
By: **Delegates Rosenberg, Cadden, Branch, C. Mitchell, Heller, and Rawlings**

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House action: Adopted
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CHAPTER _____

1 AN ACT concerning

2

Welfare Innovation Act of 1998

3 FOR the purpose of requiring the Secretary of Human Resources to establish a
4 ~~certain performance incentive program for certain employees of local~~
5 ~~departments of social services by a certain date; specifying the source of~~
6 ~~payment for pay incentives to be provided under the program; requiring the~~
7 ~~Secretary to submit a certain implementation plan for the performance~~
8 ~~incentive program by a certain date~~ Job Skills Enhancement Pilot Program;
9 codifying a provision of law related to the use of certain savings involving the
10 Family Investment Program; requiring the Secretary to give priority to and use
11 a certain percentage of funds allocated to demonstration projects for the funding
12 of certain proposals; repealing a provision of law that required the Secretary of
13 Health and Mental Hygiene to apply for a certain waiver; requiring the
14 Department of Human Resources and local departments of social services to
15 execute certain hiring agreements with certain entities doing business with the
16 State for the purpose of hiring Family Investment Program recipients; requiring
17 the Board of Public Works to designate certain procurement contracts as eligible
18 contracts that in conjunction with the award of such contracts a hiring
19 agreement is to be executed; requiring the Department to develop a certain
20 model form; requiring the Department and local departments of social services
21 to submit a certain annual report to certain persons; establishing an exemption
22 from payment of a certain excise tax for vehicles acquired by certain nonprofit
23 entities and the Department and local departments of social services;
24 establishing a certain exemption from payment of a certain excise tax for certain
25 individuals on transfer of a vehicle to an individual from certain persons;
26 altering a certain definition; requiring the Governor to give priority to funding
27 certain projects; repealing a certain cost-neutrality provision; providing for the

1 funding of a certain program; providing that certain funds may not revert to a
2 certain account; requiring a certain service redesign effort; providing for the
3 termination of certain provisions of this Act; providing for the effective date of
4 certain provisions of this Act; defining certain terms; and generally relating to
5 the Family Investment Program.

6 BY repealing and reenacting, with amendments,
7 Article 88A - Department of Human Resources
8 Section 52 and 53
9 Annotated Code of Maryland
10 (1995 Replacement Volume and 1997 Supplement)

11 BY adding to
12 Article 88A - Department of Human Resources
13 Section 53A ~~and 53B~~
14 Annotated Code of Maryland
15 (1995 Replacement Volume and 1997 Supplement)

16 BY repealing
17 Article - Health - General
18 Section 15-103(d)
19 Annotated Code of Maryland
20 (1994 Replacement Volume and 1997 Supplement)

21 BY adding to
22 Article - State Finance and Procurement
23 Section 13-224
24 Annotated Code of Maryland
25 (1995 Replacement Volume and 1997 Supplement)

26 BY repealing and reenacting, with amendments,
27 Article - Transportation
28 Section 15-101(b)
29 Annotated Code of Maryland
30 (1992 Replacement Volume and 1997 Supplement)

31 BY repealing
32 Chapter 351 of the Acts of the General Assembly of 1996, as amended by
33 Chapter 593 of the Acts of the General Assembly of 1997
34 Section 11

35 BY repealing and reenacting, with amendments,
36 Chapter 490 of the Acts of the General Assembly of 1995
37 Section 2

1 BY repealing and reenacting, with amendments,
2 Article - Transportation
3 Section 13-810(a)(21) and (22) and (c)(7) and (8)
4 Annotated Code of Maryland
5 (1992 Replacement Volume and 1997 Supplement)

6 BY repealing and reenacting, with amendments,
7 Article - Transportation
8 Section 13-810(a)(20) and (21) and (c)(7) and (8)
9 Annotated Code of Maryland
10 (1992 Replacement Volume and 1997 Supplement)
11 (As enacted by Chapter 304 of the Acts of the General Assembly of 1996)

12 BY adding to
13 Article - Transportation
14 Section 13-810(a)(23) and (c)(9)
15 Annotated Code of Maryland
16 (1992 Replacement Volume and 1997 Supplement)

17 BY adding to
18 Article - Transportation
19 Section 13-810(a)(22) and (c)(9)
20 Annotated Code of Maryland
21 (1992 Replacement Volume and 1997 Supplement)
22 (As enacted by Chapter 304 of the Acts of the General Assembly of 1996)

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

25 **Article 88A - Department of Human Resources**

26 52.

27 (a) All assistance granted under this subtitle shall be subject to periodic
28 recertification.

29 (b) During a certification period, the Department may at any time cancel,
30 suspend, or revoke assistance if:

31 (1) The recipient's circumstances have altered sufficiently to warrant
32 cancellation, suspension, or revocation; or

33 (2) The recipient has failed to comply with FIP requirements.

34 (c) (1) Except as provided in paragraph (3) of this subsection, the Governor
35 shall provide sufficient funds under this subtitle to ensure that the value of

1 temporary cash assistance, combined with federal food stamps, is at a minimum equal
2 to 61 percent of the State minimum living level.

3 (2) Except as provided in paragraph (3) of this subsection, the Governor
4 shall provide sufficient funds to maintain the FIP at the level of the Fiscal Year 1997
5 appropriation.

6 (3) The funds under this subsection may be less than the amount
7 described in paragraph (1) or (2) of this subsection if the Governor reports to the
8 General Assembly, in accordance with § 2-1246 of the State Government Article, on
9 the reasons for the reduced funding for temporary cash assistance and food stamps.

10 (4) This subsection does not limit the flexibility of local departments of
11 social services regarding the provision of services.

12 (d) If the Secretary determines during the fiscal year that the funds available
13 for the FIP are insufficient to make payments in accordance with the amount of
14 assistance otherwise established by law, the Secretary shall:

15 (1) Provide for a uniform method of adjusting individual payments;

16 (2) Notify the Joint Committee on Welfare Reform; and

17 (3) Submit emergency regulations, as provided in Title 10, Subtitle 1 of
18 the State Government Article, to implement the adjustment.

19 (E) (1) AS OF JULY 1 OF EACH YEAR, ANY SAVINGS THE DEPARTMENT
20 ANTICIPATES ACHIEVING FROM FUNDS APPROPRIATED TO IT FOR FIP DURING THE
21 CURRENT FISCAL YEAR, AS A RESULT OF CASELOAD REDUCTIONS OR OTHER
22 REDUCTIONS IN THE TOTAL AMOUNT OF TEMPORARY CASH ASSISTANCE PAID TO
23 RECIPIENTS, WHEN COMPARED TO THE TOTAL AMOUNT OF TEMPORARY CASH
24 ASSISTANCE APPROPRIATED, SHALL BE AVAILABLE FOR REALLOCATION WITHIN THE
25 BUDGET OF THE DEPARTMENT TO SUPPORT ACTIVITIES THROUGH LOCAL
26 DEPARTMENTS AS FOLLOWS:

27 (I) 10% OF THE SAVINGS TO A COMBINATION OF, THE OPERATING
28 COSTS FOR ONE OR MORE OF THE FOLLOWING:

29 1. DEMONSTRATION PROJECTS CREATED IN § 53 OF THIS
30 SUBTITLE;

31 2. SECOND CHANCE HOMES NOT SUBJECT TO THE
32 RESTRICTIONS OF SECTION 12 OF CHAPTER 351 OF THE ACTS OF THE GENERAL
33 ASSEMBLY OF 1996; OR

34 3. DEMONSTRATION PROJECTS TO EMPIRICALLY EVALUATE
35 A STRATEGY OR SET OF STRATEGIES TO REDUCE THE INCIDENCE OF NONMARITAL
36 BIRTHS IN THE STATE;

1 (II) 45% OF THE SAVINGS: SAVINGS SHALL BE ALLOCATED TO
 2 LOCAL DEPARTMENTS IN ACCORDANCE WITH THE SAVINGS ACHIEVED BY EACH
 3 LOCAL DEPARTMENT AND MAY BE USED FOR CHILD CARE, WORK ACTIVITIES,
 4 WELFARE AVOIDANCE, DRUG TREATMENT FOR TARGETED RECIPIENTS, EMERGENCY
 5 FUNDS FOR APPLICANTS AND RECIPIENTS, OR ANY OTHER PURPOSES CONSISTENT
 6 WITH THE GOALS OF THE FAMILY INVESTMENT PROGRAM; AND

7 1. ~~SUBJECT TO ITEM 2 OF THIS ITEM, SHALL BE ALLOCATED~~
 8 ~~IN ACCORDANCE WITH THE SAVINGS ACHIEVED BY EACH LOCAL DEPARTMENT; AND~~

9 2. ~~SHALL BE USED TO PROVIDE PAY INCENTIVES TO~~
 10 ~~EMPLOYEES OF A LOCAL DEPARTMENT IN ACCORDANCE WITH § 53A OF THIS~~
 11 ~~SUBTITLE; AND~~

12 (III) 45% OF THE SAVINGS TO CHILD CARE, WORK ACTIVITIES,
 13 WELFARE AVOIDANCE, DRUG TREATMENT FOR TARGETED RECIPIENTS, EMERGENCY
 14 FUNDS FOR APPLICANTS AND RECIPIENTS, ADMINISTRATION TO THE EXTENT THAT
 15 ADDITIONAL ADMINISTRATIVE COSTS ARE REQUIRED TO EFFECTIVELY IMPLEMENT
 16 THE FIP, OR ANY OTHER DIRECT SERVICE TO APPLICANTS OR RECIPIENTS THAT THE
 17 SECRETARY DEEMS APPROPRIATE TO FURTHER THE PURPOSES OF THIS SUBTITLE.

18 (2) NOTWITHSTANDING § 7-302 OF THE STATE FINANCE AND
 19 PROCUREMENT ARTICLE, ANY OF THE SAVINGS ALLOCATED TO A LOCAL
 20 DEPARTMENT UNDER ~~PARAGRAPH (1)(II)1~~ OF THIS SUBSECTION THAT REMAINS
 21 UNEXPENDED AFTER THE CURRENT FISCAL YEAR MAY BE CARRIED OVER INTO THE
 22 NEXT FISCAL YEAR.

23 [(e)] (F) (1) All assistance granted under this subtitle is subject to all
 24 future amendment or repeal of this subtitle.

25 (2) A recipient does not have a right to compensation by reason of the
 26 recipient's assistance having been affected by amendment or repeal of this subtitle.

27 (3) Recipients who obtain employment shall remain eligible for medical
 28 assistance up to 12 months after the date of employment.

29 53.

30 (a) (1) The Secretary shall establish demonstration projects through grants
 31 to nonprofit organizations, local education agencies, local management boards, local
 32 health departments, religious organizations, and institutions of higher education,
 33 which shall jointly develop proposals for these demonstration projects with local
 34 departments of social services.

35 (2) (i) Not more than 50% of the funding allocated for demonstration
 36 projects under this section shall be allocated to a single demonstration project.

37 (ii) The funds allocated for demonstration projects under this
 38 section are incentive funds over and above any transfer of FIP benefits to a third
 39 party.

1 (3) At least one of the demonstration projects under this section shall be
2 located in counties other than the two counties with the largest numbers of FIP
3 recipients.

4 (4) The funds allocated to demonstration projects under this section may
5 not be used in the furtherance of sectarian religious instruction or worship.

6 (5) Funds allocable to demonstration projects under the provisions of
7 paragraph (2) of this subsection shall, if feasible, be used for demonstration projects
8 in the subdivisions which generated the savings.

9 (6) The Secretary shall award grants for these demonstration projects
10 through a competitive bid process which includes:

11 (i) The issuance of a request for proposals; and

12 (ii) The establishment of an evaluation panel to review competing
13 proposals and to make a recommendation to the Secretary concerning which
14 proposals have the greatest programmatic and financial merit.

15 (7) WHEN AWARDING GRANTS UNDER PARAGRAPH (6) OF THIS
16 SUBSECTION, THE SECRETARY SHALL GIVE PRIORITY IN FUNDING FOR AT LEAST 20%
17 OF THE FUNDS ALLOCATED TO DEMONSTRATION PROJECTS UNDER THIS SECTION
18 TO REGIONAL PROPOSALS FROM TWO OR MORE COUNTIES OF THE STATE.

19 (b) In the request for proposals, the Secretary shall include requirements that:

20 (1) Applicants specify what goods or services, or both, they will provide
21 to participants; and

22 (2) Each demonstration project shall:

23 (i) Complement the local department Family Investment Program
24 Plan; and

25 (ii) Address specific, unmet local needs and barriers that prevent
26 families from meeting the requirements of this subtitle.

27 (c) The Secretary shall encourage and facilitate any demonstration projects,
28 in addition to the demonstration projects funded through savings identified in
29 subsection (a) of this section, which are supported through:

30 (1) The voluntary transfer of temporary cash assistance and food stamp
31 benefits to the demonstration project;

32 (2) The transfer of administrative costs from the local department of
33 social services; and

34 (3) Any nonstate funds available to the project.

1 53A.

2 ~~(A) ON OR BEFORE OCTOBER 1, 1998, THE SECRETARY SHALL ESTABLISH A~~
3 ~~PERFORMANCE INCENTIVE PROGRAM IN THE DEPARTMENT TO PROVIDE PAY~~
4 ~~INCENTIVES TO EMPLOYEES OF THE DEPARTMENT WHO ARE RESPONSIBLE FOR~~
5 ~~ASSISTING RECIPIENTS OF TEMPORARY CASH ASSISTANCE UNDER THE FIP IN~~
6 ~~OBTAINING EMPLOYMENT.~~

7 ~~(B) THE SECRETARY SHALL DESIGN THE PERFORMANCE INCENTIVE~~
8 ~~PROGRAM REQUIRED UNDER SUBSECTION (A) OF THIS SECTION IN A MANNER THAT~~
9 ~~ALLOWS EACH LOCAL DEPARTMENT TO PROVIDE PAY INCENTIVES TO EMPLOYEES~~
10 ~~FOR SUPERIOR PERFORMANCE IN ASSISTING FIP RECIPIENTS IN OBTAINING~~
11 ~~PERMANENT UNSUBSIDIZED EMPLOYMENT.~~

12 ~~(C) PAY INCENTIVES PROVIDED TO EMPLOYEES OF A LOCAL DEPARTMENT~~
13 ~~UNDER THIS SECTION SHALL BE PAID FROM THE SAVINGS TO THE FIP ACHIEVED BY~~
14 ~~THAT LOCAL DEPARTMENT DURING THE CURRENT FISCAL YEAR FROM CASELOAD~~
15 ~~REDUCTIONS OR OTHER REDUCTIONS IN THE TOTAL AMOUNT OF TEMPORARY CASH~~
16 ~~ASSISTANCE BENEFITS PAID TO RECIPIENTS COMPARED TO THE TOTAL AMOUNT OF~~
17 ~~TEMPORARY CASH ASSISTANCE BENEFITS BUDGETED.~~

18 ~~(D) IF FUNDS ARE NOT AVAILABLE TO PROVIDE THE PAY INCENTIVES FROM~~
19 ~~THE SAVINGS ACHIEVED BY THE LOCAL DEPARTMENT, PAY INCENTIVES MAY NOT BE~~
20 ~~PROVIDED UNDER SUBSECTION (C) OF THIS SECTION.~~

21 53B.

22 ~~(A) THE SECRETARY, IN COOPERATION WITH THE DIRECTORS OF LOCAL~~
23 ~~DEPARTMENTS OF SOCIAL SERVICES, SHALL ESTABLISH A JOB SKILLS~~
24 ~~ENHANCEMENT PILOT PROGRAM IN AT LEAST THREE COUNTIES, ONE OF WHICH~~
25 ~~SHALL BE LOCATED IN WESTERN MARYLAND, SOUTHERN MARYLAND, OR THE~~
26 ~~EASTERN SHORE, TO PROVIDE NEWLY EMPLOYED CURRENT AND FORMER FIP~~
27 ~~RECIPIENTS WITH TRAINING IN ORDER FOR THEM TO:~~

- 28 (1) ENHANCE THEIR EXISTING JOB-RELATED SKILLS;
- 29 (2) GAIN ADDITIONAL OR ALTERNATIVE JOB SKILLS; OR
- 30 (3) LEARN INTERPERSONAL, COMMUNICATION, AND OTHER RELATED
- 31 SKILLS.

32 (B) THE JOB SKILLS ENHANCEMENT PROGRAM SHALL TARGET UNSKILLED
33 AND SEMISKILLED FORMER AND CURRENT FIP RECIPIENTS WHO ARE NEWLY
34 EMPLOYED IN ENTRY-LEVEL POSITIONS THAT HAVE LIMITED POTENTIAL FOR
35 ADVANCEMENT BEYOND ENTRY LEVEL.

36 (C) (1) PARTICIPATION IN THE JOB SKILLS ENHANCEMENT PROGRAM
37 SHALL BE VOLUNTARY.

1 (2) INDIVIDUALS PARTICIPATING IN THE JOB SKILLS ENHANCEMENT
2 PROGRAM SHALL SIGN A TRAINING AGREEMENT WITH THE LOCAL DEPARTMENT.

3 (D) TO BE ELIGIBLE TO PARTICIPATE IN THE JOB SKILLS ENHANCEMENT
4 PROGRAM, AN INDIVIDUAL SHALL:

5 (1) HAVE BEEN A FIP RECIPIENT WITHIN THE PREVIOUS 12 MONTHS OF
6 THE DATE THE INDIVIDUAL PROPOSES TO BEGIN PARTICIPATION IN THE JOB SKILLS
7 ENHANCEMENT PROGRAM;

8 (2) HAVE BEEN EMPLOYED IN ENTRY-LEVEL, UNSUBSIDIZED
9 EMPLOYMENT FOR AT LEAST 6 MONTHS FROM THE DATE THE INDIVIDUAL
10 PROPOSES TO BEGIN PARTICIPATION IN THE JOB SKILLS ENHANCEMENT PROGRAM;

11 (3) PROVIDE EMPLOYER VALIDATION OR OTHER DOCUMENTATION OF
12 EMPLOYMENT STATUS;

13 (4) POSSESS LIMITED JOB SKILLS; AND

14 (5) HAVE LIMITED OPPORTUNITY FOR ADVANCEMENT IN CURRENT
15 EMPLOYMENT.

16 (E) THE LOCAL DEPARTMENT SHALL CONTRACT FOR TRAINING SERVICES
17 THAT ARE TO BE PROVIDED UNDER THE JOB SKILLS ENHANCEMENT PROGRAM, AS
18 PROVIDED IN § 47(A) OF THIS SUBTITLE.

19 (F) (1) AT THE DISCRETION OF THE SECRETARY, IN CONSULTATION WITH
20 THE LOCAL DEPARTMENT DIRECTOR, THE JOB SKILLS ENHANCEMENT PROGRAM
21 SHALL BE ADMINISTERED BY THE LOCAL DEPARTMENT OR THROUGH THE STATE
22 SERVICE DELIVERY AREA SYSTEM UNDER THE JOB TRAINING PARTNERSHIP ACT
23 (JTPA).

24 (2) AS PART OF THEIR ADMINISTRATIVE RESPONSIBILITIES UNDER
25 PARAGRAPH (1) OF THIS SUBSECTION, A LOCAL DEPARTMENT OR PERSONS AT A
26 SERVICE DELIVERY AREA LOCATION SHALL:

27 (I) MANAGE EACH PARTICIPANT'S TRAINING PLAN;

28 (II) MAINTAIN A DATABASE OF APPROPRIATE TRAINING VENDORS;
29 AND

30 (III) COMPILE NECESSARY FISCAL REPORTS ON THE JOB SKILLS
31 ENHANCEMENT PROGRAM.

32 **Article - Health - General**

33 15-103.

34 [(d) The Secretary shall apply for a waiver from the Health Care Financing
35 Administration of the U.S. Department of Health and Human Services or take any

1 other steps necessary to obtain federal reimbursement for providing program services
2 to any minor who had qualified, and subsequently lost eligibility, as disabled under
3 the federal Supplemental Security Income (SSI) Program before August 22, 1996, the
4 effective date of the federal Personal Responsibility and Work Opportunity
5 Reconciliation Act.]

6 **Article - State Finance and Procurement**

7 13-224.

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

10 (2) "DEPARTMENT" MEANS THE DEPARTMENT OF HUMAN RESOURCES.

11 (3) "ELIGIBLE CONTRACT" MEANS A PROCUREMENT CONTRACT
12 DESIGNATED BY THE BOARD AS APPROPRIATE FOR THE EXECUTION OF A HIRING
13 AGREEMENT.

14 (4) "FIP" MEANS THE FAMILY INVESTMENT PROGRAM ESTABLISHED
15 UNDER ARTICLE 88A OF THE CODE.

16 (5) "HIRING AGREEMENT" MEANS AN AGREEMENT ENTERED INTO BY
17 THE DEPARTMENT OR A LOCAL DEPARTMENT AND AN ENTITY DOING BUSINESS
18 WITH THE STATE UNDER WHICH THE DEPARTMENT OR THE LOCAL DEPARTMENT
19 AND THE ENTITY AGREE TO WORK COOPERATIVELY IN ENDEAVORING TO IDENTIFY
20 AND HIRE FIP RECIPIENTS TO FILL ENTRY-LEVEL JOB OPENINGS OF THE ENTITY.

21 (6) "LOCAL DEPARTMENT" MEANS A LOCAL DEPARTMENT OF SOCIAL
22 SERVICES IN A COUNTY OR IN BALTIMORE CITY CREATED OR CONTINUED UNDER
23 THE PROVISIONS OF ARTICLE 88A, § 13 OF THE CODE.

24 (B) ON OR BEFORE OCTOBER 1, 1998, THE BOARD, IN CONSULTATION WITH
25 THE DEPARTMENT, SHALL DESIGNATE THE TYPES OF PROCUREMENT CONTRACTS
26 THAT ARE ELIGIBLE CONTRACTS.

27 (C) (1) ON OR BEFORE DECEMBER 1, 1998, THE DEPARTMENT SHALL
28 DEVELOP A MODEL HIRING AGREEMENT FORM THAT SHALL BE COMPLETED BY THE
29 DEPARTMENT OR A LOCAL DEPARTMENT AND AN ENTITY IN CONJUNCTION WITH
30 THE AWARD OF AN ELIGIBLE CONTRACT.

31 (2) THE MODEL HIRING AGREEMENT FORM SHALL INCLUDE THE
32 FOLLOWING PROVISIONS:

33 (I) THE ENTITY WILL:

34 1. INFORM THE DEPARTMENT OR THE LOCAL DEPARTMENT,
35 AS APPROPRIATE, OF ALL OF THE ENTITY'S ENTRY-LEVEL JOB OPENINGS;

1 2. DECLARE THE DEPARTMENT OR THE LOCAL
2 DEPARTMENT, AS APPROPRIATE, ITS "FIRST SOURCE" IN IDENTIFYING AND HIRING
3 CANDIDATES TO FILL THOSE ENTRY-LEVEL JOB OPENINGS;

4 3. WORK COOPERATIVELY WITH THE DEPARTMENT OR THE
5 LOCAL DEPARTMENT, AS APPROPRIATE, TO DEVELOP ANY NECESSARY TRAINING
6 PROGRAMS THAT WILL ASSIST FIP RECIPIENTS IN QUALIFYING FOR AND SECURING
7 THE ENTRY-LEVEL POSITIONS;

8 4. GIVE FIRST PREFERENCE AND FIRST CONSIDERATION TO
9 THE EXTENT PERMITTED BY LAW AND ANY EXISTING LABOR AGREEMENTS TO
10 CANDIDATES REFERRED TO IT BY THE DEPARTMENT OR THE LOCAL DEPARTMENT,
11 AS APPROPRIATE;

12 5. AGREE TO GIVE CANDIDATES REFERRED TO IT BY THE
13 DEPARTMENT OR THE LOCAL DEPARTMENT, AS APPROPRIATE, PRIORITY IN THE
14 FILLING OF AN ENTRY-LEVEL OPENING IF THE CANDIDATE MEETS THE
15 QUALIFICATIONS OF THE POSITION;

16 6. PROVIDE THE DEPARTMENT OR THE LOCAL
17 DEPARTMENT, AS APPROPRIATE, WITH INFORMATION ON THE DISPOSITION OF ALL
18 REFERRALS MADE BY THE DEPARTMENT OR THE LOCAL DEPARTMENT, AS
19 APPROPRIATE, INCLUDING AN EXPLANATION OF WHY ANY SUCH CANDIDATE WAS
20 NOT HIRED OR CONSIDERED QUALIFIED;

21 7. PROVIDE THE DEPARTMENT OR THE LOCAL
22 DEPARTMENT, AS APPROPRIATE, WITH INFORMATION REGARDING THE PROGRESS
23 AND EMPLOYMENT STATUS OF THOSE CANDIDATES REFERRED BY THE
24 DEPARTMENT OR THE LOCAL DEPARTMENT, AS APPROPRIATE, THAT IT HIRED; AND

25 8. DESIGNATE A SPECIFIC INDIVIDUAL THAT THE
26 DEPARTMENT OR THE LOCAL DEPARTMENT, AS APPROPRIATE, MAY CONTACT IN
27 REGARD TO THE PROVISIONS OF THE HIRING AGREEMENT; AND

28 (II) THE DEPARTMENT OR THE LOCAL DEPARTMENT, AS
29 APPROPRIATE, WILL ASSIGN AN ACCOUNT REPRESENTATIVE TO THE ENTITY WHO
30 WILL:

31 1. RECEIVE AND PROCESS ALL OF THE ENTITY'S JOB
32 NOTIFICATIONS;

33 2. REFER ONLY SCREENED AND QUALIFIED CANDIDATES TO
34 THE ENTITY;

35 3. ASSIST IN THE DEVELOPMENT OF ANY MUTUALLY
36 AGREED UPON TRAINING PROGRAM OR INTERNSHIP PROGRAM THAT WILL BETTER
37 PREPARE FIP RECIPIENTS FOR EMPLOYMENT WITH THE ENTITY;

1 (iii) A licensed auctioneer acting on behalf of a seller, secured party
2 or owner and where title does not pass to the auctioneer and the auction is not for the
3 purpose of avoiding the provisions of this title;

4 (iv) A receiver, trustee, personal representative, or other person
5 appointed by or acting under the authority of any court;

6 (v) Either a manufacturer or distributor who sells or distributes
7 vehicles to licensed dealers or a person employed by a manufacturer or distributor to
8 promote the sale of the vehicles of the manufacturer or distributor, if that
9 manufacturer, distributor, or person does not sell vehicles to retail buyers;

10 (vi) A person who sells or disposes of vehicles acquired and used for
11 personal or business use and not for the purpose of avoiding the provisions of this
12 title, if that person is not engaged in buying, selling, or exchanging vehicles as a
13 business;

14 (vii) An automotive dismantler and recycler who during the normal
15 course of business acquires a salvage vehicle and transfers the vehicle on a salvage
16 certificate. However, if the automotive dismantler and recycler rebuilds and sells
17 more than 5 vehicles during a 12-month period to a person other than another
18 automotive dismantler and recycler or licensed dealer, the automotive dismantler and
19 recycler must be licensed as a dealer under § 15-302 of this subtitle; [or]

20 (viii) A person engaged in the leasing of motor vehicles under leases
21 not intended as security; OR

22 (IX) A RELIGIOUS, CHARITABLE, OR VOLUNTEER ORGANIZATION
23 EXEMPT FROM TAXATION UNDER § 501(C) OF THE INTERNAL REVENUE CODE, THE
24 DEPARTMENT OF HUMAN RESOURCES, OR A LOCAL DEPARTMENT OF SOCIAL
25 SERVICES TRANSFERRING A VEHICLE UNDER § 13-810 OF THIS ARTICLE.

26 **Chapter 351 of the Acts of 1996, as amended by Chapter 593 of the Acts of**
27 **1997**

28 [SECTION 11. AND BE IT FURTHER ENACTED, That any savings the Family
29 Investment Program, as of July 1 of each year, anticipates achieving during the
30 current fiscal year through caseload reductions or other reductions in the total
31 amount of cash benefits actually paid to families compared to the total amount of cash
32 assistance benefits to families budgeted shall be available for reallocation within the
33 budget of the Department to support activities through local departments of social
34 services as follows:

35 (1) 10% of the savings to a combination of, the operating costs for, one or
36 more of the following:

37 (i) demonstration projects created in Article 88A, § 53 of the Code;

38 (ii) second chance homes not subject to the restrictions of Section 12
39 of Chapter 351 of the Acts of the General Assembly of 1996; or

1 (iii) demonstration projects to empirically evaluate a strategy or set
2 of strategies to reduce the incidence of nonmarital births in the State;

3 (2) 45% of the savings that were generated for the 2-year period
4 following the effective date of this Act shall be allocated in accordance with the
5 savings achieved by each local department of social services and, notwithstanding §
6 7-302 of the State Finance and Procurement Article, any of the savings that remains
7 unexpended after the current fiscal year may be carried over into the next fiscal year;
8 and

9 (3) 45% of the savings to child care, work activities, welfare avoidance,
10 drug treatment for targeted recipients, emergency funds for applicants and
11 recipients, administration to the extent that additional administrative costs are
12 required to effectively implement this program, or any other direct service to
13 applicants or recipients that the Secretary deems appropriate to further the purposes
14 of this Act.]

15 **Chapter 490 of the Acts of 1995**

16 SECTION 2. AND BE IT FURTHER ENACTED, That it is the intent of the
17 General Assembly that [the Child Support Reinvestment Fund should be a
18 cost-neutral program and that any State monies invested in the Fund should be
19 offset by an increase in AFDC child support collections retained by the State] ANY
20 REINVESTMENT FUND EXPENDITURES GENERATE AN INCREASE IN TOTAL CHILD
21 SUPPORT COLLECTIONS EQUIVALENT TO TWICE THE AMOUNT OF INCENTIVE
22 DOLLARS EXPENDED. The Department of Human Resources shall include in its
23 annual budget submission information on the amount of federal dollars realized as a
24 result of the fund.

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

27 **Article - Transportation**

28 13-810.

29 (a) On issuance in this State of an original or subsequent certificate of title for
30 a vehicle, the vehicle is exempt from the excise tax imposed by this part, if it is:

31 (21) A Class M motor home or Class G travel trailer that is transferred or
32 retitled in the dealership's name under § 15-305(d)(2) of this article; [or]

33 (22) A special purpose vehicle owned by a coal company if the vehicle is
34 used:

35 (i) For transportation of workers, coal, or equipment used in the
36 coal production process; and

37 (ii) Exclusively in or on coal mining property; OR

1 (23) A VEHICLE ACQUIRED BY A RELIGIOUS, CHARITABLE, OR
 2 VOLUNTEER ORGANIZATION EXEMPT FROM TAXATION UNDER § 501(C) OF THE
 3 INTERNAL REVENUE CODE, THE DEPARTMENT OF HUMAN RESOURCES, OR A LOCAL
 4 DEPARTMENT OF SOCIAL SERVICES FOR THE PURPOSE OF TRANSFERRING THE
 5 VEHICLE TO A FAMILY INVESTMENT PROGRAM RECIPIENT OR AN INDIVIDUAL
 6 CERTIFIED BY THE DEPARTMENT OF HUMAN RESOURCES OR A LOCAL DEPARTMENT
 7 OF SOCIAL SERVICES AS ELIGIBLE FOR THE TRANSFER.

8 (c) On transfer of a vehicle titled in this State and issuance of a subsequent
 9 certificate of title, the vehicle is exempt from the excise tax imposed by this part, if it
 10 is:

11 (7) A vehicle transferred by a corporation to its stockholder or
 12 stockholders or by a limited liability company to its member or members as a
 13 liquidating distribution of tangible personal property where the vehicle or vehicles
 14 transferred are not a principal or substantial asset of the corporation or limited
 15 liability company as determined by the Administration; [or]

16 (8) A vehicle transferred as a result of a reorganization within the
 17 meaning of § 368(a) of the Internal Revenue Code; OR

18 (9) A VEHICLE TRANSFERRED TO A FAMILY INVESTMENT PROGRAM
 19 RECIPIENT OR AN INDIVIDUAL CERTIFIED BY THE DEPARTMENT OF HUMAN
 20 RESOURCES OR A LOCAL DEPARTMENT OF SOCIAL SERVICES AS ELIGIBLE FOR
 21 TRANSFER OF THE VEHICLE THAT WAS EXEMPTED FROM THE EXCISE TAX IMPOSED
 22 BY THIS PART UNDER SUBSECTION (A)(23) OF THIS SECTION.

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

25 **Article - Transportation**

26 13-810.

27 (a) On issuance in this State of an original or subsequent certificate of title for
 28 a vehicle, the vehicle is exempt from the excise tax imposed by this part, if it is:

29 (20) A vehicle acquired for resale by a licensed dealer if the dealer
 30 reassignment sections contained on the certificate of title are exhausted; [or]

31 (21) A Class M motor home or Class G travel trailer that is transferred or
 32 retitled in the dealership's name under § 15-305(d)(2) of this article; OR

33 (22) A VEHICLE ACQUIRED BY A RELIGIOUS, CHARITABLE, OR
 34 VOLUNTEER ORGANIZATION EXEMPT FROM TAXATION UNDER § 501(C) OF THE
 35 INTERNAL REVENUE CODE, THE DEPARTMENT OF HUMAN RESOURCES, OR A LOCAL
 36 DEPARTMENT OF SOCIAL SERVICES FOR THE PURPOSE OF TRANSFERRING THE
 37 VEHICLE TO A FAMILY INVESTMENT PROGRAM RECIPIENT OR AN INDIVIDUAL
 38 CERTIFIED BY THE DEPARTMENT OF HUMAN RESOURCES OR A LOCAL DEPARTMENT
 39 OF SOCIAL SERVICES AS ELIGIBLE FOR THE TRANSFER.

1 (c) On transfer of a vehicle titled in this State and issuance of a subsequent
 2 certificate of title, the vehicle is exempt from the excise tax imposed by this part, if it
 3 is:

4 (7) A vehicle transferred by a corporation to its stockholder or
 5 stockholders or by a limited liability company to its member or members as a
 6 liquidating distribution of tangible personal property where the vehicle or vehicles
 7 transferred are not a principal or substantial asset of the corporation or limited
 8 liability company as determined by the Administration; [or]

9 (8) A vehicle transferred as a result of a reorganization within the
 10 meaning of § 368(a) of the Internal Revenue Code; OR

11 (9) A VEHICLE TRANSFERRED TO A FAMILY INVESTMENT PROGRAM
 12 RECIPIENT OR AN INDIVIDUAL CERTIFIED BY THE DEPARTMENT OF HUMAN
 13 RESOURCES OR A LOCAL DEPARTMENT OF SOCIAL SERVICES AS ELIGIBLE FOR
 14 TRANSFER OF THE VEHICLE THAT WAS EXEMPTED FROM THE EXCISE TAX IMPOSED
 15 BY THIS PART UNDER SUBSECTION (A)(22) OF THIS SECTION.

16 ~~SECTION 4. AND BE IT FURTHER ENACTED, That, on or before September~~
 17 ~~1, 1998, the Secretary of Human Resources shall:~~

18 ~~(1) provide to the General Assembly for its review and comment an~~
 19 ~~implementation plan for the performance incentive program to be established under~~
 20 ~~this Act; and~~

21 ~~(2) include in the implementation plan:~~

22 ~~(i) details on the levels of incentives available;~~

23 ~~(ii) details on the number of employees to be included in the~~
 24 ~~performance incentive program;~~

25 ~~(iii) a description of the level of involvement that the employees to~~
 26 ~~be included in the performance incentive program have or will have in its~~
 27 ~~development and design; and~~

28 ~~(iv) any other information that the Secretary considers appropriate.~~

29 SECTION 4. AND BE IT FURTHER ENACTED, That the Governor shall
 30 provide 30% of the welfare-to-work grant funds from the maximum of the 15%
 31 allowed under the federal Balanced Budget Act of 1997, to fund the pilot program
 32 established under Article 88A, § 53A of the Code. The amount of the funds shall be
 33 sufficient to provide up-grade training, as required by the pilot program, to 350
 34 newly employed current and former FIP recipients at a cost not to exceed \$5,000 per
 35 recipient. If the Governor determines that using welfare-to-work grant funds for the
 36 pilot program is not appropriate, the Governor shall notify the Joint Committee on
 37 Welfare Reform, in writing, as to the reasons.

1 SECTION 5. AND BE IT FURTHER ENACTED, That, the Governor, when
2 distributing any funds from the welfare-to-work grant funds received by the State
3 under the Balanced Budget Act of 1997 to fund projects to help long-term recipients
4 of assistance under the Family Investment Program established under Article 88A of
5 the Code, or the former Aid to Families with Dependent Children program, to enter
6 unsubsidized employment, shall give priority in funding, for at least 20% of the
7 welfare-to-work grant funds from the maximum of 15% allowed under the Balanced
8 Budget Act of 1997, to regional projects that involve two or more counties in the State.
9 If the Governor finds that an insufficient number of regional projects are meritorious,
10 the Governor shall notify the Joint Committee on Welfare Reform.

11 SECTION 6. AND BE IT FURTHER ENACTED, That, notwithstanding §
12 7-310(f)(1) of the State Finance and Procurement Article, the unspent balance of
13 funds appropriated to the Dedicated Purpose Account for the Family Investment
14 Program may not revert to the Revenue Stabilization Account even if those funds are
15 unspent 4 years after the end of the fiscal year for which the appropriation was made.

16 SECTION 7. AND BE IT FURTHER ENACTED, That, notwithstanding §
17 7-310(f)(1) of the State Finance and Procurement Article, the unspent balance of
18 funds appropriated to the Dedicated Purpose Account for the Purchase of Child Care
19 Program may not revert to the Revenue Stabilization Account even if those funds are
20 unspent 4 years after the end of the fiscal year for which the appropriation was made.

21 SECTION 8. AND BE IT FURTHER ENACTED, That:

22 (a) The Department of Human Resources, in consultation with the
23 Department of Labor, Licensing, and Regulation, the Department of Business and
24 Economic Development, the Department of Health and Mental Hygiene, the State
25 Department of Education, and the Maryland Higher Education Commission, shall
26 redesign the Family Investment Program service delivery system to improve
27 customer service, leverage available resources, and avoid duplication of effort;

28 (b) The redesign effort shall include:

29 (1) defining the core service activities of the service delivery system;

30 (2) examining public or private organizations throughout the country
31 that perform these core activities in an exemplary manner;

32 (3) determining supplemental services;

33 (4) analyzing the opportunities for unified action and organizational
34 boundary change among the State agencies;

35 (5) designing a new organizational and programmatic structure to most
36 effectively deliver the identified services; and

37 (6) developing a mechanism for evaluating the effectiveness of the new
38 system;

1 (c) The Department of Labor, Licensing, and Regulation, the Department of
2 Business and Economic Development, the Department of Health and Mental
3 Hygiene, the State Department of Education, and the Maryland Higher Education
4 Commission shall:

5 (1) work with the Department of Human Resources to design the new
6 system from the ground up;

7 (2) contribute organizational resources necessary to build the system;
8 and

9 (3) assist the Department of Human Resources in implementing and
10 evaluating the new system;

11 (d) The Department of Human Resources shall implement the service delivery
12 system redesign as a pilot project in one jurisdiction;

13 (e) Funding, in an amount not to exceed \$1,000,000 annually, from the
14 savings provided for under Article 88A, § 52(e)(1)(iii) of the Code, as enacted by
15 Section 1 of this Act, shall be used to design, develop, implement, and evaluate the
16 service delivery system redesign required by this section; and

17 (f) The Department of Human Resources shall present a preliminary report
18 on the service delivery system redesign to the Joint Committee on Welfare Reform
19 and, in accordance with § 2-1246 of the State Government Article, the General
20 Assembly, on or before May 31, 1999 and shall present a final report on or before
21 January 1, 2000.

22 SECTION 9. AND BE IT FURTHER ENACTED, That Section 8 of this Act shall
23 remain effective for a period of 2 years and, at the end of May 31, 2000, with no
24 further action required by the General Assembly, Section 8 of this Act shall be
25 abrogated and of no further force and effect.

26 SECTION 6- 10. AND BE IT FURTHER ENACTED, That, at the end of
27 December 31, 2000, with no further action required by the General Assembly, Section
28 2 of this Act shall be abrogated and of no further force and effect and Section 3 of this
29 Act shall take effect. This section supersedes the termination and abrogation
30 provisions of Section 2 of Chapter 304 of the Acts of the General Assembly of 1996.

31 SECTION 7- 11. AND BE IT FURTHER ENACTED, That, except as provided
32 in Section 6 10 of this Act, this Act shall take effect June 1, 1998.

