

BY: Committee on Ways and Means

AMENDMENTS TO HOUSE BILL NO. 828

(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in the sponsor line, strike “and Wood” and substitute “Wood, Carlson, Cryor, C. Davis, Finifter, Greenip, Healey, Heller, Hixson, Howard, Marriott, Phillips, Ports, Rzepkowski, and Shriver”.

AMENDMENT NO. 2

On page 1, strike beginning with “requiring” in line 13 down through “purposes;” in line 14 and substitute “establishing certain special funds and authorizing certain uses of certain funds; authorizing certain grants to certain counties and Baltimore City for a certain fiscal year; requiring the counties and Baltimore City to use certain funds received from the amnesty program for certain purposes; requiring the Governor to include a certain appropriation to the Revenue Stabilization Fund in a certain budget bill submitted at the 2002 session; establishing a special Tax Amnesty Reserve Fund to retain moneys for future expenditures; providing that except under certain circumstances, moneys in the Fund shall be retained and may not be used for any purpose; providing for the application and effective date of this Act; “.

AMENDMENT NO. 3

On page 2, in line 1, after “Maryland” insert “State and local”.

On pages 4 and 5, strike in their entirety the lines beginning with line 33 on page 4 through line 28 on page 5, inclusive, and substitute:

“SECTION 5. AND BE IT FURTHER ENACTED, That:

(a) Notwithstanding Title 2 of the Tax - General Article, the revenues collected under this Act from the amnesty program shall be distributed as provided in this section.

(Over)

(b) Of the revenues collected that, under the applicable provisions of Title 2 of the Tax - General Article, would be credited to the General Fund of the State:

(1) The first \$2,000,000 shall be credited to a special fund to be administered by the Comptroller, which, subject to the budget amendment procedure provided for in § 7-209 of the State Finance and Procurement Article, may be used only for the purposes of:

- (i) Providing publicity for the amnesty program; and
- (ii) Hiring additional tax compliance and enforcement personnel.

(2) After the distribution under paragraph (1) of this subsection, the next \$30,000,000 shall be distributed to the General Fund of the State.

(3) (i) After the distribution under paragraphs (1) and (2) of this subsection, the next \$8,000,000 shall be distributed to a special fund, which, subject to the budget amendment procedure provided for in § 7-209 of the State Finance and Procurement Article, may be used only to provide grants for public education for fiscal year 2002 only to the following county boards of education and the New Baltimore City Board of School Commissioners in the following amounts, subject to subparagraph (iii) of this paragraph:

<u>Allegheny County</u>	<u>\$ 720,392</u>
<u>Baltimore City</u>	<u>2,600,197</u>
<u>Caroline County</u>	<u>842,680</u>
<u>Cecil County</u>	<u>372,421</u>
<u>Dorchester County</u>	<u>484,843</u>
<u>Garrett County</u>	<u>842,738</u>
<u>Prince George's County</u>	<u>1,131,706</u>

<u>Somerset County</u>	<u>464,205</u>
<u>Wicomico County</u>	<u>540,818</u>

(ii) Except as provided in subparagraph (iii) of this paragraph, the grants provided under this paragraph shall be paid within 30 days after the moneys distributed to the special fund total \$8,000,000.

(iii) On June 30, 2002, if the moneys distributed to the special fund do not total \$8,000,000, the grants authorized under this paragraph shall be paid to each county and Baltimore City in an amount that bears the same proportion to the amount listed for the county or Baltimore City under subparagraph (i) of this paragraph as the amount distributed to the special fund bears to \$8,000,000.

(iv) At the end of June 30, 2002, any moneys remaining in the special fund and not used as authorized under this paragraph may not revert to the General Fund of the State but shall be credited to the Tax Amnesty Reserve Fund established under Section 7 of this Act.

(4) After the distributions under paragraphs (1) through (3) of this subsection, the next \$5,000,000 shall be credited to the Low Interest Revolving Loan Account of the Volunteer Company Assistance Fund established under Article 38A, §§ 46 through 46H of the Code; provided that, in addition to the purposes provided under Article 38A, § 46E of the Code, the funds distributed to the Low Interest Revolving Loan Account from the amnesty program may also be used for the purpose of funding capital projects for volunteer fire companies, for new construction of fire facilities, or renovation of existing fire facilities.

(5) After the distributions under paragraphs (1) through (4) of this subsection, The remainder shall be credited to the Tax Amnesty Reserve Fund established under Section 7 of this Act.

(c) The revenues collected that, under the applicable provisions of Title 2 of the Tax - General Article, would be credited to the Transportation Trust Fund established under § 3-216 of the Transportation Article shall be distributed in accordance with the applicable provisions of

(Over)

Title 2 of the Tax - General Article.

(d) The revenues collected other than revenues that, under the applicable provisions of Title 2 of the Tax - General Article, would be credited to the General Fund of the State or the Transportation Trust Fund shall be distributed in accordance with the applicable provisions of Title 2 of the Tax - General Article; provided, however, that the counties and Baltimore City shall use the revenues received by the counties and Baltimore City from the amnesty program under this subsection for primary and secondary public education purposes only.

SECTION 6. AND BE IT FURTHER ENACTED, That in the Budget Bill submitted at the 2002 Session of the General Assembly, the Governor shall include a General Fund appropriation to the Revenue Stabilization Fund of the State Reserve Fund established under § 7-311 of the State Finance and Procurement Article in an amount equal to \$30,000,000. It is the intent of the General Assembly that the appropriation required under this subsection be included as a deficiency appropriation for Fiscal Year 2002.

SECTION 7. AND BE IT FURTHER ENACTED, That:

(a) In this section, "Fund" means the Maryland Tax Amnesty Reserve Fund established under this section.

(b) The Maryland Tax Amnesty Reserve Fund is established to retain moneys for future expenditures.

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

(d) The Fund consists of the moneys distributed to the Fund from tax amnesty proceeds under Section 5 of this Act.

(e) The Treasurer shall separately hold, and the Comptroller shall account for, the Fund.

(f) (1) The Fund shall be invested and reinvested in the same manner as other State funds.

(2) Any investment earnings shall be credited to the General Fund.

(g) Unless specifically authorized by an Act of the General Assembly and specifically authorized in the State budget bill as enacted, moneys in the Fund shall be retained in the Fund and may not be used for any purpose.

(h) Moneys of the Fund may not be transferred from the Fund by budget amendment or otherwise.”.

AMENDMENT NO. 4

On page 5, in lines 29 and 32, strike “6.” and “7.”, respectively, and substitute “8.” and “9.”, respectively; in line 33, strike “6” and substitute “8”; and in the same line, strike “July” and substitute “June”.