

BY: Finance Committee

AMENDMENTS TO HOUSE BILL NO. 1042

(Third Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 2, strike “Maryland”; and in the same line, strike “and Assistance Fund” and substitute “- Acquisition of Nonprofit Health Entity”.

On pages 1 and 2, strike beginning with “establishing” in line 3 on page 1 down through “Fund;” in line 17 on page 2.

On page 2, strike beginning with “exempting” in line 21 down through “individuals” in line 32 and substitute “establishing, under certain circumstances, the Maryland Health Care Trust to be a body corporate, subject to modification or termination by the General Assembly; providing for the purpose of the Trust; providing that moneys expended from the Trust are supplemental to certain other State funds; providing for the Maryland Health Care Foundation to be the Trustee of the Trust; providing that the Trust consists of certain assets received as the result of a certain acquisition; requiring the State Treasurer to manage, invest, and reinvest the Trust in the same manner as Statute funds are invested; requiring the Trust to be held and accounted for separate and apart from the funds of the State; requiring the Fund to be invested in a certain manner; providing for the crediting and payment of interest and other investment earnings of the Trust; requiring the Trustee to make provision for a system of financial accounting, controls, audits, and reports; requiring the Trustee to submit a certain report; requiring the Foundation to deposit certain assets in the Trust under certain circumstances; requiring the Trust to grant to the Foundation certain interest and other investment income, not exceeding a specified amount, that accrues before a certain date on certain assets of the Fund; reserving the General Assembly’s right to change or modify the law with regard to the use of certain assets of the Trust through legislation other than the State budget bill; and generally relating to the regulation of an acquisition of a nonprofit health entity”.

On pages 2 and 3, strike in their entirety the lines beginning with line 42 on page 2 through line 24 on page 3, inclusive.

(Over)

On page 3, in line 27, strike “6.5-301” and substitute “6.5-301(c)”.

AMENDMENT NO. 2

On pages 4 through 21, strike in their entirety the lines beginning with line 13 on page 4 through line 32 on page 21, inclusive.

AMENDMENT NO. 3

On page 22, strike in their entirety lines 3 through 33, inclusive.

On pages 23 and 24, strike in their entirety the lines beginning with line 4 on page 23 through line 2 on page 24, inclusive.

AMENDMENT NO. 4

On page 27, strike in their entirety lines 20 through 25, inclusive.

AMENDMENT NO. 5

On page 28, in line 12, strike “4.” and substitute “2.”; and in the same line, after “That” insert “; if the Maryland Health Care Foundation receives a distribution of public or charitable assets as the result of an acquisition of a nonprofit health service plan or a nonprofit health maintenance organization, approved by the Maryland Insurance Administration on or after June 1, 2001, in accordance with Title 6.5 of the State Government Article:”.

On pages 28 and 29, strike beginning with “the” in line 12 on page 28 down through “2001” in line 4 on page 29 and substitute:

- “(a) (1) There is a Maryland Health Care Trust;
- (2) The Trust is a body corporate, subject to modification or termination by the General Assembly;
- (3) The purpose of the Trust is to:
- (i) be of general benefit to the residents of the State;
 - (ii) be charitable in nature; and
 - (iii) to accept and retain moneys for future expenditures to be used to

implement Acts of the General Assembly, other than the State budget bill, that:

1. improve the health status of residents of the State; and

2. specifically direct the use of assets of the Trust; and

(4) Moneys expended from the Trust are supplemental to, and are not intended to take the place of, State funds that would otherwise be appropriated by the State for the improvement of the health care status of the residents of the State;

(b) (1) The Maryland Health Care Foundation shall be the Trustee of the Trust; and

(2) The powers and duties of the Trust shall rest in and be exercised by the Trustee;

(c) The powers and duties of the Trust shall be established and modified solely by the General Assembly;

(d) The Trust consists of the public and charitable assets received by the Maryland Health Care Foundation as a result of the acquisition of a nonprofit health service plan or a nonprofit health maintenance organization, approved by the Maryland Insurance Administration on or after June 1, 2001, in accordance with Title 6.5 of the State Government Article;

(e) The State Treasurer shall manage, invest, and reinvest the Trust in the same manner as State funds are invested, provided, however, that the Trust shall be held and accounted for separate and apart from the funds of the State;

(f) (1) Subject to item (2) of this subsection, any interest or other investment earnings of the Trust shall be credited and paid into the Trust; and

(2) The Trustee shall grant to the Maryland Health Care Foundation any interest and other investment earnings that accrue on the assets of the Trust before July 1, 2002, not exceeding a total of \$10,000,000; and

(Over)

(g) (1) The Trustee shall make provision for a system of financial accounting, controls, audits, and reports; and

(2) The Trustee shall report to the Governor, and, in accordance with § 2-1246 of the State Government Article, to the General Assembly on or before December 1, 2001 and annually thereafter on the status of the assets of the Trust.

SECTION 3. AND BE IT FURTHER ENACTED, That, on receipt of any public or charitable assets as a result of the acquisition of a nonprofit health service plan or a nonprofit health maintenance organization, approved by the Maryland Insurance Administration on or after June 1, 2001, in accordance with Title 6.5 of the State Government Article, the Maryland Health Care Foundation shall deposit the entirety of the assets in the Maryland Health Care Trust established under Section 2 of this Act.

SECTION 4. AND BE IT FURTHER ENACTED, That, notwithstanding any other provision of law, the General Assembly expressly reserves the right to change or modify the law with regard to use of the assets of the Maryland Health Care Trust created in Section 2 of this Act, through legislation other than the State budget bill.

SECTION 5. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2001”.