

BY: Appropriations Committee

AMENDMENTS TO SENATE BILL NO. 323

(Third Reading File Bill)

AMENDMENT NO. 1

On page 2, in line 3, after “resolution;” insert “altering the disparity grant formula used to determine the amount of a certain grant to certain counties for certain fiscal years;”; in line 5, after “Fund” insert “for certain fiscal years”; in line 18, strike “each year” and substitute “for certain fiscal years”; in line 19, after “purposes;” insert “altering the minimum appropriation the Governor is required to include in the annual budget bill for the Maryland State Arts Council; authorizing and limiting the use of a certain fund for certain purposes for certain fiscal years;”; strike beginning with “requiring” in line 19 down through “purposes;” in line 21; and strike beginning with “authorizing” in line 43 down through “licensees;” in line 46.

On page 3, in line 1, after “tax;” insert “altering a certain discount allowed a licensed tobacco wholesaler on the purchase of tobacco tax stamps;”; in line 22, strike “creating a certain fund;” and substitute “establishing a special fund to be used only for certain purposes;”; strike beginning with “a” in line 23 down through “purposes” in line 24 and substitute “the special fund”; in line 25, after “formula;” insert “establishing a special fund to be used for the purpose of reducing certain deficits accumulated in the State’s fee-for-service public mental health system; requiring that certain reimbursements received by the State from the federal government for certain disproportionate share hospital payments be credited to the special fund; altering the distribution of the transfer tax for certain fiscal years, subject to a certain contingency; providing that certain general funds appropriated for certain purposes that remain unexpended by the Department of Human Resources at the end of a certain fiscal year may not revert to the General Fund and shall remain available for expenditure in a certain fiscal year; deferring a certain portion of certain required payments by the State to certain institutions with respect to certain amounts contributed or pledged to certain institutions;”; and in line 26, after “provisions;” insert “making the provisions of this Act severable;”.

On page 4, after line 10, insert:

(Over)

“BY repealing and reenacting, with amendments,

Article 24 - Political Subdivisions - Miscellaneous Provisions

Section 9-1101(b)(2)

Annotated Code of Maryland

(2001 Replacement Volume)”.

On page 5, in line 2, strike “and 7-317(g)” and substitute “, 7-317(g), and 7-325”; in line 7, strike “and 7-311(j)” and substitute “, 7-311(j), and 7-327(h)(10)”; and strike in their entirety lines 15 through 19, inclusive.

On page 6, strike in their entirety lines 22 through 26, inclusive; and in line 29, strike “and 9-315(a)” and substitute “, 9-315(a), and 12-303(b)”.

AMENDMENT NO. 2

On page 9, in line 17, strike “\$2,000,000” and substitute “\$1,000,000”; and in line 33, strike “\$2,500,000” and substitute “\$1,600,000”.

On page 10, after line 11, insert:

“\$5,000,000 of the funds in the State Insurance Trust Fund established under § 9-103 of the State Finance and Procurement Article;”;

in line 16, strike “\$2,500,000” and substitute “\$1,000,000”; and in line 26, strike “\$3,000,000” and substitute “\$1,500,000”.

On page 11, in line 7, strike “\$2,200,000” and substitute “\$6,200,000”; and in line 9, strike “\$32,200,000” and substitute “\$48,200,000”.

AMENDMENT NO. 3

On page 12, strike in their entirety lines 10 through 13, inclusive, and substitute:

“(I) \$47,268,585 SHALL BE ALLOCATED TO THE GENERAL FUND OF THE STATE; AND

(II) THE REMAINDER SHALL BE ALLOCATED AS PROVIDED IN SUBSECTION (D) OF THIS SECTION.”

AMENDMENT NO. 4

On page 21, after line 27, insert:

“Article 24 - Political Subdivisions - Miscellaneous Provisions

9-1101.

(b) (2) (I) [If] EXCEPT AS OTHERWISE PROVIDED IN THIS PARAGRAPH, IF the per capita yield of the county income tax for a county determined under paragraph (1)(i) of this subsection is less than 75% of the per capita statewide yield of the county income tax determined under paragraph (1)(ii) of this subsection, the Comptroller shall determine the amount that would increase the county per capita yield to equal 75% of the statewide per capita yield, as rounded to the nearest dollar.

(II) FOR THE FISCAL YEAR BEGINNING JULY 1, 2002, IF THE PER CAPITA YIELD OF THE COUNTY INCOME TAX FOR A COUNTY DETERMINED UNDER PARAGRAPH (1)(I) OF THIS SUBSECTION IS LESS THAN 73.5% OF THE PER CAPITA STATEWIDE YIELD OF THE COUNTY INCOME TAX DETERMINED UNDER PARAGRAPH (1)(II) OF THIS SUBSECTION, THE COMPTROLLER SHALL DETERMINE THE AMOUNT THAT WOULD INCREASE THE COUNTY PER CAPITA YIELD TO EQUAL 73.5% OF THE STATEWIDE PER CAPITA YIELD, AS ROUNDED TO THE NEAREST DOLLAR.

(III) FOR THE FISCAL YEAR BEGINNING JULY 1, 2003, IF THE PER CAPITA YIELD OF THE COUNTY INCOME TAX FOR A COUNTY DETERMINED UNDER PARAGRAPH (1)(I) OF THIS SUBSECTION IS LESS THAN 74% OF THE PER CAPITA STATEWIDE YIELD OF THE COUNTY INCOME TAX DETERMINED UNDER PARAGRAPH (1)(II) OF THIS SUBSECTION, THE COMPTROLLER SHALL DETERMINE THE AMOUNT THAT WOULD INCREASE THE COUNTY PER CAPITA YIELD TO EQUAL 74% OF THE STATEWIDE PER CAPITA YIELD, AS ROUNDED TO THE NEAREST DOLLAR.

(IV) FOR THE FISCAL YEAR BEGINNING JULY 1, 2004, IF THE PER CAPITA YIELD OF THE COUNTY INCOME TAX FOR A COUNTY DETERMINED UNDER

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PARAGRAPH (1)(I) OF THIS SUBSECTION IS LESS THAN 74.5% OF THE PER CAPITA STATEWIDE YIELD OF THE COUNTY INCOME TAX DETERMINED UNDER PARAGRAPH (1)(II) OF THIS SUBSECTION, THE COMPTROLLER SHALL DETERMINE THE AMOUNT THAT WOULD INCREASE THE COUNTY PER CAPITA YIELD TO EQUAL 74.5% OF THE STATEWIDE PER CAPITA YIELD, AS ROUNDED TO THE NEAREST DOLLAR.

(V) NOTWITHSTANDING SUBPARAGRAPHS (II) THROUGH (IV) OF THIS PARAGRAPH, FOR EACH FISCAL YEAR BEGINNING JULY 1, 2002, JULY 1, 2003, OR JULY 1, 2004, THE AMOUNT DETERMINED FOR A COUNTY UNDER THIS PARAGRAPH MAY NOT BE LESS THAN THE AMOUNT DETERMINED FOR THE COUNTY FOR THE PRECEDING FISCAL YEAR.”.

AMENDMENT NO. 5

On pages 21 and 22, strike in their entirety lines beginning with line 28 on page 21 through line 2 on page 22, inclusive, and substitute:

“Article 83A - Department of Business and Economic Development

4-208.

(g) (2) The Governor shall include in the annual budget bill a proposed General Fund appropriation to the Fund in an amount not less than:

(i) [\$4,000,000] \$6,000,000, for fiscal year [1999] 2003;

(ii) [\$5,000,000] \$6,000,000, for fiscal year [2000] 2004;

(iii) [\$6,000,000] \$7,000,000, for fiscal year [2001 and fiscal year 2002, respectively] 2005; and

(iv) \$8,500,000, for fiscal year [2003] 2006 and each fiscal year thereafter.”.

AMENDMENT NO. 6

On page 22, in line 23, strike “23.8%” and substitute “24%”; in line 26, after “year;” insert

“AND”; and strike in their entirety lines 27 through 31, inclusive.

On page 23, in line 1, strike “(IV)” and substitute “(III)”; in the same line, strike “2007” and substitute “2006”; in line 12, strike “57%” and substitute “61%”; in line 17, strike “60%” and substitute “63.5%”; in line 20, after “year;” insert “AND”; strike in their entirety lines 21 through 26, inclusive; in line 27, strike “(4)” and substitute “(3)”; and in the same line, strike “2007” and substitute “2006”.

On page 24, in line 2, strike “equal to” and substitute “NOT LESS THAN”; in the same line, strike “14.5%” and substitute “13.7%”; in lines 5 and 14, in each instance, strike “EQUAL TO” and substitute “NOT LESS THAN”; in line 8, after “YEAR;” insert “AND”; strike in their entirety lines 9 through 12, inclusive; in line 13, strike “(IV)” and substitute “(III)”; and in the same line, strike “2007” and substitute “2006”.

AMENDMENT NO. 7

On page 26, after line 9, insert:

“7-325.

(a) [In this section, “Governor's proposed general fund appropriation” means the general fund appropriation included by the Governor in the annual budget bill as submitted to the General Assembly, before any amendment by the General Assembly.

(b) For each fiscal year, the [Governor's proposed general fund] GOVERNOR SHALL INCLUDE IN THE ANNUAL BUDGET BILL SUBMITTED TO THE GENERAL ASSEMBLY A GENERAL FUND appropriation for the Maryland State Arts Council [shall be] IN AN AMOUNT not less than the amount of the [Governor's proposed] general fund appropriation for the Council AS APPROVED IN THE STATE BUDGET AS ENACTED BY THE GENERAL ASSEMBLY for the [current] PRIOR fiscal year, increased by not less than the percentage by which the projected total general fund revenues for the [upcoming] fiscal year FOR WHICH BUDGET BILL IS SUBMITTED exceed the revised estimate of total general fund revenues for the [current] PRIOR fiscal year, as contained in the report of estimated State revenues submitted by the Board of Revenue Estimates to the Governor under § 6-106(b) of this article.

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[(c)] (B) The Legislative Auditor has the authority to conduct a review or audit of any recipient of a grant from the Maryland State Arts Council.”.

AMENDMENT NO. 8

On page 26, before line 10, insert:

“7-327.

(h) (10) NOTWITHSTANDING ANY OTHER PROVISION OF THIS SUBSECTION, FOR FISCAL YEARS 2002, 2003, AND 2004, EXPENDITURES FROM THE FUND MAY BE MADE ONLY AS FOLLOWS:

(I) FOR FISCAL YEAR 2002, MONEYS MAY NOT BE EXPENDED FROM THE FUND;

(II) FOR FISCAL YEAR 2003, SUBJECT TO THE BUDGET AMENDMENT PROCEDURE PROVIDED FOR IN § 7-209 OF THIS TITLE, UP TO \$3,300,000 FROM THE FUND MAY BE USED FOR THE DEPARTMENT OF HUMAN RESOURCES TO COVER COSTS ASSOCIATED WITH INCREASING TEMPORARY CASH ASSISTANCE GRANTS EFFECTIVE JANUARY 1, 2003; AND

(III) FOR FISCAL YEAR 2004, AS INCLUDED IN THE STATE BUDGET OR SUBJECT TO THE BUDGET AMENDMENT PROCEDURE PROVIDED FOR IN § 7-209 OF THIS TITLE, THE REMAINING BALANCE IN THE FUND MAY BE USED FOR THE DEPARTMENT OF HUMAN RESOURCES TO COVER COSTS ASSOCIATED WITH INCREASING TEMPORARY CASH ASSISTANCE GRANTS EFFECTIVE JANUARY 1, 2003.”.

AMENDMENT NO. 9

On page 26, in line 5, strike “FOR EACH FISCAL YEAR FOR WHICH APPROPRIATIONS ARE MADE” and substitute “FOR EACH OF FISCAL YEARS 2003 AND 2004””.

AMENDMENT NO. 10

On pages 26 and 27, strike in their entirety the lines beginning with line 10 on page 26 through line 19 on page 27, inclusive.

AMENDMENT NO. 11

On page 31, in line 15, strike "November 1, 2002" and substitute "January 1, 2003"; and in line 22, strike "October 31" and substitute "December 31".

AMENDMENT NO. 12

On page 33, after line 19, insert:

"(ii) The next \$9,000,000 may only be used to fund payments to nursing homes which restore reductions to the Maryland Medical Assistance Program's nursing home reimbursement formula and nursing home quality initiative;"

in line 20, strike "(ii)" and substitute "(iii)"; in line 26, strike "(iii)" and substitute "(iv)"; and in line 27, strike "item (i) or item (ii)" and substitute "item (i), (ii), or (iii)".

AMENDMENT NO. 13

On page 36, strike in their entirety lines 36 through 39, inclusive; and strike in their entirety lines 41 and 42.

On page 37, strike in their entirety lines 18 through 23, inclusive; strike in their entirety lines 29 through 32, inclusive; and in line 47, strike the second "17,746,000" and substitute "141,000".

On page 38, strike lines 6 through 14 in their entirety.

AMENDMENT NO. 14

On page 46, after line 33, insert:

"12-303.

(b) The Comptroller shall allow a licensed wholesaler a discount of [0.82%] 0.41% of the

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purchase price of tax stamps.”.

AMENDMENT NO. 15

On page 46, strike in their entirety lines 4 through 11, inclusive.

AMENDMENT NO. 16

On page 47, in line 8, strike “\$1.4” and substitute “\$1.5”.

AMENDMENT NO. 17

On page 61, after line 2, insert:

“SECTION 22. AND BE IT FURTHER ENACTED, That:

(a) (1) In this section the following words have the meanings indicated.

(2) “Fund” means the special fund established under this section.

(3) “Disproportionate share hospital payments” means moneys received by the State from the federal government for State hospitals that serve a disproportionate number of low-income patients with special needs.

(b) (1) A special fund is established to retain certain State revenues for the purpose of reducing deficits accumulated prior to fiscal year 2003 in the State’s fee-for-service public mental health system.

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

(3) The Fund consists of the moneys distributed to the Fund under subsection (c) of this section.

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

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

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

(c) Notwithstanding any other provision of law, for fiscal years 2002 and 2003 only, there shall be credited to the Fund any disproportionate share hospital payments received by the State from the federal government:

(1) During fiscal year 2002 in excess of \$19,940,000; and

(2) During fiscal year 2003 in excess of \$10,238,000.

(d) (1) Except as otherwise provided in this Act, moneys in the Fund shall be retained in reserve and may not be spent for any purpose.

(2) Subject to the budget amendment procedure provided for in § 7-209 of the State Finance and Procurement Article, moneys in the Fund may be used only for the purpose of reducing the deficits accumulated prior to fiscal year 2003 in the State's fee-for-service public mental health system.

(e) On July 1, 2003 the entire balance remaining in the Fund shall be credited to the General Fund of the State.

SECTION 23. AND BE IT FURTHER ENACTED, That:

(a) Subject to subsection (b) of this section, notwithstanding the provisions of § 13-209(c)(1) of the Tax - Property Article as enacted under Section 3 of this Act, for each of the fiscal years beginning July 1, 2002 and July 1, 2003 only, the balance of the revenue in the special fund established under § 13-209 of the Tax - Property Article, not required under § 13-209(b) of the Tax - Property Article shall be allocated in the State budget as follows:

(1) \$52,068,585 shall be allocated to the General Fund of the State; and

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(2) The remainder shall be allocated as provided in § 13-209(d) of the Tax - Property Article as enacted under Section 3 of this Act.

(b) Subsection (a) of this section is contingent on the taking effect of Chapter (S.B.316 or H.B.557) of the Acts of the General Assembly of 2002, and if Chapter does not become effective, subsection (a) of this section shall be null and void without the necessity of further action by the General Assembly.

SECTION 24. AND BE IT FURTHER ENACTED, That, notwithstanding any other provision of law, general funds appropriated for fiscal year 2002 in connection with the Medicaid waiver for home- and community-based services for adult individuals with disabilities under § 15-131 of the Health - General Article that remain unexpended by the Department of Human Resources on June 30, 2002 may not revert to the General Fund and shall remain available for expenditure in fiscal year 2003.

SECTION 25. AND BE FURTHER ENACTED, That notwithstanding § 16-319 or § 7-302 of the Education Article or any other provision of law, the portion of fiscal year 2002 and 2003 payments required under § 16-319 of the Education Article for private technology donation incentives or under §17-302 of the Education Article for private donation incentives that are not funded in the fiscal 2003 budget shall be deferred until fiscal year 2004.”.

AMENDMENT NO. 18

On page 10, in line 24, after “2001” insert “that would otherwise be”; and in the same line, after “fund” insert “for fiscal 2003”.

On page 47, in line 20, strike “§§ 2-614 and 2-616” and substitute “§ 2-614”.

On page 48, in line 1, strike “§§ 2-614 and 2-616” and substitute “§ 2-614”.

On page 52, strike in their entirety lines 12 through 21, inclusive, and substitute:

“(1) AN AMOUNT IS ADDED TO OR SUBTRACTED FROM FEDERAL ADJUSTED GROSS INCOME TO REFLECT THE DETERMINATION OF THE

DEPRECIATION DEDUCTION PROVIDED UNDER § 167(A) OF THE INTERNAL REVENUE CODE AND THE ADJUSTED BASIS OF PROPERTY WITHOUT REGARD TO THE ADDITIONAL ALLOWANCE UNDER § 168(K) OF THE INTERNAL REVENUE CODE; AND”;

and in line 22, strike “(3)” and substitute “(2)”.

On page 61, in lines 3, 11, 13, 21, 24, 28, 30, and 34, strike “22.”, “23.”, “24.”, “25.”, “26.”, “27.”, “28.”, and “29.”, respectively, and substitute “26.”, “27.”, “28.”, “29.”, “30.”, “31.”, “32.”, and “33.”, respectively; in line 11, after “That” insert “except as otherwise provided in this Section.”; in line 12, after “2002.” insert “Section 7-327(h)(10) of the State Finance and Procurement Article as enacted under Section 8 of this Act shall take effect June 1, 2002. The changes to Title 17, Subtitle 3 of the Commercial Law Article under Section 14 of this Act shall take effect June 1, 2002 and shall be applicable to all property presumed abandoned for reporting periods ending on or after June 30, 2002. “; in line 29, strike “July” and substitute “June”; and in the same line, after “2003” insert “and shall be applicable to all property presumed abandoned for reporting periods ending on or after June 30, 2003”; and in line 35, strike “23 through 28” and substitute “27 through 32”.