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By: **Delegate Rosenberg**  
Introduced and read first time: February 9, 2001  
Assigned to: Appropriations

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Committee Report: Favorable with amendments  
House action: Adopted  
Read second time: March 21, 2001

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CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **State Government - Expenditure Control Program - Use of Unspent**  
3 **Appropriations**

4 FOR the purpose of establishing an expenditure control program in State government  
5 under which, with the approval of the Department of Budget and Management,  
6 up to a certain ~~percentage~~ maximum amount of the unspent or unencumbered  
7 balance of appropriations authorized for a fiscal year for use by a unit of State  
8 government may not revert to the General Fund but remain available for  
9 expenditure within the unit in the succeeding fiscal year; requiring certain  
10 reports on the amount of funds carried over under the program and how those  
11 funds were expended; requiring certification by the Department of Budget and  
12 Management that the proposed use of certain balances will be consistent with  
13 certain goals; providing for the termination of this Act; and generally relating to  
14 expenditures by units of State government.

15 BY repealing and reenacting, with amendments,  
16 Article - State Finance and Procurement  
17 Section 7-302  
18 Annotated Code of Maryland  
19 (1995 Replacement Volume and 2000 Supplement)

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

1 **Article - State Finance and Procurement**

2 7-302.

3 (A) IN THIS SECTION, "UNIT" MEANS AN OFFICER, UNIT, OR INSTITUTION OF  
4 STATE GOVERNMENT.5 (B) Except as otherwise provided by law AND AS PROVIDED IN SUBSECTION (C)  
6 OF THIS SECTION, at the end of a fiscal [year] YEAR, the unspent balance of each  
7 appropriation that was made for that fiscal year to [an officer or unit of the State  
8 government or to an institution reverts] A UNIT SHALL REVERT to the General Fund  
9 of the State.10 (C) (1) (I) WITH THE APPROVAL OF THE DEPARTMENT OF BUDGET AND  
11 MANAGEMENT, UP TO ~~50%~~ A MAXIMUM OF \$1 MILLION IN EACH FISCAL YEAR OF THE  
12 UNSPENT OR UNENCUMBERED BALANCE OF THE APPROPRIATION TOTAL  
13 APPROPRIATION FOR ALL UNITS OF STATE GOVERNMENT AUTHORIZED FOR A FISCAL  
14 YEAR FOR USE BY A UNIT MAY NOT REVERT TO THE GENERAL FUND, BUT SHALL  
15 REMAIN AVAILABLE FOR EXPENDITURE WITHIN ~~THE UNIT~~ A UNIT FOR THE  
16 PURPOSES APPROVED BY THE DEPARTMENT OF BUDGET AND MANAGEMENT IN THE  
17 SUCCEEDING FISCAL YEAR.18 (II) THE DEPARTMENT OF BUDGET AND MANAGEMENT SHALL  
19 CERTIFY THAT THE PROPOSED USE OF THE UNSPENT OR UNENCUMBERED BALANCE  
20 IS CONSISTENT WITH THE MANAGING-FOR-RESULTS GOALS OF THE UNIT.21 (2) THE DEPARTMENT OF BUDGET AND MANAGEMENT SHALL REPORT  
22 TO THE DEPARTMENT OF LEGISLATIVE SERVICES, THE SENATE BUDGET AND  
23 TAXATION COMMITTEE, AND THE HOUSE APPROPRIATIONS COMMITTEE BY OCTOBER  
24 1 OF THE NEXT FISCAL YEAR ON THE AMOUNT OF FUNDS APPROVED TO BE CARRIED  
25 OVER BY UNITS UNDER THIS SUBSECTION.26 ~~(2)~~ (3) THE UNIT SHALL REPORT TO THE DEPARTMENT OF BUDGET  
27 AND MANAGEMENT AND, IN ACCORDANCE WITH § 2-1246 OF THE STATE  
28 GOVERNMENT ARTICLE, SHALL REPORT TO THE GENERAL ASSEMBLY BEFORE THE  
29 END OF THE NEXT FISCAL YEAR AS PART OF THE GOVERNOR'S STATE BUDGET  
30 SUBMISSION ON THE AMOUNT OF FUNDS CARRIED OVER BY THE EACH UNIT UNDER  
31 THIS SUBSECTION AND HOW THOSE FUNDS WERE EXPENDED.32 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
33 July 1, 2001. It shall remain effective for a period of 3 years and, at the end of June  
34 30, 2004, with no further action required by the General Assembly, this Act shall be  
35 abrogated and of no further force and effect.

