(2) A person may not intentionally cause physical injury to another if the person knows or has reason to know that the other is:
(i) a law enforcement officer engaged in the performance of the officer's official duties;

(ii) a parole or probation agent engaged in the performance of the agent's official duties; or

(iii) a firefighter, an emergency medical technician, a rescue squad member, or any other first responder engaged in providing emergency medical care or rescue services; OR

(iv) a bus operator, a train operator, a light rail operator, or any other individual engaged in providing public transportation services.

(2) A person who violates paragraph (2) of this subsection is guilty of the felony of assault in the second degree and on conviction is subject to imprisonment not exceeding 10 years or a fine not exceeding $5,000 or both.

Article – Education

26–104.

(a) In this section, “school bus driver” means the driver of a school vehicle as defined in § 11–154 of the Transportation Article while employed by or under contract with a local school system.

(b) A person may not obstruct, hinder, or interfere with a school bus driver while the school bus driver is engaged in the performance of the school bus driver’s official duties.

(c) Any person who violates subsection (b) of this section is guilty of a misdemeanor and on conviction is subject to a fine not exceeding $1,000, imprisonment not exceeding [90 days] 1 YEAR, or both.

Article – Transportation

7–705.

(f) (1) It is unlawful for any person to obstruct, hinder, or interfere with:

(i) The operation or operator of a transit vehicle or railroad passenger car; or

(ii) A person engaged in official duties as a station agent, conductor, or station attendant who is employed by:
1. The Administration;
2. An entity that provides transit service under contract with the Administration;
3. A local government agency or public transit authority;
4. A private entity that provides public transit service; or
5. An entity that provides transit service under a transportation compact under Title 10 of this article.

(2) Any person who violates this section is guilty of a misdemeanor and is subject to a fine of not more than $1,000, imprisonment not exceeding 1 year, or both, for each offense.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2018.

Approved by the Governor, May 15, 2018.

AN ACT concerning State Student Loan Refinancing Program – Market–Specific Consultant Study

FOR the purpose of requiring the Maryland Health and Higher Educational Facilities Authority to engage an outside consultant within a certain period of time to conduct a market–specific study to make certain determinations related to a State student loan refinancing program; requiring the study to examine certain areas; requiring the consultant to report to the Authority within a certain period of time and requiring the report to include certain elements; requiring the Governor to appropriate a certain amount in a certain fiscal year to fund the study if a certain condition is not met; requiring the Authority to review the consultant’s report and to make certain comments or recommendations to certain committees of the General Assembly within a certain period of time; providing for the termination of this Act; and generally relating to a market–specific consultant study for a State student loan refinancing program.

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That:
(a) No later than 2 months after receipt of the funding specified in subsection (c) of this section, the Maryland Health and Higher Educational Facilities Authority shall engage an outside consultant to conduct a market–specific study to determine the costs of, demand for, and long–term viability of a State student loan refinancing program in Maryland.

(b) (1) The market–specific study conducted by the consultant shall examine all of the areas recommended in the report published in October 2017 entitled “Student Loan Refinancing in Maryland: Findings and Recommendations Related to the Advisability of Establishing a State Student Loan Refinancing Program”, including:

(i) a cost analysis;

(ii) a demand analysis;

(iii) an analysis of the competitive landscape of the student loan refinancing marketplace;

(iv) the potential savings borrowers might realize and the potential economic impact on the State; and

(v) the financial implications of establishing a direct student loan program in addition to a student loan refinancing program.

(2) (i) Not later than 3 months after being engaged by the Maryland Health and Higher Educational Facilities Authority to conduct the market–specific study, the consultant shall report to the Authority on each of the areas the study is required to examine.

(ii) The consultant’s report shall include:

1. information on and analysis of each of the areas the study is required to examine;

2. a description of the methodologies used in the study; and

3. findings and recommendations regarding each of the areas the study is required to examine.

(c) If the annual budget bill for fiscal year 2019 does not include an appropriation of $250,000 to the Maryland Health and Higher Educational Facilities Authority to fund the market–specific consultant study required under subsection (a) of this section, the Governor shall include in the annual budget bill for fiscal year 2020 an appropriation of $250,000 for that purpose.

(d) Not later than 30 days after receiving the consultant’s report, the Maryland Health and Higher Educational Facilities Authority shall:
(1) review the consultant’s report, including the consultant’s analysis, methodology, findings, and recommendations; and

(2) make comments or recommendations related to the report, including the advisability of establishing a State student loan refinancing program, to the Senate Budget and Taxation Committee and, the Senate Finance Committee, the House Committee on Ways and Means, and the House Economic Matters Committee in accordance with § 2–1246 of the State Government Article.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2018. It shall remain effective for a period of 2 years and 1 month and, at the end of June 30, 2020, this Act, with no further action required by the General Assembly, shall be abrogated and of no further force and effect.

Approved by the Governor, May 15, 2018.

Chapter 621
(Senate Bill 284)

AN ACT concerning Maryland Medical Assistance Program – Dental Coverage for Adults – Pilot Program

FOR the purpose of requiring the Maryland Medical Assistance Program, beginning on a certain date and subject to certain limitations, to provide certain dental coverage for certain adults; repealing a certain contingency; requiring the Maryland Department of Health, in consultation with certain stakeholders, to study certain matters and make certain recommendations relating to adult dental coverage; requiring the Department to report certain findings and recommendations to the Governor and the General Assembly on or before a certain date; requiring the Department to apply, on or before a certain date, to the Centers for Medicare and Medicaid Services for an amendment to a certain waiver to implement a pilot program to provide certain dental coverage to certain recipients under the Maryland Medical Assistance Program; requiring the Department to administer the pilot program under certain circumstances; authorizing the Department to establish certain limitations on the pilot program; requiring the Department to meet with certain stakeholders for a certain purpose and to report to the Governor and the General Assembly on the status of a certain application on or before a certain date; and generally relating to dental coverage under the Maryland Medical Assistance Program.

BY repealing and reenacting, without amendments,
SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
That the Laws of Maryland read as follows:

**Article – Health – General**

15–103.

(a) (2) The Program:

(ii) Shall provide, subject to the limitations of the State budget, comprehensive medical and other health care services for all eligible pregnant women whose family income is at or below 250 percent of the poverty level, as permitted by the federal law;

(x) Subject to the limitations of the State budget, and as permitted by federal law:

1. Shall provide comprehensive medical care and other health care services for former foster care adolescents who, on their 18th birthday, were in foster care under the responsibility of the State and are not otherwise eligible for Program benefits;
2. May provide comprehensive medical care and other health care services for former foster care adolescents who, on their 18th birthday, were in foster care under the responsibility of any other state or the District of Columbia; and

3. May provide comprehensive dental care for former foster care adolescents who, on their 18th birthday, were in foster care under the responsibility of the State;

(xiii) Beginning on January 1, 2019, shall provide, subject to the limitations of the State budget, and as permitted by federal law, LIMITED coverage for adults whose:

1. WHOSE annual household income is at or below 133 percent of the poverty level; AND

2. WHO DO NOT RECEIVE COMPREHENSIVE DENTAL COVERAGE UNDER SUBPARAGRAPHS (II) OR (X) OF THIS PARAGRAPH.

Chapter 721 of the Acts of 2017

[SECTION 3. AND BE IT FURTHER ENACTED, That:

(a) Section 2 of this Act is contingent on the Maryland Dental Action Coalition determining, as part of the findings of the study authorized under Section 1(a) of this Act, that it is advisable to expand the benefits provided under the Maryland Medical Assistance Program to include dental services for adults whose annual household income is at or below 133 percent of the poverty level.

(b) If the report authorized under Section 1(c)(1) of this Act does not include the finding described in subsection (a) of this section, Section 2 of this Act shall be null and void without the necessity of further action by the General Assembly.]

SECTION 4. AND BE IT FURTHER ENACTED, That, subject to Section 3 of this Act, this Act shall take effect June 1, 2017.

SECTION 2. AND BE IT FURTHER ENACTED, That:

(a) The Maryland Department of Health, in consultation with the Maryland Dental Action Coalition, the Maryland State Dental Association, the Maryland Dental Hygiene Association, and other interested stakeholders, shall study and recommend ways to structure adult dental coverage in order to balance fiscal constraints with meeting the dental care needs of adult Maryland Medical Assistance Program enrollees.

(b) As part of the study, the Department shall consider and recommend ways to:
(1) structure dental coverage to improve health outcomes;

(2) implement utilization management tools, such as spending caps and cost-sharing requirements, to manage overall Program costs and to encourage participants to use preventive services within a dental home;

(3) if dental coverage is implemented through managed care organizations, incentivize managed care organizations to continue to invest in robust dental coverage packages beyond the minimums established by the Department;

(4) build capacity among safety net providers and private practices; and

(5) increase provider participation in the Program by streamlining administrative processes, including processes for provider enrollment in the Program.

(e) On or before January 1, 2019, the Department shall report its findings and recommendations to the Governor and, in accordance with § 2–1246 of the State Government Article, the General Assembly.

15–140.

(A) On or before September 1, 2018, the Department shall apply to the Centers for Medicare and Medicaid Services for an amendment to the State’s § 1115 HealthChoice Demonstration waiver to implement a pilot program to provide limited dental coverage to adult Program recipients.

(B) If the amendment is approved under subsection (A) of this section, the Department shall administer the pilot program.

(C) The Department may limit:

(1) Participation in the pilot program to Program recipients who are:

   (I) Dually eligible for health care coverage under both the Program and Medicare and for whom the Department may obtain federal matching funds; and

   (II) of a certain age;

(2) the total number of participants in the pilot program; and
(3) **Operation of the Pilot Program to Certain Geographic Regions of the State.**

Section 2. And be it further enacted, that:

(a) The Maryland Department of Health shall meet with interested stakeholders to obtain input on the design of the application for an amendment to the State's § 1115 HealthChoice Demonstration waiver to implement a pilot program to provide limited dental coverage to adult Maryland Medical Assistance Program recipients.

(b) On or before December 1, 2018, the Department shall report to the Governor and the General Assembly, in accordance with § 2–1246 of the State Government Article, on the status of the application for an amendment to the State's § 1115 HealthChoice Demonstration waiver to implement a pilot program to provide limited dental coverage to adult Maryland Medical Assistance Program recipients.

Section 3. And be it further enacted, that this Act shall take effect July 1, 2018.

Approved by the Governor, May 15, 2018.
BY repealing and reenacting, with amendments,
   Article – Real Property
   Section 12–104(f)
Annotated Code of Maryland
(2015 Replacement Volume and 2017 Supplement)

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

   Article – Agriculture

2–515.

(a)  (1) Subject to the provisions of paragraph (2) of this subsection, this
subtitle does not prohibit an agency of the State or of a county or other governmental
authority from acquiring by condemnation land which is under an agricultural preservation
 easement held by the Foundation or a county agricultural land preservation program if
such acquisition is for a public purpose.

   (2)  (i) In this paragraph, “economic or residential development” does
not include:

   1. Roads OR BRIDGES;

   2. Water lines or pipelines;

   3. Sewer lines or pipelines;

   4. Power transmission lines or natural gas pipelines; or

   5. Stormwater or drainage facilities.

   (ii) If the purpose of the condemnation of land under a Foundation
 easement is either for economic or residential development or parkland, the acquisition of
the land shall be subject to approval by the Board of Public Works after review and
recommendation of the Foundation.

   (iii) The condemning authority shall demonstrate that:

   1. A greater public purpose exists than that served by the
Foundation easement; and

   2. There is no reasonable alternative site.

(b)  (1) THIS SUBSECTION APPLIES ONLY TO AN AGRICULTURAL LAND
PRESERVATION EASEMENT:
(I) ACQUIRED BY A COUNTY LAND PRESERVATION PROGRAM ON OR BEFORE JUNE 30, 2018; OR

(II) APPROVED FOR PURCHASE BY THE BOARD OF PUBLIC WORKS ON OR BEFORE JUNE 30, 2018, AND HELD BY THE FOUNDATION.

(2) In the event of condemnation of land under an agricultural preservation easement HELD BY THE FOUNDATION, the condemning authority, whether State [or], county, OR OTHER AUTHORITY, shall pay:

[(1)] (I) To the landowner the full amount to which the landowner would be entitled if the land was not under easement, less any amount paid [to the landowner by the Foundation or a county agricultural land preservation program for the easement] TO THE FOUNDATION, A COUNTY AGRICULTURAL LAND PRESERVATION PROGRAM, OR OTHER ENTITY UNDER ITEM (II) OF THIS PARAGRAPH; and

[(2)] (II) To the Maryland Agricultural Land Preservation Fund, [or] a county agricultural land preservation program, OR ANY OTHER ENTITY CONTRIBUTING PAYMENT FOR THE ORIGINAL EASEMENT PURCHASE, an amount equal to any amount paid by the Foundation, [or the] A county agricultural land preservation program, OR OTHER ENTITY for the easement.

[(c) (1)] (3) If a part or all of the property is acquired by the exercise of the power of eminent domain, the fair market value of the property is not affected by its having been qualified for a tax credit under § 9–206 of the Tax – Property Article except that there shall be deducted from fair market value the lesser of:

(i) The value of the easement granted; or

(ii) The excess of the aggregate amount of the property taxes that would have been due on the property if the easement had not been granted above the aggregate amount of property taxes actually paid on the property since the easement was granted.

[(2)] (4) If the Foundation or a county agricultural land preservation program purchases the easement for a monetary consideration, other than or in addition to, the tax credit, the condemnation award shall be further reduced by an amount equal to the additional consideration.

(C) (1) THIS SUBSECTION APPLIES ONLY TO AN AGRICULTURAL LAND PRESERVATION EASEMENT:

(I) ACQUIRED BY THE FOUNDATION BY DONATION ON OR AFTER JULY 1, 2018; OR
(II) APPROVED FOR PURCHASE BY THE BOARD OF PUBLIC WORKS ON OR AFTER JULY 1, 2018, AND HELD BY THE FOUNDATION.

(2) IN THE EVENT OF CONDEMNATION OF LAND UNDER AN AGRICULTURAL PRESERVATION EASEMENT, THE CONDEMNING AUTHORITY, WHETHER STATE, COUNTY, OR OTHER AUTHORITY, SHALL PAY:

(I) TO THE LANDOWNER THE FULL AMOUNT TO WHICH THE LANDOWNER WOULD BE ENTITLED IF THE LAND WAS NOT UNDER EASEMENT, LESS ANY AMOUNT PAID TO THE FOUNDATION UNDER ITEM (II) OF THIS PARAGRAPH; AND


(3) IF AN EASEMENT WAS ORIGINALLY PURCHASED WITH FUNDS CONTRIBUTED BY ENTITIES OTHER THAN THE FOUNDATION, THE FOUNDATION SHALL DISTRIBUTE TO THE CONTRIBUTING ENTITY A PORTION OF THE FAIR MARKET VALUE COMPENSATION IN PROPORTION TO THE PERCENTAGE OF THE ORIGINAL EASEMENT PURCHASE PRICE CONTRIBUTED BY THE ENTITY.

Article – Real Property

12–104.

(f) The damages to be awarded for the taking of land or an interest in land over which an easement in gross or other right to restrict its use has been granted pursuant to § 2–504 of the Agriculture Article shall be as provided for in this subsection AND § 2–515 OF THE AGRICULTURE ARTICLE:

(1) The damages to be awarded for the taking of an entire tract is its fair market value after deducting the lesser of (a) the value of the easement granted, or (b) the excess of the aggregate amount of the property taxes that would have been due on the property if the easement had not been granted above the aggregate amount of property taxes actually paid on the property since the easement was granted.

(2) The damages to be awarded where part of a tract of land is taken is the fair market value of the part taken less the deduction computed as described in paragraph (1) of this subsection, but not less than the actual value of the part taken less the deduction computed as described in paragraph (1) of this subsection, plus any severance or resulting damages to the remaining land by reason of the taking and of future use by the plaintiff of the part taken.
SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 30, 2018.

Approved by the Governor, May 15, 2018.

----------

Chapter 623
(Senate Bill 1140)

AN ACT concerning

Maryland Agricultural Land Preservation Foundation – Lot Release Definition of Child

FOR the purpose of clarifying that certain provisions of law that govern the release of a lot from certain easement restrictions by the Maryland Agricultural Land Preservation Foundation for the use of a child of a certain landowner apply to the release of a lot for the use of a stepchild if the landowner does not have any biological children, defining a certain term; making conforming changes; the term “child” for the purposes of the Maryland Agricultural Land Preservation Foundation; providing for the application of this Act; and generally relating to the release of child lots by the Maryland Agricultural Land Preservation Foundation.

BY renumbering
Article – Agriculture
Section 2–513(a) through (e), respectively 2–501 to be Section 2–513(b) through (f), respectively 2–501.1
Annotated Code of Maryland
(2016 Replacement Volume and 2017 Supplement)

BY repealing and reenacting, with amendments,
Article – Agriculture
Section 2–505(b)(3) and (e)(1)(v) and (5), 2–509(d)(5), and 2–511(d)(1)(iii)
Annotated Code of Maryland
(2016 Replacement Volume and 2017 Supplement)

BY adding to
Article – Agriculture
Section 2–513(a) 2–501
Annotated Code of Maryland
(2016 Replacement Volume and 2017 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That Section(s) 2–513(a) through (e), respectively, 2–501 of Article – Agriculture of the
Annotated Code of Maryland be renumbered to be Section(s) 2–513(b) through (f), respectively 2–501.1.

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

Article – Agriculture

2–505.

(b) The Maryland Agricultural Land Preservation Fund shall comprise:

(2) Any money received under § 2–513(c) § 2–513(d) of this subtitle.

(c) (1) The Comptroller of the Treasury may not disburse any money from the Maryland Agricultural Land Preservation Fund other than:

(v) For the reimbursement of money paid by a landowner for a preliminary release of a lot under § 2–513(b)(2) § 2–513(c)(2) of this subtitle in accordance with paragraph (5) of this subsection.

(5) (i) Subject to the prior approval of the board of trustees of the Maryland Agricultural Land Preservation Foundation and in accordance with regulations adopted by the Department, the Maryland Agricultural Land Preservation Foundation may reimburse money paid into the Maryland Agricultural Land Preservation Fund by a landowner for a lot that had been preliminarily released under § 2–513(b)(2) § 2–513(c)(2) of this subtitle for the purpose of constructing a dwelling house for a landowner or the child of the landowner.

(ii) In the sole discretion of the Maryland Agricultural Land Preservation Foundation, the person for whom the lot was preliminarily released, the person who originally paid for the preliminary release, or another appropriate person may be reimbursed the amount paid to the Fund under § 2–513(b)(2)(iii) § 2–513(c)(2)(III) of this subtitle if:

1. A dwelling has not been constructed on the lot;

2. A request for reimbursement is made before the preliminary release becomes void under § 2–513(b)(2) § 2–513(c)(2) of this subtitle;

3. Before reimbursement and at the expense of the owner of the land under the easement:

   A. The lot is conveyed to the owner free and clear of liens;

   B. Any recorded plat creating the lot is voided;
C. The lot is added to the tax account assigned to the land encumbered by the easement; and

D. The preliminary release is voided by an agreement recorded in the land records; and

4. At least one of the following circumstances exists:

A. The Foundation has received notice that title to the lot has been transferred under a bona fide foreclosure of a mortgage or deed of trust or a deed in lieu of foreclosure;

B. The Foundation has received notice that the landowner or child of the landowner for whom the lot was preliminarily released has died; or

C. Any other circumstance in which the Maryland Agricultural Land Preservation Foundation determines that it would be impossible for the landowner or child of the landowner for whom the lot was preliminarily released to fulfill the requirements of the preliminary release.

2–509.

(d) Regulations and criteria developed by the Foundation relating to land which may be considered for purchase of an easement shall provide that:

(5) Land may be considered for purchase of an easement only if the county regulations governing the land permit the activities listed under § 2–513(a) of this subtitle; and

2–511.

(d) (1) (iii) The entire contiguous acreage shall be included in the determination of the value of the easement, less 1 acre per single dwelling; however, except as provided in § 2–513(b)(2) of this subtitle, the entire contiguous acreage, including the 1 acre per single dwelling, is subject to the easement restrictions.

2–513.

(A) IN THIS SECTION, “CHILD OF THE LANDOWNER” INCLUDES A STEPCHILD OF THE LANDOWNER IF THE LANDOWNER HAS NO BIOLOGICAL CHILDREN.

2–501.

IN THIS SUBTITLE, “CHILD”:
(1) MEANS A BIOLOGICAL CHILD, AN ADOPTED CHILD, OR A STEPCHILD; AND

(2) DOES NOT INCLUDE A FOSTER CHILD, A GRANDCHILD, OR A DESCENDANT MORE REMOTE THAN A GRANDCHILD.

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 person who is subject to the restrictions of an agricultural land preservation easement held by the Maryland Agricultural Land Preservation Foundation.

SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2018.

Approved by the Governor, May 15, 2018.

Chapter 624

(Senate Bill 1131)

AN ACT concerning

Motor Vehicle Insurance – Commercial Policies – Insurance Identification Card

FOR the purpose of allowing a certain insurance identification card to be issued for a certain period for a certain commercial motor vehicle insurance policy covering a certain number of vehicles even if the payment by the insured is for less than a certain period; and generally relating to insurance identification cards issued for commercial motor vehicle insurance policies.

BY repealing and reenacting, with amendments,

Article – Insurance
Section 19–503.1
Annotated Code of Maryland
(2017 Replacement Volume)

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

Article – Insurance

19–503.1.

(a) In this section, “insurance identification card” means a card issued by or on behalf of an insurer, in a form that the Commissioner prescribes or approves, as an
indication that the insurer has issued a motor vehicle liability insurance policy meeting the requirements of this subtitle.

(b) (1) An insurer that issues, sells, or delivers a motor vehicle liability insurance policy in the State shall provide to an insured at the time the motor vehicle liability insurance policy is initially issued and at each renewal an insurance identification card that indicates:

(i) the first named insured on the motor vehicle liability insurance policy;

(ii) the motor vehicle covered under the motor vehicle liability insurance policy; and

(iii) the period for which coverage under the motor vehicle liability insurance policy is in effect.

(2) (i) If an insured and an insurer both consent, an insurance identification card may be produced in electronic format.

(ii) Acceptable electronic formats include display of electronic images on a cellular phone or any other type of portable electronic device.

(3) (i) Except as provided in [subparagraph (ii)] SUBPARAGRAPHS (II) AND (III) of this paragraph, an insurance identification card shall be valid only for the period for which motor vehicle liability insurance coverage has been paid by the insured.

(ii) If the insured is on an insurer–sponsored payment plan or has financed premiums through a premium finance company, the insurance identification card may be issued for periods of 6 months even if the payment by the insured is for a period of less than 6 months.

(III) FOR A 12–MONTH COMMERCIAL MOTOR VEHICLE LIABILITY INSURANCE POLICY COVERING THREE OR MORE VEHICLES, THE INSURANCE IDENTIFICATION CARD MAY BE ISSUED FOR A PERIOD OF 12 MONTHS EVEN IF THE PAYMENT BY THE INSURED IS FOR A PERIOD OF LESS THAN 12 MONTHS.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2018.

Approved by the Governor, May 15, 2018.
AN ACT concerning

Charles County – Work Release – Collection of Inmate Earnings

FOR the purpose of requiring an inmate participating in a work-release arrangement in Charles County to pay certain costs; requiring the Charles County Sheriff to establish certain per diem rates and designate an agent for a certain purpose; requiring the Sheriff’s designee to deliver certain amounts collected to the county treasurer; providing for the application of this Act; and generally relating to work release in Charles County.

BY adding to
Article – Correctional Services
Section 11–710
Annotated Code of Maryland
(2017 Replacement Volume)

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

Article – Correctional Services

11–710.

(A) THIS SECTION APPLIES ONLY IN CHARLES COUNTY.

(B) WHILE CONFINED IN THE CHARLES COUNTY DETENTION CENTER, AN INMATE EMPLOYED UNDER § 11–602 OF THIS TITLE SHALL PAY:

(1) COURT–ORDERED PAYMENTS FOR RESTITUTION; AND

(2) PUBLIC DEFENDER FEES;

(3) CHILD SUPPORT; AND

(4) AN AMOUNT NOT TO EXCEED ONE–THIRD OF THE INMATE’S NET EARNINGS FOR THE COST TO THE STATE CHARLES COUNTY OF PROVIDING FOOD, LODGING, ELECTRONIC MONITORING DEVICES, AND CLOTHING FOR THE INMATE.

(C) THE CHARLES COUNTY SHERIFF SHALL:
(1) ESTABLISH THE PER DIEM RATE FOR AN INMATE’S FOOD, LODGING, ELECTRONIC MONITORING, AND CLOTHING; AND

(2) DESIGNATE AN AGENT TO COLLECT THE COSTS SPECIFIED IN THIS SECTION.

(D) THE SHERIFF’S DESIGNEE SHALL DELIVER THE AMOUNTS COLLECTED UNDER SUBSECTION (B)(2) OF THIS SECTION TO THE CHARLES COUNTY TREASURER.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2018.

Approved by the Governor, May 15, 2018.

Chapter 626

(House Bill 1456)

AN ACT concerning

Offshore Drilling Liability Act

FOR the purpose of establishing that an offshore drilling activity is an ultrahazardous and abnormally dangerous activity; establishing that a person that causes a spill of oil or gas while engaged in an offshore drilling activity is strictly liable for certain damages; voiding as against public policy a provision of any contract or agreement that attempts or purports to waive certain rights or reduce certain liability for injury, death, or loss to person or property caused by an oil or gas spill as a result of an offshore drilling activity; establishing that certain provisions concerning a certain bond do not apply to a judgment in a civil action for damages relating to an offshore drilling activity; defining certain terms; providing for the application of this Act; and generally relating to civil liability for oil or gas spills related to offshore drilling activities.

BY adding to

Article – Courts and Judicial Proceedings
Section 3–2101 through 3–2104 to be under the new subtitle “Subtitle 21. Offshore Drilling Liability Act”
Annotated Code of Maryland
(2013 Replacement Volume and 2017 Supplement)

BY repealing and reenacting, with amendments,

Article – Courts and Judicial Proceedings
SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

Article – Courts and Judicial Proceedings

SUBTITLE 21. OFFSHORE DRILLING LIABILITY ACT.

3–2101.

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

(B) (1) “GAS” MEANS ANY NATURAL GAS OR OTHER FLUID HYDROCARBONS THAT ARE PRODUCED FROM A NATURAL RESERVOIR.

(2) “GAS” INCLUDES:

(i) CARBON DIOXIDE; AND

(ii) HYDROGEN SULFIDE.

(C) “OFFSHORE DRILLING ACTIVITY” MEANS EXPLORATION OR DRILLING FOR THE:

(1) THE EXPLORATION, DEVELOPMENT, OR PRODUCTION OF OIL OR GAS IN, ON, OR UNDER THE FEDERAL OUTER CONTINENTAL SHELF WATERS; AND

(2) TRANSPORTING OIL OR GAS BY PIPELINE, SHIP, OR OTHERWISE FROM A SPECIFIC SITE OF EXPLORATION, DEVELOPMENT, OR PRODUCTION OF OIL OR GAS ON THE FEDERAL OUTER CONTINENTAL SHELF.

(D) “OIL” MEANS OIL OF ANY KIND OR IN ANY FORM, INCLUDING PETROLEUM, PETROLEUM BY–PRODUCTS, FUEL OIL, SLUDGE, CRUDE OIL, OIL REFUSE, AND OIL MIXED WITH WASTES.

3–2102.

(A) AN OFFSHORE DRILLING ACTIVITY IS AN ULTRAHAZARDOUS AND ABNORMALLY DANGEROUS ACTIVITY.
(B) A PERSON THAT CAUSES A SPILL OF OIL OR GAS WHILE ENGAGED IN AN OFFSHORE DRILLING ACTIVITY IS STRICTLY LIABLE FOR DAMAGES FOR ANY INJURY, DEATH, OR LOSS TO PERSON OR PROPERTY THAT IS CAUSED BY THE SPILL.

3–2103.

A PROVISION IN ANY CONTRACT OR AGREEMENT THAT ATTEMPTS OR PURPORTS TO WAIVE THE RIGHT TO BRING AN ACTION UNDER THIS SUBTITLE OR REDUCE ANY LIABILITY FOR INJURY, DEATH, OR LOSS TO PERSON OR PROPERTY THAT IS CAUSED BY A SPILL OF OIL OR GAS AS A RESULT OF AN OFFSHORE DRILLING ACTIVITY IS VOID AS AGAINST PUBLIC POLICY.

3–2104.

THIS SUBTITLE MAY BE CITED AS THE OFFSHORE DRILLING LIABILITY ACT.

12–301.1.

(a) (1) THIS SECTION DOES NOT APPLY TO A JUDGMENT IN AN ACTION FOR DAMAGES UNDER § 3–2102 OF THIS ARTICLE.

(2) Except as provided in subsection (d) of this section and notwithstanding any other law or court rule, in a civil action the amount of the supersedeas bond necessary to obtain a stay of enforcement of a judgment granting any type of relief during the entire course of all appeals or discretionary reviews may not exceed the lesser of $100,000,000 or the amount of the judgment for each appellant, regardless of the amount of the judgment appealed.

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 cause of action arising before the effective date of this Act.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2018.

Approved by the Governor, May 15, 2018.

Chapter 627

(House Bill 3)

AN ACT concerning

Environment – U.S. Climate Alliance – Membership
FOR the purpose of requiring the Governor to include the State as a member of the U.S. Climate Alliance on or before a certain date; prohibiting the Governor from withdrawing the State from the U.S. Climate Alliance unless the General Assembly enacts a law approving the withdrawal; requiring the Governor to report to certain committees of the General Assembly on or before a certain date each year, beginning on or before a certain date; and generally relating to the U.S. Climate Alliance.

BY adding to

Article – Environment
Section 2–1401 to be under the new subtitle “Subtitle 14. U.S. Climate Alliance”
Annotated Code of Maryland
(2013 Replacement Volume and 2017 Supplement)

Preamble

WHEREAS, 195 countries signed the Paris Agreement on Climate Change, which aims to strengthen the global response to the threat of climate change, including by holding the increase in the global average temperature to be below 2 degrees Celsius above pre–industrial levels; and

WHEREAS, The United States signed the Paris Agreement; and

WHEREAS, President Donald J. Trump’s Administration has announced its intent to withdraw the United States from the Paris Agreement; and

WHEREAS, The Healthy Air Act included Maryland in the Regional Greenhouse Gas Initiative; and

WHEREAS, The Greenhouse Gas Emissions Reduction Act requires Maryland to reduce emissions by 40% by 2030; and

WHEREAS, Only international cooperation to reduce greenhouse gas emissions can is essential, along with regional, state, and local actions to mitigate climate impacts; and

WHEREAS, 45 states and the Commonwealth of Puerto Rico have joined the U.S. Climate Alliance, committing to the goal of reducing greenhouse gas emissions consistent with the goals of the Paris Agreement; and

WHEREAS, Maryland intends to share its insights, experiences, and strategies with the U.S. Climate Alliance in meeting and excelling beyond the requirements of the Paris Agreement and the U.S. Environmental Protection Agency’s Clean Power Plan; and

WHEREAS, Governor Hogan has made it clear he disagreed with the President’s decision to withdraw from the Paris Agreement; now, therefore,
SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

Article – Environment

SUBTITLE 14. U.S. CLIMATE ALLIANCE.

2–1401.

(A) (1) ON OR BEFORE JULY 1, 2018, THE GOVERNOR SHALL INCLUDE THE STATE AS A MEMBER OF THE U.S. CLIMATE ALLIANCE.

(2) THE GOVERNOR MAY WITHDRAW THE STATE FROM THE U.S. CLIMATE ALLIANCE ONLY IF THE GENERAL ASSEMBLY ENACTS A LAW TO APPROVE THE WITHDRAWAL.

(B) ON OR BEFORE DECEMBER 1, 2018, AND ON OR BEFORE DECEMBER 1 EACH YEAR THEREAFTER, THE GOVERNOR SHALL REPORT TO THE SENATE EDUCATION, HEALTH, AND ENVIRONMENTAL AFFAIRS COMMITTEE AND THE HOUSE ENVIRONMENT AND TRANSPORTATION COMMITTEE, IN ACCORDANCE WITH § 2–1246 OF THE STATE GOVERNMENT ARTICLE, ON THE STATE’S PARTICIPATION IN THE U.S. CLIMATE ALLIANCE, INCLUDING:

(1) ANY COLLABORATIONS OR PARTNERSHIPS AMONG THE ALLIANCE MEMBERS OR EXTERNAL STAKEHOLDERS; AND

(2) ANY POLICIES OR PROGRAMS THAT THE ALLIANCE HAS ENDORSED, UNDERTAKEN, OR CONSIDERED.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2018.

Approved by the Governor, May 15, 2018.

Chapter 628

(House Bill 1350)

AN ACT concerning

Sea Level Rise Inundation and Coastal Flooding – Construction, Adaptation, and Mitigation, and Disclosure
FOR the purpose of altering the definition of the term “Coast Smart” for purposes of certain provisions of law relating to certain construction practices that address certain impacts associated with sea level rise and coastal flooding to apply to highway facilities; altering the composition of the Coast Smart Council to include the State Treasurer; altering the application of certain design and siting criteria established by the Coast Smart Council, in consultation with the Department of Natural Resources and the Department of Transportation, to apply, beginning on a certain date, to certain State and local projects for which a certain level of project costs are funded with State funds; altering certain design and siting criteria that the Coast Smart Council, in consultation with the Department of Natural Resources, is required to adopt; requiring the Department of Planning, in consultation with the Department of Natural Resources, the Department of the Environment, and the Department of Agriculture, to establish a plan to adapt to saltwater intrusion on or before a certain date; requiring a certain plan to adapt to saltwater intrusion to be updated at a certain frequency; requiring the Board of Public Works, in conjunction with the Department of Natural Resources, the Department of the Environment, and the Maryland Emergency Management Agency, to establish certain criteria to evaluate whether State funds may be used to mitigate certain hazards associated with sea level rise inundation and coastal flooding; requiring a certain local jurisdiction to submit to the Department of Planning for approval a certain plan to address nuisance flooding on or before a certain date; requiring a certain local jurisdiction to update a certain plan to address nuisance flooding at a certain frequency; requiring a local jurisdiction to publish certain nuisance flooding plans on the local jurisdiction’s website; requiring a certain vendor of real property located on certain land that may be inundated from a certain sea level rise to, on or before entering into a contract for the sale of property, deliver certain information to each purchaser; requiring a local jurisdiction that develops a certain plan to submit a copy of the plan to the Department of Planning under certain circumstances; repealing certain provisions of law relating to certain design and siting criteria for certain State capital projects; providing for the application of certain provisions of this Act; defining certain terms; and generally relating to sea level rise inundation and coastal flooding.

BY repealing and reenacting, without amendments, Article – Transportation
Section 3–101(a) and (f) and 8–101(a) and (i)
Annotated Code of Maryland
(2015 Replacement Volume and 2017 Supplement)

BY repealing and reenacting, with amendments, Article – Natural Resources
Section 3–1001 to be under the new part “Part I. General Provisions” and the amended subtitle “Subtitle 10. Sea Level Rise Inundation and Coastal Flooding”; and 3–1002 through 3–1004 to be under the new part “Part II. Coast Smart Council”
Annotated Code of Maryland
(2012 Replacement Volume and 2017 Supplement)
BY adding to
Article – Natural Resources
Section 3–1009 to be under the new part “Part III. Coast Smart Design and Siting Criteria”; 3–1012 to be under the new part “Part IV. Saltwater Intrusion”; 3–1015 to be under the new part “Part V. State Mitigation”; and 3–1018 to be under the new part “Part VI. Local Plan for Nuisance Flooding”
Annotated Code of Maryland
(2012 Replacement Volume and 2017 Supplement)

BY adding to
Article – Real Property
Section 10–711
Annotated Code of Maryland
(2015 Replacement Volume and 2017 Supplement)

BY repealing
Article – State Finance and Procurement
Section 3–602.3
Annotated Code of Maryland
(2015 Replacement Volume and 2017 Supplement)

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

Article – Transportation


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

(f) (1) In this definition, “highway” and “State highway system” have the meanings stated in § 8–101 of this article.

(2) “Highway facility” includes any one or more or combination of projects involving the rehabilitation and reconstruction of highways in the State highway system to meet present and future needs and the development and construction in new locations of new highways necessitated by traffic demands to become parts of the State highway system, including federally aided highway projects partially funded by this State and all incidental property rights, materials, facilities, and structures.

8–101.

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

(i) “Highway” includes:
(1) Rights–of–way, roadway surfaces, roadway subgrades, shoulders, median dividers, drainage facilities and structures, related stormwater management facilities and structures, roadway cuts, roadway fills, guardrails, bridges, highway grade separation structures, railroad grade separations, tunnels, overpasses, underpasses, interchanges, entrance plazas, approaches, and other structures forming an integral part of a street, road, or highway, including bicycle and walking paths; and

(2) Any other property acquired for the construction, operation, or use of the highway.

Article – Natural Resources

Subtitle 10. [Coast Smart Council] SEA LEVEL RISE INUNDATION AND COASTAL FLOODING.

PART I. GENERAL PROVISIONS.

3–1001.

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

(b) (1) “Coast Smart” means a construction practice in which preliminary planning, siting, design, construction, operation, maintenance, and repair of a structure OR HIGHWAY FACILITY avoids or minimizes future impacts associated with coastal flooding and sea level rise INUNDATION.

(2) “Coast Smart” includes design criteria and siting criteria that are applicable throughout the entire life cycle of a project.

(c) “Council” means the Coast Smart Council.

(d) “Design criteria” means standard specifications related to the shape, size, or form of a construction practice.

(E) “FRESHWATER” MEANS WATER WITH A TOTAL DISSOLVED–SOLID CONCENTRATION OF LESS THAN 1,000 MG/L.

(F) “HIGHWAY FACILITY” HAS THE MEANING STATED IN § 3–101(F) OF THE TRANSPORTATION ARTICLE.

(G) “NUISANCE FLOODING” MEANS HIGH–TIDE FLOODING THAT CAUSES PUBLIC INCONVENIENCE.

(H) (1) “REPLACEMENT COST” MEANS, AT THE TIME OF RECONSTRUCTION, THE COST OF RECONSTRUCTING A STRUCTURE OR HIGHWAY FACILITY TO THE SAME STANDARD AS IT HAD BEFORE THE DAMAGE.
(2) "Replacement cost" does not include:

(I) The value of the land on which a structure or highway facility is located; or

(II) For tax purposes, a deduction for depreciation.

(1) (1) "Saltwater intrusion" means the movement of water with a total dissolved-solids concentration greater than or equal to 1,000 mg/L to freshwater.

(2) "Saltwater intrusion" includes saltwater intrusion into surface water, aquifers, and soils.

(J) "Sea level rise inundation" means the inundation of land from a sea level rise of 2 feet, as shown on the sea level rise vulnerability layer of the Department’s Maryland Coastal Atlas determined by the Council.

[(e) (K)] "Siting criteria" means specifications related to the location or use of a structure or highway facility.

(L) "Structure" means:

(1) A walled or roofed building;

(2) A manufactured home; or

(3) A gas or liquid storage tank that is principally above ground.

(M) "Substantial damage" means damage caused by any source that is sustained by a structure or highway facility such that the cost of reconstruction to its before-damaged condition is at least half of the structure’s or highway facility’s replacement cost before the damage occurred.
PART II. COAST SMART COUNCIL.


(a) There is a Coast Smart Council in the Department.

(b) The Department shall provide staff support for the Council.


(a) The Coast Smart Council shall include:

(1) The Secretary of Natural Resources, or the Secretary’s designee;

(2) The Secretary of Budget and Management, or the Secretary’s designee;

(3) The Secretary of the Environment, or the Secretary’s designee;

(4) The Secretary of General Services, or the Secretary’s designee;

(5) The Secretary of Planning, or the Secretary’s designee;

(6) The Secretary of Transportation, or the Secretary’s designee;

(7) The Secretary of Commerce, or the Secretary’s designee;

(8) The Chair of the Critical Area Commission for the Chesapeake and Atlantic Coastal Bays, or the Chair’s designee;

(9) The Director of the Maryland Emergency Management Agency, or the Director’s designee;

(10) The State Treasurer, or the State Treasurer’s designee;

(11) The Chancellor of the University System of Maryland, or the Chancellor’s designee; and

(12) Five members appointed by the Governor to represent local government, environmental, and business interests.

(b) The Secretary of Natural Resources or the Secretary’s designee shall chair the Council.

(c) Subject to paragraph (2) of this subsection, the term of a member appointed by the Governor is 2 years.
(2) The Governor shall stagger the terms of the initial appointed members.

(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 remainder of that term and until a successor is appointed and qualifies.

(5) The Governor may remove an appointed member for incompetence, misconduct, or failure to perform the duties of the position.

(d) A member appointed by the Governor may not receive compensation but is entitled to reimbursement for expenses under the Standard State Travel Regulations, as provided in the State budget.


(a) The Council shall:

(1) Study and provide analysis regarding standards and factors relevant to the establishment of Coast Smart siting criteria and design criteria;

(2) Develop siting and design criteria to establish and implement Coast Smart practices and requirements;

(3) Develop eligibility criteria, standards, and procedures for applying for and obtaining a waiver from compliance with the Coast Smart requirements; and

(4) Establish procedures for evaluating Coast Smart waiver applications that include the consideration of proposed [capital] projects with regard to:

   (i) The anticipated need to prepare for, respond to, and recover from extreme weather events, sea level rise inundation, coastal flooding, storm surges, and shoreline erosion; and

   (ii) The need to prevent danger to life and property and to avoid environmental, socio–economic, and economic harm.

(b) The chair of the Council may establish subcommittees consisting of members of the Council, experts in fields related to climate change and sea level rise, and interested parties to address or study specific issues.

3–1007. RESERVED.

3–1008. RESERVED.
PART III. COAST SMART DESIGN AND SITING CRITERIA.

3–1009.

(A) (1) THIS SECTION APPLIES TO STATE AND LOCAL PROJECTS FOR WHICH AT LEAST 30% 50% OF THE PROJECT COSTS ARE FUNDED WITH STATE FUNDS.

(2) THIS SECTION DOES NOT APPLY TO A PUBLIC WORK CONTRACT OF LESS THAN $500,000.

(B) (1) BEGINNING JULY 1, 2019, IF A STATE OR LOCAL PROJECT INCLUDES THE CONSTRUCTION OF A STRUCTURE OR HIGHWAY FACILITY OR THE RECONSTRUCTION OF A STRUCTURE OR HIGHWAY FACILITY WITH SUBSTANTIAL DAMAGE, THE STRUCTURE OR HIGHWAY FACILITY SHALL BE CONSTRUCTED OR RECONSTRUCTED IN COMPLIANCE WITH SITING AND DESIGN CRITERIA ESTABLISHED UNDER SUBSECTION (C) OF THIS SECTION.

(2) BEGINNING JULY 1, 2019, IF A STATE OR LOCAL PROJECT INCLUDES THE RECONSTRUCTION OF A STRUCTURE WITH SUBSTANTIAL DAMAGE, THE STRUCTURE SHALL BE RECONSTRUCTED IN COMPLIANCE WITH SITING AND DESIGN CRITERIA ESTABLISHED UNDER SUBSECTION (C) OF THIS SECTION.

(C) (1) THE COUNCIL, IN CONSULTATION WITH THE DEPARTMENT AND THE DEPARTMENT OF TRANSPORTATION, SHALL ESTABLISH COAST SMART SITING AND DESIGN CRITERIA TO ADDRESS SEA LEVEL RISE INUNDATION AND COASTAL FLOOD IMPACTS ON STATE AND LOCAL PROJECTS.

(2) THE CRITERIA ADOPTED UNDER THIS SUBSECTION SHALL INCLUDE:

(I) GUIDELINES AND ANY OTHER DIRECTIVES APPLICABLE TO THE PRELIMINARY PLANNING AND CONSTRUCTION OF A PROPOSED PROJECT;

(II) A REQUIREMENT THAT A STRUCTURE OR HIGHWAY FACILITY BE DESIGNED AND CONSTRUCTED OR RECONSTRUCTED IN A MANNER TO WITHSTAND THE STORM SURGE FROM A STORM THAT REGISTERS AS A CATEGORY 2 ON THE SAFFIR–SIMPSON HURRICANE WIND SCALE, INCLUDING A REQUIREMENT FOR STRUCTURES TO BE CONSTRUCTED OR RECONSTRUCTED AT A MINIMUM ELEVATION ABOVE THE PROJECTED STORM SURGE; AND

(III) PROVISIONS ESTABLISHING A PROCESS TO ALLOW A UNIT OF STATE OR LOCAL GOVERNMENT TO OBTAIN A WAIVER FROM COMPLYING WITH THE REQUIREMENTS OF SUBSECTION (B) OF THIS SECTION.
3–1010. RESERVED.

3–1011. RESERVED.

PART IV. SALTWATER INTRUSION.

3–1012.

(A) On or before December 15, 2019, the Department of Planning, in consultation with the Department, the Department of the Environment, and the Department of Agriculture, shall establish a plan to adapt to saltwater intrusion.

(B) The plan established under subsection (A) of this section shall be updated at least once every 5 years.

3–1013. RESERVED.

3–1014. RESERVED.

PART V. STATE MITIGATION.

3–1015.

(A) The Board of Public Works, in conjunction with the Department and the Department of the Environment, and the Maryland Emergency Management Agency, shall establish criteria to evaluate whether State funds may be used to mitigate hazards associated with sea level rise inundation and coastal flooding.

(B) The criteria established under subsection (A) of this section shall incorporate tools to assess the vulnerability of an area or a structure to hazards associated with sea level rise inundation and coastal flooding, including tools to measure:

1. The level of exposure of an area or a structure to hazards; and

2. The degree to which an area or a structure is likely to be affected by the exposure to hazards.

3–1016. RESERVED.
3–1017. RESERVED.

PART VI. LOCAL PLAN FOR NUISANCE FLOODING.

3–1018.

(A) (1) ON OR BEFORE JULY 1, 2019, A LOCAL JURISDICTION THAT EXPERIENCES NUISANCE FLOODING SHALL SUBMIT TO THE DEPARTMENT OF PLANNING FOR APPROVAL, DEVELOP A PLAN TO ADDRESS NUISANCE FLOODING.

(2) A LOCAL JURISDICTION SHALL UPDATE THE PLAN REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION AT LEAST ONCE EVERY 5 YEARS.

(3) A LOCAL JURISDICTION SHALL PUBLISH THE PLANS REQUIRED UNDER THIS SUBSECTION ON THE LOCAL JURISDICTION’S WEBSITE.

(B) THE DEPARTMENT OF PLANNING SHALL CONSULT WITH THE COUNCIL BEFORE APPROVING OR DISAPPROVING A PLAN SUBMITTED UNDER SUBSECTION (A) OF THIS SECTION. A LOCAL JURISDICTION THAT DEVELOPS A PLAN TO ADDRESS NUISANCE FLOODING SHALL SUBMIT A COPY OF THE NUISANCE FLOODING PLAN TO THE DEPARTMENT OF PLANNING.

Article – Real Property

10–711.

A VENDOR OF REAL PROPERTY LOCATED ON LAND THAT MAY BE INUNDATED FROM A SEA LEVEL RISE OF 2 FEET, AS SHOWN ON THE SEA LEVEL RISE VULNERABILITY LAYER OF THE DEPARTMENT OF NATURAL RESOURCES’ MARYLAND COASTAL ATLAS, SHALL, ON OR BEFORE ENTERING INTO A CONTRACT FOR THE SALE OF PROPERTY, DELIVER TO EACH PURCHASER:

(1) NOTICE THAT ALL OR A PORTION OF THE PROPERTY IS LOCATED ON LAND THAT MAY BE INUNDATED FROM A SEA LEVEL RISE OF 2 FEET, AS SHOWN ON THE SEA LEVEL RISE VULNERABILITY LAYER OF THE DEPARTMENT OF NATURAL RESOURCES’ MARYLAND COASTAL ATLAS; AND

(2) A COPY OF THE DEPARTMENT OF NATURAL RESOURCES’ MARYLAND COASTAL ATLAS THAT SHOWS THE PROPERTY WITH THE APPLICABLE SEA LEVEL RISE VULNERABILITY LAYER.

Article – State Finance and Procurement

[3–602.3.]
(a)  (1)  In this section the following words have the meanings indicated.

(2)  “100–year base flood” means a flood having a 1% chance of being equaled or exceeded in any given year.

(3)  “Base flood elevation” means:

(i)  the water surface elevation of the 100–year base flood as specified on Federal Emergency Management Agency flood insurance rate maps; or

(ii)  in an area of shallow flooding:

1.  the highest adjacent natural grade added to the depth number specified in feet on the flood insurance rate map; or

2.  if the depth number is not specified on the flood insurance rate map, 4 feet.

(4)  (i)  “Coast Smart” means a construction practice in which preliminary planning, siting, design, construction, operation, maintenance, and repair of a structure avoids or minimizes future impacts associated with coastal flooding and sea level rise.

(ii)  “Coast Smart” includes design criteria and siting criteria that are applicable throughout the entire life cycle of a project.

(5)  “Design criteria” means standard specifications related to the shape, size, or form of a construction practice.

(6)  (i)  “Replacement cost” means, at the time of reconstruction, the cost of reconstructing a structure and its surrounding property to full use with materials of the same kind and quality as the original materials.

(ii)  “Replacement cost” does not include:

1.  the value of the land on which a structure is located; or

2.  for tax purposes, a deduction for depreciation.

(7)  “Siting criteria” means specifications related to the location or use of a structure.

(8)  “Special flood hazard area” means land in a tidally influenced floodplain that is:

(i)  subject to at least a 1% chance of flooding in any given year; and

(9) “Structure” means:

(i) a walled or roofed building;

(ii) a manufactured home; or

(iii) a gas or liquid storage tank that is principally above ground.

(10) “Substantial damage” means damage caused by any source that is sustained by a structure such that the cost of reconstruction to its before-damaged condition is at least half of the structure’s replacement cost before the damage occurred.

(b) (1) This subsection applies to State capital projects planned and built by units of State government that are partially or fully funded with State funds.

(2) Beginning July 1, 2015, if a State capital project includes the construction of a structure or the reconstruction of a structure with substantial damage, the structure shall be constructed or reconstructed in compliance with siting and design criteria established under subsection (c) of this section.

(c) (1) In consultation with the Department of Natural Resources, the Coast Smart Council established under § 3–1002 of the Natural Resources Article shall establish Coast Smart siting and design criteria to address sea level rise and coastal flood impacts on capital projects.

(2) The criteria adopted under this subsection shall include:

(i) guidelines, and any other directives applicable to the preliminary planning and construction of a proposed capital project;

(ii) a requirement that the lowest floor elevation of each structure located within a special flood hazard area is built at an elevation of at least 2 feet above the base flood elevation; and

(iii) provisions establishing a process to allow a unit of State government to obtain a waiver from complying with the requirements of subsection (b) of this section.]

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2018.
Chapter 629  
(Senate Bill 1006)  

AN ACT concerning  

Sea Level Rise Inundation and Coastal Flooding – Construction, Adaptation, and Mitigation, and Disclosure  

FOR the purpose of altering the definition of the term “Coast Smart” for purposes of certain provisions of law relating to certain construction practices that address certain impacts associated with sea level rise and coastal flooding to apply to highway facilities; altering the composition of the Coast Smart Council to include the State Treasurer; altering the application of certain design and siting criteria established by the Coast Smart Council, in consultation with the Department of Natural Resources and the Department of Transportation, to apply, beginning on a certain date, to certain State and local projects for which a certain level of project costs are funded with State funds; altering certain design and siting criteria that the Coast Smart Council, in consultation with the Department of Natural Resources, is required to adopt; requiring the Department of Planning, in consultation with the Department of Natural Resources, the Department of the Environment, and the Department of Agriculture, to establish a plan to adapt to saltwater intrusion on or before a certain date; requiring a certain plan to adapt to saltwater intrusion to be updated at a certain frequency; requiring the Board of Public Works, in conjunction with the Department of Natural Resources, the Department of the Environment, and the Maryland Emergency Management Agency, to establish certain criteria to evaluate whether State funds may be used to mitigate certain hazards associated with sea level rise inundation and coastal flooding; requiring a certain local jurisdiction to submit to the Department of Planning for approval incorporate into a certain Master Plan develop a certain plan to address nuisance flooding on or before a certain date; requiring a certain local jurisdiction to update a certain plan to address nuisance flooding at a certain frequency; requiring a local jurisdiction to publish certain nuisance flooding plans on the local jurisdiction’s website; requiring a certain vendor of real property located on certain land that may be inundated from a certain sea level rise to, on or before entering into a contract for the sale of property, deliver certain information to each purchaser; requiring a local jurisdiction to submit a copy of a certain plan to the Department of Planning under certain circumstances; repealing certain provisions of law relating to certain design and siting criteria for certain State capital projects; providing for the application of certain provisions of this Act; defining certain terms; and generally relating to sea level rise inundation and coastal flooding.  

BY repealing and reenacting, without amendments,
Article – Transportation
Section 3–101(a) and (f) and 8–101(a) and (i)
Annotated Code of Maryland
(2015 Replacement Volume and 2017 Supplement)

BY repealing and reenacting, with amendments,
Article – Natural Resources
Section 3–1001 to be under the new part “Part I. General Provisions” and the amended subtitle “Subtitle 10. Sea Level Rise Inundation and Coastal Flooding”; and 3–1002 through 3–1004 to be under the new part “Part II. Coast Smart Council”
Annotated Code of Maryland
(2012 Replacement Volume and 2017 Supplement)

BY adding to
Article – Natural Resources
Section 3–1009 to be under the new part “Part III. Coast Smart Design and Siting Criteria”; 3–1012 to be under the new part “Part IV. Saltwater Intrusion”; 3–1015 to be under the new part “Part V. State Mitigation”; and 3–1018 to be under the new part “Part VI. Local Plan for Nuisance Flooding”
Annotated Code of Maryland
(2012 Replacement Volume and 2017 Supplement)

BY adding to
Article – Real Property
Section 10–711
Annotated Code of Maryland
(2015 Replacement Volume and 2017 Supplement)

BY repealing
Article – State Finance and Procurement
Section 3–602.3
Annotated Code of Maryland
(2015 Replacement Volume and 2017 Supplement)

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

Article – Transportation


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

(f) (1) In this definition, “highway” and “State highway system” have the meanings stated in § 8–101 of this article.
(2) “Highway facility” includes any one or more or combination of projects involving the rehabilitation and reconstruction of highways in the State highway system to meet present and future needs and the development and construction in new locations of new highways necessitated by traffic demands to become parts of the State highway system, including federally aided highway projects partially funded by this State and all incidental property rights, materials, facilities, and structures.

8–101.

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

(i) “Highway” includes:

(1) Rights–of–way, roadway surfaces, roadway subgrades, shoulders, median dividers, drainage facilities and structures, related stormwater management facilities and structures, roadway cuts, roadway fills, guardrails, bridges, highway grade separation structures, railroad grade separations, tunnels, overpasses, underpasses, interchanges, entrance plazas, approaches, and other structures forming an integral part of a street, road, or highway, including bicycle and walking paths; and

(2) Any other property acquired for the construction, operation, or use of the highway.

Article – Natural Resources

Subtitle 10. [Coast Smart Council] SEA LEVEL RISE INUNDATION AND COASTAL FLOODING.

PART I. GENERAL PROVISIONS.

3–1001.

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

(b) (1) “Coast Smart” means a construction practice in which preliminary planning, siting, design, construction, operation, maintenance, and repair of a structure OR HIGHWAY FACILITY avoids or minimizes future impacts associated with coastal flooding and sea level rise INUNDATION.

(2) “Coast Smart” includes design criteria and siting criteria that are applicable throughout the entire life cycle of a project.

(c) “Council” means the Coast Smart Council.

(d) “Design criteria” means standard specifications related to the shape, size, or form of a construction practice.
(E) “Freshwater” means water with a total dissolved–solid concentration of less than 1,000 mg/l.

(F) “Highway facility” has the meaning stated in § 3–101(f) of the Transportation Article.

(G) “Nuisance flooding” means high–tide flooding that causes public inconvenience.

(H) (1) “Replacement cost” means, at the time of reconstruction, the cost of reconstructing a structure or highway facility and its surrounding property to full use with materials of the same kind and quality as the original materials.

(2) “Replacement cost” does not include:

(I) The value of the land on which a structure or highway facility is located; or

(II) For tax purposes, a deduction for depreciation.

(I) (1) “Saltwater intrusion” means the movement of water with a total dissolved–solid concentration greater than or equal to 1,000 mg/l to freshwater.

(2) “Saltwater intrusion” includes Saltwater Intrusion into surface water, aquifers, and soils.

(J) “Sea level rise inundation” means the inundation of land from a sea level rise of 2 feet, as shown on the Sea Level Rise Vulnerability Layer of the Department’s Maryland Coastal Atlas determined by the Council.

[(e)] (K) “Siting criteria” means specifications related to the location or use of a structure or highway facility.

(L) “Structure” means:

(1) A walled or roofed building;

(2) A manufactured home; or
(3) A gas or liquid storage tank that is principally above ground.

(M) “Substantial damage” means damage caused by any source that is sustained by a structure or highway facility such that the cost of reconstruction to its before-damaged condition is at least half of the structure’s or highway facility’s replacement cost before the damage occurred.

3–1002. Reserved.

3–1003. Reserved.

PART II. COAST SMART COUNCIL.


(a) There is a Coast Smart Council in the Department.

(b) The Department shall provide staff support for the Council.


(a) The Coast Smart Council shall include:

(1) The Secretary of Natural Resources, or the Secretary’s designee;

(2) The Secretary of Budget and Management, or the Secretary’s designee;

(3) The Secretary of the Environment, or the Secretary’s designee;

(4) The Secretary of General Services, or the Secretary’s designee;

(5) The Secretary of Planning, or the Secretary’s designee;

(6) The Secretary of Transportation, or the Secretary’s designee;

(7) The Secretary of Commerce, or the Secretary’s designee;

(8) The Chair of the Critical Area Commission for the Chesapeake and Atlantic Coastal Bays, or the Chair’s designee;

(9) The Director of the Maryland Emergency Management Agency, or the Director’s designee;

(10) The State Treasurer, or the State Treasurer’s designee;
The Chancellor of the University System of Maryland, or the Chancellor’s designee; and

Five members appointed by the Governor to represent local government, environmental, and business interests.

(b) The Secretary of Natural Resources or the Secretary’s designee shall chair the Council.

(c) (1) Subject to paragraph (2) of this subsection, the term of a member appointed by the Governor is 2 years.

(2) The Governor shall stagger the terms of the initial appointed members.

(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 remainder of that term and until a successor is appointed and qualifies.

(5) The Governor may remove an appointed member for incompetence, misconduct, or failure to perform the duties of the position.

(d) A member appointed by the Governor may not receive compensation but is entitled to reimbursement for expenses under the Standard State Travel Regulations, as provided in the State budget.


(a) The Council shall:

(1) Study and provide analysis regarding standards and factors relevant to the establishment of Coast Smart siting criteria and design criteria;

(2) Develop siting and design criteria to establish and implement Coast Smart practices and requirements;

(3) Develop eligibility criteria, standards, and procedures for applying for and obtaining a waiver from compliance with the Coast Smart requirements; and

(4) Establish procedures for evaluating Coast Smart waiver applications that include the consideration of proposed [capital] projects with regard to:

(i) The anticipated need to prepare for, respond to, and recover from extreme weather events, sea level rise inundation, coastal flooding, storm surges, and shoreline erosion; and
(ii) The need to prevent danger to life and property and to avoid environmental, socio–economic, and economic harm.

(b) The chair of the Council may establish subcommittees consisting of members of the Council, experts in fields related to climate change and sea level rise, and interested parties to address or study specific issues.

3–1007. RESERVED.

3–1008. RESERVED.

PART III. COAST SMART DESIGN AND SITING CRITERIA.

3–1009.

(A) **(1)** This section applies to state and local projects for which at least 30% 50% of the project costs are funded with State funds.

**(2)** This section does not apply to a public work contract of less than $500,000.

(B) **(1)** Beginning July 1, 2019, if a state or local project includes the construction of a structure or highway facility or the reconstruction of a structure or highway facility with substantial damage, the structure or highway facility shall be constructed or reconstructed in compliance with siting and design criteria established under subsection (c) of this section.

**(2)** Beginning July 1, 2019, if a state or local project includes the reconstruction of a structure with substantial damage, the structure shall be reconstructed in compliance with siting and design criteria established under subsection (c) of this section.

(C) **(1)** The Council, in consultation with the Department and **The Department of Transportation**, shall establish Coast Smart siting and design criteria to address sea level rise inundation and coastal flood impacts on state and local projects.

**(2)** The criteria adopted under this subsection shall include:

**(i)** Guidelines and any other directives applicable to the preliminary planning and construction of a proposed project;
(II) A REQUIREMENT THAT A STRUCTURE OR HIGHWAY FACILITY BE DESIGNED AND CONSTRUCTED OR RECONSTRUCTED IN A MANNER TO WITHSTAND THE STORM SURGE FROM A STORM THAT REGISTERS AS A CATEGORY 2 ON THE SAFFIR–SIMPSON HURRICANE WIND SCALE, INCLUDING A REQUIREMENT FOR STRUCTURES TO BE CONSTRUCTED OR RECONSTRUCTED AT A MINIMUM ELEVATION ABOVE THE PROJECTED STORM SURGE; AND

(III) PROVISIONS ESTABLISHING A PROCESS TO ALLOW A UNIT OF STATE OR LOCAL GOVERNMENT TO OBTAIN A WAIVER FROM COMPLYING WITH THE REQUIREMENTS OF SUBSECTION (B) OF THIS SECTION.

3–1010. RESERVED.

3–1011. RESERVED.

PART IV. SALTWATER INTRUSION.

3–1012.

(A) ON OR BEFORE DECEMBER 15, 2019, THE DEPARTMENT OF PLANNING, IN CONSULTATION WITH THE DEPARTMENT, THE DEPARTMENT OF THE ENVIRONMENT, AND THE DEPARTMENT OF AGRICULTURE, SHALL ESTABLISH A PLAN TO ADAPT TO SALTWATER INTRUSION.

(B) THE PLAN ESTABLISHED UNDER SUBSECTION (A) OF THIS SECTION SHALL BE UPDATED AT LEAST ONCE EVERY 5 YEARS.

3–1013. RESERVED.

3–1014. RESERVED.

PART V. STATE MITIGATION.

3–1015.

(A) THE BOARD OF PUBLIC WORKS, IN CONJUNCTION WITH THE DEPARTMENT AND, THE DEPARTMENT OF THE ENVIRONMENT, AND THE MARYLAND EMERGENCY MANAGEMENT AGENCY, SHALL ESTABLISH CRITERIA TO EVALUATE WHETHER STATE FUNDS MAY BE USED TO MITIGATE HAZARDS ASSOCIATED WITH SEA LEVEL RISE INUNDATION AND COASTAL FLOODING.

(B) THE CRITERIA ESTABLISHED UNDER SUBSECTION (A) OF THIS SECTION SHALL INCORPORATE TOOLS TO ASSESS THE VULNERABILITY OF AN AREA OR A
STRUCTURE TO HAZARDS ASSOCIATED WITH SEA LEVEL RISE INUNDATION AND COASTAL FLOODING, INCLUDING TOOLS TO MEASURE:

(1) THE LEVEL OF EXPOSURE OF AN AREA OR A STRUCTURE TO HAZARDS; AND

(2) THE DEGREE TO WHICH AN AREA OR A STRUCTURE IS LIKELY TO BE AFFECTED BY THE EXPOSURE TO HAZARDS.

3–1016. RESERVED.

3–1017. RESERVED.

PART VI. LOCAL PLAN FOR NUISANCE FLOODING.

3–1018.

(A) (1) ON OR BEFORE JULY 1, 2019, A LOCAL JURISDICTION THAT EXPERIENCES NUISANCE FLOODING SHALL SUBMIT TO THE DEPARTMENT OF PLANNING FOR APPROVAL INCORPORATE INTO THEIR MASTER PLAN DEVELOP A PLAN TO ADDRESS NUISANCE FLOODING.

(2) A LOCAL JURISDICTION SHALL UPDATE THE PLAN REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION AT LEAST ONCE EVERY 5 YEARS.

(3) A LOCAL JURISDICTION SHALL PUBLISH THE PLANS REQUIRED UNDER THIS SUBSECTION ON THE LOCAL JURISDICTION’S WEBSITE.

(B) THE DEPARTMENT OF PLANNING SHALL CONSULT WITH THE COUNCIL BEFORE APPROVING OR DISAPPROVING A PLAN SUBMITTED UNDER SUBSECTION (A) OF THIS SECTION A LOCAL JURISDICTION THAT INCORPORATES DEVELOPS A PLAN TO ADDRESS NUISANCE FLOODING INTO THEIR MASTER PLAN SHALL SUBMIT A COPY OF THE NUISANCE FLOODING PLAN TO THE DEPARTMENT OF PLANNING.

Article—Real Property

10–711.

A VENDOR OF REAL PROPERTY LOCATED ON LAND THAT MAY BE INUNDATED FROM A SEA LEVEL RISE OF 2 FEET, AS SHOWN ON THE SEA LEVEL RISE VULNERABILITY LAYER OF THE DEPARTMENT OF NATURAL RESOURCES’ MARYLAND COASTAL ATLAS, SHALL, ON OR BEFORE ENTERING INTO A CONTRACT FOR THE SALE OF PROPERTY, DELIVER TO EACH PURCHASER:
(1) **Notice that all or a portion of the property is located on land that may be inundated from a sea level rise of 2 feet, as shown on the sea level rise vulnerability layer of the Department of Natural Resources’ Maryland Coastal Atlas; and**

(2) **A copy of the Department of Natural Resources’ Maryland Coastal Atlas that shows the property with the applicable sea level rise vulnerability layer.**

**Article – State Finance and Procurement**

[3–602.3. ](a) (1) In this section the following words have the meanings indicated.

(2) “100–year base flood” means a flood having a 1% chance of being equaled or exceeded in any given year.

(3) “Base flood elevation” means:

(i) the water surface elevation of the 100–year base flood as specified on Federal Emergency Management Agency flood insurance rate maps; or

(ii) in an area of shallow flooding:

1. the highest adjacent natural grade added to the depth number specified in feet on the flood insurance rate map; or

2. if the depth number is not specified on the flood insurance rate map, 4 feet.

(4) (i) “Coast Smart” means a construction practice in which preliminary planning, siting, design, construction, operation, maintenance, and repair of a structure avoids or minimizes future impacts associated with coastal flooding and sea level rise.

(ii) “Coast Smart” includes design criteria and siting criteria that are applicable throughout the entire life cycle of a project.

(5) “Design criteria” means standard specifications related to the shape, size, or form of a construction practice.

(6) (i) “Replacement cost” means, at the time of reconstruction, the cost of reconstructing a structure and its surrounding property to full use with materials of the same kind and quality as the original materials.
“Replacement cost” does not include:

1. the value of the land on which a structure is located; or
2. for tax purposes, a deduction for depreciation.

“Siting criteria” means specifications related to the location or use of a structure.

“Special flood hazard area” means land in a tidally influenced floodplain that is:

1. subject to at least a 1% chance of flooding in any given year; and

“Structure” means:

1. a walled or roofed building;
2. a manufactured home; or
3. a gas or liquid storage tank that is principally above ground.

“Substantial damage” means damage caused by any source that is sustained by a structure such that the cost of reconstruction to its before–damaged condition is at least half of the structure’s replacement cost before the damage occurred.

This subsection applies to State capital projects planned and built by units of State government that are partially or fully funded with State funds.

Beginning July 1, 2015, if a State capital project includes the construction of a structure or the reconstruction of a structure with substantial damage, the structure shall be constructed or reconstructed in compliance with siting and design criteria established under subsection (c) of this section.

In consultation with the Department of Natural Resources, the Coast Smart Council established under § 3–1002 of the Natural Resources Article shall establish Coast Smart siting and design criteria to address sea level rise and coastal flood impacts on capital projects.

The criteria adopted under this subsection shall include:

1. guidelines, and any other directives applicable to the preliminary planning and construction of a proposed capital project;
(ii) a requirement that the lowest floor elevation of each structure located within a special flood hazard area is built at an elevation of at least 2 feet above the base flood elevation; and

(iii) provisions establishing a process to allow a unit of State government to obtain a waiver from complying with the requirements of subsection (b) of this section.]

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2018.

Approved by the Governor, May 15, 2018.

__________________________

Chapter 630

(Senate Bill 844)

AN ACT concerning

Environment – Newsprint Recycling Board – Repeal and Transfer of Authority

FOR the purpose of repealing the provisions of law that establish the Newsprint Recycling Board; authorizing the Secretary of the Environment, rather than the Board, to exempt a publisher from certain recycled content requirements under certain circumstances; providing that the Secretary’s failure to act on a certain application under certain circumstances, rather than the Board’s failure to act, is an approval of the application; requiring the Secretary, rather than the Board, to review certain reports, comment on certain matters, and conduct certain activities to encourage newsprint recycling; making stylistic changes; and generally relating to the Newsprint Recycling Board.

BY repealing and reenacting, without amendments,

Article – Environment
Section 9–1707(c)
Annotated Code of Maryland
(2014 Replacement Volume and 2017 Supplement)

BY repealing and reenacting, with amendments,

Article – Environment
Section 9–1707(h)
Annotated Code of Maryland
(2014 Replacement Volume and 2017 Supplement)

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

Article – Environment

9–1707.

(c) (1) To satisfy the recycled content percentage requirement of this section for a reporting period, at least the percentage specified in paragraph (2) of this subsection, by weight, of the total newsprint used by the publisher during that reporting period for newspapers distributed in the State shall be recycled materials.

(2) The recycled content percentage requirement is:

(i) 12% for 1992;

(ii) 12% for 1993;


(iv) 25% for 2000;

(v) 30% for 2001 and 2002;

(vi) 35% for 2003 and 2004; and

(vii) 40% for 2005 and all subsequent reporting periods.

(h) (1) [i] There is a Newsprint Recycling Board in the Department.

(ii) The Newsprint Recycling Board shall meet only at the request of the Secretary.

(2) The Newsprint Recycling Board is composed of 9 members appointed by the Governor as follows:

(i) 2 shall be representatives of newspaper publishers appointed from a list of at least 5 names submitted by the Maryland Delaware District of Columbia Press Association;

(ii) 1 shall be a representative of the Northeast Waste Disposal Authority;

(iii) 1 shall be a representative of the Maryland Environmental Service;

(iv) 1 shall be a representative of local governments;
(v) 1 shall be a representative of the newspaper recycling manufacturing industry;

(vi) 1 shall be a representative of an industry, other than an industry that uses old newspapers; and

(vii) 2 shall be representatives of environmental groups with some expertise in recycling.

(3) The Governor shall appoint the Chairman of the Newsprint Recycling Board from among the members.

(4) (i) The term of a member of the Newsprint Recycling Board is 3 years.

(ii) The terms of the members of the Newsprint Recycling Board are staggered as required by the terms of the members of the Board serving on December 31, 1991.

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

(iv) A member of the Newsprint Recycling Board may not serve more than two 3–year terms.

(v) The members of the Newsprint Recycling Board shall serve without compensation, but shall be reimbursed for all reasonable expenses incurred in the performance of their duties.

(5) Upon the application of a newspaper publisher, the Newsprint Recycling Board shall, on the affirmative vote of a majority of the members eligible to vote, excuse the publisher of all or part of the recycled content percentage requirements of this section for the newspaper publisher under such terms and conditions and for such periods as the Secretary considers appropriate if the Board determines, after taking into consideration the publisher’s supply contracts which existed as of March 15, 1990, that:

(i) The publisher could not obtain from manufacturers serving the mid–Atlantic region an adequate supply of recycled newsprint comparable in quality to virgin newsprint; and

(ii) The publisher has made a good faith effort to meet the recycled content percentage requirements.

(6) If the Secretary fails to act on an application for an exemption of all or part of the recycled content percentage
requirements made under paragraph [(5)] (1) of this subsection within 45 days of the filing of the application with the [Board] SECRETARY, the application shall be deemed approved.

[(7)] (3) The [Newsprint Recycling Board] SECRETARY shall:

(i) Review the reports filed under subsection (e) of this section;

(ii) Analyze the availability and utilization of newsprint containing recycled material;

(iii) Comment on the appropriateness of the recycled content percentage requirements, including whether the requirements encourage manufacturers of virgin newsprint to convert to recycling;

(iv) Comment on the need for continuation of the provisions of this section and the impact the provisions of this section have on users of old newspapers for purposes other than producing newsprint;

(v) Work with municipalities and other collectors of old newspapers to develop a reliable system to provide a stable and quality supply of old newspapers for recycling;

(vi) Work to encourage the location of production facilities in the region to ensure an increase in the supply of recycled newsprint; and

(vii) Work to encourage the reuse of old newspapers.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2018.

Approved by the Governor, May 15, 2018.

Chapter 631

(House Bill 1088)

AN ACT concerning

State Procurement – Information Technology – Nonvisual Access

FOR the purpose of requiring the Secretary of Information Technology, or the Secretary’s designee, on or before a certain date, to develop a provision for inclusion in all State procurement contracts that requires a certain determination to be made within a certain period of time; requiring the Secretary, or the Secretary’s designee, to notify a certain vendor under certain circumstances; providing that a certain vendor may
be subject to a certain civil penalty under certain circumstances; requiring a certain vendor that is found in violation of a certain requirement to indemnify the State from liability under certain circumstances; adopt new nonvisual access procurement standards that provide certain individuals with certain nonvisual access and are consistent with certain federal standards; requiring the Secretary, or the Secretary’s designee, on or before a certain date, to establish a certain process for determining whether certain information technology meets certain standards and enforcing certain provisions of this Act; requiring, on or after a certain date, a certain nonvisual access clause to include a certain statement; requiring a certain nonvisual access clause to be included in each invitation for bids or request for proposals in each renewal of a certain contract under certain circumstances; altering a certain exemption from the nonvisual access clause requirement; altering a certain definition; and generally relating to information technology and nonvisual access.

BY repealing and reenacting, with amendments,
Article – State Finance and Procurement
Section 3A–301, 3A–303, and 3A–311
Annotated Code of Maryland
(2015 Replacement Volume and 2017 Supplement)

BY adding to
Article – State Finance and Procurement
Section 3A–303.1
Annotated Code of Maryland
(2015 Replacement Volume and 2017 Supplement)

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

Article – State Finance and Procurement

3A–301.

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

(b) (1) “Development” means all expenditures for a new information technology system or an enhancement to an existing system including system:

(i) planning;

(ii) procurement;

(iii) creation;
(iv) installation;

(v) testing; and

(vi) initial training.

(2) “Development” does not include:

(i) ongoing operating costs, software or hardware maintenance, routine upgrades, or modifications that merely allow for a continuation of the existing level of functionality; or

(ii) expenditures made after a new or enhanced system has been legally accepted by the user and is being used for the business process for which it was intended.

(c) “Fund” means the Major Information Technology Development Project Fund.

(d) “Information technology” means all electronic information processing hardware and software, including:

(1) maintenance;

(2) telecommunications; and

(3) associated consulting services.

(e) “Information technology services” means information provided by electronic means by or on behalf of a unit of State government.

(f) “Major information technology development project” means any information technology development project that meets one or more of the following criteria:

(1) the estimated total cost of development equals or exceeds $1,000,000;

(2) the project is undertaken to support a critical business function associated with the public health, education, safety, or financial well-being of the citizens of Maryland; or

(3) the Secretary determines that the project requires the special attention and consideration given to a major information technology development project due to:

(i) the significance of the project’s potential benefits or risks;

(ii) the impact of the project on the public or local governments;
(iii) the public visibility of the project; or

(iv) other reasons as determined by the Secretary.

(g) “Master plan” means the statewide information technology master plan.

(h) “Nonvisual access” means the ability, through keyboard control, synthesized speech, Braille, or other methods not requiring sight, to receive, use, and manipulate information and operate controls necessary to access information technology \textbf{IN A WAY THAT IS FULLY AND EQUALLY ACCESSIBLE TO AND INDEPENDENTLY USABLE BY INDIVIDUALS WITH DISABILITIES SO THAT INDIVIDUALS WITH DISABILITIES ARE ABLE TO ACQUIRE THE SAME INFORMATION, ENGAGE IN THE SAME INTERACTIONS, AND ENJOY THE SAME SERVICES AS USERS WITHOUT DISABILITIES, WITH SUBSTANTIALLY EQUIVALENT EASE OF USE, USING THE STANDARDS OF § 508 OF THE FEDERAL REHABILITATION ACT OF 1973 IN ACCORDANCE WITH STANDARDS ADOPTED UNDER § 3A–311(C) § 3A–303(B) OF THIS SUBTITLE.}

(i) “Resource sharing” means the utilization of a State resource by private industry in exchange for the provision to the State of a communication service or other consideration.

(j) “Systems development life cycle plan” means a plan that defines all actions, functions, or activities to be performed by a unit of State government in the definition, planning, acquisition, development, testing, implementation, operation, enhancement, and modification of information technology systems.

3A–303.

\textbf{(A)} The Secretary is responsible for carrying out the following duties:

(1) developing, maintaining, revising, and enforcing information technology policies, procedures, and standards;

(2) providing technical assistance, advice, and recommendations to the Governor and any unit of State government concerning information technology matters;

(3) reviewing the annual project plan for each unit of State government to make information and services available to the public over the Internet;

(4) developing and maintaining a statewide information technology master plan that will:

(i) be the basis for the management and direction of information technology within the Executive Branch of State government;
(ii) include all aspects of State information technology including telecommunications, data processing, and information management;

(iii) consider interstate transfers as a result of federal legislation and regulation;

(iv) work jointly with the Secretary of Budget and Management to ensure that information technology plans and budgets are consistent;

(v) ensure that State information technology plans, policies, and standards are consistent with State goals, objectives, and resources, and represent a long-range vision for using information technology to improve the overall effectiveness of State government; and

(vi) include standards to assure nonvisual access to the information and services made available to the public over the Internet; and

(5) adopting by regulation and enforcing nonvisual access standards to be used in the procurement of information technology services by or on behalf of units of State government IN ACCORDANCE WITH SUBSECTION (B) OF THIS SECTION, AND

(6) DEVELOPING THE PROVISION REQUIRED UNDER § 3A–303.1 OF THIS SUBTITLE.

3A–303.1.

(B) ON OR BEFORE JANUARY 1, 2020, THE SECRETARY OR THE SECRETARY’S DESIGNEE SHALL:

(1) ADOPT NEW NONVISUAL ACCESS PROCUREMENT STANDARDS THAT:

   (I) PROVIDE AN INDIVIDUAL WITH DISABILITIES WITH NONVISUAL ACCESS IN A WAY THAT IS FULLY AND EQUALLY ACCESSIBLE TO AND INDEPENDENTLY USABLE BY THE INDIVIDUAL WITH DISABILITIES SO THAT THE INDIVIDUAL IS ABLE TO ACQUIRE THE SAME INFORMATION, ENGAGE IN THE SAME INTERACTIONS, AND ENJOY THE SAME SERVICES AS USERS WITHOUT DISABILITIES, WITH SUBSTANTIALLY EQUIVALENT EASE OF USE; AND

   (II) ARE CONSISTENT WITH THE STANDARDS OF § 508 OF THE FEDERAL REHABILITATION ACT OF 1973; AND

(2) ESTABLISH A PROCESS FOR THE SECRETARY OR THE SECRETARY’S DESIGNEE TO:
Determine whether information technology meets the nonvisual access standards adopted under item (1) of this subsection; and

(II) 1. For information technology procured by a state unit before January 1, 2020, and still used by the state unit on or after January 1, 2020, work with the vendor to modify the information technology to meet the nonvisual access standards, if practicable; or

2. For information technology procured by a state unit on or after January 1, 2020, enforce the nonvisual access clause developed under § 3A–311 of this subtitle, including the enforcement of the civil penalty described in § 3A–311(a)(2)(III)1 of this subtitle.

(A) (1) The on or before January 1, 2020, the Secretary, or the Secretary’s designee, shall develop a provision for inclusion in all state procurement contracts that requires a determination by the Secretary, or the Secretary’s designee, within 18 months after contract commencement that any information technology products procured in the contract have no barriers to nonvisual access.

(2) If the Secretary, or the Secretary’s designee, determines that an access barrier exists, the Secretary, or the Secretary’s designee, shall notify the vendor in writing and require the vendor, at the vendor’s own expense, to remedy the defect within 12 months.

(B) (1) If the vendor fails to remedy the access barrier within 12 months after the date of the notification required under subsection (A)(2) of this section, the vendor may be subject to a civil penalty applied at the rate of 1% of the total purchase price of the contract for each day until the problem is remediated or until the full price of the contract is refunded.

(2) A vendor that is found in violation under paragraph (1) of this subsection is required to indemnify the State for liability resulting from the use of information technology that is found to be inaccessible after the vendor has been given the opportunity to remedy the access barrier.
(a) **(1)** The Secretary or the Secretary’s designee, in consultation with other units of State government, and after public comment, shall develop a nonvisual access clause for use in the procurement of information technology and information technology services that specifies that the technology and services:

1. must provide equivalent access for effective use by both visual and nonvisual means;
2. will present information, including prompts used for interactive communications, in formats intended for both visual and nonvisual use;
3. can be integrated into networks for obtaining, retrieving, and disseminating information used by individuals who are not blind or visually impaired; and
4. shall be obtained, whenever possible, without modification for compatibility with software and hardware for nonvisual access.

**(2)** On or after January 1, 2020, the nonvisual access clause developed in accordance with paragraph (1) of this subsection shall include a statement that:

1. within 18 months after the award of the procurement, the Secretary or the Secretary’s designee will determine whether the information technology meets the nonvisual access standards adopted in accordance with § 3A–303(b) of this subtitle;
2. if the information technology does not meet the nonvisual access standards, the Secretary or the Secretary’s designee will notify the vendor in writing that the vendor, at the vendor’s own expense, has 12 months after the date of the notification to modify the information technology in order to meet the nonvisual access standards; and
3. if the vendor fails to modify the information technology to meet the nonvisual access standards within 12 months after the date of the notification, the vendor:
   1. may be subject to a civil penalty of:
      A. for a first offense, a fine not exceeding $5,000; and
      B. for a subsequent offense, a fine not exceeding $10,000; and
2. SHALL INDEMNIFY THE STATE FOR LIABILITY RESULTING FROM THE USE OF INFORMATION TECHNOLOGY THAT DOES NOT MEET THE NONVISUAL ACCESS STANDARDS.

(b) (1) Except as provided in paragraph (2) of this subsection, the nonvisual access clause required under subsection (a) of this section shall be included in each invitation for bids or request for proposals and in each procurement contract or modification OR RENEWAL of a contract issued under Title 13 of this article, without regard to the method chosen under Title 13, Subtitle 1 of this article for the purchase of new or upgraded information technology and information technology services.

(2) Except as provided in subsection (a)(4) of this section, the nonvisual access clause required under paragraph (1) of this subsection is not required if:

(i) the information technology is not available with nonvisual access because the essential elements of the information technology are visual and nonvisual equivalence cannot be developed; or

(ii) the cost of modifying the information technology for compatibility with software and hardware for nonvisual access would increase the price of the procurement by more than [5%] 15% 10% 15%.

(C) ON OR BEFORE JANUARY 1, 2019 2020, THE DEPARTMENT OF INFORMATION TECHNOLOGY SHALL ADOPT NEW NONVISUAL ACCESS PROCUREMENT STANDARDS THAT:

(1) PROVIDE AN INDIVIDUAL WITH DISABILITIES WITH NONVISUAL ACCESS IN A WAY THAT IS FULLY AND EQUALLY ACCESSIBLE TO AND INDEPENDENTLY USABLE BY THE INDIVIDUAL WITH DISABILITIES SO THAT THE INDIVIDUAL IS ABLE TO ACQUIRE THE SAME INFORMATION, ENGAGE IN THE SAME INTERACTIONS, AND ENJOY THE SAME SERVICES AS USERS WITHOUT DISABILITIES, WITH SUBSTANTIALLY EQUIVALENT EASE OF USE; AND


SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2018.

Approved by the Governor, May 15, 2018.
AN ACT concerning

State Procurement – Information Technology – Nonvisual Access

FOR the purpose of requiring the Secretary of Information Technology to appoint an access technology officer in accordance with certain requirements; establishing the duties of the access technology officer; requiring the access technology officer to develop a provision for inclusion in all State procurement contracts that requires a certain determination to be made within a certain amount of time; requiring the access technology officer to notify a certain vendor under certain circumstances; providing that a certain vendor may be subject to certain liquidated damages under certain circumstances; requiring a certain vendor that is found in violation of a certain requirement to indemnify the State from liability under certain circumstances; requiring the access technology officer, along with other parties, authorizing the Secretary of Information Technology to designate an individual to develop a nonvisual access clause in accordance with certain requirements; requiring the Secretary of Information Technology, or the Secretary's designee, on or before a certain date, to adopt new nonvisual access procurement standards that provide certain individuals with certain nonvisual access and are consistent with certain federal standards; requiring the Secretary, or the Secretary's designee, on or before a certain date, to establish a certain process for determining if certain information technology meets certain standards and enforcing certain provisions of this Act; requiring, on or after a certain date, a certain nonvisual access clause to include a certain statement; requiring a certain nonvisual access clause to be included in each invitation for bids or request for proposals in each renewal of a certain contract under circumstances; altering a certain exemption from the nonvisual access clause requirement; requiring the Department of Information Technology, on or before a certain date, to adopt new nonvisual access procurement standards that are consistent with certain federal standards; altering a certain definition; and generally relating to information technology and nonvisual access.

BY repealing and reenacting, with amendments,

Article – State Finance and Procurement
Section 3A–301, 3A–303, 3A–301, 3A–303, and 3A–311
Annotated Code of Maryland
(2015 Replacement Volume and 2017 Supplement)

BY adding to

Article – State Finance and Procurement
Section 3A–303.1
Annotated Code of Maryland
(2015 Replacement Volume and 2017 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:
Article – State Finance and Procurement

3A–301.

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

(b) (1) “Development” means all expenditures for a new information technology system or an enhancement to an existing system including system:

(i) planning;
(ii) procurement;
(iii) creation;
(iv) installation;
(v) testing; and
(vi) initial training.

(2) “Development” does not include:

(i) ongoing operating costs, software or hardware maintenance, routine upgrades, or modifications that merely allow for a continuation of the existing level of functionality; or

(ii) expenditures made after a new or enhanced system has been legally accepted by the user and is being used for the business process for which it was intended.

(c) “Fund” means the Major Information Technology Development Project Fund.

(d) “Information technology” means all electronic information processing hardware and software, including:

(1) maintenance;
(2) telecommunications; and
(3) associated consulting services.

(e) “Information technology services” means information provided by electronic means by or on behalf of a unit of State government.

(f) “Major information technology development project” means any information technology development project that meets one or more of the following criteria:
the estimated total cost of development equals or exceeds $1,000,000;

(2) the project is undertaken to support a critical business function associated with the public health, education, safety, or financial well-being of the citizens of Maryland; or

(3) the Secretary determines that the project requires the special attention and consideration given to a major information technology development project due to:

(i) the significance of the project’s potential benefits or risks;

(ii) the impact of the project on the public or local governments;

(iii) the public visibility of the project; or

(iv) other reasons as determined by the Secretary.

(g) “Master plan” means the statewide information technology master plan.

(h) “Nonvisual access” means the ability, through keyboard control, synthesized speech, Braille, or other methods not requiring sight, to receive, use, and manipulate information and operate controls necessary to access information technology in a way that is fully and equally accessible to and independently usable by individuals with disabilities, so that they are able to acquire the same information, engage in the same interactions, and enjoy the same services as users without disabilities, with substantially equivalent ease of use, using the standards of Section 508 of the Federal Rehabilitation Act of 1973 in accordance with standards adopted under § 3A–303(B) of this subtitle.

(i) “Resource sharing” means the utilization of a State resource by private industry in exchange for the provision to the State of a communication service or other consideration.

(j) “Systems development life cycle plan” means a plan that defines all actions, functions, or activities to be performed by a unit of State government in the definition, planning, acquisition, development, testing, implementation, operation, enhancement, and modification of information technology systems.

The Secretary is responsible for carrying out the following duties:

(1) developing, maintaining, revising, and enforcing information technology policies, procedures, and standards,
(2) providing technical assistance, advice, and recommendations to the Governor and any unit of State government concerning information technology matters;

(3) reviewing the annual project plan for each unit of State government to make information and services available to the public over the Internet;

(4) developing and maintaining a statewide information technology master plan that will:

   (i) be the basis for the management and direction of information technology within the Executive Branch of State government;

   (ii) include all aspects of State information technology including telecommunications, data processing, and information management;

   (iii) consider interstate transfers as a result of federal legislation and regulation;

   (iv) work jointly with the Secretary of Budget and Management to ensure that information technology plans and budgets are consistent;

   (v) ensure that State information technology plans, policies, and standards are consistent with State goals, objectives, and resources, and represent a long-range vision for using information technology to improve the overall effectiveness of State government; and

   (vi) include standards to assure nonvisual access to the information and services made available to the public over the Internet; AND

(5) adopting by regulation and enforcing nonvisual access standards to be used in the procurement of information technology services by or on behalf of units of State government; AND

(6) APPOINTING AN ACCESS TECHNOLOGY OFFICER.

3A–303.1.

(A) THE ACCESS TECHNOLOGY OFFICER IS RESPONSIBLE FOR:

(2) Ensuring that technology procured by the State is accessible by:

(I) Developing, implementing, and maintaining an information and communications technology accessibility policy;

(II) Establishing and maintaining, in consultation with the Secretary, an organizational structure that enables and facilitates progress in information and communications technology accessibility;

(III) Integrating information and communications technology accessibility criteria into key phases of development, procurement, acquisitions, and other relevant business processes;

(IV) Providing a process for addressing inaccessible information and communications technology;

(V) Ensuring the availability of relevant information and communications technology accessibility skills and other resources within the organization; and

(VI) Making information regarding information and communications technology accessibility policy, plans, and progress available to customers;

(3) Conducting hands on testing of both employee and public-facing electronic information technology products to confirm the product's conformance to applicable accessibility guidelines for web-based applications according to World Wide Web Consortium Web Content Accessibility Guidelines 2.0 Level AA;

(4) Using relevant functional access guidelines as adopted by the U.S. Access Board, which incorporate the core principles of Section 508 of the Federal Rehabilitation Act of 1973 for nonweb-based software or hardware;

(5) Ensuring that employees with disabilities who use access technology software have access to the training necessary to ensure proficiency with the access technology software and the electronic information technology required to perform the responsibilities required of their positions; and
(6) reviewing all State procurement contracts for purchase of electronic information technology products to ensure compliance with Section 508 of the Federal Rehabilitation Act of 1973 and the World Wide Web Consortium Web Content Accessibility Guidelines 2.0 Level AA.

(B) (1) The access technology officer shall develop a provision for inclusion in all State procurement contracts that requires a determination by the access technology officer within 18 months from contract commencement of any barriers to access to electronic information technology products.

(2) If the access technology officer determines that an access barrier is present, the access technology officer shall notify the vendor in writing and require the vendor, at the vendor’s own expense, to remedy the defect within 12 months.

(C) (1) If the vendor fails to remedy the access barrier within 12 months from the date of the notification required under subsection (B)(2) of this section, the vendor may be subject to liquidated damages applied at the rate of 1% of the total purchase price of the contract for each day until the problem is remediated or until the full price of the contract is refunded.

(2) A vendor that is found in violation under paragraph (1) of this subsection is required to indemnify the State for liability resulting from the use of information technology that is found to be inaccessible after the vendor has been given the opportunity to remedy the access barrier for 12 months.

3A–303.

(A) The Secretary is responsible for carrying out the following duties:

(1) developing, maintaining, revising, and enforcing information technology policies, procedures, and standards;

(2) providing technical assistance, advice, and recommendations to the Governor and any unit of State government concerning information technology matters;

(3) reviewing the annual project plan for each unit of State government to make information and services available to the public over the Internet;

(4) developing and maintaining a statewide information technology master plan that will:
(i) be the basis for the management and direction of information
technology within the Executive Branch of State government;

(ii) include all aspects of State information technology including
telecommunications, data processing, and information management;

(iii) consider interstate transfers as a result of federal legislation and
regulation;

(iv) work jointly with the Secretary of Budget and Management to
ensure that information technology plans and budgets are consistent;

(v) ensure that State information technology plans, policies, and
standards are consistent with State goals, objectives, and resources, and represent a
long–range vision for using information technology to improve the overall effectiveness of
State government; and

(vi) include standards to assure nonvisual access to the information
and services made available to the public over the Internet; and

(5) adopting by regulation and enforcing nonvisual access standards to be
used in the procurement of information technology services by or on behalf of units of State
government IN ACCORDANCE WITH SUBSECTION (B) OF THIS SECTION.

(B) ON OR BEFORE JANUARY 1, 2020, THE SECRETARY, OR THE
SECRETARY’S DESIGNEE, SHALL:

(1) ADOPT NEW NONVISUAL ACCESS PROCUREMENT STANDARDS
THAT:

(1) PROVIDE AN INDIVIDUAL WITH DISABILITIES WITH
NONVISUAL ACCESS IN A WAY THAT IS FULLY AND EQUALLY ACCESSIBLE TO AND
INDEPENDENTLY USABLE BY THE INDIVIDUAL WITH DISABILITIES SO THAT THE
INDIVIDUAL IS ABLE TO ACQUIRE THE SAME INFORMATION, ENGAGE IN THE SAME
INTERACTIONS, AND ENJOY THE SAME SERVICES AS USERS WITHOUT DISABILITIES,
WITH SUBSTANTIALLY EQUIVALENT EASE OF USE; AND

(II) ARE CONSISTENT WITH THE STANDARDS OF § 508 OF THE
FEDERAL REHABILITATION ACT OF 1973; AND

(2) ESTABLISH A PROCESS FOR THE SECRETARY OR THE
SECRETARY’S DESIGNEE TO:
(I) DETERMINE WHETHER INFORMATION TECHNOLOGY MEETS THE NONVISUAL ACCESS STANDARDS ADOPTED UNDER ITEM (1) OF THIS SUBSECTION; AND

(II) 1. FOR INFORMATION TECHNOLOGY PROCURED BY A STATE UNIT BEFORE JANUARY 1, 2020, AND STILL USED BY THE STATE UNIT ON OR AFTER JANUARY 1, 2020, WORK WITH THE VENDOR TO MODIFY THE INFORMATION TECHNOLOGY TO MEET THE NONVISUAL ACCESS STANDARDS, IF PRACTICABLE; OR

2. FOR INFORMATION TECHNOLOGY PROCURED BY A STATE UNIT ON OR AFTER JANUARY 1, 2020, ENFORCE THE NONVISUAL ACCESS CLAUSE DEVELOPED UNDER § 3A–311 OF THIS SUBTITLE, INCLUDING THE ENFORCEMENT OF THE CIVIL PENALTY DESCRIBED IN § 3A–311(A)(2)(III)1 OF THIS SUBTITLE.

3A–311.

(a) (1) The Secretary AND ACCESS TECHNOLOGY OFFICER OR THE SECRETARY’S DESIGNEE, in consultation with other units of State government, and after public comment, shall develop a nonvisual access clause for use in the procurement of information technology and information technology services that specifies that the technology and services:

(I) must provide equivalent access for effective use by both visual and nonvisual means;

(II) will present information, including prompts used for interactive communications, in formats intended for both visual and nonvisual use;

(III) can be integrated into networks for obtaining, retrieving, and disseminating information used by individuals who are not blind or visually impaired; and

(IV) shall be obtained, whenever possible, without modification for compatibility with software and hardware for nonvisual access.

(2) ON OR AFTER JANUARY 1, 2020, THE NONVISUAL ACCESS CLAUSE DEVELOPED IN ACCORDANCE WITH PARAGRAPH (1) OF THIS SUBSECTION SHALL INCLUDE A STATEMENT THAT:

(I) WITHIN 18 MONTHS AFTER THE AWARD OF THE PROCUREMENT, THE SECRETARY, OR THE SECRETARY’S DESIGNEE, WILL DETERMINE WHETHER THE INFORMATION TECHNOLOGY MEETS THE NONVISUAL ACCESS STANDARDS ADOPTED IN ACCORDANCE WITH § 3A–303(B) OF THIS SUBTITLE;
(II) IF THE INFORMATION TECHNOLOGY DOES NOT MEET THE NONVISUAL ACCESS STANDARDS, THE SECRETARY, OR THE SECRETARY’S DESIGNEE, WILL NOTIFY THE VENDOR IN WRITING THAT THE VENDOR, AT THE VENDOR’S OWN EXPENSE, HAS 12 MONTHS AFTER THE DATE OF THE NOTIFICATION TO MODIFY THE INFORMATION TECHNOLOGY IN ORDER TO MEET THE NONVISUAL ACCESS STANDARDS; AND

(III) IF THE VENDOR FAILS TO MODIFY THE INFORMATION TECHNOLOGY TO MEET THE NONVISUAL ACCESS STANDARDS WITHIN 12 MONTHS AFTER THE DATE OF THE NOTIFICATION, THE VENDOR:

1. MAY BE SUBJECT TO A CIVIL PENALTY OF:

   A. FOR A FIRST OFFENSE, A FINE NOT EXCEEDING $5,000; AND

   B. FOR A SUBSEQUENT OFFENSE, A FINE NOT EXCEEDING $10,000; AND

2. SHALL INDEMNIFY THE STATE FOR LIABILITY RESULTING FROM THE USE OF INFORMATION TECHNOLOGY THAT DOES NOT MEET THE NONVISUAL ACCESS STANDARDS.

(b) (1) Except as provided in paragraph (2) of this subsection, the nonvisual access clause required under subsection (a) of this section shall be included in each invitation for bids or request for proposals and in each procurement contract or modification or renewal of a contract issued under Title 13 of this article, without regard to the method chosen under Title 13, Subtitle 1 of this article for the purchase of new or upgraded information technology and information technology services.

(2) Except as provided in subsection (a)(4) of this section, the nonvisual access clause required under paragraph (1) of this subsection is not required if:

   (i) the information technology is not available with nonvisual access because the essential elements of the information technology are visual and nonvisual equivalence cannot be developed; or

   (ii) the cost of modifying the information technology for compatibility with software and hardware for nonvisual access would increase the price of the procurement by more than 5%.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2018.

Approved by the Governor, May 15, 2018.

Chapter 633

(House Bill 1557)

AN ACT concerning

Procurement – Architectural Services and Engineering Services – Reciprocal Preference

FOR the purpose of requiring a unit to give a certain preference under certain circumstances to a certain resident firm that is licensed or otherwise authorized to provide architectural services or engineering services in the State; requiring a certain nonresident firm to submit certain documentation concerning certain preferences to a unit at the request of the unit; requiring a unit to apply certain preferences to certain proposals in a certain manner; authorizing a unit that makes a certain determination of qualification for certain proposals to apply a preference to a certain proposal from a certain resident firm; prohibiting a unit from applying a certain preference if a certain certification is not submitted to the unit at a certain time; requiring the Board of Public Works to post and maintain certain information and adopt certain regulations; defining certain terms; and generally relating to procurement and reciprocal preferences.

BY repealing and reenacting, without amendments,
 Article – State Finance and Procurement
 Section 11–101(a), (b), (i), and (t) and 14–401(a)(1)
 Annotated Code of Maryland
 (2015 Replacement Volume and 2017 Supplement)

BY repealing and reenacting, with amendments,
 Article – State Finance and Procurement
 Section 14–401(a)(5)
 Annotated Code of Maryland
 (2015 Replacement Volume and 2017 Supplement)

BY adding to
 Article – State Finance and Procurement
 Section 14–401.1
 Annotated Code of Maryland
 (2015 Replacement Volume and 2017 Supplement)
SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

Article – State Finance and Procurement

11–101.

(a) In this Division II the following words have the meanings indicated unless:

(1) the context clearly requires a different meaning; or

(2) a different definition is provided for a particular title or provision.

(b) (1) “Architectural services” means professional or creative work that:

(i) is performed in connection with the design and supervision of construction or landscaping; and

(ii) requires architectural education, training, and experience.

(2) “Architectural services” includes consultation, research, investigation, evaluation, planning, architectural design and preparation of related documents, and coordination of services that structural, civil, mechanical, and electrical engineers and other consultants provide.

(3) “Architectural services” does not include construction inspection services, services provided in connection with an energy performance contract, or structural, mechanical, plumbing, or electrical engineering.

(i) (1) “Engineering services” means professional or creative work that:

(i) is performed in connection with any utility, structure, building, machine, equipment, or process, including structural, mechanical, plumbing, electrical, geotechnical, and environmental engineering; and

(ii) requires engineering education, training, and experience in the application of special knowledge of the mathematical, physical, and engineering sciences.

(2) “Engineering services” includes consultation, investigation, evaluation, planning, design, and inspection of construction to interpret and ensure compliance with specifications and design within the scope of inspection services.

(3) “Engineering services” does not include services provided in connection with an energy performance contract.

(t) (1) Except as provided in paragraph (3) of this subsection, “services” means:
(i) the labor, time, or effort of a contractor; and

(ii) any product or report necessarily associated with the rendering of a service.

(2) “Services” includes services provided by attorneys, accountants, physicians, consultants, and other professionals who are independent contractors.

(3) “Services” does not include:

(i) construction related services;

(ii) architectural services;

(iii) engineering services; or

(iv) energy performance contract services.

14–401.

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

(5) (I) “Services” [means services, architectural services, construction related services, engineering services, or energy performance contract services, all as defined] HAS THE MEANING STATED in § [11–101] 11–101(T)(1) AND (2) of this article.

(II) NOTWITHSTANDING § 11–101(T)(3) OF THIS ARTICLE, “SERVICES” INCLUDES CONSTRUCTION RELATED SERVICES AND ENERGY PERFORMANCE CONTRACT SERVICES.

14–401.1.

(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(2) “NONRESIDENT FIRM” MEANS A BUSINESS ENTITY THAT:

(I) HAS ONE OFFICE THAT:

1. IS A PRINCIPAL OFFICE FOR THE ENTITY; AND

2. IS NOT LOCATED IN THE STATE; OR
(II) FOR AN ENTITY THAT HAS OFFICES IN MULTIPLE STATES, HAS NOT HAD A PRINCIPAL OFFICE LOCATED IN THE STATE FOR AT LEAST 6 MONTHS IMMEDIATELY BEFORE THE DATE OF A REQUEST FOR PROPOSALS.

(3) “PREFERENCE” INCLUDES:

(i) A PERCENTAGE PREFERENCE;

(ii) AN EMPLOYEE RESIDENCY REQUIREMENT; OR

(iii) ANY OTHER PROVISION THAT FAVORS AN OFFEROR FROM ONE STATE TO THE DISADVANTAGE OF AN OFFEROR FROM ANOTHER STATE.

(4) (I) “PRINCIPAL OFFICE” MEANS A PRIMARY PLACE OF BUSINESS THAT IS STAFFED ON A REGULAR BASIS TO PROVIDE THE SERVICES THAT ARE REQUESTED BY A UNIT IN A REQUEST FOR PROPOSALS.

(II) “PRINCIPAL OFFICE” DOES NOT INCLUDE A SATELLITE OFFICE OR AN OFFICE THAT IS MINIMALLY STAFFED AND IS NOT OPEN ON A REGULAR BASIS TO PROVIDE THE SERVICES THAT ARE REQUESTED BY A UNIT IN A REQUEST FOR PROPOSALS.

(5) “REQUEST FOR PROPOSALS” MEANS A REQUEST FOR ARCHITECTURAL SERVICES OR ENGINEERING SERVICES THAT IS ISSUED IN ACCORDANCE WITH § 13–112 OF THIS ARTICLE.

(6) (I) “RESIDENT FIRM” MEANS A BUSINESS ENTITY THAT:

1. IS LICENSED OR OTHERWISE AUTHORIZED TO PROVIDE ARCHITECTURAL OR ENGINEERING SERVICES IN THE STATE; AND

2. A. FOR AN ENTITY THAT HAS ONE OFFICE, THE OFFICE IS LOCATED IN THE STATE; OR

B. FOR AN ENTITY THAT HAS OFFICES IN MULTIPLE STATES, HAS HAD A PRINCIPAL OFFICE LOCATED IN THE STATE FOR AT LEAST 6 MONTHS IMMEDIATELY BEFORE THE DATE OF A REQUEST FOR PROPOSALS.

(II) “RESIDENT FIRM” INCLUDES A JOINT VENTURE THAT:

1. WAS ENTERED INTO BEFORE THE DATE OF THE REQUEST FOR PROPOSALS FOR WHICH THE JOINT VENTURE SUBMITS A PROPOSAL; AND
2. INCLUDES ONE PARTY THAT:

A. HOLDS AT LEAST A 51% INTEREST IN THE JOINT VENTURE; AND

B. MEETS THE REQUIREMENTS UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH.

(B) SUBJECT TO SUBSECTION (D) OF THIS SECTION, A UNIT SHALL APPLY A PREFERENCE TO A PROPOSAL FROM A RESIDENT FIRM IF:

(1) (I) A NONRESIDENT FIRM IS:

1. A RESPONSIBLE OFFEROR; AND

2. DETERMINED TO BE THE MOST QUALIFIED PERSON TO SUBMIT A PROPOSAL IN ACCORDANCE WITH § 13–112 OF THIS ARTICLE; AND

(II) THE STATE IN WHICH THE PRINCIPAL OFFICE OF THE NONRESIDENT FIRM IS LOCATED HAS A PREFERENCE THAT FAVORS AN OFFEROR FROM THAT STATE TO THE DISADVANTAGE OF AN OFFEROR FROM THIS STATE;

(2) A RESIDENT FIRM:

(I) IS A RESPONSIBLE OFFEROR; AND

(II) AT THE SAME TIME THAT IT SUBMITS THE PROPOSAL FOR WHICH THE PREFERENCE WOULD APPLY, CERTIFIES THAT IT MEETS THE REQUIREMENTS FOR A RESIDENT FIRM; AND

(3) THE PREFERENCE:

(I) IS THE SAME AS THE PREFERENCE REFERENCED IN ITEM (1)(II) OF THIS SUBSECTION; AND

(II) DOES NOT CONFLICT WITH A FEDERAL LAW OR GRANT AFFECTING THE PROCUREMENT CONTRACT.

(C) AT THE REQUEST OF A UNIT, A NONRESIDENT FIRM SHALL PROVIDE THE FOLLOWING DOCUMENTATION FOR THE STATE IN WHICH THE PRINCIPAL OFFICE OF THE NONRESIDENT FIRM IS LOCATED:

(1) A COPY OF THE CURRENT STATUTE, RESOLUTION, POLICY, PROCEDURE, OR EXECUTIVE ORDER THAT ESTABLISHES A PREFERENCE THAT
FAVORS AN OFFEROR FROM THAT STATE TO THE DISADVANTAGE OF AN OFFEROR FROM THIS STATE; OR

(2) A CERTIFICATION THAT THE OTHER STATE DOES NOT HAVE A PREFERENCE THAT FAVORS AN OFFEROR FROM THAT STATE TO THE DISADVANTAGE OF AN OFFEROR FROM THIS STATE.

(D) (1) IF A RESIDENT FIRM Qualifies for a Preference Established Under This Section and for Another Preference Established Under This Division II, the Unit:

(I) MAY NOT APPLY MORE THAN ONE PREFERENCE TO THE PROPOSAL FROM THE RESIDENT FIRM; AND

(II) SHALL APPLY THE PREFERENCE TO THE PROPOSAL FROM THE RESIDENT FIRM THAT IS MOST ADVANTAGEOUS TO THE RESIDENT FIRM.

(2) IF, WHEN MAKING A DETERMINATION OF QUALIFICATION UNDER § 13–112 OF THIS ARTICLE, A UNIT DETERMINES THAT A PROPOSAL FROM A RESIDENT FIRM AND A PROPOSAL FROM A NONRESIDENT FIRM ARE EQUALLY QUALIFIED, THE UNIT MAY APPLY A PREFERENCE TO THE PROPOSAL FROM THE RESIDENT FIRM.

(E) A UNIT MAY NOT APPLY A PREFERENCE TO A PROPOSAL SUBMITTED BY A RESIDENT FIRM IF THE RESIDENT FIRM DOES NOT SUBMIT THE CERTIFICATION REQUIRED UNDER SUBSECTION (B)(2)(II) OF THIS SECTION AT THE SAME TIME THAT IT SUBMITS THE PROPOSAL.

(F) THE BOARD SHALL:

(1) POST AND MAINTAIN A LIST OF ALL STATES WITH A PREFERENCE THAT FAVORS AN OFFEROR FROM THAT STATE TO THE DISADVANTAGE OF AN OFFEROR FROM THIS STATE; AND

(2) ADOPT REGULATIONS TO IMPLEMENT THIS SECTION.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2018.

Approved by the Governor, May 15, 2018.
Chapter 634
(Senate Bill 1020)

AN ACT concerning

Procurement – Architectural Services and Engineering Services – Reciprocal Preference

FOR the purpose of requiring a unit to give a certain preference under certain circumstances to a certain resident firm that is licensed or otherwise authorized to provide architectural services or engineering services in the State; requiring a certain nonresident firm to submit certain documentation concerning certain preferences to a unit at the request of the unit; requiring a unit to apply certain preferences to certain proposals in a certain manner; authorizing a unit that makes a certain determination of qualification for certain proposals to apply a preference to a certain proposal from a certain resident firm; prohibiting a unit from applying a certain preference if a certain certification is not submitted to the unit at a certain time; requiring the Board of Public Works to post and maintain certain information and adopt certain regulations; defining certain terms; and generally relating to procurement and reciprocal preferences.

BY repealing and reenacting, without amendments,
Article – State Finance and Procurement
Section 11–101(a), (b), (i), and (t) and 14–401(a)(1)
Annotated Code of Maryland
(2015 Replacement Volume and 2017 Supplement)

BY repealing and reenacting, with amendments,
Article – State Finance and Procurement
Section 14–401(a)(5)
Annotated Code of Maryland
(2015 Replacement Volume and 2017 Supplement)

BY adding to
Article – State Finance and Procurement
Section 14–401.1
Annotated Code of Maryland
(2015 Replacement Volume and 2017 Supplement)

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

Article – State Finance and Procurement

11–101.
(a) In this Division II the following words have the meanings indicated unless:

(1) the context clearly requires a different meaning; or

(2) a different definition is provided for a particular title or provision.

(b) (1) “Architectural services” means professional or creative work that:

(i) is performed in connection with the design and supervision of construction or landscaping; and

(ii) requires architectural education, training, and experience.

(2) “Architectural services” includes consultation, research, investigation, evaluation, planning, architectural design and preparation of related documents, and coordination of services that structural, civil, mechanical, and electrical engineers and other consultants provide.

(3) “Architectural services” does not include construction inspection services, services provided in connection with an energy performance contract, or structural, mechanical, plumbing, or electrical engineering.

(i) (1) “Engineering services” means professional or creative work that:

(i) is performed in connection with any utility, structure, building, machine, equipment, or process, including structural, mechanical, plumbing, electrical, geotechnical, and environmental engineering; and

(ii) requires engineering education, training, and experience in the application of special knowledge of the mathematical, physical, and engineering sciences.

(2) “Engineering services” includes consultation, investigation, evaluation, planning, design, and inspection of construction to interpret and ensure compliance with specifications and design within the scope of inspection services.

(3) “Engineering services” does not include services provided in connection with an energy performance contract.

(t) (1) Except as provided in paragraph (3) of this subsection, “services” means:

(i) the labor, time, or effort of a contractor; and

(ii) any product or report necessarily associated with the rendering of a service.
(2) “Services” includes services provided by attorneys, accountants, physicians, consultants, and other professionals who are independent contractors.

(3) “Services” does not include:

(i) construction related services;

(ii) architectural services;

(iii) engineering services; or

(iv) energy performance contract services.

14–401.

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

(5) (I) “Services” [means services, architectural services, construction related services, engineering services, or energy performance contract services, all as defined] HAS THE MEANING STATED in § [11–101] 11–101(T)(1) AND (2) of this article.

(II) NOTWITHSTANDING § 11–101(T)(3) OF THIS ARTICLE, “SERVICES” INCLUDES CONSTRUCTION RELATED SERVICES AND ENERGY PERFORMANCE CONTRACT SERVICES.

14–401.1.

(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(2) “NONRESIDENT FIRM” MEANS A BUSINESS ENTITY THAT:

(I) HAS ONE OFFICE THAT:

1. IS A PRINCIPAL OFFICE FOR THE ENTITY; AND

2. IS NOT LOCATED IN THE STATE; OR

(II) FOR AN ENTITY THAT HAS OFFICES IN MULTIPLE STATES, HAS NOT HAD A PRINCIPAL OFFICE LOCATED IN THE STATE FOR AT LEAST 6 MONTHS IMMEDIATELY BEFORE THE DATE OF A REQUEST FOR PROPOSALS.

(3) “PREFERENCE” INCLUDES:

(I) A PERCENTAGE PREFERENCE;
(II) AN EMPLOYEE RESIDENCY REQUIREMENT; OR

(III) ANY OTHER PROVISION THAT FAVORS AN OFFEROR FROM ONE STATE TO THE DISADVANTAGE OF AN OFFEROR FROM ANOTHER STATE.

(4) (I) "PRINCIPAL OFFICE" MEANS A PRIMARY PLACE OF BUSINESS THAT IS STAFFED ON A REGULAR BASIS TO PROVIDE THE SERVICES THAT ARE REQUESTED BY A UNIT IN A REQUEST FOR PROPOSALS.

(II) "PRINCIPAL OFFICE" DOES NOT INCLUDE A SATELLITE OFFICE OR AN OFFICE THAT IS MINIMALLY STAFFED AND IS NOT OPEN ON A REGULAR BASIS TO PROVIDE THE SERVICES THAT ARE REQUESTED BY A UNIT IN A REQUEST FOR PROPOSALS.

(5) "REQUEST FOR PROPOSALS" MEANS A REQUEST FOR ARCHITECTURAL SERVICES OR ENGINEERING SERVICES THAT IS ISSUED IN ACCORDANCE WITH § 13–112 OF THIS ARTICLE.

(6) (I) "RESIDENT FIRM" MEANS A BUSINESS ENTITY THAT:

1. IS LICENSED OR OTHERWISE AUTHORIZED TO PROVIDE ARCHITECTURAL OR ENGINEERING SERVICES IN THE STATE; AND

2. A. FOR AN ENTITY THAT HAS ONE OFFICE, THE OFFICE IS LOCATED IN THE STATE; OR

   B. FOR AN ENTITY THAT HAS OFFICES IN MULTIPLE STATES, HAS HAD A PRINCIPAL OFFICE LOCATED IN THE STATE FOR AT LEAST 6 MONTHS IMMEDIATELY BEFORE THE DATE OF A REQUEST FOR PROPOSALS.

(II) "RESIDENT FIRM" INCLUDES A JOINT VENTURE THAT:

1. WAS ENTERED INTO BEFORE THE DATE OF THE REQUEST FOR PROPOSALS FOR WHICH THE JOINT VENTURE SUBMITS A PROPOSAL; AND

2. INCLUDES ONE PARTY THAT:

   A. HOLDS AT LEAST A 51% INTEREST IN THE JOINT VENTURE; AND
B. MEETS THE REQUIREMENTS UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH.

(B) SUBJECT TO SUBSECTION (D) OF THIS SECTION, A UNIT SHALL APPLY A PREFERENCE TO A PROPOSAL FROM A RESIDENT FIRM IF:

(1) (I) A NONRESIDENT FIRM IS:

1. A RESPONSIBLE OFFEROR; AND

2. DETERMINED TO BE THE MOST QUALIFIED PERSON TO SUBMIT A PROPOSAL IN ACCORDANCE WITH § 13–112 OF THIS ARTICLE; AND

(II) THE STATE IN WHICH THE PRINCIPAL OFFICE OF THE NONRESIDENT FIRM IS LOCATED HAS A PREFERENCE THAT FAVORS AN OFFEROR FROM THAT STATE TO THE DISADVANTAGE OF AN OFFEROR FROM THIS STATE;

(2) A RESIDENT FIRM:

(I) IS A RESPONSIBLE OFFEROR; AND

(II) AT THE SAME TIME THAT IT SUBMITS THE PROPOSAL FOR WHICH THE PREFERENCE WOULD APPLY, CERTIFIES THAT IT MEETS THE REQUIREMENTS FOR A RESIDENT FIRM; AND

(3) THE PREFERENCE:

(I) IS THE SAME AS THE PREFERENCE REFERENCED IN ITEM (1)(II) OF THIS SUBSECTION; AND

(II) DOES NOT CONFLICT WITH A FEDERAL LAW OR GRANT AFFECTING THE PROCUREMENT CONTRACT.

(C) AT THE REQUEST OF A UNIT, A NONRESIDENT FIRM SHALL PROVIDE THE FOLLOWING DOCUMENTATION FOR THE STATE IN WHICH THE PRINCIPAL OFFICE OF THE NONRESIDENT FIRM IS LOCATED:

(1) A COPY OF THE CURRENT STATUTE, RESOLUTION, POLICY, PROCEDURE, OR EXECUTIVE ORDER THAT ESTABLISHES A PREFERENCE THAT FAVORS AN OFFEROR FROM THAT STATE TO THE DISADVANTAGE OF AN OFFEROR FROM THIS STATE; OR
(2) A CERTIFICATION THAT THE OTHER STATE DOES NOT HAVE A PREFERENCE THAT FAVORS AN OFFEROR FROM THAT STATE TO THE DISADVANTAGE OF AN OFFEROR FROM THIS STATE.

(D) (1) IF A RESIDENT FIRM QUALIFIES FOR A PREFERENCE ESTABLISHED UNDER THIS SECTION AND FOR ANOTHER PREFERENCE ESTABLISHED UNDER THIS DIVISION II, THE UNIT:

(I) MAY NOT APPLY MORE THAN ONE PREFERENCE TO THE PROPOSAL FROM THE RESIDENT FIRM; AND

(II) SHALL APPLY THE PREFERENCE TO THE PROPOSAL FROM THE RESIDENT FIRM THAT IS MOST ADVANTAGEOUS TO THE RESIDENT FIRM.

(2) IF, WHEN MAKING A DETERMINATION OF QUALIFICATION UNDER § 13–112 OF THIS ARTICLE, A UNIT DETERMINES THAT A PROPOSAL FROM A RESIDENT FIRM AND A PROPOSAL FROM A NONRESIDENT FIRM ARE EQUALLY QUALIFIED, THE UNIT MAY APPLY A PREFERENCE TO THE PROPOSAL FROM THE RESIDENT FIRM.

(E) A UNIT MAY NOT APPLY A PREFERENCE TO A PROPOSAL SUBMITTED BY A RESIDENT FIRM IF THE RESIDENT FIRM DOES NOT SUBMIT THE CERTIFICATION REQUIRED UNDER SUBSECTION (B)(2)(II) OF THIS SECTION AT THE SAME TIME THAT IT SUBMITS THE PROPOSAL.

(F) THE BOARD SHALL:

(1) POST AND MAINTAIN A LIST OF ALL STATES WITH A PREFERENCE THAT FAVORS AN OFFEROR FROM THAT STATE TO THE DISADVANTAGE OF AN OFFEROR FROM THIS STATE; AND

(2) ADOPT REGULATIONS TO IMPLEMENT THIS SECTION.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2018.

Approved by the Governor, May 15, 2018.

Chapter 635

(Senate Bill 399)
AN ACT concerning

Baltimore City – Board of License Commissioners – License Application
Newspaper Notice

FOR the purpose of requiring the Board of License Commissioners for Baltimore City to
publish notice of license application in two newspapers instead of three; and
generally relating to the Board of License Commissioners for Baltimore City.

BY repealing and reenacting, without amendments,
Article – Alcoholic Beverages
Section 12–102
Annotated Code of Maryland
(2016 Volume and 2017 Supplement)

BY repealing and reenacting, with amendments,
Article – Alcoholic Beverages
Section 12–1506(a)
Annotated Code of Maryland
(2016 Volume and 2017 Supplement)

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

Article – Alcoholic Beverages

12–102.

This title applies only in Baltimore City.

12–1506.

(a) The notice of license application required under § 4–208 of this article shall be
published in [three] TWO newspapers of general circulation in the City.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
1, 2018.

Approved by the Governor, May 15, 2018.

________________________

Chapter 636

(Senate Bill 621)

AN ACT concerning
Real Property – Deletion of Ownership Restrictions Based on Race, Religious Belief, or National Origin

FOR the purpose of authorizing a person who holds an ownership interest in property that the person believes is subject to a certain unlawfully restrictive covenant certain persons to execute and record a restrictive covenant modification to an unlawfully restrictive covenant in a certain manner; establishing the effect of a restrictive covenant modification; providing that any liability that results from a certain unauthorized recordation is the sole responsibility of a certain person; requiring the governing body of a homeowners association to delete any recorded covenant or restriction that restricts ownership based on race, religious belief, or national origin from the common area deeds or other declarations of property in the development, on or before a certain date; authorizing the governing body of a homeowners association to make a certain deletion without the approval of the lot owners, notwithstanding the provisions of a governing document; requiring the governing body of the homeowners association to record a certain amendment with the clerk of the court in a certain jurisdiction; authorizing a certain person to provide written notice to the governing body of a homeowners association requesting a certain deletion, beginning on a certain date; providing that the failure to delete a certain covenant or restriction within a certain number of days after receiving a certain notice is a discriminatory housing practice and is subject to certain enforcement provisions; prohibiting the assessment of a civil penalty for violating certain provisions of this Act requiring the governing body of a homeowners association to make a certain deletion within a certain number of days after receiving a written request from a lot owner, beginning on a certain date; providing that certain fees and surcharges on the recordation of instruments among the land records do not apply to the recordation of a certain restrictive covenant modification or an amendment to the common area deeds or other declarations of a homeowners association that deletes a certain covenant or restriction in accordance with this Act; defining and altering certain terms a certain term; making conforming changes; providing for the termination of certain provisions of this Act; and generally relating to the deletion of recorded covenants or restrictions that restrict ownership based on race, religious belief, or national origin from deeds, declarations, and other instruments.

BY repealing and reenacting, with amendments,
Article – Courts and Judicial Proceedings
Section 13–604(c)
Annotated Code of Maryland
(2013 Replacement Volume and 2017 Supplement)

BY repealing and reenacting, with amendments,
Article – Real Property
Section 3–102(a)(2), 3–104(g)(1), 3–601(a), and 11B–113.3
Annotated Code of Maryland
(2015 Replacement Volume and 2017 Supplement)
BY adding to 
Article – Real Property
Section 3–112
Annotated Code of Maryland
(2015 Replacement Volume and 2017 Supplement)

BY repealing and reenacting, without amendments,
Article – State Government
Section 20–701(a) and 20–1020(a)
Annotated Code of Maryland
(2014 Replacement Volume and 2017 Supplement)

BY repealing and reenacting, with amendments,
Article – State Government
Section 20–701(c), 20–1020(b) and (e), and 20–1028(b)
Annotated Code of Maryland
(2014 Replacement Volume and 2017 Supplement)

BY adding to
Article – State Government
Section 20–705.1
Annotated Code of Maryland
(2014 Replacement Volume and 2017 Supplement)

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

Article – Real Property

3–102.

(a) (2) The following instruments also may be recorded:

(i) Any notice of deferred property footage assessment for street construction;

(ii) Any boundary survey plat signed and sealed by a professional land surveyor or property line surveyor licensed in the State;

(iii) Any assumption agreement by which a person agrees to assume the liability of a debt or other obligation secured by a mortgage or deed of trust;

(iv) Any release of personal liability of a borrower or guarantor under a mortgage or under a note or other obligation secured by a deed of trust;

(v) A ground rent redemption certificate or a ground rent extinguishment certificate issued under § 8–110 of this article; [or]
(vi) An affordable housing land trust agreement executed under Title 14, Subtitle 5 of this article with any transfer of property for which an affordable housing land trust has a reversionary interest; OR

(VII) A RESTRICTIVE COVENANT MODIFICATION EXECUTED UNDER § 3–112 OF THIS SUBTITLE.

3–104.

(g) (1) This subsection does not apply to:

(i) An assignment of a mortgage or if presented for recordation, an assignment of a deed of trust;

(ii) A release of a deed of trust or mortgage;

(iii) A substitution of trustees on a deed of trust;

(iv) A power of attorney; [or]

(v) A financing statement or an amendment, continuation, release, or termination of a financing statement recorded in land records; OR

(VI) A RESTRICTIVE COVENANT MODIFICATION EXECUTED UNDER § 3–112 OF THIS SUBTITLE.

3–112.

(A) IN THIS SECTION, “UNLAWFULLY RESTRICTIVE COVENANT” MEANS ANY RECORDED COVENANT OR RESTRICTION THAT RESTRICTS OWNERSHIP BASED ON RACE, RELIGIOUS BELIEF, OR NATIONAL ORIGIN.

(B) THIS SECTION DOES NOT APPLY TO AN UNLAWFULLY RESTRICTIVE COVENANT THAT IS PART OF A DECLARATION, UNIFORM GENERAL SCHEME, OR PLAN OF DEVELOPMENT OF A HOMEOWNERS ASSOCIATION, AS DEFINED IN § 11B–101 OF THIS ARTICLE.

(C) A PERSON WHO HOLDS AN OWNERSHIP INTEREST IN PROPERTY THAT THE PERSON BELIEVES IS SUBJECT TO AN UNLAWFULLY RESTRICTIVE COVENANT MAY EXECUTE AND RECORD A RESTRICTIVE COVENANT MODIFICATION TO AN UNLAWFULLY RESTRICTIVE COVENANT IN ACCORDANCE WITH THIS SECTION IF THE PERSON:
(1) **Holds an Ownership Interest in Property That the Person Believes Is Subject to the Unlawfully Restrictive Covenant; or**

(2) **Is a Nonprofit Entity That Is Required to Enforce Within a Defined Residential Neighborhood:**

   (I) **Covenants That Limit Architectural Alterations, Renovations, Landscaping Elements, or Other Modifications to Residential Lots in the Neighborhood; and**

   (II) **The Unlawfully Restrictive Covenant.**

(D) (1) A Restrictive Covenant Modification Shall:

   (I) Consist of a Complete Copy of the Original Instrument Containing the Unlawfully Restrictive Covenant with the Language of the Unlawfully Restrictive Covenant Stricken; and

   (II) Be Accompanied by a Complete Restrictive Covenant Modification Intake Sheet, on the Form That the Administrative Office of the Courts Provides.

(2) **The Restrictive Covenant Modification Intake Sheet** Described in Paragraph (1)(II) of This Subsection Shall:

   (I) 1. Be Signed by the Record Owner of the Property; or

   2. **In the Case of a Nonprofit Entity, Be Accompanied by a Statement That a Majority of the Governing Body of the Nonprofit Entity Has Agreed to the Restrictive Covenant Modification;**

   (II) Reference the Book and Page Number or Other Place Where the Original Instrument Containing the Unlawfully Restrictive Covenant Is Recorded; and

   (III) Include Any Other Information That the Administrative Office of the Courts Considers Necessary in Carrying Out the Requirements of This Section.

(E) (1) On Receipt of a Restrictive Covenant Modification, the Clerk of the Circuit Court Shall Submit the Restrictive Covenant Modification Together with a Copy of the Original Instrument
REFERENCED IN THE RESTRICTIVE COVENANT MODIFICATION TO THE COUNTY ATTORNEY.

(2) THE COUNTY ATTORNEY SHALL:

(I) REVIEW THE RESTRICTIVE COVENANT MODIFICATION AND THE COPY OF THE ORIGINAL INSTRUMENT TO DETERMINE:

1. WHETHER THE ORIGINAL INSTRUMENT CONTAINS AN UNLAWFULLY RESTRICTIVE COVENANT; AND

2. WHETHER THE RESTRICTIVE COVENANT MODIFICATION CORRECTLY STRIKES THROUGH ONLY THE LANGUAGE OF THE UNLAWFULLY RESTRICTIVE COVENANT; AND

(II) ON COMPLETION OF THE REVIEW, RETURN THE RESTRICTIVE COVENANT MODIFICATION AND COPY OF THE ORIGINAL TO THE CLERK OF THE CIRCUIT COURT TOGETHER WITH THE COUNTY ATTORNEY'S DETERMINATION.

(3) THE CLERK OF THE CIRCUIT COURT MAY NOT RECORD A RESTRICTIVE COVENANT MODIFICATION UNLESS THE COUNTY ATTORNEY DETERMINES THAT THE MODIFICATION IS APPROPRIATE IN ACCORDANCE WITH PARAGRAPH (2) OF THIS SUBSECTION.

(F) A RESTRICTIVE COVENANT MODIFICATION SHALL BE INDEXED IN THE SAME MANNER AS THE ORIGINAL INSTRUMENT.

(G) (1) SUBJECT TO ALL COVENANTS, CONDITIONS, AND RESTRICTIONS THAT WERE RECORDED AFTER THE RECORDING OF THE ORIGINAL INSTRUMENT, THE RESTRICTIONS CONTAINED IN THE RESTRICTIVE COVENANT MODIFICATION, ONCE RECORDED, ARE THE ONLY RESTRICTIONS BASED ON THE ORIGINAL INSTRUMENT THAT APPLY TO THE PROPERTY.

(2) THE EFFECTIVE DATE OF THE TERMS AND CONDITIONS CONTAINED IN THE RESTRICTIVE COVENANT MODIFICATION SHALL BE THE SAME AS THE EFFECTIVE DATE OF THE ORIGINAL INSTRUMENT.

(H) IF A PERSON CAUSES TO BE RECORDED A RESTRICTIVE COVENANT MODIFICATION THAT CONTAINS MODIFICATIONS NOT AUTHORIZED UNDER THIS SECTION:

(1) THE CLERK OF THE CIRCUIT COURT MAY NOT INCUR ANY LIABILITY FOR RECORDING THE RESTRICTIVE COVENANT MODIFICATION;
(2) The county may not incur any liability as a result of a determination rendered by the county attorney under subsection (e) of this section; and

(3) Any liability that results from the unauthorized recordation shall be the sole responsibility of the person that executed the restrictive covenant modification.

11B–113.3.

(a) This section applies to any recorded covenant or restriction that restricts ownership based on race, religious belief, or national origin, including a covenant or restriction that is part of a uniform general scheme or plan of development.

(b) Except as provided in subsection (c) of this section, a homeowners association may delete a recorded covenant or restriction that restricts ownership based on race, religious belief, or national origin from the deeds or other declarations of property in the development if at least 85% of the lot owners in the development agree to the deletion of the recorded covenant or restriction from the deeds or other declarations.

(c) If the deeds or other declarations of property in the development expressly provide for a method of amendment or deletion of a recorded covenant or restriction, a recorded covenant or restriction that restricts ownership based on race, religious belief, or national origin may be deleted as provided for in the deeds or declarations or in accordance with subsection (b) of this section.

(B) (1) On or before September 30, 2019, the governing body of a homeowners association shall delete any recorded covenant or restriction that restricts ownership based on race, religious belief, or national origin from the common area deeds or other declarations of property in the development.

(2) Notwithstanding the provisions of a governing document, the governing body of a homeowners association may delete a recorded covenant or restriction that restricts ownership based on race, religious belief, or national origin from the common area deeds or other declarations of property in the development without approval of the lot owners.

[(d)] (3) After the lot owners in the development agree to the deletion of a recorded covenant or restriction that restricts ownership based on race, religious belief, or national origin as provided in subsection (a) of this section, the governing body of the homeowners association shall record with the clerk of the court in the jurisdiction where the development is located an amendment to the common area deeds or other
declarations that include the recorded covenant or restriction[, executed by at least 85% of the lot owners in the development,] that provides for the deletion of the recorded covenant or restriction from the COMMON AREA deeds or declarations of the property in the development.

(C) (1) BEGINNING ON OCTOBER 1, 2019, ANY PERSON MAY PROVIDE WRITTEN NOTICE TO THE GOVERNING BODY OF A HOMEOWNERS ASSOCIATION REQUESTING THE DELETION OF WITHIN 180 DAYS AFTER RECEIVING A WRITTEN REQUEST FROM A LOT OWNER, THE GOVERNING BODY OF A HOMEOWNERS ASSOCIATION SHALL DELETE A RECORDED COVENANT OR RESTRICTION THAT RESTRICTS OWNERSHIP BASED ON RACE, RELIGIOUS BELIEF, OR NATIONAL ORIGIN FROM THE COMMON AREA DEEDS OR OTHER DECLARATIONS OF PROPERTY IN THE DEVELOPMENT, IN ACCORDANCE WITH THIS SECTION.

(2) THE FAILURE TO DELETE A COVENANT OR RESTRICTION WITHIN 30 DAYS AFTER RECEIVING WRITTEN NOTICE UNDER THIS SUBSECTION IS A DISCRIMINATORY HOUSING PRACTICE AND IS SUBJECT TO THE ENFORCEMENT PROVISIONS CONTAINED IN TITLE 20 OF THE STATE GOVERNMENT ARTICLE.

Article – State Government

20–701.

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

(e) “Discriminatory housing practice” means an act that is prohibited under § 20–705, § 20–705.1, § 20–706, § 20–707, or § 20–708 of this subtitle.

20–705.1.

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

(2) “Declaration” has the meaning stated in § 11B–101 of the Real Property Article.

(3) “Development” has the meaning stated in § 11B–101 of the Real Property Article.

(4) “Governing body” has the meaning stated in § 11B–101 of the Real Property Article.

(5) “Homeowners association” has the meaning stated in § 11B–101 of the Real Property Article.
(b) **Beginning October 1, 2019, the governing body of a homeowners association may not fail to delete a recorded covenant or restriction that restricts ownership based on race, religious belief, or national origin from the deeds or other declarations of property in the development within 30 days after receiving a written notice under § 11B–113.3 of the Real Property Article.**

20–1020.

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

(b) “Aggrieved person” means:

(1) any person that claims to have been injured by a discriminatory housing practice; AND

(2) for purposes of § 20–705.1 of this title, any person that submits a written notice to the governing body of a homeowners association requesting the deletion of a recorded covenant or restriction that restricts ownership based on race, religious belief, or national origin from the deeds or other declarations of property in the development.

(e) “Discriminatory housing practice” means an act that is prohibited under § 20–705, § 20–705.1, § 20–706, § 20–707, or § 20–708 of this title.

20–1028.

(b) (1) If the administrative law judge finds that a respondent has engaged or is about to engage in a discriminatory housing practice, the administrative law judge shall promptly issue an order for appropriate relief, which may include actual damages suffered by the aggrieved person and injunctive or other equitable relief.

(2) (i) Except as provided in [subparagraph] subparagraphs (ii) and (iii) of this paragraph, the order may assess a civil penalty against the respondent, to be paid to the General Fund of the State:

1. if the respondent has not been adjudicated to have committed any prior discriminatory housing practice, in an amount not exceeding $10,000;

2. if the respondent has been adjudicated to have committed one other discriminatory housing practice during the 5-year period ending on the date of the filing of the current charge, in an amount not exceeding $25,000; and
if the respondent has been adjudicated to have committed two or more discriminatory housing practices during the 7-year period ending on the date of the filing of the current charge, in an amount not exceeding $50,000.

(ii) If the discriminatory housing practice is committed by an individual who has been previously adjudicated to have committed one or more discriminatory housing practices, the time periods set forth in paragraph (2)(i)2 and 3 of this subsection do not apply.

(III) A CIVIL PENALTY MAY NOT BE ASSESSED FOR A VIOLATION OF § 20–705.1 OF THIS TITLE.

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

Article – Courts and Judicial Proceedings

13–604.

(c) The surcharge may not be charged to:

(1) to an entity that is exempt from the payment of fees under § 3–603 of the Real Property Article;

(2) FOR THE RECORDATION OF A RESTRICTIVE COVENANT MODIFICATION EXECUTED UNDER § 3–112 OF THE REAL PROPERTY ARTICLE; OR

(3) FOR THE RECORDATION OF AN AMENDMENT TO THE COMMON AREA DEEDS OR OTHER DECLARATIONS OF A HOMEOWNERS ASSOCIATION THAT DELETES A RECORDED COVENANT OR RESTRICTION THAT restricts ownership based on race, religious belief, or national origin in accordance with § 11B–113.3 OF THE REAL PROPERTY ARTICLE.

Article – Real Property

3–601.

(a) (1) In this subsection, “page” means one side of a leaf not larger than 8 1/2 inches wide by 14 inches long, or any portion of it.

(2) [Before] EXCEPT AS PROVIDED IN PARAGRAPH (4) OF THIS SUBSECTION, BEFORE recording an instrument among the land or financing records, a clerk shall collect:

(i) $10 for a release 9 pages or less in length;
(ii) $20 for any other instrument 9 pages or less in length;

(iii) Except as provided in item (i) of this paragraph, $20 for an instrument, regardless of length, involving solely a principal residence; and

(iv) $75 for any other instrument 10 pages or more in length.

(3) The recording costs under this subsection shall also apply to instruments required to be recorded in the financing statement records of the State Department of Assessments and Taxation.

(4) A CLERK MAY NOT COLLECT A FEE FOR THE RECORDATION OF:

(I) A RESTRICTIVE COVENANT MODIFICATION EXECUTED UNDER § 3–112 OF THIS ARTICLE; OR

(II) AN AMENDMENT TO THE COMMON AREA DEEDS OR OTHER DECLARATIONS OF A HOMEOWNERS ASSOCIATION THAT DELETES A RECORDED COVENANT OR RESTRICTION THAT RESTRICTS OWNERSHIP BASED ON RACE, RELIGIOUS BELIEF, OR NATIONAL ORIGIN IN ACCORDANCE WITH § 11B–113.3 OF THIS ARTICLE.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2018. Section 2 of this Act shall remain effective for a period of 1 year and, at the end of September 30, 2019, Section 2 of this Act, with no further action required by the General Assembly, shall be abrogated and of no further force and effect.

Approved by the Governor, May 15, 2018.

Chapter 637

(House Bill 1553)

AN ACT concerning

Baltimore City – Landlord and Tenant – False Representations and Unlawful Evictions

FOR the purpose of prohibiting certain individuals from making certain false representations or statements to tenants in violation of certain laws in Baltimore City; prohibiting certain individuals from making certain false statements to tenants in connection with certain proceedings in Baltimore City; prohibiting certain individuals from attempting to circumvent certain rights afforded to tenants in connection with the denial of ingress to and egress from a dwelling, intentionally
diminishing certain services to tenants, or penalizing certain tenants in a certain manner in Baltimore City; providing for certain penalties for a violation of this Act; defining certain terms; making a technical correction; making conforming changes; and generally relating to landlords and tenants in Baltimore City.

BY repealing and reenacting, with amendments,

The Public Local Laws of Baltimore City
Section 9–15
Article 4 – Public Local Laws of Maryland

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

Article 4 – Baltimore City

9–15.

(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(2) “AGENT” MEANS ANY AUTHORIZED INDIVIDUAL OR BUSINESS ACTING ON BEHALF OF AN OWNER.

(3) “LANDLORD” MEANS AN OWNER OF REAL PROPERTY LOCATED WITHIN BALTIMORE CITY, AN AGENT OF THE OWNER, OR AN OPERATOR WHO PROMISES TO LEASE ALL OR ANY PORTION OF A PROPERTY TO ANOTHER PERSON FOR THE PERSON’S USE, IN EXCHANGE FOR AN AGREED UPON AMOUNT OF MONEY OR SERVICES.

(4) “LEASE” MEANS ANY ORAL OR WRITTEN AGREEMENT, EXPRESS OR IMPLIED, CREATING A LANDLORD AND TENANT RELATIONSHIP, INCLUDING ANY SUBLEASE, THAT GRANTS THE TENANT THE USE OF THE LANDLORD’S PROPERTY FOR A GIVEN PERIOD OF TIME IN EXCHANGE FOR RENT IN THE FORM OF MONEY OR SERVICES.

(5) “OPERATOR” MEANS ANY PERSON WHO HAS CHARGE, CARE, OR CONTROL OF ALL OR ANY PORTION OF A STRUCTURE OR PREMISES ON BEHALF OF THE OWNER.

(6) “TENANT” MEANS ANY PERSON WHO HAS BEEN GIVEN THE RIGHT TO USE OR OCCUPY RENTAL PROPERTY THROUGH A LEASE AGREEMENT.

(B) [Any person, whether as an individual, member or firm or officer of a corporation, who shall] AN AGENT, A LANDLORD, OR AN OPERATOR MAY NOT:
(1) falsely make any representation or statement required by Sections
BALTIMORE CITY CODE to be [made, or who shall] GIVEN;

(2) falsely make any representation or statement in connection with the
giving of the notice OR COMPLAINT required by Sections 9–2, 9–3, 9–12, 9–13, 9–14,
9–15, and 9–19 AND ARTICLE 13, § 8A–2 OF THE BALTIMORE CITY CODE to be given[,
or who shall];

(3) falsely make any representation or statement at, during or in
connection with any proceeding for the enforcement of any rights for the speedy recovery of
lands or tenements held over by tenants[, or who shall,];

(4) in an attempt to circumvent the protection accorded tenants by Sections
BALTIMORE CITY CODE, willfully deprive a tenant of ingress to or egress from his
dwelling[. or who shall]

(5) without the consent of the tenant, INTENTIONALLY [diminish
essential services to the tenant, such as the providing of gas, electricity, water, heat, light,
furniture, furnishings, or similar services, to which under the expressed or implied terms
of the tenancy the tenant may be entitled, shall be]:

(I) INTERRUPT, TERMINATE, OR FAIL TO MAINTAIN IN
OPERABLE CONDITION DIMINISH, ANY UTILITY SERVICE FURNISHED TO THE
TENANT, INCLUDING, BUT NOT LIMITED TO, WATER, HEAT, LIGHT, ELECTRICITY,
gas, elevator, or similar services to which under the expressed or implied terms of the tenancy the tenant may be entitled;

(II) REMOVE FURNISHINGS, COOKING FACILITIES, APPLIANCES,
or similar items to which under the express or implied terms of the tenancy the tenant may be entitled;

(III) PREVENT THE TENANT FROM GAINING REASONABLE
ACCESS TO THE PROPERTY BY CHANGING THE LOCKS AND FAILING TO PROVIDE THE
TENANT WITH NEW KEYS;

(IV) REMOVE OUTSIDE DOORS OR WINDOWS; OR

(V) REMOVE FROM THE PREMISES THE TENANT’S PERSONAL
PROPERTY, FURNISHINGS, OR ANY OTHER ITEMS.
AN AGENT, A LANDLORD, OR AN OPERATOR WHO VIOLATES THIS SECTION IS guilty of a misdemeanor and, upon conviction thereof, shall be subject to a fine not exceeding $500 and imprisonment of not more than ten (10) days, or both, in the discretion of the court, for each and every offense.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2018.

Approved by the Governor, May 15, 2018.

Chapter 638
(Senate Bill 826)

AN ACT concerning

Baltimore City – Landlord and Tenant – False Representations and Unlawful Evictions

FOR the purpose of prohibiting certain individuals from making certain false representations or statements to tenants in violation of certain laws in Baltimore City; prohibiting certain individuals from making certain false statements to tenants in connection with certain proceedings in Baltimore City; prohibiting certain individuals from attempting to circumvent certain rights afforded to tenants in connection with the denial of ingress to and egress from a dwelling, intentionally diminishing certain services to tenants, or penalizing certain tenants in a certain manner in Baltimore City; providing for certain penalties for a violation of this Act; defining certain terms; making a technical correction; making conforming changes; and generally relating to landlords and tenants in Baltimore City.

BY repealing and reenacting, with amendments,

The Public Local Laws of Baltimore City
Section 9–15
Article 4 – Public Local Laws of Maryland

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

Article 4 – Baltimore City

9–15.

(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.
(2) “AGENT” MEANS ANY AUTHORIZED INDIVIDUAL OR BUSINESS ACTING ON BEHALF OF AN OWNER.

(3) “LANDLORD” MEANS AN OWNER OF REAL PROPERTY LOCATED WITHIN BALTIMORE CITY, AN AGENT OF THE OWNER, OR AN OPERATOR WHO PROMISES TO LEASE ALL OR ANY PORTION OF A PROPERTY TO ANOTHER PERSON FOR THE PERSON’S USE, IN EXCHANGE FOR AN AGREED UPON AMOUNT OF MONEY OR SERVICES.

(4) “LEASE” MEANS ANY ORAL OR WRITTEN AGREEMENT, EXPRESS OR IMPLIED, CREATING A LANDLORD AND TENANT RELATIONSHIP, INCLUDING ANY SUBLEASE, THAT GRANTS THE TENANT THE USE OF THE LANDLORD’S PROPERTY FOR A GIVEN PERIOD OF TIME IN EXCHANGE FOR RENT IN THE FORM OF MONEY OR SERVICES.

(5) “OPERATOR” MEANS ANY PERSON WHO HAS CHARGE, CARE, OR CONTROL OF ALL OR ANY PORTION OF A STRUCTURE OR PREMISES ON BEHALF OF THE OWNER.

(6) “TENANT” MEANS ANY PERSON WHO HAS BEEN GIVEN THE RIGHT TO USE OR OCCUPY RENTAL PROPERTY THROUGH A LEASE AGREEMENT.

(B) [Any person, whether as an individual, member or firm or officer of a corporation, who shall] AN AGENT, A LANDLORD, OR AN OPERATOR MAY NOT:

(1) falsely make any representation or statement required by Sections 9–2, 9–3, 9–12, 9–13, 9–14, 9–15, and 9–19 AND ARTICLE 13, § 8A–2 OF THE BALTIMORE CITY CODE to be [made, or who shall] GIVEN;

(2) falsely make any representation or statement in connection with the giving of the notice OR COMPLAINT required by Sections 9–2, 9–3, 9–12, 9–13, 9–14, 9–15, and 9–19 AND ARTICLE 13, § 8A–2 OF THE BALTIMORE CITY CODE to be given[, or who shall];

(3) falsely make any representation or statement at, during or in connection with any proceeding for the enforcement of any rights for the speedy recovery of lands or tenements held over by tenants[, or who shall];

(4) in an attempt to circumvent the protection accorded tenants by Sections 9–2, 9–3, 9–12, 9–13, 9–14, 9–15, and 9–19 AND ARTICLE 13, § 8A–2 OF THE BALTIMORE CITY CODE, willfully deprive a tenant of ingress to or egress from his dwelling[.]; or [who shall]
(5) without the consent of the tenant, **INTENTIONALLY** [diminish essential services to the tenant, such as the providing of gas, electricity, water, heat, light, furniture, furnishings, or similar services, to which under the expressed or implied terms of the tenancy the tenant may be entitled, shall be]:

(I) INTERRUPT, TERMINATE, OR FAIL TO MAINTAIN IN OPERABLE CONDITION DIMINISH, ANY UTILITY SERVICE FURNISHED TO THE TENANT, INCLUDING, BUT NOT LIMITED TO, WATER, HEAT, LIGHT, ELECTRICITY, GAS, ELEVATOR, OR SIMILAR SERVICES TO WHICH UNDER THE EXPRESSED OR IMPLIED TERMS OF THE TENANCY THE TENANT MAY BE ENTITLED;

(II) REMOVE FURNISHINGS, COOKING FACILITIES, APPLIANCES, OR SIMILAR ITEMS TO WHICH UNDER THE EXPRESS OR IMPLIED TERMS OF THE TENANCY THE TENANT MAY BE ENTITLED;

(III) PREVENT THE TENANT FROM GAINING REASONABLE ACCESS TO THE PROPERTY BY CHANGING THE LOCKS AND FAILING TO PROVIDE THE TENANT WITH NEW KEYS;

(IV) REMOVE OUTSIDE DOORS OR WINDOWS; OR

(V) REMOVE FROM THE PREMISES THE TENANT’S PERSONAL PROPERTY, FURNISHINGS, OR ANY OTHER ITEMS.

(C) AN AGENT, A LANDLORD, OR AN OPERATOR WHO VIOLATES THIS SECTION IS guilty of a misdemeanor and, upon conviction thereof, [shall be] **IS** subject to a fine not exceeding $500 and imprisonment of not more than ten (10) days, or both, in the discretion of the court, for each and every offense.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2018.

Approved by the Governor, May 15, 2018.

______________________________

Chapter 639

(House Bill 1548)

AN ACT concerning

Baltimore City – Continuing the Creating Opportunities for Renewal and Enterprise (CORE) Partnership Fund
FOR the purpose of establishing the Continuing the CORE Partnership Fund as a special, nonlapsing fund; specifying the purpose of the Fund; requiring the Secretary of Housing and Community Development to administer the Fund; requiring the State Treasurer to hold the Fund and the Comptroller to account for the Fund; specifying the contents of the Fund; specifying the purpose for which the Fund may be used; providing for the investment of money in and expenditures from the Fund; beginning in a certain fiscal year, requiring declaring the intent of the General Assembly that beginning in a certain fiscal year, authorizing the Governor to include in the annual budget bill an appropriation of a certain amount to the Fund for certain fiscal years; defining a certain term; providing for the termination of this Act; and generally relating to the Continuing the CORE Partnership Fund.

BY adding to
Article – Housing and Community Development
Section 4–511
Annotated Code of Maryland
(2006 Volume and 2017 Supplement)

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

Article – Housing and Community Development

4–511.

(A) IN THIS SECTION, “FUND” MEANS THE CONTINUING THE CORE PARTNERSHIP FUND.

(B) THERE IS A CONTINUING THE CORE PARTNERSHIP FUND.

(C) THE PURPOSE OF THE FUND IS TO ASSIST THE DEPARTMENT, IN CONJUNCTION WITH THE MARYLAND STADIUM AUTHORITY AND BALTIMORE CITY, IN EXPEDITIOUSLY REMOVING BLIGHTED PROPERTY WITHIN BALTIMORE CITY.

(D) THE SECRETARY 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 CONSISTS OF:

(1) REVENUE DISTRIBUTED TO THE FUND UNDER SUBSECTION (J) OF THIS SECTION;
(2) Money appropriated in the State budget to the Fund; and

(3) Any other money from any other source accepted for the benefit of the Fund.

(G) The Fund may be used for:

(1) The purpose outlined in subsection (c) of this section; and

(2) Administrative expenses.

(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) (1) For fiscal year 2020, it is the intent of the General Assembly that the Governor shall may include in the annual budget bill an appropriation of at least $30,000,000 to the Fund.

(2) For fiscal years 2021 through 2024, it is the intent of the General Assembly that the Governor shall may include in the annual budget bill an appropriation of at least $25,000,000 to the Fund.

Section 2. And be it further enacted, That this Act shall take effect July 1, 2018. It shall remain effective for a period of 6 years and, at the end of June 30, 2024, this Act, with no further action required by the General Assembly, shall be abrogated and of no further force and effect.

Approved by the Governor, May 15, 2018.

Chapter 640

(Senate Bill 1084)

AN ACT concerning
Baltimore City – Continuing the Creating Opportunities for Renewal and Enterprise (CORE) Partnership Fund

FOR the purpose of establishing the Continuing the CORE Partnership Fund as a special, nonlapsing fund; specifying the purpose of the Fund; requiring the Secretary of Housing and Community Development to administer the Fund; requiring the State Treasurer to hold the Fund and the Comptroller to account for the Fund; specifying the contents of the Fund; specifying the purpose for which the Fund may be used; providing for the investment of money in and expenditures from the Fund; beginning in a certain fiscal year, requiring authorizing the Governor to include in the annual budget bill an appropriation of a certain amount to the Fund for certain fiscal years; defining a certain term; providing for the termination of this Act; and generally relating to the Continuing the CORE Partnership Fund.

BY adding to
Article – Housing and Community Development
Section 4–511
Annotated Code of Maryland
(2006 Volume and 2017 Supplement)

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

Article – Housing and Community Development

4–511.

(A) IN THIS SECTION, “FUND” MEANS THE CONTINUING THE CORE PARTNERSHIP FUND.

(B) THERE IS A CONTINUING THE CORE PARTNERSHIP FUND.

(C) THE PURPOSE OF THE FUND IS TO ASSIST THE DEPARTMENT, IN CONJUNCTION WITH THE MARYLAND STADIUM AUTHORITY AND BALTIMORE CITY, IN EXPEDITIOUSLY REMOVING BLIGHTED PROPERTY WITHIN BALTIMORE CITY.

(D) THE SECRETARY 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 CONSISTS OF:
(1) REVENUE DISTRIBUTED TO THE FUND UNDER SUBSECTION (J) OF THIS SECTION;

(2) MONEY APPROPRIATED IN THE STATE BUDGET TO THE FUND; AND

(3) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED FOR THE BENEFIT OF THE FUND.

(G) THE FUND MAY BE USED FOR:

(1) THE PURPOSE OUTLINED IN SUBSECTION (C) OF THIS SECTION; AND

(2) ADMINISTRATIVE EXPENSES.

(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) (1) FOR FISCAL YEAR 2020, THE GOVERNOR MAY INCLUDE IN THE ANNUAL BUDGET BILL AN APPROPRIATION OF AT LEAST $30,000,000 TO THE FUND.

(2) FOR FISCAL YEARS 2021 THROUGH 2024, THE GOVERNOR MAY INCLUDE IN THE ANNUAL BUDGET BILL AN APPROPRIATION OF AT LEAST $25,000,000 TO THE FUND.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2018. It shall remain effective for a period of 6 years and, at the end of June 30, 2024, this Act, with no further action required by the General Assembly, shall be abrogated and of no further force and effect.

Approved by the Governor, May 15, 2018.

________________________

Chapter 641

(House Bill 1385)
AN ACT concerning

Baltimore City – Tourism Improvement District

FOR the purpose of authorizing the Mayor and City Council of Baltimore to establish by ordinance a certain Tourism Improvement District; authorizing the Mayor and City Council to designate a Tourism Improvement District Association to provide certain services; requiring a certain ordinance to include certain provisions; requiring the Association to establish a certain financial plan for the District under certain circumstances; requiring a certain financial plan to be subject to approval by the Baltimore City Board of Estimates; requiring the Association to hold a public hearing on a certain financial plan; providing for a Board of Directors of the Association; providing for certain powers, duties, and limitations of the Association; providing that the Association shall be subject to certain City ordinances and goals regarding minority and women’s business enterprises; requiring the Mayor and City Council to take certain matters into consideration and make certain determinations when enacting certain ordinances; prohibiting the Mayor and City Council from authorizing certain reductions in certain existing funding under certain circumstances; providing that certain unspent funds be refunded to certain business owners in a certain manner under certain circumstances; placing a certain condition on a certain ordinance taking effect; defining certain terms; and generally relating to the establishment of a Tourism Improvement District in Baltimore City.

BY adding to

The Charter of Baltimore City
Article II – General Powers
Section (70)
(2007 Replacement Volume, as amended)

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:

(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.
(2) “ASSOCIATION” means an existing private nonprofit destination marketing organization that promotes tourism to Baltimore City and the convention center in order to increase the number of visitors to the City that is designated as the Tourism Improvement District Association in accordance with this section and any ordinance enacted in accordance with this section.

(3) “BOARD” means the Board of Directors of the Association.

(4) “BUSINESS” means a hotel as defined in the Baltimore City Code.

(5) “DISTRICT” means a Tourism Improvement District created in accordance with this section.

(6) “DISTRICT SPECIAL ASSESSMENT” means a special assessment that is authorized under this section and any ordinance enacted in accordance with this section.

(B) Subject to subsection (M) of this section, the City may enact an ordinance to:

(1) establish a Tourism Improvement District to support marketing, sales, and other promotional programs and activities to increase tourism in the District or specifically benefit those participating businesses against which a District Special Assessment is made; and

(2) designate an existing private nonprofit entity as the Association to:

(I) administer the District programs and activities;

(II) promote and market the District; and

(III) provide other services and functions as approved by an ordinance of the Mayor and City Council of Baltimore, provided that the services and functions shall be provided within the District, or, to the extent authorized, within areas adjoining or adjacent to the District.
(C) The ordinance establishing the District and designating the association shall:

(1) Specify the name for the District and the Association;

(2) Specify the method for establishing and modifying the boundaries of the District, which may include methods by which:

(I) Business owners may petition to be included in the District; and

(II) Business owners may conduct a referendum to be included in the District;

(3) Specify the powers and functions within the limits of this section that may be exercised by the Association;

(4) Authorize the imposition of district special assessments levied on businesses within the District as the primary means of support for the District and specify any limits on the district special assessments;

(5) Specify the duration of the District and the power of the Association to act, or the means by which the continuance of the District may be the subject of a further ordinance;

(6) Provide for the collection of district special assessments and for the prompt disbursement of the revenue to the Association;

(7) Determine whether classes and subclasses of businesses in the District may be established and the extent to which each class or subclass shall be subject to or exempt from district special assessments or varying rates of district special assessments and the extent to which specific areas of the District may exercise discretion as to the use of district special assessments generated by the areas;

(8) Specify the method for determining district special assessments to be imposed on classes and subclasses of businesses under this section;

(9) Specify the extent to which the Association may provide additional services for a fee either within or outside the District; and
(10) Specify the criteria for representation on the Association’s Board of Directors or District management committee, subject to subsection (f) of this section.

(D) (1) The Association shall establish a financial plan for the District when required by an ordinance enacted under this section.

(2) The financial plan, including the District’s annual budget and district special assessments, shall be subject to approval by the Board of Estimates.

(3) The financial plan may include provisions for allocating resources to the particular needs of the District, including allocations to particular sections of the District or to particular uses within the District.

(E) (1) Before adopting its proposed budget and making its recommendations to the City, the Association shall hold a public hearing on the financial plan proposed for the District.

(2) The Association shall publish notice of the hearing under paragraph (1) of this subsection in a newspaper of general circulation in Baltimore City at least once a week for 3 consecutive weeks before the hearing, and provide an opportunity to submit public testimony to the Association.

(F) (1) The governing body of the Association shall be the Board of Directors.

(2) A majority of the voting members of the Board or members of the committee managing the District funds shall be owners, or, when the owner is a corporation, limited liability company, partnership, trust, or any other legal entity, representatives of the owners of a business in the District that is subject to district special assessments under this section.

(3) An ordinance enacted under this section may require the establishment of an Association committee to manage the District funds and may require certain actions to be made subject to the approval of the committee.

(G) As provided by an ordinance enacted under this section, the Association may:
(1) CONDUCT THE FUNCTIONS THAT ARE ASSIGNED TO THE ASSOCIATION BY THE ORDINANCE;

(2) ACQUIRE, HOLD, AND USE PROPERTY NECESSARY TO ACHIEVE THE DISTRICT’S PURPOSES;

(3) ENTER INTO CONTRACTS FOR THE PROVISION OF DISTRICT SERVICES;

(4) SUE AND BE SUED, SUBJECT TO SUBSECTION (H) OF THIS SECTION;

(5) BORROW AND ACCEPT GRANTS;

(6) EMPLOY AND DISCHARGE PERSONNEL;

(7) PROPOSE, IN THE DISTRICT’S ANNUAL BUDGET, THE DISTRICT SPECIAL ASSESSMENTS IN ACCORDANCE WITH SUBSECTION (D) OF THIS SECTION;

(8) ADOPT, AMEND, AND MODIFY BYLAWS, ALL OF WHICH SHALL BE SUBJECT TO THE APPROVAL OF THE BOARD OF ESTIMATES;

(9) ESTABLISH AND ELECT OFFICERS, AND PROVIDE FOR THE TERMS OF OFFICE AND THE DUTIES OF THE OFFICERS;

(10) CONTRACT FOR AND PURCHASE GOODS AND SERVICES IN ACCORDANCE WITH SUBSECTION (H) OF THIS SECTION; AND

(11) DO ALL THINGS NECESSARY OR CONVENIENT TO CARRY OUT THE PURPOSES OF THE DISTRICT UNDER THIS SECTION AND THE ORDINANCE ENACTED UNDER THIS SECTION.

(H) THE ASSOCIATION SHALL BE SUBJECT TO CITY ORDINANCES AND CITY POLICY REQUIRING ACHIEVEMENT OF GOALS REGARDING MINORITY AND WOMEN’S BUSINESS ENTERPRISES.

(I) THE ASSOCIATION 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;

(3) IMPOSE DISTRICT SPECIAL ASSESSMENTS IN EXCESS OF THOSE APPROVED BY THE BOARD OF ESTIMATES;
(4)  EXERCISE THE POWER OF EMINENT DOMAIN;

(5)  REVERT CHARGES OR DISTRICT SPECIAL ASSESSMENTS COLLECTED IN ACCORDANCE WITH THIS SECTION TO THE GENERAL FUND OF THE CITY; OR

(6)  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.

(J)  BEFORE ENACTING AN ORDINANCE UNDER THIS SECTION, THE MAYOR AND CITY COUNCIL OF BALTIMORE SHALL:

(1)  PROVIDE FOR PUBLIC HEARINGS DURING WHICH CONSIDERATION IS GIVEN TO THE VIEWS OF THE BUSINESS OWNERS THAT WILL BE SUBJECT TO DISTRICT SPECIAL ASSESSMENTS WITHIN THE PROPOSED DISTRICT; AND

(2)  MAKE A DETERMINATION THAT THE PROPOSED DISTRICT CREATED INCLUDES THOSE BUSINESSES THAT WILL BENEFIT FROM DISTRICT SERVICES.

(K)  TO THE EXTENT OF THEIR AUTHORITY, THE MAYOR AND CITY COUNCIL OF BALTIMORE MAY NOT PERMIT A REDUCTION IN EXISTING FUNDING PROVIDED BY THE CITY IN THE DISTRICT DUE TO THE ESTABLISHMENT OF THE DISTRICT OR THE DESIGNATION OF THE ASSOCIATION.

(L)  IN THE EVENT OF A DISSOLUTION OF THE DISTRICT OR THE ASSOCIATION, ANY UNSPENT FUNDS SHALL BE REFUNDED TO THE BUSINESS OWNERS BY APPLYING THE SAME METHOD AND BASIS THAT WAS USED TO CALCULATE THE DISTRICT SPECIAL ASSESSMENTS THAT WERE LEVIED.

(M)  (1)  AN ORDINANCE ENACTED UNDER THIS SECTION SHALL:

(I)  ESTABLISH THE PROCESS FOR THE APPROVAL OF THE CREATION OF THE DISTRICT AND THE DESIGNATION OF THE ASSOCIATION; AND

(II) PROVIDE THAT, UNTIL THE APPROVAL PROCESS IS CONDUCTED AND APPROVAL IS ACHIEVED UNDER THE PROCESS, THE DISTRICT MAY NOT BE CREATED, AND THE ORDINANCE MAY NOT BECOME FULLY EFFECTIVE.

(2)  THE ORDINANCE MAY PROVIDE:
(I) CRITERIA FOR THE ELIGIBILITY OF VOTERS FOR PURPOSES OF THE ELECTION REQUIRED BY THE ORDINANCE; AND

(II) PROCEDURES FOR A SPECIAL ELECTION REQUIRED IN THIS SUBSECTION, WHICH MAY BE ADMINISTERED BY WRITE–IN BALLOTS.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2018.

Approved by the Governor, May 15, 2018.

Chapter 642
(Senate Bill 1085)

AN ACT concerning

Baltimore City – Tourism Improvement District

FOR the purpose of authorizing the Mayor and City Council of Baltimore to establish by ordinance a certain Tourism Improvement District; authorizing the Mayor and City Council to designate a Tourism Improvement District Association to provide certain services; requiring a certain ordinance to include certain provisions; requiring the Association to establish a certain financial plan for the District under certain circumstances; requiring a certain financial plan to be subject to approval by the Baltimore City Board of Estimates; requiring the Association to hold a public hearing on a certain financial plan; providing for a Board of Directors of the Association; providing for certain powers, duties, and limitations of the Association; providing that the Association shall be subject to certain City ordinances and goals regarding minority and women's business enterprises; requiring the Mayor and City Council to take certain matters into consideration and make certain determinations when enacting certain ordinances; prohibiting the Mayor and City Council from authorizing certain reductions in certain existing funding under certain circumstances; providing that certain unspent funds be refunded to certain business owners in a certain manner under certain circumstances; placing a certain condition on a certain ordinance taking effect; defining certain terms; and generally relating to the establishment of a Tourism Improvement District in Baltimore City.

BY adding to
The Charter of Baltimore City
Article II – General Powers
Section (70)
(2007 Replacement Volume, as amended)

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:

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

(2) “Association” means an existing private nonprofit destination marketing organization that promotes tourism to Baltimore City and the Convention Center in order to increase the number of visitors to the City that is designated as the Tourism Improvement District Association in accordance with this section and any ordinance enacted in accordance with this section.

(3) “Board” means the Board of Directors of the Association.

(4) “Business” means a hotel as defined in the Baltimore City Code.

(5) “District” means a Tourism Improvement District created in accordance with this section.

(6) “District special assessment” means a special assessment that is authorized under this section and any ordinance enacted in accordance with this section.

(B) Subject to subsection (M) of this section, the City may enact an ordinance to:

(1) establish a Tourism Improvement District to support marketing, sales, and other promotional programs and activities to increase tourism in the District or specifically benefit those
PARTICIPATING BUSINESSES AGAINST WHICH A DISTRICT SPECIAL ASSESSMENT IS MADE; AND

(2) DESIGNATE AN EXISTING PRIVATE NONPROFIT ENTITY AS THE ASSOCIATION TO:

   (I) ADMINISTER THE DISTRICT PROGRAMS AND ACTIVITIES;

   (II) PROMOTE AND MARKET THE DISTRICT; AND

   (III) PROVIDE OTHER SERVICES AND FUNCTIONS AS APPROVED BY AN ORDINANCE OF THE MAYOR AND CITY COUNCIL OF BALTIMORE, PROVIDED THAT THE SERVICES AND FUNCTIONS SHALL BE PROVIDED WITHIN THE DISTRICT, OR, TO THE EXTENT AUTHORIZED, WITHIN AREAS ADJOINING OR ADJACENT TO THE DISTRICT.

(C) THE ORDINANCE ESTABLISHING THE DISTRICT AND DESIGNATING THE ASSOCIATION SHALL:

   (1) SPECIFY THE NAME FOR THE DISTRICT AND THE ASSOCIATION;

   (2) SPECIFY THE METHOD FOR ESTABLISHING AND MODIFYING THE BOUNDARIES OF THE DISTRICT, WHICH MAY INCLUDE METHODS BY WHICH:

       (I) BUSINESS OWNERS MAY PETITION TO BE INCLUDED IN THE DISTRICT; AND

       (II) BUSINESS OWNERS MAY CONDUCT A REFERENDUM TO BE INCLUDED IN THE DISTRICT;

   (3) SPECIFY THE POWERS AND FUNCTIONS WITHIN THE LIMITS OF THIS SECTION THAT MAY BE EXERCISED BY THE ASSOCIATION;

   (4) AUTHORIZE THE IMPOSITION OF DISTRICT SPECIAL ASSESSMENTS LEVIED ON BUSINESSES WITHIN THE DISTRICT AS THE PRIMARY MEANS OF SUPPORT FOR THE DISTRICT AND SPECIFY ANY LIMITS ON THE DISTRICT SPECIAL ASSESSMENTS;


   (6) PROVIDE FOR THE COLLECTION OF DISTRICT SPECIAL
ASSESSMENTS AND FOR THE PROMPT DISBURSEMENT OF THE REVENUE TO THE ASSOCIATION;

(7) DETERMINE WHETHER CLASSES AND SUBCLASSES OF BUSINESSES IN THE DISTRICT MAY BE ESTABLISHED AND THE EXTENT TO WHICH EACH CLASS OR SUBCLASS SHALL BE SUBJECT TO OR EXEMPT FROM DISTRICT SPECIAL ASSESSMENTS OR VARYING RATES OF DISTRICT SPECIAL ASSESSMENTS AND THE EXTENT TO WHICH SPECIFIC AREAS OF THE DISTRICT MAY EXERCISE DISCRETION AS TO THE USE OF DISTRICT SPECIAL ASSESSMENTS GENERATED BY THE AREAS;

(8) SPECIFY THE METHOD FOR DETERMINING DISTRICT SPECIAL ASSESSMENTS TO BE IMPOSED ON CLASSES AND SUBCLASSES OF BUSINESSES UNDER THIS SECTION;

(9) SPECIFY THE EXTENT TO WHICH THE ASSOCIATION MAY PROVIDE ADDITIONAL SERVICES FOR A FEE EITHER WITHIN OR OUTSIDE THE DISTRICT; AND

(10) SPECIFY THE CRITERIA FOR REPRESENTATION ON THE ASSOCIATION’S BOARD OF DIRECTORS OR DISTRICT MANAGEMENT COMMITTEE, SUBJECT TO SUBSECTION (F) OF THIS SECTION.

(D) (1) THE ASSOCIATION SHALL ESTABLISH A FINANCIAL PLAN FOR THE DISTRICT WHEN REQUIRED BY AN ORDINANCE ENACTED UNDER THIS SECTION.

(2) THE FINANCIAL PLAN, INCLUDING THE DISTRICT’S ANNUAL BUDGET AND DISTRICT SPECIAL ASSESSMENTS, SHALL BE SUBJECT TO APPROVAL BY THE BOARD OF ESTIMATES.

(3) THE FINANCIAL PLAN MAY INCLUDE PROVISIONS FOR ALLOCATING RESOURCES TO THE PARTICULAR NEEDS OF THE DISTRICT, INCLUDING ALLOCATIONS TO PARTICULAR SECTIONS OF THE DISTRICT OR TO PARTICULAR USES WITHIN THE DISTRICT.

(E) (1) BEFORE ADOPTING ITS PROPOSED BUDGET AND MAKING ITS RECOMMENDATIONS TO THE CITY, THE ASSOCIATION SHALL HOLD A PUBLIC HEARING ON THE FINANCIAL PLAN PROPOSED FOR THE DISTRICT.

(2) THE ASSOCIATION SHALL PUBLISH NOTICE OF THE HEARING UNDER PARAGRAPH (1) OF THIS SUBSECTION IN A NEWSPAPER OF GENERAL CIRCULATION IN BALTIMORE CITY AT LEAST ONCE A WEEK FOR 3 CONSECUTIVE WEEKS BEFORE THE HEARING, AND PROVIDE AN OPPORTUNITY TO SUBMIT PUBLIC TESTIMONY TO THE ASSOCIATION.
(F) (1) The governing body of the Association shall be the Board of Directors.

(2) A majority of the voting members of the Board or members of the committee managing the District funds shall be owners, or, when the owner is a corporation, limited liability company, partnership, trust, or any other legal entity, representatives of the owners of a business in the District that is subject to district special assessments under this section.

(3) An ordinance enacted under this section may require the establishment of an Association committee to manage the District funds and may require certain actions to be made subject to the approval of the committee.

(G) As provided by an ordinance enacted under this section, the Association may:

(1) Conduct the functions that are assigned to the Association by the ordinance;

(2) Acquire, hold, and use property necessary to achieve the District's purposes;

(3) Enter into contracts for the provision of District services;

(4) Sue and be sued, subject to subsection (H) of this section;

(5) Borrow and accept grants;

(6) Employ and discharge personnel;

(7) Propose, in the District's annual budget, the District special assessments in accordance with subsection (D) of this section;

(8) Adopt, amend, and modify bylaws, all of which shall be subject to the approval of the Board of Estimates;

(9) Establish and elect officers, and provide for the terms of office and the duties of the officers;

(10) Contract for and purchase goods and services in
ACCORDANCE WITH SUBSECTION (H) OF THIS SECTION; AND

(11) DO ALL THINGS NECESSARY OR CONVENIENT TO CARRY OUT THE PURPOSES OF THE DISTRICT UNDER THIS SECTION AND THE ORDINANCE ENACTED UNDER THIS SECTION.

(H) THE ASSOCIATION SHALL BE SUBJECT TO CITY ORDINANCES AND CITY POLICY REQUIRING ACHIEVEMENT OF GOALS REGARDING MINORITY AND WOMEN’S BUSINESS ENTERPRISES.

(I) THE ASSOCIATION 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;

(3) IMPOSE DISTRICT SPECIAL ASSESSMENTS IN EXCESS OF THOSE APPROVED BY THE BOARD OF ESTIMATES;

(4) EXERCISE THE POWER OF EMINENT DOMAIN;

(5) REVERT CHARGES OR DISTRICT SPECIAL ASSESSMENTS COLLECTED IN ACCORDANCE WITH THIS SECTION TO THE GENERAL FUND OF THE CITY; OR

(6) 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.

(J) BEFORE ENACTING AN ORDINANCE UNDER THIS SECTION, THE MAYOR AND CITY COUNCIL OF BALTIMORE SHALL:

(1) PROVIDE FOR PUBLIC HEARINGS DURING WHICH CONSIDERATION IS GIVEN TO THE VIEWS OF THE BUSINESS OWNERS THAT WILL BE SUBJECT TO DISTRICT SPECIAL ASSESSMENTS WITHIN THE PROPOSED DISTRICT; AND

(2) MAKE A DETERMINATION THAT THE PROPOSED DISTRICT CREATED INCLUDES THOSE BUSINESSES THAT WILL BENEFIT FROM DISTRICT SERVICES.

(K) TO THE EXTENT OF THEIR AUTHORITY, THE MAYOR AND CITY COUNCIL
OF BALTIMORE MAY NOT PERMIT A REDUCTION IN EXISTING FUNDING PROVIDED BY THE CITY IN THE DISTRICT DUE TO THE ESTABLISHMENT OF THE DISTRICT OR THE DESIGNATION OF THE ASSOCIATION.

(L) IN THE EVENT OF A DISSOLUTION OF THE DISTRICT OR THE ASSOCIATION, ANY UNSPENT FUNDS SHALL BE REFUNDED TO THE BUSINESS OWNERS BY APPLYING THE SAME METHOD AND BASIS THAT WAS USED TO CALCULATE THE DISTRICT SPECIAL ASSESSMENTS THAT WERE LEVIED.

(M) (1) AN ORDINANCE ENACTED UNDER THIS SECTION SHALL:

(I) ESTABLISH THE PROCESS FOR THE APPROVAL OF THE CREATION OF THE DISTRICT AND THE DESIGNATION OF THE ASSOCIATION; AND

(II) PROVIDE THAT, UNTIL THE APPROVAL PROCESS IS CONDUCTED AND APPROVAL IS ACHIEVED UNDER THE PROCESS, THE DISTRICT MAY NOT BE CREATED, AND THE ORDINANCE MAY NOT BECOME FULLY EFFECTIVE.

(2) THE ORDINANCE MAY PROVIDE:

(I) CRITERIA FOR THE ELIGIBILITY OF VOTERS FOR PURPOSES OF THE ELECTION REQUIRED BY THE ORDINANCE; AND

(II) PROCEDURES FOR A SPECIAL ELECTION REQUIRED IN THIS SUBSECTION, WHICH MAY BE ADMINISTERED BY WRITE–IN BALLOTS.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October July 1, 2018.

Approved by the Governor, May 15, 2018.

Chapter 643

(Senate Bill 1200)

AN ACT concerning

Baltimore City – Board of License Commissioners – Notice of Legislative Proposals

FOR the purpose of requiring the Board of License Commissioners for Baltimore City to give notice to certain persons on or before a certain time regarding any legislative proposal the Board intends to submit to the Baltimore City delegation to the General
Chapter 643  Laws of Maryland – 2018 Session  3306

Assembly for introduction as a bill; and generally relating to notice by the Board of License Commissioners for Baltimore City regarding legislative proposals.

BY repealing and reenacting, without amendments,
   Article – Alcoholic Beverages
   Section 12–102 and 12–201
   Annotated Code of Maryland
   (2016 Volume and 2017 Supplement)

BY adding to
   Article – Alcoholic Beverages
   Section 12–211
   Annotated Code of Maryland
   (2016 Volume and 2017 Supplement)

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

   Article – Alcoholic Beverages

12–102.

   This title applies only in Baltimore City.

12–201.

   There is a Board of License Commissioners for Baltimore City.

12–211.

   AT LEAST 3 MONTHS BEFORE THE START OF THE REGULAR SESSION OF THE GENERAL ASSEMBLY EACH YEAR, THE BOARD SHALL GIVE NOTICE TO THE FOLLOWING PERSONS REGARDING ANY LEGISLATIVE PROPOSAL THE BOARD INTENDS TO SUBMIT TO THE CITY DELEGATION TO THE GENERAL ASSEMBLY FOR INTRODUCTION AS A BILL:

   (1) THE MAYOR OF BALTIMORE CITY;

   (2) THE PRESIDENT OF THE BALTIMORE CITY COUNCIL; AND

   (3) COMMUNITY AND RESIDENTIAL GROUPS IN THE CITY THAT HAVE OPTED TO RECEIVE NOTICES FROM THE BOARD.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2018.
AN ACT concerning

Maryland Agricultural Land Preservation Foundation – Use of Land – Signs and Outdoor Advertising Displays

FOR the purpose of authorizing a landowner, without the approval of the Maryland Agricultural Land Preservation Foundation, to erect and display on land subject to a certain easement a certain sign or outdoor advertising display for a certain purpose; authorizing the Foundation to authorize a landowner to erect and display on land subject to a certain easement a certain sign or outdoor advertising display for the purpose of providing certain information; providing that this Act supersedes certain provisions of a certain deed or agreement; providing that this Act does not supersede certain local laws or ordinances; providing for the application of this Act; and generally relating to the use of land subject to an agricultural preservation easement.

BY repealing and reenacting, without amendments,
Article – Agriculture
Section 2–513(b)(1)
Annotated Code of Maryland
(2016 Replacement Volume and 2017 Supplement)

BY adding to
Article – Agriculture
Section 2–513(b)(11)
Annotated Code of Maryland
(2016 Replacement Volume and 2017 Supplement)

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

Article – Agriculture

2–513.

(b) (1) A landowner whose land is subject to an easement may not use the land for any commercial, industrial, or residential purpose except:

(i) As determined by the Foundation, for farm– and forest–related
uses and home occupations; or

(ii) As otherwise provided under this section.

(11) (I) A LANDOWNER MAY, WITHOUT THE APPROVAL OF THE FOUNDATION, ERECT AND DISPLAY ON LAND SUBJECT TO AN EASEMENT UNDER THIS SUBTITLE A SIGN OR ANY OTHER OUTDOOR ADVERTISING DISPLAY MEASURING NOT MORE THAN 4 FEET BY 4 FEET FOR THE PURPOSE OF:

1. STATING THE NAME OR ADDRESS OF THE PROPERTY OR ITS OCCUPANT;

2. ADVERTISING ANY FARM– OR FOREST–RELATED USES OF THE PROPERTY OR ANY HOME OCCUPATIONS THAT OCCUR ON THE PROPERTY WITH THE APPROVAL OF THE FOUNDATION;

3. ADVERTISING THE SALE OF AGRICULTURAL PRODUCTS, CONSISTENT WITH THE POLICIES OF THE FOUNDATION;

4. ADVERTISING THAT THE PROPERTY IS AVAILABLE FOR SALE OR RENT;

5. FORBidding TRESPASSING, HUNTING, OR THE DESTRUCTION OF PROPERTY;

6. MARKING THE BOUNDARIES OF THE PROPERTY;

7. IDENTIFYING THE PROTECTED STATUS OF THE PROPERTY; OR

8. SUPPORTING A POLITICAL CANDIDATE.

(II) THE FOUNDATION MAY AUTHORIZE A LANDOWNER TO ERECT AND DISPLAY ON LAND SUBJECT TO AN EASEMENT UNDER THIS SUBTITLE A SIGN OR ANY OTHER OUTDOOR ADVERTISING DISPLAY MEASURING NOT MORE THAN 4 FEET BY 4 FEET FOR THE PURPOSE OF PROVIDING ANY OTHER INFORMATION CONSISTENT WITH THE PURPOSES OF THE FOUNDATION.

(III) THIS PARAGRAPH:

1. SUPERSEDES ANY INCONSISTENT PROVISIONS OF A DEED OR ANY OTHER AGREEMENT GRANTING AN EASEMENT UNDER THIS SUBTITLE; AND
2. DOES NOT SUPERSEDE ANY LOCAL LAW OR ORDINANCE GOVERNING SIGNS OR OUTDOOR ADVERTISING DISPLAYS.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall be construed to apply retroactively and shall be applied to and interpreted to affect agricultural preservation easements granted to the Maryland Agricultural Land Preservation Foundation before the effective date of this Act.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2018.

Approved by the Governor, May 15, 2018.

Chapter 645
(Senate Bill 1102)

AN ACT concerning

Landlord and Tenant – Action for Repossession of Nonresidential Property – Service of Process

FOR the purpose of altering certain requirements for service of process on a tenant in a certain action for repossession if the action involves nonresidential property; and generally relating to service of process in an action for repossession.

BY repealing and reenacting, with amendments,

Article – Real Property
Section 8–401(b)(5)
Annotated Code of Maryland
(2015 Replacement Volume and 2017 Supplement)

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

Article – Real Property

8–401.

(b) (5) Notwithstanding the provisions of paragraphs (1) through (4) of this subsection[, in]:

(i) IN AN ACTION TO REPOSSESS NONRESIDENTIAL PROPERTY UNDER THIS SECTION, SERVICE OF PROCESS ON A TENANT:
1. Shall be directed to the sheriff of the appropriate county or municipality; and

2. On plaintiff’s request, may be directed to any person authorized under the Maryland Rules to serve process; and

(II) in Wicomico County, in an action to repossess any premises under this section, service of process on a tenant may be directed to any person authorized under the Maryland Rules to serve process.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2018.

Approved by the Governor, May 15, 2018.

Chapter 646

(House Bill 1329)

AN ACT concerning

Landlord and Tenant – Action for Repossession of Nonresidential Property – Service of Process

For the purpose of altering certain requirements for service of process on a tenant in a certain action for repossession if the action involves nonresidential property; and generally relating to service of process in an action for repossession.

BY repealing and reenacting, with amendments,

Article – Real Property
Section 8–401(b)(5)
Annotated Code of Maryland
(2015 Replacement Volume and 2017 Supplement)

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

Article – Real Property

8–401.

(b) (5) Notwithstanding the provisions of paragraphs (1) through (4) of this subsection[,] in:]:
(I) IN AN ACTION TO REPOSSESS NONRESIDENTIAL PROPERTY UNDER THIS SECTION, SERVICE OF PROCESS ON A TENANT:

1. SHALL BE DIRECTED TO THE SHERIFF OF THE APPROPRIATE COUNTY OR MUNICIPALITY; AND

2. ON PLAINTIFF’S REQUEST, MAY BE DIRECTED TO ANY PERSON AUTHORIZED UNDER THE MARYLAND RULES TO SERVE PROCESS; AND

(II) IN Wicomico County, in an action to repossess any premises under this section, service of process on a tenant may be directed to any person authorized under the Maryland Rules to serve process.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2018.

Approved by the Governor, May 15, 2018.

_________________________

Chapter 647

(Senate Bill 73)

AN ACT concerning

Harford County Sheriff – Deputy Sheriffs and Correctional Officers – Collective Bargaining

FOR the purpose of providing that certain deputy sheriffs and correctional officers in the Office of the Sheriff of Harford County have the right to organize and negotiate with the Harford County Executive and Harford County Sheriff with regard to certain wages and employee health care premium share; requiring the right to organize and negotiate to be conducted in accordance with certain provisions of the Harford County Code unless otherwise provided in this Act; requiring the terms of any agreement with regard to certain wages and employee health care premium share to be set forth in a memorandum of agreement entered into between the Sheriff, the County Executive, and the employee organization; providing that an agreement with regard to certain wages and employee health care premium share is not effective until the agreement is ratified by the Sheriff, the County Executive, and the employee organization; providing that a modification to an existing memorandum of agreement is not valid except under certain circumstances; requiring certain procedures set forth in the Harford County Code to apply if certain parties are unable to reach a certain agreement; and generally relating to the salaries and negotiation
rights of sworn law enforcement officers and correctional officers of the Harford County Sheriff’s Office.

BY adding to
Article – Courts and Judicial Proceedings
Section 2–309(n)(9) and (10)
Annotated Code of Maryland
(2013 Replacement Volume and 2017 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.

(n) (9) (I) THIS PARAGRAPH APPLIES ONLY TO ALL FULL–TIME DEPUTY SHERIFFS IN THE OFFICE OF THE SHERIFF OF HARFORD COUNTY AT THE RANK OF CAPTAIN AND BELOW.

(II) SWORN LAW ENFORCEMENT OFFICERS SUBJECT TO THIS PARAGRAPH SHALL HAVE THE RIGHT TO ORGANIZE AND NEGOTIATE WITH THE HARBOR COUNTY EXECUTIVE AND THE HARBOR COUNTY SHERIFF WITH REGARD TO WAGES AND EMPLOYEE HEALTH CARE PREMIUM SHARE NOT REGULATED BY THE SHERIFF.

(III) UNLESS OTHERWISE PROVIDED IN THIS PARAGRAPHS, THE RIGHT TO ORGANIZE AND NEGOTIATE SHALL BE CONDUCTED IN ACCORDANCE WITH §§ 38–5 THROUGH 38–8 OF CHAPTER 38, ARTICLE I OF THE HARBOR COUNTY CODE.

(IV) THE TERMS OF ANY AGREEMENT WITH REGARD TO WAGES AND EMPLOYEE HEALTH CARE PREMIUM SHARE NOT REGULATED BY THE SHERIFF SHALL BE SET FORTH IN A MEMORANDUM OF AGREEMENT ENTERED INTO BETWEEN THE SHERIFF, THE COUNTY EXECUTIVE, AND THE EMPLOYEE ORGANIZATION.

(V) AN AGREEMENT WITH REGARD TO WAGES AND EMPLOYEE HEALTH CARE PREMIUM SHARE NOT REGULATED BY THE SHERIFF IS NOT EFFECTIVE UNTIL THE AGREEMENT IS RATIFIED BY:

1. THE SHERIFF;

2. THE COUNTY EXECUTIVE; AND
3. **THE EMPLOYEE ORGANIZATION.**

**(VI)** A MODIFICATION TO AN EXISTING MEMORANDUM OF AGREEMENT IS NOT VALID UNLESS THE MODIFICATION IS IN WRITING AND RATIFIED BY:

1. **THE SHERIFF;**
2. **THE COUNTY EXECUTIVE;** AND
3. **THE EMPLOYEE ORGANIZATION.**


**(10) (I)** THIS PARAGRAPH APPLIES ONLY TO ALL FULL–TIME CORRECTIONAL OFFICERS IN THE OFFICE OF THE SHERIFF OF HARFORD COUNTY AT THE RANK OF CAPTAIN AND BELOW.

**(II)** CORRECTIONAL OFFICERS SUBJECT TO THIS PARAGRAPH SHALL HAVE THE RIGHT TO ORGANIZE AND NEGOTIATE WITH THE HARFORD COUNTY EXECUTIVE AND THE HARFORD COUNTY SHERIFF WITH REGARD TO WAGES AND EMPLOYEE HEALTH CARE PREMIUM SHARE NOT REGULATED BY THE SHERIFF.

**(III)** UNLESS OTHERWISE PROVIDED IN THIS PARAGRAPH, THE RIGHT TO ORGANIZE AND NEGOTIATE SHALL BE CONDUCTED IN ACCORDANCE WITH §§ 38–5 THROUGH 38–8 OF CHAPTER 38, ARTICLE I OF THE HARFORD COUNTY CODE.

**(IV)** THE TERMS OF ANY AGREEMENT WITH REGARD TO WAGES AND EMPLOYEE HEALTH CARE PREMIUM SHARE NOT REGULATED BY THE SHERIFF SHALL BE SET IN A MEMORANDUM OF AGREEMENT ENTERED INTO BETWEEN THE SHERIFF, THE COUNTY EXECUTIVE, AND THE EMPLOYEE ORGANIZATION.

**(V)** AN AGREEMENT WITH REGARD TO WAGES AND EMPLOYEE HEALTH CARE PREMIUM SHARE NOT REGULATED BY THE SHERIFF IS NOT EFFECTIVE UNTIL THE AGREEMENT IS RATIFIED BY:
1. **The Sheriff**;

2. **The County Executive**; and

3. **The Employee Organization**.

(VI) A modification to an existing memorandum of agreement is not valid unless the modification is in writing and ratified by:

1. **The Sheriff**;

2. **The County Executive**; and

3. **The Employee Organization**.

(VII) If the Sheriff, the County Executive, and the Employee Organization are unable to reach an agreement by the dates set in Chapter 38, Article I of the Harford County Code, the procedures set forth in § 38–8(b) of the Harford County Code shall apply, with the County Executive and the Employee Organization as parties to the proceedings described under § 38–8(b) of the Harford County Code.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2018.

Approved by the Governor, May 15, 2018.

Chapter 648

(House Bill 743)

AN ACT concerning

*Harford County – Alcoholic Beverages – Per Diem Licenses*

FOR the purpose of authorizing a simple majority of the members of the Board of License Commissioners for Harford County to approve or deny an application for a per diem license in a certain meeting or, with a certain written voting record, through oral or written contact by any method by the chair with each member of the Board; prohibiting the Board from requiring the publication of an application for a per diem
license as a prerequisite to issuing the license; making conforming changes; and generally relating to alcoholic beverages licenses in Harford County.

BY renumbering
Article – Alcoholic Beverages
Section 22–1309
to be Section 22–1309.1
Annotated Code of Maryland
(2016 Volume and 2017 Supplement)

BY repealing and reenacting, without amendments,
Article – Alcoholic Beverages
Section 22–102
Annotated Code of Maryland
(2016 Volume and 2017 Supplement)

BY repealing and reenacting, with amendments,
Article – Alcoholic Beverages
Section 22–1301
Annotated Code of Maryland
(2016 Volume and 2017 Supplement)

BY adding to
Article – Alcoholic Beverages
Section 22–1309
Annotated Code of Maryland
(2016 Volume and 2017 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That Section(s) 22–1309 of Article – Alcoholic Beverages of the Annotated Code of Maryland be renumbered to be Section(s) 22–1309.1.

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

Article – Alcoholic Beverages

22–102.

This title applies only in Harford County.

22–1301.

(a) The following sections of Title 4, Subtitle 12 (“Temporary Licenses”) of Division I of this article apply in the county without exception or variation:

(1) § 4–1202 (“Per diem licenses”);
(2) § 4–1203 (“Class C per diem beer and Class C per diem beer and wine licenses”);

(3) § 4–1204 (“Class C per diem beer, wine, and liquor license”);

(4) § 4–1206 (“License to dispose of stock”);

(5) § 4–1207 (“Temporary move of licensed premises”);

(6) § 4–1208 (“Hours and days of sale”); and

(7) § 4–1209 (“Wine permit for fund-raising event”).

(b) Section 4–1205 (“License fees”) of Division I of this article does not apply in the county and is superseded by § 22–1309.1 of this subtitle.

22–1309.

(A) (1) A SIMPLE MAJORITY OF THE TOTAL NUMBER OF THE MEMBERS OF THE BOARD MAY ACT TO APPROVE OR DENY AN APPLICATION FOR A PER DIEM LICENSE:

   (I) IN A FORMAL MEETING, WITH A QUORUM PRESENT; OR

   (II) IN ACCORDANCE WITH PARAGRAPH (2) OF THIS SUBSECTION, THROUGH ORAL OR WRITTEN CONTACT BY ANY METHOD BY THE CHAIR WITH EACH MEMBER OF THE BOARD.

(2) THE CHAIR SHALL MAKE A WRITTEN RECORD UNDER PARAGRAPH (1)(II) OF THIS SUBSECTION OF HOW EACH MEMBER AND THE CHAIR VOTED.

(B) THE BOARD MAY NOT REQUIRE THE PUBLICATION OF AN APPLICATION FOR A PER DIEM LICENSE AS A PREREQUISITE TO THE ISSUING OF THE LICENSE.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2018.

Approved by the Governor, May 15, 2018.

Chapter 649

(House Bill 1343)
AN ACT concerning

Harford County – Alcoholic Beverages – Stadium License

FOR the purpose of repealing a certain restriction on an establishment for which a stadium beer, wine, and liquor license may be issued in Harford County; repealing a certain restriction on a stadium beer, wine, and liquor license in Harford County that allows an individual to serve liquor during a baseball game only in certain areas of the stadium; repealing a certain restriction prohibiting a license holder from allowing a roving vendor to dispense beer in the stadium; making certain conforming changes; and generally relating to stadium beer, wine, and liquor licenses in Harford County.

BY repealing and reenacting, without amendments,
Article – Alcoholic Beverages
Section 22–102
Annotated Code of Maryland
(2016 Volume and 2017 Supplement)

BY repealing and reenacting, with amendments,
Article – Alcoholic Beverages
Section 22–1006
Annotated Code of Maryland
(2016 Volume and 2017 Supplement)

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.

22–1006.

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

(2) “Concession manager” means a person that provides and supervises under contract the comprehensive management of all food and beverage concession sales on the licensed premises.

(3) “Licensed premises” includes the stadium facility and stadium parking lots.

(b) There is a stadium beer, wine, and liquor license.
(c) The Board may issue the license for a stadium owned by the City of Aberdeen to the owner, lessee, or concession manager of a professional baseball stadium.

(d) (1) Subject to paragraph (2) of this subsection, the license authorizes the license holder to sell beer, wine, and liquor for on-premises consumption.

(2) The license holder may sell, serve, or allow the consumption of beer, wine, and liquor on the stadium parking lots only with the prior written approval of the Board.

(e) (1) Subject to paragraph (2) of this subsection, the license holder may sell beer, wine, and liquor on Monday through Sunday, from 8 a.m. to 2 a.m. the following day.

(2) During a baseball game, a holder of a stadium license may not sell beer, wine, or liquor:

   (i) after the beginning of the eighth inning; or

   (ii) during a doubleheader game, after the beginning of the sixth inning of the second game.

(f) (1) An individual who serves beer, wine, and liquor on the licensed premises shall hold a certificate from an alcohol awareness program that the Board approves.

(2) An individual may serve liquor during a baseball game only on the club level or in a dining area where patrons are seated.

(3) (i) Except as provided in subparagraph (ii) of this paragraph, an individual may serve beer, wine, and liquor during a baseball game only in a plastic, Styrofoam, or paper container.

   (ii) An individual may serve beer, wine, and liquor in a glass container on the club level or in a dining area where patrons are seated.

[(4)](3) (i) This paragraph does not apply to [beer and] wine AND LIQUOR served on the club level or in a dining area where patrons are seated.

   (ii) An individual may dispense [beer and] wine AND LIQUOR during a baseball game only from a stationary structure that is in the stadium and equipped with a motor vehicle driver's license scanner.

[(5)](4) A license holder may not allow a roving vendor to dispense [beer,] wine[,] and liquor.
A license holder may not allow a person to carry beer, wine, and liquor onto or off of the licensed premises.

The annual license fee is $10,000.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2018.

Approved by the Governor, May 15, 2018.

Chapter 650
(House Bill 1660)

AN ACT concerning Property Tax – Assessment Records of Real Property and Reassessment After Appeal – Application

FOR the purpose of requiring the Department to include in an assessment record for real property a note describing any reduction in an assessment resulting from a certain order or decision and, under certain circumstances, the specific reason for the reduction; applying certain provisions of law that relate to the authority of the State Department of Assessments and Taxation during a reassessment of property after an appeal to certain appeals filed with a supervisor of assessments on or after a certain date and still pending a final decision on or after a certain date; and generally relating to assessment records for real property and the reassessment of properties after appeals.

BY repealing and reenacting, without amendments,
Article – Tax – Property
Section 2–211(a)(1) and 8–205(b)
Annotated Code of Maryland
(2012 Replacement Volume and 2017 Supplement)

BY repealing and reenacting, with amendments,
Article – Tax – Property
Section 2–211(b)
Annotated Code of Maryland
(2012 Replacement Volume and 2017 Supplement)

BY repealing and reenacting, with amendments,
Chapter 529 of the Acts of the General Assembly of 2017
Section 2
SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

Article – Tax – Property

2–211.

(a) (1) Each supervisor shall keep a record of all real property assessments in the county.

(b) (1) Each account in the record shall show for the real property:

(i) the name and address of the owner;

(ii) a brief description of the property;

(iii) the specific location of the property;

(iv) the general location of the property including a deed or will reference and any tax map reference; and

(v) the assessment of:

1. the land; and

2. any improvement on the land.

(2) The details of land and improvements on the land that have been valued at different amounts shall be recorded on the respective worksheet or card.

(3) THE DEPARTMENT SHALL INCLUDE WITH EACH PROPERTY RECORD A NOTE DESCRIBING:

(I) ANY REDUCTION IN AN ASSESSMENT RESULTING FROM AN ORDER OR DECISION OF A PROPERTY TAX ASSESSMENT APPEALS BOARD, THE MARYLAND TAX COURT, OR ANY OTHER COURT ISSUED ON OR AFTER OCTOBER 1, 2014; AND

(II) THE SPECIFIC REASON FOR THE REDUCTION, IF THE BOARD OR COURT INDICATES IN ITS ORDER OR DECISION THE REASON FOR THE REDUCTION.

8–205.

(b) When conducting subsequent reassessments of the property, the supervisor or the Department:
(1) may not automatically eliminate a reduction in the assessment of the property that was granted by a property tax assessment appeal board or the Maryland Tax Court; and

(2) may eliminate a reduction in the assessment of the property granted by a property tax assessment appeal board or the Maryland Tax Court if the specific reason for the reduction no longer applies.

Chapter 529 of the Acts of 2017

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2017, AND SHALL BE APPLICABLE TO ANY APPEAL OF AN ASSESSMENT FILED WITH A SUPERVISOR OF ASSESSMENTS ON OR AFTER OCTOBER 1, 2014, THAT IS STILL PENDING A FINAL DECISION ON THE APPEAL ON OR AFTER OCTOBER 1, 2017.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2018.

Approved by the Governor, May 15, 2018.

______________________________

Chapter 651
(Senate Bill 10)

AN ACT concerning

Property Tax Assessments – Physical Inspection of Property

FOR the purpose of repealing a requirement that the State Department of Assessments and Taxation or the supervisor of assessments for a county value all real property once in every 3–year cycle based on an exterior physical inspection of the real property; requiring the Department’s review of each real property assessment in every 3–year cycle to include a physical inspection under certain circumstances; and generally relating to a requirement that the State Department of Assessments and Taxation or the supervisor of assessments value property based on an exterior physical inspection.

BY repealing and reenacting, without amendments,
Article – Tax – Property
Section 2–203(a)
Annotated Code of Maryland
(2012 Replacement Volume and 2017 Supplement)
BY repealing and reenacting, with amendments,
   Article – Tax – Property
Section 2–203(b) and 8–104(b)(1)
Annotated Code of Maryland
(2012 Replacement Volume and 2017 Supplement)

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

   Article – Tax – Property

2–203.

   (a) (1) The Department shall continually review all real property assessments
         to provide a review of each assessment at least once in each 3–year cycle.

         (2) If any assessment has not been reviewed during a 3–year cycle, the
             Department may order a review of the assessment at any time.

   (b) (1) For the review under subsection (a) of this section, real property is not
           required to be reviewed individually or separately, but it may be grouped:

           [(1)] (I) in areas;
           [(2)] (II) by character or use; or
           [(3)] (III) in any other manner that the Department considers to be helpful
                   or necessary.

           (2) FOR THE REVIEW UNDER SUBSECTION (A) OF THIS SECTION, THE
               DEPARTMENT SHALL PERFORM A PHYSICAL INSPECTION IF:

               (I) THE VALUE OF IMPROVEMENTS IS BEING INITIALLY
                   ESTABLISHED UNDER § 8–401(B)(3) OF THIS ARTICLE;

               (II) THE VALUE OF SUBSTANTIALLY COMPLETED
                   IMPROVEMENTS IS BEING ESTABLISHED UNDER § 8–104(C)(1)(III) OF THIS ARTICLE;

               (III) THE PROPERTY IS THE SUBJECT OF A RECENT SALE, AND
                   THE INSPECTION IS DEEMED NECESSARY BY THE DEPARTMENT FOR PURPOSES OF
                   A MARKET ANALYSIS;

               (IV) THE PROPERTY OWNER REQUESTS A PHYSICAL INSPECTION
                   AS PART OF AN ACTIVE APPEAL; OR
(V) **THE DEPARTMENT IS NOTIFIED BY A COUNTY FINANCE OFFICER THAT A SUBSTANTIALLY COMPLETED IMPROVEMENT HAS BEEN MADE THAT ADDS AT LEAST $1,000,000 IN VALUE TO THE PROPERTY; OR**

(VI) **THE DEPARTMENT OR THE SUPERVISOR DETERMINES THAT A PHYSICAL INSPECTION IS APPROPRIATE.**

(3) **THE DEPARTMENT SHALL PERFORM THE PHYSICAL INSPECTION REQUIRED UNDER PARAGRAPH (2)(V) OF THIS SUBSECTION WITHIN 30 DAYS AFTER RECEIVING NOTICE OF THE IMPROVEMENT.**

8–104.

(b) (1) Notwithstanding a revaluation under subsection (c) of this section, the Department or supervisor shall value all real property once in every 3–year cycle based on [an exterior physical inspection] A REVIEW of the real property UNDER § 2–203 OF THIS ARTICLE.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2018.

Approved by the Governor, May 15, 2018.

__________________________

Chapter 652

(Senate Bill 83)

AN ACT concerning

Public Service Company Franchise Tax – Return Deadline

FOR the purpose of changing the date by which public service companies are required to file a franchise tax return with the State Department of Assessments and Taxation; providing for the application of this Act; and generally relating to the public service company franchise tax.

BY repealing and reenacting, with amendments,
Article – Tax – General
Section 8–404(a)
Annotated Code of Maryland
(2016 Replacement Volume and 2017 Supplement)

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

8–404.

(a) Each public service company that, in a calendar year, has gross receipts derived from business in the State or delivers electricity or natural gas for final consumption in the State shall complete, under oath, and file with the Department a public service company franchise tax return, on or before [March] APRIL 15th of the next year.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2018, and shall be applicable to all taxable years beginning after December 31, 2017.

Approved by the Governor, May 15, 2018.

Chapter 653

(Senate Bill 84)

AN ACT concerning

Real Property Tax – Exemption Applications – Approval Authority

FOR the purpose of requiring that the supervisor of assessments for a county, rather than the State Department of Assessments and Taxation, approve or reject an application for an exemption of real property from the property tax; and generally relating to applications for an exemption of real property from the property tax.

BY repealing and reenacting, with amendments,

Article – Tax – Property
Section 7–103
Annotated Code of Maryland
(2012 Replacement Volume and 2017 Supplement)

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

Article – Tax – Property

7–103.

(a) Real property that is subject to exemption from property tax by Subtitle 2 of this title is not exempted until the exemption has been applied for and approved under this section.
(b) (1) A person claiming an exemption shall apply to the supervisor of the county where the real property is located on the form that the Department requires.

(2) The application shall contain the information that the Department requires.

(c) The supervisor shall [send a copy of each application to the Department for approval or rejection] APPROVE OR REJECT EACH APPLICATION FOR EXEMPTION UNDER THIS SECTION.

(d) If the exemption is approved, the supervisor shall enter:

(1) the real property exemption in the assessment records; and

(2) the real property on the list of exempt property.

(e) If an application is rejected, the supervisor shall notify the person claiming the exemption of:

(1) the reasons for rejection, as provided by § 8–402 of this article; and

(2) the right to a hearing and appeal as provided by Title 14, Subtitle 5 of this article.

(f) The Department and the supervisor shall periodically review the list of exempt property to determine whether any property does not meet the requirements of the law that provides for the exemption.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2018.

Approved by the Governor, May 15, 2018.

Chapter 654

(House Bill 89)

AN ACT concerning

Property Tax Credit – Public Safety Officers – Administration

FOR the purpose of repealing a certain requirement that the State Department of Assessments and Taxation be responsible for certain administrative duties relating to a certain credit against the county or municipal corporation property tax imposed on a certain dwelling that is owned by a certain public safety officer under certain
circumstances; repealing a certain requirement that a county or municipal corporation reimburse the Department for certain administrative costs relating to the credit; modifying the amount of a certain property tax credit; authorizing the Mayor and City Council of Baltimore City and the governing body of a county or municipal corporation to provide, by law, for certain matters relating to the administration of the credit; and generally relating to a property tax credit for certain public safety officers.

BY repealing and reenacting, with amendments,

Article – Tax – Property
Section 9–260
Annotated Code of Maryland
(2012 Replacement Volume and 2017 Supplement)

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

Article – Tax – Property

9–260.

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

(2) “Dwelling” has the meaning stated in § 9–105 of this title.

(3) “Public safety officer” means:

(i) a firefighter, an emergency medical technician, a correctional officer, a police officer, or a deputy sheriff employed full time by a public safety agency in the county or municipal corporation where the individual resides; or

(ii) a volunteer firefighter for a public safety agency in the county or municipal corporation where the individual resides.

(b) The governing body of a county or municipal corporation may grant, by law, a property tax credit under this section against the county or municipal corporation property tax imposed on a dwelling located in the county or municipal corporation that is owned by a public safety officer if the public safety officer is otherwise eligible for the credit authorized under § 9–105 of this title.

(c) In any taxable year, the credit under this section may not exceed THE LESSER OF:

(1) $2,500 per dwelling; and OR

(2) the amount of property tax imposed on the dwelling.
(d) [(1) The Department shall be responsible for the administrative duties that relate to the application and determination of eligibility for the property tax credit under this section.

(2) A county or municipal corporation shall reimburse the Department for the reasonable cost of administering the credit under this section.

(e) The governing body of a county or a municipal corporation may establish, by law:

(1) subject to subsection (c) of this section, the amount of the credit under this section;

(2) the duration of the credit; [and]

(3) additional eligibility requirements for public safety officers to qualify for the credit;

(4) PROCEDURES FOR THE APPLICATION AND UNIFORM PROCESSING OF REQUESTS FOR THE CREDIT; AND

(5) ANY OTHER PROVISIONS NECESSARY TO CARRY OUT THIS SECTION.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2018.

Approved by the Governor, May 15, 2018.

AN ACT concerning Property Tax – Public Utilities – Assessment Apportionment

FOR the purpose of requiring the State Department of Assessments and Taxation to apportion the assessment of operating property of a public utility among the counties and municipal corporations where the operating property is located; repealing certain requirements for apportioning the assessment of operating personal property of a domestic public utility placed into service before a certain date; and generally relating to apportioning the assessment of operating property of a public utility.
BY repealing and reenacting, with amendments,

Article – Tax – Property
Section 8–109
Annotated Code of Maryland
(2012 Replacement Volume and 2017 Supplement)

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

Article – Tax – Property

8–109.

(a) The Department shall annually value the operating unit of a public utility on
the basis of the value of the operating property of the public utility, by considering:

(1) the earning capacity of the operating unit; and

(2) all other factors relevant to a determination of value of the operating
unit.

(b) The Department shall allocate to this State the value of that part of the
operating unit that is reasonably attributable to the part located in this State.

(c) (1) From the value allocated to this State under subsection (b) of this
section, the Department shall deduct:

(i) the fair average value of fuel that represents the percentage
reduction or exemption authorized by §§ 7–108, 7–222, and 7–226 of this article; and

(ii) the assessment of operating property, if any, that is exempt by
law from property tax.

(2) (i) The value remaining after making the deductions shall be
divided into an operating real property value and an operating personal property value, as
determined by the Department.

(ii) The value of operating real property is the assessment of
operating real property of a public utility.

(iii) The value of operating personal property is the assessment of
operating personal property of a public utility.

(3) Operating land of a public utility is valued and assessed by the
Department as part of the operating unit and is not valued and assessed by the supervisor.

(4) The provisions of this subsection are not intended to alter the law as
(5) Returns, notices, and appeals of operating property assessments shall be administered pursuant to the sections of this article governing personal property assessments.

(d) [(1)] For operating [real] property of a [domestic] public utility, the Department shall apportion the assessment of that operating property among the counties and municipal corporations where the operating property is located.

[(2) For operating personal property of a domestic public utility placed into service before January 1, 1968, the Department shall apportion the assessment of that operating property on the basis of the ownership of shares of stock, among the counties and municipal corporations where the owners of the shares of stock reside, or if an owner is a nonresident of this State, to the county and any municipal corporation, where the principal office of a domestic corporation is located. The equitable owner of shares held in trust by a resident trustee shall be deemed the owner of the shares and the residence determined as of the date of finality.

(3) For operating personal property of a domestic public utility placed into service after December 31, 1967, the Department shall apportion the assessment of that operating property among the counties and municipal corporations, where the operating property is located.

(4) For operating property of a foreign public utility, the Department shall apportion the assessment of that operating property among the counties and municipal corporations where the operating property is located.

(e) If there is only 1 class of stock, the allocation of the operating personal property assessment under subsection (d)(2) of this section is based on the per share value attributed to each share that is determined by dividing the assessment by the number of outstanding shares of stock.

(f) If there is more than 1 class of stock, the allocation of the operating personal property assessment under subsection (d)(2) of this section is made by:

(1) multiplying the total assessment of all operating personal property to be allocated by the percentage of value that each class of stock bears to the total value of all classes of stock; and

(2) then dividing the product determined for each class in item (1) of this subsection by the number of outstanding shares of stock in that class to produce the assessment allocated to each share of stock.

(g) The Department may adopt regulations to carry out the provisions of this section.]
(E) In determining whether to classify a company as a public utility, the Department shall consider and evaluate whether the company:

(i) is subject to the authority of a regulatory body of the State or the federal government, such as the Maryland Public Service Commission, the Federal Communications Commission, or the Federal Energy Regulatory Commission;

(ii) uses a significant portion of the real and personal property used in its business operations as an integrated whole or unit;

(iii) provides a basic service to the public; and

(iv) owns or uses assets that are most appropriately appraised using the unit valuation method.

(2) Notwithstanding a company’s failure to meet all of the criteria under paragraph (1) of this subsection, the Department may classify the company as a public utility if the Department determines that the company predominantly meets the criteria.

(F) THE DEPARTMENT MAY ADOPT REGULATIONS TO CARRY OUT THE PROVISIONS OF THIS SECTION.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2018.

AN ACT concerning

State Board of Nursing – Maryland Nurse Practice Act – Revisions

FOR the purpose of repealing certain provisions of law that authorize the State Board of Nursing to grant a certain number of certain extensions for the renewal of a certain license or certain certificate pending receipt of criminal history record information; repealing a provision of law that authorizes the Board to immediately suspend the license of a certain nurse or the certificate of a certain nursing assistant or certain medication technician who is expelled from the Safe Practice Program under certain circumstances; altering when certain employers are required to submit a certain report to the Board; repealing the requirement that a nurse in independent practice or a direct–entry midwife engaged in independent practice display a certain notice in certain offices; providing that certain members of the nursing assistant advisory
committee may serve one additional full term; authorizing the Board to remove committee members from the certified nursing assistant advisory committee for certain reasons; authorizing certain licensing boards to issue cease and desist orders or impose an encumbrance on a nurse’s authority to practice in a certain state; making certain stylistic and conforming changes; and generally relating to the Nurse Practice Act.

BY repealing and reenacting, without amendments,
Article – Health Occupations
Section 8–312(c) and 8–6A–08(c)
Annotated Code of Maryland
(2014 Replacement Volume and 2017 Supplement)

BY repealing and reenacting, with amendments,
Article – Health Occupations
Section 8–312(d), 8–317(a) and (h), 8–504, 8–6A–08(f), 8–6A–10.1(a) and (h), and 8–6A–13(a), and 8–7A–01 Article V Section 11(a)
Annotated Code of Maryland
(2014 Replacement Volume and 2017 Supplement)

BY repealing
Article – Health Occupations
Section 8–317(g), 8–506, 8–6A–10.1(g), and 8–6C–23
Annotated Code of Maryland
(2014 Replacement Volume and 2017 Supplement)

BY adding to
Article – Health Occupations
Section 8–6A–13(h) and (i)
Annotated Code of Maryland
(2014 Replacement Volume and 2017 Supplement)

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

Article – Health Occupations

8–312.

(c) Before a license expires, the licensee periodically may renew it for an additional term, if the licensee:

(1) Otherwise is entitled to be licensed;

(2) Pays to the Board:

(i) A renewal fee set by the Board; or
(ii) A renewal fee that is set by the Board if the licensee certifies to the Board that the licensee provides professional services only as a volunteer; and

(3) Submits to the Board by paper application or electronic means:

(i) A renewal application on the form that the Board requires; and

(ii) Satisfactory evidence of completion of:

1. 1,000 hours of active nursing practice within the 5-year period immediately preceding the date of renewal;

2. A course of instruction, commonly known as a refresher course, approved by the Board;

3. A preceptorship program provided by an employer and approved by the Board; or

4. A minimum number of continuing education units as required by regulations adopted by the Board.

(d) [(1)] The Board may grant a 30-day extension, beyond a license’s expiration date, to a licensee so that the licensee may renew the license before it expires.

[(2) The Board may grant two 90-day extensions beyond a license’s expiration date pending receipt of criminal history record information.] 8–317.

(a) Except as otherwise provided in the Administrative Procedure Act [and in subsection (g) of this section], before the Board takes any action under § 8–312 or § 8–316 of this subtitle or § 8–404 or § 8–6C–20 of this title, it shall give the person against whom the action is contemplated an opportunity for a hearing before the Board.

[(g) The Board may immediately suspend the license of a registered nurse or licensed practical nurse who is expelled from the rehabilitation program under § 8–208 of this title for noncompliance with the nurse’s agreement if:

(1) Prior to suspending the license, the Board provides the licensee with an opportunity to show cause by written communication or nontestimonial presentation as to why the suspension should not occur; and

(2) The Board provides the licensee with an opportunity for a hearing, which:
(i) Shall occur within 30 days of written request by the licensee; and

(ii) Shall impose on the licensee the burden of proving by a preponderance of the evidence that the licensee is not addicted to drugs or alcohol.

[(h) (G) (1) After the Board conducts an investigation under this title, the Board may issue an advisory letter to the licensee or holder of a multistate licensing privilege.

(2) The Board may disclose an advisory letter issued under this subsection to the public.

(3) The issuance of an advisory letter under this subsection may not:

(i) Be considered a disciplinary action under § 8–316 of this subtitle;

and

(ii) Be reported to any licensing entity, employer, or insurance company as a disciplinary action.

8–504.

(a) (1) In this section, “employer” means:

(i) A public employer;

(ii) A private employer; or

(iii) An employment agency.

(2) “Employer” does not include a private employer who employs a licensee for personal or family use.

(b) [Each] ON THE REQUEST OF THE BOARD, AN employer shall report periodically to the Board the name and license number of each licensee employed or placed to practice registered nursing or licensed practical nursing.

[8–506.

If a nurse is engaged in independent practice in this State, the nurse shall display the notice developed under § 1–207 of this article conspicuously in each office where the nurse is engaged in practice.]

8–6A–08.
(c) Before a certificate expires, a nursing assistant periodically may renew it for an additional term, if the certificate holder:

(1) Otherwise is entitled to be certified;
(2) Submits to the Board a renewal application on the form that the Board requires;
(3) Pays to the Board a renewal fee set by the Board; and
(4) Provides satisfactory evidence of completion of:
   (i) 16 hours of active nursing assistant practice within the 2–year period immediately preceding the date of renewal; or
   (ii) An approved nursing assistant training program.

(f) The Board may grant a 30–day extension, beyond a certificate's expiration date, to a certificate holder so that the certificate holder may renew the certificate before it expires.

8–6A–10.1. Except as otherwise provided in the Administrative Procedure Act and in subsection (g) of this section, before the Board takes any action under § 8–6A–10 of this subtitle, the Board shall give the individual against whom the action is contemplated an opportunity for a hearing before the Board.

(g) The Board immediately may suspend the certificate of a nursing assistant or medication technician who is expelled from the rehabilitation program under § 8–208 of this title for noncompliance with the certificate holder’s agreement if:

(1) Before suspending the certificate, the Board provides the certificate holder with an opportunity to show cause by written communication or nontestimonial presentation as to why the suspension should not occur; and

(2) The Board provides the certificate holder with an opportunity for a hearing that shall:
   (i) Occur within 30 days after written request by the certificate holder; and
(ii) Impose on the certificate holder the burden of proving by a preponderance of the evidence that the certificate holder is not addicted to drugs or alcohol.

[(h)] (G) (1) After the Board conducts an investigation under this subtitle, the Board may issue an advisory letter to the certificate holder.

(2) The Board may disclose an advisory letter issued under this subsection to the public.

(3) The issuance of an advisory letter under this subsection:

   (i) May not be considered a disciplinary action under § 8–6A–10 of this subtitle; and

   (ii) May not be reported to any certifying entity, employer, or insurance company as a disciplinary action.

8–6A–13.

(a) The Board shall appoint an advisory committee consisting of at least 15 members [appointed by the Board].

(H) A MEMBER WHO IS APPOINTED AFTER A TERM HAS BEGUN MAY SERVE ONE ADDITIONAL FULL TERM.

(I) THE BOARD MAY REMOVE A MEMBER:

   (1) FOR INCOMPETENCE OR MISCONDUCT; OR

   (2) WHO IS ABSENT FROM TWO SUCCESSIVE COMMITTEE MEETINGS WITHOUT ADEQUATE REASON.

[8–6C–23.

If a licensed direct-entry midwife is engaged in the private practice of direct-entry midwifery in the State, the licensed direct-entry midwife shall display the notice developed under § 1–207 of this article conspicuously in each office where the licensed direct-entry midwife is engaged in practice.]

8–7A–01.

Article V. Additional Authorities Invested in Party State Licensing Boards.

11.
(a) In addition to the other powers conferred by state law, a licensing board shall have the authority to:

(1) Take adverse action against a nurse’s multistate licensure privilege to practice within that party state;

(2) Complete any pending investigations of a nurse who changes the nurse’s home state during the course of the investigations;

(3) ISSUE CEASE AND DESIST ORDERS OR IMPOSE AN ENCUMBRANCE ON A NURSE’S AUTHORITY TO PRACTICE WITHIN THAT PARTY STATE;

[(3)] (4) Take appropriate action based on investigations and shall promptly report the conclusions of the investigations to the administrator of the coordinated licensure information system who shall promptly notify the new home state of any actions;

[(4)] (5) Issue subpoenas for both hearings and investigations that require the attendance and testimony of witnesses, as well as the production of evidence;

[(5)] (6) Obtain and submit, for each nurse licensure applicant, fingerprint or other biometric–based information to the Federal Bureau of Investigation for criminal background checks, receive the results of the Federal Bureau of Investigation record search on criminal background checks, and use the results in making licensure decisions;

[(6)] (7) If otherwise permitted by state law, recover from the affected nurse the costs of investigations and disposition of cases resulting from any adverse action taken against that nurse; and

[(7)] (8) Take adverse action based on the factual findings of a remote state, provided that the licensing board follows its own procedures for taking such adverse action.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2018.

Approved by the Governor, May 15, 2018.
Health Information Exchanges – Definitions and Regulations

FOR the purpose of altering the requirement that the Maryland Health Care Commission adopt certain regulations for the privacy and security of protected health information obtained or released through a health information exchange; repealing a certain provision of law prohibiting certain regulations from applying to protected health information exchanged between or among certain persons; defining a certain term; altering a certain definition; and generally relating to health information exchanges.

BY repealing and reenacting, with amendments,
Article – Health – General
Section 4–301 and 4–302.2
Annotated Code of Maryland
(2015 Replacement Volume and 2017 Supplement)

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

Article – Health – General

4–301.

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

(b) “COMMON OWNERSHIP” MEANS OWNERSHIP OF A HEALTH CARE ENTITY:

(1) BY TWO OR MORE HEALTH CARE PROVIDERS;

(2) BY TWO OR MORE HEALTH CARE PROVIDERS EMPLOYED BY A MUTUAL EMPLOYER FOR A WAGE, SALARY, FEE, OR PAYMENT TO PERFORM WORK FOR THE EMPLOYER;

(3) BY HEALTH CARE ORGANIZATIONS OPERATING AS AN ORGANIZED HEALTH CARE ARRANGEMENT, AS DEFINED IN 45 C.F.R. § 160.103;

(4) BY A HEALTH CARE ENTITY OR HEALTH CARE ENTITIES THAT POSSESS AN OWNERSHIP OR EQUITY INTEREST OF 5% OR MORE IN ANOTHER HEALTH CARE ENTITY; OR

(5) BY AFFILIATED PROVIDERS OPERATING UNDER THE SAME TRADE NAME.
“(b) (C) “Directory information” means information concerning the presence and general health condition of a patient who has been admitted to a health care facility or who is currently receiving emergency health care in a health care facility.

“(c) (D) “Disclose” or “disclosure” means the transmission or communication of information in a medical record, including an acknowledgment that a medical record on a particular patient or recipient exists.

“(d) (E) “Emergency” means a situation when, in the professional opinion of the health care provider, a clear and significant risk of death or imminent serious injury or harm to a patient or recipient exists.

“(e) (F) “General health condition” means the health status of a patient described in terms of “critical”, “poor”, “fair”, “good”, “excellent”, or terms denoting similar conditions.

“(f) (G) “Health care” means any care, treatment, or procedure by a health care provider:

(1) To diagnose, evaluate, rehabilitate, manage, treat, or maintain the physical or mental condition of a patient or recipient; or

(2) That affects the structure or any function of the human body.

“(g) (H) (1) “Health care provider” means:

(i) A person who is licensed, certified, or otherwise authorized under the Health Occupations Article or § 13–516 of the Education Article to provide health care in the ordinary course of business or practice of a profession or in an approved education or training program; or

(ii) A facility where health care is provided to patients or recipients, including a facility as defined in § 10–101(g) of this article, a hospital as defined in § 19–301 of this article, a related institution as defined in § 19–301 of this article, a health maintenance organization as defined in § 19–701(g) of this article, an outpatient clinic, and a medical laboratory.

(2) “Health care provider” includes the agents, employees, officers, and directors of a facility and the agents and employees of a health care provider.

“(h) (I) (1) “Health information exchange” means an infrastructure that provides organizational and technical capabilities for the exchange of protected health information electronically among entities not under common ownership [ENTITY THAT PROVIDES OR GOVERNS ORGANIZATIONAL AND TECHNICAL PROCESSES FOR THE MAINTENANCE, TRANSMITTAL, ACCESS, OR DISCLOSURE OF ELECTRONIC HEALTH]
CARE INFORMATION BETWEEN OR AMONG HEALTH CARE PROVIDERS OR ENTITIES THROUGH AN INTEROPERABLE SYSTEM.

(2) “HEALTH INFORMATION EXCHANGE” DOES NOT INCLUDE:

(I) AN ENTITY COMPOSED OF HEALTH CARE PROVIDERS UNDER COMMON OWNERSHIP; OR

(II) IF THE ORGANIZATIONAL AND TECHNICAL PROCESSES IT PROVIDES OR GOVERNS ARE TRANSACTIONS, AS DEFINED IN 45 C.F.R. § 160.103:

1. A CARRIER, AS DEFINED IN § 15–1301 OF THE INSURANCE ARTICLE;

2. A CARRIER’S BUSINESS ASSOCIATE, AS DEFINED IN 45 C.F.R. § 160.103; OR

3. AN ADMINISTRATOR, AS DEFINED IN § 8–301 OF THE INSURANCE ARTICLE.

[132](J) (1) “Medical record” means any oral, written, or other transmission in any form or medium of information that:

(i) Is entered in the record of a patient or recipient;

(ii) Identifies or can readily be associated with the identity of a patient or recipient; and

(iii) Relates to the health care of the patient or recipient.

(2) “Medical record” includes any:

(i) Documentation of disclosures of a medical record to any person who is not an employee, agent, or consultant of the health care provider;

(ii) File or record maintained under § 12–403(c)(13) of the Health Occupations Article by a pharmacy of a prescription order for drugs, medicines, or devices that identifies or may be readily associated with the identity of a patient;

(iii) Documentation of an examination of a patient regardless of who:

1. Requested the examination; or

2. Is making payment for the examination; and

(iv) File or record received from another health care provider that:
1. Relates to the health care of a patient or recipient received from that health care provider; and

2. Identifies or can readily be associated with the identity of the patient or recipient.

(j) (K) “Mental health services” means health care rendered to a recipient primarily in connection with the diagnosis, evaluation, treatment, case management, or rehabilitation of any mental disorder.

(k) (L) “Patient” means a person who receives health care and on whom a medical record is maintained.

(l) (M) “Person in interest” means:

(1) An adult on whom a health care provider maintains a medical record;

(2) A person authorized to consent to health care for an adult consistent with the authority granted;

(3) A duly appointed personal representative of a deceased person;

(4) (i) A minor, if the medical record concerns treatment to which the minor has the right to consent and has consented under Title 20, Subtitle 1 of this article; or

(ii) A parent, guardian, custodian, or a representative of the minor designated by a court, in the discretion of the attending physician who provided the treatment to the minor, as provided in § 20–102 or § 20–104 of this article;

(5) If item (4) of this subsection does not apply to a minor:

(i) A parent of the minor, except if the parent’s authority to consent to health care for the minor has been specifically limited by a court order or a valid separation agreement entered into by the parents of the minor; or

(ii) A person authorized to consent to health care for the minor consistent with the authority granted; or

(6) An attorney appointed in writing by a person listed in item (1), (2), (3), (4), or (5) of this subsection.
“Primary provider of mental health services” means the designated mental health services provider who:

1. Has primary responsibility for the development of the mental health treatment plan for the recipient; and

2. Is actively involved in providing that treatment.

“Protected health information” means all individually identifiable health information held or transmitted by a covered entity or its business associate protected under the U.S. Department of Health and Human Services Privacy Rule.

“Recipient” means a person who has applied for, for whom an application has been submitted, or who has received mental health services.

4–302.2.

(a) The Maryland Health Care Commission shall adopt regulations for the privacy and security of protected health information obtained or released through a health information exchange by:

1. A health care provider;

2. A payor that holds a valid certificate of authority issued by the Maryland Insurance Commissioner;

3. A health care consumer; or

4. Any person authorized by a health care consumer to act on behalf of the health care consumer.

(b) The regulations adopted under subsection (a) of this section shall:

1. Govern the access, use, maintenance, disclosure, and redisclosure of protected health information as required by State or federal law, including the federal Health Insurance Portability and Accountability Act and the federal Health Information Technology for Economic and Clinical Health Act; and

2. Include protections for the secondary use of protected health information obtained or released through a health information exchange.

(c) Data obtained or released through a health information exchange:

1. May not be sold for financial remuneration until the regulations required under subsections (a) and (b) of this section are adopted; and
(2) May be sold for financial remuneration only in accordance with the regulations adopted under subsections (a) and (b) of this section.

[(d) Regulations adopted under subsections (a) and (b) of this section may not apply to protected health information exchanged:

(1) Between a hospital and credentialed members of the hospital’s medical staff;

(2) Among credentialed members of a hospital’s medical staff; or

(3) Between a hospital and ancillary clinical service providers that are affiliated with the hospital and have signed a business associate agreement.]

[(e)] (D) The Maryland Health Care Commission shall consult with health care providers, payors, State health agencies, consumer advocates, and employers before adopting regulations under subsections (a) and (b) of this section.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2018.

Approved by the Governor, May 15, 2018.

Chapter 658

(Senate Bill 62)

AN ACT concerning

Maryland Chiropractic Act – Revisions

FOR the purpose of repealing a requirement that the State Board of Chiropractic Examiners issue paper copies of licenses; prohibiting, under certain circumstances, an applicant for a license to practice chiropractic from being required under a certain provision of law to hold a bachelor’s degree; altering the number of sets of fingerprints a certain applicant for licensure is required to submit to the Criminal Justice Information System Central Repository of the Department of Public Safety and Correctional Services; requiring the Central Repository to forward to the Board certain information regarding a certain applicant’s criminal history record information under certain circumstances; repealing the authority of the Board to accept, under certain circumstances, an alternate method of criminal history records check as approved by the Director of the Central Repository and the Director of the Federal Bureau of Investigation; authorizing the Board to grant an extern license to an individual who meets certain requirements; establishing the qualifications for an extern license; providing for the term and termination of an extern license; requiring
the Board to maintain an electronic roster of certain individuals licensed by the Board; requiring the electronic roster to be available on the Board’s website; authorizing certain individuals to contact the Board to verify a license; requiring a certain electronic license record to include certain information; requiring certain applicants and licensees to submit to a mental health or physical examination under certain circumstances; providing that certain applicants or licensees are deemed to have consented to a certain mental health examination and waived certain claims and privileges under certain circumstances; providing that a certain report or testimony of a certain health care practitioner is confidential, except under certain circumstances; providing that the failure or refusal of a certain applicant or licensee to submit to a certain examination is prima facie evidence of the inability to practice competently, unless the Board makes a certain finding; requiring the Board to pay certain costs for certain examinations for certain licensees; requiring certain applicants to pay certain costs of a certain examination; repealing certain obsolete language; defining certain terms; making certain stylistic and conforming changes; and generally relating to revisions to the Maryland Chiropractic Act.

BY repealing and reenacting, with amendments,
Article – Health Occupations
Annotated Code of Maryland
(2014 Replacement Volume and 2017 Supplement)

BY adding to
Article – Health Occupations
Section 3–305.1 and 3–408
Annotated Code of Maryland
(2014 Replacement Volume and 2017 Supplement)

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

Article – Health Occupations


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

(b) “Board” means the State Board of Chiropractic Examiners.

(c) “Chiropractor” means an individual who practices chiropractic.

(D) “DIRECT SUPERVISION” MEANS SUPERVISION PROVIDED BY A SUPERVISING CHIROPRACTOR WHO IS PERSONALLY PRESENT OR IMMEDIATELY AVAILABLE WHERE THE PROCEDURES ARE PERFORMED TO GIVE AID, DIRECTION, AND INSTRUCTION WHEN CERTAIN PROCEDURES OR ACTIVITIES ARE PERFORMED.
“EXTERN LICENSE” means a license to practice chiropractic under the direct supervision of a Board–approved licensed chiropractor.

“License” means, unless the context requires otherwise, a license granted by the Board:

1. To practice chiropractic; or
2. To practice chiropractic with the right to practice physical therapy.

“Licensed chiropractor” means, unless the context requires otherwise, a chiropractor who is licensed by the Board to practice chiropractic or to practice chiropractic with the right to practice physical therapy.

“Practice chiropractic” means to use a drugless system of health care based on the principle that interference with the transmission of nerve impulses may cause disease.

1. “Practice chiropractic” includes the diagnosing and locating of misaligned or displaced vertebrae and, through the manual manipulation and adjustment of the spine and other skeletal structures, treating disorders of the human body.
2. Except as otherwise provided in this title, “practice chiropractic” does not include the use of drugs or surgery, or the practice of osteopathy, obstetrics, or any other branch of medicine.
3. The definition of “practice chiropractic” does not prohibit a chiropractor from selecting diet and hygiene measures for an individual.

“Practice physical therapy” has the meaning stated in § 13–101 of this article.

The Board may issue, as appropriate, an individual:

1. A license to practice chiropractic; or
2. A license to practice chiropractic with the right to practice physical therapy.

Except as otherwise provided in this title, an individual shall be licensed by the Board before the individual may practice chiropractic in this State.
(c) A chiropractor who holds a license to practice chiropractic with the right to practice physical therapy may practice chiropractic and physical therapy in this State.

(d) This section does not apply to:

(1) A student of chiropractic while under the direct supervision of a licensed chiropractor engaged in an educational program:

   (i) Sponsored by a college accredited by the Council on Chiropractic Education; and

   (ii) Approved by the Board; or

(2) An individual licensed to practice chiropractic in any other state or a foreign country while that individual makes a clinical demonstration before:

   (i) A chiropractic association;

   (ii) A chiropractic convention; or

   (iii) A chiropractic college.

3–302.

(a) To qualify for a license, an applicant shall be an individual who:

(1) Submits to a criminal history records check in accordance with § 3–302.1 of this subtitle;

(2) Meets the requirements of this section; and

(3) Meets the examination requirements of this title.

(b) The applicant shall be of good moral character.

(c) Except as otherwise provided in this title, the applicant shall:

(1) (i) Hold a bachelor's degree from a college or university approved by an accrediting agency of the United States Department of Education; and

   (ii) Have completed satisfactorily college courses required by the Board; and

(2) (i) Be a graduate of a school of chiropractic that has been approved by the Board under § 3–402 of this title; or

   (ii) 1. Be licensed in another state for at least 2 years; and
2. Be a graduate of a school of chiropractic:
   A. That has been approved by the Council on Chiropractic Education within 4 years after the applicant graduated from that school; and
   B. That the Board determines had standards comparable to an approved school at the time the applicant graduated.

   (d) An applicant shall be entitled to a license to practice chiropractic with the right to practice physical therapy if the applicant:

   (1) Satisfies the requirements of this section and §§ 3–303 and 3–304(e)(2) of this subtitle;
   (2) Was licensed as a chiropractor on or before June 1, 1949; or
   (3) Was enrolled at an approved college of chiropractic on June 1, 1949, and later was graduated by that college and licensed.

   (E) AN APPLICANT MAY NOT BE REQUIRED UNDER SUBSECTION (C)(1)(I) OF THIS SECTION TO HOLD A BACHELOR’S DEGREE IF THE APPLICANT:

   (1) GRADUATED FROM A SCHOOL OF CHIROPRACTIC BEFORE JULY 1, 1999; AND
   (2) MEETS THE EDUCATIONAL REQUIREMENTS IN PLACE AT THE TIME OF THE APPLICANT’S GRADUATION FROM A SCHOOL OF CHIROPRACTIC.

3–302.1.

   (a) In this section, “Central Repository” means the Criminal Justice Information System Central Repository of the Department of Public Safety and Correctional Services.
   (b) As part of an application to the Central Repository for a State and national criminal history records check, an applicant shall submit to the Central Repository:

   (1) [Two complete sets] ONE COMPLETE SET of legible fingerprints taken on forms approved by the Director of the Central Repository and the Director of the Federal Bureau of Investigation;
   (2) The fee authorized under § 10–221(b)(7) of the Criminal Procedure Article for access to State criminal history records; and
   (3) The processing fee required by the Federal Bureau of Investigation for a national criminal history records check.
(c) In accordance with §§ 10–201 through 10–228 of the Criminal Procedure Article, the Central Repository shall forward to the Board and to the applicant the criminal history record information of the applicant.

(d) If an applicant has made three or more unsuccessful attempts at securing legible fingerprints, the Board may accept an alternate method of a criminal history records check as permitted by the Director of the Central Repository and the Director of the Federal Bureau of Investigation.

(D) IF CRIMINAL HISTORY RECORD INFORMATION IS REPORTED TO THE CENTRAL REPOSITORY AFTER THE DATE OF THE INITIAL CRIMINAL HISTORY RECORDS CHECK, THE CENTRAL REPOSITORY SHALL PROVIDE TO THE BOARD A REVISED PRINTED STATEMENT OF THE INDIVIDUAL’S CRIMINAL HISTORY RECORD.

(e) Information obtained from the Central Repository under this section:

(1) Is confidential and may not be redisseminated; and

(2) May be used only for the licensing [or registration] purpose authorized by this title.

(f) The subject of a criminal history records check under this section may contest the contents of the printed statement issued by the Central Repository as provided in § 10–223 of the Criminal Procedure Article.

3–305.1.

(A) THE BOARD MAY GRANT, AS APPROPRIATE, AN EXTERN LICENSE TO AN INDIVIDUAL WHO MEETS THE REQUIREMENTS OF THIS SECTION.

(B) TO QUALIFY FOR AN EXTERN LICENSE, AN APPLICANT SHALL BE AN INDIVIDUAL SEEKING TO PARTICIPATE IN A CHIROPRACTIC EXTERNSHIP WHO:

(1) SUBMITS AN APPLICATION PROVIDED BY THE BOARD;

(2) HAS GRADUATED FROM AN ACCREDITED CHIROPRACTIC COLLEGE;

(3) HAS BEGUN THE PROCESS OF APPLYING TO THE BOARD FOR A LICENSE TO PRACTICE CHIROPRACTIC, BUT WHO HAS NOT MET CERTAIN REQUIREMENTS, SPECIFIED IN REGULATION, TO QUALIFY FOR A LICENSE;

(4) HAS TAKEN AND PASSED THE EXAMINATION OF THE NATIONAL BOARD OF CHIROPRACTIC EXAMINERS;
(5) *Agrees to practice under the direct supervision of a board–approved supervisor who is a licensed chiropractor while the extern license is in effect; and*

(6) *Pays the license fee set by the Board.*

(C) *The applicant shall be of good moral character.*

(D) *(1) The term of an extern license is the lesser of:*

(1) *The duration of the individual’s participation in the chiropractic externship; or*

(II) *6 months from the date of the Board’s approval of the externship application.*

(2) *The term of an extern license shall terminate on the earlier of:*

(I) *The date the individual’s chiropractic externship terminates; or*

(II) *The date the individual is licensed by the Board to practice chiropractic without the direct supervision of a board–approved licensed chiropractor.*

3–306.

(a) Subject to subsection [(c)] (D) of this section, the Board shall [issue a] license [to any] an applicant who:

(1) *Pays a license fee set by the Board; and*

(2) *Otherwise meets the requirements of this title.*

(B) *(1) The Board shall maintain an electronic roster of each individual licensed by the Board.*

(2) *The roster shall be available for the purpose of electronically verifying licensure on the Board’s website.*

(3) *Individuals without access to the Board’s website may contact the Board to verify a license.*
The Board shall include on each ELECTRONIC license [that it issues] RECORD:

(1) [Its seal] THE FULL NAME OF THE LICENSEE; [and]

(2) A LICENSE NUMBER;

[(2)] (3) Designations that clearly distinguish between those licensees who may practice [chiropractic]:

(I) CHIROPRACTIC [and those who may practice chiropractic];

(II) CHIROPRACTIC with the right to practice physical therapy;

AND

(III) CHIROPRACTIC UNDER THE SUPERVISION OF A BOARD–APPROVED LICENSED CHIROPRACTOR;

(4) THE STATUS OF THE LICENSE;

(5) THE EXPIRATION DATE OF THE LICENSE; AND

(6) THE ORIGINAL DATE OF LICENSURE.

[(c)] (D) (1) On receipt of the criminal history record information of an applicant for licensure [or registration] forwarded to the Board in accordance with § 3–302.1 of this subtitle, in determining whether to grant a license [or registration], the Board shall consider:

(i) The age at which the crime was committed;

(ii) The circumstances surrounding the crime;

(iii) The length of time that has passed since the crime;

(iv) Subsequent work history;

(v) Employment and character references; and

(vi) Any other evidence that demonstrates whether the applicant poses a threat to the public health or safety.

(2) The Board may not [issue a license or registration] LICENSE AN APPLICANT if the criminal history record information required under § 3–302.1 of this subtitle has not been received.
3–408.

(A) If, while reviewing an application for licensure, or investigating an allegation against a licensee under this title, the Board finds reasonable evidence indicating that the applicant or licensee may cause harm to a person, the Board shall require the applicant or licensee to submit to a mental health or physical examination by a health care practitioner, as defined in § 1–301 of this article, designated by the Board.

(B) In return for the privilege to practice chiropractic in the State, an applicant or a licensee is deemed to have:

(1) consented to submit to an examination under this section, if requested by the Board in writing; and

(2) waived any claim of privilege as to the testimony or report of a health care practitioner who examines the applicant or licensee.

(C) A report or testimony regarding a report of a health care practitioner designated by the Board is confidential except as to contested case proceedings as defined by Title 10, Subtitle 2 of the State Government Article.

(D) The failure or refusal of an applicant or a licensee to submit to an examination required under this section is prima facie evidence of the applicant’s or licensee’s inability to practice competently, unless the Board finds that the failure or refusal was beyond the control of the applicant or licensee.

(E) The Board shall pay the reasonable cost of any examination required of a licensee under this section.

(F) An applicant shall pay the reasonable cost of any examination required of the applicant under this section.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2018.

Approved by the Governor, May 15, 2018.
Chapter 659
(Senate Bill 80)

AN ACT concerning

State Board of Occupational Therapy Practice – Licensure – Revisions

FOR the purpose of altering a certain licensure requirement by specifying that certain examinations an applicant may pass to meet a certain examination requirement are those given by national credentialing organizations approved by the State Board of Occupational Therapy Practice; repealing certain provisions of law that require the Board to issue a certain license, require a licensee to display a certain license to certain individuals in a certain manner, and require a licensee to present a certain license under certain circumstances; requiring the Board to maintain an electronic roster of each individual licensed by the Board; requiring the Board to make the roster available for electronic verification of licensure through the Board’s website or a mobile application issued by the Board; authorizing certain individuals to contact the Board to verify a license; requiring licensees to present evidence of licensure to an employer or to a client or client’s decision maker; making a conforming change; and generally relating to licensure by the State Board of Occupational Therapy Practice.

BY repealing and reenacting, with amendments,
Article – Health Occupations
Section 10–302 and 10–308
Annotated Code of Maryland
(2014 Replacement Volume and 2017 Supplement)

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

Article – Health Occupations

10–302.

(a) To qualify for a license, an applicant shall be an individual who meets the requirements of this section.

(b) The applicant shall be of good moral character.

(c) The applicant shall be at least 18 years old.

(d) An applicant for an occupational therapist license shall have successfully:

(1) Graduated from an educational program in occupational therapy that is recognized by the Board and accredited by ACOTE or any other nationally recognized
programmatic accrediting agency; and

(2) Completed the equivalent of at least 6 months of supervised, full-time field work experience at a recognized educational institution or in a training program approved by the educational institution where the applicant met the academic requirements.

(e) An applicant for an occupational therapy assistant license shall have successfully:

(1) Graduated from an educational program for occupational therapy assistants that is recognized by the Board and accredited by ACOTE or any other nationally recognized programmatic accrediting agency; and

(2) Completed the equivalent of at least 4 months of supervised, full-time field work experience at a recognized educational institution or in a training program approved by the educational institution where the applicant met the academic requirements.

(f) The applicant shall pass the appropriate examination given by NBCOT or any other national credentialing organization APPROVED BY THE BOARD.

(g) The applicant shall submit to a criminal history records check in accordance with § 10–302.1 of this subtitle.

10–308.

(a) Subject to subsection [(c) (D)] of this section, the Board shall [issue the appropriate] license [to] an applicant who meets the requirements of this title for that license.

(B) (1) THE BOARD SHALL MAINTAIN AN ELECTRONIC ROSTER OF EACH INDIVIDUAL LICENSED BY THE BOARD.

(2) THE ROSTER SHALL BE AVAILABLE FOR THE PURPOSE OF ELECTRONICALLY VERIFYING LICENSURE THROUGH THE BOARD’S WEBSITE OR A MOBILE APPLICATION ISSUED BY THE BOARD.

(3) INDIVIDUALS WITHOUT ACCESS TO THE BOARD’S WEBSITE OR THE MOBILE APPLICATION MAY CONTACT THE BOARD TO VERIFY A LICENSE.

Licensees shall present [an original current license] EVIDENCE OF LICENSURE to [the]:

(1) AN employer as part of the employment process; AND
(2) A CLIENT AT THE REQUEST OF THE CLIENT OR THE CLIENT’S DESIGNATED DECISION MAKER.

[(2) Except as otherwise provided in this subsection, each licensee shall display the license conspicuously in the office or place of employment of the licensee.

(3) If a licensee is unable to display the license, the licensee shall present the original license to the client at the request of the client or the client’s designated decision maker.]

[(c) (D) (1) On receipt of the criminal history record information of an applicant for licensure forwarded to the Board in accordance with § 10–302.1 of this subtitle, in determining whether to grant a license, the Board shall consider:

(i) The age at which the crime was committed;

(ii) The nature of the crime;

(iii) The circumstances surrounding the crime;

(iv) The length of time that has passed since the crime;

(v) Subsequent work history;

(vi) Employment and character references; and

(vii) Any other evidence that demonstrates whether the applicant poses a threat to the public health or safety.

(2) The Board may not issue a license AN APPLICANT if the criminal history record information required under § 10–302.1 of this subtitle has not been received.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2018.

Approved by the Governor, May 15, 2018.

Chapter 660

(Senate Bill 105)

AN ACT concerning
State Advisory Council on Hereditary and Congenital Disorders – Membership and Appointments

FOR the purpose of altering the membership of the State Advisory Council on Hereditary and Congenital Disorders; requiring that the Secretary of Health, rather than the Governor, make appointments to the Advisory Committee; prohibiting the Secretary from making certain appointments until a certain term expires or unless a seat is vacant; and generally relating to the State Advisory Council on Hereditary and Congenital Disorders.

BY repealing and reenacting, with amendments,
Article – Health – General
Section 13–104
Annotated Code of Maryland
(2015 Replacement Volume and 2017 Supplement)

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

Article – Health – General

13–104.

(a) (1) The Advisory Council consists of 11 voting members and [5] 4 nonvoting members.

(2) Of the 11 voting members:

(i) 1 shall be a member of the Senate appointed by the President of the Senate;

(ii) 1 shall be a member of the House of Delegates appointed by the Speaker of the House;

(iii) 4 shall be professional individuals in the field of hereditary or congenital disorders appointed by the [Governor] SECRETARY; and

(iv) 5 shall be individuals appointed by the [Governor] SECRETARY, none of whom may be:

1. A health professional or spouse of a health professional; or

2. An individual or spouse of an individual involved in the administration or ownership of any health care institution or health insurance organization.

(3) (i) Except as provided in subparagraph (iv) of this paragraph, the
SECRETARY shall appoint 1 professional member from a list of qualified individuals submitted to the SECRETARY by each of the following organizations:

1. The Monumental City Medical Society CHILDREN’S NATIONAL HEALTH SYSTEM;

2. The Medical and Chirurgical Faculty of the State of Maryland;

3. The faculty of the University of Maryland School of Medicine; and

4. The faculties of the Johns Hopkins Medical Institutions.

(ii) The number of names on a list shall be 3.

(iii) An organization shall submit its list:

1. At least 3 months before the expiration of the term of the professional member who represents the organization; and

2. If a vacancy is for a reason other than expiration of the term, at any time before the SECRETARY makes the appointment, if the organization complies with the reasonable request of the SECRETARY for the list.

(iv) If a list is not submitted to the SECRETARY as required under subparagraph (iii) of this paragraph, within 3 months after a request is made by the SECRETARY, the SECRETARY may appoint any professional individual who meets the requirements under subsection (b) of this section.

(4) Of the 5 nonvoting members:

(i) 1 shall be a representative of the State Health Planning and Development Agency, appointed by the Secretary; and

(ii) 4 shall be representatives of the Department, appointed by the Secretary.

(b) Each professional individual selected for the Advisory Council shall be knowledgeable in the diagnosis and treatment of hereditary and congenital disorders.

(c) (1) The term of a voting member is 4 years.

(2) The terms of the voting members are staggered as required by the terms
provided for voting members of the Advisory Council on July 1, 1982. The terms of those members end as follows:

(i) 3 in 1983;
(ii) 3 in 1984;
(iii) 3 in 1985; and
(iv) 2 in 1986.

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

(4) A voting 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.

(5) A voting member who serves 2 consecutive full 4-year terms may not be reappointed for 4 years after completion of those terms.

(6) When a vacancy occurs, a successor shall be appointed promptly.

SECTION 2. AND BE IT FURTHER ENACTED, That the Secretary of Health may not appoint voting members to the State Advisory Council on Hereditary and Congenital Disorders until the term of a voting member serving on the Advisory Council on the effective date of this Act has expired or unless the voting member’s seat is vacant.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2018.

Approved by the Governor, May 15, 2018.

Chapter 661

(Senate Bill 108)

AN ACT concerning

Regulation of Health Care Programs, Medical Laboratories, Tissue Banks, and Health Care Facilities – Revisions

FOR the purpose of repealing certain requirements that certain fees regarding the licensure and permitting of behavioral health programs and facilities, medical laboratories, tissue banks, and health care facilities be set by the Secretary of Health; repealing certain requirements that certain applicants for certain licenses and
permits and certain medical laboratories pay certain fees to the Maryland Department of Health; repealing certain provisions of law providing for the term of certain licenses and permits for certain behavioral health care programs, medical laboratories, tissue banks, and health care facilities; repealing certain provisions of law regarding the renewal of certain licenses and permits for certain behavioral health care programs and facilities, medical laboratories, tissue banks, and health care facilities; repealing the requirement that certain regulations adopted by the Department include procedures for the annual recertification of certain medical laboratories; altering the frequency at which a licensed related institution that provides long–term care and programs for patients with Alzheimer’s disease and related disorders is required to have a certain in–service education program; requiring a certain person acquiring a nursing home to provide the Department with certain written notice at the same time as notice required under a certain provision of law is filed with the Maryland Health Care Commission; requiring a nursing home to immediately notify the Department when there are certain changes in ownership or management information within a certain number of days after the effective date of the change; authorizing the Secretary to revoke a nursing home license based on the review of certain information; altering the frequency at which a licensed nursing home is required to submit a quality assurance plan to the Department; providing that a certain probationary license granted to certain assisted living programs is valid for a period of time determined by the Secretary in accordance with certain regulations, rather than for a certain number of years; repealing certain obsolete provisions of law; making conforming changes; and generally relating to the regulation of health care programs, tissue banks, medical laboratories, and health care facilities.

BY repealing and reenacting, with amendments,

Article – Health – General
Section 7.5–205(d), 17–202(d), 17–214(f), 17–2A–02(a), 17–506, 19–319.1, 19–320(a), 19–3B–04(a), 19–3B–05, 19–404(b), 19–4A–03, 19–4B–04, 19–907(a), 19–1203, 19–1401.1, 19–1401.2, 19–1410(a) and (b), 19–1804.1(b) and (d), 19–1805(b), 19–2001, 19–2002(d)(4), and 20–109(c)

Annotated Code of Maryland
(2015 Replacement Volume and 2017 Supplement)

BY repealing

Article – Health – General
Section 17–204, 17–207(c), 17–209, 17–2A–06(c), 17–2A–08, 17–304, 17–307(c), 17–310, 17–508, 19–320(c), 19–323, 19–907(c), and 19–910

Annotated Code of Maryland
(2015 Replacement Volume and 2017 Supplement)

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

Article – Health – General
7.5–205.

(d) The Secretary shall adopt regulations to carry out the provisions of this title and Titles 8 and 10 of this article, including provisions [setting reasonable fees] for the issuance [and renewal] of licenses.

17–202.

(d) (1) To assure compliance with standards adopted under subsection (c) of this section, the Secretary shall adopt regulations to establish and conduct a cytology proficiency testing program for all cytology personnel that examine gynecological cytology specimens.

(2) All cytology proficiency tests under the State cytology proficiency testing program shall be conducted by an employee of the Maryland Department of Health who shall:

(i) Hand carry all testing materials to the testing site; and

(ii) Directly supervise the on–site proficiency testing.

[(3) A medical laboratory shall pay the Department a fee established by the Secretary to cover the cost of the laboratory’s State cytology proficiency testing program under this section.]

[(4) (3) The Secretary shall adopt regulations for the cytology proficiency testing program that:

(i) Define satisfactory cytology proficiency testing performance; and

(ii) Set standards and requirements that a cytology proficiency testing program must meet before it can be designated an approved program.

[(5) (4) The Secretary may accept the testing results of an approved cytology proficiency testing program as meeting the cytology proficiency testing requirement of this subtitle.]

[17–204.

The Secretary:

(1) Shall set licensing fees in accordance with § 2–104 of this article; and

(2) May set a fee for the cytology proficiency testing program.]

17–207.
[c] The applicant shall pay to the Department the application fee set by the Secretary in accordance with § 2–104 of this article.]

17–209.

(a) A license expires on the date set by the Secretary, unless the license is renewed as provided in this section.

(b) Before the license expires, the licensee may renew its license for an additional term, if the licensee:

(1) Otherwise is entitled to the license;

(2) Pays to the Department the renewal fee set by the Secretary and any outstanding licensing or proficiency testing fees; and

(3) Submits to the Secretary:

(i) A renewal application on the form that the Secretary requires; and

(ii) Satisfactory evidence of compliance with all standards and requirements set under this subtitle and in regulations adopted pursuant to this subtitle.

(c) The Secretary shall renew the license of each licensee who meets the requirements of this section.]

17–214.

(f) (1) The Maryland Department of Health:

(i) Shall adopt regulations governing the certification of laboratories that conduct job–related alcohol or controlled dangerous substance testing; and

(ii) May adopt regulations governing the oversight of preliminary screening procedures administered by employers.

(2) In addition to any other laboratory standards, the regulations shall:

(i) Require that the laboratory comply with the guidelines for laboratory accreditation, if any, as set forth by the College of American Pathologists, the Centers for Medicare and Medicaid Services, or any other government agency or program designated to certify or approve a laboratory that is acceptable to the Secretary;
(ii) Require that a laboratory performing confirmation tests for controlled dangerous substances or alcohol be inspected and accredited in forensic drug analysis by the College of American Pathologists, the Centers for Medicare and Medicaid Services, or any other government agency or program designated to inspect and accredit a laboratory that is acceptable to the Secretary;

(iii) Require that, if the laboratory performs job–related drug testing, the laboratory be a participant in a program of proficiency testing of drug screening conducted by an organization acceptable to the Secretary;

(iv) Require that the laboratory comply with standards regarding cutoff levels for positive testing that are established by the United States Department of Health and Human Services or established by the Secretary as mandatory guidelines for workplace drug testing programs; and

(v) Include procedures for [annual recertification and] inspection.

17–2A–02.

(a) (1) The Secretary shall adopt regulations that set standards and requirements for forensic laboratories.

(2) The regulations shall contain the standards and requirements that the Secretary considers necessary to assure the citizens of the State that forensic laboratories provide safe, reliable, and accurate services.

(3) The regulations shall:

(i) Require the director of a forensic laboratory to establish and administer an ongoing quality assurance program using standards acceptable to the Secretary;

(ii) Require the director of a forensic laboratory to retain all case files for at least 10 years;

(iii) Establish qualifications for the personnel of forensic laboratories;

(iv) Establish procedures for verifying the background and education of the personnel of forensic laboratories; AND

(v) [Require the Secretary to charge fees that may not exceed the actual direct and indirect costs to the Department to carry out the provisions of this subtitle; and

(vi)] Establish any additional standards that the Secretary considers necessary to assure that forensic laboratories provide accurate and reliable services.
17–2A–06.

[(c) The applicant shall pay to the Department the application fee set by the Secretary in accordance with § 2–104 of this article.]

17–2A–08.

(a) A license expires on the date set by the Secretary unless the license is renewed as provided in this section.

(b) Before the license expires, the licensee may renew its license for an additional term, if the licensee:

(1) Pays to the Department the renewal fee set by the Secretary and any outstanding licensing or proficiency testing fees;

(2) Submits to the Secretary a renewal application on the form that the Secretary requires; and

(3) Is in compliance with all standards and requirements of this subtitle.

(c) The Secretary shall renew the license of each licensee that meets the requirements of this section.]

17–304.

The Secretary shall set reasonable fees for the issuance and renewal of permits.]

17–307.

[(c) The applicant shall pay to the Department the application fee set by the Secretary.]

17–310.

(a) A permit expires on the first anniversary of its effective date, unless the permit is renewed for a 2–year term as provided in this section.

(b) At least 1 month before the permit expires, the Department shall send to the permit holder, by first–class mail to the last known address of the holder, a renewal notice that states:

(1) The date on which the current permit expires;

(2) The date by which the renewal application must be received by the Secretary for the renewal to be issued and mailed before the permit expires; and
(3) The amount of the renewal fee.

(c) Before the permit expires, the permit holder periodically may renew it for an additional 2–year term, if the permit holder:

(1) Otherwise is entitled to the permit;

(2) Pays to the Department the renewal fee set by the Secretary; and

(3) Submits to the Secretary:

(i) A renewal application on the form that the Secretary requires; and

(ii) Satisfactory evidence of compliance with any standards and qualifications set under this subtitle for permit renewal.

(d) The Secretary shall renew the permit of each permit holder who meets the requirements of this section.

17–506.

[(a) An applicant for a permit shall submit an application to the Secretary on the form that the Secretary requires.

[(b) (1) The applicant shall pay to the Department the application fee set by the Secretary in accordance with § 2–104 of this article.

(2) The Secretary shall waive all permit fees for local and county health departments.

(c) The Secretary shall waive all renewal fees for local and county health departments.]

[17–508.

(a) A permit expires on the first anniversary of its effective date, unless the permit is renewed for a 1–year term as provided in this section.

(b) At least 1 month before the permit expires, the Department shall send to the permit holder, by first–class mail to the last known address of the holder, a renewal notice that states:

(1) The date on which the current permit expires;
(2) The date by which the renewal application must be received by the Secretary for the renewal to be issued and mailed before the permit expires; and

(3) The amount of the renewal fee.

(c) The Secretary shall waive all renewal fees for local and county health departments.

(d) Before the permit expires, the permit holder periodically may renew it for an additional 1–year term, if the permit holder:

(1) Otherwise is entitled to the permit;

(2) Pays to the Department the renewal fee set by the Secretary; and

(3) Submits to the Secretary:

   (i) A renewal application on the form that the Secretary requires; and

   (ii) Satisfactory evidence of compliance with any standards and qualifications set under this subtitle for permit renewal.

(e) The Secretary shall renew the permit of each permit holder who meets the requirements of this section.

19–319.1.

As a prerequisite to the licensing [and renewal of licensing] of related institutions AND EACH YEAR AFTER THE LICENSE IS ISSUED, the Department shall require each related institution that provides long–term care and programs for patients with Alzheimer’s disease and related disorders to have an in–service education program that includes instruction on dementia and the techniques necessary to manage dementia patients with regard to their physical, intellectual, and behavioral manifestations.

19–320.

(a) An applicant for a license shall:

   (1) Submit an application to the Secretary; and

   (2) Pay to the Secretary the application fee set by the Secretary in regulations.

   [(c) An application fee may not be refunded.]
(a) (1) Except as provided under paragraph (2) of this subsection, a license for a related institution, an accredited hospital, or a nonaccredited hospital expires on the first anniversary of its effective date, unless the license is renewed for a 1–year term as provided in this section.

(2) A license for a nursing facility and an assisted living program as defined under Subtitle 18 of this title shall be for a 2–year term.

(b) Before the license expires, the licensee periodically may renew it for an additional term, if the licensee:

(1) Otherwise is entitled to the license;

(2) Pays to the Secretary the renewal fee set by the Secretary in regulations; and

(3) Submits to the Secretary:

(i) A renewal application on the form that the Secretary requires; and

(ii) Satisfactory evidence of compliance with any requirements set under this subtitle for license renewal.

(c) The Secretary shall renew the license of each licensee who meets the requirements of this section.

19–3B–04.

(a) An applicant for a license shall:

(1) Submit an application to the Secretary; and

(2) Pay to the Secretary the application fee set by the Secretary through regulation.

19–3B–05.

(a) A license expires on the third anniversary of its effective date unless the license is renewed for a 3–year term as provided in this section.

(b) Before the license expires, a license may be renewed for an additional 3–year term, if the applicant:
(1) Otherwise is entitled to the license;

(2) Pays to the Secretary the renewal fee set by the Secretary through regulation; and

(3) Submits to the Secretary:

   (i) A renewal application on the form that the Secretary requires; and

   (ii) Satisfactory evidence of compliance with any requirement under this subtitle for license renewal.

(c) The Secretary shall renew the license if the applicant meets the requirements of this section.

(d) (1) The Secretary shall set reasonable application and renewal fees not to exceed the administrative costs of the licensing program.

   (2) For purposes of this subsection, administrative costs under paragraph (1) of this subsection do not include any costs of administering the Medicare certification program.

(e) A license does not entitle the licensee to an exemption from other provisions of law relating to:

   (1) The review and approval of hospital rates and charges by the Health Services Cost Review Commission; or

   (2) The review and approval of new services or facilities by the Maryland Health Care Commission.

19–404.

(b) The rules and regulations shall provide for the licensing of home health agencies and annual license renewal, and shall establish standards that require as a minimum, that all home health agencies:

   (1) Within 10 days of acceptance of a patient for skilled care, make and record all reasonable efforts to contact a physician to obtain the signed order required under item (2) of this subsection;

   (2) That accept patients for skilled care do so only on the signed order of a physician obtained within 28 days after acceptance;

   (3) Adopt procedures for the administration of drugs and biologicals;
(4) Maintain clinical records on all patients accepted for skilled care;

(5) Establish patient care policies and personnel policies;

(6) Have services available at least 8 hours a day, 5 days a week, and available on an emergency basis 24 hours a day, 7 days a week;

(7) Make service available to an individual in need within 24 hours of a referral when stipulated by a physician’s order;

(8) Have a designated supervisor of patient care who is a full–time employee of the agency and is available at all times during operating hours and additionally as needed; and

(9) Have as the administrator of the agency a person who has at least 1 year of supervisory experience in hospital management, home health management, or public health program management and who is:

   (i) A licensed physician;

   (ii) A registered nurse; or

   (iii) A college graduate with a bachelor’s degree in a health–related field.

19–4A–03.

(a) The Department shall adopt regulations that set standards for the care, treatment, health, safety, welfare, and comfort of individuals who receive home health care services through a residential service agency.

(b) The regulations shall provide for the licensing of residential service agencies [and the renewal of licenses for a 3–year term].

(c) The regulations shall require the Secretary to charge fees in a manner which will produce funds sufficient to at least cover the actual direct or indirect costs of the inspection and licensure of residential service agencies under this subtitle.

(d) The regulations shall include provisions that:

   (1) Provide for the establishment of residential service agencies;

   (2) Establish qualifications for licensure;

   (3) Set minimum standards for individuals who provide home health care services through a residential service agency; and
(4) Require the residential service agency to screen and verify the character references of all home health care providers that are employed by the residential service agency.

19–4B–04.

(a) (1) The Department shall adopt regulations to implement the requirements of this subtitle.

(2) The regulations may not preclude a nursing referral service agency from operating with independent contractors.

(b) The Department shall issue a 3–year license to a nursing referral service agency after the nursing referral service agency:

(1) Completes an application for licensure; and

(2) Pays a licensing fee of $1,000 to the Department.

(c) A license shall expire on the third anniversary of its effective date unless:

(1) The Department suspends or revokes the license; or

(2) The license is renewed.

(d) The Department may suspend or revoke a license issued under this section if the nursing referral service agency is operating in violation of the requirements of this subtitle.

19–907.

(a) An applicant for a license shall:

(1) Submit an application to the Secretary; and

(2) Pay to the Secretary an application fee established by the Secretary.

(c) An application fee may not be refunded.

19–910.

(a) A license expires on the third anniversary of its effective date, unless the license is renewed for a 3–year term as provided in this section.

(b) Before the license expires, the licensee periodically may renew it for an additional 3–year term, if the licensee:
(1) Otherwise is entitled to the license;

(2) Pays to the Secretary a renewal fee established by the Secretary; and

(3) Submits to the Secretary:

   (i) A renewal application on the form that the Secretary requires; and

   (ii) Satisfactory evidence of compliance with any requirements set under this subtitle for license renewal.

(c) The Secretary shall renew the license of each licensee who meets the requirements of this section.

19–1203.

(a) This section does not apply to a special rehabilitation hospital that is licensed under Subtitle 3 of this title.

(b) Any person that provides or holds himself out as providing comprehensive physical rehabilitation services on an out–patient basis shall obtain a comprehensive rehabilitation license before the person may provide comprehensive physical rehabilitation services in the State.

(c) The Department shall issue a comprehensive rehabilitation license to any person for whom a comprehensive rehabilitation license is required if the person:

   (1) Submits an application on the form established and provided for the Secretary; and

   (2) Pays to the Secretary the application fee of $10.

(d) A comprehensive rehabilitation license expires on the first anniversary of its effective date, unless the license is renewed for a 1–year term.

(e) While it is effective, a comprehensive rehabilitation license authorizes the licensed person to provide comprehensive physical rehabilitation services.

(f) A person may not provide or hold himself out as providing comprehensive physical rehabilitation services on an out–patient basis unless the person has been issued a comprehensive rehabilitation license under this section.

19–1401.1.
(a) (1) In addition to the requirements for licensure of a related institution as provided in this title, an applicant for [initial] licensure [or relicensure] of a nursing home shall include in the application the identity of:

[(1)] (I) Any person with an ownership interest in the nursing home; and

[(2)] (II) Any management company, landlord, or other business entity that will operate or contract with the applicant to manage the nursing home.

(2) A nursing home shall notify the Department immediately when there are changes to the information required under paragraph (1) of this subsection.

(2) (I) The person acquiring a nursing home shall provide the Department with written notice of the acquisition or change in operator at the same time as the notice required under § 19–120(k)(6)(II) of this title is filed with the Maryland Health Care Commission.

(II) For other changes to the information required under paragraph (1) of this subsection, the nursing home shall notify the Department within 30 days after the effective date of the change.

(b) An applicant for [initial] licensure shall submit to the Secretary or the Secretary’s designee evidence:

(1) That affirmatively demonstrates the ability of the applicant to comply with minimum standards of:

(i) Medical care;

(ii) Nursing care;

(iii) Financial condition; and

(iv) Other applicable State or federal laws and regulations; and

(2) Regarding the regulatory compliance history and financial condition of any health care facility owned or operated by the applicant in other jurisdictions.

19–1401.2.

On review of the information required under § 19–1401.1 of this subtitle and any other information that is relevant to the ability of the applicant to operate a nursing home, the Secretary may:

(1) Approve an application for a license [or license renewal];
(2) Deny an application for a license [or license renewal]; [or]

(3) Approve an application for a license [or license renewal] subject to conditions; OR

(4) **REVOKE A LICENSE.**

19–1410.

(a) **[By January 1, 2001, a] EACH** nursing home shall develop and implement a quality assurance program.

(b) (1) **[By September 1, 2000, each] EACH** nursing home shall designate a qualified individual to coordinate and manage the nursing home’s quality assurance program.

(2) Each nursing home shall establish a quality assurance committee and shall include at least the following members:

(i) The nursing home administrator;

(ii) The director of nursing;

(iii) The medical director;

(iv) A social worker;

(v) A licensed dietitian; and

(vi) A geriatric nursing assistant.

(3) The quality assurance committee shall:

(i) Meet at least monthly;

(ii) Maintain records of all quality assurance activities;

(iii) Keep records of committee meetings that shall be available to the Department during any on–site visit; and

(iv) Prepare monthly reports that shall be presented to the ombudsman, the resident’s council, and the family council.

(4) The quality assurance committee for a nursing home shall review and approve annually the quality assurance plan for the nursing home.
(5) Each nursing home shall establish a written quality assurance plan that:

(i) Includes procedures for concurrent review for all residents;

(ii) Provides criteria that routinely monitors nursing care including medication administration, prevention of decubitus ulcers, dehydration and malnutrition, nutritional status and weight loss or gain, accidents and injuries, unexpected deaths, changes in mental or psychological status, and any other data necessary to monitor quality of care;

(iii) Includes methods to identify and correct problems; and

(iv) Is readily available to nursing home residents and their families, guardians, or surrogate decision makers.

(6) The quality assurance plan shall be submitted to the Department [by January 1, 2001, and at the time of license renewal] EVERY 2 YEARS.

(7) The nursing home administrator shall take appropriate remedial actions based on the recommendations of the nursing home’s quality assurance committee.

(8) The Secretary may not require the quality assurance committee to disclose the records and the reports prepared by the committee except as necessary to assure compliance with the requirements of this section.

(9) If the Department determines that a nursing home is not implementing its quality assurance program effectively and that quality assurance activities are inadequate, the Department may impose appropriate sanctions on the nursing home to improve quality assurance including mandated employment of specified quality assurance personnel.

19–1804.1.

(b) (1) A person shall submit an application for licensure to conduct, operate, or maintain an assisted living program to the Secretary on a form developed by the Secretary.

(2) (i) The Secretary shall develop the application for licensure required under paragraph (1) of this subsection.

(ii) The application shall include the name and address of each officer, manager, alternate manager, and delegating nurse or case manager of the assisted living program.
[(3) An applicant for licensure shall submit the fee established in regulation under § 19–1805(b)(2)(ii) of this subtitle.]

[(4)] [(3) In addition to the application, an applicant for initial licensure shall submit to the Secretary:

(i) Information concerning any license or certification held by the applicant under the Health Occupations Article or under this article, including the prior or current operation by the applicant of a health care facility, residential facility, or similar health care program;

(ii) Information demonstrating the financial and administrative ability of the applicant to operate an assisted living program in compliance with this subtitle;

(iii) The policies and procedures to be implemented by the assisted living program;

(iv) Identification of the personnel and relief personnel to be employed by the assisted living program; and

(v) Any other information that is relevant to the ability of the applicant to care for the residents of the assisted living program.

(d) [(1) Except as provided in paragraph (2) of this subsection, an assisted living program license is valid for 2 years.

(2) The Secretary may issue [an initial] A probationary license that is valid for [less than 2 years] A PERIOD OF TIME DETERMINED BY THE SECRETARY IN ACCORDANCE WITH REGULATIONS ADOPTED BY THE SECRETARY.

19–1805.

(b) (1) The Department, in consultation with representatives of the affected industry and advocates for residents of the facilities and with the approval of the Department of Aging and the Department of Human Services, shall adopt regulations to implement this subtitle.

(2) The regulations adopted under paragraph (1) of this subsection shall:

(i) Provide for the licensing of assisted living programs [and the renewal of licenses];

[(ii) Establish the application fee to be paid to the Secretary by an applicant for an assisted living program license:]
[(iii)] (II) Require the Department, during a survey or other inspection of an assisted living program, to review the number of waivers granted to the program under subsection (a)(3) of this section and determine whether a change in the program’s licensure status is warranted; and

[(iv)] (III) Require an assisted living program facility to post in a conspicuous place visible to actual and potential residents of the facility and other interested parties:

1. A. Its statement of deficiencies for the most recent survey;
   
   B. Any subsequent complaint investigations conducted by federal, State, or local surveyors; and
   
   C. Any plans of correction in effect with respect to the survey or complaint investigation; or

2. A notice of the location, within the facility, of the items listed in item 1 of this item.


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

(2) “Client facility” means a health care facility that contracts with a health care staff agency for the referral of health care practitioners.

(3) “Health care facility” means a hospital or related institution as defined in § 19–301 of this title.

(4) (i) Except as provided in subparagraph (ii) of this paragraph, “health care practitioner” means any individual licensed or certified under the Health Occupations Article who:

   1. Is a licensed practical nurse, registered nurse, or certified nursing assistant; or

   2. Practices in an allied health care field, as defined by the Office in regulation.

(ii) “Health care practitioner” does not include:

   1. An acupuncturist;

   2. A dentist;
3. A nurse anesthetist;  
4. A nurse midwife;  
5. A nurse practitioner;  
6. A pharmacist;  
7. A physician; or  
8. A podiatrist.  

(5) (i) “Health care staff agency” means any person, firm, corporation, partnership, or other business entity engaged in the business of referring health care practitioners as employees or independent contractors to render temporary health care services at a health care facility in the State.  

(ii) “Health care staff agency” does not include:  
1. A health care staff agency operated by a health care facility or its affiliates solely for the purpose of procuring, furnishing, or referring temporary or permanent health care personnel for employment at that health care facility or its affiliates;  
2. A home health agency regulated under Subtitle 4 of this title; or  
3. Any health care practitioners procuring, furnishing, or referring their own services to a health care facility without the direct or indirect assistance of a health care staff agency.  

(6) “Initially providing or referring” means the first time a health care staff agency provides or refers a particular health care practitioner to a health care facility.  

(7) “Office” means the Office of Health Care Quality in the Department.  

(8) “Responsible party” means the individual at a health care staff agency who controls the day to day operation of the health care staff agency.  

(b) (1) A health care staff agency shall be licensed by the Office before referring health care practitioners to a health care facility to render temporary health care services at a health care facility in this State.  

(2) All health care staff agencies shall submit to the Office:  

(i) The health care staff agency’s:
1. Business name;
2. Business address;
3. Business telephone number; and
4. Responsible party; and

(ii) Any other information the Office requires by regulation to ensure compliance with the provisions of this subtitle.

[(c) (1) A health care staff agency license expires on the 28th day of the month in which the agency was originally licensed unless the license is renewed for a 1–year term as provided in this section.

(2) At least 1 month before the license expires, the Office shall send to the health care staff agency, by first-class mail to the last known address of the health care staff agency, a renewal notice that states:

(i) The date on which the current license expires;

(ii) The date by which the renewal application must be received by the Office for the renewal to be issued and mailed before the license expires; and

(iii) The amount of the renewal fee.

(3) Before a license expires, the health care staff agency periodically may renew it for an additional term, if the health care staff agency:

(i) Otherwise is entitled to be licensed; and

(ii) Pays to the Office the renewal fee set by the Office.

(d) If a health care staff agency fails to renew, the health care staff agency must immediately stop referring health care practitioners to health care facilities.]

[(e) (C) (1) A health care staff agency shall notify the Office of any change in ownership, agency name, or address within 30 days of the change.

(2) Notwithstanding the provisions of subsection [(i)(1)] (G)(1) of this section, if a health care staff agency fails to notify the Office within the time required under this subsection, the Office may impose a fine of $100.

[(f) (D) (1) Before initially providing or referring a health care practitioner to health care facilities to render temporary health care services, the health care staff agency shall verify the licensure or certification status of the health care practitioner.]
(2) At the time a health care practitioner who is being referred to health care facilities by a health care staff agency must renew the health care practitioner’s license or certificate, the health care staff agency shall:

(i) Submit the name and license or certificate number of the health care practitioner to the Office; and

(ii) Verify the licensure or certification status of the health care practitioner.

[(g)] (E) A health care staff agency may not knowingly provide or refer an individual who is not licensed or certified under the Health Occupations Article to a health care facility to render health care services.

[(h)] (F) (1) Except as provided in paragraph (2) of this subsection:

(i) If a health care staff agency knows of an action or condition performed by a health care practitioner provided or referred by that health care staff agency that might be grounds for action relating to a license or certificate issued under the Health Occupations Article, the health care staff agency shall report the action or condition to the appropriate health occupation board; and

(ii) An individual shall have immunity from liability described under § 5–709 of the Courts and Judicial Proceedings Article for making a report as required under this paragraph.

(2) A health care staff agency is not required under this subsection to make any report that would be in violation of any federal or State law, rule, or regulation concerning the confidentiality of alcohol and drug abuse patient records.

[(i)] (G) (1) Subject to the provisions of Title 10, Subtitle 2 of the State Government Article, the Office may impose a penalty for a violation of any provision of this section:

(i) For a first offense, up to $2,500 per violation or up to $2,500 per day until the health care staff agency complies with the requirements of this subtitle;

(ii) For a second offense, up to $5,000 per violation or up to $5,000 per day until the health care staff agency complies with the requirements of this subtitle; and

(iii) For a third or subsequent offense, up to $10,000 per violation or up to $10,000 per day until the health care staff agency complies with the requirements of this subtitle.

(2) Each day a violation continues is a separate violation.
A health care staff agency is not a health care provider.

(d) When the Office conducts an inspection, the Office shall verify that the health care staff agency has developed, documented, and implemented procedures for:

(4) Reporting of an action or condition under § 19–2001(h) of this subtitle;

(c) At the time of licensure, an assisted living program with an Alzheimer’s special care unit or program shall send to the Department a written description of the special care unit or program.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2018.

Approved by the Governor, May 15, 2018.

Chapter 662
(Senate Bill 110)

AN ACT concerning

State Board of Podiatric Medical Examiners – Licensure – Qualifications and Examinations

FOR the purpose of requiring that an applicant for a license to practice podiatry pass a certain national examination and a certain examination on the statute and regulations of the State Board of Podiatric Medical Examiners; repealing the requirement that the Board notify each qualified applicant who is eligible to sit for a certain examination of the time and place of the examination; requiring the Board to notify each qualified applicant who is eligible to take a certain examination of the requirements of the examination; repealing a certain provision of law authorizing the Board to use certain oral and clinical examinations in conducting a certain examination; repealing a certain provision of law limiting the subjects that may be included in a certain examination; repealing the requirement that the Board record the results of certain examinations in the Board’s minutes; updating certain terminology; making certain clarifying and conforming changes; and generally relating to licensure under the State Board of Podiatric Medical Examiners.
BY repealing and reenacting, with amendments,  
Article – Health Occupations  
Section 16–302 and 16–304  
Annotated Code of Maryland  
(2014 Replacement Volume and 2017 Supplement)

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

Article – Health Occupations

16–302.

(a) To qualify for a license, an applicant shall be an individual who meets the requirements of this section.

(b) The applicant shall be of good moral character.

(c) The applicant shall be at least 18 years old.

(d) The applicant shall be a graduate of a school or college of [podiatry] PODIATRIC MEDICINE that is accredited by the Council on Education of the American Podiatric Medical Association and approved by the Board.

(e) Except as otherwise provided in this title, the applicant shall pass [an]:

   (1) THE NATIONAL BOARD OF PODIATRIC MEDICAL EXAMINERS LICENSING EXAMINATION; AND

   (2) A WRITTEN examination [given] ON THE BOARD’S STATUTE AND REGULATIONS ADMINISTERED by the Board under § 16–304 OF this subtitle.

(f) The Board may require an applicant to complete a postgraduate podiatric residency program in:

   (1) A health care facility licensed or approved by the Department;

   (2) A program approved by the Council on Education of the American Podiatric Medical Association or its successor; or

   (3) A program approved by the Board.

(g) (1) The Board shall require as part of its examination or licensing procedures that an applicant for a license to practice podiatry demonstrate an oral competency in the English language.
(2) Graduation from a recognized English–speaking undergraduate school after at least 3 years of enrollment, or from a recognized English–speaking professional school is acceptable as proof of proficiency in the oral communication of the English language under this section.

(3) By regulation, the Board shall develop a procedure for testing individuals who because of their speech impairment are unable to complete satisfactorily a Board approved standardized test of oral competency.

(4) If any disciplinary charges or action that involves a problem with the oral communication of the English language are brought against a licensee under this title, the Board shall require the licensee to take and pass a Board approved standardized test of oral competency.

(h) The applicant shall submit to a criminal history records check in accordance with § 16–302.1 of this subtitle.

16–304.

(a) An applicant who otherwise qualifies for a license is entitled to be examined as provided in this section.

(b) The Board shall ADMINISTER examinations ON THE BOARD’S STATUTE AND REGULATIONS to applicants at least twice a year, at the times and places that the Board determines.

(c) The Board shall notify each qualified applicant of the examination.

(d) For examinations ADMINISTERED under SUBSECTION (B) OF this SECTION, the Board shall:

(1) Provide the books and forms necessary to conduct the examinations;

(2) Conduct the examinations in writing, but may use supplementary oral and clinical examinations; and

(3) Except as otherwise provided in this subsection, determine the scope, form, and passing score for the examinations.

(e) An examination given under this subtitle may include only subjects normally taught at an accredited school or college of podiatry or chiropody.

(f) The Board shall:

(1) ACT on each examination promptly; and
(2) Record the results of each examination in the Board’s minutes.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2018.

Approved by the Governor, May 15, 2018.

Chapter 663
(Senate Bill 111)

AN ACT concerning

Maryland Health Benefit Exchange – Criminal History Records Checks – Contractors With Access to Federal Tax Information

FOR the purpose of authorizing the Maryland Health Benefit Exchange to require certain contractors to provide certain information for a certain background investigation; authorizing the Exchange to request from the Criminal Justice Information System Central Repository a State and national criminal history records check for certain contractors; authorizing the Exchange to collect and submit to the Central Repository certain fees and information from certain contractors; authorizing the Exchange to conduct a certain reinvestigation within a certain period of time after a previous background investigation; requiring the Central Repository to forward certain criminal history record information to the Exchange and certain contractors; providing that certain information is confidential and may be used only for certain purposes; requiring the Central Repository to provide revised criminal history record information under certain circumstances; authorizing certain contractors to contest under certain provisions of law certain information issued by the Central Repository; prohibiting certain contractors from performing certain work functions for the Exchange under certain circumstances; authorizing the Maryland Health Benefit Exchange Board to adopt certain regulations, guidelines, and policies; providing that this Act does not limit the authority of the Exchange to perform certain actions in accordance with certain provisions of law; specifying the purpose of this Act; defining certain terms; and generally relating to the Maryland Health Benefit Exchange and criminal background checks for contractors with access to federal tax information.

BY adding to
Article – Insurance
Section 31–120
Annotated Code of Maryland
(2017 Replacement Volume)

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

**Article – Insurance**

31–120.

(A) (1) **IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.**

(2) **“CENTRAL REPOSITORY” MEANS THE CRIMINAL JUSTICE INFORMATION SYSTEM CENTRAL REPOSITORY OF THE DEPARTMENT OF PUBLIC SAFETY AND CORRECTIONAL SERVICES.**

(3) **“CONTRACTOR” MEANS AN INDIVIDUAL WHO:**

(I) **IS NOT A STATE EMPLOYEE WITH A POSITION IN THE STATE PERSONNEL MANAGEMENT SYSTEM; AND**

(II) **PERFORMS WORK FUNCTIONS FOR THE EXCHANGE IN ACCORDANCE WITH THE TERMS OF A WRITTEN AGREEMENT.**

(B) **THE PURPOSE OF THIS SECTION IS TO AUTHORIZE THE EXCHANGE TO PERFORM A CRIMINAL BACKGROUND CHECK, INCLUDING A STATE AND NATIONAL CRIMINAL HISTORY RECORDS CHECK, TO DETERMINE THE SUITABILITY OF A CONTRACTOR TO ACCESS CONFIDENTIAL OR SENSITIVE FEDERAL TAX INFORMATION IN ACCORDANCE WITH FEDERAL LAWS AND REGULATIONS.**

(C) **FOR ANY CONTRACTOR WHO HAS OR MAY OBTAIN ACCESS TO FEDERAL TAX INFORMATION THAT IS CONSIDERED CONFIDENTIAL OR SENSITIVE UNDER FEDERAL OR STATE LAW OR REGULATION, THE EXCHANGE MAY:**

(1) **REQUIRE THE CONTRACTOR TO PROVIDE INFORMATION NECESSARY TO PERFORM A CRIMINAL BACKGROUND CHECK INCLUDING, FOR AT LEAST THE IMMEDIATELY PRECEDING 5–YEAR PERIOD, THE CONTRACTOR’S:**

(I) **ADDRESS HISTORY; AND**

(II) **EMPLOYMENT AND EDUCATION HISTORY, INCLUDING THE NAMES AND ADDRESSES OF ALL PREVIOUS EMPLOYERS AND SCHOOLS ATTENDED;**

(2) **REQUEST A STATE AND NATIONAL CRIMINAL HISTORY RECORDS CHECK ON THE CONTRACTOR FROM THE CENTRAL REPOSITORY;**
3382

(3) AS PART OF THE APPLICATION FOR A CRIMINAL HISTORY RECORDS CHECK, COLLECT FROM THE CONTRACTOR AND SUBMIT TO THE CENTRAL REPOSITORY:

(I) TWO COMPLETE SETS OF THE CONTRACTOR’S LEGIBLE FINGERPRINTS TAKEN IN A FORMAT APPROVED BY THE DIRECTOR OF THE CENTRAL REPOSITORY AND THE DIRECTOR OF THE FEDERAL BUREAU OF INVESTIGATION;

(II) THE FEE AUTHORIZED UNDER § 10–221(B)(7) OF THE CRIMINAL PROCEDURE ARTICLE FOR ACCESS TO MARYLAND CRIMINAL HISTORY RECORDS;

(III) THE MANDATORY PROCESSING FEE REQUIRED BY THE FEDERAL BUREAU OF INVESTIGATION FOR A NATIONAL CRIMINAL HISTORY RECORDS CHECK; AND

(IV) ANY OTHER DOCUMENTS OR FEES REQUIRED BY THE CENTRAL REPOSITORY FOR COMPLETION OF A CRIMINAL HISTORY RECORDS CHECK; AND

(4) CONDUCT A REINVESTIGATION WITHIN 10 YEARS AFTER THE DATE OF THE PREVIOUS BACKGROUND INVESTIGATION FOR EACH CONTRACTOR WITH ACCESS TO FEDERAL TAX INFORMATION.

(D) IN ACCORDANCE WITH §§ 10–201 THROUGH 10–229 OF THE CRIMINAL PROCEDURE ARTICLE, THE CENTRAL REPOSITORY SHALL FORWARD TO THE CONTRACTOR AND THE EXCHANGE THE CONTRACTOR’S CRIMINAL HISTORY RECORD INFORMATION.

(E) INFORMATION OBTAINED FROM THE CENTRAL REPOSITORY UNDER THIS SECTION:

(1) IS CONFIDENTIAL;

(2) MAY NOT BE REDISSEMINATED EXCEPT AS ALLOWED BY FEDERAL OR STATE LAW OR REGULATION; AND

(3) MAY BE USED ONLY FOR THE PURPOSES AUTHORIZED UNDER THIS SECTION.

(F) A CONTRACTOR WHO IS THE SUBJECT OF A CRIMINAL HISTORY RECORDS CHECK UNDER THIS SECTION MAY CONTEST THE CRIMINAL HISTORY RECORD INFORMATION ISSUED BY THE CENTRAL REPOSITORY AS PROVIDED IN §
10–223 OF THE CRIMINAL PROCEDURE ARTICLE.

(G) IF CRIMINAL HISTORY RECORD INFORMATION IS REPORTED TO THE CENTRAL REPOSITORY AFTER THE DATE OF THE INITIAL CRIMINAL HISTORY RECORDS CHECK, THE CENTRAL REPOSITORY SHALL PROVIDE TO THE EXCHANGE AND THE CONTRACTOR REVISED CRIMINAL HISTORY RECORD INFORMATION ON THE CONTRACTOR.

(H) A CONTRACTOR WHO REFUSES TO COMPLY WITH OR FAILS THE CRIMINAL HISTORY RECORDS CHECK UNDER THIS SECTION MAY NOT PERFORM WORK FUNCTIONS FOR THE EXCHANGE THAT REQUIRE ACCESS TO FEDERAL TAX INFORMATION.

(I) THE BOARD MAY ADOPT REGULATIONS, GUIDELINES, AND POLICIES TO CARRY OUT THIS SECTION.

(J) THIS SECTION DOES NOT LIMIT THE AUTHORITY OF THE EXCHANGE TO PERFORM A BACKGROUND INVESTIGATION OR REQUEST A CRIMINAL HISTORY RECORDS CHECK FOR PERSONNEL IN ACCORDANCE WITH §§ 7–103 AND 7–104 OF THE STATE PERSONNEL AND PENSIONS ARTICLE.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2018.

Approved by the Governor, May 15, 2018.

Chapter 664
(Senate Bill 52)

AN ACT concerning

Insurance – Medicare Supplement Policy Plans – Conformity to Federal Law

FOR the purpose of altering references to certain Medicare supplement policy plans to conform with certain provisions in federal law; providing for a delayed effective date; and generally relating to Medicare supplement policy plans.

BY repealing and reenacting, with amendments,
Article – Insurance
Section 15–909
Annotated Code of Maryland
(2017 Replacement Volume)
SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
That the Laws of Maryland read as follows:

Article – Insurance

15–909.

(a) This section does not extend the number of days of hospitalization offered under § 15–906(a) of this subtitle to the extent those days of hospitalization have been used under the original Medicare supplement policy.

(b) (1) If an application for a Medicare supplement policy or certificate is submitted during the 6–month period beginning with the first month in which an individual who is at least 65 years old first enrolls for benefits under Medicare Part B, a carrier:

(i) may not deny or condition the issuance or effectiveness of the Medicare supplement policy or certificate or discriminate in the pricing of the Medicare supplement policy or certificate because of the health status, claims experience, receipt of health care, or medical condition of the applicant; or

(ii) may not deny, reduce, or condition coverage or apply an increased premium rating to an applicant for a Medicare supplement policy because of the health status, claims experience, or medical condition of the applicant or the use of medical care by the applicant.

(2) Notwithstanding paragraph (1)(ii) of this subsection, a carrier may include in a Medicare supplement policy a provision that complies with subsection (d) of this section.

(3) (i) A carrier shall make available Medicare supplement policy plans A and [C] D to an individual who is under the age of 65 years but is eligible for Medicare due to a disability, if an application for a Medicare supplement policy or certificate is submitted:

1. during the 6–month period following the applicant’s enrollment in Part B of Medicare; or

2. if the applicant is notified by Medicare of the applicant’s retroactive enrollment in Medicare, during the 6–month period following notification of enrollment in Medicare.

(ii) For a Medicare supplement policy plan A or [C] D required to be made available under subparagraph (i) of this paragraph, a carrier:

1. may not deny or condition the issuance or effectiveness of
a Medicare supplement policy plan A or [C] D because of the health status, claims experience, receipt of health care, or medical condition of the applicant; or

2. may not deny, reduce, or condition coverage to the applicant for a Medicare supplement policy plan A or [C] D because of the health status, claims experience, or medical condition of the applicant or the use of medical care by the applicant.

(iii) For a Medicare supplement policy plan A required to be made available under subparagraph (i) of this paragraph, a carrier may not charge individuals who are under the age of 65 years, but are eligible for Medicare due to a disability, a rate higher than the average of the premiums paid by all policyholders age 65 and older in the State who are covered under that plan A policy form.

(4) A carrier may elect to offer Medicare supplement policy plans to individuals who are under the age of 65 years, but eligible for Medicare due to a disability, in addition to the Medicare supplement policy plans A and [C] D that are required to be offered under paragraph (3)(i) of this subsection.

(5) Nothing in paragraph (3) of this subsection may be construed to require a carrier to offer a Medicare supplement policy plan to individuals who are under the age of 65 years, but are eligible for Medicare due to a disability, if the plan is not offered to individuals who are eligible for Medicare due to age.

(c) Regardless of the applicant’s age, each Medicare supplement policy or applicable certificate that a carrier currently has available shall be made available to each applicant who qualifies under subsection (b) of this section.

(d) (1) Notwithstanding any other provision of law, a Medicare supplement policy or certificate may not exclude or limit benefits for losses incurred more than 6 months after the effective date of coverage because the losses involved a preexisting condition.

(2) A Medicare supplement policy or certificate may not define a preexisting condition more restrictively than a condition for which a physician gave medical advice or recommended or gave treatment within 6 months before the effective date of coverage.

(e) If a Medicare supplement policy or certificate replaces another Medicare supplement policy or certificate, the succeeding carrier shall waive the time periods applicable to preexisting conditions, waiting periods, elimination periods, and probationary periods in the new Medicare supplement policy or certificate for similar benefits to the extent the time was spent under the original Medicare supplement policy or certificate.

(f) A carrier may not cancel or nonrenew a Medicare supplement policy or certificate for any reason other than for nonpayment of premium or material misrepresentation.
(g) (1) (i) If the group policyholder terminates a group Medicare supplement policy without replacing the group Medicare supplement policy under paragraph (3) of this subsection, the carrier shall offer each certificate holder an individual Medicare supplement policy.

(ii) The carrier shall offer the certificate holder at least the following:

1. an individual Medicare supplement policy that provides for continuation of the benefits contained in the group policy; or

2. an individual Medicare supplement policy that provides only the benefits that are required under § 15–906(a) of this subtitle.

(2) If membership in a group is terminated, the carrier:

(i) shall offer the certificate holder the conversion options under paragraph (1) of this subsection; or

(ii) at the option of the group policyholder, shall offer the certificate holder a continuation of coverage under the group Medicare supplement policy.

(3) (i) If a group Medicare supplement policy is replaced by another group Medicare supplement policy purchased by the same policyholder, the succeeding carrier shall offer coverage to each individual who was covered under the old group Medicare supplement policy on its date of termination.

(ii) Under the new group Medicare supplement policy, coverage may not be excluded for a preexisting condition that would have been covered under the group Medicare supplement policy being replaced.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect January 1, 2020.

Approved by the Governor, May 15, 2018.

Chapter 665

(Senate Bill 54)

AN ACT concerning

Insurance—Accountable Care Organizations—Technical Correction
Health Insurance – Technical Corrections and Required Conformity With Federal Law
FOR the purpose of correcting an certain incorrect cross-reference cross-references for purposes of certain provisions of law relating to accountable care organizations and, incentive-based compensation, and the renewal of certain health benefit plans; altering the triggering events for which certain carriers are required to provide a certain open enrollment period; altering the definition of “small employer” for purposes of certain provisions of law governing the Maryland Health Benefit Exchange; and generally relating to accountable care organizations, health insurance and conformity with federal law.

BY repealing and reenacting, with amendments, Article – Insurance
Section 15–113(c), 15–1208.2(d), 15–1309(b), and 31–101(z)(1)
Annotated Code of Maryland
(2017 Replacement Volume)

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

Article – Insurance

15–113.

(c) (1) In this subsection, “set of health care practitioners” means:

(i) a group practice;

(ii) a clinically integrated organization established in accordance with Subtitle 19 of this title; or


(2) This section does not prohibit a carrier from providing bonuses or other incentive–based compensation to a health care practitioner or a set of health care practitioners if the bonus or other incentive–based compensation:

(i) does not create a disincentive to the provision of medically appropriate or medically necessary health care services; and

(ii) if the carrier is a health maintenance organization, complies with the provisions of § 19–705.1 of the Health – General Article.

(3) A bonus or other incentive–based compensation under this subsection:

(i) if applicable, shall promote the provision of preventive health care services; or
(ii) may reward a health care practitioner or a set of health care practitioners, based on satisfaction of performance measures, if the following is agreed on in writing by the carrier and the health care practitioner or set of health care practitioners:

1. the performance measures;

2. the method for calculating whether the performance measures have been satisfied; and

3. the method by which the health care practitioner or set of health care practitioners may request reconsideration of the calculations by the carrier.

(4) Acceptance of a bonus or other incentive–based compensation under this subsection shall be voluntary.

(5) A carrier may not require a health care practitioner or a set of health care practitioners to participate in the carrier’s bonus or incentive–based compensation program as a condition of participation in the carrier’s provider network.

(6) A health care practitioner, a set of health care practitioners, a health care practitioner’s designee, or a designee of a set of health care practitioners may file a complaint with the Administration regarding a violation of this subsection.

15–1208.2.

(d) (1) A carrier shall provide an open enrollment period for each individual who experiences a triggering event described in paragraph (4) of this subsection.

(2) The open enrollment period shall be for at least 30 days, beginning on the date of the triggering event.

(3) During the open enrollment period for an individual who experiences a triggering event, a carrier shall permit the individual to enroll in or change from one health benefit plan offered by the small employer to another health benefit plan offered by the small employer.

(4) A triggering event occurs when:

(i) subject to paragraph (5) of this subsection, an eligible employee or dependent loses minimum essential coverage;

(ii) an eligible employee or a dependent loses pregnancy–related coverage described under § 1902(a)(10)(A)(i)(IV) and (a)(10)(A)(ii)(IX) of the Social Security Act, which is considered to occur on the last day the eligible employee or dependent would have pregnancy–related coverage;
(iii) an eligible employee or a dependent loses medically needy coverage as described under § 1902(a)(10)(C) of the Social Security Act, which is considered to occur on the last day the eligible employee or dependent would have medically needy coverage;

(iv) an eligible employee or a dependent who is enrolled in a qualified health plan in the SHOP Exchange:

1. adequately demonstrates to the SHOP Exchange that the qualified health plan in which the eligible employee or a dependent is enrolled substantially violated a material provision of the qualified health plan’s contract in relation to the eligible employee or a dependent;

2. gains access to new qualified health plans as a result of a permanent move and either:

   A. had minimum essential coverage as described in 26 C.F.R. § 1.5000a–1(b) for 1 or more days during the 60 days before the date of the permanent move; or

   B. was living outside the United States or in a United States territory at the time of the permanent move; or

3. demonstrates to the SHOP Exchange, in accordance with guidelines issued by the federal Department of Health and Human Services, that the eligible employee or a dependent meets other exceptional circumstances as the SHOP Exchange may provide;

(v) an eligible employee or a dependent:

1. loses eligibility for coverage under a Medicaid plan under Title XIX of the Social Security Act or a state child health plan under Title XXI of the Social Security Act; or

2. becomes eligible for assistance, with respect to coverage under the SHOP Exchange, under a Medicaid plan or state child health plan, including any waiver or demonstration project conducted under or in relation to a Medicaid plan or a state child health plan;

(vi) for SHOP Exchange health benefit plans:

1. an eligible employee’s or a dependent’s enrollment or nonenrollment in a qualified health plan is, as evaluated and determined by the Exchange:

   A. unintentional, inadvertent, or erroneous; and
B. the result of the error, misrepresentation, misconduct, or inaction of an officer, employee, or agent of the Exchange or the federal Department of Health and Human Services, or its instrumentalities, or a non–Exchange entity providing enrollment assistance or conducting enrollment activities; [or]

2. an eligible employee is an Indian as defined in § 4 of the federal Indian Health Care Improvement Act;

3. an eligible employee or dependent adequately demonstrates to the Exchange that a material error related to plan benefits, service area, or premium influenced the eligible employee’s or dependent’s decision to purchase a qualified health plan through the Exchange; or

4. an eligible employee or dependent demonstrates to the SHOP Exchange, in accordance with guidelines issued by the federal Department of Health and Human Services, that the eligible employee or a dependent meets other exceptional circumstances as the SHOP Exchange may provide:

   (vii) an eligible employee or dependent:

   1. is a victim of domestic abuse or spousal abandonment, as defined by 26 C.F.R. § 1.36B–2T;

   2. is enrolled in minimum essential coverage; and

   3. seeks to enroll in coverage separate from the perpetrator of the abuse or abandonment;

   (viii) an eligible employee or dependent:

   1. applies for coverage through the Individual Exchange during the annual open enrollment period or a special enrollment period;

   2. is assessed by the Individual Exchange as potentially eligible for the Maryland Medical Assistance Program or the Maryland Children’s Health Program; and

   3. is determined ineligible for the Maryland Medical Assistance Program or the Maryland Children’s Health Program by the Maryland Department of Health either:

      A. after open enrollment has ended; or

      B. more than 60 days after the qualifying event; [or]
(ix) an eligible employee or dependent:

1. applies for coverage through the Maryland Medical Assistance Program or the Maryland Children’s Health Program during the annual open enrollment period; and

2. is determined ineligible for the Maryland Medical Assistance Program or the Maryland Children’s Health Program after open enrollment has ended; OR

(X) AN ELIGIBLE EMPLOYEE OR DEPENDENT GAINS ACCESS TO NEW QUALIFIED HEALTH PLANS AS A RESULT OF A PERMANENT MOVE AND EITHER:

1. HAD MINIMUM ESSENTIAL COVERAGE AS DESCRIBED IN 26 C.F.R. § 1.5000A–1(B) FOR 1 OR MORE DAYS DURING THE 60 DAYS BEFORE THE DATE OF THE PERMANENT MOVE; OR

2. LIVED IN A FOREIGN COUNTRY OR IN A UNITED STATES TERRITORY FOR 1 OR MORE DAYS DURING THE 60 DAYS BEFORE THE DATE OF THE PERMANENT MOVE.

(5) Loss of minimum essential coverage under paragraph (4)(i) of this subsection does not include loss of coverage due to:

(i) voluntary termination of coverage;

(ii) failure to pay premiums on a timely basis, including COBRA premiums prior to expiration of COBRA coverage; or

(iii) a rescission authorized under 45 C.F.R. § 147.128.

(6) The triggering event described in paragraph (4)(iii) of this subsection is permitted only once per year per individual.

(7) If an eligible employee or a dependent meets the requirements for the triggering event described in paragraph (4)(vi)1 of this subsection, the Exchange may take any action necessary to correct or eliminate the effects of the error, misrepresentation, or inaction.

(8) If an eligible employee meets the requirements for the triggering event described in paragraph (4)(vi)2 of this subsection, the eligible employee and a dependent may enroll in a qualified health plan or change from one qualified health plan to another one time per month.
(9) An eligible employee or a dependent who meets the requirements for the triggering event described in paragraph (4)(v) of this subsection shall have 60 days from the triggering event to select a health benefit plan.

(10) If a victim of domestic abuse or spousal abandonment meets the requirements for the triggering event described in paragraph (4)(vii) of this subsection, the victim’s dependents may enroll in a qualified health plan at the same time as the victim.

15–1309.

(b) Changes in benefits made to comply with federal or State requirements are not subject to the plus or minus 2 percentage points referenced in [subsection (a)(4)(ii)5 of this section] 45 C.F.R. § 147.106(E)(3)(V).


(z) (1) “Small employer” means an employer that, during the preceding calendar year, employed an average of not more than:

(i) 50 employees [for plan years that begin before January 1, 2016; and

(ii) 100 employees for plan years that begin on or after January 1, 2016, or another number of employees or date as provided under federal law].

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2018.

Approved by the Governor, May 15, 2018.

Chapter 666

(Senate Bill 57)

AN ACT concerning


FOR the purpose of correcting an erroneous cross-reference relating to the notice requirements to which a medical professional liability insurer that cancels a policy for nonpayment of a deductible is subject; and generally relating to medical professional liability insurance policies.
BY repealing and reenacting, with amendments,
Article – Insurance
Section 19–114
Annotated Code of Maryland
(2017 Replacement Volume)

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

Article – Insurance

19–114.

(a) Each insurer that issues or delivers a medical professional liability insurance policy in the State shall offer at a minimum, in addition to the basic policy, additional policies with deductibles in the following amounts:

   (1) $25,000;

   (2) $50,000; and

   (3) $100,000.

(b) In a policy with a deductible described in subsection (a) of this section, the insurer shall apply the deductible only to the liability of the insured under the policy.

(c) (1) An insurer that issues or delivers a medical professional liability insurance policy with a deductible described in subsection (a) of this section may cancel the policy for nonpayment of the deductible when the deductible is due and payable under the policy.

   (2) A medical professional liability insurer that cancels a policy under paragraph (1) of this subsection is subject to the notice provisions under § 27–603 of this article.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2018.

Approved by the Governor, May 15, 2018.
Insurance – Risk Retention Groups – Revisions

FOR the purpose of requiring certain domestic risk retention groups to implement certain governance standards; requiring the boards of directors of certain risk retention groups to have a majority of independent directors; establishing certain standards concerning whether a director is independent; requiring the risk retention group to annually disclose the board’s determinations regarding whether a director is independent to the Maryland Insurance Commissioner; providing that a person is deemed to have a material relationship with a certain risk retention group under certain circumstances; providing that certain persons are not independent until after a certain period of time after certain events; prohibiting a material service provider contract with a certain risk retention group from having a term exceeding a certain number of years; requiring a certain material service provider contract to contain certain provisions; providing that a service provider contract is deemed to be material under certain circumstances; prohibiting, except under certain circumstances, a certain risk retention group from entering into a service provider contract that involves a material relationship; requiring certain boards of directors to adopt a written policy in the plan of operation that includes certain provisions; requiring certain risk retention groups to establish a certain audit committee with a written charter that defines the committee’s purposes; authorizing a nonindependent board member to participate in the activities of the audit committee under certain circumstances and prohibiting the member from being a member of the audit committee; authorizing the Commissioner to waive the requirement to establish a certain audit committee under certain circumstances; requiring certain boards of directors to adopt and disclose in a certain manner certain governance standards; requiring certain boards of directors to adopt and disclose in a certain manner a code of business conduct and ethics for certain individuals; requiring certain boards of directors to promptly disclose certain waivers of the code of business conduct and ethics for certain individuals; requiring certain individuals to promptly notify the Commissioner of certain material noncompliance with certain governance standards; requiring certain risk retention groups not chartered in the State to submit a copy of any material revision to their plans of operation or feasibility studies within a certain period of time; defining certain terms; altering a certain definition; making stylistic changes; and generally relating to risk retention groups.

BY repealing and reenacting, with amendments,
Article – Insurance
Section 25–101 through 25–103
Annotated Code of Maryland
(2017 Replacement Volume)

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

Article – Insurance

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

(B) “BOARD OF DIRECTORS” OR “BOARD” MEANS THE GOVERNING BODY OF A RISK RETENTION GROUP ELECTED BY THE SHAREHOLDERS OR MEMBERS OF THE RISK RETENTION GROUP TO ESTABLISH POLICY, ELECT OR APPOINT OFFICERS AND COMMITTEES, AND MAKE OTHER GOVERNING DECISIONS.

[(b)] (C) (1) “Completed operations liability” means liability arising out of the installation, maintenance, or repair of a product at a site that is not owned or controlled by:

(i) a person that performs that work; or

(ii) a person that hires an independent contractor to perform that work.

(2) “Completed operations liability” includes liability for activities that are completed or abandoned before the date of the occurrence giving rise to the liability.

(D) “DIRECTOR” MEANS AN INDIVIDUAL DESIGNATED IN THE ARTICLES OF INCORPORATION OF A RISK RETENTION GROUP, OR DESIGNATED, ELECTED, OR APPOINTED BY ANY OTHER MANNER, NAME, OR TITLE TO ACT AS A DIRECTOR OF THE RISK RETENTION GROUP.

[(c)] (E) “Domicile” means, for the purpose of determining the state in which a purchasing group has its domicile:

(1) the state of incorporation of a purchasing group that is a corporation; or

(2) the state of the principal place of business of a purchasing group that is an unincorporated entity.

[(d)] (F) “Hazardous financial condition” means the condition of a risk retention group in which, based on its present or reasonably anticipated financial condition, the risk retention group:

(1) is not yet financially impaired or insolvent; but

(2) is unlikely to be able to:

(i) meet obligations to policyholders with respect to known claims and reasonably anticipated claims; or
(ii) pay other obligations in the normal course of business.

(G) “IMMEDIATE FAMILY MEMBER” MEANS AN INDIVIDUAL’S:

(1) SPOUSE;

(2) CHILD;

(3) CHILD’S SPOUSE;

(4) PARENT;

(5) SPOUSE’S PARENT;

(6) SIBLING; OR

(7) SIBLING’S SPOUSE.

[(e) (H)] “Insurance” means primary insurance, excess insurance, reinsurance, surplus lines insurance, and any other arrangement for shifting and distributing risk that is determined to be insurance under the laws of the State.

[(f) (I)] (1) “Liability” means legal liability for damages, including costs of defense, legal costs and fees, and other claims expenses, because of injuries to persons, damage to their property, or other damage or loss to those persons, resulting from or arising out of:

(i) a business, whether profit or nonprofit, trade, products, services, including professional services, premises, or operations; or

(ii) an activity of a state or local government, or an agency or political subdivision of a state or local government.

(2) “Liability” does not include:

(i) personal risk liability, which is liability for damages because of injury to a person, damage to property, or other damage or loss resulting from personal, familial, or household responsibilities or activities; or

(ii) the liability of an employer with respect to its employees other than legal liability under the federal Employers’ Liability Act.

[(g) (J)] “Plan of operation or feasibility study” means an analysis that presents the expected activities and results of a risk retention group including, at a minimum:
(1) information sufficient to verify that the members of the risk retention group are engaged in businesses or activities that are similar or related with respect to the liability to which the members are exposed by virtue of related, similar, or common business, trade, products, services, premises, or operations;

(2) for each state in which the risk retention group intends to operate, the coverages, deductibles, coverage limits, rates, and rating classification systems for each line of insurance that the risk retention group intends to offer;

(3) historical and expected loss experience of the proposed members and national experience of similar exposures, to the extent this experience is reasonably available;

(4) pro forma financial statements and projections;

(5) appropriate opinions by a qualified, independent casualty actuary, including a determination of minimum premium or participation levels required to begin operations and to prevent a hazardous financial condition;

(6) identification of management, underwriting and claims procedures, marketing methods, managerial oversight methods, investment policies, and reinsurance agreements;

(7) identification of each state in which the risk retention group has obtained or sought to obtain a charter and license, and a description of its status in each state identified; and

(8) any other matters required by the commissioner of the state in which the risk retention group is chartered for liability insurance companies authorized by the insurance laws of that state.

[h] (K) (1) “Product liability” means liability for damages because of personal injury, death, emotional harm, consequential economic damage, or property damage, including damages resulting from the loss of use of the property, arising out of the manufacture, design, importation, distribution, packaging, labeling, lease, or sale of a product.

(2) “Product liability” does not include the liability of a person for damages if the product involved was in the possession of the person when the incident giving rise to the claim occurred.

[i] (L) “Purchasing group” means a group that:

(1) has as a purpose the purchase of liability insurance on a group basis;

(2) purchases liability insurance only for its group members and only to cover the similar or related liability exposure of the group members;
is composed of members engaged in businesses or activities that are similar or related with respect to the liability to which the members are exposed by virtue of related, similar, or common business, trade, products, services, premises, or operations; and

(4) has its domicile in a state.

“Risk retention group” means a corporation or other limited liability association:

[(j)] (M) (1) that is formed under the laws of a state, Bermuda, or the Cayman Islands;

(2) the primary activity of which consists of assuming and spreading all or part of the liability exposure of its group members;

(3) that is organized for the primary purpose of conducting the activity described in item (2) of this subsection;

(4) that:

(i) is chartered and licensed as a liability insurance company and authorized to engage in the insurance business under the laws of a state; or

(ii) 1. on or before December 31, 1984, was chartered or licensed and authorized to engage in the insurance business under the laws of Bermuda or the Cayman Islands and, on or before December 31, 1984, had certified to the insurance commissioner of at least one state that it satisfied the capitalization requirements of that state; and

2. has been engaged in business continuously since January 1, 1985 and only for the purpose of continuing to provide insurance to cover product liability or completed operations liability;

(5) that does not exclude a person from membership in the group solely to provide for members of the group a competitive advantage over that person;

(6) that:

(i) has as its members only persons that have an ownership interest in the group and has as its owners only persons that are members of the group and are provided insurance by the group; or

(ii) has as its sole owner an organization that:
1. has as its members only persons that are members of the group; and

2. has as its owners only persons that are members of the group and are provided insurance by the group;

(7) the members of which are engaged in businesses or activities that are similar or related with respect to the liability to which the members are exposed by virtue of related, similar, or common business, trade, products, services, premises, or operations;

(8) the activities of which do not include the provision of insurance other than:

(i) liability insurance for assuming and spreading all or part of the liability of its group members; and

(ii) reinsurance with respect to the liability of another risk retention group, or a member of the other risk retention group, that is engaged in businesses or activities so that the risk retention group or member meets the requirement of item (7) of this subsection of membership in the risk retention group that provides the reinsurance; and

(9) the name of which includes the phrase “risk retention group”.

[(k)] (N) (1) [“State”] EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, “STATE” means a state of the United States or the District of Columbia.

(2) WHEN CAPITALIZED, “STATE” MEANS MARYLAND.

25–102.

(a) A risk retention group that seeks to be chartered in the State:

(1) shall be chartered and licensed as a liability insurance company in conformance with all insurance laws and regulations of the State; and

(2) except as otherwise provided in this subtitle, shall comply with:

(i) all the laws, regulations, and requirements applicable to insurers chartered and licensed in the State; and

(ii) the requirements of § 25–103 of this subtitle, to the extent that those requirements are not a limitation on the laws, regulations, or requirements of the State.
(b) Before a risk retention group may offer insurance in a state, the risk retention group shall submit a plan of operation or feasibility study to the Commissioner for approval.

(2) Within 10 days of a change to an item of the plan of operation or feasibility study, the risk retention group shall submit to the Commissioner an appropriate revision of the plan of operation or feasibility study.

(3) A risk retention group may not offer additional lines of liability insurance in this State or in another state until a revision of the plan of operation or feasibility study is approved by the Commissioner.

(c) When a risk retention group files an application for charter, the risk retention group shall provide to the Commissioner the following information:

(1) the name of the risk retention group;

(2) the identity of the initial members of the risk retention group;

(3) the identity of the individuals who organized the risk retention group, or who will provide administrative services or otherwise influence or control the activities of the risk retention group;

(4) the amount and nature of initial capitalization;

(5) the coverages to be afforded; and

(6) the states in which the risk retention group intends to operate.

(d) On receipt of the information required by subsection (c) of this section, the Commissioner shall forward the information to the National Association of Insurance Commissioners.

(2) Providing notification to the National Association of Insurance Commissioners is in addition to and may not be sufficient to satisfy the other requirements of this subtitle.

(E) (1) The board of directors of the risk retention group shall have a majority of independent directors.

(2) If the risk retention group is a reciprocal:

(i) The attorney–in–fact shall be required to adhere to the same standards regarding independence of operation and governance that are imposed on the risk retention group’s board of directors or subscribers advisory committee; and
(II) TO THE EXTENT PERMISSIBLE UNDER STATE LAW, SERVICE PROVIDERS OF A RECIPROCAL RISK RETENTION GROUP:

1. SHALL CONTRACT WITH THE RISK RETENTION GROUP; AND

2. MAY NOT CONTRACT WITH THE ATTORNEY–IN–FACT.

(3) (I) A DIRECTOR QUALIFIES AS INDEPENDENT WHEN THE BOARD OF DIRECTORS AFFIRMATIVELY DETERMINES THAT THE DIRECTOR HAS NO MATERIAL RELATIONSHIP WITH THE RISK RETENTION GROUP.

(II) A PERSON THAT IS A DIRECT OR INDIRECT OWNER OF OR SUBSCRIBER IN THE RISK RETENTION GROUP, AS CONTEMPLATED BY 15 U.S.C. § 3901(a)(4)(e)(ii), THE FEDERAL LIABILITY RISK RETENTION ACT, OR THAT IS AN OFFICER, A DIRECTOR, OR AN EMPLOYEE OF THE OWNER OR INSURED, IS CONSIDERED TO BE INDEPENDENT UNLESS SOME OTHER POSITION OF THE OFFICER, DIRECTOR, OR EMPLOYEE CONSTITUTES A MATERIAL RELATIONSHIP.

(III) THE RISK RETENTION GROUP ANNUALLY SHALL DISCLOSE THE BOARD’S DETERMINATIONS TO THE COMMISSIONER.

(4) (I) FOR PURPOSES OF THIS SECTION, A PERSON IS DEEMED TO HAVE A MATERIAL RELATIONSHIP WITH A RISK RETENTION GROUP IF ANY OF THE FOLLOWING RECEIVE, IN ANY ONE 12–MONTH PERIOD, COMPENSATION, PAYMENT, OR ANY OTHER ITEM OF VALUE GREATER THAN OR EQUAL TO THE THRESHOLD VALUE DESCRIBED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH:

1. THE PERSON;

2. A MEMBER OF THE PERSON’S IMMEDIATE FAMILY;

3. ANY BUSINESS WITH WHICH THE PERSON IS AFFILIATED FROM THE RISK RETENTION GROUP; OR

4. A CONSULTANT OR SERVICE PROVIDER TO THE RISK RETENTION GROUP.

(II) THE THRESHOLD VALUE FOR DETERMINING WHETHER RECEIPT OF COMPENSATION, PAYMENT, OR ANY OTHER ITEM OF VALUE UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH DEMONSTRATES A MATERIAL RELATIONSHIP IS THE GREATER OF:
1. 5% of the Risk Retention Group’s gross written premium for the 12-month period; or

2. 2% of its surplus, as measured at the end of any fiscal quarter falling in the 12-month period.

(iii) In addition to the standard set under subparagraph (i) of this paragraph, the Board of Directors may determine that any other relationship of the person to the Risk Retention Group is a material relationship.

(iv) The person or immediate family member of the person is not independent until 1 year after the compensation, payment, or other item of value described in subparagraph (ii) of this paragraph received from the Risk Retention Group falls below the applicable threshold.

(v) A director who is affiliated with or employed in a professional capacity by a present or former internal or external auditor of the Risk Retention Group is not considered independent until 1 year after the end of the affiliation, employment, or auditing relationship.

(vi) A director or an immediate family member of a director who is employed as an executive officer of another company where any of the Risk Retention Group’s present executives serve on the Board of Directors is not considered independent until 1 year after the end of the service or the employment relationship.

(f) (1) In this subsection, “service provider” includes:

(I) A captive manager;

(II) An auditor;

(III) An accountant;

(IV) An actuary;

(V) An investment advisor;

(VI) A lawyer other than defense counsel that the Risk Retention Group retains to defend claims, unless the amount of fees
PAID TO THE LAWYER IS MATERIAL UNDER SUBSECTION (E)(4) OF THIS SECTION; AND

(VII) A MANAGING GENERAL UNDERWRITER OR OTHER PARTY RESPONSIBLE FOR UNDERWRITING, DETERMINING RATES, COLLECTING PREMIUM, ADJUSTING AND SETTLING CLAIMS, OR PREPARING FINANCIAL STATEMENTS.

(2) A MATERIAL SERVICE PROVIDER CONTRACT WITH THE RISK RETENTION GROUP:

(I) MAY NOT HAVE A TERM EXCEEDING 5 YEARS;

(II) SHALL REQUIRE THE ISSUANCE AND RENEWAL OF THE CONTRACT TO BE APPROVED BY A MAJORITY OF THE RISK RETENTION GROUP’S INDEPENDENT DIRECTORS;

(III) SHALL PROVIDE THAT THE RISK RETENTION GROUP’S BOARD OF DIRECTORS SHALL HAVE THE RIGHT TO TERMINATE ANY SERVICE PROVIDER CONTRACT, AUDIT CONTRACT, OR ACTUARIAL CONTRACT AT ANY TIME FOR CAUSE AFTER PROVIDING ADEQUATE NOTICE AS DEFINED IN THE CONTRACT; AND

(IV) SHALL BE DEEMED MATERIAL IF THE AMOUNT TO BE PAID FOR THE CONTRACT IS GREATER THAN OR EQUAL TO THE GREATER OF:

1. 5% OF THE RISK RETENTION GROUP’S ANNUAL GROSS WRITTEN PREMIUM; OR

2. 2% OF ITS SURPLUS.

(3) A RISK RETENTION GROUP MAY NOT ENTER INTO A SERVICE PROVIDER CONTRACT THAT INVOLVES A RELATIONSHIP THAT IS MATERIAL UNDER SUBSECTION (E)(4) OF THIS SECTION UNLESS:

(I) THE RISK RETENTION GROUP NOTIFIES THE COMMISSIONER IN WRITING OF ITS INTENTION TO ENTER INTO THE TRANSACTION AT LEAST 30 DAYS BEFORE THE TRANSACTION; AND

(II) THE COMMISSIONER HAS NOT DISAPPROVED THE TRANSACTION WITHIN THAT PERIOD.

(G) THE RISK RETENTION GROUP’S BOARD OF DIRECTORS SHALL ADOPT A WRITTEN POLICY IN THE PLAN OF OPERATION APPROVED BY THE BOARD THAT REQUIRES THE BOARD TO:
(1) ASSURE THAT ALL OWNERS AND INSUREDS OF THE RISK RETENTION GROUP RECEIVE EVIDENCE OF OWNERSHIP INTEREST;

(2) DEVELOP A SET OF GOVERNANCE STANDARDS APPLICABLE TO THE RISK RETENTION GROUP;

(3) OVERSEE THE EVALUATION OF THE RISK RETENTION GROUP’S MANAGEMENT, INCLUDING THE PERFORMANCE OF THE CAPTIVE MANAGER, MANAGING GENERAL UNDERWRITER, OR OTHER PARTY OR PARTIES RESPONSIBLE FOR UNDERWRITING, DETERMINING RATES, COLLECTING PREMIUM, ADJUSTING OR SETTLING CLAIMS, OR PREPARING FINANCIAL STATEMENTS;

(4) REVIEW AND APPROVE THE AMOUNT TO BE PAID FOR ALL MATERIAL SERVICE PROVIDERS; AND

(5) REVIEW AND APPROVE, AT LEAST ANNUALLY:

   (I) THE RISK RETENTION GROUP’S GOALS AND OBJECTIVES RELEVANT TO THE COMPENSATION OF OFFICERS AND SERVICE PROVIDERS;

   (II) THE OFFICERS’ AND SERVICE PROVIDERS’ PERFORMANCE IN LIGHT OF THOSE GOALS AND OBJECTIVES; AND

   (III) THE CONTINUED ENGAGEMENT OF THE OFFICERS AND MATERIAL SERVICE PROVIDERS.

(H) (1) THE RISK RETENTION GROUP SHALL HAVE AN AUDIT COMMITTEE.

   (2) THE AUDIT COMMITTEE SHALL BE COMPOSED OF AT LEAST THREE BOARD MEMBERS WHO HAVE BEEN DETERMINED TO BE INDEPENDENT UNDER SUBSECTION (E) OF THIS SECTION.

   (3) THE AUDIT COMMITTEE SHALL HAVE A WRITTEN ChARTER THAT DEFINES THE COMMITTEE’S PURPOSES, INCLUDING, AT A MINIMUM, TO:

   (I) ASSIST BOARD OVERSIGHT OF:

      1. THE INTEGRITY OF THE FINANCIAL STATEMENTS;

      2. THE COMPLIANCE WITH LEGAL AND REGULATORY REQUIREMENTS; AND
3. THE QUALIFICATIONS, INDEPENDENCE, AND PERFORMANCE OF THE INDEPENDENT AUDITOR AND ACTUARY;

(II) DISCUSS THE ANNUAL AUDITED FINANCIAL STATEMENTS AND QUARTERLY FINANCIAL STATEMENTS WITH MANAGEMENT;

(III) DISCUSS THE ANNUAL AUDITED FINANCIAL STATEMENTS WITH ITS INDEPENDENT AUDITOR AND, IF ADVISABLE, DISCUSS ITS QUARTERLY FINANCIAL STATEMENTS WITH ITS INDEPENDENT AUDITOR;

(IV) DISCUSS POLICIES WITH RESPECT TO RISK ASSESSMENT AND RISK MANAGEMENT;

(V) MEET SEPARATELY AND PERIODICALLY, EITHER DIRECTLY OR THROUGH A DESIGNATED REPRESENTATIVE OF THE COMMITTEE, WITH MANAGEMENT AND INDEPENDENT AUDITORS;

(VI) REVIEW WITH THE INDEPENDENT AUDITOR ANY AUDIT PROBLEMS OR DIFFICULTIES AND MANAGEMENT’S RESPONSE;

(VII) SET CLEAR HIRING POLICIES OF THE RISK RETENTION GROUP AS TO THE HIRING OF EMPLOYEES OR FORMER EMPLOYEES OF THE INDEPENDENT AUDITOR;

(VIII) REQUIRE THE EXTERNAL AUDITOR TO ROTATE THE LEAD OR COORDINATING AUDIT PARTNER HAVING PRIMARY RESPONSIBILITY FOR THE RISK RETENTION GROUP’S AUDIT AS WELL AS THE AUDIT PARTNER RESPONSIBLE FOR REVIEWING THAT AUDIT SO THAT NEITHER INDIVIDUAL PERFORMS AUDIT SERVICES FOR MORE THAN 5 CONSECUTIVE FISCAL YEARS; AND

(IX) REPORT REGULARLY TO THE BOARD OF DIRECTORS.

(4) A NONINDEPENDENT BOARD MEMBER MAY PARTICIPATE IN THE ACTIVITIES OF THE AUDIT COMMITTEE IF INVITED BY THE MEMBERS OF THE AUDIT COMMITTEE BUT MAY NOT BE A MEMBER OF THE AUDIT COMMITTEE.

(5) NOTWITHSTANDING PARAGRAPH (1) OF THIS SUBSECTION, THE COMMISSIONER MAY WAIVE THE REQUIREMENT TO ESTABLISH AN AUDIT COMMITTEE COMPOSED OF INDEPENDENT BOARD MEMBERS IF THE RISK RETENTION GROUP IS ABLE TO DEMONSTRATE TO THE COMMISSIONER THAT:

(I) IT IS IMPRACTICABLE TO DO SO; AND
(II) THE RISK RETENTION GROUP'S BOARD OF DIRECTORS ITSELF IS OTHERWISE ABLE TO ACCOMPLISH THE PURPOSES OF AN AUDIT COMMITTEE AS DESCRIBED IN PARAGRAPH (3) OF THIS SUBSECTION.

(I) (1) THE BOARD OF DIRECTORS SHALL ADOPT GOVERNANCE STANDARDS.

(2) THE GOVERNANCE STANDARDS SHALL INCLUDE:

   (I) A PROCESS BY WHICH THE DIRECTORS ARE ELECTED BY THE OWNERS OR INSUREDS;

   (II) DIRECTOR QUALIFICATION STANDARDS;

   (III) DIRECTOR RESPONSIBILITIES;

   (IV) DIRECTOR ACCESS TO MANAGEMENT AND, AS NECESSARY AND APPROPRIATE, INDEPENDENT ADVISORS;

   (V) DIRECTOR COMPENSATION;

   (VI) DIRECTOR ORIENTATION AND CONTINUING EDUCATION;

   (VII) THE POLICIES AND PROCEDURES THAT ARE FOLLOWED FOR MANAGEMENT SUCCESSION; AND

   (VIII) THE POLICIES AND PROCEDURES THAT ARE FOLLOWED FOR ANNUAL PERFORMANCE EVALUATION OF THE BOARD.

(3) THE BOARD OF DIRECTORS SHALL DISCLOSE THE GOVERNANCE STANDARDS:

   (I) BY ELECTRONIC MEANS, WHICH MAY INCLUDE POSTING ON THE RISK RETENTION GROUP'S WEBSITE, OR OTHER REASONABLE MEANS; AND

   (II) ON THE REQUEST OF MEMBERS AND INSUREDS.

(J) (1) THE BOARD OF DIRECTORS SHALL ADOPT A CODE OF BUSINESS CONDUCT AND ETHICS FOR DIRECTORS, OFFICERS, AND EMPLOYEES.

(2) THE CODE OF BUSINESS CONDUCT AND ETHICS SHALL INCLUDE PROVISIONS THAT ADDRESS:

   (I) CONFLICTS OF INTEREST;
(II) Matters Covered Under the Corporate Opportunities Doctrine;

(III) Confidentiality;

(IV) Fair Dealing;

(V) Protection and Proper Use of Risk Retention Group Assets;

(VI) Compliance with All Applicable Laws, Rules, and Regulations; and

(VII) Requiring the Reporting of Any Illegal or Unethical Behavior That Affects the Operation of the Risk Retention Group.

(3) The Board of Directors shall disclose the Code of Business Conduct and Ethics:

(I) By electronic means, which may include posting on the Risk Retention Group’s website, or other reasonable means; and

(II) On the request of members and insureds.

(4) Any waiver of the Code of Business Conduct and Ethics for any director or executive officer shall promptly be disclosed to the Board of Directors.

(K) The captive manager and the president or chief executive officer of the risk retention group shall promptly notify the Commissioner in writing if either becomes aware of any material noncompliance with any of the governance standards required under subsections (E) through (J) of this section.

25–103.

(a) A risk retention group that is chartered and licensed in a state other than this State and that seeks to do business as a risk retention group in this State shall comply with the requirements of this section.

(b) (1) Before a risk retention group offers insurance in this State, the risk retention group shall submit to the Commissioner:

(i) a statement that identifies:
1. the state or states in which the risk retention group is chartered and licensed as a liability insurance company;

2. the date of chartering and licensing;

3. the principal place of business of the risk retention group; and

4. any other information, including information on membership of the risk retention group, that the Commissioner requires to verify that the risk retention group qualifies as a risk retention group, as defined in § 25–101 of this subtitle;

(ii) subject to paragraphs (2) and (3) of this subsection, a copy of the plan of operation or feasibility study of the risk retention group and any revisions of the plan of operation or feasibility study submitted to the state in which the risk retention group is chartered and licensed;

(iii) a statement of registration that designates the Commissioner as its agent for service of legal process;

(iv) a copy of the financial statement of the risk retention group that:

1. was submitted to the state in which the risk retention group is chartered and licensed;

2. is certified by an independent certified public accountant; and

3. contains a statement of opinion on loss and loss adjustment expense reserves made by a member of the American Academy of Actuaries or a qualified loss reserve specialist;

(v) a copy of each examination of the risk retention group that is certified by the Commissioner or other public official that conducts the examination;

(vi) on request of the Commissioner, a copy of any information or document that relates to an outside audit performed with respect to the risk retention group; and

(vii) any other information that the Commissioner requires in order to verify the continuing qualification of the risk retention group as a risk retention group, as defined in § 25–101 of this subtitle.

(2) Subsection (b)(1)(ii) of this section does not apply to a line or classification of liability insurance that:
(i) was defined in the Product Liability Risk Retention Act of 1981 on or before October 26, 1986; and

(ii) was offered on or before October 26, 1986 by a risk retention group that had been chartered and operating for not less than 3 years on or before October 26, 1986.

(3) The risk retention group shall submit a copy of [a revision] ANY MATERIAL REVISION to its plan of operation or feasibility study EQUIVALENT TO THAT required by § 25–102 of this subtitle [at the same time that the revision is submitted to the commissioner of the chartering state of the risk retention group] WITHIN 30 DAYS AFTER THE DATE OF THE APPROVAL OF THE REVISION BY THE COMMISSIONER OF ITS CHARTERING STATE OR, IF THAT APPROVAL IS NOT REQUIRED, WITHIN 30 DAYS AFTER FILING.

(4) The Commissioner shall determine the filing fee for the statement of registration required by subsection (b)(1)(iii) of this section.

(c) (1) All premiums paid in this State to risk retention groups chartered in another state for coverages are subject to taxation at the same rate and are subject to the same interest, fines, and penalties for nonpayment as are foreign admitted insurers.

(2) Each risk retention group subject to this subsection is liable for the payment of premium taxes and taxes on premiums of direct business for risks resident or located in the State.

(3) On or before March 1 of each year, each risk retention group shall report all premiums paid to it for risks resident or located in the State.

(4) If the risk retention group fails to pay the specified taxes, the taxes shall be paid by each of the risk retention group’s members whose risks are resident or located in the State.

(d) Each risk retention group, and each agent or representative of a risk retention group, shall comply with Title 27, Subtitle 3 of this article.

(e) (1) Each risk retention group, and each agent or representative of a risk retention group, shall comply with all applicable insurance laws of the State regarding deceptive, false, or fraudulent acts or practices.

(2) The Commissioner may seek from a court an injunction regarding deceptive, false, or fraudulent acts or practices.

(f) (1) A risk retention group shall submit to an examination by the Commissioner to determine its financial condition if the insurance commissioner of the
jurisdiction in which the risk retention group is chartered and licensed has not initiated an examination or does not initiate an examination within 60 days after a request by the Commissioner.

(2) Each examination shall be coordinated to avoid unjustified repetition and conducted in an expeditious manner and in accordance with the National Association of Insurance Commissioners’ Examiner Handbook.

(g) Each application form for insurance from a risk retention group and each policy issued by a risk retention group for or on behalf of a resident of the State shall contain, in 10 point type on the front page and the declaration page, the following notice:

“Notice

This policy is issued by your risk retention group. Your risk retention group may not be subject to all of the insurance laws and regulations of your state. State insurance insolvency guaranty funds are not available for your risk retention group.”

(h) (1) A risk retention group may not solicit or sell insurance to a person that is not eligible for membership in the risk retention group.

(2) A risk retention group that is in a hazardous financial condition or is financially impaired may not solicit or sell insurance, or operate as a risk retention group.

(i) Unless a risk retention group is comprised entirely of insurance companies, the risk retention group may not conduct business in this State if an insurance company is directly or indirectly a member or owner of the risk retention group.

(j) A risk retention group may not offer coverage that is prohibited by this article or declared unlawful by the Court of Appeals of Maryland.

(k) If there has been a finding of financial impairment after an examination under subsection (f) of this section, a risk retention group that is not chartered in the State and that is doing business in the State shall comply with a lawful order issued in a voluntary dissolution proceeding or in a delinquency proceeding commenced by an insurance commissioner of a state.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2018.

Approved by the Governor, May 15, 2018.
AN ACT concerning

Charitable Organizations – Registration Late Fees – Distribution and Use

FOR the purpose of requiring certain late fees collected by the Secretary of State to be distributed to the Charitable Enforcement Fund, to be used to support the actions of the Secretary of State and the Attorney General to carry out certain duties relating to the protection of charitable assets and the enforcement of the Maryland Solicitations Act; making conforming changes; and generally relating to the distribution and use of registration late fees and charitable organizations.

BY repealing and reenacting, with amendments,

Article – Business Regulation
Section 6–407
Annotated Code of Maryland
(2015 Replacement Volume and 2017 Supplement)

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

Article – Business Regulation

6–407.

(a) A charitable organization that collects less than $25,000 in charitable contributions from the public in a year need not pay an annual fee, except that, if the charitable organization uses a professional solicitor, it shall pay an annual fee of $50.

(b) (1) Each charitable organization that submits a separate registration statement and collects at least $25,000 in charitable contributions from the public in a year shall pay an annual fee based on the charitable contributions collected.

(2) The annual fee shall be:

(i) $50, if charitable contributions from the public are at least $25,000 but less than $50,001;

(ii) $75, if charitable contributions from the public are at least $50,001 but less than $75,001;

(iii) $100, if charitable contributions from the public are at least $75,001 but less than $100,001;

(iv) $200, if charitable contributions from the public are at least $100,001 but less than $500,001; and
(v) $300, if charitable contributions from the public are at least $500,001.

(c) (1) An organization failing to file an annual report either by the end of the 6–month period after the end of the charitable organization’s fiscal year or within any period of extension granted shall pay, in addition to the annual fee, $25 for each month or part thereof after the date on which the annual report was due to be filed or after the period of extension granted for such filing.

(2) The late fee shall be assessed 60 days after:

(i) the end of the 6th month after the end of the fiscal year; or

(ii) the period of extension.

(3) Failure to remit an assessed late fee is a violation of this title.

(d) [Of the revenues collected from the annual fee under subsection (b)(2)(v) of this section, $100 of the annual fee paid by each charitable organization] The following revenues shall be distributed to the Charitable Enforcement Fund under Subtitle 2A of this title, to be used only to support the actions of the Secretary of State and the Attorney General in carrying out the duties of the Secretary of State and the Attorney General under this title and Title 6.5 of this article:

(1) $100 of the annual fee paid by each charitable organization under subsection (b)(2)(v) of this section; and

(2) The late fees collected under subsection (c) of this section.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2018.

Approved by the Governor, May 15, 2018.

Chapter 669

(Senate Bill 91)

AN ACT concerning

Juvenile Law – Disclosure of Court Records
FOR the purpose of establishing that a prohibition against the disclosure of court records pertaining to a certain child does not prohibit access to and confidential use of the court record by the Department of Human Services, local departments of social services, the Maryland Department of Health, or local health departments for certain purposes; requiring the Department of Human Services, local departments of social services, the Maryland Department of Health, and local health departments to keep certain disclosed records confidential in accordance with certain laws and policies; and generally relating to juvenile law and juvenile records.

BY repealing and reenacting, with amendments,
   Article – Courts and Judicial Proceedings
   Section 3–8A–27(b)
Annotated Code of Maryland
(2013 Replacement Volume and 2017 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

3–8A–27.

(b)  (1) A court record pertaining to a child is confidential and its contents may not be divulged, by subpoena or otherwise, except by order of the court upon good cause shown or as provided in §§ 7–303 and 22–309 of the Education Article.

(2) This subsection does not prohibit access to and the use of the court record or fingerprints of a child described under Title 10, Subtitle 2 of the Criminal Procedure Article in a proceeding in the court involving the child, by personnel of the court, the State’s Attorney, counsel for the child, a court–appointed special advocate for the child, or authorized personnel of the Department of Juvenile Services.

(3) (i) Except as provided in subparagraph (ii) of this paragraph, this subsection does not prohibit access to and confidential use of the court record or fingerprints of a child described under Title 10, Subtitle 2 of the Criminal Procedure Article by the Department of Juvenile Services or in an investigation and prosecution by a law enforcement agency.

(ii) The court record or fingerprints of a child described under §§ 10–215(a)(20) and (21), 10–216, and 10–220 of the Criminal Procedure Article may not be disclosed to:

1. A federal criminal justice agency or information center; or

2. Any law enforcement agency other than a law enforcement agency of the State or a political subdivision of the State.
The Department of Juvenile Services may provide access to and the confidential use of the court record of a child by an agency in the District of Columbia or a state agency in Delaware, Pennsylvania, Virginia, or West Virginia, if the agency:

1. Performs the same functions in the jurisdiction of the agency as described in § 9–216(a) of the Human Services Article; and

2. Has a reciprocal agreement with the State that provides that the specific information to be shared by the State is the same type of information that will be shared by the agency.

A record that is shared under this paragraph may only provide information that is relevant to the supervision, care, and treatment of the child.

The Department of Juvenile Services shall be liable for an unauthorized release of a court record under this paragraph.

The Department of Juvenile Services shall adopt regulations to implement this paragraph.

This subsection does not prohibit access to and use of a court record by a judicial officer who is authorized under the Maryland Rules to determine a defendant’s eligibility for pretrial release, counsel for the defendant, the State’s Attorney, or the Maryland Division of Pretrial Detention and Services if:

1. The individual who is the subject of the court record is charged as an adult with an offense;

2. The access to and use of the court record is strictly limited for the purpose of determining the defendant’s eligibility for pretrial release; and

3. The court record concerns an adjudication of delinquency that occurred within 3 years of the date the individual is charged as an adult.

The Court of Appeals may adopt rules to implement the provisions of this paragraph.

This subsection does not prohibit access to and confidential use of a court record by the Department of Human Services OR A LOCAL DEPARTMENT OF SOCIAL SERVICES for:

1. THE purpose of claiming federal Title IV–B and Title IV–E funds; OR

2. IF THE DEPARTMENT OF HUMAN SERVICES OR A LOCAL DEPARTMENT OF SOCIAL SERVICES IS PROVIDING SERVICES OR CARE FOR IN
COORDINATION WITH THE DEPARTMENT OF JUVENILE SERVICES TO A CHILD WHO IS THE SUBJECT OF THE RECORD, A PURPOSE RELEVANT TO THE PROVISION OF THE SERVICES OR CARE; OR

3. THE PURPOSE OF CONDUCTING AN INVESTIGATION OF CHILD ABUSE OR NEGLECT INVOLVING THE CHILD WHO IS THE SUBJECT OF THE RECORD.

(ii) The Department of Human Services shall be liable for the unauthorized release of a court record under this paragraph AND LOCAL DEPARTMENTS OF SOCIAL SERVICES SHALL KEEP A COURT RECORD OBTAINED UNDER THIS PARAGRAPH CONFIDENTIAL IN ACCORDANCE WITH THE LAWS AND POLICIES APPLICABLE TO THE DEPARTMENT OF HUMAN SERVICES AND LOCAL DEPARTMENTS OF SOCIAL SERVICES.

(7) (i) THIS SUBSECTION DOES NOT PROHIBIT ACCESS TO AND CONFIDENTIAL USE OF A COURT RECORD BY THE MARYLAND DEPARTMENT OF HEALTH OR A LOCAL HEALTH DEPARTMENT IF THE MARYLAND DEPARTMENT OF HEALTH OR A LOCAL HEALTH DEPARTMENT IS PROVIDING TREATMENT, SERVICES, OR CARE FOR IN COORDINATION WITH THE DEPARTMENT OF JUVENILE SERVICES TO A CHILD WHO IS THE SUBJECT OF THE RECORD, FOR A PURPOSE RELEVANT TO THE PROVISION OF THE TREATMENT, SERVICES, OR CARE.

(II) THE MARYLAND DEPARTMENT OF HEALTH AND LOCAL HEALTH DEPARTMENTS SHALL KEEP A COURT RECORD OBTAINED UNDER THIS PARAGRAPH CONFIDENTIAL IN ACCORDANCE WITH THE LAWS AND POLICIES APPLICABLE TO THE MARYLAND DEPARTMENT OF HEALTH AND LOCAL HEALTH DEPARTMENTS.

[(7)] (8) This subsection does not prohibit access to and confidential use of a court record by the Baltimore City Health Department’s Office of Youth Violence Prevention:

(i) If the Baltimore City Health Department’s Office of Youth Violence Prevention is providing treatment or care to a child who is the subject of the record, for a purpose relevant to the provision of the treatment or care;

(ii) If the record concerns a child convicted of a crime or adjudicated delinquent for an act that caused a death or near fatality; or

(iii) If the record concerns a victim of a crime of violence, as defined in § 14–101 of the Criminal Law Article, who is a child residing in Baltimore City, for the purpose of developing appropriate programs and policies aimed at reducing violence against children in Baltimore City.
This subsection does not prohibit access to and confidential use of a court record by the Baltimore City Mayor’s Office on Criminal Justice if the Baltimore City Mayor’s Office on Criminal Justice is providing programs and services in conjunction with the Baltimore Police Department to a child who is the subject of the record, for a purpose relevant to the provision of the programs and services and the development of a comprehensive treatment plan.

(i) The Baltimore City Health Department’s Office of Youth Violence Prevention or the Baltimore City Mayor’s Office on Criminal Justice shall be liable for the unauthorized release of a court record it accesses under this subsection.

(ii) Within 180 days after the Baltimore City Health Department’s Office of Youth Violence Prevention or the Baltimore City Mayor’s Office on Criminal Justice accesses a court record under this subsection, the Baltimore City Health Department’s Office of Youth Violence Prevention or the Baltimore City Mayor’s Office on Criminal Justice shall submit a report to the court detailing the purposes for which the record was used.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2018.

Approved by the Governor, May 15, 2018.

Chapter 670

(Senate Bill 94)

AN ACT concerning

Natural Resources – Unprotected Birds – Pigeons and Mammals

FOR the purpose of adding “pigeon” to the defined term “unprotected bird” for the purposes of the wildlife and hunting laws of the State; prohibiting a person from engaging in certain activity while hunting or pursuing unprotected birds or mammals; prohibiting a person from conducting or participating in a certain organized contest for which unprotected birds are launched in a certain manner as targets for contest participants; providing for the application of certain provisions of this Act; establishing a certain penalty for a violation of certain provisions of this Act; making a technical correction; and generally relating to unprotected birds.

BY repealing and reenacting, without amendments,

Article – Natural Resources

Section 10–101(a) and 10–401(a)

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

Article – Natural Resources


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

(u) “Unprotected bird” means any English sparrow [and], PIGEON, OR European starling or any part, egg, offspring, or dead body of any of them.

10–401.

(a) Except for unprotected birds and game birds hunted during open season, a person may not hunt, destroy, or possess in any manner any wild bird within the State whether killed in the State or in any other state, territory, or country.

10–410.

(q) A PERSON MAY NOT SHOOT AT A PIGEON FOR AMUSEMENT OR AS A TEST OF SKILL IN MARKSMANSHIP, WHERE PIGEONS ARE MANUALLY OR WITH ELECTRONIC OR MECHANICAL ASSISTANCE LAUNCHED OR OTHERWISE IMMEDIATELY PRESENTED TO THE SHOOTER FROM A FIXED LOCATION WITHIN A PREDEFINED SHOOTING FIELD.

10–424.

(A) While engaged in hunting or pursuing any wildlife OR UNPROTECTED BIRDS OR MAMMALS, a person may not:

(1) Carelessly or negligently shoot, wound, or kill another person; or
(2) Intentionally or willfully destroy or damage:

(i) Any real property, personal property, or farm livestock of another person; or

(ii) A domesticated animal that is in a safety zone established under § 10–410(g) of this subtitle.

(B) (1) A PERSON MAY NOT CONDUCT OR PARTICIPATE IN AN ORGANIZED CONTEST FOR PRIZES OR MONETARY AWARDS FOR WHICH UNPROTECTED BIRDS ARE LAUNCHED BY MECHANICAL OR MANUAL MEANS AS TARGETS FOR THE CONTEST PARTICIPANTS.

(2) THIS SUBSECTION DOES NOT APPLY:

(i) TO THE LETHAL TAKING OF UNPROTECTED BIRDS TO PROTECT OR MANAGE PUBLIC OR PRIVATE PROPERTY, DOMESTIC ANIMALS, LIVESTOCK, OR WILDLIFE; OR

(ii) DURING AN OTHERWISE AUTHORIZED HUNTING OR DOG TRAINING ACTIVITY.

(3) A PERSON IS SUBJECT TO A FINE OF $25 FOR EACH UNPROTECTED BIRD KILLED IN VIOLATION OF THIS SUBSECTION.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2018.

Approved by the Governor, May 15, 2018.

Chapter 671
(House Bill 190)

AN ACT concerning

Public Safety – Maryland Police Training and Standards Commission – Psychological Consultation and Evaluation

FOR the purpose of repealing the requirement that the Maryland Police Training and Standards Commission develop standards for the mandatory psychological evaluation of a certain law enforcement officer; requiring the Commission to develop standards for the mandatory psychological consultation with a certain law
altering a certain psychological evaluation requirement for police officer certification; repealing a requirement that a certain psychological evaluation for a police officer certification be conducted by a certain psychologist; and generally relating to the mental health of law enforcement officers.

BY repealing and reenacting, with amendments,

Article – Public Safety
Section 3–207(a)(21) and 3–209
Annotated Code of Maryland
(2011 Replacement Volume and 2017 Supplement)

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

Article – Public Safety

3–207.

(a) The Commission has the following powers and duties:

(21) to develop standards for the mandatory psychological evaluation of a law enforcement officer who was actively involved in an incident when another person was seriously injured or killed as a result of an accident or a shooting or has returned from combat deployment;

3–209.

(a) The Commission shall certify as a police officer each individual who:

(1) (i) satisfactorily meets the standards of the Commission; or

(ii) provides the Commission with sufficient evidence that the individual has satisfactorily completed a training program in another state of equal quality and content as required by the Commission;

(2) submits to a psychological evaluation by a psychologist approved by the Commission and receives a positive recommendation from the mental health professional indicating that the individual is:

(I) emotionally and mentally fit; and

(II) able to perform the duties of a police officer as determined by the respective law enforcement agency; and
(3) submits to a criminal history records check in accordance with § 3–209.1 of this subtitle.

(b) The Commission may certify as a police officer an individual who is not considered a police officer under § 3–201(f)(3) of this subtitle if the individual meets the selection and training standards of the Commission.

(c) Each certificate issued to a police officer under this subtitle remains the property of the Commission.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2018.

Approved by the Governor, May 15, 2018.
SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

**Article – Agriculture Land Use**

**TITLE 10.5. AGRITOURISM.**

**SUBTITLE 1. DEFINITION.**

10.5–101.

1–401.

(b) The following provisions of this division apply to a charter county:

(12) § 4–211 (AGRITOURISM):

[(12)] (13) § 5–102(d) (Subdivision regulations – Burial sites);

[(13)] (14) § 5–104 (Major subdivision – Review);

[(14)] (15) Title 7, Subtitle 1 (Development Mechanisms);

[(15)] (16) Title 7, Subtitle 2 (Transfer of Development Rights);

[(16)] (17) except in Montgomery County or Prince George’s County, Title 7, Subtitle 3 (Development Rights and Responsibilities Agreements);

[(17)] (18) Title 7, Subtitle 4 (Inclusionary Zoning);

[(18)] (19) § 8–401 (Conversion of overhead facilities);

[(19)] (20) for Baltimore County only, Title 9, Subtitle 3 (Single–County Provisions – Baltimore County);

[(20)] (21) for Frederick County only, Title 9, Subtitle 10 (Single–County Provisions – Frederick County);

[(21)] (22) for Howard County only, Title 9, Subtitle 13 (Single–County Provisions – Howard County);

[(22)] (23) for Talbot County only, Title 9, Subtitle 18 (Single–County Provisions – Talbot County); and

[(23)] (24) Title 11, Subtitle 2 (Civil Penalty).
4–211.  

(A) (1) IN THIS TITLE SECTION, “AGRITOURISM” MEANS AN ACTIVITY CONDUCTED ON A FARM THAT IS OFFERED TO A MEMBER OF THE GENERAL PUBLIC OR TO INVITED GUESTS FOR THE PURPOSE OF EDUCATION, RECREATION, OR ACTIVE INVOLVEMENT IN THE FARM OPERATION.

(B) (2) “AGRITOURISM” INCLUDES:

(1) (I) FARM TOURS;
(2) (II) HAYRIDES;
(3) (III) CORN MAZES;
(4) (IV) SEASONAL PETTING FARMS;
(5) (V) FARM MUSEUMS;
(6) (VI) GUEST FARMS;
(7) (VII) PUMPKIN PATCHES;
(8) (VIII) “PICK YOUR OWN” OR “CUT YOUR OWN” PRODUCE;
(9) (IX) CLASSES RELATED TO AGRICULTURAL PRODUCTS OR SKILLS; AND
(10) (X) PICNIC AND PARTY FACILITIES OFFERED IN CONJUNCTION WITH ANY AGRITOURISM ACTIVITY.

SUBTITLE 2. LOCAL ADOPTION.

10.5–201.  

(B) A LOCAL JURISDICTION MAY ADOPT THE DEFINITION OF “AGRITOURISM” AS DEFINED IN SUBTITLE 1 OF THIS TITLE THIS SECTION BY LOCAL ORDINANCE, RESOLUTION, LAW, OR RULE.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2018.

Approved by the Governor, May 15, 2018.
Chapter 673

(House Bill 694)

AN ACT concerning

Public Safety – Building Codes – Transfer of Administration to Department of Labor, Licensing, and Regulation

FOR the purpose of transferring certain responsibilities relating to the administration of certain statewide building codes from the Department of Housing and Community Development to the Department of Labor, Licensing, and Regulation; providing for the transfer of certain functions, powers, and duties of the Department of Housing and Community Development on a certain date; providing for the transfer of certain employees to the Department of Labor, Licensing, and Regulation without diminution of certain rights, benefits, or employment or retirement status; providing that this Act may not be construed to diminish certain powers or duties of the Department of Housing and Community Development; providing for the transfer of certain records, credits, assets, liabilities, obligations, rights, privileges, and appropriations to the Department of Labor, Licensing, and Regulation on a certain date; providing for the continuity of the status of certain laws, regulations, standards, guidelines, policies, orders, directives, forms, plans, memberships, contracts, property, investigations, rights, duties, and responsibilities; requiring the publisher of the Annotated Code of Maryland, in consultation with and subject to the approval of the Department of Legislative Services, to correct any cross-references or terminology rendered incorrect by certain Acts and to describe any such corrections in an editor’s note following the section affected; and generally relating to building codes.

BY repealing and reenacting, with amendments,

Article – Housing and Community Development
Section 3–103
Annotated Code of Maryland
(2006 Volume and 2017 Supplement)

BY repealing and reenacting, without amendments,

Article – Public Safety
Section 12–201(a)(1), 12–202(a)(1), 12–203(a)(1), 12–204(g)(1), 12–301(a), 12–401(a), 12–501(a), 12–1001(a), and 12–1003(a)
Annotated Code of Maryland
(2011 Replacement Volume and 2017 Supplement)

BY repealing and reenacting, with amendments,

Article – Public Safety
Section 12–201(a)(2), 12–202(a)(2), 12–203(a)(2), 12–204(c), (e)(1), and (g)(2), 12–301(b), 12–401(c), 12–501(c), 12–1001(e), and 12–1003(g)(1)
SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

**Article – Housing and Community Development**

3–103.

The Division includes:

1. the Maryland Housing Fund, a governmental unit of the Department;

AND

2. loan asset management for the Department;

3. the administration of statewide building and material codes established under Title 12, Subtitles 2, 3, 4, 5, and 10 of the Public Safety Article.

**Article – Public Safety**

12–201.

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

(2) “Department” means the Department of [Housing and Community Development] LABOR, LICENSING, AND REGULATION.

12–202.

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

(2) “Department” means the Department of [Housing and Community Development] LABOR, LICENSING, AND REGULATION.

12–203.

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

(2) “Department” means the Department of [Housing and Community Development] LABOR, LICENSING, AND REGULATION.

12–204.

(c) In conjunction with the Department of Natural Resources, the Department of
[Housing and Community Development] LABOR, LICENSING, AND REGULATION shall develop guidelines for recommended illumination levels in existing public buildings in the State 6 months after ASHRAE 100 standards are adopted.

(e) (1) In conjunction with the Department of Natural Resources, the Department of [Housing and Community Development] LABOR, LICENSING, AND REGULATION shall provide training to local jurisdictions on the application of the guidelines.

(g) (1) There is an advisory commission on energy conservation in buildings.

(2) The commission consists of 15 members appointed by the Secretary of [Housing and Community Development] LABOR, LICENSING, AND REGULATION.

12–301.

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

(b) “Department” means the Department of [Housing and Community Development] LABOR, LICENSING, AND REGULATION.

12–401.

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

(c) “Department” means the Department of [Housing and Community Development] LABOR, LICENSING, AND REGULATION.

12–501.

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

(c) “Department” means the Department of [Housing and Community Development] LABOR, LICENSING, AND REGULATION.

12–1001.

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

(e) “Department” means the Department of [Housing and Community Development] LABOR, LICENSING, AND REGULATION.

12–1003.

(a) There is a Maryland Building Rehabilitation Code Advisory Council.
(g) (1) The Secretary of [Housing and Community Development] LABOR, LICENSING, AND REGULATION shall appoint the Director of the Council.

SECTION 2. AND BE IT FURTHER ENACTED, That the functions, powers, and duties of the Department of Housing and Community Development relating exclusively to the administration of statewide building and material codes established under Title 12, Subtitles 2, 3, 4, 5, and 10 of the Public Safety Article shall be transferred from the Department of Housing and Community Development to the Department of Labor, Licensing, and Regulation on the effective date of this Act.

SECTION 3. AND BE IT FURTHER ENACTED, That all employees who are transferred to the Department of Labor, Licensing, and Regulation as a result of this Act shall be transferred on the effective date of this Act without any diminution of their rights, including collective bargaining rights, benefits, or employment or retirement status.

SECTION 4. AND BE IT FURTHER ENACTED, That all of the records, credits, assets, liabilities, obligations, rights, and privileges held by the Department of Housing and Community Development solely to carry out the responsibilities, authority, and functions transferred under this Act shall be transferred to the Department of Labor, Licensing, and Regulation on the effective date of this Act.

SECTION 5. AND BE IT FURTHER ENACTED, That, except as otherwise provided by law, all existing laws, regulations, proposed regulations, standards and guidelines, policies, orders and other directives, forms, plans, memberships, contracts, property, investigations, administrative and judicial responsibilities, rights to sue and be sued, and all other duties and responsibilities associated with the functions of the Division of Credit Assurance and the programs that are the subject of this Act prior to the effective date of this Act shall continue in effect under the Department of Labor, Licensing, and Regulation until completed, withdrawn, canceled, modified, or otherwise changed under the law.

SECTION 6. AND BE IT FURTHER ENACTED, That all appropriations, including State and federal funds, held by the Department of Housing and Community Development to carry out the exclusive functions of the Department of Housing and Community Development or any other program transferred under this Act shall be transferred to the Department of Labor, Licensing, and Regulation on the effective date of this Act.

SECTION 7. 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 any other Act of the General Assembly of 2018 that affects provisions enacted by this Act. The publisher shall adequately describe any such corrections in an editor’s note following the section affected.

SECTION 8. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2018.
AN ACT concerning
city of Annapolis – alcoholic beverages – bookstore license

FOR the purpose of establishing a bookstore beer and wine license in the City of Annapolis; authorizing the Board of License Commissioners to issue the license to a certain establishment; specifying that the license authorizes the license holder to sell beer and wine to a bookstore customer for on-premises consumption during certain events; prohibiting the average daily receipts from the sale of alcoholic beverages at the bookstore from exceeding a certain amount; prohibiting the transfer of the license to another location; providing that the license holder is subject to certain alcohol awareness training requirements; providing for an annual fee; and generally relating to alcoholic beverages licenses in the City of Annapolis.

BY repealing and reenacting, without amendments,
Article – Alcoholic Beverages
Section 10–102
Annotated Code of Maryland
(2016 Volume and 2017 Supplement)

BY adding to
Article – Alcoholic Beverages
Section 10–1001
Annotated Code of Maryland
(2016 Volume and 2017 Supplement)

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

Article – Alcoholic Beverages

10–102.

This title applies only in the City of Annapolis.

10–1001.

(A) THERE IS A BOOKSTORE BEER AND WINE LICENSE.
(B) THE BOARD MAY ISSUE THE LICENSE FOR USE BY AN ESTABLISHMENT COMMONLY KNOWN AS A BOOKSTORE THAT DERIVES AT LEAST 70% OF ITS REVENUE, MEASURED BY AVERAGE DAILY RECEIPTS, FROM THE SALE OF BOOKS.

(C) THE LICENSE AUTHORIZES THE LICENSE HOLDER TO SELL BEER AND WINE TO A BOOKSTORE CUSTOMER FOR CONSUMPTION IN THE BOOKSTORE DURING A PUBLIC LECTURE, READING, DISCUSSION, OR SIMILAR BOOKSTORE EVENT.

(D) THE AVERAGE DAILY RECEIPTS FROM THE SALE OF ALCOHOLIC BEVERAGES AT THE BOOKSTORE MAY NOT EXCEED 17% OF AVERAGE DAILY RECEIPTS OF THE BUSINESS.

(E) THE LICENSE MAY NOT BE TRANSFERRED TO ANOTHER LOCATION.

(F) THE LICENSE HOLDER IS SUBJECT TO THE ALCOHOL AWARENESS TRAINING REQUIREMENTS UNDER § 4–505 OF THIS ARTICLE.

(G) THE ANNUAL LICENSE FEE IS $200.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2018.

Approved by the Governor, May 15, 2018.

Chapter 675

(Senate Bill 1176)

AN ACT concerning

Housing Commission of Anne Arundel County – Terms

FOR the purpose of altering the terms of the members of the Housing Commission of Anne Arundel County; providing for the termination of the terms of certain members of the Housing Commission of Anne Arundel County; and generally relating to the Housing Commission of Anne Arundel County.

BY repealing and reenacting, with amendments,

Article – Housing and Community Development
Section 14–103
Annotated Code of Maryland
(2006 Volume and 2017 Supplement)
SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

Article – Housing and Community Development

14–103.

(a) The Housing Commission of Anne Arundel County consists of seven Commissioners, appointed by the County Executive.

(b) The term of a Commissioner is [5] 4 years COTERMINOUS WITH THAT OF THE COUNTY EXECUTIVE.

(c) The terms of the Commissioners are staggered as required by the terms provided for Commissioners of the Housing Commission of Anne Arundel County on October 1, 2006.

(d) A Commissioner who is appointed after a term has begun serves only for the rest of the term and until a successor is appointed and qualifies.

SECTION 2. AND BE IT FURTHER ENACTED, That the terms of the members serving on the Housing Commission of Anne Arundel County on the effective date of this Act shall expire at the end of December 1, 2018.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2018.

Approved by the Governor, May 15, 2018.

Chapter 676

(House Bill 710)

AN ACT concerning

Consumer Protection – Credit Report Security Freezes – Notice and Fees

FOR the purpose of prohibiting a consumer reporting agency from charging a fee for the placement of a security freeze requested by a consumer or a certain consumer representative under certain circumstances; prohibiting a consumer reporting agency from charging a fee for the temporary lift or removal of a security freeze that has been placed on the consumer’s credit report; altering the contents of a certain notice that must be included with a certain summary of rights provided to a consumer; and generally relating to credit report security freezes.
BY repealing and reenacting, with amendments,
Article – Commercial Law
Section 14–1212.1(i) and (j), 14–1212.2(g) 14–1212.2(c)(1), (g), and (i), and 14–1212.3(i)
Annotated Code of Maryland
(2013 Replacement Volume and 2017 Supplement)

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

Article – Commercial Law

14–1212.1.

(i)  (1) Except as provided in paragraph (2) of this subsection, a consumer may not be charged for any service relating to a security freeze.

(2) A consumer reporting agency may charge a reasonable fee, not exceeding $5, for each placement, temporary lift, or removal of a security freeze.

(ii) Notwithstanding paragraph (2) of this subsection, a consumer reporting agency may not charge any fee under this section to a consumer who:

(i) 1. Has obtained a report of alleged identity fraud against the consumer under § 8–304 of the Criminal Law Article or an identity theft passport under § 8–305 of the Criminal Law Article; and

2. Provides a copy of the report or passport to the consumer reporting agency; or

(ii) Requests the placement of a security freeze if the consumer has not previously requested the placement of a security freeze from the consumer reporting agency DURING THE CURRENT CALENDAR YEAR.

(j) At any time that a consumer is entitled to receive a summary of rights under § 609 of the federal Fair Credit Reporting Act or § 14–1206 of this subtitle, the following notice shall be included:

“NOTICE

You have a right, under § 14–1212.1 of the Commercial Law Article of the Annotated Code of Maryland, to place a security freeze on your credit report. The security freeze will prohibit a consumer reporting agency from releasing your credit report or any information derived from your credit report without your express authorization. The purpose of a security freeze is to prevent credit, loans, and services from being approved in your name without your consent. A CONSUMER REPORTING AGENCY MAY NOT CHARGE YOU A FEE
FOR ANY SERVICE RELATING TO A SECURITY FREEZE, INCLUDING FOR ANY PLACEMENT, TEMPORARY LIFT, OR REMOVAL OF A SECURITY FREEZE.

You may elect to have a consumer reporting agency place a security freeze on your credit report by written request sent by certified mail or by electronic mail or the Internet if the consumer reporting agency provides a secure electronic connection. The consumer reporting agency must place a security freeze on your credit report within 3 business days after your request is received. Within 5 business days after a security freeze is placed on your credit report, you will be provided with a unique personal identification number or password to use if you want to remove the security freeze or temporarily lift the security freeze to release your credit report to a specific person or for a specific period of time. You also will receive information on the procedures for removing or temporarily lifting a security freeze.

If you want to temporarily lift the security freeze on your credit report, you must contact the consumer reporting agency and provide all of the following:

(1) The unique personal identification number or password provided by the consumer reporting agency;

(2) The proper identifying information to verify your identity; and

(3) The proper information regarding the person who is to receive the credit report or the period of time for which the credit report is to be available to users of the credit report.

A consumer reporting agency must comply with a request to temporarily lift a security freeze on a credit report within 3 business days after the request is received, or within 15 minutes for certain requests. A consumer reporting agency must comply with a request to remove a security freeze on a credit report within 3 business days after the request is received.

If you are actively seeking credit, you should be aware that the procedures involved in lifting a security freeze may slow your own applications for credit. You should plan ahead and lift a security freeze, either completely if you are seeking credit from a number of sources, or just for a specific creditor if you are applying only to that creditor, a few days before actually applying for new credit.

A consumer reporting agency may charge a reasonable fee not exceeding $5 for each placement[, temporary lift, or removal] of a security freeze. However, a consumer reporting agency may not charge any fee to a consumer who, at the time of a request to place[, temporarily lift, or remove] a security freeze, presents to the consumer reporting agency a police report of alleged identity fraud against the consumer or an identity theft passport. A consumer reporting agency also may not charge any fee to a consumer for the first placement of a security freeze [with the consumer reporting agency] ON THE CONSUMER’S
CREDIT REPORT IN A CALENDAR YEAR, OR FOR THE TEMPORARY LIFT OR REMOVAL OF A SECURITY FREEZE.

A security freeze does not apply if you have an existing account relationship and a copy of your credit report is requested by your existing creditor or its agents or affiliates for certain types of account review, collection, fraud control, or similar activities.”

14–1212.2.

(c) (1) A consumer reporting agency shall place a security freeze for a protected consumer if:

(i) The consumer reporting agency receives a request from the protected consumer’s representative for the placement of the security freeze under this section; and

(ii) The protected consumer’s representative:

1. Submits the request to the consumer reporting agency at the address or other point of contact and in the manner specified by the consumer reporting agency;

2. Provides to the consumer reporting agency sufficient proof of identification of the protected consumer and the representative; AND

3. Provides to the consumer reporting agency sufficient proof of authority to act on behalf of the protected consumer; and

4. Pays to the consumer reporting agency a fee as provided in subsection (i) of this section.

(g) If a protected consumer or a protected consumer’s representative wishes to remove a security freeze for the protected consumer, the protected consumer or the protected consumer’s representative shall:

(1) Submit a request for the removal of the security freeze to the consumer reporting agency at the address or other point of contact and in the manner specified by the consumer reporting agency; AND

(2) Provide to the consumer reporting agency:

(i) In the case of a request by the protected consumer:

1. Proof that the sufficient proof of authority for the protected consumer’s representative to act on behalf of the protected consumer is no longer valid; and
2. Sufficient proof of identification of the protected consumer; or
   
   (ii) In the case of a request by the representative of a protected consumer:
       
       1. Sufficient proof of identification of the protected consumer and the representative; and
       
       2. Sufficient proof of authority to act on behalf of the protected consumer; and

(3) Pay to the consumer reporting agency a fee as provided in subsection (i) of this section.

(i) Except as provided in paragraph (2) of this subsection, a consumer reporting agency may not charge a fee for any service performed under this section.

(2) A consumer reporting agency may charge a reasonable fee, not exceeding $5, for each placement or removal of a security freeze for a protected consumer.

(2) Notwithstanding paragraph (2) of this subsection, a consumer reporting agency may not charge any fee under this section if:

(i) The protected consumer’s representative:

   1. A. Has obtained a report of alleged identity fraud against the protected consumer under § 8–304 of the Criminal Law Article or an identity theft passport under § 8–305 of the Criminal Law Article; and
   
   [2.] B. Provides a copy of the report or passport to the consumer reporting agency; or

   2. Requests the placement of a security freeze and the protected consumer’s representative has not previously requested the placement of a security freeze on the protected consumer’s credit report from the consumer reporting agency during the calendar year; or

(ii) 1. A request for the placement or removal of a security freeze is for a protected consumer who is under the age of 16 years at the time of the request; and

   2. The consumer reporting agency has a consumer report pertaining to the protected consumer.
14–1212.3.

(i) A consumer reporting agency may charge a reasonable fee, not exceeding $5, for each placement or removal of a security freeze for a protected consumer under this section.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2018.

Approved by the Governor, May 15, 2018.

Chapter 677
(Senate Bill 202)

AN ACT concerning Consumer Protection – Credit Report Security Freezes – Notice and Fees

FOR the purpose of prohibiting a consumer reporting agency from charging a fee for the placement of a security freeze requested by a consumer or a certain consumer representative under certain circumstances; prohibiting a consumer reporting agency from charging a fee for the temporary lift or removal of a security freeze that has been placed on the consumer’s credit report; altering the contents of a certain notice that must be included with a certain summary of rights provided to a consumer; and generally relating to credit report security freezes.

BY repealing and reenacting, with amendments,

Article – Commercial Law

Section 14–1212.1(i) and (j), 14–1212.2(g), 14–1212.2(c)(1), (g), and (i), and 14–1212.3(i)

Annotated Code of Maryland
(2013 Replacement Volume and 2017 Supplement)

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

Article – Commercial Law

14–1212.1.

(i) Except as provided in paragraph (2) of this subsection, a consumer may not be charged for any service relating to a security freeze.
A consumer reporting agency may charge a reasonable fee, not exceeding $5, for each placement, temporary lift, or removal of a security freeze.

Notwithstanding paragraph (2) of this subsection, a consumer reporting agency may not charge any fee under this section to a consumer who:

(i) Has obtained a report of alleged identity fraud against the consumer under § 8–304 of the Criminal Law Article or an identity theft passport under § 8–305 of the Criminal Law Article; and

(ii) Requests the placement of a security freeze if the consumer has not previously requested the placement of a security freeze from the consumer reporting agency DURING THE CURRENT CALENDAR YEAR.

(j) At any time that a consumer is entitled to receive a summary of rights under § 609 of the federal Fair Credit Reporting Act or § 14–1206 of this subtitle, the following notice shall be included:

"NOTICE

You have a right, under § 14–1212.1 of the Commercial Law Article of the Annotated Code of Maryland, to place a security freeze on your credit report. The security freeze will prohibit a consumer reporting agency from releasing your credit report or any information derived from your credit report without your express authorization. The purpose of a security freeze is to prevent credit, loans, and services from being approved in your name without your consent. **A CONSUMER REPORTING AGENCY MAY NOT CHARGE YOU A FEE FOR ANY SERVICE RELATING TO A SECURITY FREEZE, INCLUDING FOR ANY PLACEMENT, TEMPORARY LIFT, OR REMOVAL OF A SECURITY FREEZE.**

You may elect to have a consumer reporting agency place a security freeze on your credit report by written request sent by certified mail or by electronic mail or the Internet if the consumer reporting agency provides a secure electronic connection. The consumer reporting agency must place a security freeze on your credit report within 3 business days after your request is received. Within 5 business days after a security freeze is placed on your credit report, you will be provided with a unique personal identification number or password to use if you want to remove the security freeze or temporarily lift the security freeze to release your credit report to a specific person or for a specific period of time. You also will receive information on the procedures for removing or temporarily lifting a security freeze.

If you want to temporarily lift the security freeze on your credit report, you must contact the consumer reporting agency and provide all of the following:
(1) The unique personal identification number or password provided by the consumer reporting agency;

(2) The proper identifying information to verify your identity; and

(3) The proper information regarding the person who is to receive the credit report or the period of time for which the credit report is to be available to users of the credit report.

A consumer reporting agency must comply with a request to temporarily lift a security freeze on a credit report within 3 business days after the request is received, or within 15 minutes for certain requests. A consumer reporting agency must comply with a request to remove a security freeze on a credit report within 3 business days after the request is received.

If you are actively seeking credit, you should be aware that the procedures involved in lifting a security freeze may slow your own applications for credit. You should plan ahead and lift a security freeze, either completely if you are seeking credit from a number of sources, or just for a specific creditor if you are applying only to that creditor, a few days before actually applying for new credit.

A consumer reporting agency may charge a reasonable fee not exceeding $5 for each placement, temporary lift, or removal of a security freeze. However, a consumer reporting agency may not charge any fee to a consumer who, at the time of a request to place, temporarily lift, or remove a security freeze, presents to the consumer reporting agency a police report of alleged identity fraud against the consumer or an identity theft passport. A consumer reporting agency also may not charge any fee to a consumer for the first placement of a security freeze with the consumer reporting agency ON THE CONSUMER’S CREDIT REPORT IN A CALENDAR YEAR, OR FOR THE TEMPORARY LIFT OR REMOVAL OF A SECURITY FREEZE.

A security freeze does not apply if you have an existing account relationship and a copy of your credit report is requested by your existing creditor or its agents or affiliates for certain types of account review, collection, fraud control, or similar activities.”

14–1212.2.

(c) (1) A consumer reporting agency shall place a security freeze for a protected consumer if:

(i) The consumer reporting agency receives a request from the protected consumer’s representative for the placement of the security freeze under this section; and

(ii) The protected consumer’s representative:
1. Submits the request to the consumer reporting agency at the address or other point of contact and in the manner specified by the consumer reporting agency;

2. Provides to the consumer reporting agency sufficient proof of identification of the protected consumer and the representative; AND

3. Provides to the consumer reporting agency sufficient proof of authority to act on behalf of the protected consumer; and

4. Pays to the consumer reporting agency a fee as provided in subsection (i) of this section.

(g) If a protected consumer or a protected consumer’s representative wishes to remove a security freeze for the protected consumer, the protected consumer or the protected consumer’s representative shall:

(1) Submit a request for the removal of the security freeze to the consumer reporting agency at the address or other point of contact and in the manner specified by the consumer reporting agency; AND

(2) Provide to the consumer reporting agency:

(i) In the case of a request by the protected consumer:

1. Proof that the sufficient proof of authority for the protected consumer’s representative to act on behalf of the protected consumer is no longer valid; and

2. Sufficient proof of identification of the protected consumer;

or

(ii) In the case of a request by the representative of a protected consumer:

1. Sufficient proof of identification of the protected consumer and the representative; and

2. Sufficient proof of authority to act on behalf of the protected consumer; and

(3) Pay to the consumer reporting agency a fee as provided in subsection (i) of this section.

(i) Except as provided in paragraph (2) of this subsection, a consumer reporting agency may not charge a fee for any service performed under this section.
Chapter 678

(2) A consumer reporting agency may charge a reasonable fee, not exceeding $5, for each placement [or removal] of a security freeze for a protected consumer.

(3) Notwithstanding paragraph (2) of this subsection, a consumer reporting agency may not charge any fee under this section if:

(i) The protected consumer’s representative:

1. A. Has obtained a report of alleged identity fraud against the protected consumer under § 8–304 of the Criminal Law Article or an identity theft passport under § 8–305 of the Criminal Law Article; and

2. B. Provides a copy of the report or passport to the consumer reporting agency; or

2. REQUESTS THE PLACEMENT OF A SECURITY FREEZE AND THE PROTECTED CONSUMER’S REPRESENTATIVE HAS NOT PREVIOUSLY REQUESTED THE PLACEMENT OF A SECURITY FREEZE ON THE PROTECTED CONSUMER’S CREDIT REPORT FROM THE CONSUMER REPORTING AGENCY DURING THE CALENDAR YEAR; OR

(ii) 1. A request for the placement or removal of a security freeze is for a protected consumer who is under the age of 16 years at the time of the request; and

2. The consumer reporting agency has a consumer report pertaining to the protected consumer.

14–1212.3.

(i) A consumer reporting agency may charge a reasonable fee, not exceeding $5, for each placement [or removal] of a security freeze for a protected consumer NOT CHARGE A FEE FOR ANY SERVICE PERFORMED under this section.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2018.

Approved by the Governor, May 15, 2018.

Chapter 678

(Senate Bill 751)
AN ACT concerning

Vehicle Laws – HOV Lanes – Plug-In Electric Drive and Hybrid Vehicles

FOR the purpose of extending the termination date for certain provisions of law authorizing certain hybrid vehicles to use a certain high occupancy vehicle (HOV) lane regardless of the number of passengers under certain circumstances; extending the termination date for certain provisions of law making certain requirements regarding the use of HOV lanes by plug–in electric drive vehicles applicable to qualified hybrid vehicles; extending the termination date for the exemption allowing the use of HOV lanes by plug–in electric drive vehicles; and generally relating to the use of HOV lanes by plug–in electric drive and hybrid vehicles.

BY repealing and reenacting, without amendments,
Article – Transportation
Section 25–108
Annotated Code of Maryland
(2012 Replacement Volume and 2017 Supplement)

BY repealing and reenacting, with amendments,
Section 2

BY repealing and reenacting, with amendments,
Section 2

BY repealing and reenacting, with amendments,
Section 4

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

Article – Transportation

25–108.

(a) In this section, “HOV lane” means a high occupancy vehicle lane, the use of which is restricted by a traffic control device during specified times to vehicles carrying at least a specified number of occupants.

(b) This section applies only to:
(1) A plug–in electric drive vehicle that has a maximum speed capability of at least 65 miles per hour; and

(2) A qualified hybrid vehicle as defined in § 23–202(b)(3) of this article.

c) (1) Whenever the State Highway Administration designates a portion of a highway as an HOV lane, the HOV lane may be used at all times by plug–in electric drive vehicles that have obtained a permit from the Administration under this section, regardless of the number of passengers in the vehicle.

(2) For the portion of U.S. Route 50 designated as an HOV lane, between Interstate 95/Interstate 495 and U.S. Route 301, the HOV lane may be used at all times by qualified hybrid vehicles that have obtained a permit from the Administration under this section, regardless of the number of passengers in the vehicle.

d) (1) The Administration, the State Highway Administration, and the Department of State Police shall consult to design a permit to designate a vehicle as a plug–in electric drive vehicle or a qualified hybrid vehicle authorized to use an HOV lane.

(2) The Administration may charge a fee, not to exceed $20, for issuing a permit under this section.

(3) The Administration, on the recommendation of the State Highway Administration, may limit the number of permits issued to ensure HOV lane operations are not degraded to an unacceptable level.

e) On or before January 1 of each year, the Administration and the State Highway Administration jointly shall report to the Governor and, in accordance with § 2–1246 of the State Government Article, the General Assembly on the effect of the use of the plug–in electric drive vehicle and qualified hybrid vehicle permits issued under this section on the operation of HOV lanes in the State.


SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2010. It shall remain effective for a period of [8] 12 years and, at the end of September 30, [2018] 2022, with no further action required by the General Assembly, this Act shall by abrogated and of no further force and effect.


SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2010. It shall remain effective for a period of [8] 12 years and, at the end of September 30, [2018] 2022, with no further action required by the General Assembly, this
Act shall be abrogated and of no further force and effect.

Chapter 734 of the Acts of 2016

SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2016. Section 2 of this Act shall remain effective for a period of [2] 6 years and, at the end of September 30, [2018] 2022, 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. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2018.

Approved by the Governor, May 15, 2018.

Chapter 679

(House Bill 714)

AN ACT concerning

Vehicle Laws – HOV Lanes – Plug-In Electric Drive and Hybrid Vehicles

FOR the purpose of extending the termination date for certain provisions of law authorizing certain hybrid vehicles to use a certain high occupancy vehicle (HOV) lane regardless of the number of passengers under certain circumstances; extending the termination date for certain provisions of law making certain requirements regarding the use of HOV lanes by plug-in electric drive vehicles applicable to qualified hybrid vehicles; extending the termination date for the exemption allowing the use of HOV lanes by plug-in electric drive vehicles; and generally relating to the use of HOV lanes by plug-in electric drive and hybrid vehicles.

BY repealing and reenacting, without amendments,
Article – Transportation
Section 25–108
Annotated Code of Maryland
(2012 Replacement Volume and 2017 Supplement)

BY repealing and reenacting, with amendments,
Section 2

BY repealing and reenacting, with amendments,
Chapter 492 of the Acts of the General Assembly of 2010, as amended by Chapters

Section 2

BY repealing and reenacting, with amendments,
Section 4

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

Article – Transportation

25–108.

(a) In this section, “HOV lane” means a high occupancy vehicle lane, the use of which is restricted by a traffic control device during specified times to vehicles carrying at least a specified number of occupants.

(b) This section applies only to:

(1) A plug–in electric drive vehicle that has a maximum speed capability of at least 65 miles per hour; and

(2) A qualified hybrid vehicle as defined in § 23–202(b)(3) of this article.

(c) (1) Whenever the State Highway Administration designates a portion of a highway as an HOV lane, the HOV lane may be used at all times by plug–in electric drive vehicles that have obtained a permit from the Administration under this section, regardless of the number of passengers in the vehicle.

(2) For the portion of U.S. Route 50 designated as an HOV lane, between Interstate 95/Interstate 495 and U.S. Route 301, the HOV lane may be used at all times by qualified hybrid vehicles that have obtained a permit from the Administration under this section, regardless of the number of passengers in the vehicle.

(d) (1) The Administration, the State Highway Administration, and the Department of State Police shall consult to design a permit to designate a vehicle as a plug–in electric drive vehicle or a qualified hybrid vehicle authorized to use an HOV lane.

(2) The Administration may charge a fee, not to exceed $20, for issuing a permit under this section.

(3) The Administration, on the recommendation of the State Highway Administration, may limit the number of permits issued to ensure HOV lane operations are not degraded to an unacceptable level.
(e) On or before January 1 of each year, the Administration and the State Highway Administration jointly shall report to the Governor and, in accordance with § 2–1246 of the State Government Article, the General Assembly on the effect of the use of the plug–in electric drive vehicle and qualified hybrid vehicle permits issued under this section on the operation of HOV lanes in the State.


SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2010. It shall remain effective for a period of [8] 12 years and, at the end of September 30, [2018] 2022, with no further action required by the General Assembly, this Act shall by abrogated and of no further force and effect.


SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2010. It shall remain effective for a period of [8] 12 years and, at the end of September 30, [2018] 2022, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.

Chapter 734 of the Acts of 2016

SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2016. Section 2 of this Act shall remain effective for a period of [2] 6 years and, at the end of September 30, [2018] 2022, 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. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2018.

Approved by the Governor, May 15, 2018.

Chapter 680

(House Bill 1481)

AN ACT concerning

Real Property – New Home Sales – Information on Energy–Efficient Options

FOR the purpose of requiring a home builder registrant to provide a purchaser with certain information on energy–efficient options available for installation in a new home
under certain circumstances; requiring a contract for the initial sale of a new home to contain a certain acknowledgment that the purchaser was provided with certain information about energy–efficient options; and generally relating to new home sales and energy–efficient options for the home.

BY repealing and reenacting, with amendments,

Article – Business Regulation
Section 4.5–603
Annotated Code of Maryland
(2015 Replacement Volume and 2017 Supplement)

BY adding to

Article – Real Property
Section 14–117(m)
Annotated Code of Maryland
(2015 Replacement Volume and 2017 Supplement)

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

Article – Business Regulation

4.5–603.

(A) (1) **This subsection applies only to a development that contains 11 or more new homes to be built by the same registrant.**

(2) **Prior to the execution of any contract for the initial sale of a new home, a registrant shall provide the purchaser with written information about any energy–efficient options, including a statement that tax credits may be available related to the energy–efficient options, that are available for installation in the home before construction of the home is completed.**

(B) A registrant shall include in any contract for the initial sale of a new home the information required under § 14–117(a)(3) [and], (i), AND (M) of the Real Property Article, if applicable.

Article – Real Property

14–117.

(M) (1) **This subsection applies only to a development that contains 11 or more new homes to be built by the same home builder.**

(2) A contract for the initial sale of a new home, as defined
IN THE MARYLAND HOME BUILDER REGISTRATION ACT, SHALL CONTAIN AN ACKNOWLEDGMENT THAT THE PURCHASER WAS PROVIDED BY THE HOME BUILDER WITH WRITTEN INFORMATION ABOUT ANY ENERGY–EFFICIENT OPTIONS, INCLUDING A STATEMENT THAT TAX CREDITS MAY BE AVAILABLE RELATED TO THE ENERGY–EFFICIENT OPTIONS, THAT ARE AVAILABLE FOR INSTALLATION IN THE HOME BEFORE CONSTRUCTION OF THE HOME IS COMPLETED.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2018.

Approved by the Governor, May 15, 2018.

Chapter 681
(Senate Bill 648)

AN ACT concerning

Real Property – New Home Sales – Information on Energy–Efficient Options

FOR the purpose of requiring a home builder registrant to provide a purchaser with certain information on energy–efficient options available for installation in a new home under certain circumstances; requiring a contract for the initial sale of a new home to contain a certain acknowledgment that the purchaser was provided with certain information about energy–efficient options; and generally relating to new home sales and energy–efficient options for the home.

BY repealing and reenacting, with amendments,
Article – Business Regulation
Section 4.5–603
Annotated Code of Maryland
(2015 Replacement Volume and 2017 Supplement)

BY adding to
Article – Real Property
Section 14–117(m)
Annotated Code of Maryland
(2015 Replacement Volume and 2017 Supplement)

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

Article – Business Regulation
3446

(A) (1) THIS SUBSECTION APPLIES ONLY TO A DEVELOPMENT THAT CONTAINS 11 OR MORE NEW HOMES TO BE BUILT BY THE SAME REGISTRANT.

(2) PRIOR TO THE EXECUTION OF ANY CONTRACT FOR THE INITIAL SALE OF A NEW HOME, A REGISTRANT SHALL PROVIDE THE PURCHASER WITH WRITTEN INFORMATION ABOUT ANY ENERGY–EFFICIENT OPTIONS, INCLUDING A STATEMENT THAT TAX CREDITS MAY BE AVAILABLE RELATED TO THE ENERGY–EFFICIENT OPTIONS, THAT ARE AVAILABLE FOR INSTALLATION IN THE HOME BEFORE CONSTRUCTION OF THE HOME IS COMPLETED.

(B) A registrant shall include in any contract for the initial sale of a new home the information required under § 14–117(a)(3) and (i), AND (M) of the Real Property Article, if applicable.

Article – Real Property

14–117.

(M) (1) THIS SUBSECTION APPLIES ONLY TO A DEVELOPMENT THAT CONTAINS 11 OR MORE NEW HOMES TO BE BUILT BY THE SAME HOME BUILDER.

(2) A CONTRACT FOR THE INITIAL SALE OF A NEW HOME, AS DEFINED IN THE MARYLAND HOME BUILDER REGISTRATION ACT, SHALL CONTAIN AN ACKNOWLEDGMENT THAT THE PURCHASER WAS PROVIDED BY THE HOME BUILDER WITH WRITTEN INFORMATION ABOUT ANY ENERGY–EFFICIENT OPTIONS, INCLUDING A STATEMENT THAT TAX CREDITS MAY BE AVAILABLE RELATED TO THE ENERGY–EFFICIENT OPTIONS, THAT ARE AVAILABLE FOR INSTALLATION IN THE HOME BEFORE CONSTRUCTION OF THE HOME IS COMPLETED.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2018.

Approved by the Governor, May 15, 2018.

Chapter 682

(Senate Bill 864)

AN ACT concerning
Health – Emergency Evaluatees and Involuntarily Admitted or Committed Individuals – Procedures

FOR the purpose of requiring a health care provider to disclose certain directory information about a patient to a certain division in the Office of the Public Defender under certain circumstances; requiring a health care provider to disclose certain directory information under a certain provision of this Act regardless of whether the request refers to the patient by name; requiring a health care provider to disclose a certain medical record and legal records without the authorization of a person in interest an individual to legal counsel for the patient a public defender who states in writing that the Office of the Public Defender represents the individual or recipient in connection with or for use in certain proceedings; requiring that certain records be provided within a certain time period and only under certain circumstances; requiring a certain emergency facility to notify a certain division in the Office in a certain manner and within a certain time period of the acceptance completion of an application for the involuntary admission of an emergency evaluate into the facility; providing that a certain notice requirement does not apply to a certain patient; prohibiting a hearing officer from ordering the release of a certain individual on the certain grounds that the emergency facility did not provide certain notice; requiring that notice be given to a certain division in the Office of a certain admission of an individual into a certain facility or hospital within a certain period of time after the admission of the individual into the facility or hospital; requiring a certain individual who has been involuntarily admitted to a certain facility or a certain hospital to be evaluated by certain staff within a certain time period before a certain hearing; requiring a certain facility to notify a certain division in the Office in a certain manner of a certain admission of an individual into the facility within a certain period of time after a certain change in the admission status of the individual; defining certain terms; making conforming and stylistic changes; and generally relating to the procedures related to emergency evaluatees and involuntarily admitted or committed individuals.

BY repealing and reenacting, with amendments,

Article – Health – General
Section 4–302(c), 4–306(b)(11) and (12), 4–307(k)(1)(v) and (vi), 10–624, 4–306(c), 10–625, 10–631(b), 10–632, and 10–803
Annotated Code of Maryland
(2015 Replacement Volume and 2017 Supplement)

BY adding to

Article – Health – General
Section 4–306(b)(13), 4–307(l)(1)(vii), and 10–632(h) 4–306(c) and 4–307(l)
Annotated Code of Maryland
(2015 Replacement Volume and 2017 Supplement)

BY repealing and reenacting, without amendments,

Article – Health – General
Section 10–631(a)
Annotated Code of Maryland
(2015 Replacement Volume and 2017 Supplement)

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

Article - Health - General

4–302.

(e) (1) (I) Unless the patient has restricted or prohibited the disclosure of directory information, AND SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, a health care provider may disclose directory information about a patient to an individual who has asked for the patient by name:

(2) (II) A health care provider shall:

(i) 1. Inform a patient of the health care information that the health care provider may include in a directory and the persons to whom the health care provider may disclose the information; and

(ii) 2. As soon as practicable, provide the patient with the opportunity to restrict or prohibit disclosure of directory information.

(3) (III) If providing an opportunity under [paragraph (2)(ii) of this subsection] SUBPARAGRAPH (II)2 OF THIS PARAGRAPH to restrict or prohibit the disclosure of directory information is not practicable because of the patient’s incapacity or need for emergency care or treatment, a health care provider may disclose the patient’s directory information if the disclosure is:

(i) 1. Consistent with a prior expressed preference of the patient that is known to the health care provider; and

(ii) 2. Determined to be, based on the health care provider’s professional judgment, in the patient’s best interest.

(2) (I) A HEALTH CARE PROVIDER SHALL DISCLOSE DIRECTORY INFORMATION ABOUT A PATIENT TO THE MENTAL HEALTH DIVISION IN THE OFFICE OF THE PUBLIC DEFENDER IF THE PATIENT IS:

1. INVOLUNTARILY ADMITTED TO THE HEALTH CARE FACILITY UNDER TITLE 10, SUBTITLE 6 OF THIS ARTICLE; OR

2. ADMITTED TO THE HEALTH CARE FACILITY AS A COMMITTED PERSON UNDER TITLE 3 OF THE CRIMINAL PROCEDURE ARTICLE.
(II) A HEALTH CARE PROVIDER SHALL DISCLOSE DIRECTORY INFORMATION ABOUT A PATIENT UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH REGARDLESS OF WHETHER THE REQUEST REFER TO THE PATIENT BY NAME.

4–306.

(b) A health care provider shall disclose a medical record without the authorization of a person in interest:

(11) To a local drug overdose fatality review team established under Title 5, Subtitle 9 of this article as necessary to carry out its official functions, subject to:

(i) The additional limitations under § 4–307 of this subtitle for disclosure of a medical record developed primarily in connection with the provision of mental health services; and

(ii) Any additional limitations for disclosure or redisclosure of a medical record developed in connection with the provision of substance abuse treatment services under State law or 42 U.S.C. § 290DD–2 and 42 C.F.R. Part 2; [or]

(12) To a guardian ad litem appointed by a court to protect the best interests of a minor or a disabled or elderly individual who is a victim of a crime or a delinquent act, for the sole purpose and use of the guardian ad litem in carrying out the guardian ad litem’s official function to protect the best interests of the minor or the disabled or elderly individual in a criminal or juvenile delinquency court proceeding as permitted under 42 C.F.R. § 164.512(e); OR

(13) TO LEGAL COUNSEL FOR THE PATIENT OR RECIPIENT IN CONNECTION WITH OR FOR USE IN:

(C) (1) Subject to paragraphs (2) through (4) of this subsection, a health care provider shall disclose medical and legal records without the authorization of an individual to a public defender who states in writing that the Office of the Public Defender represents the individual in:

(I) An involuntary admission proceeding under Title 10, Subtitle 6 of this article;

(II) A release proceeding under Title 10, Subtitle 8 of this article; OR

(III) A commitment or release proceeding under Title 3 of the Criminal Procedure Article.
(2) **Legal records required to be disclosed under paragraph (1) of this subsection include:**

(1) An emergency petition;

(II) An application for involuntary admission; and

(III) A certification for involuntary admission.

(3) **The records disclosed under paragraph (1) of this subsection shall be limited to those records needed by the public defender to represent the individual in the proceedings listed in paragraph (1) of this subsection.**

(4) **Records provided under paragraph (1)(I) of this subsection shall be provided:**

(1) Within 24 hours after the certification of involuntary admission, health care provider receives a written request for the records from the public defender; and

(II) Only if the individual has not yet retained private counsel.

[(c)] (D) When a disclosure is sought under this section:

(1) A written request for disclosure or written confirmation by the health care provider of an oral request that justifies the need for disclosure shall be inserted in the medical record of the patient or recipient; and

(2) Documentation of the disclosure shall be inserted in the medical record of the patient or recipient.

4–307.

(κ) (1) A health care provider shall disclose a medical record without the authorization of a person in interest:

(ν) In accordance with a subpoena for medical records on specific recipients:

1. To health professional licensing and disciplinary boards for the sole purpose of an investigation regarding licensure, certification, or discipline of a health professional or the improper practice of a health profession; and
2. To grand juries, prosecution agencies, and law enforcement agencies under the supervision of prosecution agencies for the sole purposes of investigation and prosecution of a provider for theft and fraud, related offenses, obstruction of justice, perjury, unlawful distribution of controlled substances, and of any criminal assault, neglect, patient abuse or sexual offense committed by the provider against a recipient, provided that the prosecution or law enforcement agency shall:

A. Have written procedures which shall be developed in consultation with the Director to maintain the medical records in a secure manner so as to protect the confidentiality of the records, and

B. In a criminal proceeding against a provider, to the maximum extent possible, remove and protect recipient identifying information from the medical records used in the proceeding; or

(vi) In the event of the death of a recipient, to the office of the medical examiner as authorized under § 5–309 or § 10–713 of this article; OR

(vii) TO LEGAL COUNSEL FOR THE RECIPIENT IN CONNECTION WITH OR FOR USE IN:

(L) (1) **Subject to paragraphs (2) through (4) of this subsection, a health care provider shall disclose medical and legal records without the authorization of an individual to a public defender who states in writing that the Office of the Public Defender represents the individual in:**

1. (I) An involuntary admission proceeding under Title 10, Subtitle 6 of this article;

2. (II) A release proceeding under Title 10, Subtitle 8 of this article; or

3. (III) A certification for involuntary admission.

(2) **Legal records required to be disclosed under paragraph (1) of this subsection include:**

(I) An emergency petition;

(II) An application for involuntary admission; and

(III) A certification for involuntary admission.
(3) The records disclosed under paragraph (1) of this subsection shall be limited to those records needed by the public defender to represent the individual in the proceedings listed in paragraph (1) of this subsection.

(4) Records provided under paragraph (1)(i) of this subsection shall be provided:

   (I) within 24 hours after the certification of involuntary admission health care provider receives a written request for the records from the public defender; and

   (II) only if the individual has not yet retained private counsel.

10–624.

(a) (1) A peace officer shall take an emergency evaluee to the nearest emergency facility if the peace officer has a petition under Part IV of this subtitle that:

   (i) has been endorsed by a court within the last 5 days; or

   (ii) is signed and submitted by a physician, psychologist, clinical social worker, licensed clinical professional counselor, clinical nurse specialist in psychiatric and mental health nursing, psychiatric nurse practitioner, licensed clinical marriage and family therapist, health officer or designee of a health officer, or peace officer.

(2) After a peace officer takes the emergency evaluee to an emergency facility, the peace officer need not stay unless, because the emergency evaluee is violent, a physician asks the supervisor of the peace officer to have the peace officer stay.

(2) A peace officer shall stay until the supervisor responds to the request for assistance. If the emergency evaluee is violent, the supervisor shall allow the peace officer to stay.

(4) If a physician asks that a peace officer stay, a physician shall examine the emergency evaluee as promptly as possible.

(b) (1) (I) If the petition is executed properly, the emergency facility shall accept the emergency evaluee.

10–625.

(a) If an emergency evaluee meets the requirements for an involuntary admission and is unable or unwilling to agree to a voluntary admission under this subtitle, the examining physician shall take the steps needed for involuntary admission of the
emergency evaluatee to an appropriate facility, which may be a general hospital with a licensed inpatient psychiatric unit.

(b) (1) If the examining physician is unable to have the emergency evaluatee admitted to a facility, the physician shall notify the Department.

(2) Within 6 hours after notification, the Department shall provide for admission of the emergency evaluatee to an appropriate facility.

(ii) (c) (1) Within 24 30 hours after the emergency facility accepts the emergency evaluatee, the emergency facility completes an application for the involuntary admission of an emergency evaluatee, the emergency facility shall notify the Mental Health Division in the Office of the Public Defender, by e-mail or facsimile, of the acceptance of the emergency evaluatee into the emergency facility completion of the application.

(2) The notice required under paragraph (1) of this subsection shall include any legal documents relating to the acceptance of the emergency evaluatee into the emergency facility, including the emergency petition, application for involuntary admission, and certification for involuntary admission.

(3) A hearing officer may not order the release of an individual who meets the requirements for involuntary admission on the grounds that the emergency facility did not notify the Office of the Public Defender of the certification of the emergency evaluatee for involuntary admission within 30 hours after the emergency facility completes the application for involuntary admission as required under paragraph (1) of this subsection.

(4) The notice required under paragraph (1) of this subsection does not apply to a patient who agrees to voluntary admission.

(2) Within 6 hours after an emergency evaluatee is brought to an emergency facility, a physician shall examine the emergency evaluatee, to determine whether the emergency evaluatee meets the requirements for involuntary admission.

(2) Promptly after the examination, the emergency evaluatee shall be released unless the emergency evaluatee:

(i) Asks for voluntary admission; or

(ii) Meets the requirements for involuntary admission.
(4) An emergency evaluate may not be kept at an emergency facility for more than 30 hours.

10–631.

(a) The Administration shall prepare and provide each facility with standard forms that provide, in clear and simple words, at least the following information:

(1) Notice of the admission of the individual;

(2) The right of the individual to consult with a lawyer that the individual chooses;

(3) The availability of the services of the legal aid bureaus, lawyer referral services, and other agencies that exist for the referral of individuals who need legal counsel;

(4) The right of the individual to call or write a lawyer or a referral agency or to have someone do so on behalf of the individual; and

(5) In substance:

(i) Those provisions of this subtitle under which the individual is admitted;

(ii) The provisions of this section; and

(iii) The provisions of Subtitle 7 of this title.

(b) (1) Within 12 hours after initial confinement of an individual to any facility or a Veterans' Administration hospital, the form provided for in this section shall be read and given to the individual.

(2) If the individual does not understand the notice required by this section and its legal effect, the notice also shall be given to:

(i) The parent, guardian, or next of kin of the individual;

(ii) The applicant for an involuntary admission of the individual; and

(iii) Any other individual who has a significant interest in the status of the individual.

(3) In any event, if possible, notice of the admission shall be given to the parent, guardian, or next of kin of the individual.
Notice of the admission of a minor shall be given as promptly as possible.

(5) **Within 24 hours after the admission of the individual, notice of the admission shall be given to the Mental Health Division in the Office of the Public Defender.**

10–632.

(II) (1) (i) In this subsection the following words have the meanings indicated.

(II) "Geriatric Evaluation Services Staff" means the staff of county health departments who evaluate the appropriateness of admission to facilities or Veterans’ Administration hospitals of individuals at least 65 years old.

(III) "Semiannual hearing" means a semiannual hearing scheduled by a facility or Veterans’ Administration hospital to determine whether an individual who has been admitted involuntarily to the facility or hospital continues to meet the requirements for involuntary admission under § 10–617 of this subtitle.

(2) An individual who has been admitted involuntarily under Part III of this subtitle and is at least 65 years old shall be evaluated by Geriatric Evaluation Services staff within 2 weeks before a semiannual hearing is held by the facility or Veterans’ Administration hospital.

10–632.

(a) Any individual proposed for involuntary admission under Part III of this subtitle shall be afforded a hearing to determine whether the individual is to be admitted to a facility or a Veterans’ Administration hospital as an involuntary patient or released without being admitted.

(b) The hearing shall be conducted within 10 days of the date of the initial confinement of the individual.

(c) (1) The hearing may be postponed for good cause for no more than 7 days, and the reasons for the postponement shall be on the record.

(2) A decision shall be made within the time period provided in paragraph (1) of this subsection.
(d) The Secretary shall:

(1) Adopt rules and regulations on hearing procedures; and

(2) Designate an impartial hearing officer to conduct the hearings.

(e) The hearing officer shall:

(1) Consider all the evidence and testimony of record; and

(2) Order the release of the individual from the facility unless the record demonstrates by clear and convincing evidence that at the time of the hearing each of the following elements exist as to the individual whose involuntary admission is sought:

(i) The individual has a mental disorder;

(ii) The individual needs in-patient care or treatment;

(iii) The individual presents a danger to the life or safety of the individual or of others;

(iv) The individual is unable or unwilling to be voluntarily admitted to the facility;

(v) There is no available less restrictive form of intervention that is consistent with the welfare and safety of the individual; and

(vi) If the individual is 65 years old or older and is to be admitted to a State facility, the individual has been evaluated by a geriatric evaluation team and no less restrictive form of care or treatment was determined by the team to be appropriate.

(F) A HEARING OFFICER MAY NOT ORDER THE RELEASE OF AN INDIVIDUAL WHO MEETS THE REQUIREMENTS FOR INVOLUNTARY ADMISSION UNDER SUBSECTION (E)(2) OF THIS SECTION ON THE GROUNDS THAT A HEALTH CARE PROVIDER OR AN EMERGENCY OR OTHER FACILITY DID NOT COMPLY WITH DISCLOSURE OR NOTICE REQUIREMENTS UNDER § 10–625(C) OR § 10–631(B)(5) OF THIS SUBTITLE, § 10–803(B)(2) OF THIS TITLE, OR § 4–306(C) OR § 4–307(L) OF THIS ARTICLE.

(f) The parent, guardian, or next of kin of an individual involuntarily admitted under this subtitle:

(1) Shall be given notice of the hearing on the admission; and

(2) May testify at the hearing.
Chapter 683

(Senate Bill 835)

AN ACT concerning

If a hearing officer enters an order for involuntary commitment under Part III of this subtitle and the hearing officer determines that the individual cannot safely possess a firearm based on credible evidence of dangerousness to others, the hearing officer shall order the individual who is subject to the involuntary commitment to:

(1) Surrender to law enforcement authorities any firearms in the individual’s possession; and

(2) Refrain from possessing a firearm unless the individual is granted relief from firearms disqualification in accordance with § 5–133.3 of the Public Safety Article.

(a) An individual who is admitted voluntarily to a facility, on an informal request, may leave the facility at any time between 9 a.m. and 4 p.m., unless the admission status of the individual has been changed to an involuntary admission.

(b) (1) An individual who has been admitted voluntarily, under a formal written application, may not be held for more than 3 days after the individual asks for release, unless the admission status of the individual has been changed to an involuntary admission.

(2) IF THE ADMISSION STATUS OF THE INDIVIDUAL IS CHANGED FROM A VOLUNTARY TO AN INVOLUNTARY ADMISSION, THE FACILITY SHALL NOTIFY THE MENTAL HEALTH DIVISION IN THE OFFICE OF THE PUBLIC DEFENDER, BY E–MAIL OR FACSIMILE, OF THE INVOLUNTARY ADMISSION WITHIN 24 HOURS AFTER THE CHANGE IN ADMISSION STATUS IS MADE.

(c) A minor who has been admitted voluntarily, on the application of a parent or guardian of the minor, may not be held for more than 3 days after the applicant for the admission asks for release, unless the admission status of the minor has been changed to an involuntary admission.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2018.

Approved by the Governor, May 15, 2018.
Maryland Medical Assistance Program – Collaborative Care Pilot Program

FOR the purpose of establishing the Collaborative Care Pilot Program in the Maryland Department of Health; providing for the purpose of the Pilot Program; requiring the Department to administer the Pilot Program, select up to a certain number of sites with certain characteristics to participate in the Pilot Program, provide funding to sites participating in the Pilot Program for certain purposes, collaborate with stakeholders for certain purposes, collect certain data for a certain purpose, apply to a certain federal agency for a certain waiver under a certain circumstance, and report to the Governor and the General Assembly certain findings and recommendations on or before a certain date; requiring certain sites to ensure that treatment services, prescriptions, and care management that would be provided to certain individuals are not duplicative of certain services; requiring the Governor to include in the annual budget for certain fiscal years a certain appropriation for the Pilot Program; defining certain terms; providing for the construction of this Act; providing for the termination of this Act; and generally relating to the Collaborative Care Pilot Program.

BY adding to
Article – Health – General
Section 15–140
Annotated Code of Maryland
(2015 Replacement Volume and 2017 Supplement)

Preamble

WHEREAS, One in five Americans experienced mental illness in the past year, but only 25% of these individuals received effective mental health care; and

WHEREAS, Many of the individuals who experienced mental illness, but did not receive effective mental health care, received care in primary care settings, which is the usual setting in which a majority of individuals receive mental health care; and

WHEREAS, Three decades of research and over 80 randomized control trials have identified one model in particular, the Collaborative Care Model, as being effective in delivering care for substance use and mental health treatment in primary care settings; and

WHEREAS, The Collaborative Care Model consists of three core elements delivered in the primary care practice: care coordination and management; regular, proactive outcome monitoring and treatment for outcome targets using standardized outcome measurement rating scales and electronic tools, such as patient tracking; and regular systematic psychiatric caseload reviews and consultation with a psychiatrist or other psychiatric provider; and

WHEREAS, Economic studies demonstrate that the Collaborative Care Model saves money, with a recent actuarial analysis estimating savings of 5% to 10% of total health care costs for individuals with behavioral health conditions; and
WHEREAS, The Centers for Medicare and Medicaid Services approved reimbursement codes for the Collaborative Care Model in its 2017 Medicare Physician Fee Schedule; and

WHEREAS, Given the potential of the Collaborative Care Model to control costs, improve access and clinical outcomes, and increase patient satisfaction, the Maryland Department of Health indicated its interest in moving forward with a pilot program in its January 2017 response to the Joint Chairmen’s Report on Opportunities to Adopt Collaborative Care in the HealthChoice Program; now, therefore,

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

Article – Health – General

15–140.

(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(2) “COLLABORATIVE CARE MODEL” MEANS AN EVIDENCE–BASED APPROACH FOR INTEGRATING SOMATIC AND BEHAVIORAL HEALTH SERVICES IN PRIMARY CARE SETTINGS THAT INCLUDES:

(I) CARE COORDINATION AND MANAGEMENT;

(II) REGULAR, PROACTIVE OUTCOME MONITORING AND TREATMENT FOR OUTCOME TARGETS USING STANDARDIZED OUTCOME MEASUREMENT RATING SCALES AND ELECTRONIC TOOLS, SUCH AS PATIENT TRACKING; AND

(III) REGULAR SYSTEMATIC PSYCHIATRIC AND SUBSTANCE USE DISORDER CASELOAD REVIEWS AND CONSULTATION WITH A PSYCHIATRIST OR ANY OTHER PSYCHIATRIC PROVIDER, AN ADDICTION MEDICINE SPECIALIST, OR ANY OTHER BEHAVIORAL HEALTH MEDICINE SPECIALIST AS ALLOWED UNDER FEDERAL REGULATIONS GOVERNING THE MODEL.

(3) “PILOT PROGRAM” MEANS THE COLLABORATIVE CARE PILOT PROGRAM.

(B) THIS SECTION MAY NOT BE CONSTRUED TO PROHIBIT REFERRALS FROM A PRIMARY CARE PROVIDER TO A SPECIALTY BEHAVIORAL HEALTH CARE PROVIDER.
(C) There is a Collaborative Care Pilot Program in the Department.

(D) The purpose of the Pilot Program is to establish and implement a Collaborative Care Model in primary care settings in which health care services are provided to Program recipients enrolled in HealthChoice.

(E) The Department shall administer the Pilot Program.

(F) (1) The Department shall select up to three sites at which a Collaborative Care Model shall be established over a 4–year period.

(2) The sites selected by the Department shall be adult or pediatric nonspecialty medical practices or health systems that serve a significant number of Program recipients.

(3) To the extent practicable, one of the sites selected by the Department under paragraph (1) of this subsection shall be located in a rural area of the State.

(G) The sites selected by the Department under subsection (f) of this section shall ensure that treatment services, prescriptions, and care management that would be provided to an individual under the Pilot Program are not duplicative of specialty behavioral health care services being received by the individual.

(H) The Department shall provide funding to sites participating in the Pilot Program for:

(1) Infrastructure development, including the development of a patient registry and other monitoring, reporting, and billing tools required to implement a Collaborative Care Model;

(2) Training staff to implement the Collaborative Care Model;

(3) Staffing for care management and psychiatric consultation provided under the Collaborative Care Model; and

(4) Other purposes necessary to implement and evaluate the Collaborative Care Model.
THE DEPARTMENT SHALL COLLECT:

1. COLLABORATE WITH STAKEHOLDERS IN THE DEVELOPMENT, IMPLEMENTATION, AND OUTCOME MONITORING OF THE PILOT PROGRAM; AND

2. COLLECT OUTCOMES DATA ON RECIPIENTS OF HEALTH CARE SERVICES UNDER THE PILOT PROGRAM TO:

   (1) EVALUATE THE EFFECTIVENESS OF THE COLLABORATIVE CARE MODEL, INCLUDING BY EVALUATING THE NUMBER OF AND OUTCOMES FOR INDIVIDUALS WHO:

       1. WERE NOT DIAGNOSED AS HAVING A BEHAVIORAL HEALTH CONDITION BEFORE RECEIVING TREATMENT THROUGH THE PILOT PROGRAM;

       2. WERE NOT DIAGNOSED AS HAVING A BEHAVIORAL HEALTH CONDITION BEFORE BEING REFERRED TO AND TREATED BY A SPECIALTY BEHAVIORAL HEALTH PROVIDER;

       3. RECEIVED BEHAVIORAL HEALTH SERVICES IN A PRIMARY CARE SETTING BEFORE RECEIVING TREATMENT THROUGH THE PILOT PROGRAM; AND

       4. RECEIVED SPECIALTY BEHAVIORAL HEALTH CARE SERVICES BEFORE BEING IDENTIFIED AS ELIGIBLE TO RECEIVE TREATMENT THROUGH THE PILOT PROGRAM; AND

   (2) DETERMINE WHETHER TO IMPLEMENT THE COLLABORATIVE CARE MODEL STATEWIDE IN PRIMARY CARE SETTINGS THAT PROVIDE HEALTH CARE SERVICES TO PROGRAM RECIPIENTS.

   (J) THE DEPARTMENT SHALL APPLY TO THE CENTERS FOR MEDICARE AND MEDICAID SERVICES FOR AN AMENDMENT TO THE STATE'S 1115 HEALTH CHOICE DEMONSTRATION WAIVER IF NECESSARY TO IMPLEMENT THE PILOT PROGRAM.

   (K) FOR FISCAL YEAR 2020, FISCAL YEAR 2021, FISCAL YEAR 2022, AND FISCAL YEAR 2023, THE GOVERNOR SHALL INCLUDE IN THE ANNUAL BUDGET AN APPROPRIATION OF $550,000 FOR THE PILOT PROGRAM.

   (L) ON OR BEFORE NOVEMBER 1, 2023, THE DEPARTMENT SHALL REPORT TO THE GOVERNOR AND, IN ACCORDANCE WITH § 2–1246 OF THE STATE
Section 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2018. It shall remain effective for a period of 6 years and, at the end of June 30, 2024, this Act, with no further action required by the General Assembly, shall be abrogated and of no further force and effect.

Approved by the Governor, May 15, 2018.

Chapter 684
(House Bill 1682)

AN ACT concerning
Maryland Medical Assistance Program – Collaborative Care Pilot Program

FOR the purpose of establishing the Collaborative Care Pilot Program in the Maryland Department of Health; providing for the purpose of the Pilot Program; requiring the Department to administer the Pilot Program, select up to a certain number of sites with certain characteristics to participate in the Pilot Program, provide funding to sites participating in the Pilot Program for certain purposes, collaborate with stakeholders for certain purposes, collect certain data for a certain purpose, apply to a certain federal agency for a certain waiver under a certain circumstance, and report to the Governor and the General Assembly certain findings and recommendations on or before a certain date; requiring certain sites to ensure that treatment services, prescriptions, and care management that would be provided to certain individuals are not duplicative of certain services; requiring the Governor to include in the annual budget for certain fiscal years a certain appropriation for the Pilot Program; defining certain terms; providing for the construction of this Act; providing for the termination of this Act; and generally relating to the Collaborative Care Pilot Program.

By adding to
Article – Health – General
Section 15–140
Annotated Code of Maryland
(2015 Replacement Volume and 2017 Supplement)

Preamble

WHEREAS, One in five Americans experienced mental illness in the past year, but only 25% of these individuals received effective mental health care; and
WHEREAS, Many of the individuals who experienced mental illness, but did not receive effective mental health care, received care in primary care settings, which is the usual setting in which a majority of individuals receive mental health care; and

WHEREAS, Three decades of research and over 80 randomized control trials have identified one model in particular, the Collaborative Care Model, as being effective in delivering care for substance use and mental health treatment in primary care settings; and

WHEREAS, The Collaborative Care Model consists of three core elements delivered in the primary care practice: care coordination and management; regular, proactive outcome monitoring and treatment for outcome targets using standardized outcome measurement rating scales and electronic tools, such as patient tracking; and regular systematic psychiatric caseload reviews and consultation with a psychiatrist or other psychiatric provider; and

WHEREAS, Economic studies demonstrate that the Collaborative Care Model saves money, with a recent actuarial analysis estimating savings of 5% to 10% of total health care costs for individuals with behavioral health conditions; and

WHEREAS, The Centers for Medicare and Medicaid Services approved reimbursement codes for the Collaborative Care Model in its 2017 Medicare Physician Fee Schedule; and

WHEREAS, Given the potential of the Collaborative Care Model to control costs, improve access and clinical outcomes, and increase patient satisfaction, the Maryland Department of Health indicated its interest in moving forward with a pilot program in its January 2017 response to the Joint Chairmen’s Report on Opportunities to Adopt Collaborative Care in the HealthChoice Program; now, therefore,

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

Article – Health – General

15–140.

(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(2) “COLLABORATIVE CARE MODEL” MEANS AN EVIDENCE–BASED APPROACH FOR INTEGRATING SOMATIC AND BEHAVIORAL HEALTH SERVICES IN PRIMARY CARE SETTINGS THAT INCLUDES:

(I) CARE COORDINATION AND MANAGEMENT;
(II) Regular, proactive outcome monitoring and treatment for outcome targets using standardized outcome measurement rating scales and electronic tools, such as patient tracking; and

(III) Regular systematic psychiatric and substance use disorder caseload reviews and consultation with a psychiatrist or any other psychiatric provider, an addiction medicine specialist, or any other behavioral health medicine specialist as allowed under federal regulations governing the model.

(3) “Pilot Program” means the Collaborative Care Pilot Program.

(B) This section may not be construed to prohibit referrals from a primary care provider to a specialty behavioral health care provider.

(B) (C) There is a Collaborative Care Pilot Program in the Department.

(C) (D) The purpose of the Pilot Program is to establish and implement a Collaborative Care Model in primary care settings in which health care services are provided to Program recipients enrolled in HealthChoice.

(C) (E) The Department shall administer the Pilot Program.

(C) (F) (1) The Department shall select up to three sites at which a Collaborative Care Model shall be established over a 4-year period.

(2) The sites selected by the Department shall be adult or pediatric nonspecialty medical practices or health systems that serve a significant number of Program recipients.

(3) To the extent practicable, one of the sites selected by the Department under paragraph (1) of this subsection shall be located in a rural area of the State.

(G) The sites selected by the Department under subsection (F) of this section shall ensure that treatment services, prescriptions, and care management that would be provided to an individual under the Pilot Program are not duplicative of specialty behavioral health care services being received by the individual.
(H) The Department shall provide funding to sites participating in the Pilot Program for:

(1) Infrastructure development, including the development of a patient registry and other monitoring, reporting, and billing tools required to implement a Collaborative Care Model;

(2) Training staff to implement the Collaborative Care Model;

(3) Staffing for care management and psychiatric consultation provided under the Collaborative Care Model; and

(4) Other purposes necessary to implement and evaluate the Collaborative Care Model.

(I) The Department shall collect:

(1) Collaborate with stakeholders in the development, implementation, and outcome monitoring of the Pilot Program; and

(2) Collect outcomes data on recipients of health care services under the Pilot Program to:

(1) Evaluate the effectiveness of the Collaborative Care Model, including by evaluating the number of and outcomes for individuals who:

1. Were not diagnosed as having a behavioral health condition before receiving treatment through the Pilot Program;

2. Were not diagnosed as having a behavioral health condition before being referred to and treated by a specialty behavioral health provider;

3. Received behavioral health services in a primary care setting before receiving treatment through the Pilot Program; and

4. Received specialty behavioral health care services before being identified as eligible to receive treatment through the Pilot Program; and
(2) (II) DETERMINE WHETHER TO IMPLEMENT THE COLLABORATIVE CARE MODEL STATEWIDE IN PRIMARY CARE SETTINGS THAT PROVIDE HEALTH CARE SERVICES TO PROGRAM RECIPIENTS.

(H) (J) THE DEPARTMENT SHALL APPLY TO THE CENTERS FOR MEDICARE AND MEDICAID SERVICES FOR AN AMENDMENT TO THE STATE’S 1115 HEALTHCHOICE DEMONSTRATION WAIVER IF NECESSARY TO IMPLEMENT THE PILOT PROGRAM.

(J) (L) ON OR BEFORE NOVEMBER 1, 2023, THE DEPARTMENT SHALL REPORT TO THE GOVERNOR AND, IN ACCORDANCE WITH § 2–1246 OF THE STATE GOVERNMENT ARTICLE, THE GENERAL ASSEMBLY ON THE DEPARTMENT’S FINDINGS AND RECOMMENDATIONS FROM THE PILOT PROGRAM.

SEC 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2018. It shall remain effective for a period of 6 years and, at the end of June 30, 2024, this Act, with no further action required by the General Assembly, shall be abrogated and of no further force and effect.

Approved by the Governor, May 15, 2018.

Chapter 685

(Senate Bill 1028)

AN ACT concerning

Health Occupations – Conversion Therapy for Minors – Prohibition
(Youth Mental Health Protection Act)

FOR the purpose of prohibiting certain mental health or child care practitioners from engaging in conversion therapy with individuals who are minors; providing that a certain mental health or child care practitioner who engages in conversion therapy with an individual who is a minor shall be considered to have engaged in unprofessional conduct and shall be subject to discipline by a certain licensing or certifying board; prohibiting the use of State funds for certain purposes; requiring the Maryland Department of Health to adopt certain regulations; defining certain terms; making this Act severable; and generally relating to conversion therapy.
Preamble

WHEREAS, Contemporary science recognizes that being lesbian, gay, bisexual, or transgender (LGBT) is part of the natural spectrum of human identity and is not a disease, a disorder, or an illness; and

WHEREAS, The American Psychological Association convened a Task Force on Appropriate Therapeutic Responses to Sexual Orientation that conducted a systematic review of peer-reviewed journal literature on sexual orientation change efforts and concluded in its 2009 report that sexual orientation change efforts can pose critical health risks to lesbian, gay, and bisexual people, including confusion, depression, guilt, helplessness, hopelessness, shame, social withdrawal, suicidal intentions, substance abuse, stress, disappointment, self-blame, decreased self-esteem and authenticity to others, increased self-hatred, hostility and blame toward parents, feelings of anger and betrayal, loss of friends and potential romantic partners, problems in sexual and emotional intimacy, sexual dysfunction, high-risk sexual behaviors, a feeling of being dehumanized and untrue to self, a loss of faith, and a sense of having wasted time and resources; and

WHEREAS, The American Psychological Association issued a resolution on Appropriate Affirmative Responses to Sexual Orientation Distress and Change Efforts in 2009 stating that it “advises parents, guardians, young people, and their families to avoid sexual orientation change efforts that portray homosexuality as a mental illness or developmental disorder and to seek psychotherapy, social support, and educational services that provide accurate information on sexual orientation and sexuality, increase family and school support, and reduce rejection of sexual minority youth”; and

WHEREAS, The American Psychiatric Association stated in 2000 that “psychotherapeutic modalities to convert or ‘repair’ homosexuality are based on developmental theories whose scientific validity is questionable. Furthermore, anecdotal reports of ‘cures’ are counterbalanced by anecdotal claims of psychological harm. In the last four decades, ‘reparative’ therapists have not produced any rigorous scientific research to substantiate their claims of cure. Until there is such research available, the American Psychiatric Association recommends that ethical practitioners refrain from attempts to change individuals’ sexual orientation, keeping in mind the medical dictum to first, do no harm”; and

WHEREAS, The American Psychiatric Association also stated in 2000 that “the potential risks of reparative therapy are great, including depression, anxiety, and self-destructive behavior, since therapist alignment with societal prejudices against homosexuality may reinforce self-hatred already experienced by the patient. Many patients who have undergone reparative therapy relate that they were inaccurately told
that homosexuals are lonely, unhappy individuals who never achieve acceptance or satisfaction. The possibility that the person might achieve happiness and satisfying interpersonal relationships as a gay man or lesbian is not presented, nor are alternative approaches to dealing with the effects of societal stigmatization discussed”; and

WHEREAS, The American Psychiatric Association further stated in 2000 that it “opposes any psychiatric treatment such as reparative or conversion therapy which is based upon the assumption that homosexuality per se is a mental disorder or based upon the a priori assumption that a patient should change his/her sexual homosexual orientation”; and

WHEREAS, The American Academy of Pediatrics in 1993 published an article in its journal “Pediatrics” stating “[t]herapy directed at specifically changing sexual orientation is contraindicated, since it can provoke guilt and anxiety while having little or no potential for achieving changes in orientation”; and

WHEREAS, The American Medical Association Council on Scientific Affairs prepared a report in 1994 in which it stated “[a]version therapy (a behavioral or medical intervention which pairs unwanted behavior, in this case, homosexual behavior, with unpleasant sensations or aversive consequences) is no longer recommended for gay men and lesbians”; and

WHEREAS, The American Medical Association Council on Scientific Affairs further stated in its 1994 report that “[t]hrough psychotherapy, gay men and lesbians can become comfortable with their sexual orientation and understand the societal response to it”; and

WHEREAS, The National Association of Social Workers prepared a 1997 policy statement in which it stated “[s]ocial stigmatization of lesbian, gay, and bisexual people is widespread and is a primary motivating factor in leading some people to seek sexual orientation changes. Sexual orientation conversion therapies assume that homosexual orientation is both pathological and freely chosen. No data demonstrates that reparative or conversion therapies are effective, and, in fact, they may be harmful”; and

WHEREAS, The American Counseling Association Governing Council issued a position statement in April 1999 that stated it opposed the promotion of reparative therapy as a “cure” for homosexual individuals; and

WHEREAS, The American School Counselor Association issued a position paper in 2014 in which it stated that “[i]t is not the role of the professional school counselor to attempt to change a student’s sexual orientation or gender identity” and that “[p]rofessional school counselors do not support efforts by licensed mental health professionals to change a student’s sexual orientation or gender as these practices have been proven ineffective and harmful”; and

WHEREAS, The American Psychoanalytic Association issued a position statement in June 2012 regarding attempts to change sexual orientation, gender identity, or gender expression, and in the position statement the Association states “as with any societal prejudice, bias against individuals based on actual or perceived sexual orientation, gender
identity or gender expression negatively affects mental health, contributing to an enduring sense of stigma and pervasive self-criticism through the internalization of such prejudice”; and

WHEREAS, The American Psychoanalytic Association also stated in June 2012 that “psychoanalytic technique does not encompass purposeful attempts to ‘convert,’ ‘repair,’ change or shift an individual’s sexual orientation, gender identity or gender expression. Such directed efforts are against fundamental principles of psychoanalytic treatment and often result in substantial psychological pain by reinforcing damaging internalized attitudes”; and

WHEREAS, The American Academy of Child and Adolescent Psychiatry published in 2012 an article in its journal entitled “The Journal of the American Academy of Child and Adolescent Psychiatry”, stating “[c]linicians should be aware that there is no evidence that sexual orientation can be altered through therapy, and that attempts to do so may be harmful. There is no empirical evidence adult homosexuality can be prevented if gender nonconforming children are influenced to be more gender conforming. Indeed, there is no medically valid basis for attempting to prevent homosexuality, which is not an illness. On the contrary, such efforts may encourage family rejection and undermine self-esteem, connectedness and caring, important protective factors against suicidal ideation and attempts. Given that there is no evidence that efforts to alter sexual orientation are effective, beneficial, or necessary, and the possibility that they carry the risk of significant harm, such interventions are contraindicated”; and

WHEREAS, The Pan American Health Organization, a regional office of the World Health Organization, issued a statement in May 2012 that states “[t]hese supposed conversion therapies constitute a violation of the ethical principles of health care and violate human rights that are protected by international and regional agreements”; and

WHEREAS, The Pan American Health Organization also noted that reparative therapies “lack medical justification and represent a serious threat to the health and well-being of affected people”; and

WHEREAS, The American Association of Sexuality Educators, Counselors, and Therapists issued a statement in 2014 that states “same sex orientation is not a mental disorder and that [it] opposes any ‘reparative’ or conversion therapy that seeks to ‘change’ or ‘fix’ a person’s sexual orientation”; and

WHEREAS, The American Association of Sexuality Educators, Counselors, and Therapists further stated in 2014 its belief that sexual orientation is not “something that needs to be ‘fixed’ or ‘changed’” and provided as its rationale for this position that “[r]eparative therapy (for minors, in particular) is often forced or nonconsensual[,]”, has “been proven harmful to minors[,]”, and that “[t]here is no scientific evidence supporting the success of these interventions”; and

WHEREAS, The American Association of Sexuality Educators, Counselors, and Therapists also stated in 2014 that “[r]eparative therapy is grounded in the idea that
non–heterosexual orientation is ‘disordered’” and that “[r]eparative therapy has been shown to be a negative predictor of psychotherapeutic benefit”; and

WHEREAS, The American College of Physicians wrote a position paper in 2015 stating that it “opposes the use of ‘conversion,’ ‘reorientation,’ or ‘reparative’ therapy for the treatment of LGBT persons[,]”, that “[a]vailable research does not support the use of reparative therapy as an effective model in the treatment of LGBT persons[,]”, and that “[e]vidence shows that the practice may actually cause emotional or physical harm to LGBT individuals, particularly adolescents or young persons”; and

WHEREAS, Minors who experience family rejection based on their sexual orientation face especially serious health risks; and

WHEREAS, In a study published in 2009 in the journal “Pediatrics”, lesbian, gay, and bisexual young adults who reported higher levels of family rejection during adolescence were 8.4 times more likely to report having attempted suicide, 5.9 times more likely to report high levels of depression, 3.4 times more likely to use illegal drugs, and 3.4 times more likely to report having engaged in unprotected sexual intercourse when compared with peers from families that reported no or low levels of family rejection; and

WHEREAS, Maryland has a compelling interest in protecting the physical and psychological well–being of minors, including LGBT youth, and in protecting minors against exposure to serious harm caused by sexual orientation change efforts; now, therefore,

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

Article – Health Occupations

1–212.1.

(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(2) (I) “CONVERSION THERAPY” MEANS A PRACTICE OR TREATMENT BY A MENTAL HEALTH OR CHILD CARE PRACTITIONER THAT SEeks TO CHANGE AN INDIVIDUAL’S SEXUAL ORIENTATION OR GENDER IDENTITY.

(II) “CONVERSION THERAPY” INCLUDEs ANY EFFORT TO CHANGE THE BEHAVIORAL EXPRESSION OF AN INDIVIDUAL’S SEXUAL ORIENTATION, CHANGE GENDER EXPRESSION, OR ELIMINATE OR REDUCE SEXUAL OR ROMANTIC ATTRACTIONS OR FEELINGS TOWARD INDIVIDUALS OF THE SAME GENDER.

(III) “CONVERSION THERAPY” DOES NOT INCLUDE A PRACTICE BY A MENTAL HEALTH OR CHILD CARE PRACTITIONER THAT:
1. Provides acceptance, support, and understanding, or the facilitation of coping, social support, and identity exploration and development, including sexual orientation–neutral interventions to prevent or address unlawful conduct or unsafe sexual practices; and

2. Does not seek to change sexual orientation or gender identity.

(3) “Mental health or child care practitioner” means:

(I) A practitioner licensed or certified under Title 14, Title 17, Title 18, Title 19, or Title 20 of this article; or

(II) Any other practitioner licensed or certified under this article who is authorized to provide counseling by the practitioner’s licensing or certifying board.

(B) A mental health or child care practitioner may not engage in conversion therapy with an individual who is a minor.

(C) A mental health or child care practitioner who engaged in conversion therapy with an individual who is a minor shall be considered to have engaged in unprofessional conduct and shall be subject to discipline by the mental health or child care practitioner’s licensing or certifying board.

(D) No state funds may be used for the purpose of:

(1) Conducting, or referring an individual to receive, conversion therapy;

(2) Providing health coverage for conversion therapy; or

(3) Providing a grant to or contracting with any entity that conducts or refers an individual to receive conversion therapy.

(E) The Department shall adopt regulations necessary to implement this section.

SECTION 2. AND BE IT FURTHER ENACTED, That, if any provision of this Act or the application thereof to any person or circumstance is held invalid for any reason in a court of competent jurisdiction, the invalidity does not affect other provisions or any other
application of this Act that can be given effect without the invalid provision or application, and for this purpose the provisions of this Act are declared severable.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2018.

Approved by the Governor, May 15, 2018.

Chapter 686

(House Bill 382)

AN ACT concerning

Criminal Procedure – Expungement – Civil Offense

FOR the purpose of repealing certain statutory language to clarify that a person who has been charged with any civil offense or infraction, except a juvenile offense, may file a petition for expungement of certain records under certain circumstances; and generally relating to expungement.

BY repealing and reenacting, with amendments,

   Article – Criminal Procedure
   Section 10–105(a)
   Annotated Code of Maryland
   (2008 Replacement Volume and 2017 Supplement)

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

Article – Criminal Procedure

10–105.

   (a)   A person who has been charged with the commission of a crime, including a violation of the Transportation Article for which a term of imprisonment may be imposed, or who has been charged with a civil offense or infraction, except a juvenile offense, [as a substitute for a criminal charge] may file a petition listing relevant facts for expungement of a police record, court record, or other record maintained by the State or a political subdivision of the State if:

       (1)   the person is acquitted;

       (2)   the charge is otherwise dismissed;
(3) a probation before judgment is entered, unless the person is charged with a violation of § 21–902 of the Transportation Article or Title 2, Subtitle 5 or § 3–211 of the Criminal Law Article;

(4) a nolle prosequi or nolle prosequi with the requirement of drug or alcohol treatment is entered;

(5) the court indefinitely postpones trial of a criminal charge by marking the criminal charge “stet” or stet with the requirement of drug or alcohol abuse treatment on the docket;

(6) the case is compromised under § 3–207 of the Criminal Law Article;

(7) the charge was transferred to the juvenile court under § 4–202 of this article;

(8) the person:

(i) is convicted of only one criminal act, and that act is not a crime of violence; and

(ii) is granted a full and unconditional pardon by the Governor;

(9) the person was convicted of a crime or found not criminally responsible under any State or local law that prohibits:

(i) urination or defecation in a public place;

(ii) panhandling or soliciting money;

(iii) drinking an alcoholic beverage in a public place;

(iv) obstructing the free passage of another in a public place or a public conveyance;

(v) sleeping on or in park structures, such as benches or doorways;

(vi) loitering;

(vii) vagrancy;

(viii) riding a transit vehicle without paying the applicable fare or exhibiting proof of payment; or

(ix) except for carrying or possessing an explosive, acid, concealed weapon, or other dangerous article as provided in § 7–705(b)(6) of the Transportation Article, any of the acts specified in § 7–705 of the Transportation Article;
(10) the person was found not criminally responsible under any State or local law that prohibits misdemeanor:

(i) trespass;

(ii) disturbing the peace; or

(iii) telephone misuse;

(11) the person was convicted of a crime and the act on which the conviction was based is no longer a crime; or

(12) the person was convicted of possession of marijuana under § 5–601 of the Criminal Law Article.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2018.

Approved by the Governor, May 15, 2018.

Chapter 687

(House Bill 403)

AN ACT concerning

Community Colleges – Facilities Renewal Grant Program – Established

FOR the purpose of establishing the Community College Facilities Renewal Grant Program; requiring the Maryland Higher Education Commission to administer the Program; requiring the Governor to annually appropriate a certain amount in a certain budget to the Commission; requiring a certain appropriation to be in addition to the appropriation for a certain other program; requiring, by a certain date, a community college to provide certain information to the Commission; establishing requirements and limitations in awarding grants; requiring the Commission, in collaboration with the community colleges, to adopt certain regulations; defining certain terms; and generally relating to a facility renewal grant program for community colleges.

BY adding to

Article – Education
Section 16–320
Annotated Code of Maryland
(2014 Replacement Volume and 2017 Supplement)
SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

Article – Education

16–320.

(A) (1) **IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.**

(2) “COMMUNITY COLLEGE” INCLUDES BALTIMORE CITY COMMUNITY COLLEGE.

(3) “ELIGIBLE PROJECT” MEANS A FACILITY RENEWAL PROJECT, INCLUDING IMPROVEMENTS, REPAIRS, AND DEFERRED MAINTENANCE, THAT HAS A TOTAL ESTIMATED COST OF NOT MORE THAN $1,000,000 AND HAS BEEN SUBMITTED TO THE COMMISSION AS PART OF AN ANNUAL MASTER PLAN OR A 10–YEAR MASTER PLAN.

(4) “PROGRAM” MEANS THE COMMUNITY COLLEGE FACILITIES RENEWAL GRANT PROGRAM.

(B) (1) **THERE IS A COMMUNITY COLLEGE FACILITIES RENEWAL GRANT PROGRAM THAT SHALL PROVIDE STATE FUNDS TO COMMUNITY COLLEGES FOR IMPROVEMENTS, REPAIRS, AND DEFERRED MAINTENANCE PROJECTS IN ACCORDANCE WITH THIS SECTION.**

(2) **THE COMMISSION SHALL ADMINISTER THE PROGRAM.**

(C) (1) **IN FISCAL YEAR 2019 AND IN EACH FISCAL YEAR THEREAFTER, THE GOVERNOR SHALL ANNUALLY APPROPRIATE IN THE OPERATING BUDGET OF THE COMMISSION AN AMOUNT EQUAL TO 5% OF THE APPROPRIATION TO THE COMMUNITY COLLEGE FACILITIES CONSTRUCTION GRANT PROGRAM IN THE SAME FISCAL YEAR.**

(2) **THE APPROPRIATION REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL BE IN ADDITION TO AND MAY NOT SUPPLANT THE AMOUNT APPROPRIATED TO THE COMMUNITY COLLEGE FACILITIES CONSTRUCTION GRANT PROGRAM IN THE STATE BUDGET.**

(D) (1) **ON OR BEFORE SEPTEMBER 1 OF THE FISCAL YEAR PRECEDING THE FISCAL YEAR OF THE GRANT AWARD, A COMMUNITY COLLEGE SHALL PROVIDE**
TO THE COMMISSION INFORMATION ABOUT THE ELIGIBLE PROJECT FOR WHICH THE COMMUNITY COLLEGE IS REQUESTING A GRANT.

(2)  (I)  THE COMMISSION MAY MAKE UP TO EIGHT GRANTS IN EACH FISCAL YEAR.

(II)  1. SUBJECT TO SUBSUBPARAGRAPH 2 OF THIS SUBPARAGRAPH, A COMMUNITY COLLEGE MAY NOT RECEIVE A GRANT IN 2 CONSECUTIVE FISCAL YEARS.

2. IF A COMMUNITY COLLEGE DOES NOT REQUEST FUNDS IN A FISCAL YEAR, THE COMMUNITY COLLEGE MAY NOT RECEIVE A GRANT UNTIL THE SECOND FOLLOWING FISCAL YEAR.

(III)  1. SUBJECT TO SUBSUBPARAGRAPH 2 OF THIS SUBPARAGRAPH, A COMMUNITY COLLEGE MAY NOT RECEIVE MORE THAN $500,000 IN A FISCAL YEAR UNDER THE PROGRAM.

2. IF THE APPROPRIATION PROVIDED UNDER SUBSECTION (C) OF THIS SECTION IS LESS THAN $4,000,000 IN A FISCAL YEAR, THE APPROPRIATION SHALL BE AWARDED EQUALLY TO EACH COMMUNITY COLLEGE THAT IS ELIGIBLE FOR A GRANT IN THAT FISCAL YEAR.

3. SUBJECT TO THE LIMITATION ESTABLISHED IN SUBSUBPARAGRAPH 1 OF THIS SUBPARAGRAPH, A COMMUNITY COLLEGE MAY RECEIVE FUNDING FOR MORE THAN ONE ELIGIBLE PROJECT IN A FISCAL YEAR.

(IV)  THE COMMISSION SHALL CONSULT WITH EACH COMMUNITY COLLEGE TO DETERMINE WHICH COMMUNITY COLLEGES WILL RECEIVE A GRANT FOR ELIGIBLE PROJECTS UNDER THE PROGRAM IN EACH FISCAL YEAR.

(E)  THE COMMISSION, IN COLLABORATION WITH THE COMMUNITY COLLEGES, SHALL ADOPT ANY REGULATIONS NECESSARY TO CARRY OUT THE PROVISIONS OF THIS SECTION.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2018.

Approved by the Governor, May 15, 2018.
AN ACT concerning

Community Colleges – Facilities Renewal Grant Program – Established

FOR the purpose of establishing the Community College Facilities Renewal Grant Program; requiring the Maryland Higher Education Commission to administer the Program; requiring the Governor to annually appropriate a certain amount in a certain budget to the Commission; requiring a certain appropriation to be in addition to the appropriation for a certain other program; requiring, by a certain date, a community college to provide certain information to the Commission; establishing requirements and limitations in awarding grants; requiring the Commission, in collaboration with the community colleges, to adopt certain regulations; defining certain terms; and generally relating to a facility renewal grant program for community colleges.

BY adding to

Article – Education
Section 16–320
Annotated Code of Maryland
(2014 Replacement Volume and 2017 Supplement)

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

Article – Education

16–320.

(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(2) “COMMUNITY COLLEGE” INCLUDES BALTIMORE CITY COMMUNITY COLLEGE.

(3) “ELIGIBLE PROJECT” MEANS A FACILITY RENEWAL PROJECT, INCLUDING IMPROVEMENTS, REPAIRS, AND DEFERRED MAINTENANCE, THAT HAS A TOTAL ESTIMATED COST OF NOT MORE THAN $1,000,000 AND HAS BEEN SUBMITTED TO THE COMMISSION AS PART OF AN ANNUAL MASTER PLAN OR A 10–YEAR MASTER PLAN.

(4) “PROGRAM” MEANS THE COMMUNITY COLLEGE FACILITIES RENEWAL GRANT PROGRAM.

(B) (1) THERE IS A COMMUNITY COLLEGE FACILITIES RENEWAL GRANT PROGRAM THAT SHALL PROVIDE STATE FUNDS TO COMMUNITY COLLEGES FOR
(2) **The Commission shall administer the Program.**

(C) (1) *In fiscal year 2019 and in each fiscal year thereafter, the Governor shall annually appropriate in the operating budget of the Commission an amount equal to 5% of the appropriation to the Community College Facilities Construction Grant Program in the same fiscal year.*

(2) **The appropriation required under paragraph (1) of this subsection shall be in addition to and may not supplant the amount appropriated to the Community College Facilities Construction Grant Program in the State budget.**

(D) (1) *On or before September 1 of the fiscal year preceding the fiscal year of the grant award, a community college shall provide to the Commission information about the eligible project for which the community college is requesting a grant.*

(2) (i) **The Commission may make up to eight grants in each fiscal year.**

   (II) 1. **Subject to subsubparagraph 2 of this subparagraph, a community college may not receive a grant in 2 consecutive fiscal years.**

   2. If a community college does not request funds in a fiscal year, the community college may not receive a grant until the second following fiscal year.

   (III) 1. **Subject to subsubparagraph 2 of this subparagraph, a community college may not receive more than $500,000 in a fiscal year under the Program.**

   2. If the appropriation provided under subsection (C) of this section is less than $4,000,000 in a fiscal year, the appropriation shall be awarded equally to each community college that is eligible for a grant in that fiscal year.

   3. **Subject to the limitation established in subsubparagraph 1 of this subparagraph, a community college may receive funding for more than one eligible project in a fiscal year.**
(IV) The Commission shall consult with each community college to determine which community colleges will receive a grant for eligible projects under the Program in each fiscal year.

(E) The Commission, in collaboration with the community colleges, shall adopt any regulations necessary to carry out the provisions of this section.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2018.

Approved by the Governor, May 15, 2018.

Chapter 689
(House Bill 523)

AN ACT concerning

State Personnel – Employees in the Same Classification – Pay Rates Report

For the purpose of providing that when an appointing authority of a unit in the State Personnel Management System appoints an employee to a position in the skilled service or the professional service, the Secretary of Budget and Management shall require that a certain adjustment be made in the pay rate of certain incumbent employees in the unit; providing that the Secretary is not required to make a certain adjustment of certain pay rates for certain incumbent employees under certain circumstances; requiring the Secretary of Transportation to prepare and recommend a standard pay plan for the human resources management system that conforms with certain provisions of this Act; making stylistic changes requiring the Department of Budget and Management, in consultation with the Maryland Department of Transportation, to submit to certain committees of the General Assembly on or before a certain date a report outlining a certain plan and identifying certain information; and generally relating to pay rates of State employees in the same classification.

BY repealing and reenacting, without amendments,

Article – State Personnel and Pensions
Section 8–106(a)
Annotated Code of Maryland
(2015 Replacement Volume and 2017 Supplement)

BY adding to
BY repealing and reenacting, with amendments,
Article—Transportation
Section 2–103.4(g)
Annotated Code of Maryland
(2015 Replacement Volume and 2017 Supplement)

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

Article—State Personnel and Pensions

8–106.

(a) This section applies only to the Standard Pay Plan.

(c) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION AND SUBJECT TO § 8–107 OF THIS SUBTITLE, WHEN AN APPOINTING AUTHORITY OF A UNIT IN THE STATE PERSONNEL MANAGEMENT SYSTEM APPOINTS AN EMPLOYEE TO A POSITION IN THE SKILLED SERVICE OR THE PROFESSIONAL SERVICE, THE SECRETARY SHALL REQUIRE THAT THE PAY RATE OF EACH INCUMBENT EMPLOYEE IN THE UNIT WHO IS IN THE SAME CLASSIFICATION AS, AND HAS A PAY RATE LOWER THAN, THE NEWLY APPOINTED EMPLOYEE BE ADJUSTED TO EQUAL THE PAY RATE OF THE NEWLY APPOINTED EMPLOYEE.

(2) THE SECRETARY IS NOT REQUIRED TO ADJUST THE PAY RATES OF INCUMBENT—EMPLOYEES IN A UNIT IN THE SAME CLASSIFICATION UNDER PARAGRAPH (1) OF THIS SUBSECTION IF THE HIGHER PAY RATE OF THE EMPLOYEE NEWLY APPOINTED TO A POSITION IN THE SKILLED OR PROFESSIONAL SERVICE BY AN APPOINTING AUTHORITY IS BASED SOLELY ON A HIGHER LEVEL OF QUALIFICATION OR EXPERIENCE RELEVANT TO THE POSITION.

Article—Transportation

2–103.4.

(g) (1) In establishing a pay plan for the Department’s human resources management system, the Secretary shall use the standard salary schedule adopted by the Secretary of Budget and Management pursuant to the budget.

(2) The Secretary shall prepare and recommend a standard pay plan for all classes of positions in the human resources management system that conforms to the
provisions of §§ 8–101, 8–102, 8–104, 8–105, 8–106(C), and 8–109 of the State Personnel and Pensions Article that govern the standard pay plan of the State.

(3) The Secretary shall have the same authority to implement a standard pay plan as is delegated to the Secretary of Budget and Management.

(4) Employees in the Department may not be paid salaries in excess of those paid to employees in substantially the same classifications in other State agencies.

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That, on or before January 1, 2020, the Department of Budget and Management, in consultation with the Maryland Department of Transportation, shall submit to the Senate Budget and Taxation Committee and the House Appropriations Committee, in accordance with § 2–1246 of the State Government Article, a report that:

(1) outlines a plan to:

   (i) phase out the practice of hiring a newly appointed employee at a higher pay rate than an incumbent employee who is in the same unit and in the same classification, unless the higher pay rate of the new employee is based solely on:

       1. a higher level of qualification or experience relevant to the position; or

       2. an employee transfer; and

   (ii) adjust the pay rate of each incumbent employee in a unit who is in the same classification as, and has a pay rate lower than, a newly appointed employee to be equal to the pay rate of the newly appointed employee, unless the higher pay rate of the new employee is based solely on:

       1. a higher level of qualification or experience relevant to the position; or

       2. an employee transfer; and

(2) identifies:

   (i) the units and number of incumbent employees affected by the plan;

   (ii) a timeline for implementing the plan; and

   (iii) the estimated cost associated with implementing the plan.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2018.
Chapter 690  Laws of Maryland – 2018 Session

Approved by the Governor, May 15, 2018.

Chapter 690
(Senate Bill 464)

AN ACT concerning
State Personnel – Employees in the Same Classification – Pay Rates Report

FOR the purpose of providing that when an appointing authority of a unit in the State Personnel Management System appoints an employee to a position in the skilled service or the professional service, the Secretary of Budget and Management shall require that a certain adjustment be made in the pay rate of certain incumbent employees in the unit; providing that the Secretary is not required to make a certain adjustment of certain pay rates for certain incumbent employees under certain circumstances; requiring the Secretary of Transportation to prepare and recommend a standard pay plan for the human resources management system that conforms with certain provisions of this Act; making stylistic changes requiring the Department of Budget and Management, in consultation with the Maryland Department of Transportation, to submit to certain committees of the General Assembly on or before a certain date a report outlining a certain plan and identifying certain information; and generally relating to pay rates of State employees in the same classification.

BY repealing and reenacting, without amendments,
Article – State Personnel and Pensions
Section 8–106(a)
Annotated Code of Maryland
(2015 Replacement Volume and 2017 Supplement)

BY adding to
Article – State Personnel and Pensions
Section 8–106(c)
Annotated Code of Maryland
(2015 Replacement Volume and 2017 Supplement)

BY repealing and reenacting, with amendments,
Article – Transportation
Section 2–103.4(g)
Annotated Code of Maryland
(2015 Replacement Volume and 2017 Supplement)
SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

Article—State Personnel and Pensions

8–106.

(a) This section applies only to the Standard Pay Plan.

(6) (1) Except as provided in paragraph (2) of this subsection and subject to § 8–107 of this subtitle, when an appointing authority of a unit in the State Personnel Management System appoints an employee to a position in the skilled service or the professional service, the Secretary shall require that the pay rate of each incumbent employee in the unit who is in the same classification as, and has a pay rate lower than, the newly appointed employee be adjusted to equal the pay rate of the newly appointed employee.

(2) The Secretary is not required to adjust the pay rates of incumbent employees in a unit in the same classification under paragraph (1) of this subsection if the higher pay rate of the employee newly appointed to a position in the skilled or professional service by an appointing authority is based solely on a higher level of qualification or experience relevant to the position.

Article—Transportation

2–103.4.

(g) (1) In establishing a pay plan for the Department’s human resources management system, the Secretary shall use the standard salary schedule adopted by the Secretary of Budget and Management pursuant to the budget.

(2) The Secretary shall prepare and recommend a standard pay plan for all classes of positions in the human resources management system that conforms to the provisions of §§ 8–101, 8–102, 8–104, 8–105, 8–106(C), and 8–109 of the State Personnel and Pensions Article that govern the standard pay plan of the State.

(3) The Secretary shall have the same authority to implement a standard pay plan as is delegated to the Secretary of Budget and Management.

(4) Employees in the Department may not be paid salaries in excess of those paid to employees in substantially the same classifications in other State agencies.
SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That, on or before January 1, 2020, the Department of Budget and Management, in consultation with the Maryland Department of Transportation, shall submit to the Senate Budget and Taxation Committee and the House Appropriations Committee, in accordance with § 2–1246 of the State Government Article, a report that:

(1) outlines a plan to:

(i) phase out the practice of hiring a newly appointed employee at a higher pay rate than an incumbent employee who is in the same unit and in the same classification, unless the higher pay rate of the new employee is based solely on:

1. a higher level of qualification or experience relevant to the position; or

2. an employee transfer; and

(ii) adjust the pay rate of each incumbent employee in a unit who is in the same classification as, and has a pay rate lower than, a newly appointed employee to be equal to the pay rate of the newly appointed employee, unless the higher pay rate of the new employee is based solely on:

1. a higher level of qualification or experience relevant to the position; or

2. an employee transfer; and

(2) identifies:

(i) the units and number of incumbent employees affected by the plan;

(ii) a timeline for implementing the plan; and

(iii) the estimated cost associated with implementing the plan.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2018.

Approved by the Governor, May 15, 2018.

Chapter 691

(Senate Bill 704)
AN ACT concerning

Maryland Medical Assistance Program – Telemedicine – Assertive Community Treatment and Mobile Treatment Services

FOR the purpose of requiring the Maryland Department of Health, under certain circumstances, to include psychiatrists who are providing Assertive Community Treatment or mobile treatment services to certain Maryland Medical Assistance Program recipients in the types of providers eligible to receive reimbursement for health care services that are delivered through telemedicine and provided to Program recipients; providing that a certain health care service provided through telemedicine by a certain psychiatrist is equivalent to the same health care service when provided through an in-person consultation for a certain purpose; requiring the Department to report to certain committees of the General Assembly on certain matters on or before a certain date; providing for the termination of this Act; and generally relating to the Maryland Medical Assistance Program and telemedicine.

BY repealing and reenacting, with amendments,

Article – Health – General
Section 15–105.2
Annotated Code of Maryland
(2015 Replacement Volume and 2017 Supplement)

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

Article – Health – General

15–105.2.

(a) The Program shall reimburse health care providers in accordance with the requirements of Title 19, Subtitle 1, Part IV of this article.

(b) (1) (i) In this subsection the following words have the meanings indicated.

(ii) “Health care provider” means a person who is licensed, certified, or otherwise authorized under the Health Occupations Article to provide health care in the ordinary course of business or practice of a profession or in an approved education or training program.

(iii) 1. “Telemedicine” means, as it relates to the delivery of health care services, the use of interactive audio, video, or other telecommunications or electronic technology:
A. By a health care provider to deliver a health care service that is within the scope of practice of the health care provider at a site other than the site at which the patient is located; and

B. That enables the patient to see and interact with the health care provider at the time the health care service is provided to the patient.

2. “Telemedicine” does not include:

A. An audio-only telephone conversation between a health care provider and a patient;

B. An electronic mail message between a health care provider and a patient; or

C. A facsimile transmission between a health care provider and a patient.

(2) To the extent authorized by federal law or regulation, the provisions of § 15–139(c) through (f) of the Insurance Article relating to coverage of and reimbursement for health care services delivered through telemedicine shall apply to the Program and managed care organizations in the same manner they apply to carriers.

(3) Subject to the limitations of the State budget and to the extent authorized by federal law or regulation, the Department may authorize coverage of and reimbursement for health care services that are delivered through store and forward technology or remote patient monitoring.

(4) (i) The Department may specify by regulation the types of health care providers eligible to receive reimbursement for health care services provided to Program recipients under this subsection.

(ii) If the Department specifies by regulation the types of health care providers eligible to receive reimbursement for health care services provided to Program recipients under this subsection, the types of health care providers specified shall include [primary]:

1. **PRIMARY** care providers; AND

2. **PSYCHIATRISTS WHO ARE PROVIDING ASSERTIVE COMMUNITY TREATMENT OR MOBILE TREATMENT SERVICES TO PROGRAM RECIPIENTS LOCATED IN A HOME OR COMMUNITY–BASED SETTING.

(iii) For the purpose of reimbursement and any fidelity standards established by the Department, a health care service provided through telemedicine by a psychiatrist described under
(5) The Department may require a health care provider to submit a registration form to the Department that includes information required for the processing of claims for reimbursement for health care services provided to Program recipients under this subsection.

(6) The Department shall adopt regulations to carry out this subsection.

SECTION 2. AND BE IT FURTHER ENACTED, That, on or before September 30, 2020, the Maryland Department of Health shall report, in accordance with § 2–1246 of the State Government Article, to the Senate Finance Committee and the House Health and Government Operations Committee on the effect on Medical Assistance Program general fund expenditures of reimbursing telemedicine services from psychiatrists who are providing Assertive Community Treatment or mobile treatment services, as required by Section 1 of this Act.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2018. It shall remain effective for a period of 2 years and, at the end of September 30, 2020, this Act, with no further action required by the General Assembly, shall be abrogated and of no further force and effect.

Approved by the Governor, May 15, 2018.

Chapter 692

(Senate Bill 977)

AN ACT concerning

Behavioral Health Services and Voluntary Placement Agreements – Children and Young Adults – Reports

FOR the purpose of requiring the Director of the Behavioral Health Administration to prepare a certain annual report on behavioral health services for children and young adults in the State; requiring the Director to provide a certain report to the Governor and the General Assembly on or before a certain date each year; requiring the Social Services Administration in the Department of Human Services to prepare a certain annual report; requiring the Social Services Administration to provide a certain report to the Governor and General Assembly on or before a certain date each year; and generally relating to behavioral health services and voluntary placement agreements for children and young adults.

BY adding to
Article – Health – General
Section 7.5–208
Annotated Code of Maryland
(2015 Replacement Volume and 2017 Supplement)

BY adding to
Article – Family Law
Section 5–505.1
Annotated Code of Maryland
(2012 Replacement Volume and 2017 Supplement)

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

    Article – Health – General

7.5–208.

    (A) In consultation with interested stakeholders, the Director shall prepare an annual report on behavioral health services for children and young adults in the State.

    (B) The report shall include:

        (1) The number and the percentage of children and young adults who, during the reported year:

            (i) Were eligible for public behavioral health services; and

            (ii) Used a public behavioral health service, including:

                1. An inpatient service;

                2. An emergency room service;

                3. A residential treatment center service; and

                4. An intensive public behavioral health service, including targeted or mental health case management services, respite care services, services provided under § 1915(I) of the Social Security Act, and psychiatric rehabilitation services;
(2) The total expenditure and expenditure per child and young adult using a public behavioral health service, including:

(I) An inpatient service;

(II) An emergency room service;

(III) A residential treatment center service; and

(IV) An intensive community service.

(3) The total cost per child or young adult for all behavioral health services provided to the child or young adult;

(4) The total expenditure and expenditure per child and young adult for:

(I) Targeted case management services;

(II) Respite care services;

(III) Services provided through a plan under § 1915(i) of the Social Security Act; and

(IV) Psychiatric rehabilitation services;

(5) The average length of time children and young adults spent:

(I) In the hospital emergency room pending psychiatric inpatient hospitalization; and

(II) Waiting for placement in a residential treatment center from the date of the referral to the date of the placement;

(6) The number of children and young adults who were readmitted for a 30-day admission at:

(I) The same hospital;

(II) The same residential treatment center; or

(III) Any other hospital or residential treatment center;
(6) (7) THE AVERAGE LENGTH OF STAY FOR CHILDREN AND YOUNG ADULTS AT:

(I) A RESIDENTIAL TREATMENT CENTER; AND

(II) A PSYCHIATRIC UNIT AT A HOSPITAL; AND

(7) (8) FOR RESIDENTIAL TREATMENT CENTERS:

(I) THE TOTAL NUMBER OF CHILDREN AND YOUNG ADULTS DISCHARGED; AND

(II) THE NUMBER OF RESIDENTS AT THE END OF THE YEAR WHO ARE CHILDREN OR YOUNG ADULTS.

(C) THE REPORT SHALL GROUP THE INFORMATION REQUIRED UNDER SUBSECTION (B) OF THIS SECTION BY JURISDICTION AND BY THE FOLLOWING AGE GROUPS:

(1) BIRTH THROUGH 6 YEARS OLD;

(2) 7 THROUGH 12 YEARS OLD;

(3) 13 THROUGH 17 YEARS OLD;

(4) 18 THROUGH 21 YEARS OLD; AND

(5) 22 THROUGH 25 YEARS OLD.

(D) ON OR BEFORE DECEMBER 1 EACH YEAR, THE DIRECTOR SHALL SUBMIT THE REPORT REQUIRED UNDER THIS SECTION TO THE GOVERNOR AND, IN ACCORDANCE WITH § 2–1246 OF THE STATE GOVERNMENT ARTICLE, THE GENERAL ASSEMBLY.

Article – Family Law

5–505.1.

(A) IN CONSULTATION WITH INTERESTED STAKEHOLDERS, THE ADMINISTRATION SHALL PREPARE AN ANNUAL REPORT ON VOLUNTARY PLACEMENT AGREEMENTS FOR CHILDREN AND YOUNG ADULTS IN THE STATE.

(B) THE REPORT SHALL INCLUDE:
THE TOTAL NUMBER OF VOLUNTARY PLACEMENT AGREEMENTS THAT WERE:

(1) APPROVED FOR GROUP PLACEMENTS AND FAMILY THERAPEUTIC TREATMENTS;

(2) DENIED; AND

(3) REQUESTED FOR BEHAVIORAL HEALTH REASONS, INCLUDING VOLUNTARY PLACEMENT AGREEMENTS THAT WERE REQUESTED FOR CHILDREN WITH A DEVELOPMENTAL DISABILITY WHO ARE ALSO DIAGNOSED WITH A BEHAVIORAL HEALTH DISORDER;

(2) THE REASON FOR ANY DENIALS; AND

(3) FOR VOLUNTARY PLACEMENT AGREEMENTS THAT WERE APPROVED, THE TYPE OF INITIAL PLACEMENT, INCLUDING:

(I) RESIDENTIAL TREATMENT CENTER;

(II) GROUP HOME PLACEMENT;

(III) THERAPEUTIC GROUP HOME;

(IV) DIAGNOSTIC PLACEMENT;

(V) THERAPEUTIC FOSTER HOME; AND

(VI) ANY OTHER TYPE OF PLACEMENT.

THE REPORT SHALL GROUP THE INFORMATION REQUIRED UNDER SUBSECTION (B) OF THIS SECTION BY THE FOLLOWING REGIONS:

(1) BALTIMORE REGION, CONSISTING OF BALTIMORE CITY, BALTIMORE COUNTY, AND HARFORD COUNTY;

(2) EASTERN SHORE, CONSISTING OF CAROLINE COUNTY, CECIL COUNTY, DORCHESTER COUNTY, KENT COUNTY, QUEEN ANNE'S COUNTY, SOMERSET COUNTY, TALBOT COUNTY, WICOMICO COUNTY, AND WORCESTER COUNTY;

(3) METRO REGION, CONSISTING OF HOWARD COUNTY, MONTGOMERY COUNTY, AND PRINCE GEORGE'S COUNTY;
(4) **SOUTHERN MARYLAND**, consisting of **Anne Arundel County, Calvert County, Charles County, and St. Mary’s County**; and

(5) **WESTERN MARYLAND**, consisting of **Allegany County, Carroll County, Frederick County, Garrett County, and Washington County**.

(D) **ON OR BEFORE DECEMBER 1 EACH YEAR, THE ADMINISTRATION SHALL SUBMIT THE REPORT REQUIRED UNDER THIS SECTION 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, 2018.

Approved by the Governor, May 15, 2018.

Chapter 693

(House Bill 1517)

AN ACT concerning

Behavioral Health Services and Voluntary Placement Agreements – Children and Young Adults – Reports

FOR the purpose of requiring the Director of the Behavioral Health Administration to prepare a certain annual report on behavioral health services for children and young adults in the State; requiring the Director to provide a certain report to the Governor and the General Assembly on or before a certain date each year; requiring the Social Services Administration in the Department of Human Services to prepare a certain annual report; requiring the Social Services Administration to provide a certain report to the Governor and General Assembly on or before a certain date each year; and generally relating to behavioral health services and voluntary placement agreements for children and young adults.

BY adding to

Article – Health – General

Section 7.5–208

Annotated Code of Maryland

(2015 Replacement Volume and 2017 Supplement)

BY adding to

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

Article – Health – General

7.5–208.

(A) IN CONSULTATION WITH INTERESTED STAKEHOLDERS, THE DIRECTOR SHALL PREPARE AN ANNUAL REPORT ON BEHAVIORAL HEALTH SERVICES FOR CHILDREN AND YOUNG ADULTS IN THE STATE.

(B) THE REPORT SHALL INCLUDE:

(1) THE NUMBER AND THE PERCENTAGE OF CHILDREN AND YOUNG ADULTS WHO, DURING THE REPORTED YEAR:

   (I) WERE ELIGIBLE FOR PUBLIC BEHAVIORAL HEALTH SERVICES; AND

   (II) USED A PUBLIC BEHAVIORAL HEALTH SERVICE, INCLUDING:

   1. AN INPATIENT SERVICE;

   2. AN EMERGENCY ROOM SERVICE;

   3. A RESIDENTIAL TREATMENT CENTER SERVICE; AND

   4. AN INTENSIVE PUBLIC BEHAVIORAL HEALTH SERVICE, INCLUDING TARGETED OR MENTAL HEALTH CASE MANAGEMENT SERVICES, RESPITE CARE SERVICES, SERVICES PROVIDED UNDER § 1915(I) OF THE SOCIAL SECURITY ACT, AND PSYCHIATRIC REHABILITATION SERVICES;

(2) THE TOTAL EXPENDITURE AND EXPENDITURE PER CHILD AND YOUNG ADULT USING A PUBLIC BEHAVIORAL HEALTH SERVICE, INCLUDING:

   (I) AN INPATIENT SERVICE;

   (II) AN EMERGENCY ROOM SERVICE;

   (III) A RESIDENTIAL TREATMENT CENTER SERVICE; AND
(IV) AN INTENSIVE COMMUNITY SERVICE.

(3) THE TOTAL COST PER CHILD OR YOUNG ADULT FOR ALL BEHAVIORAL HEALTH SERVICES PROVIDED TO THE CHILD OR YOUNG ADULT;

(4) THE TOTAL EXPENDITURE AND EXPENDITURE PER CHILD AND YOUNG ADULT FOR:

   (i) TARGETED CASE MANAGEMENT SERVICES;

   (ii) RESPITE CARE SERVICES;

   (iii) SERVICES PROVIDED THROUGH A PLAN UNDER § 1915(I) OF THE SOCIAL SECURITY ACT; AND

   (iv) PSYCHIATRIC REHABILITATION SERVICES;

(5) THE AVERAGE LENGTH OF TIME CHILDREN AND YOUNG ADULTS SPENT:

   (i) IN THE HOSPITAL EMERGENCY ROOM PENDING PSYCHIATRIC IN-PATIENT HOSPITALIZATION; AND

   (ii) WAITING FOR PLACEMENT IN A RESIDENTIAL TREATMENT CENTER FROM THE DATE OF THE REFERRAL TO THE DATE OF THE PLACEMENT;

(6) THE NUMBER OF CHILDREN AND YOUNG ADULTS WHO WERE READMITTED FOR A 30–DAY ADMISSION AT:

   (i) THE SAME HOSPITAL;

   (ii) THE SAME RESIDENTIAL TREATMENT CENTER; OR

   (iii) ANY OTHER HOSPITAL OR RESIDENTIAL TREATMENT CENTER;

(6) (7) THE AVERAGE LENGTH OF STAY FOR CHILDREN AND YOUNG ADULTS AT:

   (i) A RESIDENTIAL TREATMENT CENTER; AND

   (ii) A PSYCHIATRIC UNIT AT A HOSPITAL; AND

(7) (8) FOR RESIDENTIAL TREATMENT CENTERS:
(I) THE TOTAL NUMBER OF CHILDREN AND YOUNG ADULTS DISCHARGED; AND

(II) THE NUMBER OF RESIDENTS AT THE END OF THE YEAR WHO ARE CHILDREN OR YOUNG ADULTS.

(C) THE REPORT SHALL GROUP THE INFORMATION REQUIRED UNDER SUBSECTION (B) OF THIS SECTION BY JURISDICTION AND BY THE FOLLOWING AGE GROUPS:

(1) BIRTH THROUGH 12 YEARS OLD;
(2) 7 THROUGH 12 YEARS OLD;
(3) 13 THROUGH 17 YEARS OLD;
(4) 18 THROUGH 21 YEARS OLD; AND
(5) 22 THROUGH 25 YEARS OLD.

(D) ON OR BEFORE DECEMBER 1 EACH YEAR, THE DIRECTOR SHALL SUBMIT THE REPORT REQUIRED UNDER THIS SECTION TO THE GOVERNOR AND, IN ACCORDANCE WITH § 2–1246 OF THE STATE GOVERNMENT ARTICLE, THE GENERAL ASSEMBLY.

Article – Family Law

5–505.1.

(A) IN CONSULTATION WITH INTERESTED STAKEHOLDERS, THE ADMINISTRATION SHALL PREPARE AN ANNUAL REPORT ON VOLUNTARY PLACEMENT AGREEMENTS FOR CHILDREN AND YOUNG ADULTS IN THE STATE.

(B) THE REPORT SHALL INCLUDE:

(1) THE TOTAL NUMBER OF VOLUNTARY PLACEMENT AGREEMENTS THAT WERE:

(1) APPROVED FOR GROUP PLACEMENTS AND FAMILY THERAPEUTIC TREATMENTS;
(2) DENIED; AND

(2) (II) DENIED; AND
(3) (III) REQUESTED FOR BEHAVIORAL HEALTH REASONS, EXCLUDING INCLUDING VOLUNTARY PLACEMENT AGREEMENTS THAT WERE REQUESTED FOR CHILDREN WITH A DEVELOPMENTAL DISABILITY WHO ARE NOT ALSO DIAGNOSED WITH A BEHAVIORAL HEALTH DISORDER;

(2) THE REASON FOR ANY DENIALS; AND

(3) FOR VOLUNTARY PLACEMENT AGREEMENTS THAT WERE APPROVED, THE TYPE OF INITIAL PLACEMENT, INCLUDING:

(I) RESIDENTIAL TREATMENT CENTER;

(II) GROUP HOME PLACEMENT;

(III) THERAPEUTIC GROUP HOME;

(IV) DIAGNOSTIC PLACEMENT;

(V) THERAPEUTIC FOSTER HOME; AND

(VI) ANY OTHER TYPE OF PLACEMENT.

(C) THE REPORT SHALL GROUP THE INFORMATION REQUIRED UNDER SUBSECTION (B) OF THIS SECTION BY THE FOLLOWING REGIONS:

(1) BALTIMORE REGION, CONSISTING OF BALTIMORE CITY, BALTIMORE COUNTY, AND HARFORD COUNTY;

(2) EASTERN SHORE, CONSISTING OF CAROLINE COUNTY, CECIL COUNTY, DORCHESTER COUNTY, KENT COUNTY, QUEEN ANNE’S COUNTY, SOMERSET COUNTY, TALBOT COUNTY, WICOMICO COUNTY, AND WORCESTER COUNTY;

(3) METRO REGION, CONSISTING OF HOWARD COUNTY, MONTGOMERY COUNTY, AND PRINCE GEORGE’S COUNTY;

(4) SOUTHERN MARYLAND, CONSISTING OF ANNE ARUNDEL COUNTY, CALVERT COUNTY, CHARLES COUNTY, AND ST. MARY’S COUNTY; AND

(5) WESTERN MARYLAND, CONSISTING OF ALLEGANY COUNTY, CARROLL COUNTY, FREDERICK COUNTY, GARRETT COUNTY, AND WASHINGTON COUNTY.
ON OR BEFORE DECEMBER 1 EACH YEAR, THE ADMINISTRATION SHALL SUBMIT THE REPORT REQUIRED UNDER THIS SECTION 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, 2018.

Approved by the Governor, May 15, 2018.

Chapter 694
(House Bill 1216)

AN ACT concerning Career Preparation Expansion Act

FOR the purpose of requiring the Department of Labor, Licensing, and Regulation to develop a certain mobile application; providing for the purpose of the mobile application; authorizing a student or a student’s parent or guardian to release certain information to the Department for inclusion in the mobile application; prohibiting the release of certain information without certain permission; authorizing the Department to contract with a third party to develop the mobile application; requiring the Department to adopt certain regulations; authorizing a student or a student’s parent or guardian to release the student’s Armed Services Vocational Aptitude Battery score to certain apprenticeship programs and certain employers; requiring the State Department of Education to adopt certain regulations to require the award of credit toward high school graduation requirements for time spent in certain apprenticeship programs; requiring the Maryland Department of Health and the Department of Labor, Licensing, and Regulation to provide the Maryland Higher Education Commission with certain information; requiring the Commission to collect certain information from institutions of postsecondary education; requiring industry certifiers who receive State funds to provide the Commission with certain information; requiring the Commission to provide certain information to the Maryland Longitudinal Data System Center for a certain purpose; requiring the Commission to adopt certain regulations; providing that a workforce development sequence includes a certain apprenticeship program; authorizing a Workforce Development Sequence Scholarship to be used for costs to participate in a certain apprenticeship program; altering a certain reporting requirement for the Workforce Development Sequence Scholarship program; requiring the Maryland Longitudinal Data System Center and the Governor’s Workforce Development Board to report certain information to the Governor and the General Assembly on or before a certain date each year; requiring the Secretary of Labor, Licensing, and Regulation to require certain information...
from each employing unit; defining certain terms; and generally relating to the collection of education and workforce information.

BY adding to

Article — Business Regulation
Section 2–111
Annotated Code of Maryland
(2015 Replacement Volume and 2017 Supplement)

BY repealing and reenacting, with amendments,

Article — Education
Section 7–111(c), 18–3301(c), 18–3303(b), and 18–3304
Annotated Code of Maryland
(2014 Replacement Volume and 2017 Supplement)

BY repealing and reenacting, without amendments,

Article — Education
Section 7–205.1(a), 18–3301(a), 18–3302, and 24–702
Annotated Code of Maryland
(2014 Replacement Volume and 2017 Supplement)

BY adding to

Article — Education
Section 7–205.1(f); 11–1401 through 11–1406 to be under the new subtitle “Subtitle 14. Collection of Identifying Information on Certificates and Licenses”; and 21–205
Annotated Code of Maryland
(2014 Replacement Volume and 2017 Supplement)

BY repealing and reenacting, with amendments,

Article — Labor and Employment
Section 8–626
Annotated Code of Maryland
(2016 Replacement Volume and 2017 Supplement)

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

Article — Business Regulation

2–111.

(A) IN THIS SECTION, “CTSO” MEANS A CAREER TECHNOLOGY STUDENT ORGANIZATION AND INCLUDES THE FOLLOWING ORGANIZATIONS:

(1) DECA;
(2) FFA;
(3) Future Business Leaders of America–Phi Beta Lambda (FBLA–PBL); and
(4) SkillsUSA.

(b) Subject to subsection (d) of this section, the Department shall develop a mobile application containing the curriculum vitae for each student who is a member of a CTSO.

(c) The purpose of the mobile application developed under this section is to target employers in industries where industry skills align with the skills developed through membership in the CTSO.

(d) (1) A student or a student’s parent or guardian may choose to release the student’s personal information to the Department for inclusion in the mobile application.

(2) The Department may not release the information of a student member of a CTSO without permission from the student or the student’s parent or guardian.

(e) The Department may contract with a third party to develop the mobile application required under subsection (b) of this section.

(f) The Department shall adopt regulations necessary to carry out this section.

Article – Education

7–111.

(c) (1) In this subsection, “ASVAB” means the Armed Services Vocational Aptitude Battery.

(2) Each public school in the State that administers the ASVAB shall choose “Option 8” as the score reporting option for military recruiter contact to prohibit the general release of any student information to military recruiters.

(3) Each public school that administers the ASVAB shall:

(i) Send a written notice to the ASVAB representative coordinating the school’s administration of the ASVAB of the requirement set forth in paragraph (2) of this subsection; and
(ii) Notify students taking the ASVAB and the parent or guardian of students taking the ASVAB of the release of student information requirements set forth in paragraphs (2) and (4) of this subsection.

(4) A student or a student’s parent or guardian may choose to release the student’s personal information and ASVAB scores [to recruiting representatives of the military services] by individually submitting the required forms to the military services authorizing the release of the information TO:

(I) Recruiting representatives of the military services;

(II) Registered apprenticeship programs;

(III) Youth apprenticeship programs under Title 18, Subtitle 18 of this article; and

(IV) Employers registered with:

1. The Department of Labor, Licensing, and Regulation; or

2. Local Workforce Development Boards.

7–205.1.

(a) The State Board shall establish high school curriculum and graduation requirements for all public schools in accordance with this section.

(F) The Department shall may adopt regulations to require the award of credit toward high school graduation requirements for the time a student spends participating in:

(1) A registered apprenticeship program approved by the Division of Workforce Development and Adult Learning within the Department of Labor, Licensing, and Regulation; or

(2) A youth apprenticeship program under Title 18, Subtitle 18 of this article.


11–1401.
(A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(B) "BUSINESS LICENSE" MEANS ANY LICENSE ISSUED TO AN INDIVIDUAL UNDER THE BUSINESS OCCUPATIONS AND PROFESSIONS ARTICLE, THE BUSINESS REGULATION ARTICLE, OR THE HEALTH OCCUPATIONS ARTICLE.

(C) "IDENTIFYING INFORMATION" INCLUDES:

(1) DEMOGRAPHIC INFORMATION; AND

(2) IF APPLICABLE, STUDENT INFORMATION ABOUT:

   (i) PROGRAM SEQUENCES TAKEN;

   (ii) START AND END DATES OF ENROLLMENT;

   (iii) PROGRAM COMPLETION STATUS; AND

   (iv) CREDENTIALS EARNED.

(D) (1) "INDUSTRY CERTIFICATE" MEANS A CERTIFICATE OR LICENSE AWARDED BY AN INDUSTRY CERTIFIER THAT PREPARES AN INDIVIDUAL TO WORK IN A CAREER FIELD.

   (2) "INDUSTRY CERTIFICATE" DOES NOT INCLUDE A BUSINESS LICENSE OR VOCATIONAL CERTIFICATE.

(E) "INDUSTRY CERTIFIER" MEANS A NATIONALLY RECOGNIZED, THIRD–PARTY ENTITY USING PREDETERMINED STANDARDS FOR KNOWLEDGE AND SKILLS TO TEACH INDIVIDUALS.

(F) "VOCATIONAL CERTIFICATE" MEANS A CERTIFICATE OR LICENSE AWARDED BY AN INSTITUTION OF POSTSECONDARY EDUCATION APPROVED TO OPERATE UNDER § 11–202 OF THIS TITLE ON COMPLETION OF A COURSE OF STUDY, INCLUDING CREDIT–BEARING AND NONCREDIT COURSES, THAT PREPARES AN INDIVIDUAL TO WORK IN A CAREER FIELD.

11–1402.

THE MARYLAND DEPARTMENT OF HEALTH AND THE DEPARTMENT OF LABOR, LICENSING, AND REGULATION SHALL PROVIDE THE COMMISSION WITH IDENTIFYING INFORMATION FOR EACH HOLDER OF A BUSINESS LICENSE.
11–1403.

The Commission shall collect identifying information on each student who has earned a vocational certificate from an institution of postsecondary education in the State.

11–1404.

If an industry certifier receives State funds, the industry certifier shall provide the Commission with identifying information on each individual who holds an industry certificate awarded by the industry certifier.

11–1405.

The Commission shall provide the Maryland Longitudinal Data System Center with the identifying information collected under this subtitle in order to aid the Maryland Longitudinal Data System Center’s goal under § 24–702 of this article of linking student data and workforce data.

11–1406.

The Commission shall adopt regulations necessary to carry out this subtitle.

18–3301.

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

(c) (1) “Workforce Development Sequence” means [a]:

   (I) A program offered by a community college that is approved by the Commission and is composed of courses that are related to:

      [ (i) ] 1. Job preparation or an apprenticeship;

      [ (ii) ] 2. Licensure or certification; or

      [ (iii) ] 3. Job skill enhancement; OR

   (II) A registered apprenticeship program approved by the Division of Workforce Development and Adult Learning in the Department of Labor, Licensing, and Regulation.
(2) “Workforce Development Sequence” does not include a sequence of courses leading to an associate’s or bachelor’s degree.

18–3302.

There is a Workforce Development Sequence Scholarship administered by the Office.

18–3303.

(b) An eligible student who receives a Workforce Development Sequence Scholarship under this subtitle may use the award for tuition, mandatory fees, [and] other associated costs of attendance, OR COSTS TO PARTICIPATE IN A REGISTERED APPRENTICESHIP PROGRAM.

18–3304.

On or before December 1 each year, the Commission shall report to the General Assembly, in accordance with § 2–1246 of the State Government Article, on:

(1) The number of students who received a Workforce Development Sequence Scholarship;

(2) The amount of the award made to each recipient;

(3) The community college that the recipient attended; [and]

(4) The workforce development sequence in which the recipient enrolled;

AND

(5) THE REGISTERED APPRENTICESHIP PROGRAM IN WHICH THE RECIPIENT PARTICIPATED.

21–205.

ON OR BEFORE DECEMBER 1 EACH YEAR, THE MARYLAND LONGITUDINAL DATA SYSTEM CENTER AND THE GOVERNOR’S WORKFORCE DEVELOPMENT BOARD SHALL REPORT TO THE GOVERNOR AND, IN ACCORDANCE WITH § 2–1246 OF THE STATE GOVERNMENT ARTICLE, THE GENERAL ASSEMBLY THE AVAILABLE DATA FOR HIGH SCHOOL GRADUATES FOR THE 5–YEAR PERIOD AFTER GRADUATION ON:

(1) WAGES EARNED;

(2) HOURS WORKED PER WEEK; AND
(3) **THE INDUSTRY IN WHICH THE INDIVIDUALS ARE EMPLOYED.**

24–702.

(a) The State Department of Education, Maryland Higher Education Commission, University System of Maryland, Morgan State University, St. Mary’s College of Maryland, and Department of Labor, Licensing, and Regulation jointly shall establish the Maryland Longitudinal Data System that shall be fully operational by December 31, 2014.

(b) The Maryland Longitudinal Data System is a statewide data system that contains individual–level student data and workforce data from all levels of education and the State’s workforce, and allows the Center to:

(1) Effectively organize, manage, disaggregate, and analyze individual student data; and

(2) Examine student progress and outcomes over time, including preparation for postsecondary education and the workforce.

(c) The linkage of student data and workforce data for the purposes of the Maryland Longitudinal Data System shall be limited to no longer than 20 years from the date of latest attendance in any educational institution in the State.

(d) The purpose of the Maryland Longitudinal Data System is to:

(1) Generate timely and accurate information about student performance that can be used to improve the State’s education system and guide decision makers at all levels; and

(2) Facilitate and enable the linkage of student data and workforce data.

**Article – Labor and Employment**

8–626.

(a) For each calendar quarter, each employing unit shall submit to the Secretary a contribution and employment report on or before the date that the Secretary sets.

(b) An employing unit shall include in a contribution and employment report information that the Secretary requires.

(c) (1) An employing unit that fails to submit a contribution and employment report under this section is subject to a penalty of $35 unless the Secretary waives the penalty for cause.
(2) An employing unit that submits a check or other negotiable instrument in payment of any penalty under this subsection which is returned for insufficient funds is subject to an additional penalty of $25.

(D) (1) The information that the Secretary requires under subsection (B) of this section shall include:

(i) The occupation and job title of each employee;

(ii) The number of hours each employee has worked during the calendar quarter; and

(iii) The location at which the employee works.

(2) The location listed under paragraph (1)(iii) of this subsection shall be the employee’s actual work site and not the employing unit’s place of business.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2018.

Approved by the Governor, May 15, 2018.

Chapter 695
(Senate Bill 978)

AN ACT concerning

Career Preparation Expansion Act

FOR the purpose of requiring the Department of Labor, Licensing, and Regulation to develop a certain mobile application; providing for the purpose of the mobile application; authorizing a student or a student’s parent or guardian to release certain information to the Department for inclusion in the mobile application; prohibiting the release of certain information without certain permission; authorizing the Department to contract with a third party to develop the mobile application; requiring the Department to adopt certain regulations; authorizing a student or a student’s parent or guardian to release the student’s Armed Services Vocational Aptitude Battery score to certain apprenticeship programs and certain employers; requiring authorizing the State Department of Education to adopt certain regulations to require the award of credit toward high school graduation requirements for time spent in certain apprenticeship programs; requiring the Maryland Department of Health and the Department of Labor, Licensing, and
Regulation to provide the Maryland Higher Education Commission with certain information; requiring the Commission to collect certain information from institutions of postsecondary education; requiring industry certifiers who receive State funds to provide the Commission with certain information; requiring the Commission to provide certain information to the Maryland Longitudinal Data System Center for a certain purpose; requiring the Commission to adopt certain regulations; providing that a workforce development sequence includes a certain apprenticeship program; authorizing a Workforce Development Sequence Scholarship to be used for costs to participate in a certain apprenticeship program; altering a certain reporting requirement for the Workforce Development Sequence Scholarship program; requiring the Maryland Longitudinal Data System Center and the Governor’s Workforce Development Board to report certain information to the Governor and the General Assembly on or before a certain date each year; requiring the Secretary of Labor, Licensing, and Regulation to require certain information from each employing unit; defining certain terms; and generally relating to the collection of education and workforce information.

BY adding to
Article—Business Regulation
Section 2–111
Annotated Code of Maryland
(2015 Replacement Volume and 2017 Supplement)

BY repealing and reenacting, with amendments,
Article—Education
Section 7–111(c), 18–3301(c), 18–3303(b), and 18–3304
Annotated Code of Maryland
(2014 Replacement Volume and 2017 Supplement)

BY repealing and reenacting, without amendments,
Article—Education
Section 7–205.1(a), 18–3301(a), 18–3302, and 24–702
Annotated Code of Maryland
(2014 Replacement Volume and 2017 Supplement)

BY adding to
Article—Education
Section 7–205.1(f); 11–1401 through 11–1406 to be under the new subtitle “Subtitle 14. Collection of Identifying Information on Certificates and Licenses”; and 21–205
Annotated Code of Maryland
(2014 Replacement Volume and 2017 Supplement)

BY repealing and reenacting, with amendments,
Article—Labor and Employment
Section 8–626
Annotated Code of Maryland
SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

**Article—Business Regulation**

2-111.

(A) In this section, “CTSO” means a Career Technology Student Organization and includes the following organizations:

1. DECA;
2. FFA;
3. Future Business Leaders of America–Phi Beta Lambda (FBLA–PBL); and
4. SkillsUSA.

(B) Subject to subsection (d) of this section, the Department shall develop a mobile application containing the curriculum vitae for each student who is a member of a CTSO.

(C) The purpose of the mobile application developed under this section is to target employers in industries where industry skills align with the skills developed through membership in the CTSO.

(D) (1) A student or a student’s parent or guardian may choose to release the student’s personal information to the Department for inclusion in the mobile application.

2. The Department may not release the information of a student member of a CTSO without permission from the student or the student’s parent or guardian.

(E) The Department may contract with a third party to develop the mobile application required under subsection (b) of this section.

(F) The Department shall adopt regulations necessary to carry out this section.

**Article—Education**
7–111.

(c)  (1) In this subsection, “ASVAB” means the Armed Services Vocational Aptitude Battery.

(2) Each public school in the State that administers the ASVAB shall choose “Option 8” as the score reporting option for military recruiter contact to prohibit the general release of any student information to military recruiters.

(3) Each public school that administers the ASVAB shall:

(i) Send a written notice to the ASVAB representative coordinating the school’s administration of the ASVAB of the requirement set forth in paragraph (2) of this subsection; and

(ii) Notify students taking the ASVAB and the parent or guardian of students taking the ASVAB of the release of student information requirements set forth in paragraphs (2) and (4) of this subsection.

(4) A student or a student’s parent or guardian may choose to release the student’s personal information and ASVAB scores to recruiting representatives of the military services by individually submitting the required forms to the military services authorizing the release of the information TO:

(I) RECRUITING REPRESENTATIVES OF THE MILITARY SERVICES;

(II) REGISTERED APPRENTICESHIP PROGRAMS;

(III) YOUTH APPRENTICESHIP PROGRAMS UNDER TITLE 18, SUBTITLE 18 OF THIS ARTICLE; AND

(IV) EMPLOYERS REGISTERED WITH:

1. THE DEPARTMENT OF LABOR, LICENSING, AND REGULATION; OR

2. LOCAL WORKFORCE DEVELOPMENT BOARDS.

7–205.1.

(a) The State Board shall establish high school curriculum and graduation requirements for all public schools in accordance with this section.
(F) The Department shall adopt regulations to require the award of credit toward high school graduation requirements for the time a student spends participating in:

(1) A registered apprenticeship program approved by the Division of Workforce Development and Adult Learning within the Department of Labor, Licensing, and Regulation; or

(2) A youth apprenticeship program under Title 18, Subtitle 18 of this article.


11–1401.

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

(B) “Business license” means any license issued to an individual under the Business Occupations and Professions Article, the Business Regulation Article, or the Health Occupations Article.

(C) “Identifying information” includes:

(1) Demographic information; and

(2) If applicable, student information about:

(I) Program sequences taken;

(ii) Start and end dates of enrollment;

(iii) Program completion status; and

(iv) Credentials earned.

(D) (1) “Industry certificate” means a certificate or license awarded by an industry certifier that prepares an individual to work in a career field.

(2) “Industry certificate” does not include a business license or vocational certificate.
(E) “INDUSTRY CERTIFIER” MEANS A NATIONALLY RECOGNIZED, THIRD–PARTY ENTITY USING PREDETERMINED STANDARDS FOR KNOWLEDGE AND SKILLS TO TEACH INDIVIDUALS.

(F) “VOCATIONAL CERTIFICATE” MEANS A CERTIFICATE OR LICENSE AWARDED BY AN INSTITUTION OF POSTSECONDARY EDUCATION APPROVED TO OPERATE UNDER § 11–202 OF THIS TITLE ON COMPLETION OF A COURSE OF STUDY, INCLUDING CREDIT–BEARING AND NONCREDIT COURSES, THAT PREPARES AN INDIVIDUAL TO WORK IN A CAREER FIELD.

11–1402.

THE MARYLAND DEPARTMENT OF HEALTH AND THE DEPARTMENT OF LABOR, LICENSING, AND REGULATION SHALL PROVIDE THE COMMISSION WITH IDENTIFYING INFORMATION FOR EACH HOLDER OF A BUSINESS LICENSE.

11–1403.

THE COMMISSION SHALL COLLECT IDENTIFYING INFORMATION ON EACH STUDENT WHO HAS EARNED A VOCATIONAL CERTIFICATE FROM AN INSTITUTION OF POSTSECONDARY EDUCATION IN THE STATE.

11–1404.

IF AN INDUSTRY CERTIFIER RECEIVES STATE FUNDS, THE INDUSTRY CERTIFIER SHALL PROVIDE THE COMMISSION WITH IDENTIFYING INFORMATION ON EACH INDIVIDUAL WHO HOLDS AN INDUSTRY CERTIFICATE AWARDED BY THE INDUSTRY CERTIFIER.

11–1405.

THE COMMISSION SHALL PROVIDE THE MARYLAND LONGITUDINAL DATA SYSTEM CENTER WITH THE IDENTIFYING INFORMATION COLLECTED UNDER THIS SUBTITLE IN ORDER TO AID THE MARYLAND LONGITUDINAL DATA SYSTEM CENTER’S GOAL UNDER § 24–702 OF THIS ARTICLE OF LINKING STUDENT DATA AND WORKFORCE DATA.

11–1406.

THE COMMISSION SHALL ADOPT REGULATIONS NECESSARY TO CARRY OUT THIS SUBTITLE.
(a) In this subtitle the following words have the meanings indicated.

(c) (1) “Workforce Development Sequence” means [a]:

(I) A program offered by a community college that is approved by the Commission and is composed of courses that are related to:

[(i)] 1. Job preparation or an apprenticeship;

[(ii)] 2. Licensure or certification; or

[(iii)] 3. Job skill enhancement; OR

(II) A REGISTERED APPRENTICESHIP PROGRAM APPROVED BY THE DIVISION OF WORKFORCE DEVELOPMENT AND ADULT LEARNING IN THE DEPARTMENT OF LABOR, LICENSING, AND REGULATION.

(2) “Workforce Development Sequence” does not include a sequence of courses leading to an associate’s or bachelor’s degree.

18–3302.

There is a Workforce Development Sequence Scholarship administered by the Office.

18–3303.

(b) An eligible student who receives a Workforce Development Sequence Scholarship under this subtitle may use the award for tuition, mandatory fees, [and] other associated costs of attendance, OR COSTS TO PARTICIPATE IN A REGISTERED APPRENTICESHIP PROGRAM.

18–3304.

On or before December 1 each year, the Commission shall report to the General Assembly, in accordance with § 2–1246 of the State Government Article, on:

(1) The number of students who received a Workforce Development Sequence Scholarship;

(2) The amount of the award made to each recipient;

(3) The community college that the recipient attended; [and]

(4) The workforce development sequence in which the recipient enrolled;

AND
(5) **The registered apprenticeship program in which the recipient participated.**

21–205.

**On or before December 1 each year, the Maryland Longitudinal Data System Center and the Governor’s Workforce Development Board shall report to the Governor and, in accordance with § 2–1246 of the State Government Article, the General Assembly the available data for high school graduates for the 5–year period after graduation on:**

(1) **Wages earned;**

(2) **Hours worked per week; and**

(3) **The industry in which the individuals are employed.**

24–702.

(a) The State Department of Education, Maryland Higher Education Commission, University System of Maryland, Morgan State University, St. Mary’s College of Maryland, and Department of Labor, Licensing, and Regulation jointly shall establish the Maryland Longitudinal Data System that shall be fully operational by December 31, 2014.

(b) The Maryland Longitudinal Data System is a statewide data system that contains individual–level student data and workforce data from all levels of education and the State’s workforce, and allows the Center to:

(1) Effectively organize, manage, disaggregate, and analyze individual student data; and

(2) Examine student progress and outcomes over time, including preparation for postsecondary education and the workforce.

(c) The linkage of student data and workforce data for the purposes of the Maryland Longitudinal Data System shall be limited to no longer than 20 years from the date of latest attendance in any educational institution in the State.

(d) The purpose of the Maryland Longitudinal Data System is to:

(1) Generate timely and accurate information about student performance that can be used to improve the State’s education system and guide decision makers at all levels; and

(2) Facilitate and enable the linkage of student data and workforce data.
Article—Labor and Employment

8–626.

(a) For each calendar quarter, each employing unit shall submit to the Secretary a contribution and employment report on or before the date that the Secretary sets.

(b) An employing unit shall include in a contribution and employment report information that the Secretary requires.

(c) (1) An employing unit that fails to submit a contribution and employment report under this section is subject to a penalty of $35 unless the Secretary waives the penalty for cause.

(2) An employing unit that submits a check or other negotiable instrument in payment of any penalty under this subsection which is returned for insufficient funds is subject to an additional penalty of $25.

(D) (1) The information that the Secretary requires under subsection (b) of this section shall include:

(I) The occupation and job title of each employee;

(II) The number of hours each employee has worked during the calendar quarter; and

(III) The location at which the employee works.

(2) The location listed under paragraph (1)(III) of this subsection shall be the employee’s actual work site and not the employing unit’s place of business.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2018.

Approved by the Governor, May 15, 2018.

Chapter 696

(House Bill 1528)

AN ACT concerning
Electric Universal Service Program – Funds – Arrearage Prevention

FOR the purpose of authorizing the Department of Human Services to use certain unexpended funds to establish a certain arrearage prevention program; providing for the purpose and intent of the program; providing for the Department to select certain program recipients for certain purposes; requiring a program recipient to demonstrate certain efforts; authorizing the program to include the installation of certain equipment; requiring the Department, for fiscal year 2019, to dedicate a certain amount of certain unexpended funds in the Electric Universal Service Program for a certain purpose; and generally relating to the Electric Universal Service Program.

BY repealing and reenacting, without amendments,
   Article – Public Utilities
   Section 7–512.1(a), (c), and (d)
   Annotated Code of Maryland
   (2010 Replacement Volume and 2017 Supplement)

BY repealing and reenacting, with amendments,
   Article – Public Utilities
   Section 7–512.1(b)
   Annotated Code of Maryland
   (2010 Replacement Volume and 2017 Supplement)

BY adding to
   Article – Public Utilities
   Section 7–512.1(h)
   Annotated Code of Maryland
   (2010 Replacement Volume and 2017 Supplement)

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

Article – Public Utilities

7–512.1.

(a) (1) The Commission shall establish an electric universal service program to assist electric customers with annual incomes at or below 175% of the federal poverty level.

   (2) The components of the electric universal service program shall include:

   (i) bill assistance;

   (ii) low–income residential weatherization; and
(iii) the retirement of arrearages for electric customers who have not received assistance in retiring arrearages under the universal service program within the preceding 7 fiscal years.

(3) The Department of Housing and Community Development is responsible for administering the low-income residential weatherization component of the electric universal service program.

(4) (i) The Department of Human Services, through the Office of Home Energy Programs, is responsible for administering the bill assistance and the arrearage retirement components of the electric universal service program.

(ii) The Department of Human Services may:

1. establish minimum and maximum benefits available to an electric customer under the bill assistance and arrearage retirement components; and

2. coordinate benefits under the electric universal service program with benefits under the Maryland Energy Assistance Program and other available energy assistance programs.

(5) The Department of Human Services may, with input from a panel or roundtable of interested parties, contract to assist in administering the bill assistance and the arrearage retirement components of the electric universal service program.

(6) The Commission has oversight responsibility for the bill assistance and the arrearage retirement components of the electric universal service program and any other funds expended under this section.

(7) In a specific case, the electric universal service program may waive the income eligibility limitation under paragraph (1) of this subsection in order to provide assistance to an electric customer who would qualify for a similar waiver under the Maryland Energy Assistance Program established under Title 5, Subtitle 5A of the Human Services Article.

(b) (1) All customers shall contribute to the funding of the electric universal service program through a charge collected by each electric company.

(2) The Commission shall determine a fair and equitable allocation for collecting the charges among all customer classes pursuant to subsection (e) of this section.

(3) Except as provided in paragraph (4) of this subsection, in accordance with subsection (f)(6) of this section, any unexpended bill assistance and arrearage retirement funds returned to customers under subsection (f) of this section shall be returned to each customer class as a credit in the same proportion that the customer class contributed charges to the fund.
(4) The Department of Human Services shall expend any unexpended bill assistance and arrearage funds that were collected in fiscal years 2010 through 2017, in excess of the total amount authorized under subsection (e) of this section, for one or more of the following purposes:

(i) bill assistance and the retirement of arrearages for customers who are eligible to receive assistance at the time services are provided;

(ii) targeted and enhanced low-income residential weatherization designed to remediate households that are considered ineligible to participate in other State energy efficiency programs due to significant health and safety hazards; [or]

(iii) an arrearage management program for low-income customers in arrears, including providing credits or matching payments for customers who make timely payments on current bills; OR

(IV) AN ARREARAGE PREVENTION PROGRAM FOR LOW–INCOME CUSTOMERS.

(5) An electric company shall recover electric universal service program costs in accordance with § 7–512 of this subtitle.

(6) As determined by the Office of Home Energy Programs, bill assistance payments to an electric company may be on a monthly basis for each customer.

(7) The Commission shall determine the allocation of the electric universal service charge among the generation, transmission, and distribution rate components of all classes.

(8) The Commission may not assess the electric universal service surcharge on a per kilowatt–hour basis.

(c) On or before December 1 of each year, the Commission shall report, subject to § 2–1246 of the State Government Article, to the General Assembly on the electric universal service program, including:

(i) subject to subsection (e) of this section, a recommendation on the total amount of funds for the program for the following fiscal year based on:

1. the level of participation in and the amounts expended on bill assistance and arrearage retirement during the preceding fiscal year;

2. how bill assistance and arrearage retirement payments were calculated during the preceding fiscal year;

3. the projected needs for the bill assistance and the arrearage retirement components for the next fiscal year; and
4. the amount of any bill assistance or arrearage retirement surplus carried over in the electric universal service program fund under subsection (f)(6)(i) of this section;

   (ii) for bill assistance, the total amount of need, as determined by the Commission, for electric customers with annual incomes at or below 175% of the federal poverty level and the basis for this determination;

   (iii) the amount of funds needed, as determined by the Commission, to retire arrearages for electric customers who have not received assistance in retiring arrearages under the electric universal service program within the preceding 7 fiscal years, and the basis for this determination;

   (iv) the amount of funds needed, as determined by the Commission, for bill assistance and arrearage retirement, respectively, for customers for whom income limitations may be waived under subsection (a)(7) of this section, and the basis for each determination;

   (v) the impact on customers’ rates, including the allocation among customer classes, from collecting the total amount recommended by the Commission under item (i) of this paragraph; and

   (vi) the impact of using other federal poverty level benchmarks on costs and the effectiveness of the electric universal service program.

(2) (i) To assist the Commission in preparing its recommendations under paragraph (1) of this subsection, the Office of Home Energy Programs shall report to the Commission each year on:

   1. the number of customers and the amount of distributions made to fuel customers under the Maryland Energy Assistance Program established under Title 5, Subtitle 5A of the Human Services Article, identified by funding source and fuel source;

   2. the cost of outreach and education materials provided by the Office of Home Energy Programs for the electric universal service program; and

   3. the amount of money that the Department of Human Services receives, and is projected to receive, for low-income energy assistance from:

      A. the Maryland Strategic Energy Investment Fund under § 9–20B–05 of the State Government Article;

      B. with respect to electric customers only, the Maryland Energy Assistance Program; and
C. any other federal, State, local, or private source. 

(ii) The Office of Home Energy Programs may satisfy the reporting requirement of subparagraph (i)1 of this paragraph by providing the Commission with a copy of material that contains the required information and that the Office of Home Energy Programs submits to the federal government. 

(iii) The Commission shall include the information provided by the Office of Home Energy Programs under subparagraph (i) of this paragraph in its report to the General Assembly under paragraph (1) of this subsection. 

(3) Subject to subsection (d)(2) of this section, the Commission shall include the information provided by the Department of Housing and Community Development under subsection (d)(1) of this section in its report to the General Assembly under paragraph (1) of this subsection. 

(4) The electric universal service program shall be subject to audit by the Office of Legislative Audits in accordance with §§ 2–1220 through 2–1227 of the State Government Article. 

(d) (1) On or before December 1 of each year, the Department of Housing and Community Development shall report, in accordance with § 2–1246 of the State Government Article, to the General Assembly on the low–income residential weatherization component of the electric universal service program, including:

(i) the amount of funds expended during the preceding fiscal year; 

(ii) the level of participation during the preceding fiscal year, including the number of households served in each area of the State; and 

(iii) the types of projects, including the average cost per unit, provided to households during the preceding fiscal year. 

(2) The Department of Housing and Community Development may satisfy the reporting requirement under paragraph (1) of this subsection by requesting the Commission to include the information in the Commission’s report required under subsection (c) of this section and providing the information to the Commission by the date specified by the Commission. 

(H) (1) AN ARREARAGE PREVENTION PROGRAM UNDER SUBSECTION (B)(4)(IV) OF THIS SECTION IS INTENDED TO PREVENT OR REDUCE ARREARAGES FOR LOW–INCOME CUSTOMERS WHO HAVE PARTICIPATED IN A LOW–INCOME RESIDENTIAL WEATHERIZATION PROGRAM.
(2) (I) THE PROGRAM IS INTENDED AS A ONE–TIME GRANT OF MONEY TO ESTABLISH ONGOING ARREARAGE PREVENTION ACTIVITIES IN THE STATE.

(II) THE DEPARTMENT OF HUMAN SERVICES, IN CONSULTATION WITH THE COMMISSION, WILL SELECT FOR THE PROGRAM UP TO TWO PUBLIC OR PRIVATE ENTITIES AS PROGRAM RECIPIENTS TO ADMINISTER THE PROGRAM.

(III) AT LEAST ONE PROGRAM RECIPIENT MUST PRIMARILY SERVE CUSTOMERS IN A MAJOR URBAN AREA OF THE STATE.

(3) A PROGRAM RECIPIENT MUST DEMONSTRATE SIGNIFICANT EFFORTS TO:

(I) SECURE ADDITIONAL PRIVATE INVESTMENT IN ROOFTOP SOLAR INSTALLATION, INCLUDING THE USE OF PROGRAM MONEY FOR CREDIT ENHANCEMENT, DIRECT PROJECT SUPPORT, OR SUPPORT FOR PROGRAM RECIPIENTS AND CUSTOMERS; AND

(II) PROVIDE EMPLOYMENT IN SOLAR INSTALLATION TO UNEMPLOYED AND UNDEREMPLOYED INDIVIDUALS, WITH PREFERENCE FOR THOSE WHO RESIDE IN THE LOCAL JURISDICTION WHERE THE INSTALLATIONS WILL OCCUR.

(4) THE PROGRAM MAY INCLUDE THE INSTALLATION OF ROOFTOP SOLAR ELECTRICITY GENERATION EQUIPMENT AFTER ENERGY EFFICIENCY MEASURES AT THE RESIDENTIAL PROPERTY HAVE BEEN COMPLETED.

SECTION 2. AND BE IT FURTHER ENACTED, That, notwithstanding the provisions of § 7–512.1 of the Public Utilities Article, for fiscal year 2019, the Department of Human Services shall dedicate $750,000 of the unexpended bill assistance and arrearage funds in the Electric Universal Service Program to an arrearage prevention program established under § 7–512.1(h) of the Public Utilities Article, as enacted by Section 1 of this Act.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2018.

Approved by the Governor, May 15, 2018.
Chapter 697  
(Senate Bill 1117)

AN ACT concerning  

Electric Universal Service Program – Funds – Arrearage Prevention

FOR the purpose of authorizing the Department of Human Services to use certain unexpended funds to establish a certain arrearage prevention program; providing for the purpose and intent of the program; providing for the Department to select certain program recipients for certain purposes; requiring a program recipient to demonstrate certain efforts; authorizing the program to include the installation of certain equipment; requiring the Department, for fiscal year 2019, to dedicate a certain amount of certain unexpended funds in the Electric Universal Service Program for a certain purpose; and generally relating to the Electric Universal Service Program.

BY repealing and reenacting, without amendments,  
Article – Public Utilities  
Section 7–512.1(a), (c), and (d)  
Annotated Code of Maryland  
(2010 Replacement Volume and 2017 Supplement)

BY repealing and reenacting, with amendments,  
Article – Public Utilities  
Section 7–512.1(b)  
Annotated Code of Maryland  
(2010 Replacement Volume and 2017 Supplement)

BY adding to  
Article – Public Utilities  
Section 7–512.1(h)  
Annotated Code of Maryland  
(2010 Replacement Volume and 2017 Supplement)

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

Article – Public Utilities

7–512.1.  

(a) (1) The Commission shall establish an electric universal service program to assist electric customers with annual incomes at or below 175% of the federal poverty level.
(2) The components of the electric universal service program shall include:

(i) bill assistance;

(ii) low–income residential weatherization; and

(iii) the retirement of arrearages for electric customers who have not received assistance in retiring arrearages under the universal service program within the preceding 7 fiscal years.

(3) The Department of Housing and Community Development is responsible for administering the low–income residential weatherization component of the electric universal service program.

(4) (i) The Department of Human Services, through the Office of Home Energy Programs, is responsible for administering the bill assistance and the arrearage retirement components of the electric universal service program.

(ii) The Department of Human Services may:

1. establish minimum and maximum benefits available to an electric customer under the bill assistance and arrearage retirement components; and

2. coordinate benefits under the electric universal service program with benefits under the Maryland Energy Assistance Program and other available energy assistance programs.

(5) The Department of Human Services may, with input from a panel or roundtable of interested parties, contract to assist in administering the bill assistance and the arrearage retirement components of the electric universal service program.

(6) The Commission has oversight responsibility for the bill assistance and the arrearage retirement components of the electric universal service program and any other funds expended under this section.

(7) In a specific case, the electric universal service program may waive the income eligibility limitation under paragraph (1) of this subsection in order to provide assistance to an electric customer who would qualify for a similar waiver under the Maryland Energy Assistance Program established under Title 5, Subtitle 5A of the Human Services Article.

(b) (1) All customers shall contribute to the funding of the electric universal service program through a charge collected by each electric company.

(2) The Commission shall determine a fair and equitable allocation for collecting the charges among all customer classes pursuant to subsection (e) of this section.
(3) Except as provided in paragraph (4) of this subsection, in accordance with subsection (f)(6) of this section, any unexpended bill assistance and arrearage retirement funds returned to customers under subsection (f) of this section shall be returned to each customer class as a credit in the same proportion that the customer class contributed charges to the fund.

(4) The Department of Human Services shall expend any unexpended bill assistance and arrearage funds that were collected in fiscal years 2010 through 2017, in excess of the total amount authorized under subsection (e) of this section, for one or more of the following purposes:

(i) bill assistance and the retirement of arrearages for customers who are eligible to receive assistance at the time services are provided;

(ii) targeted and enhanced low–income residential weatherization designed to remediate households that are considered ineligible to participate in other State energy efficiency programs due to significant health and safety hazards; [or]

(iii) an arrearage management program for low–income customers in arrears, including providing credits or matching payments for customers who make timely payments on current bills; OR

(IV) AN ARREARAGE PREVENTION PROGRAM FOR LOW–INCOME CUSTOMERS.

(5) An electric company shall recover electric universal service program costs in accordance with § 7–512 of this subtitle.

(6) As determined by the Office of Home Energy Programs, bill assistance payments to an electric company may be on a monthly basis for each customer.

(7) The Commission shall determine the allocation of the electric universal service charge among the generation, transmission, and distribution rate components of all classes.

(8) The Commission may not assess the electric universal service surcharge on a per kilowatt–hour basis.

(c) (1) On or before December 1 of each year, the Commission shall report, subject to § 2–1246 of the State Government Article, to the General Assembly on the electric universal service program, including:

(i) subject to subsection (e) of this section, a recommendation on the total amount of funds for the program for the following fiscal year based on:

1. the level of participation in and the amounts expended on bill assistance and arrearage retirement during the preceding fiscal year;
2. how bill assistance and arrearage retirement payments were calculated during the preceding fiscal year;

3. the projected needs for the bill assistance and the arrearage retirement components for the next fiscal year; and

4. the amount of any bill assistance or arrearage retirement surplus carried over in the electric universal service program fund under subsection (f)(6)(i) of this section;

(ii) for bill assistance, the total amount of need, as determined by the Commission, for electric customers with annual incomes at or below 175% of the federal poverty level and the basis for this determination;

(iii) the amount of funds needed, as determined by the Commission, to retire arrearages for electric customers who have not received assistance in retiring arrearages under the electric universal service program within the preceding 7 fiscal years, and the basis for this determination;

(iv) the amount of funds needed, as determined by the Commission, for bill assistance and arrearage retirement, respectively, for customers for whom income limitations may be waived under subsection (a)(7) of this section, and the basis for each determination;

(v) the impact on customers’ rates, including the allocation among customer classes, from collecting the total amount recommended by the Commission under item (i) of this paragraph; and

(vi) the impact of using other federal poverty level benchmarks on costs and the effectiveness of the electric universal service program.

(2) (i) To assist the Commission in preparing its recommendations under paragraph (1) of this subsection, the Office of Home Energy Programs shall report to the Commission each year on:

1. the number of customers and the amount of distributions made to fuel customers under the Maryland Energy Assistance Program established under Title 5, Subtitle 5A of the Human Services Article, identified by funding source and fuel source;

2. the cost of outreach and education materials provided by the Office of Home Energy Programs for the electric universal service program; and

3. the amount of money that the Department of Human Services receives, and is projected to receive, for low-income energy assistance from:
A. the Maryland Strategic Energy Investment Fund under § 9–20B–05 of the State Government Article;

B. with respect to electric customers only, the Maryland Energy Assistance Program; and

C. any other federal, State, local, or private source.

(ii) The Office of Home Energy Programs may satisfy the reporting requirement of subparagraph (i) of this paragraph by providing the Commission with a copy of material that contains the required information and that the Office of Home Energy Programs submits to the federal government.

(iii) The Commission shall include the information provided by the Office of Home Energy Programs under subparagraph (i) of this paragraph in its report to the General Assembly under paragraph (1) of this subsection.

(3) Subject to subsection (d)(2) of this section, the Commission shall include the information provided by the Department of Housing and Community Development under subsection (d)(1) of this section in its report to the General Assembly under paragraph (1) of this subsection.

(4) The electric universal service program shall be subject to audit by the Office of Legislative Audits in accordance with §§ 2–1220 through 2–1227 of the State Government Article.

(d) (1) On or before December 1 of each year, the Department of Housing and Community Development shall report, in accordance with § 2–1246 of the State Government Article, to the General Assembly on the low-income residential weatherization component of the electric universal service program, including:

(i) the amount of funds expended during the preceding fiscal year;

(ii) the level of participation during the preceding fiscal year, including the number of households served in each area of the State; and

(iii) the types of projects, including the average cost per unit, provided to households during the preceding fiscal year.

(2) The Department of Housing and Community Development may satisfy the reporting requirement under paragraph (1) of this subsection by requesting the Commission to include the information in the Commission’s report required under subsection (c) of this section and providing the information to the Commission by the date specified by the Commission.

(H) (1) AN ARREARAGE PREVENTION PROGRAM UNDER SUBSECTION (B)(4)(IV) OF THIS SECTION IS INTENDED TO PREVENT OR REDUCE ARREARAGES
FOR LOW–INCOME CUSTOMERS WHO HAVE PARTICIPATED IN A LOW–INCOME RESIDENTIAL WEATHERIZATION PROGRAM.

(2) (I) THE PROGRAM IS INTENDED AS A ONE–TIME GRANT OF MONEY TO ESTABLISH ONGOING ARREARAGE PREVENTION ACTIVITIES IN THE STATE.

(II) THE DEPARTMENT OF HUMAN SERVICES, IN CONSULTATION WITH THE COMMISSION, WILL SELECT FOR THE PROGRAM UP TO TWO PUBLIC OR PRIVATE ENTITIES AS PROGRAM RECIPIENTS TO ADMINISTER THE PROGRAM.

(III) AT LEAST ONE PROGRAM RECIPIENT MUST PRIMARILY SERVE CUSTOMERS IN A MAJOR URBAN AREA OF THE STATE.

(3) A PROGRAM RECIPIENT MUST DEMONSTRATE SIGNIFICANT EFFORTS TO:

(I) SECURE ADDITIONAL PRIVATE INVESTMENT IN ROOFTOP SOLAR INSTALLATION, INCLUDING THE USE OF PROGRAM MONEY FOR CREDIT ENHANCEMENT, DIRECT PROJECT SUPPORT, OR SUPPORT FOR PROGRAM RECIPIENTS AND CUSTOMERS; AND

(II) PROVIDE EMPLOYMENT IN SOLAR INSTALLATION TO UNEMPLOYED AND UNDEREMPLOYED INDIVIDUALS, WITH PREFERENCE FOR THOSE WHO RESIDE IN THE LOCAL JURISDICTION WHERE THE INSTALLATIONS WILL OCCUR.

(4) THE PROGRAM MAY INCLUDE THE INSTALLATION OF ROOFTOP SOLAR ELECTRICITY GENERATION EQUIPMENT AFTER ENERGY EFFICIENCY MEASURES AT THE RESIDENTIAL PROPERTY HAVE BEEN COMPLETED.

SECTION 2. AND BE IT FURTHER ENACTED, That, notwithstanding the provisions of § 7–512.1 of the Public Utilities Article, for fiscal year 2019, the Department of Human Services shall dedicate $750,000 of the unexpended bill assistance and arrearage funds in the Electric Universal Service Program to an arrearage prevention program established under § 7–512.1(h) of the Public Utilities Article, as enacted by Section 1 of this Act.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2018.

Approved by the Governor, May 15, 2018.
Chapter 698
(Senate Bill 501)

AN ACT concerning

State Lakes Protection and Restoration Fund – Purpose, Use, and Funding – Alterations

FOR the purpose of altering the purpose and use of the State Lakes Protection and Restoration Fund; requiring the Governor, beginning in a certain fiscal year, to include in the annual budget bill a certain appropriation to the Fund; requiring the Department of Natural Resources to report 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 State Lakes Protection and Restoration Fund.

BY repealing and reenacting, with amendments,
Article – Natural Resources
Section 8–205
Annotated Code of Maryland
(2012 Replacement Volume and 2017 Supplement)

BY repealing and reenacting, without amendments,
Article – Natural Resources
Section 8–206
Annotated Code of Maryland
(2012 Replacement Volume and 2017 Supplement)

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

Article – Natural Resources

8–205.

(a) In this section, “Fund” means the State Lakes Protection and Restoration Fund.

(b) There is a State Lakes Protection and Restoration Fund.

(c) The purpose of the Fund is to protect and restore State–owned OR STATE–OPERATED STATE–MANAGED lakes BY:

(1) REMOVING SEDIMENT;

(2) TREATING CONTAMINATED SEDIMENT;
(3) Preventing the spread of invasive species;

(4) Improving ecological and recreational value; and

(5) Taking any other action the Department determines is necessary.

(d) The Secretary 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 consists of:

(1) Money appropriated in the State budget to the Fund; and

(2) Any other money from any other source accepted for the benefit of the Fund.

(g) The Fund may be used only for the protection or restoration of State–owned or State–operated State–managed lakes by:

(1) Removing sediment;

(2) Treating contaminated sediment;

(3) Preventing the spread of invasive species;

(4) Improving ecological and recreational value; and

(5) Taking any other action the Department determines is necessary.

(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 Fund.

(i) Expenditures from the Fund may be made only in accordance with the State budget.

(j) Money expended from the Fund for the protection or restoration of State–owned or State–operated State–managed lakes is supplemental to and is
not intended to take the place of funding that would otherwise be appropriated for the protection or restoration of State–owned or State–operated State–managed lakes.

(K) FOR FISCAL YEAR 2020 AND EACH FISCAL YEAR THEREAFTER, THE GOVERNOR SHALL INCLUDE IN THE ANNUAL BUDGET BILL AN APPROPRIATION OF $3,000,000 TO THE FUND.

8–206.

(a) The Department shall develop a working budget for the funds received from the State Lakes Protection and Restoration Fund established under § 8–205 of this subtitle.

(b) The Department shall develop, in coordination with local governments, organizations, and citizens, an annual work plan that prioritizes and details projects that will receive funding from the State Lakes Protection and Restoration Fund.

SECTION 2. AND BE IT FURTHER ENACTED, That, on or before December 1, 2021, the Department of Natural Resources shall report to the Governor and, in accordance with § 2–1246 of the State Government Article, the General Assembly on:

(1) the status of the State Lakes Protection and Restoration Fund;

(2) the amount of money expended from the Fund for the protection or restoration of State–owned or State–managed lakes;

(3) the costs incurred in administering the Fund; and

(4) any recommendations for the Fund.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2018. It shall remain effective for a period of 4 years and, at the end of June 30, 2022, this Act, with no further action required by the General Assembly, shall be abrogated and of no further force and effect.

Approved by the Governor, May 15, 2018.
FOR the purpose of increasing the threshold amount of a certain contract of sale or purchase entered into by the County Commissioners or an employee of Garrett County above which the county is required to advertise for bids; and generally relating to bids and contracts in Garrett County.

BY repealing and reenacting, with amendments,
The Public Local Laws of Garrett County
Section 30.21(A)(1)
Article 12 – Public Local Laws of Maryland
(2005 Edition and September 2015 Supplement, as amended)

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

Article 12 – Garrett County

30.21.

(A) (1) Except for transactions under division (D) of this section or as otherwise authorized by law, the County Commissioners, or any employee of Garrett County, may not enter into any contract of sale or purchase to which the county is a party where the amount involved under the contract exceeds [$15,000] $25,000 without advertising for bids in one or more newspapers circulated in the county.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2018.

Approved by the Governor, May 15, 2018.

Chapter 700

(Senate Bill 606)

AN ACT concerning


FOR the purpose of establishing the Off–Highway Recreational Vehicle Trail Fund as a special, nonlapses fund; specifying the purpose of the Fund; requiring the Secretary of Natural Resources to administer the Fund; requiring the State Treasurer to hold the Fund and the Comptroller to account for the Fund; specifying the contents of the Fund; specifying the purpose for which the Fund may be used; providing for the investment of money in and expenditures from the Fund; requiring the Comptroller to transfer a distribute certain percentage percentages of the revenue from the excise
tax imposed for certain certificates of title issued for certain off–highway recreational vehicles to the Off–Highway Recreational Vehicle Trail Fund in certain fiscal years; defining a certain term; making a stylistic change; and generally relating to revenue from the excise tax imposed on certificates of title issued for off–highway recreational vehicles.

BY adding to
Article – Natural Resources
Section 5–1011
Annotated Code of Maryland
(2012 Replacement Volume and 2017 Supplement)

BY repealing and reenacting, without amendments,
Article – Transportation
Section 3–216(f)(2)
Annotated Code of Maryland
(2015 Replacement Volume and 2017 Supplement)

BY repealing and reenacting, with amendments,
Article – Transportation
Section 13–814
Annotated Code of Maryland
(2012 Replacement Volume and 2017 Supplement)

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

Article – Natural Resources

5–1011.

(A) IN THIS SECTION, “FUND” MEANS THE OFF–HIGHWAY RECREATIONAL VEHICLE TRAIL FUND.

(B) THERE IS AN OFF–HIGHWAY RECREATIONAL VEHICLE TRAIL FUND.

(C) THE PURPOSE OF THE FUND IS TO MAINTAIN AND CONSTRUCT TRAILS FOR OFF–HIGHWAY RECREATIONAL VEHICLES.

(D) THE SECRETARY 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 consists of:**

1. Revenue distributed to the Fund under § 13–814(b) of the Transportation Article;
2. Money appropriated in the State budget for the Fund; and
3. Any other money from any other source accepted for the benefit of the Fund.

(G) **The Fund may be used only to maintain and construct trails for off-highway recreational vehicles on land that is owned or leased by the Department:**

1. Maintain trails for off-highway recreational vehicles on state park land that was purchased or leased by the Department before January 1, 2017;
2. Maintain and construct trails for off-highway recreational vehicles on state park land that is purchased or leased by the Department on or after January 1, 2017; and
3. Maintain and construct trails for off-highway recreational vehicles on any land that is not state park land that is purchased or leased by the Department.

(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 maintaining and constructing trails for off-highway recreational vehicles is supplemental to and is not intended to take the place of funding that otherwise would be appropriated for maintaining and constructing trails for off-highway recreational vehicles.**

Article – Transportation
3–216.

(f) (2) Except as provided in paragraphs (3) and (6) of this subsection, no part of the Transportation Trust Fund may be transferred or diverted to a special fund of the State, unless approved by the General Assembly through legislation passed by a three-fifths majority vote of the full standing committee assigned the legislation in each of the two Houses of the General Assembly and enacted into law. No part of the Transportation Trust Fund may be transferred or diverted to a special fund of the State pursuant to the provisions of § 7–209(e)(2) of the State Finance and Procurement Article, unless the requirements of this paragraph have been satisfied.

13–814.

(A) [Money] EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION, MONEY collected under this part shall be deposited in the State Treasury and accounted for on the records of the [State] Comptroller and transferred to the Transportation Trust Fund.

(B) THE COMPTROLLER SHALL TRANSFER 0.5% 50% OF THE REVENUE FROM THE EXCISE TAX IMPOSED FOR EACH CERTIFICATE OF TITLE ISSUED FOR AN OFF–HIGHWAY RECREATIONAL VEHICLE UNDER § 13–809 OF THIS SUBTITLE, THE COMPTROLLER SHALL DISTRIBUTE TO THE OFF–HIGHWAY RECREATIONAL VEHICLE TRAIL FUND ESTABLISHED UNDER § 5–1011 OF THE NATURAL RESOURCES ARTICLE:

(1) 25% IN FISCAL YEAR 2019; AND

(2) 50% IN FISCAL YEAR 2020 AND EACH YEAR THEREAFTER.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2018.

Approved by the Governor, May 15, 2018.

Chapter 701

(Senate Bill 1123)

AN ACT concerning

Garrett County – Regulation of Animals – Enforcement

FOR the purpose of repealing a requirement applicable to Garrett County that a certain animal control officer enforce certain provisions; requiring, in Garrett County,
certain provisions to be enforced by the sheriff, a certain deputy, or a certain animal control officer; and generally relating to enforcement of animal regulations in Garrett County.

BY repealing and reenacting, with amendments,
Article – Local Government
Section 13–102(c)
Annotated Code of Maryland
(2013 Volume and 2017 Supplement)

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

Article – Local Government

13–102.

(c) (1) Except as provided in [paragraphs] PARAGRAPH (2) [and (3)] of this subsection, the sheriff or a deputy authorized by the sheriff:

(i) shall enforce this subtitle; and

(ii) may issue a summons to a person who violates a provision of this subtitle.

(2) [In Garrett County, the animal control officer shall enforce this subtitle.]

(3) In Calvert County AND GARRETT COUNTY:

(i) this subtitle shall be enforced by:

1. the sheriff or any deputy authorized by the sheriff; or

2. an animal control officer appointed by the county commissioners or the county commissioner’s designee; and

(ii) the sheriff, a deputy authorized by the sheriff, or an animal control officer may issue a summons to any person violating a provision of this subtitle.

[(4) (3)] The governing body of a county shall pay the actual expenses in enforcing this subtitle, including paying the salary of a deputy appointed for that purpose.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2018.

Approved by the Governor, May 15, 2018.
Chapter 702
(House Bill 202)

AN ACT concerning

Criminal Procedure – Incompetency and Criminal Responsibility – Court-Ordered Medication Evaluation

FOR the purpose of authorizing a court to order administration of certain medication to a certain defendant for a certain amount of time after a certain finding of incompetency or not criminally responsible under certain circumstances; providing that a certain medication may be administered to a certain individual before the decision of a certain panel for a certain amount of time under certain circumstances; requiring a certain panel to issue a certain decision within a certain amount of time under certain circumstances; authorizing a court after a certain finding of incompetency or not criminally responsible due to a mental disorder to order the Maryland Department of Health within a certain period of time to evaluate a defendant, to develop a certain treatment plan, and to make a certain determination; requiring a certain panel to convene within a certain period of time after an individual’s refusal of medication for a certain period of time if the individual was committed after a certain finding of incompetency or not criminally responsible due to a mental disorder and the individual’s treatment plan made a certain determination; requiring the Behavioral Health Administration to develop and conduct certain training; requiring certain individuals to receive certain training; and generally relating to incompetency and criminal responsibility.

BY repealing and reenacting, without amendments,

Article – Criminal Procedure
Section 3–106(a)
Annotated Code of Maryland
(2008 Replacement Volume and 2017 Supplement)

BY repealing and reenacting, with amendments,

Article – Criminal Procedure
Section 3–106(b) and 3–112
Annotated Code of Maryland
(2008 Replacement Volume and 2017 Supplement)

BY repealing and reenacting, with amendments,

Article – Health – General
Section 10–708
Annotated Code of Maryland
(2015 Replacement Volume and 2017 Supplement)

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

3–106.

(a) If, after a hearing, the court finds that the defendant is incompetent to stand trial but is not dangerous, as a result of a mental disorder or mental retardation, to self or the person or property of others, the court may set bail for the defendant or authorize release of the defendant on recognizance.

(b) (1) If, after a hearing, the court finds that the defendant is incompetent to stand trial and, because of mental retardation or a mental disorder, is a danger to self or the person or property of another, the court may:

   (i) order the defendant committed to the facility that the Health Department designates until the court finds that:

      (1) the defendant no longer is incompetent to stand trial;

      (ii) the defendant no longer is, because of mental retardation or a mental disorder, a danger to self or the person or property of others; or

      (iii) there is not a substantial likelihood that the defendant will become competent to stand trial in the foreseeable future; AND

   (II) IF THE COURT FINDS THAT TREATMENT WITH PSYCHIATRIC MEDICATION IS IN THE DEFENDANT’S BEST INTEREST, ORDER ADMINISTRATION OF THE TREATMENT IN ACCORDANCE WITH A TREATMENT PLAN DEVELOPED BY THE HEALTH DEPARTMENT FOR A PERIOD OF NO LONGER THAN 30 DAYS PENDING AN EXPEDITED CLINICAL REVIEW PANEL PROCEDURE UNDER § 10–708 OF THE HEALTH – GENERAL ARTICLE, EVEN IF THE DEFENDANT REFUSES THE MEDICATION.

(2) IF THE COURT COMMITS THE DEFENDANT UNDER PARAGRAPH (1) OF THIS SUBSECTION BECAUSE OF A MENTAL DISORDER, THE COURT MAY ORDER THE HEALTH DEPARTMENT, AS SOON AS POSSIBLE AFTER THE DEFENDANT’S ADMISSION, BUT NOT TO EXCEED 48 HOURS, TO:

   (I) EVALUATE THE DEFENDANT;

   (II) DEVELOP A PROMPT PLAN OF TREATMENT FOR THE DEFENDANT UNDER § 10–706 OF THE HEALTH – GENERAL ARTICLE; AND

   (III) EVALUATE WHETHER THERE IS A SUBSTANTIAL LIKELIHOOD THAT, WITHOUT IMMEDIATE TREATMENT, INCLUDING MEDICATION,
THE DEFENDANT WILL REMAIN A DANGER TO SELF OR THE PERSON OR PROPERTY OF ANOTHER.

(3) If a court commits the defendant because of mental retardation, the Health Department shall require the Developmental Disabilities Administration to provide the care or treatment that the defendant needs.

3–112.

(a) (1) Except as provided in subsection (e) (D) of this section, after a verdict of not criminally responsible, the court immediately shall commit the defendant to the Health Department for institutional inpatient care or treatment.

(2) IF THE COURT FINDS THAT, BECAUSE OF MENTAL RETARDATION OR A MENTAL DISORDER, THE DEFENDANT IS A DANGER TO SELF OR THE PERSON OR PROPERTY OF ANOTHER, AND FINDS THAT TREATMENT WITH PSYCHIATRIC MEDICATION IS IN THE DEFENDANT’S BEST INTEREST, THE COURT MAY ORDER ADMINISTRATION OF THE TREATMENT IN ACCORDANCE WITH A TREATMENT PLAN DEVELOPED BY THE HEALTH DEPARTMENT FOR A PERIOD OF NO LONGER THAN 30 DAYS PENDING AN EXPEDITED CLINICAL REVIEW PANEL PROCEDURE UNDER § 10–708 OF THE HEALTH – GENERAL ARTICLE, EVEN IF THE DEFENDANT REFUSES THE MEDICATION.

(b) IF THE COURT COMMITS A DEFENDANT WHO WAS FOUND NOT CRIMINALLY RESPONSIBLE PRIMARILY BECAUSE OF A MENTAL DISORDER, THE COURT MAY ORDER THE HEALTH DEPARTMENT, AS SOON AS POSSIBLE AFTER THE DEFENDANT’S ADMISSION, BUT NOT TO EXCEED 48 HOURS, TO:

(1) EVALUATE THE DEFENDANT;

(2) DEVELOP A PROMPT PLAN OF TREATMENT FOR THE DEFENDANT UNDER § 10–706 OF THE HEALTH – GENERAL ARTICLE; AND

(3) EVALUATE WHETHER THERE IS A SUBSTANTIAL LIKELIHOOD THAT, WITHOUT IMMEDIATE TREATMENT, INCLUDING MEDICATION, THE DEFENDANT WILL REMAIN A DANGER TO SELF OR THE PERSON OR PROPERTY OF ANOTHER.

(c) If the court commits a defendant who was found not criminally responsible primarily because of mental retardation, the Health Department shall designate a facility for mentally retarded persons for care and treatment of the committed person.

(e) (D) After a verdict of not criminally responsible, a court may order that a person be released, with or without conditions, instead of committed to the Health Department, but only if:
(1) the court has available an evaluation report within 90 days preceding the verdict made by an evaluating facility designated by the Health Department;

(2) the report indicates that the person would not be a danger, as a result of mental retardation or mental disorder, to self or to the person or property of others if released, with or without conditions; and

(3) the person and the State’s Attorney agree to the release and to any conditions for release that the court imposes.

(E) The court shall notify the Criminal Justice Information System Central Repository of each person it orders committed under this section.

Article – Health – General

10–708.

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

(2) “Lay advisor” means an individual at a facility, who is knowledgeable about mental health practice and who assists individuals with rights complaints.

(3) “Medication” means psychiatric medication prescribed for the treatment of a mental disorder.

(4) “Panel” means a clinical review panel that determines, under the provisions of this section, whether to approve that medication be administered to an individual who objects to the medication.

(b) Medication may not be administered to an individual who refuses the medication, except:

(1) In an emergency, on the order of a physician where the individual presents a danger to the life or safety of the individual or others; or

(2) In a nonemergency, when the individual is hospitalized involuntarily or committed for treatment by order of a court and the medication is approved by a panel under the provisions of this section.

(c) (1) A panel shall consist of the following individuals appointed by the chief executive officer of the facility or the chief executive officer’s designee, one of whom shall be appointed chairperson:

(i) The clinical director of the psychiatric unit, if the clinical director is a physician, or a physician designated by the clinical director;
(ii) A psychiatrist; and
(iii) A mental health professional, other than a physician.

(2) If a member of the clinical review panel also is directly responsible for implementing the individualized treatment plan for the individual under review, the chief executive officer of the facility or the chief executive officer’s designee shall designate another panel member for that specific review.

(d) (1) The chief executive officer of the facility or the chief executive officer’s designee shall give the individual and the lay advisor written notice at least 24 hours prior to convening a panel.

(2) [Except in an emergency under subsection (b)(1) of this section, medication or medications being refused may not be administered to an individual prior to the decision of the panel, EXCEPT:

   (I) IN AN EMERGENCY UNDER SUBSECTION (B)(1) OF THIS SECTION; OR

   (II) FOR A PERIOD OF NO LONGER THAN 30 DAYS PENDING EXPEDITED REVIEW UNDER SUBSECTION (J) OF THIS SECTION, IF A COURT ORDERS ADMINISTRATION OF TREATMENT WITH PSYCHIATRIC MEDICATION IN CONNECTION WITH:

   1. A FINDING THAT AN INDIVIDUAL IS INCOMPETENT TO STAND TRIAL UNDER § 3–106(B) OF THE CRIMINAL PROCEDURE ARTICLE; OR

   2. A VERDICT OF NOT CRIMINALLY RESPONSIBLE UNDER § 3–112(A) OF THE CRIMINAL PROCEDURE ARTICLE.

(e) (1) The notice under subsection (d)(1) of this section shall include the following information:

   (i) The date, time, and location that the panel will convene;

   (ii) The purpose of the panel; and

   (iii) A complete description of the rights of an individual under paragraph (2) of this subsection.

(2) At a panel, an individual has the following rights:

   (i) To attend the meeting of the panel, excluding the discussion conducted to arrive at a decision;
(ii) To present information, including witnesses;

(iii) To ask questions of any person presenting information to the panel;

(iv) To request assistance from a lay advisor; and

(v) To be informed of:

1. The name, address, and telephone number of the lay advisor;

2. The individual’s diagnosis; and

3. An explanation of the clinical need for the medication or medications, including potential side effects, and material risks and benefits of taking or refusing the medication.

(3) The chairperson of the panel may:

(i) Postpone or continue the panel for good cause, for a reasonable time; and

(ii) Take appropriate measures necessary to conduct the panel in an orderly manner.

(f) Prior to determining whether to approve the administration of medication, the panel shall:

(1) Review the individual’s clinical record, as appropriate;

(2) Assist the individual and the treating physician to arrive at a mutually agreeable treatment plan; and

(3) Meet for the purpose of receiving information and clinically assessing the individual’s need for medication by:

(i) Consulting with the individual regarding the reason or reasons for refusing the medication or medications and the individual’s willingness to accept alternative treatment, including other medication;

(ii) Consulting with facility personnel who are responsible for initiating and implementing the individual’s treatment plan, including discussion of the current treatment plan and alternative modes of treatment, including medications that were considered;
(iii) Receiving information presented by the individual and other persons participating in the panel;

(iv) Providing the individual with an opportunity to ask questions of anyone presenting information to the panel; and

(v) Reviewing the potential consequences of requiring the administration of medication and of withholding the medication from the individual.

(g) The panel may approve the administration of medication or medications and may recommend and approve alternative medications if the panel determines that:

(1) The medication is prescribed by a psychiatrist for the purpose of treating the individual’s mental disorder;

(2) The administration of medication represents a reasonable exercise of professional judgment; and

(3) Without the medication, the individual is at substantial risk of continued hospitalization because of:

   (i) Remaining seriously mentally ill with no significant relief of the mental illness symptoms that:

       1. Cause the individual to be a danger to the individual or others while in the hospital;
       2. Resulted in the individual being committed to a hospital under this title or Title 3 of the Criminal Procedure Article; or
       3. Would cause the individual to be a danger to the individual or others if released from the hospital;

   (ii) Remaining seriously mentally ill for a significantly longer period of time with the mental illness symptoms that:

       1. Cause the individual to be a danger to the individual or to others while in the hospital;
       2. Resulted in the individual being committed to a hospital under this title or Title 3 of the Criminal Procedure Article; or
       3. Would cause the individual to be a danger to the individual or others if released from the hospital; or

   (iii) Relapsing into a condition in which the individual is unable to provide for the individual’s essential human needs of health or safety.
(h) (1) A panel shall base its decision on its clinical assessment of the information contained in the individual’s record and information presented to the panel.

(2) A panel may meet privately to reach a decision.

(3) A panel may not approve the administration of medication where alternative treatments are available and are acceptable to both the individual and the facility personnel who are directly responsible for implementing the individual’s treatment plan.

(i) (1) A panel shall document its consideration of the issues and the basis for its decision on the administration of medication or medications.

(2) A panel shall provide a written decision on the administration of medication or medications, and the decision shall be provided to the individual, the lay advisor, and the individual’s treatment team for inclusion in the individual’s medical record.

(3) If a panel approves the administration of medication, the decision shall specify:

   (i) The medication or medications approved and the dosage and frequency range;

   (ii) The duration of the approval, not to exceed the maximum time provided under subsection [(m)] (N) of this section; and

   (iii) The reason that alternative treatments, including the medication, if any, were rejected by the panel.

(4) If a panel approves the administration of medication, the decision shall contain:

   (i) Notice of the right to request a hearing under subsection [(k)] (L) of this section;

   (ii) The right to request representation or assistance of a lawyer or other advocate of the individual’s choice; and

   (iii) The name, address, and telephone number of the designated State protection and advocacy agency and the Lawyer Referral Service.

(J) A PANEL SHALL ISSUE A WRITTEN DECISION WITHIN 30 DAYS AFTER A COURT ORDERS ADMINISTRATION OF TREATMENT WITH PSYCHIATRIC MEDICATION IN CONNECTION WITH:
(1) A finding that an individual is incompetent to stand trial under § 3–106(b) of the Criminal Procedure Article; or

(2) A verdict of not criminally responsible under § 3–112(a) of the Criminal Procedure Article. A panel shall convene within 9 days after an individual’s refusal of medication for a period of at least 72 hours if:

(1) The individual was committed to a hospital under Title 3 of the Criminal Procedure Article because of a mental disorder; and

(2) The treatment plan developed under § 10–706 of this subtitle indicates that there is a substantial likelihood that, without immediate treatment, the individual will remain a danger to self or the person or property of another.

(j) (k) If a panel approves the administration of medication, the lay advisor promptly shall:

(1) Inform the individual of the individual’s right to appeal the decision under subsection [(k)] (L) of this section;

(2) Ensure that the individual has access to a telephone as provided under § 10–702(b) of this subtitle;

(3) If the individual requests a hearing, notify the chief executive officer of the facility or the chief executive officer’s designee pursuant to subsection [(k)(1)] (L)(1) of this section and give the individual written notice of the date, time, and location of the hearing; and

(4) Advise the individual of the provision for renewal of an approval under subsection [(m)] (N) of this section.

[(k)] (L) (1) An individual may request an administrative hearing to appeal the panel’s decision by filing a request for hearing with the chief executive officer of the facility or the chief executive officer’s designee within 48 hours of receipt of the decision of the panel.

(2) Within 24 hours of receipt of a request for hearing, the chief executive officer of the facility or the chief executive officer’s designee shall forward the request to the Office of Administrative Hearings.
An initial panel decision authorizing the administration of medication shall be stayed for 48 hours. If a request for hearing is filed, the stay shall remain in effect until the issuance of the administrative decision.

The Office of Administrative Hearings shall conduct a hearing and issue a decision within 7 calendar days of the decision by the panel.

The administrative hearing may be postponed by agreement of the parties or for good cause shown.

The administrative law judge shall conduct a de novo hearing to determine if the standards and procedures in this section are met.

At the hearing, the individual representing the facility:

(i) May introduce the decision of the panel as evidence; and

(ii) Shall prove, by a preponderance of the evidence, that the standards and procedures of this section have been met.

The administrative law judge shall state on the record the findings of fact and conclusions of law.

The determination of the administrative law judge is a final decision for the purpose of judicial review of a final decision under the Administrative Procedure Act.

Within 14 calendar days from the decision of the administrative law judge, the individual or the facility may appeal the decision and the appeal shall be to the circuit court on the record from the hearing conducted by the Office of Administrative Hearings.

The scope of review shall be as a contested case under the Administrative Procedure Act.

Review shall be on the audiophonic tape without the necessity of transcription of the tape, unless either party to the appeal requests transcription of the tape.

A request for transcription of the tape shall be made at the time the appeal is filed.

The Office of Administrative Hearings shall prepare the transcription prior to the appeal hearing, and the party requesting the transcription shall bear the cost of transcription.

The circuit court shall hear and issue a decision on an appeal within 7 calendar days from the date the appeal was filed.
[m] (N) (1) Treatment pursuant to this section may not be approved for longer than 90 days.

(2) (i) Prior to expiration of an approval period and if the individual continues to refuse medication, a panel may be convened to decide whether renewal is warranted.

(ii) Notwithstanding the provisions of paragraph (1) of this subsection, if a clinical review panel approves the renewal of the administration of medication or medications, the administration of medication or medications need not be interrupted if the individual appeals the renewal of approval.

[n] (O) When medication is ordered pursuant to the approval of a panel under this section and at a minimum of every 15 days, the treating physician shall document any known benefits and side effects to the individual.

(P) (1) THE ADMINISTRATION SHALL DEVELOP AND CONDUCT TRAINING ON THE REQUIREMENTS OF THIS SECTION TO ENSURE COMPLIANCE AT ALL STATE FACILITIES.

(2) THE TRAINING IS MANDATORY FOR ALL CLINICAL DIRECTORS AND ALL INDIVIDUALS WHO ARE ELIGIBLE TO SERVE ON A PANEL.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October July 1, 2018.

Approved by the Governor, May 15, 2018.
certain circumstances authorizing a court after a certain finding of incompetency or not criminally responsible due to a mental disorder to order the Maryland Department of Health within a certain period of time to evaluate a defendant, to develop a certain treatment plan, and to make a certain determination; requiring a certain panel to convene within a certain period of time after an individual’s refusal of medication for a certain period of time if the individual was committed after a certain finding of incompetency or not criminally responsible due to a mental disorder and the individual’s treatment plan made a certain determination; requiring the Behavioral Health Administration to develop and conduct certain training; requiring certain individuals to receive certain training; and generally relating to incompetency and criminal responsibility.

BY repealing and reenacting, without amendments,
Article – Criminal Procedure
Section 3–106(a)
Annotated Code of Maryland
(2008 Replacement Volume and 2017 Supplement)

BY repealing and reenacting, with amendments,
Article – Criminal Procedure
Section 3–106(b) and 3–112
Annotated Code of Maryland
(2008 Replacement Volume and 2017 Supplement)

BY repealing and reenacting, with amendments,
Article – Health – General
Section 10–708
Annotated Code of Maryland
(2015 Replacement Volume and 2017 Supplement)

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

**Article – Criminal Procedure**

3–106.

(a) If, after a hearing, the court finds that the defendant is incompetent to stand trial but is not dangerous, as a result of a mental disorder or mental retardation, to self or the person or property of others, the court may set bail for the defendant or authorize release of the defendant on recognizance.

(b) (1) If, after a hearing, the court finds that the defendant is incompetent to stand trial and, because of mental retardation or a mental disorder, is a danger to self or the person or property of another, the court may
(I) order the defendant committed to the facility that the Health Department designates until the court finds that:

(i) the defendant no longer is incompetent to stand trial;

(ii) the defendant no longer is, because of mental retardation or a mental disorder, a danger to self or the person or property of others; or

(iii) there is not a substantial likelihood that the defendant will become competent to stand trial in the foreseeable future; AND

(II) IF THE COURT FINDS THAT TREATMENT WITH PSYCHIATRIC MEDICATION IS IN THE DEFENDANT’S BEST INTEREST, ORDER ADMINISTRATION OF THE TREATMENT IN ACCORDANCE WITH A TREATMENT PLAN DEVELOPED BY THE HEALTH DEPARTMENT FOR A PERIOD OF NO LONGER THAN 30 DAYS PENDING AN EXPEDITED CLINICAL REVIEW PANEL PROCEDURE UNDER § 10–708 OF THE HEALTH – GENERAL ARTICLE, EVEN IF THE DEFENDANT REFUSES THE MEDICATION.

(2) IF THE COURT COMMITS THE DEFENDANT UNDER PARAGRAPH (1) OF THIS SUBSECTION BECAUSE OF A MENTAL DISORDER, THE COURT MAY ORDER THE HEALTH DEPARTMENT, AS SOON AS POSSIBLE AFTER THE DEFENDANT’S ADMISSION, BUT NOT TO EXCEED 48 HOURS, TO:

(1) EVALUATE THE DEFENDANT;

(II) DEVELOP A PROMPT PLAN OF TREATMENT FOR THE DEFENDANT UNDER § 10–706 OF THE HEALTH – GENERAL ARTICLE; AND

(III) EVALUATE WHETHER THERE IS A SUBSTANTIAL LIKELIHOOD THAT, WITHOUT IMMEDIATE TREATMENT, INCLUDING MEDICATION, THE DEFENDANT WILL REMAIN A DANGER TO SELF OR THE PERSON OR PROPERTY OF ANOTHER.

(3) If a court commits the defendant because of mental retardation, the Health Department shall require the Developmental Disabilities Administration to provide the care or treatment that the defendant needs.

3–112.

(a) Except as provided in subsection (e) (D) of this section, after a verdict of not criminally responsible, the court immediately shall commit the defendant to the Health Department for institutional inpatient care or treatment.

(2) IF THE COURT FINDS THAT, BECAUSE OF MENTAL RETARDATION OR A MENTAL DISORDER, THE DEFENDANT IS A DANGER TO SELF OR THE PERSON
OR PROPERTY OF ANOTHER, AND FINDS THAT TREATMENT WITH PSYCHIATRIC MEDICATION IS IN THE DEFENDANT'S BEST INTEREST, THE COURT MAY ORDER ADMINISTRATION OF THE TREATMENT IN ACCORDANCE WITH A TREATMENT PLAN DEVELOPED BY THE HEALTH DEPARTMENT FOR A PERIOD OF NO LONGER THAN 30 DAYS PENDING AN EXPEDITED CLINICAL REVIEW PANEL PROCEDURE UNDER § 10–708 OF THE HEALTH – GENERAL ARTICLE, EVEN IF THE DEFENDANT REFUSES THE MEDICATION.

(b) IF THE COURT COMMENTS A DEFENDANT WHO WAS FOUND NOT CRIMINALLY RESPONSIBLE PRIMARILY BECAUSE OF A MENTAL DISORDER, THE COURT MAY ORDER THE HEALTH DEPARTMENT, AS SOON AS POSSIBLE AFTER THE DEFENDANT'S ADMISSION, BUT NOT TO EXCEED 48 HOURS, TO:

(1) EVALUATE THE DEFENDANT;

(2) DEVELOP A PROMPT PLAN OF TREATMENT FOR THE DEFENDANT UNDER § 10–706 OF THE HEALTH – GENERAL ARTICLE; AND

(3) EVALUATE WHETHER THERE IS A SUBSTANTIAL LIKELIHOOD THAT, WITHOUT IMMEDIATE TREATMENT, INCLUDING MEDICATION, THE DEFENDANT WILL REMAIN A DANGER TO SELF OR THE PERSON OR PROPERTY OF ANOTHER.

(C) If the court commits a defendant who was found not criminally responsible primarily because of mental retardation, the Health Department shall designate a facility for mentally retarded persons for care and treatment of the committed person.

(D) After a verdict of not criminally responsible, a court may order that a person be released, with or without conditions, instead of committed to the Health Department, but only if:

(1) the court has available an evaluation report within 90 days preceding the verdict made by an evaluating facility designated by the Health Department;

(2) the report indicates that the person would not be a danger, as a result of mental retardation or mental disorder, to self or to the person or property of others if released, with or without conditions; and

(3) the person and the State’s Attorney agree to the release and to any conditions for release that the court imposes.

(E) The court shall notify the Criminal Justice Information System Central Repository of each person it orders committed under this section.

Article – Health – General
10–708.

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

(2) “Lay advisor” means an individual at a facility, who is knowledgeable about mental health practice and who assists individuals with rights complaints.

(3) “Medication” means psychiatric medication prescribed for the treatment of a mental disorder.

(4) “Panel” means a clinical review panel that determines, under the provisions of this section, whether to approve that medication be administered to an individual who objects to the medication.

(b) Medication may not be administered to an individual who refuses the medication, except:

(1) In an emergency, on the order of a physician where the individual presents a danger to the life or safety of the individual or others; or

(2) In a nonemergency, when the individual is hospitalized involuntarily or committed for treatment by order of a court and the medication is approved by a panel under the provisions of this section.

(c) (1) A panel shall consist of the following individuals appointed by the chief executive officer of the facility or the chief executive officer’s designee, one of whom shall be appointed chairperson:

(i) The clinical director of the psychiatric unit, if the clinical director is a physician, or a physician designated by the clinical director;

(ii) A psychiatrist; and

(iii) A mental health professional, other than a physician.

(2) If a member of the clinical review panel also is directly responsible for implementing the individualized treatment plan for the individual under review, the chief executive officer of the facility or the chief executive officer’s designee shall designate another panel member for that specific review.

(d) (1) The chief executive officer of the facility or the chief executive officer’s designee shall give the individual and the lay advisor written notice at least 24 hours prior to convening a panel.
(2) Except in an emergency under subsection (b)(1) of this section, medication or medications being refused may not be administered to an individual prior to the decision of the panel, EXCEPT:

(I) IN AN EMERGENCY UNDER SUBSECTION (B)(1) OF THIS SECTION; OR

(II) FOR A PERIOD OF NO LONGER THAN 30 DAYS PENDING EXPEDITED REVIEW UNDER SUBSECTION (J) OF THIS SECTION, IF A COURT ORDERS ADMINISTRATION OF TREATMENT WITH PSYCHIATRIC MEDICATION IN CONNECTION WITH:

1. A FINDING THAT AN INDIVIDUAL IS INCOMPETENT TO STAND TRIAL UNDER § 3–106(B) OF THE CRIMINAL PROCEDURE ARTICLE; OR

2. A VERDICT OF NOT CRIMINALLY RESPONSIBLE UNDER § 3–112(A) OF THE CRIMINAL PROCEDURE ARTICLE.

(e) (1) The notice under subsection (d)(1) of this section shall include the following information:

(i) The date, time, and location that the panel will convene;

(ii) The purpose of the panel; and

(iii) A complete description of the rights of an individual under paragraph (2) of this subsection.

(2) At a panel, an individual has the following rights:

(i) To attend the meeting of the panel, excluding the discussion conducted to arrive at a decision;

(ii) To present information, including witnesses;

(iii) To ask questions of any person presenting information to the panel;

(iv) To request assistance from a lay advisor; and

(v) To be informed of:

1. The name, address, and telephone number of the lay advisor;

2. The individual's diagnosis; and
3. An explanation of the clinical need for the medication or medications, including potential side effects, and material risks and benefits of taking or refusing the medication.

(3) The chairperson of the panel may:

(i) Postpone or continue the panel for good cause, for a reasonable time; and

(ii) Take appropriate measures necessary to conduct the panel in an orderly manner.

(f) Prior to determining whether to approve the administration of medication, the panel shall:

(1) Review the individual’s clinical record, as appropriate;

(2) Assist the individual and the treating physician to arrive at a mutually agreeable treatment plan; and

(3) Meet for the purpose of receiving information and clinically assessing the individual’s need for medication by:

(i) Consulting with the individual regarding the reason or reasons for refusing the medication or medications and the individual’s willingness to accept alternative treatment, including other medication;

(ii) Consulting with facility personnel who are responsible for initiating and implementing the individual’s treatment plan, including discussion of the current treatment plan and alternative modes of treatment, including medications that were considered;

(iii) Receiving information presented by the individual and other persons participating in the panel;

(iv) Providing the individual with an opportunity to ask questions of anyone presenting information to the panel; and

(v) Reviewing the potential consequences of requiring the administration of medication and of withholding the medication from the individual.

(g) The panel may approve the administration of medication or medications and may recommend and approve alternative medications if the panel determines that:

(1) The medication is prescribed by a psychiatrist for the purpose of treating the individual’s mental disorder;
(2) The administration of medication represents a reasonable exercise of professional judgment; and

(3) Without the medication, the individual is at substantial risk of continued hospitalization because of:

(i) Remaining seriously mentally ill with no significant relief of the mental illness symptoms that:

1. Cause the individual to be a danger to the individual or others while in the hospital;

2. Resulted in the individual being committed to a hospital under this title or Title 3 of the Criminal Procedure Article; or

3. Would cause the individual to be a danger to the individual or others if released from the hospital;

(ii) Remaining seriously mentally ill for a significantly longer period of time with the mental illness symptoms that:

1. Cause the individual to be a danger to the individual or to others while in the hospital;

2. Resulted in the individual being committed to a hospital under this title or Title 3 of the Criminal Procedure Article; or

3. Would cause the individual to be a danger to the individual or others if released from the hospital; or

(iii) Relapsing into a condition in which the individual is unable to provide for the individual's essential human needs of health or safety.

(h) (1) A panel shall base its decision on its clinical assessment of the information contained in the individual's record and information presented to the panel.

(2) A panel may meet privately to reach a decision.

(3) A panel may not approve the administration of medication where alternative treatments are available and are acceptable to both the individual and the facility personnel who are directly responsible for implementing the individual's treatment plan.

(i) (1) A panel shall document its consideration of the issues and the basis for its decision on the administration of medication or medications.
A panel shall provide a written decision on the administration of medication or medications, and the decision shall be provided to the individual, the lay advisor, and the individual’s treatment team for inclusion in the individual’s medical record.

If a panel approves the administration of medication, the decision shall specify:

- The medication or medications approved and the dosage and frequency range;
- The duration of the approval, not to exceed the maximum time provided under subsection (m) (N) of this section; and
- The reason that alternative treatments, including the medication, if any, were rejected by the panel.

If a panel approves the administration of medication, the decision shall contain:

- Notice of the right to request a hearing under subsection (k) (L) of this section;
- The right to request representation or assistance of a lawyer or other advocate of the individual’s choice; and
- The name, address, and telephone number of the designated State protection and advocacy agency and the Lawyer Referral Service.

A panel shall issue a written decision within 30 days after a court orders administration of treatment with psychiatric medication in connection with:

1. A finding that an individual is incompetent to stand trial under § 3-106(b) of the Criminal Procedure Article; or

2. A verdict of not criminally responsible under § 3-112(a) of the Criminal Procedure Article. A panel shall convene within 9 days after an individual’s refusal of medication for a period of at least 72 hours if:

1. The individual was committed to a hospital under Title 3 of the Criminal Procedure Article because of a mental disorder; and

2. The treatment plan developed under § 10-706 of this subtitle indicates that there is a substantial likelihood that, without
IMMEDIATE TREATMENT, THE INDIVIDUAL WILL REMAIN A DANGER TO SELF OR THE PERSON OR PROPERTY OF ANOTHER.

[(j)] (K) If a panel approves the administration of medication, the lay advisor promptly shall:

(1) Inform the individual of the individual’s right to appeal the decision under subsection [(k)] (L) of this section;

(2) Ensure that the individual has access to a telephone as provided under § 10–702(b) of this subtitle;

(3) If the individual requests a hearing, notify the chief executive officer of the facility or the chief executive officer’s designee pursuant to subsection [(k)(1)] (L)(1) of this section and give the individual written notice of the date, time, and location of the hearing; and

(4) Advise the individual of the provision for renewal of an approval under subsection [(m)] (N) of this section.

[(k)] (L) (1) An individual may request an administrative hearing to appeal the panel’s decision by filing a request for hearing with the chief executive officer of the facility or the chief executive officer’s designee within 48 hours of receipt of the decision of the panel.

(2) Within 24 hours of receipt of a request for hearing, the chief executive officer of the facility or the chief executive officer’s designee shall forward the request to the Office of Administrative Hearings.

(3) An initial panel decision authorizing the administration of medication shall be stayed for 48 hours. If a request for hearing is filed, the stay shall remain in effect until the issuance of the administrative decision.

(4) The Office of Administrative Hearings shall conduct a hearing and issue a decision within 7 calendar days of the decision by the panel.

(5) The administrative hearing may be postponed by agreement of the parties or for good cause shown.

(6) The administrative law judge shall conduct a de novo hearing to determine if the standards and procedures in this section are met.

(7) At the hearing, the individual representing the facility:

(i) May introduce the decision of the panel as evidence; and
(ii) Shall prove, by a preponderance of the evidence, that the standards and procedures of this section have been met.

(8) The administrative law judge shall state on the record the findings of fact and conclusions of law.

(9) The determination of the administrative law judge is a final decision for the purpose of judicial review of a final decision under the Administrative Procedure Act.

[(l)] (M) (1) Within 14 calendar days from the decision of the administrative law judge, the individual or the facility may appeal the decision and the appeal shall be to the circuit court on the record from the hearing conducted by the Office of Administrative Hearings.

(2) The scope of review shall be as a contested case under the Administrative Procedure Act.

(3) (i) Review shall be on the audiophonic tape without the necessity of transcription of the tape, unless either party to the appeal requests transcription of the tape.

(ii) A request for transcription of the tape shall be made at the time the appeal is filed.

(iii) The Office of Administrative Hearings shall prepare the transcription prior to the appeal hearing, and the party requesting the transcription shall bear the cost of transcription.

(4) The circuit court shall hear and issue a decision on an appeal within 7 calendar days from the date the appeal was filed.

[(m)] (N) (1) Treatment pursuant to this section may not be approved for longer than 90 days.

(2) (i) Prior to expiration of an approval period and if the individual continues to refuse medication, a panel may be convened to decide whether renewal is warranted.

(ii) Notwithstanding the provisions of paragraph (1) of this subsection, if a clinical review panel approves the renewal of the administration of medication or medications, the administration of medication or medications need not be interrupted if the individual appeals the renewal of approval.

[(n)] (O) When medication is ordered pursuant to the approval of a panel under this section and at a minimum of every 15 days, the treating physician shall document any known benefits and side effects to the individual.
(P) (1) **The administration shall develop and conduct training on the requirements of this section to ensure compliance at all state facilities.**

(2) **The training is mandatory for all clinical directors and all individuals who are eligible to serve on a panel.**

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October July 1, 2018.

Approved by the Governor, May 15, 2018.

____________________

**Chapter 704**

(Senate Bill 362)

AN ACT concerning

Vehicle Laws – Registration Fee Exemptions – Disabled Veterans

FOR the purpose of exempting vehicles leased to and personally used by certain disabled veterans from vehicle registration fees; and generally relating to vehicle registration fee exemptions for disabled veterans.

BY repealing and reenacting, with amendments,

Article – Transportation
Section 13–903
Annotated Code of Maryland
(2012 Replacement Volume and 2017 Supplement)

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

Article – Transportation

13–903.

(a) The following vehicles are exempt from the registration fees specified in this subtitle:

(1) A vehicle that is owned and operated by the United States, this State, or any political subdivision of this State;
(2) A vehicle that is owned by a volunteer fire company incorporated in this State or by a rescue squad and that is used for firefighting or ambulance purposes;

(3) A canteen wagon of a recognized fire buff organization, as certified by the International Fire Buffs Association;

(4) A vehicle owned and operated by the Civil Air Patrol;

(5) A vehicle owned and operated by a unit of a national veterans’ organization;

(6) A vehicle owned and operated by a Maryland chapter of the American Red Cross;

(7) A motor vehicle and trailer known as the “40–8 box car” that is owned and operated only for social or charitable purposes by any voiture of the Forty and Eight of the American Legion, Department of Maryland;

(8) A vehicle owned BY, OR LEASED TO, and personally used by a veteran who:

   (i) As designated or classified by the Veterans’ Administration, has lost the use of a hand, arm, or leg, or is totally disabled; or

   (ii) Has a permanent impairment of both eyes so that:

   1. The central visual acuity is 20/200 or less in the better eye, with corrective glasses; or

   2. There is a field defect in which the peripheral field has contracted to such an extent that the widest diameter of visual field subtends an angular distance no greater than 20 degrees in the better eye;

(9) A vehicle owned and personally used by an individual who is at least 65 years old and is the surviving spouse of a deceased disabled veteran, as defined under § 7–208 of the Tax – Property Article; and

(10) A Type I or Type II school vehicle owned and operated by a religious organization.

(b) The Administration may exempt from the registration fees specified in this subtitle any vehicle of a law enforcement agency of the United States or of any other state, if the United States or other state provides a reciprocal exemption for law enforcement vehicles of this State.
(c) (1) Each registered vehicle that is exempt from registration fees under subsection (a) of this section shall display a special identification marker approved by the Administrator.

(2) The special identification marker for a motor vehicle and trailer exempt under subsection (a)(7) of this section shall bear the number of the organization and the number of the local voiture, reading “40–8–(local number)”.

(3) The special identification marker for a vehicle exempt under subsection (a)(8)(i) of this section shall indicate that the Veterans’ Administration has designated or classified the veteran as having lost the use of a hand, arm, or leg or as being totally disabled.

(d) A disabled veteran whose vehicle is eligible for exemption under subsection (a)(8) of this section may, if eligible, receive the special registration number and special registration plates provided under § 13–616, § 13–617, § 13–618, § 13–619, § 13–619.1, or § 13–619.2 of this title without payment of the registration fees specified in this subtitle.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2018.

Approved by the Governor, May 15, 2018.

_________________________

Chapter 705

(Senate Bill 496)

AN ACT concerning

Environment – Greywater Graywater – Residential Use

FOR the purpose of authorizing a person to use a certain amount of greywater graywater per day for certain residential purposes under certain circumstances and in accordance with certain requirements; requiring the Department of the Environment to adopt certain regulations; defining a certain term; and generally relating to the residential use of greywater graywater.

BY adding to

Article – Environment
Section 9–1112
Annotated Code of Maryland
(2014 Replacement Volume and 2017 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:
(A) **IN THIS SECTION:**

(1) "**GREYWATER** GRAYWATER" MEANS USED, UNTREATED WATER GENERATED BY THE USE OF AND COLLECTED FROM:

(I) A CLOTHES WASHING MACHINE;

(II) A SHOWER;

(III) A BATHTUB; OR

(IV) A LAVATORY SINK; AND

(2) "**GREYWATER** GRAYWATER" DOES NOT INCLUDE WATER FROM:

(I) A TOILET;

(II) A KITCHEN SINK; OR

(III) A DISHWASHING MACHINE.

(B) (1) **SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, AND FOLLOWING THE ADOPTION OF REGULATIONS AS REQUIRED BY SUBSECTION (C) OF THIS SECTION, A PERSON MAY USE UP TO 400 GALLONS OF GREYWATER GRAYWATER PER DAY FOR THE FOLLOWING RESIDENTIAL PURPOSES INCLUDING:**

(I) HOUSEHOLD GARDENING;

(II) COMPOSTING;

(III) LAWN WATERING;

(IV) LANDSCAPE IRRIGATION; OR

(V) FLUSHING OF A CONVENTIONAL TOILET OR URINAL.

(2) **A PERSON MAY USE GREYWATER GRAYWATER IF THE USE IS PERMITTED UNDER REGULATIONS REQUIRED BY SUBSECTION (C) OF THIS SECTION, AND:**
(I) The **greywater** graywater originates from a residence on the site on which the **greywater** graywater is to be applied;

(II) The **greywater** graywater is contained in a storage tank that is located on the site on which the **greywater** graywater is to be applied;

(III) Human contact with **greywater** graywater and soil irrigated by **greywater** graywater is avoided;

(IV) Surface application of **greywater** graywater is not used for irrigation of food plants that have an edible portion that comes in direct contact with **greywater** graywater;

(V) The **greywater** graywater does not contain hazardous chemicals derived from any activity, including:

1. Cleaning motor vehicle parts;
2. Washing greasy or oily rags; or
3. Disposing of waste solutions from home photo lab activities or similar hobbyist or home occupational activities;

(VI) The application of **greywater** graywater is managed to minimize standing water on the surface of the ground;

(VII) The **greywater** graywater system is constructed to provide for overflow into a sewerage system or an on-site sewage disposal system;

(VIII) For a **greywater** graywater storage tank located outdoors, the **greywater** graywater storage tank is covered to restrict access and to eliminate habitat for mosquitoes and other vectors;

(IX) The **greywater** graywater system is located outside the 100–year floodplain;

(X) The **greywater** graywater system is operated to maintain a minimum vertical separation of at least 5 feet from the point


OF GREYWATER GRAYWATER APPLICATION TO THE TOP OF THE SEASONALLY HIGH GROUNDWATER TABLE;

(XI) ANY PRESSURE PIPING USED IN A GREYWATER GRAYWATER SYSTEM THAT MAY BE SUSCEPTIBLE TO CROSS CONNECTION WITH A POTABLE WATER SYSTEM CLEARLY INDICATES THAT THE PIPING DOES NOT CARRY POTABLE WATER;

(XII) GREYWATER GRAYWATER APPLIED BY SURFACE IRRIGATION DOES NOT CONTAIN WATER USED TO WASH DIAPERS OR SIMILARLY SOILED OR INFECTIOUS GARMENTS UNLESS THE GREYWATER IS DISINFECTED BEFORE IRRIGATION;

(XIII) SURFACE IRRIGATION BY GREYWATER GRAYWATER IS CONDUCTED ONLY BY FLOOD IRRIGATION OR DRIP IRRIGATION IF THERE IS ADEQUATE IRRIGATION AREA;

(XIV) THE GREYWATER GRAYWATER IS NOT SPRAYED; AND

(XV) THE GRAYWATER DOES NOT RUN OFF OR POND ON–SITE;

(XVI) THE GRAYWATER DOES NOT CREATE NUISANCE CONDITIONS;

(XVII) THE GREYWATER GRAYWATER USE IS IN ACCORDANCE WITH ANY APPLICABLE STATE AND LOCAL LAWS OR REGULATIONS, INCLUDING STATE AND LOCAL PLUMBING CODES.

(C) THE DEPARTMENT SHALL ADOPT REGULATIONS TO IMPLEMENT THE PROVISIONS OF THIS SECTION.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2018.

Approved by the Governor, May 15, 2018.

Chapter 706

(House Bill 319)

AN ACT concerning

Juvenile Law – Truancy – Affirmative Defense
FOR the purpose of altering the age range for which a certain charge relating to truancy is applicable; reducing the maximum terms of imprisonment that may be imposed on conviction of certain charges relating to truancy; authorizing the imposition of community service on conviction of certain charges related to truancy; altering the application of a certain affirmative defense to a certain charge relating to truancy; and generally relating to an affirmative defense against a charge relating to truancy.

BY repealing and reenacting, with amendments,

Article – Education
Section 7–301(e) and (e–1) 7–301(c), (e), and (e–1)
Annotated Code of Maryland
(2014 Replacement Volume and 2017 Supplement)

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

Article – Education

7–301.

(c) Each person who has legal custody or care and control of a child who is 5 years old or older and under \[18\] 16 shall see that the child attends school or receives instruction as required by this section.

(e) (1) Any person who induces or attempts to induce a child to be absent unlawfully from school or employs or harbors any child who is absent unlawfully from school while school is in session is guilty of a misdemeanor and on conviction is subject to a fine not to exceed $500 or imprisonment not to exceed 30 days, or both.

(2) Any person who has legal custody or care and control of a child who is 5 years old or older and under \[16\] 16 who fails to see that the child attends school or receives instruction under this section is guilty of a misdemeanor and:

(i) For a first conviction is subject to a fine not to exceed $50 per day of unlawful absence or imprisonment not to exceed 30 days, or both; and

(ii) For a second or subsequent conviction is subject to a fine not to exceed $100 per day of unlawful absence or imprisonment not to exceed 5 days, or both.

(3) In addition to the penalties provided under paragraph (2) of this subsection, the court may order a person convicted under paragraph (2) of this subsection to perform community service.

(4) (i) For a person with legal custody or care and control of a child at the time of an alleged violation of this section, it
IS AN AFFIRMATIVE DEFENSE TO A CHARGE UNDER THIS SECTION THAT THE PERSON MADE REASONABLE AND SUBSTANTIAL EFFORTS TO SEE THAT THE CHILD ATTENDED SCHOOL AS REQUIRED BY LAW BUT WAS UNABLE TO CAUSE THE CHILD TO ATTEND SCHOOL.

(II) IF THE COURT FINDS THE AFFIRMATIVE DEFENSE IS VALID, THE COURT SHALL DISMIS THE CHARGE UNDER THIS SECTION AGAINST THE DEFENDANT.

(4) (5) (i) As to any sentence imposed under this section, the court may suspend the fine or the prison sentence and establish terms and conditions that would promote the child’s attendance.

(ii) The suspension authority provided for under subparagraph (i) of this paragraph is in addition to and not in limitation of the suspension authority under § 6–221 of the Criminal Procedure Article.

(e–1) (1) This subsection applies only:

(i) In a county in which the circuit administrative judge has established a Truancy Reduction Pilot Program under § 3–8C–02 of the Courts Article; and

(ii) To the extent that funds are provided in an annual State budget for a Truancy Reduction Pilot Program.

(2) A charge under this section may be filed in the juvenile court and assigned to a truancy docket for disposition under Title 3, Subtitle 8C of the Courts Article.

(3) [i) For a person with legal custody or care and control of a child at the time of an alleged violation of this section, it is an affirmative defense to a charge under this section that the person made reasonable and substantial efforts to see that the child attended school as required by law but was unable to cause the child to attend school.

(ii) If the court finds the affirmative defense is valid, the court shall dismiss the charge under this section against the defendant.

(4)] The court may condition marking a charge under this section stet on participation of the defendant in the appropriate Truancy Reduction Pilot Program under Title 3, Subtitle 8C of the Courts Article.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2018.

Approved by the Governor, May 15, 2018.