

HOUSE BILL 184

Unofficial Copy
B1

1999 Regular Session
9lr0214
CF 9lr0198

By: **The Speaker (Administration) and Delegate Rawlings**

Introduced and read first time: February 1, 1999

Assigned to: Appropriations

A BILL ENTITLED

1 AN ACT concerning

2 **The Joseph Fund**

3 FOR the purpose of establishing the Joseph Fund as a nonlapsing fund within the
4 State Reserve Fund; providing for the purpose and management of the Fund;
5 specifying what moneys may constitute the Fund; authorizing the State
6 Treasurer to invest moneys in the Fund in a certain manner; requiring the
7 Comptroller to transfer certain moneys into the Fund under certain
8 circumstances; creating the Joseph Fund Board to oversee the management of
9 the Fund; providing for the membership and structure of the Board; specifying
10 the powers and duties of the Board; authorizing moneys to be expended from the
11 Fund under certain conditions and for certain purposes; requiring a certain
12 report on an annual basis; specifying the terms of the initial members of the
13 Board; defining certain terms; and generally relating to the establishment of the
14 Joseph Fund and Joseph Fund Board.

15 BY repealing and reenacting, with amendments,
16 Article - State Finance and Procurement
17 Section 7-309
18 Annotated Code of Maryland
19 (1995 Replacement Volume and 1998 Supplement)

20 BY adding to
21 Article - State Finance and Procurement
22 Section 7-327
23 Annotated Code of Maryland
24 (1995 Replacement Volume and 1998 Supplement)

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

1 (1) MONEYS CREDITED TO THE FUND UNDER SUBSECTION (E) OF THIS
2 SECTION;

3 (2) EARNINGS FROM THE INVESTMENT OF MONEYS IN THE FUND; AND

4 (3) ANY OTHER MONEYS ACCEPTED FOR THE BENEFIT OF THE FUND
5 FROM ANY GOVERNMENTAL OR PRIVATE SOURCE.

6 (E) BY OCTOBER 1 OF EACH YEAR, THE COMPTROLLER SHALL:

7 (1) CERTIFY THE AMOUNT OF UNAPPROPRIATED SURPLUS FOR THE
8 PRECEDING FISCAL YEAR; AND

9 (2) TRANSFER TO THE JOSEPH FUND THE LESSER OF:

10 (I) 20% OF THE UNAPPROPRIATED SURPLUS; OR

11 (II) \$5,000,000.

12 (F) (1) THERE IS A JOSEPH FUND BOARD IN STATE GOVERNMENT.

13 (2) THE BOARD SHALL BE COMPOSED OF 13 MEMBERS AS FOLLOWS:

14 (I) 11 MEMBERS APPOINTED BY THE GOVERNOR AS FOLLOWS:

15 1. TWO REPRESENTATIVES FROM STATE GOVERNMENT;

16 2. ONE REPRESENTATIVE FROM THE CHILD WELFARE
17 ADVOCACY COMMUNITY;

18 3. ONE REPRESENTATIVE FROM THE STATEWIDE HEALTH
19 ADVOCACY COMMUNITY;

20 4. ONE REPRESENTATIVE FROM THE STATEWIDE HUNGER
21 AND HOMELESS ADVOCACY COMMUNITY;

22 5. THREE REPRESENTATIVES FROM A STATEWIDE NETWORK
23 OF CONGREGATIONAL BASED INTERFAITH MULTI-ISSUED ORGANIZATIONS WITH A
24 HISTORY OF ADVOCACY ON ISSUES THAT AFFECT THE POOR; AND

25 6. THREE REPRESENTATIVES FROM THE GENERAL PUBLIC,
26 INCLUDING ONE REPRESENTATIVE WITH FINANCIAL EXPERTISE;

27 (II) ONE REPRESENTATIVE APPOINTED BY THE PRESIDENT OF THE
28 SENATE OF MARYLAND; AND

29 (III) ONE REPRESENTATIVE APPOINTED BY THE SPEAKER OF THE
30 HOUSE OF DELEGATES.

31 (3) (I) THE TERM OF A MEMBER IS 6 YEARS.

1 (II) THE TERMS OF MEMBERS SHALL BE STAGGERED AS REQUIRED
2 BY THE TERMS PROVIDED FOR MEMBERS OF THE BOARD ON JULY 1, 1999.

3 (III) AT THE END OF A TERM, A MEMBER CONTINUES TO SERVE
4 UNTIL A SUCCESSOR IS APPOINTED AND QUALIFIES.

5 (IV) A MEMBER WHO IS APPOINTED AFTER A TERM HAS BEGUN
6 SERVES ONLY FOR THE REST OF THE TERM AND UNTIL A SUCCESSOR IS APPOINTED
7 AND QUALIFIES.

8 (V) A MEMBER MAY BE REMOVED ONLY FOR CAUSE.

9 (VI) THE GOVERNOR SHALL DESIGNATE A CHAIRMAN FROM AMONG
10 THE MEMBERS.

11 (VII) ATTENDANCE BY A MAJORITY OF THE VOTING MEMBERS
12 SHALL CONSTITUTE A QUORUM.

13 (4) THE BOARD SHALL MEET AS OFTEN AS THE BOARD'S DUTIES
14 REQUIRE, BUT NO LESS THAN ANNUALLY.

15 (5) (I) THE MEMBERS OF THE BOARD ARE SUBJECT TO THE
16 PROVISIONS OF THE MARYLAND PUBLIC ETHICS LAW.

17 (II) MEMBERS OF THE BOARD ARE NOT ENTITLED TO ANY
18 COMPENSATION OR OTHER EMOLUMENT, EXCEPT REASONABLE EXPENSES
19 INCURRED IN CONNECTION WITH ATTENDANCE AT MEETINGS AND WORKING
20 SESSIONS, FOR ANY SERVICES RENDERED AS A MEMBER OF THE BOARD.

21 (6) THE DEPARTMENT OF HUMAN RESOURCES SHALL PROVIDE STAFF
22 SUPPORT TO THE BOARD.

23 (G) (1) THE BOARD SHALL OVERSEE THE MANAGEMENT OF THE FUND.

24 (2) AT LEAST ONCE ANNUALLY, THE BOARD SHALL:

25 (I) REVIEW THE FINANCIAL STATUS OF THE FUND;

26 (II) DETERMINE IF EXPENDITURES FROM THE FUND ARE
27 WARRANTED;

28 (III) REVIEW REQUESTS FOR EXPENDITURES FROM THE FUND, AS
29 APPROPRIATE; AND

30 (IV) SUBJECT TO THE RESTRICTIONS IN SUBSECTION (H) OF THIS
31 SECTION, AUTHORIZE THE EXPENDITURE OF ANY MONEYS FROM THE FUND.

32 (H) (1) NOTWITHSTANDING ANY OTHER PROVISION IN THIS SUBSECTION,
33 MONEYS MAY NOT BE EXPENDED FROM THE FUND UNTIL THE BALANCE IN THE
34 FUND HAS REACHED \$10,000,000.

1 (2) EXCEPT AS PROVIDED IN PARAGRAPH (3) OF THIS SUBSECTION, THE
2 BOARD MAY AUTHORIZE IN A FISCAL YEAR THE EXPENDITURE OF UP TO 25% OF THE
3 INVESTMENT EARNINGS OF THE FUND FROM THE PRECEDING FISCAL YEAR.

4 (3) UPON CERTIFICATION FROM THE DEPARTMENT OF LABOR,
5 LICENSING, AND REGULATION THAT THE STATEWIDE UNEMPLOYMENT RATE HAS
6 INCREASED FOR 3 CONSECUTIVE MONTHS, THE BOARD MAY AUTHORIZE IN A FISCAL
7 YEAR THE EXPENDITURE OF UP TO:

8 (I) 100% OF THE INVESTMENT EARNINGS OF THE FUND FROM THE
9 PRECEDING FISCAL YEAR; AND

10 (II) 10% OF THE REMAINING BALANCE OF THE FUND.

11 (4) (I) MONEYS FROM THE FUND SHALL BE USED ON A STATEWIDE
12 BASIS TO MEET THE EMERGENCY NEEDS OF ECONOMICALLY DISADVANTAGED
13 CITIZENS OF THE STATE.

14 (II) EXPENDITURES FROM THE FUND SHALL BE USED ONLY FOR
15 PROGRAMS AND SERVICES THAT:

16 1. SERVE THE NEEDS OF CHILDREN;

17 2. PROVIDE HEALTH SERVICES TO INDIVIDUALS IN NEED;

18 AND

19 3. PROVIDE FOOD OR SHELTER ASSISTANCE TO
20 INDIVIDUALS IN NEED.

21 (5) EXPENDITURES FROM THE FUND MAY NOT BE USED TO SUPPLANT
22 EXISTING PUBLIC AND PRIVATE EXPENDITURES, EXCEPT IN CASES OF ECONOMIC
23 DOWNTURN WHEN REDUCTIONS IN PUBLIC AND PRIVATE EXPENDITURES WARRANT
24 SUPPLANTATION.

25 (6) EXPENDITURES FROM THE FUND AUTHORIZED BY THE BOARD
26 SHALL BE MADE TO STATE AGENCIES BY BUDGET AMENDMENT.

27 (I) THE BOARD SHALL REPORT TO THE GOVERNOR AND, SUBJECT TO § 2-1246
28 OF THE STATE GOVERNMENT ARTICLE, TO THE GENERAL ASSEMBLY BEFORE
29 SEPTEMBER 1 OF EACH YEAR ON THE FINANCIAL STATUS OF THE FUND AND THE
30 EXPENDITURES FROM THE FUND FOR THE PRECEDING FISCAL YEAR.

31 SECTION 2. AND BE IT FURTHER ENACTED, That terms of the initial
32 members of the Joseph Fund Board shall expire as follows:

33 (1) three in 2000;

34 (2) three in 2001;

35 (3) three in 2002;

1 (4) two in 2003; and

2 (5) two in 2004.

3 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
4 July 1, 1999.