
By: **Senator Neall**

Introduced and read first time: February 2, 2001

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Unappropriated General Fund Surplus - Appropriation for Reduction of**
3 **State Debt**

4 FOR the purpose of requiring the Governor to include a general fund appropriation of
5 a certain amount in the budget bill under certain circumstances for projects or
6 programs for which an enabling act has authorized State debt; repealing a
7 requirement that the Governor include a certain appropriation to the Revenue
8 Stabilization Fund of the State Reserve Fund for a certain fiscal year; and
9 generally relating to a requirement that the Governor include a general fund
10 appropriation of a certain amount in the budget bill under certain circumstances
11 for projects or programs for which an enabling act has authorized State debt.

12 BY repealing and reenacting, with amendments,
13 Article - State Finance and Procurement
14 Section 8-126
15 Annotated Code of Maryland
16 (1995 Replacement Volume and 2000 Supplement)

17 BY repealing and reenacting, with amendments,
18 Chapter 4 of the Acts of the General Assembly of 1998
19 Section 3

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

22 **Article - State Finance and Procurement**

23 8-126.

24 (a) Whenever an appropriation from the General Fund is made in the State
25 budget and is spent to finance any part of a project or program for which an enabling
26 act authorizes State debt, the total State debt authorized by the enabling act is
27 reduced by the lesser of:

28 (1) the amount of the appropriation; or

1 (2) the amount of the State debt for which State bonds have not been
2 issued.

3 (b) Whenever any other funds are made available to finance any part of a
4 project or program for which an enabling act authorizes State debt, the Governor,
5 with the approval of the Board, may reduce the total State debt authorized by the
6 enabling act by an amount not exceeding the amount of funds made available.

7 (c) The Comptroller shall submit for publication in 2 separate issues of the
8 Maryland Register a notice that:

9 (1) describes the project or program for which the debt authorization is
10 to be reduced;

11 (2) states the amount of the reduction;

12 (3) states the source of the funds on which the reduction is based; and

13 (4) states the chapter number and year of enactment of the enabling act
14 and each amendment to the enabling act.

15 (D) (1) IN ORDER TO REDUCE THE NEED TO AUTHORIZE ADDITIONAL STATE
16 DEBT, IF THE UNAPPROPRIATED GENERAL FUND SURPLUS ON JUNE 30 OF THE
17 SECOND FISCAL YEAR PRECEDING THE YEAR FOR WHICH THE BUDGET IS
18 SUBMITTED EXCEEDS \$100,000,000, THE GOVERNOR SHALL INCLUDE IN THE BUDGET
19 BILL A GENERAL FUND APPROPRIATION IN THE AMOUNT SPECIFIED UNDER
20 PARAGRAPH (2) OF THIS SUBSECTION FOR ONE OR MORE PROJECTS OR PROGRAMS
21 FOR WHICH AN ENABLING ACT HAS AUTHORIZED STATE DEBT.

22 (2) THE APPROPRIATION REQUIRED UNDER THIS SUBSECTION SHALL
23 BE IN AN AMOUNT AT LEAST EQUAL TO THE AMOUNT BY WHICH THE
24 UNAPPROPRIATED GENERAL FUND SURPLUS ON JUNE 30 OF THE SECOND FISCAL
25 YEAR PRECEDING THE YEAR FOR WHICH THE BUDGET IS SUBMITTED EXCEEDS
26 \$100,000,000.

27 (3) TO ASSIST THE GOVERNOR IN DETERMINING WHICH PROJECTS OR
28 PROGRAMS TO FUND UNDER THE GENERAL FUND APPROPRIATION REQUIRED
29 UNDER THIS SUBSECTION, ON OR BEFORE DECEMBER 1 OF EACH YEAR THE STATE
30 TREASURER SHALL SUBMIT TO THE GOVERNOR A LIST OF PROJECTS AND PROGRAMS:

31 (I) FOR WHICH AN ENABLING ACT HAS AUTHORIZED STATE DEBT;

32 (II) FOR WHICH STATE DEBT HAS NOT YET BEEN ISSUED; AND

33 (III) THAT ARE LIKELY TO REQUIRE FUNDING IN THE CURRENT OR
34 SUBSEQUENT FISCAL YEAR.

35 [(d)] (E) A reduction under this section may become effective only after the
36 second publication of notice in the Maryland Register.

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Chapter 4 of the Acts of 1998

2 SECTION 3. AND BE IT FURTHER ENACTED, That for each of fiscal years
3 2000, 2001, AND 2002, [and 2003,] respectively, the Governor shall include an
4 appropriation to the Revenue Stabilization Account of the State Reserve Fund
5 established in § 7-311 of the State Finance and Procurement Article, in an amount
6 equal to the amount by which the unappropriated general fund surplus as of June 30,
7 1998, June 30, 1999, AND June 30, 2000, [and June 30, 2001,] respectively, exceeds
8 \$10,000,000.

9 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
10 October 1, 2001.