

SENATE BILL 323
SECOND PRINTING

Unofficial Copy
B1

2002 Regular Session
(2r0166)

ENROLLED BILL
-- Budget and Taxation/Appropriations --

Introduced by **The President (Administration)**

Read and Examined by Proofreaders:

Proofreader.

Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this
____ day of _____ at _____ o'clock, ____ M.

President.

CHAPTER _____

1 AN ACT concerning

2 **The Budget Reconciliation and Financing Act of 2002**

3 ~~FOR the purpose of requiring the Governor to transfer to the General Fund certain~~
4 ~~amounts from certain special funds for certain fiscal years; altering the~~
5 ~~distribution of excess transfer tax revenues for certain fiscal years; altering a~~
6 ~~certain State of Maryland income tax rate for individuals; altering the amount~~
7 ~~that an individual may deduct for exemptions for calculating the State of~~
8 ~~Maryland income tax; providing for a credit against the county income tax for~~
9 ~~certain exemptions that individuals may deduct to determine Maryland taxable~~
10 ~~income; specifying the contribution to the State Retirement Systems for a~~
11 ~~certain fiscal year; increasing the percentage of value of certain property that is~~
12 ~~subject to certain taxes for a certain year; eliminating certain payments to~~
13 ~~certain counties for a certain fiscal year; requiring certain appropriations in~~
14 ~~certain years; restricting the amount of the increase in appropriations for~~
15 ~~certain purposes; specifying the payments for certain programs for a certain~~
16 ~~fiscal year; deferring the payment of certain amounts to certain institutions;~~
17 ~~requiring the Board of Public Works to cancel certain appropriations; delaying~~

1 certain pay increases for State employees under certain circumstances; making
2 the provisions of this Act severable; and generally relating to the financing of
3 State and local governments for certain fiscal years.

4 FOR the purpose of requiring the Governor to transfer to the General Fund certain
5 amounts from certain special funds for certain fiscal years; altering the
6 distribution of the transfer tax revenues for certain fiscal years; altering the
7 determination of the required State contribution each year to the State
8 Retirement and Pension System; repealing certain provisions relating to certain
9 bonds previously issued by the State to provide funds for the Maryland Food
10 Center Authority; repealing certain obligations of the Maryland Food Center
11 Authority for the repayment of the interest on and principal of certain bonds;
12 directing the Maryland Food Center Authority to take certain actions as may be
13 required under a certain revenue bond resolution; altering the minimum
14 appropriation the Governor is required to include in the annual budget bill for
15 the Maryland Tourism Development Board Fund for certain fiscal years;
16 authorizing the use of the Health Claims Arbitration Fund for certain purposes;
17 authorizing the use of the Law Enforcement and Correctional Training Fund for
18 certain purposes; altering certain formulas for the computation of certain State
19 aid to certain community colleges and nonpublic institutions of higher education
20 for certain fiscal years; authorizing the Department of Natural Resources to use
21 certain moneys in the Waterway Improvement Fund for certain purposes for
22 certain fiscal years; prohibiting the inclusion of general fund capital
23 appropriations as a source of funding in the 5-year capital program prepared by
24 the Department of Budget and Management, with certain exceptions; requiring
25 general fund capital appropriations to be budgeted in the operating budget in a
26 certain manner; requiring the Governor to include in the budget bill for certain
27 fiscal years certain appropriations to the Revenue Stabilization Fund; requiring
28 that at least a certain percentage of the appropriations each year for certain
29 fiscal years from the cigarette restitution fund shall be made for certain
30 purposes; authorizing and limiting the use of a certain fund for certain purposes
31 for certain fiscal years; requiring the Comptroller to distribute certain
32 unanticipated lottery revenues to a special fund, to be used only for certain
33 purposes; providing for the annual salary of the Comptroller, Treasurer, Attorney
34 General, and Secretary of State; requiring that the parties to certain collective
35 bargaining for certain State employees conclude negotiations for certain items
36 before a certain date; requiring the Governor to include in the budget bill
37 submitted to the General Assembly certain amounts related to certain collective
38 bargaining negotiations, including the actuarial impact of certain legislative
39 changes to any of the State pension or retirement systems for a certain fiscal year
40 under certain circumstances; altering the distribution of corporate income tax
41 revenues; repealing the Right-of-Way Revolving Fund in the Transportation
42 Trust Fund; delaying the effective date of a certain Act requiring each circuit
43 court judge to have a law clerk employed by the State; requiring counties and
44 Baltimore City to continue to fund employment of law clerks for a certain period
45 at a certain rate; establishing a Special Reserve Fund to retain certain State
46 revenues for certain purposes; requiring that certain moneys received during
47 certain fiscal years by the State related to the settlement of certain litigation
48 against tobacco manufacturers be credited to the Fund; providing that moneys

1 in the Fund may only be used for certain purposes; providing that on a certain
2 date the balance of the Fund shall be credited to a certain fund; reducing and
3 transferring to the General Fund certain unexpended appropriations; altering a
4 certain credit allowed a vendor for the expense of billing, collecting, and
5 remitting a certain 911 fee paid by certain telephone service subscribers;
6 altering certain time periods after which there is a presumption that certain
7 property is abandoned under certain circumstances; altering a certain credit
8 allowed a vendor for the expense of administering and paying a certain tire
9 recycling fee; altering a certain credit allowed an electric company against a
10 certain environmental surcharge required to be paid; ~~authorizing the Director of~~
11 ~~the State Lottery Agency to enter into agreements to operate multijurisdictional~~
12 ~~lotteries with certain other political entities outside the United States or with~~
13 ~~certain licensees;~~ altering the distribution of certain sales and use tax revenues
14 from short-term vehicle rentals; altering a certain discount that a licensed
15 dealer or licensed special fuel seller is allowed to deduct under the motor fuel
16 tax; altering a certain limit on the aggregate principal balance of certain
17 transportation bonds that may be outstanding and unpaid at any one time;
18 altering the distribution of certain filing fees for perfection of security interests
19 in vehicles; altering the distribution of certain fees collected for certain
20 personalized registration plates; altering the distribution of certain penalties for
21 termination or lapse of the required security for a vehicle; repealing a
22 termination provision applicable to the Vehicle Theft Prevention Council and
23 the Vehicle Theft Prevention Fund; repealing a termination provision applicable
24 to the School Bus Safety Enforcement Fund; altering a provision regarding the
25 effect on the Maryland income tax of certain amendments of the Internal
26 Revenue Code under certain circumstances; providing an addition modification
27 under the Maryland income tax for certain tuition and related expenses
28 deducted for federal income tax purposes; providing certain modifications to
29 federal adjusted gross income for Maryland income tax purposes for a certain
30 additional depreciation allowance and for a certain special net operating loss
31 carryback period; altering the effect on the Maryland estate tax of an Act of
32 Congress that repeals or reduces a certain credit allowed against the federal
33 estate tax; altering a certain credit allowed for the expense of collecting and
34 paying the sales and use tax; altering a certain credit allowed to a licensed
35 vehicle dealer for collecting and remitting the motor vehicle excise tax;
36 authorizing a certain reduction of a certain appropriation for a certain fiscal
37 year; ~~creating a certain fund; establishing a special fund to be used only for~~
38 ~~certain purposes;~~ requiring that certain revenues from the Racing Facility
39 ~~Redevelopment Bond Fund be distributed to a special fund to be used only for~~
40 ~~certain purposes the special fund;~~ requiring that certain purses be increased
41 according to a certain formula; *establishing a special fund to be used for the*
42 *purpose of reducing certain deficits accumulated in the State's fee-for-service*
43 *public mental health system; requiring that certain reimbursements received by*
44 *the State from the federal government for certain disproportionate share hospital*
45 *payments be credited to the special fund; altering the distribution of the transfer*
46 *tax for certain fiscal years, subject to a certain contingency; providing that*
47 *certain general funds appropriated for certain purposes that remain unexpended*
48 *by the Department of Human Resources at the end of a certain fiscal year may*

1 not revert to the General Fund and shall remain available for expenditure in a
2 certain fiscal year; deferring a certain portion of certain required payments by
3 the State to certain institutions with respect to certain amounts contributed or
4 pledged to certain institutions; providing that certain funds may be transferred
5 for certain fiscal years by approved budget amendment to be used for certain
6 purposes; providing that under certain circumstances certain funds may be
7 transferred for a certain fiscal year by approved budget amendment to be used for
8 certain purposes; defining certain terms; repealing certain obsolete provisions;
9 providing that the provisions of this Act do not apply to the salary or
10 compensation of the incumbent Comptroller, Treasurer, Attorney General, and
11 Secretary of State; making the provisions of this Act severable; providing for the
12 application of this Act; providing for the termination of part of this Act; and
13 generally relating to the financing of State and local governments.

14 BY adding to

15 Article - Tax - General
16 Section 10-724
17 Annotated Code of Maryland
18 (1997 Replacement Volume and 2001 Supplement)

19 BY repealing and reenacting, with amendments,

20 Article - Tax - Property
21 Section 13-209
22 Annotated Code of Maryland
23 (2001 Replacement Volume and 2001 Supplement)

24 BY repealing and reenacting, with amendments,

25 Article - State Personnel and Pensions
26 Section 21-304
27 Annotated Code of Maryland
28 (1997 Replacement Volume and 2001 Supplement)

29 BY repealing

30 Article 41 - Governor - Executive and Administrative Departments
31 Section 13-103(e) and 13-110
32 Annotated Code of Maryland
33 (1997 Replacement Volume and 2001 Supplement)

34 BY repealing

35 Article - Tax - General
36 Section 2-614 and 2-615
37 Annotated Code of Maryland
38 (1997 Replacement Volume and 2001 Supplement)

39 BY repealing and reenacting, with amendments,

1 Article 83A - Department of Business and Economic Development
2 Section 4-208(g)(2)
3 Annotated Code of Maryland
4 (1998 Replacement Volume and 2001 Supplement)

5 BY repealing and reenacting, with amendments,
6 Article - Courts and Judicial Proceedings
7 Section 3-2A-03A(d)(1)
8 Annotated Code of Maryland
9 (1998 Replacement Volume and 2001 Supplement)

10 BY repealing and reenacting, with amendments,
11 Article - Correctional Services
12 Section 8-304(c)(2)
13 Annotated Code of Maryland
14 (1999 Volume and 2001 Supplement)

15 BY repealing and reenacting, with amendments,
16 Article - Education
17 Section 16-305(c)(1), 16-512(a), and 17-104(a)
18 Annotated Code of Maryland
19 (2001 Replacement Volume)

20 BY adding to
21 Article - Natural Resources
22 Section 8-709(d)
23 Annotated Code of Maryland
24 (2000 Replacement Volume and 2001 Supplement)

25 BY repealing and reenacting, with amendments,
26 Article - State Finance and Procurement
27 Section 3-603 and 7-317(g)
28 Annotated Code of Maryland
29 (2001 Replacement Volume)

30 BY adding to
31 Article - State Finance and Procurement
32 Section 7-122 and ~~7-311(i)~~, 7-311(j), and 7-327(h)(10)
33 Annotated Code of Maryland
34 (2001 Replacement Volume)

35 BY repealing and reenacting, without amendments,
36 Article - State Finance and Procurement

1 Section 7-311(a), (e), and (f)
2 Annotated Code of Maryland
3 (2001 Replacement Volume)

4 ~~BY repealing and reenacting, with amendments,~~
5 ~~Article - State Government~~
6 ~~Section 9-120~~
7 ~~Annotated Code of Maryland~~
8 ~~(1999 Replacement Volume and 2001 Supplement)~~

9 BY repealing and reenacting, with amendments,
10 Article - State Government
11 Section 4-103, 5-104, and 6-103
12 Annotated Code of Maryland
13 (1999 Replacement Volume and 2001 Supplement)

14 BY adding to
15 Article - State Government
16 Section 7-107
17 Annotated Code of Maryland
18 (1999 Replacement Volume and 2001 Supplement)

19 BY repealing and reenacting, with amendments,
20 Article - State Personnel and Pensions
21 Section 3-501(c) and 21-308(a)
22 Annotated Code of Maryland
23 (1997 Replacement Volume and 2001 Supplement)

24 BY repealing and reenacting, with amendments,
25 Article - Tax - General
26 Section 2-616 and 2-617
27 Annotated Code of Maryland
28 (1997 Replacement Volume and 2001 Supplement)

29 BY repealing and reenacting, with amendments,
30 Article - Transportation
31 Section 3-215(b)(2), 3-216(e), 8-206, 8-305, and 8-402(b)(4)
32 Annotated Code of Maryland
33 (2001 Replacement Volume)

34 BY repealing and reenacting, with amendments,
35 Chapter 677 of the Acts of the General Assembly of 2001
36 Section 4

- 1 BY repealing and reenacting, with amendments,
2 Article 41 - Governor - Executive and Administrative Departments
3 Section 18-105(b)
4 Annotated Code of Maryland
5 (1997 Replacement Volume and 2001 Supplement)
- 6 BY repealing and reenacting, with amendments,
7 Article - Commercial Law
8 Section 17-301(a), 17-302 through 17-304, and 17-306 through 17-308
9 Annotated Code of Maryland
10 (2000 Replacement Volume and 2001 Supplement)
- 11 BY repealing and reenacting, with amendments,
12 Article - Environment
13 Section 9-228(g)(5)
14 Annotated Code of Maryland
15 (1996 Replacement Volume and 2001 Supplement)
- 16 BY repealing and reenacting, with amendments,
17 Article - Public Utility Companies
18 Section 7-203(d)(2)
19 Annotated Code of Maryland
20 (1998 Volume and 2001 Supplement)
- 21 ~~BY repealing and reenacting, with amendments,~~
22 ~~Article - State Government~~
23 ~~Section 9-111(b)~~
24 ~~Annotated Code of Maryland~~
25 ~~(1999 Replacement Volume and 2001 Supplement)~~
- 26 BY repealing and reenacting, with amendments,
27 Article - Tax - General
28 Section 2-1302.1 and 9-315(a)
29 Annotated Code of Maryland
30 (1997 Replacement Volume and 2001 Supplement)
- 31 BY repealing and reenacting, with amendments,
32 Article - Transportation
33 Section 3-202, 3-215(b), and 8-402(b)
34 Annotated Code of Maryland
35 (2001 Replacement Volume)
- 36 BY repealing and reenacting, with amendments,

- 1 Article - Transportation
2 Section 13-208, 13-613(d), and 17-106(e)(2)
3 Annotated Code of Maryland
4 (1999 Replacement Volume and 2001 Supplement)
- 5 BY repealing and reenacting, with amendments,
6 Chapter 459 of the Acts of the General Assembly of 1994, as amended by
7 Chapter 434 of the Acts of the General Assembly of 1997 and Chapter 338
8 of the Acts of the General Assembly of 2000
9 Section 4
- 10 BY repealing and reenacting, with amendments,
11 Chapter 332 of the Acts of the General Assembly of 2000
12 Section 6
- 13 BY renumbering
14 Article - Tax - General
15 Section 10-221
16 to be Section 10-108
17 Annotated Code of Maryland
18 (1997 Replacement Volume and 2001 Supplement)
- 19 BY repealing and reenacting, with amendments,
20 Article - Tax - General
21 Section 10-108
22 Annotated Code of Maryland
23 (1997 Replacement Volume and 2001 Supplement)
24 (As enacted by Section 15 of this Act)
- 25 BY repealing and reenacting, without amendments,
26 Article - Tax - General
27 Section 10-204(a)
28 Annotated Code of Maryland
29 (1997 Replacement Volume and 2001 Supplement)
- 30 BY adding to
31 Article - Tax - General
32 Section 10-204(h), 10-210.1, and 10-310
33 Annotated Code of Maryland
34 (1997 Replacement Volume and 2001 Supplement)
- 35 BY repealing and reenacting, with amendments,
36 Article - Tax - General
37 Section 7-304, 7-309, and 11-105

1 Annotated Code of Maryland
 2 (1997 Replacement Volume and 2001 Supplement)

3 BY repealing and reenacting, with amendments,
 4 Article - Transportation
 5 Section 13-812(a)
 6 Annotated Code of Maryland
 7 (1999 Replacement Volume and 2001 Supplement)

8 BY repealing and reenacting, with amendments,
 9 Article - Commercial Law
 10 Section 17-301(a), 17-302 through 17-304, and 17-306 through 17-308
 11 Annotated Code of Maryland
 12 (2000 Replacement Volume and 2001 Supplement)
 13 (As enacted by Section 14 of this Act)

14 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
 15 MARYLAND, That notwithstanding any other provision of law, on or before June 30,
 16 2002, the Governor shall transfer to the General Fund:

17 \$15,014 of the funds in the Board of Chiropractic Examiners Fund established
 18 under § 3-206 of the Health Occupations Article;

19 ~~\$26,175 of the funds in the Board of Examiners for Audiologists, Hearing Aid~~
 20 ~~Dispensers, and Speech Language Pathologists Fund established under § 2-206 of~~
 21 ~~the Health Occupations Article;~~

22 ~~\$49,260 of the funds in the Board of Examiners in Optometry Fund established~~
 23 ~~under § 11-207 of the Health Occupations Article;~~

24 ~~\$38,310 of the funds in the Board of Examiners for Psychologists Fund~~
 25 ~~established under § 18-207 of the Health Occupations Article;~~

26 ~~\$21,224 of the funds in the Board of Physical Therapy Examiners Fund~~
 27 ~~established under § 13-207 of the Health Occupations Article;~~

28 \$89,329 of the funds in the Board of Professional Counselors and Therapists
 29 Fund established under § 17-206 of the Health Occupations Article;

30 ~~\$400,000~~ \$200,000 of the funds in the Board of Nursing Fund established under
 31 § 8-206 of the Health Occupations Article;

32 \$150,000 of the funds in the Central Collection Fund established under § 3-306
 33 of the State Finance and Procurement Article;

34 \$24,854,673 of the funds in the Dedicated Purpose Fund of the State Reserve
 35 Fund established under § 7-310 of the State Finance and Procurement Article which

1 constitute funds that were appropriated in the fiscal year 2001 budget for the Wilson
2 Bridge and the Metrorail Extension from Addison Road to Largo Town Center;

3 ~~\$45,000,000~~ ~~\$18,000,000~~ \$4,928,647 of the funds in the Dedicated Purpose Fund
4 of the State Reserve Fund established under § 7-310 of the State Finance and
5 Procurement Article which constitute funds that were appropriated in the fiscal year
6 2002 budget for the Wilson Bridge and the Metrorail Extension from Addison Road to
7 Largo Town Center;

8 \$7,500,000 of the funds in the account of the Economic Development
9 Opportunities Program Fund established under § 7-314 of the State Finance and
10 Procurement Article;

11 ~~\$2,900,000 of the funds in the account of the Health Services Cost Review~~
12 ~~Commission generated under § 19-214 of the Health - General Article;~~

13 \$100,000 of the funds in the account of the Health Services Cost Review
14 Commission Fund established under § 19-213 of the Health - General Article;

15 \$6,500,000 of the funds in the account of the Home Ownership Programs Fund
16 established under Article 83B, § 2-613 of the Code;

17 \$2,000,000 of the funds in the Insurance Regulation Fund established under §
18 2-505 of the Insurance Article;

19 ~~\$60,688 of the funds in the Kidney Disease Fund established under § 13-310.1~~
20 ~~of the Health - General Article;~~

21 ~~\$500,000 of the funds in the account of the Lead Poisoning Prevention Fund~~
22 ~~established under § 6-844 of the Environment Article;~~

23 ~~\$50,000,000 of the funds in the Insured Division of the Maryland Automobile~~
24 ~~Insurance Fund established under § 20-201 of the Insurance Article;~~

25 \$20,000,000 of the funds in the Uninsured Division of the Maryland Automobile
26 Insurance Fund established under § 20-201 of the Insurance Article;

27 \$8,500,000 of the funds in the Maryland Economic Development Assistance
28 Authority Fund established under Article 83A, § 5-1403 of the Code;

29 \$5,000,000 of the funds in the Maryland Industrial Development Financing
30 Authority Fund established under Article 83A, § 5-914 of the Code;

31 \$553,710 of the funds in the Motor Vehicle Registration Enforcement Fund
32 established under Article 88B, § 77 of the Code;

33 \$2,500,000 of the funds in the Neighborhood Business Development Fund
34 established under Article 83B, § 2-408 of the Code;

35 ~~\$5,000,000~~ \$1,000,000 of the funds in the 911 Trust Fund established under
36 Article 41, § 18-105 of the Code;

1 \$15,000,000 of the funds in the accounts for State Projects ~~and \$15,000,000 from~~
2 ~~the accounts for Local Projects~~ under Title 5, Subtitle 9 (Program Open Space) of the
3 Natural Resources Article;

4 ~~\$1,000,000 of the funds in the Rental Housing Programs Fund established~~
5 ~~under Article 83B, § 2-805 of the Code;~~

6 ~~\$600,000~~ \$617,169 of the funds in the Small Business Pollution Compliance
7 Fund established under § 2-802 of the Environment Article;

8 \$2,000,000 of the funds in the Smart Growth Economic Development
9 Infrastructure Fund established under Article 83A, § 5-701 of the Code;

10 \$1,000,000 of the funds in the Special Loan Programs Fund established under
11 Article 83B, § 2-1409 of the Code;

12 \$5,000,000 of the funds in the State Insurance Trust Fund established under §
13 9-103 of the State Finance and Procurement Article;

14 ~~\$11,000,000 of the funds in the State Insurance Trust Fund established under §~~
15 ~~9-103 of the State Finance and Procurement Article;~~

16 \$2,000,000 of the funds in the account of the State Use Industries established
17 under § 3-507 of the Correctional Services Article;

18 ~~\$1,000,000~~ \$2,500,000 of the funds in the State Used Tire Cleanup and
19 Recycling Fund established under § 9-273 of the Environment Article;

20 ~~\$300,000 of the funds in the Universal Service Trust Fund established under §~~
21 ~~3-807 of the State Finance and Procurement Article;~~

22 ~~\$8,000,000~~ ~~\$4,000,000~~ \$8,000,000 of the funds in the Waterway Improvement
23 Fund established under § 8-707 of the Natural Resources Article, provided that it is
24 the intent of the General Assembly that any projects deferred as a result of this transfer
25 shall receive priority for funding in Fiscal Year 2004;

26 \$11,227,425 of the funds in the special fund established under § 13-209 of the
27 Tax - Property Article, representing excess actual transfer tax collections for fiscal
28 2001 that would otherwise be allocated to the special fund for fiscal year 2003 as
29 provided under § 13-209(f)(1) of the Tax - Property Article;

30 \$3,000,000 of the funds in the Maryland Heritage Areas Authority Financing
31 Fund established under Title 13, Subtitle 11 of the Financial Institutions Article;

32 \$8,000,000 of the funds in the Joseph Fund established under § 7-327 of the
33 State Finance and Procurement Article; and

34 \$3,000,000 of the funds in the Maryland Food Center Authority Fund
35 established under Article 41, § 13-111 of the Code.

1 SECTION 2. AND BE IT FURTHER ENACTED, That notwithstanding any
2 other provision of law, on or before June 30, 2003, the Governor shall transfer to the
3 General Fund:

4 \$150,000 of the funds in the Central Collection Fund established under § 3-306
5 of the State Finance and Procurement Article;

6 ~~\$50,000,000~~ \$39,300,000 of the funds in the Dedicated Purpose Fund of the
7 State Reserve Fund established under § 7-310 of the State Finance and Procurement
8 Article which constitute a portion of the funds appropriated in fiscal years 2000 and
9 2001 for the Family Investment Program in the Department of Human Resources;

10 ~~\$5,000,000 of the funds in the Emergency Medical System Operations Fund~~
11 ~~established under § 13-955 of the Transportation Article;~~

12 ~~\$2,200,000~~ \$2,450,000 of the funds in the Cigarette Restitution Fund
13 established under § 7-317 of the State Finance and Procurement Article;

14 ~~\$32,200,000~~ \$39,200,000 of the funds in the Injured Workers Insurance Fund
15 reserve for actuarial liability for claims against the State, established under § 10-104
16 of the Labor and Employment Article;

17 \$3,700,000 of the funds placed from uncashed pari-mutuel tickets under §
18 11-803 of the Business Regulation Article, in the Racing Facility Redevelopment
19 Bond Fund established under § 11-1206 of the Business Regulation Article; and

20 ~~\$16,600,000 of the funds in the accounts of the University System of Maryland;~~
21 ~~and~~

22 ~~\$18,000,000 of the funds in the Transportation Authority Fund established~~
23 ~~under § 4-313 of the Transportation Article to the extent such funds are not needed~~
24 ~~for the payment of items specified in § 4-313(a)(2) and (b) of the Transportation~~
25 ~~Article; and~~

26 \$400,000 of the funds in the Motor Vehicle Registration Enforcement Fund
27 established under Article 88B, § 77 of the Code.

28 ~~SECTION 3. AND BE IT FURTHER ENACTED, That notwithstanding the~~
29 ~~provisions of § 13-209 of the Tax – Property Article or any other provision of law, in~~
30 ~~fiscal year 2003, the first \$26,800,000 of transfer tax revenues shall be credited to the~~
31 ~~General Fund.~~

32 SECTION 3. AND BE IT FURTHER ENACTED, That the Laws of Maryland
33 read as follows:

Article - Tax - Property

1
2 13-209.

3 (a) The revenue from transfer tax is payable to the Comptroller for deposit in
4 a special fund.

5 (b) [(1) The special fund under subsection (a) of this section is used to pay
6 principal and interest on the bonds issued under the Outdoor Recreation Land Loan
7 of 1969.

8 (2) For the fiscal year [commencing July 1, 1991] BEGINNING JULY 1,
9 2002 and for subsequent fiscal years, up to 3% of the revenues in the special fund [not
10 required under paragraph (1) of this subsection] may be appropriated in the State
11 budget for salaries and related expenses in the Departments of General Services and
12 Natural Resources and in the Department of Planning necessary to administer Title
13 5, Subtitle 9 of the Natural Resources Article (Program Open Space).

14 (c) (1) Subject to subsection (e) of this section, FOR EACH OF THE FISCAL
15 YEARS BEGINNING JULY 1, 2002 AND JULY 1, 2003, OF the balance of the revenue in the
16 special fund, not required under subsection (b) of this section[.]:

17 ~~(F) 50% shall be allocated as provided in [this subsection]~~
18 ~~SUBSECTION (D) OF THIS SECTION; AND~~

19 ~~(H) 50% SHALL BE ALLOCATED TO THE GENERAL FUND OF THE~~
20 ~~STATE.~~

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

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

25 (2) SUBJECT TO SUBSECTION (E) OF THIS SECTION, FOR THE FISCAL
26 YEARS BEGINNING JULY 1, 2004 AND EACH SUBSEQUENT FISCAL YEAR, THE
27 BALANCE OF THE REVENUE IN THE SPECIAL FUND, NOT REQUIRED UNDER
28 SUBSECTION (B) OF THIS SECTION SHALL BE ALLOCATED AS PROVIDED IN
29 SUBSECTION (D) OF THIS SECTION.

30 [(2) For the fiscal year commencing July 1, 1993, 50% of the balance shall
31 be allocated as provided under paragraph (5) of this subsection and 50% shall be
32 allocated to the General Fund of the State.

33 (3) For the fiscal year commencing July 1, 1994, 70% of the balance shall
34 be allocated as provided under paragraph (5) of this subsection and 30% shall be
35 allocated to the General Fund of the State.

1 (4) For each of the fiscal years commencing July 1, 1995 and July 1,
2 1996, 90% of the balance shall be allocated as provided under subsection (d) of this
3 section and 10% shall be allocated to the General Fund of the State.

4 (5) For each of the fiscal years commencing July 1, 1993 and July 1,
5 1994, the percentage of the balance specified for the fiscal year under paragraph (2)
6 or (3) of this subsection shall be allocated as follows:

7 (i) not less than \$1,000,000 for reduction of State debt authorized
8 under the Outdoor Recreation Land Loan of 1969; and

9 (ii) the remainder not allocated under item (i) of this paragraph
10 shall be allocated as follows:

11 1. 84.2% in the State budget for the purposes specified in
12 Title 5, Subtitle 9 of the Natural Resources Article (Program Open Space);

13 2. 13.2% in the State budget for the Agricultural Land
14 Preservation Fund established under § 2-505 of the Agriculture Article; and

15 3. 2.6% in the State budget for the Heritage Conservation
16 Fund established under Title 5, Subtitle 15 of the Natural Resources Article.

17 (6) For the fiscal year commencing July 1, 1997, 90% of the balance shall
18 be allocated as provided under subsection (d) of this section and 10% shall be
19 allocated as follows:

20 (i) 60% to the Rural Legacy Program established under Title 5,
21 Subtitle 9A of the Natural Resources Article; and

22 (ii) 40% to the Maryland Agricultural Land Preservation Fund
23 established under § 2-505 of the Agriculture Article.

24 (7) For the fiscal year commencing July 1, 1998 and for each subsequent
25 fiscal year, 90% of the balance shall be allocated as provided under subsection (d) of
26 this section and 10% shall be allocated as follows:

27 (i) 50% to the Rural Legacy Program established under Title 5,
28 Subtitle 9A of the Natural Resources Article;

29 (ii) 40% to the Maryland Agricultural Land Preservation Fund
30 established under § 2-505 of the Agriculture Article; and

31 (iii) 10% to Program Open Space, for land acquisition as specified in
32 § 5-903(a)(2) of the Natural Resources Article.]

33 (d) [(1)] Subject to subsection (e) of this section, for the fiscal year
34 [commencing July 1, 1995] BEGINNING JULY 1, 2002 and for each subsequent fiscal
35 year, the balance of the revenue in the special fund, not required under subsection (b)
36 of this section [, shall be allocated as provided in this subsection.

1 (2) Until the outstanding debt authorized under the Outdoor Recreation
2 Land Loan of 1969 has been reduced to zero, at least \$1,000,000 shall be allocated in
3 the State budget for reduction of State debt authorized under that loan.

4 (3) The balance in excess of the amounts allocated in paragraph (2) of
5 this subsection] and not allocated to the General Fund under [subsection (c)]
6 SUBSECTION (C)(1) of this section shall be allocated in the State budget as follows:

7 (i) 83.5% for the purposes specified in Title 5, Subtitle 9 of the
8 Natural Resources Article (Program Open Space), of which up to \$1,000,000 may be
9 transferred by an appropriation in the State budget, or by an amendment to the State
10 budget under Title 7, Subtitle 2 of the State Finance and Procurement Article, to the
11 Maryland Heritage Areas Authority Financing Fund, as authorized by § 5-903 of the
12 Natural Resources Article;

13 (ii) 14.5% for the Agricultural Land Preservation Fund established
14 under § 2-505 of the Agriculture Article; and

15 (iii) 2% for the Heritage Conservation Fund established under Title
16 5, Subtitle 15 of the Natural Resources Article.]

17 (1) (I) 75.15% FOR THE PURPOSES SPECIFIED IN TITLE 5, SUBTITLE 9
18 OF THE NATURAL RESOURCES ARTICLE (PROGRAM OPEN SPACE); AND

19 (II) AN ADDITIONAL 1% FOR PROGRAM OPEN SPACE, FOR LAND
20 ACQUISITION PURPOSES AS SPECIFIED IN § 5-903(A)(2) OF THE NATURAL RESOURCES
21 ARTICLE;

22 (2) 17.05% FOR THE AGRICULTURAL LAND PRESERVATION FUND
23 ESTABLISHED UNDER § 2-505 OF THE AGRICULTURE ARTICLE;

24 (3) 5% FOR THE RURAL LEGACY PROGRAM ESTABLISHED UNDER §
25 5-9A-01 OF THE NATURAL RESOURCES ARTICLE; AND

26 (4) 1.8% FOR THE HERITAGE CONSERVATION FUND ESTABLISHED
27 UNDER § 5-1501 OF THE NATURAL RESOURCES ARTICLE.

28 (e) The sums allocated in [subsections (c)(5) and (d)] SUBSECTION (D) of this
29 section may not revert to the General Fund of the State.

30 (f) (1) For any fiscal year in which the actual transfer tax revenue
31 collections are greater than the revenue estimates used as the basis for the
32 appropriations required under this section for the fiscal year, the amount of the
33 excess shall be allocated to the special fund under subsection (a) of this section as
34 provided under subsections (c) and (d) of this section for the second fiscal year
35 following the fiscal year in which there is an excess.

36 (2) For any fiscal year in which the actual transfer tax revenue
37 collections are less than the revenue estimates used as the basis for the

1 appropriations required under this section, the amount of the deficiency shall be
 2 reconciled as follows:

3 (i) for the first \$3,000,000 of any deficiency, the allocation to the
 4 special fund under subsection (a) of this section as provided under subsections (c) and
 5 (d) of this section for the second fiscal year following the deficiency shall be reduced
 6 by either the amount of the deficiency or \$3,000,000, whichever is less; and

7 (ii) for any deficiency in excess of \$3,000,000, the amount in excess
 8 of \$3,000,000 shall be reconciled either by the reduction of the allocation to the special
 9 fund under subsection (a) of this section as provided under subsections (c) and (d) of
 10 this section for the second fiscal year following the deficiency or by the
 11 deauthorization of projects authorized in prior fiscal years.

12 (3) (i) Any amounts to be deauthorized from prior fiscal years under
 13 paragraph (2)(ii) of this subsection shall be proposed by the Governor in the budget of
 14 the second fiscal year following the fiscal year in which there is a deficiency.

15 (ii) An amount may be deauthorized under this paragraph only as
 16 provided in the State budget bill, as enacted.

17 ~~SECTION 4. AND BE IT FURTHER ENACTED, That notwithstanding the~~
 18 ~~provisions of §§ 10-105 and 10-211 of the Tax – General Article or any other provision~~
 19 ~~of law, the State income tax rate and the amount that may be deducted for exemptions~~
 20 ~~shall remain at the levels in effect on December 31, 2001.~~

21 ~~SECTION 5. AND BE IT FURTHER ENACTED, That the Laws of Maryland~~
 22 ~~read as follows:~~

23 ~~**Article – Tax – General**~~

24 ~~10-724.~~

25 ~~FOR TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 2001 FOR EACH~~
 26 ~~EXEMPTION THAT AN INDIVIDUAL OTHER THAN A FIDUCIARY MAY DEDUCT UNDER §~~
 27 ~~10-211(1) OR (2) OF THIS TITLE TO DETERMINE MARYLAND TAXABLE INCOME FOR THE~~
 28 ~~TAXABLE YEAR, THE INDIVIDUAL MAY CLAIM A CREDIT AGAINST THE COUNTY~~
 29 ~~INCOME TAX IN AN AMOUNT EQUAL TO THE LESSER OF:~~

30 (1) ~~THE PRODUCT OF MULTIPLYING \$300 TIMES THE COUNTY INCOME~~
 31 ~~TAX RATE FOR THE TAXABLE YEAR; OR~~

32 (2) ~~THE COUNTY INCOME TAX FOR THE TAXABLE YEAR, DETERMINED~~
 33 ~~AFTER SUBTRACTING THE CREDITS ALLOWED UNDER § 10-704(C) AND (D) OF THIS~~
 34 ~~SUBTITLE.~~

35 ~~SECTION 6. AND BE IT FURTHER ENACTED, That notwithstanding any~~
 36 ~~other provision of law, the State contribution to the Maryland State Retirement and~~
 37 ~~Pension System for all plans except for the Judges' Retirement System established~~
 38 ~~under Division II of the State Personnel and Pensions Article for fiscal year 2003~~

1 shall be \$530,520,472. This contribution includes any contributions that the State is
 2 required to make for any participant in any plan including participants who are not
 3 State employees but excluding participants in the Judges' Retirement System.

4 SECTION 4. AND BE IT FURTHER ENACTED, That the Laws of Maryland
 5 read as follows:

6 Article - State Personnel and Pensions

7 21-304.

8 (a) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANING
 9 INDICATED.

10 (2) "FULL FUNDING RATE" MEANS THE SUM OF:

11 (I) THE AGGREGATE NORMAL RATE THAT IS BASED ON THE
 12 NORMAL CONTRIBUTION RATE CALCULATED UNDER SUBSECTION (C) OF THIS
 13 SECTION AND ADJUSTED TO INCORPORATE LEGISLATIVE CHANGES IN BENEFITS TO
 14 REFLECT CHANGES TO THE NORMAL COST; AND

15 (II) THE AGGREGATE UNFUNDED ACCRUED LIABILITY
 16 CONTRIBUTION RATE THAT IS BASED ON THE UNFUNDED ACCRUED LIABILITY
 17 CONTRIBUTION RATE UNDER SUBSECTION (D)(1) AND (2) OF THIS SECTION.

18 (3) "FUNDING RATIO FOR THE EMPLOYEES' SYSTEMS" MEANS THE
 19 ACTUARIAL VALUE OF ASSETS FOR THE EMPLOYEES' SYSTEMS DIVIDED BY THE
 20 ACTUARIAL ACCRUED LIABILITY FOR THE EMPLOYEES' SYSTEMS.

21 (4) "FUNDING RATIO FOR THE TEACHERS' SYSTEMS" MEANS THE
 22 ACTUARIAL VALUE OF ASSETS FOR THE TEACHERS' SYSTEMS DIVIDED BY THE
 23 ACTUARIAL ACCRUED LIABILITY FOR THE TEACHERS' SYSTEMS.

24 (5) [In this section.] "State member" does not include a member on
 25 whose behalf a participating governmental unit is required to make an employer
 26 contribution under § 21-305 or § 21-306 of this subtitle.

27 (b) (1) Each fiscal year, on behalf of the State members of each State system,
 28 the State shall pay to the appropriate accumulation fund an amount equal to or
 29 greater than THE SUM OF THE AMOUNT, IF ANY, REQUIRED TO BE INCLUDED IN THE
 30 BUDGET BILL UNDER § 3-501(C)(2)(II) OF THIS ARTICLE AND the product of
 31 multiplying:

32 (i) the aggregate annual earnable compensation of the State
 33 members of that State system; and

34 (ii) 1. FOR STATE MEMBERS OF THE LAW ENFORCEMENT
 35 OFFICERS' RETIREMENT SYSTEM, STATE POLICE RETIREMENT SYSTEM, AND THE
 36 JUDGES' RETIREMENT SYSTEM, the sum of the normal contribution rate and the
 37 accrued liability contribution rate, as determined under this section;

1 2. FOR STATE MEMBERS OF THE EMPLOYEES' PENSION
2 SYSTEM, EMPLOYEES' RETIREMENT SYSTEM, CORRECTIONAL OFFICERS'
3 RETIREMENT SYSTEM, AND LEGISLATIVE PENSION PLAN, THE EMPLOYEES' SYSTEMS
4 CONTRIBUTION RATE DETERMINED UNDER SUBSECTION (E) OF THIS SECTION; OR

5 3. FOR STATE MEMBERS OF THE TEACHERS' PENSION
6 SYSTEM AND TEACHERS' RETIREMENT SYSTEM, THE TEACHERS' SYSTEMS
7 CONTRIBUTION RATE DETERMINED UNDER SUBSECTION (F) OF THIS SECTION.

8 (2) The amount determined under paragraph (1) of this subsection for
9 each State system shall be based on an actuarial determination of the amounts that
10 are required to preserve the integrity of the funds of the several systems using:

11 (i) the entry-age actuarial cost method; and

12 (ii) actuarial assumptions adopted by the Board of Trustees.

13 (3) For the purpose of making the determinations required under this
14 section:

15 (i) the Employees' Retirement System [and], the Employees'
16 Pension System, THE CORRECTIONAL OFFICERS' SYSTEM, AND THE LEGISLATIVE
17 PENSION PLAN shall be considered together as one State system; and

18 (ii) the Teachers' Retirement System and the Teachers' Pension
19 System shall be considered together as one State system.

20 (c) (1) As part of each actuarial valuation, the actuary shall determine the
21 normal contributions, net of member contributions, on account of the State members
22 of each State system.

23 (2) For each State system, the normal contribution rate equals the
24 fraction that has:

25 (i) as its numerator, the sum of the normal contributions
26 determined under this subsection; and

27 (ii) as its denominator, the aggregate annual earnable
28 compensation of the State members of the State system.

29 (d) Beginning July 1, 2001, each year the Board of Trustees shall set
30 contribution rates for each State system that shall amortize:

31 (1) all unfunded liabilities or surpluses accrued as of June 30, 2000, over
32 20 years; and

33 (2) any new unfunded liabilities or surpluses that have accrued from
34 July 1 of the preceding fiscal year over 25 years to reflect:

35 (i) experience gains and losses;

1 (ii) the effect of changes in actuarial assumptions; and

2 (iii) the effect of legislation effective on or after July 1, 2001.

3 (3) If the accrued liability is increased by legislation that provides for
4 early retirement of State employees, the additional liability shall be funded over a
5 period of 5 years beginning on:

6 (i) July 1, 1997 for legislation effective June 1, 1996; and

7 (ii) July 1, 1998 for legislation effective June 1, 1997.

8 (4) If the accrued liability is increased by legislation effective June 1,
9 1998, that provides for the early retirement of employees of the University System of
10 Maryland who are members of the Employees' Pension System or the Employees'
11 Retirement System, the additional liability shall be determined by the actuary and
12 funded over a period of 5 years beginning on July 1, 1999 by payment of an annual
13 accrued liability contribution by the University System of Maryland and the Medical
14 System as provided in § 21-307(i) and (j) of this subtitle.

15 (E) (1) WHEN THE FUNDING RATIO FOR THE EMPLOYEES' SYSTEMS IS
16 BETWEEN 90% AND 110%, INCLUSIVE, THE EMPLOYEES' SYSTEM CONTRIBUTION RATE
17 IS THE RATE CERTIFIED BY THE BOARD OF TRUSTEES FOR THE PREVIOUS FISCAL
18 YEAR, ADJUSTED TO REFLECT LEGISLATIVE CHANGES THAT RESULT IN CHANGES IN
19 NORMAL COST AND TO AMORTIZE OVER 25 YEARS ANY ACTUARIAL LIABILITIES OF
20 THE EMPLOYEES' SYSTEMS.

21 (2) WHEN THE FUNDING RATIO FOR THE EMPLOYEES' SYSTEMS IS
22 BELOW 90%, THE EMPLOYEES' SYSTEM CONTRIBUTION RATE SHALL BE THE SUM OF:

23 (I) THE EMPLOYEES' SYSTEM CONTRIBUTION RATE FOR THE
24 PREVIOUS FISCAL YEAR; AND

25 (II) 20% OF THE DIFFERENCE BETWEEN THE FULL FUNDING RATE
26 FOR THE CURRENT FISCAL YEAR AND THE EMPLOYEES' SYSTEM CONTRIBUTION
27 RATE FOR THE PREVIOUS FISCAL YEAR.

28 (3) WHEN THE FUNDING RATIO FOR THE EMPLOYEES' SYSTEMS IS
29 ABOVE 110%, THE EMPLOYEES' SYSTEM CONTRIBUTION RATE SHALL BE THE
30 DIFFERENCE BETWEEN:

31 1. THE EMPLOYEES' SYSTEM CONTRIBUTION RATE FOR THE
32 PREVIOUS FISCAL YEAR; AND

33 2. 20% OF THE DIFFERENCE BETWEEN THE EMPLOYEES'
34 SYSTEM CONTRIBUTION RATE FOR THE PREVIOUS FISCAL YEAR AND THE FULL
35 FUNDING RATE FOR THE CURRENT FISCAL YEAR.

36 (F) (1) WHEN THE FUNDING RATIO FOR THE TEACHERS' SYSTEMS IS
37 BETWEEN 90% AND 110%, THE TEACHERS' SYSTEM CONTRIBUTION RATE IS THE RATE

1 CERTIFIED BY THE BOARD OF TRUSTEES FOR THE PREVIOUS FISCAL YEAR,
2 ADJUSTED TO REFLECT LEGISLATIVE CHANGES THAT RESULT IN CHANGES IN
3 NORMAL COST AND TO AMORTIZE OVER 25 YEARS ANY ACTUARIAL LIABILITIES OF
4 THE TEACHERS' SYSTEMS.

5 (2) WHEN THE FUNDING RATIO FOR THE TEACHERS' SYSTEMS IS BELOW
6 90%, THE TEACHERS' SYSTEM CONTRIBUTION RATE SHALL BE THE SUM OF:

7 (I) THE TEACHERS' SYSTEM CONTRIBUTION RATE FOR THE
8 PREVIOUS FISCAL YEAR; AND

9 (II) 20% OF THE DIFFERENCE BETWEEN THE FULL FUNDING RATE
10 FOR THE CURRENT FISCAL YEAR AND THE TEACHERS' SYSTEM CONTRIBUTION RATE
11 FOR THE PREVIOUS FISCAL YEAR.

12 (3) WHEN THE FUNDING RATIO FOR THE TEACHERS' SYSTEMS IS ABOVE
13 110%, THE TEACHERS' SYSTEM CONTRIBUTION RATE SHALL BE THE DIFFERENCE
14 BETWEEN:

15 1. THE TEACHERS' SYSTEM CONTRIBUTION RATE FOR THE
16 PREVIOUS FISCAL YEAR; AND

17 2. 20% OF THE DIFFERENCE BETWEEN THE TEACHERS'
18 SYSTEM CONTRIBUTION RATE FOR THE PREVIOUS FISCAL YEAR AND THE FULL
19 FUNDING RATE FOR THE CURRENT FISCAL YEAR.

20 ~~SECTION 7. AND BE IT FURTHER ENACTED, That notwithstanding §~~
21 ~~20-302 of the Insurance Article or any other provision of law, in each budget~~
22 ~~submitted for fiscal years 2004 through 2008, the Governor shall include an~~
23 ~~appropriation of \$10,000,000 to the Insured Division of the Maryland Automobile~~
24 ~~Insurance Fund.~~

25 ~~SECTION 8. AND BE IT FURTHER ENACTED, That notwithstanding the~~
26 ~~provisions of Article 83A, § 4-208 of the Code, or any other provision of law, the~~
27 ~~appropriation to the Maryland Tourism Development Board Fund shall remain at the~~
28 ~~same level as the fiscal year 2002 appropriation.~~

29 ~~SECTION 9. AND BE IT FURTHER ENACTED, That notwithstanding §§~~
30 ~~16-305 and 16-512 of the Education Article or any other provision of law, the~~
31 ~~appropriations for fiscal year 2003 required under §§ 16-305 (e) and (f) and 16-512 of~~
32 ~~the Education Article shall be as follows:~~

33	% Allegany College	\$4,323,166
34	Anne Arundel Community College	21,320,035
35	Baltimore City Community College	30,929,936

1	Community College of Baltimore County.....	32,809,958
2	Carroll Community College.....	4,645,223
3	Cecil Community College.....	3,342,820
4	College of Southern Maryland.....	7,640,811
5	Chesapeake College.....	4,549,720
6	Frederick Community College.....	5,860,660
7	Garrett Community College.....	2,318,049
8	Hagerstown Junior College.....	5,119,112
9	Harford Community College.....	7,841,398
10	Howard Community College.....	8,234,602
11	Montgomery College.....	27,538,668
12	Prince George's Community College.....	19,225,871
13	Wor-Wic Community College.....	4,706,099

14 SECTION 10. AND BE IT FURTHER ENACTED, That notwithstanding §
15 17-104 of the Education Article or any other provision of law, the appropriations for
16 fiscal year 2003 required under § 17-104 of the Education Article shall be as follows:

17	Baltimore Hebrew University.....	\$149,733
18	Baltimore International College.....	689,678
19	Capitol College.....	725,029
20	College of Notre Dame.....	2,076,492
21	Columbia Union College.....	1,067,689
22	Goucher College.....	2,187,968
23	Hood College.....	1,395,821
24	The Johns Hopkins University.....	20,133,157
25	Loyola College.....	6,510,540
26	Maryland Institute College of Art.....	2,038,430
27	Mount St. Mary's College.....	2,115,136

1 St. John's College 901,783

2 Sojourner Douglass College 1,196,017

3 Villa Julie College 2,807,962

4 Washington College 1,902,354

5 Western Maryland College 3,209,895

6 ~~SECTION 11. AND BE IT FURTHER ENACTED, That notwithstanding any~~
7 ~~other provision of law, for the taxable year beginning July 1, 2002, personal property~~
8 ~~that is described in § 7-237(a) of the Tax - Property Article is subject to county or~~
9 ~~municipal corporation property tax on 100% of its value and the payments described~~
10 ~~in Article 24, § 9-1102 of the Code shall not be made. The revenues generated as a~~
11 ~~result of this Section 11 shall not be included in the calculation of any property tax~~
12 ~~limitation of any jurisdiction's ability to impose taxes.~~

13 ~~SECTION 12. AND BE IT FURTHER ENACTED, That notwithstanding §~~
14 ~~17-302 of the Education Article or any other provision of law, the fiscal year 2002 and~~
15 ~~2003 payments provided under § 17-302 of the Education Article for private donation~~
16 ~~incentives shall be deferred until fiscal year 2004.~~

17 ~~SECTION 5. AND BE IT FURTHER ENACTED, That Section(s) 13-103(e)~~
18 ~~and 13-110 of Article 41 - Governor - Executive and Administrative Departments of~~
19 ~~the Annotated Code of Maryland be repealed.~~

20 SECTION 6. AND BE IT FURTHER ENACTED, That:

21 (a) The obligation of the Maryland Food Center Authority established under
22 former Article 41, § 13-106 of the Code (repealed by Chapter 324 of the Acts of the
23 General Assembly of 2001) for the payment of interest on and principal of the
24 outstanding bonds of the New Marsh Wholesale Produce Market Authority is
25 repealed, and the obligation of the Maryland Food Center Authority to the State for
26 the debt shall be deemed to be satisfied.

27 (b) The obligation of the Maryland Food Center Authority established under
28 Article 41, § 13-110 of the Code (repealed under Section 5 of this Act) for the payment
29 of interest on and principal of bonds authorized under that section is repealed, and
30 the obligation of the Maryland Food Center Authority to the State for the debt
31 authorized under that section shall be deemed to be satisfied.

32 (c) The Maryland Food Center Authority shall take any actions to defease or
33 redeem the outstanding Maryland Food Center Authority Revenue Bond (Maryland
34 Wholesale Seafood Market Project 1983 Series) as may be required to comply with the
35 Bond Resolution for that Revenue Bond.

36 SECTION 7. AND BE IT FURTHER ENACTED, That Section(s) 2-614 and
37 2-615 of Article - Tax - General of the Annotated Code of Maryland be repealed.

1 SECTION 8. AND BE IT FURTHER ENACTED, That the Laws of Maryland
2 read as follows:

3 **Article 83A – Department of Business and Economic Development**

4 4-208.

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

7 (i) ~~\$4,000,000, for fiscal year 1999;~~

8 (ii) ~~\$5,000,000, for fiscal year 2000;~~

9 (iii) ~~\$6,000,000, for fiscal year 2001 and fiscal year 2002,~~
10 ~~respectively; and~~

11 (iv) ~~\$8,500,000, for fiscal year 2003 and each fiscal year thereafter]~~
12 ~~\$6,000,000 FOR EACH FISCAL YEAR.~~

13 **Article 83A - Department of Business and Economic Development**

14 4-208.

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

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

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

19 (iii) *[\$6,000,000] \$7,000,000, for fiscal year [2001] 2005 and fiscal*
20 *year [2002] 2006, respectively; and*

21 (iv) *\$8,500,000, for fiscal year [2003] 2007 and each fiscal year*
22 *thereafter.*

23 **Article - Courts and Judicial Proceedings**

24 3-2A-03A.

25 (d) (1) The Fund shall be used exclusively to pay the fees of arbitrators AND
26 OTHER OPERATING EXPENSES OF THE HEALTH CLAIMS ARBITRATION OFFICE.

1

Article - Correctional Services2 8-304.

3 (c) (2) Money from the Fund may [not] be used to [supplant] FUND the
4 OPERATING budget of the Police Training Commission or the Correctional Training
5 Commission.

6

Article - Education7 16-305.

8 (c) (1) The total State operating fund per full-time equivalent student to the
9 community colleges for each fiscal year as requested by the Governor shall be:

10 (i) In [fiscal year 1998] EACH OF FISCAL YEARS 2003 AND 2004, not
11 less than an amount equal to [21%] 23.1% of the State's General Fund appropriation
12 per full-time equivalent student to the 4-year public institutions of higher education
13 in the State as designated by the Commission for the purpose of administering the
14 Joseph A. Sellinger Program under Title 17 of this article in the previous fiscal year;

15 (ii) In fiscal year [1999] 2005, not less than an amount equal to
16 [22%] ~~23.8%~~ 24% of the State's General Fund appropriation per full-time equivalent
17 student to the 4-year public institutions of higher education in the State as
18 designated by the Commission for the purpose of administering the Joseph A.
19 Sellinger Program under Title 17 of this article in the previous fiscal year; AND

20 (iii) In fiscal year [2000] 2006, not less than an amount equal to
21 [23%] 24.4% of the State's General Fund appropriation per full-time equivalent
22 student to the 4-year public institutions of higher education in the State as
23 designated by the Commission for the purpose of administering the Joseph A.
24 Sellinger Program under Title 17 of this article in the previous fiscal year; and

25 [(iv) In fiscal year 2001, not less than an amount equal to 24% of the
26 State's General Fund appropriation per full-time equivalent student to the 4-year
27 public institutions of higher education in the State as designated by the Commission
28 for the purpose of administering the Joseph A. Sellinger Program under Title 17 of
29 this article in the previous fiscal year; and]

30 [(v) ~~(IV)~~ (III) In fiscal year [2002] ~~2007~~ 2006 and each fiscal
31 year thereafter, not less than an amount equal to 25% of the State's General Fund
32 appropriation per full-time equivalent student to the 4-year public institutions of
33 higher education in the State, as designated by the Commission for the purpose of
34 administering the Joseph A. Sellinger Program under Title 17 of this article in the
35 previous fiscal year.

1 16-512.

2 (a) The total State operating fund per full-time equivalent student
3 appropriated to Baltimore City Community College for each fiscal year as requested
4 by the Governor shall be:

5 (1) In [fiscal year 1999] EACH OF FISCAL YEARS 2003 AND 2004, not less
6 than an amount equal to [60%] ~~57%~~ 60.9% of the State's General Fund appropriation
7 per full-time equivalent student to the 4-year public institutions of higher education
8 in the State as designated by the Commission for the purpose of administering the
9 Joseph A. Sellinger Program under Title 17 of this article in the previous fiscal year;

10 (2) In fiscal year [2000] 2005, not less than an amount equal to [63%]
11 ~~60%~~ 63.4% of the State's General Fund appropriation per full-time equivalent student
12 to the 4-year public institutions of higher education in the State as designated by the
13 Commission for the purpose of administering the Joseph A. Sellinger Program under
14 Title 17 of this article in the previous fiscal year; AND

15 ~~(3) IN FISCAL YEAR 2006, NOT LESS THAN AN AMOUNT EQUAL TO 63% OF~~
16 ~~THE STATE'S GENERAL FUND APPROPRIATION PER FULL-TIME EQUIVALENT~~
17 ~~STUDENT TO THE 4-YEAR PUBLIC INSTITUTIONS OF HIGHER EDUCATION IN THE~~
18 ~~STATE AS DESIGNATED BY THE COMMISSION FOR THE PURPOSE OF ADMINISTERING~~
19 ~~THE JOSEPH A. SELLINGER PROGRAM UNDER TITLE 17 OF THIS ARTICLE IN THE~~
20 ~~PREVIOUS FISCAL YEAR; and~~

21 ~~[(3)] (4) (3)~~ In fiscal year [2001] ~~2007~~ 2006 and each fiscal year
22 thereafter, not less than an amount equal to 66% of the State's General Fund
23 appropriation per full-time equivalent student to the 4-year public institutions of
24 higher education in the State as designated by the Commission for the purpose of
25 administering the Joseph A. Sellinger Program under Title 17 of this article in the
26 previous fiscal year.

27 17-104.

28 (a) The Maryland Higher Education Commission shall compute the amount of
29 the annual apportionment for each institution that qualifies under this subtitle by
30 multiplying:

31 (1) The number of full-time equivalent students enrolled at the
32 institution during the fall semester of the fiscal year preceding the fiscal year for
33 which the aid apportionment is made, as determined by the Maryland Higher
34 Education Commission times;

35 (2) (I) [An] IN EACH OF FISCAL YEARS 2003 AND 2004, AN amount
36 equal to ~~NOT LESS THAN~~ [16 percent] ~~14.5%~~ 14.3% of the State's General Fund per
37 full-time equivalent student appropriation to the 4-year public institutions of higher
38 education in this State for the preceding fiscal year;

39 (II) IN FISCAL YEAR 2005, AN AMOUNT ~~EQUAL TO~~ NOT LESS THAN
40 ~~15%~~ 15.2% OF THE STATE'S GENERAL FUND PER FULL-TIME EQUIVALENT STUDENT

1 APPROPRIATION TO THE 4-YEAR PUBLIC INSTITUTIONS OF HIGHER EDUCATION IN
 2 THIS STATE FOR THE PRECEDING FISCAL YEAR; AND

3 ~~(III) IN FISCAL YEAR 2006, AN AMOUNT EQUAL TO 15.5% OF THE~~
 4 ~~STATE'S GENERAL FUND PER FULL TIME EQUIVALENT STUDENT APPROPRIATION TO~~
 5 ~~THE 4 YEAR PUBLIC INSTITUTIONS OF HIGHER EDUCATION IN THIS STATE FOR THE~~
 6 ~~PRECEDING FISCAL YEAR; AND~~

7 ~~(IV) (III) IN FISCAL YEAR 2007 2006 AND EACH FISCAL YEAR~~
 8 ~~THEREAFTER, AN AMOUNT EQUAL TO NOT LESS THAN 16% OF THE STATE'S GENERAL~~
 9 ~~FUND PER FULL-TIME EQUIVALENT STUDENT APPROPRIATION TO THE 4-YEAR~~
 10 ~~PUBLIC INSTITUTIONS OF HIGHER EDUCATION IN THIS STATE FOR THE PRECEDING~~
 11 ~~FISCAL YEAR.~~

12 **Article - Natural Resources**

13 8-709.

14 (D) NOTWITHSTANDING THE PROVISIONS OF SUBSECTION (A) OF THIS
 15 SECTION, FOR EACH OF FISCAL YEARS 2003 AND 2004, AS PROVIDED IN THE STATE
 16 BUDGET, THE DEPARTMENT MAY USE UP TO 50% OF THE MONEYS IN THE WATERWAY
 17 IMPROVEMENT FUND FOR ADMINISTRATIVE EXPENSES DIRECTLY RELATING TO
 18 IMPLEMENTING THE PURPOSES OF THE WATERWAY IMPROVEMENT FUND.

19 **Article - State Finance and Procurement**

20 3-603.

21 (a) The Department shall prepare, revise, and keep current a 5-year capital
 22 program.

23 (b) The capital program shall include all capital projects of the State whether
 24 funded by bond authorizations, operating budget funds, or capital leases.

25 (c) The capital program shall be consistent with the annual recommendations
 26 of the Capital Debt Affordability Committee.

27 (D) EXCEPT FOR THE FIRST YEAR OF THE PROGRAM, THE CAPITAL PROGRAM
 28 MAY NOT INCLUDE GENERAL FUND CAPITAL APPROPRIATIONS AS A SOURCE OF
 29 FUNDING OTHER THAN FOR PROJECTS OR PROGRAMS THAT ARE INELIGIBLE FOR
 30 TAX-EXEMPT DEBT FINANCING.

31 7-122.

32 (A) (1) FOR EACH FISCAL YEAR, GENERAL FUND CAPITAL APPROPRIATIONS
 33 SHALL BE BUDGETED IN THE OPERATING BUDGET IN SEPARATE EIGHT DIGIT
 34 PROGRAMS.

1 (2) WHEN MULTIPLE PROJECTS OR PROGRAMS ARE BUDGETED WITHIN
2 THE SAME NONTRANSPORTATION EIGHT-DIGIT PROGRAM, EACH DISTINCT
3 PROGRAM AND PROJECT SHALL BE BUDGETED IN A DISTINCT SUBPROGRAM.

4 (B) (1) TO THE EXTENT POSSIBLE, SUBPROGRAMS FOR PROJECTS SPANNING
5 MULTIPLE YEARS SHALL BE RETAINED TO PRESERVE FUNDING HISTORY.

6 (2) THE BUDGET DETAIL FOR PRIOR AND CURRENT FISCAL YEARS
7 SUBMITTED WITH EACH PROPOSED BUDGET SHALL BE ORGANIZED IN THE SAME
8 FASHION TO ALLOW COMPARISON BETWEEN FISCAL YEARS.

9 7-311.

10 (a) In this section "Fund" means the Revenue Stabilization Fund.

11 (e) Except as provided in subsection (f) of this section, beginning in fiscal year
12 1995 and for each subsequent fiscal year, the Governor shall include in the budget bill
13 an appropriation to the Fund equal to at least the lesser of \$50,000,000 or whatever
14 amount is required for the Fund balance to exceed 5% of the estimated General Fund
15 revenues for that fiscal year.

16 (f) The appropriations required by subsection (e) of this section are not
17 required when the Fund balance exceeds 5% of the estimated General Fund revenues.

18 (J) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, FOR
19 FISCAL YEAR 2004 AND FOR EACH SUBSEQUENT FISCAL YEAR, THE GOVERNOR
20 SHALL INCLUDE IN THE BUDGET BILL AN APPROPRIATION TO THE FUND EQUAL TO
21 THE AMOUNT BY WHICH THE UNAPPROPRIATED GENERAL FUND SURPLUS AS OF
22 JUNE 30 OF THE SECOND PRECEDING FISCAL YEAR EXCEEDS \$10,000,000.

23 (2) THE APPROPRIATION REQUIRED UNDER THIS SUBSECTION FOR ANY
24 FISCAL YEAR MAY BE REDUCED BY THE AMOUNT OF ANY APPROPRIATION TO THE
25 FUND REQUIRED TO BE INCLUDED FOR THAT FISCAL YEAR UNDER SUBSECTION (E)
26 OF THIS SECTION.

27 7-317.

28 (g) (1) Amounts may only be expended from the Fund through
29 appropriations in the State budget bill as provided in this subsection.

30 (2) The Governor shall include in the annual budget bill appropriations
31 from the Fund equivalent to the lesser of \$100,000,000 or 90% of the funds estimated
32 to be available to the Fund in the fiscal year for which the appropriations are made.

33 (3) For each fiscal year for which appropriations are made, at least 50%
34 of the appropriations shall be made for those purposes enumerated in subsection
35 (f)(1)(i), (ii), and (iii)1 through 9 of this section subject to the requirement of
36 subsection (e)(2) of this section.

1 ~~(4) FOR EACH FISCAL YEAR FOR WHICH APPROPRIATIONS ARE MADE~~
2 ~~FOR EACH OF FISCAL YEARS 2003 THROUGH 2006, AT LEAST 25% OF THE~~
3 ~~APPROPRIATIONS SHALL BE MADE FOR THE PURPOSES OF THE MARYLAND MEDICAL~~
4 ~~ASSISTANCE PROGRAM.~~

5 ~~[(4)] (5) Any additional appropriations, not subject to paragraph (3) OR~~
6 ~~PARAGRAPH (4) of this subsection, may be made for any lawful purpose.~~

7 ~~7-327.~~

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

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

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

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

23 ~~**Article – State Government**~~

24 ~~9-120.~~

25 ~~(a) The Comptroller shall distribute the State Lottery Fund to pay:~~

26 ~~(1) on a pro rata basis for the daily and nondaily State lottery games, the~~
27 ~~expenses of administering and operating the State lottery, as authorized under this~~
28 ~~subtitle and the State budget; and~~

29 ~~(2) then, except as provided in § 10-113.1 of the Family Law Article and~~
30 ~~§ 11-618 of the Criminal Procedure Article, the holder of each winning ticket or share.~~

31 ~~(b) (1) [Promptly] EXCEPT AS PROVIDED IN SUBSECTION (C) OF THIS~~
32 ~~SECTION, PROMPTLY after the 1st day of each month, the Comptroller shall pay:~~

33 ~~(i) into the Maryland Stadium Facilities Fund the money that~~
34 ~~remains in the State Lottery Fund from the proceeds of the sports lotteries conducted~~
35 ~~for the benefit of the Maryland Stadium Authority, after the distribution under~~
36 ~~subsection (a) of this section; and~~

1 (ii) into the General Fund of the State the money that remains in
 2 the State Lottery Fund from the proceeds of all other lotteries after the distribution
 3 under subsection (a) of this section.

4 (2) The money paid into the General Fund under this subsection is
 5 available in the fiscal year in which the money accumulates in the State Lottery
 6 Fund.

7 (C) (1) (I) IN THIS SUBSECTION THE FOLLOWING WORDS HAVE THE
 8 MEANINGS INDICATED:

9 (II) "SPECIAL FUND" MEANS THE SPECIAL FUND ESTABLISHED
 10 UNDER THIS SUBSECTION.

11 (III) "UNANTICIPATED REVENUES" MEANS STATE LOTTERY
 12 REVENUES FOR ANY FISCAL YEAR THAT EXCEED THE BOARD OF REVENUE
 13 ESTIMATES' PROJECTION FOR THOSE REVENUES IN DECEMBER PRECEDING THE
 14 FISCAL YEAR:

15 1. AS ADJUSTED BY THE BOARD OF REVENUE ESTIMATES IN
 16 MARCH OF THE FISCAL YEAR; AND

17 2. ADJUSTED TO REFLECT THE IMPACT OF ANY
 18 LEGISLATION ENACTED AT THE LEGISLATIVE SESSION PRECEDING THE FISCAL
 19 YEAR.

20 (2) UNANTICIPATED REVENUES FOR ANY FISCAL YEAR SHALL BE
 21 DISTRIBUTED TO A SPECIAL FUND, TO BE USED ONLY AS PROVIDED IN THIS
 22 SUBSECTION.

23 (3) SUBJECT TO THE BUDGET AMENDMENT PROCEDURE PROVIDED FOR
 24 IN § 7-209 OF THE STATE FINANCE AND PROCUREMENT ARTICLE, MONEYS IN THE
 25 SPECIAL FUND MAY BE USED ONLY TO FUND THE RECOMMENDATIONS INCLUDED IN
 26 THE FINAL REPORT OF THE COMMISSION ON EDUCATION FINANCE, EQUITY, AND
 27 EXCELLENCE SUBMITTED TO THE GOVERNOR IN JANUARY 2002.

28 (4) UNEXPENDED PORTIONS OF THE SPECIAL FUND SHALL REMAIN IN
 29 THE SPECIAL FUND AND MAY NOT REVERT TO THE GENERAL FUND.

30 (c) (D) The regulations of the Agency shall apportion the money in the State
 31 Lottery Fund.

32 Article - State Government

33 4-103.

34 The [Comptroller is entitled to the salary provided in the State budget]
 35 COMPTROLLER'S ANNUAL SALARY SHALL BE:

1 (1) \$112,500 FOR THE FIRST YEAR OF THE TERM BEGINNING JANUARY,
2 2003;

3 (2) \$116,667 STARTING ON THE FIRST ANNIVERSARY OF THE BEGINNING
4 OF THE TERM;

5 (3) \$120,833 STARTING ON THE SECOND ANNIVERSARY OF THE
6 BEGINNING OF THE TERM; AND

7 (4) \$125,000 STARTING ON THE THIRD ANNIVERSARY OF THE BEGINNING
8 OF THE TERM AND THEREAFTER.

9 5-104.

10 (a) The Treasurer shall devote full time to the duties of office.

11 (b) The Treasurer shall address the Legislative Policy Committee of the General
12 Assembly on a semiannual basis and as necessary on issues of legislative importance,
13 including the activities of the Board of Public Works, bond sales, and investment and
14 procurement initiatives.

15 (c) The [Treasurer is entitled to the salary provided in the State budget]
16 TREASURER'S ANNUAL SALARY SHALL BE:

17 (1) \$112,500 FOR THE FIRST YEAR OF APPOINTMENT BEGINNING
18 JANUARY, 2003;

19 (2) \$116,667 STARTING ON THE FIRST ANNIVERSARY AFTER
20 APPOINTMENT;

21 (3) \$120,833 STARTING ON THE SECOND ANNIVERSARY AFTER
22 APPOINTMENT; AND

23 (4) \$125,000 STARTING ON THE THIRD ANNIVERSARY AFTER
24 APPOINTMENT AND THEREAFTER.

25 6-103.

26 (a) There is an Attorney General of the State, as provided in Article V, § 1 of the
27 Maryland Constitution.

28 (b) THE ATTORNEY GENERAL'S ANNUAL SALARY SHALL BE:

29 (1) \$112,500 FOR THE FIRST YEAR OF THE TERM BEGINNING JANUARY,
30 2003;

31 (2) \$116,667 STARTING ON THE FIRST ANNIVERSARY OF THE BEGINNING
32 OF THE TERM;

33 (3) \$120,833 STARTING ON THE SECOND ANNIVERSARY OF THE
34 BEGINNING OF THE TERM; AND

1 (4) \$125,000 STARTING ON THE THIRD ANNIVERSARY OF THE BEGINNING
 2 OF THE TERM AND THEREAFTER.

3 (C) The Attorney General is ALSO entitled to]:

4 (1) the salary provided in the State budget; and

5 (2)] reimbursement for travel and other expenses that are connected with
 6 the duties of the Office.

{secnum}7-107.

7 THE SECRETARY OF STATE'S ANNUAL SALARY SHALL BE:

8 (1) \$78,750 FOR THE FIRST YEAR OF APPOINTMENT BEGINNING
 9 JANUARY, 2003;

10 (2) \$81,667 STARTING ON THE FIRST ANNIVERSARY AFTER
 11 APPOINTMENT;

12 (3) \$84,583 STARTING ON THE SECOND ANNIVERSARY AFTER
 13 APPOINTMENT; AND

14 (4) \$87,500 STARTING ON THE THIRD ANNIVERSARY AFTER
 15 APPOINTMENT AND THEREAFTER.

16 Article - State Personnel and Pensions

17 3-501.

18 (c) (1) The parties shall make every reasonable effort to conclude
 19 negotiations in a timely manner for inclusion by the principal unit in its budget
 20 request to the Governor.

21 (2) (I) THE PARTIES SHALL CONCLUDE NEGOTIATIONS BEFORE
 22 JANUARY 1 FOR ANY ITEM REQUIRING AN APPROPRIATION OF FUNDS FOR THE
 23 FISCAL YEAR THAT BEGINS ON THE FOLLOWING JULY 1.

24 (II) IN THE BUDGET BILL SUBMITTED TO THE GENERAL ASSEMBLY,
 25 THE GOVERNOR SHALL INCLUDE ANY AMOUNTS IN THE BUDGETS OF THE PRINCIPAL
 26 UNITS REQUIRED TO ACCOMMODATE ANY ADDITIONAL COST RESULTING FROM THE
 27 NEGOTIATIONS, INCLUDING THE ACTUARIAL IMPACT OF ANY LEGISLATIVE
 28 CHANGES TO ANY OF THE STATE PENSION OR RETIREMENT SYSTEMS THAT ARE
 29 REQUIRED, AS A RESULT OF THE NEGOTIATIONS, FOR THE FISCAL YEAR BEGINNING
 30 THE FOLLOWING JULY 1 IF THE LEGISLATIVE CHANGES HAVE BEEN NEGOTIATED TO
 31 BECOME EFFECTIVE IN THAT FISCAL YEAR.

1 21-308.

2 (a) (1) On or before December 1 of each year, the Board of Trustees shall:

3 (i) certify to the Governor and the Secretary of Budget and
 4 Management the rates to be used to determine the amounts to be paid by the State to
 5 the accumulation fund of each of the several systems during the next fiscal year; and

6 (ii) provide to the Secretary of Budget and Management a statement
 7 of the total amount to be paid to the Teachers' Retirement System and the Teachers'
 8 Pension System expressed as a percentage of the payroll of all members of those State
 9 systems.

10 (2) The Governor shall include in the budget bill:

11 (i) the total amount of the State's contribution to each State system
 12 as ascertained based on the rates certified by the Board of Trustees under paragraph
 13 (1) of this subsection; [and]

14 (ii) the additional amounts as ascertained under subsection (d) of
 15 this section for the State's payment to the professional and clerical employees of the
 16 Department of Public Libraries of Montgomery County who are members of the
 17 employees' retirement system of Montgomery County and are excluded from
 18 membership in the Teachers' Retirement System or the Teachers' Pension System; AND

19 (III) ANY ADDITIONAL AMOUNT REQUIRED TO BE IN THE BUDGET
 20 BILL UNDER § 3-501(C)(2)(II) OF THIS ARTICLE.

21 **Article - Tax - General**

22 [2-616.] 2-614.

23 After making the [distributions] DISTRIBUTION required under [§§ 2-613
 24 through 2-615] § 2-613 of this subtitle, the Comptroller shall distribute monthly
 25 [16%] 24% of the remaining income tax revenue from corporations to the Gasoline
 26 and Motor Vehicle Revenue Account in the Transportation Trust Fund.

27 [2-617.] 2-615.

28 After making the distributions required under §§ 2-613 [through 2-616] AND
 29 2-614 of this subtitle, the Comptroller shall distribute the remaining income tax
 30 revenue from corporations to the General Fund of the State.

31 **Article - Transportation**

32 3-215.

33 (b) The tax levied and imposed by this section consists of that part of the
 34 following taxes that are retained to the credit of the Department after distributions to
 35 the political subdivisions:

1 (2) The income tax revenue distributed under [§§ 2-614 and 2-616] §
 2 2-614 of the Tax - General Article;
 3 3-216.

4 (e) (1) Except as otherwise provided in this subsection, this section is
 5 effective notwithstanding any other provision of law.

6 [(2) No portion of the Right-of-Way Revolving Fund may be used for any
 7 purpose other than as specified in § 8-305 of this article.]

8 [(3)] (2) Nothing in this section may adversely affect in any way the
 9 security of any of the following bonds while they are outstanding and unpaid:

10 (i) State highway construction bonds, second issue;

11 (ii) State highway construction bonds, third issue;

12 (iii) County highway construction bonds; or

13 (iv) County highway construction bonds, second issue.

14 [(4)] (3) It is the intent of the General Assembly that, as long as any of
 15 the bonds listed in paragraph [(3)] (2) of this subsection are outstanding and unpaid:

16 (i) The sinking fund requirements established for the payment of
 17 the principal of and interest on those bonds shall remain unchanged, as if this section
 18 had not been enacted; and

19 (ii) The taxes and revenues pledged to the payment of the principal
 20 of and interest on those bonds as they become due and payable may not be repealed,
 21 diminished, or applied to any other purpose until:

22 1. The bonds and the interest on them have become due and
 23 fully paid; or

24 2. Adequate and complete provision for payment of the
 25 principal and interest has been made.

26 8-206.

27 The Administration shall keep its accounts relating [both] to State highway
 28 construction, reconstruction, and maintenance [and to the Right-of-Way Revolving
 29 Fund] so as to make readily obtainable[, as to each,] information on expenditures for
 30 the following:

31 (1) Preliminary work, including: preliminary engineering surveys;
 32 preliminary plans and estimates; preliminary engineering investigations and studies;
 33 subsoil investigations and borings; test piles; traffic studies; and traveling,
 34 transportation, and subsistence expenses of personnel assigned to preliminary work;

1 (2) Acquisition of rights-of-way, including: property surveys; legal costs
2 in connection with property acquisition; cost of property acquired; appraisals;
3 traveling, transportation and subsistence expenses of personnel assigned to
4 rights-of-way; and any other costs incurred in the acquisition of property;

5 (3) Construction, including: payments made to contractors, builders, and
6 materialmen, including payments for all labor and material for the construction of the
7 project; demolition; machinery; and equipment;

8 (4) Engineering, including: preparation of contract plans and
9 specifications; estimates; supervision of construction; inspection of workmanship and
10 materials; mill and shop inspection; tests of materials; control surveys; traveling,
11 transportation, and subsistence expenses of engineers assigned to the design and
12 preparation of contract plans and specifications, surveys, supervision of construction,
13 and inspection of construction work;

14 (5) Administrative and legal services, including: accounting; supervision;
15 legal expenses; traveling, transportation, and subsistence expenses of personnel; and
16 other administrative expenses, including any parts of the general administrative
17 expenses of the Administration allocated or prorated to the project; and

18 (6) Miscellaneous expenses, including: any other item of expense not
19 otherwise covered by this section.

20 8-305.

21 (a) There is a Right-of-Way Revolving Fund in the Transportation Trust
22 Fund.

23 (b) (1) The Right-of-Way Revolving Fund may be used only to pay the costs
24 of acquiring property for:

25 (i) Any future State highway system project that is scheduled for
26 construction or reconstruction within 5 years after the fiscal year in which the
27 expenditure is made for the acquisition;

28 (ii) Any State highway system project that is an expressway or
29 controlled access highway and that is included in the Administration's 20-year needs
30 study and also in the Department's master plan of highways approved by a political
31 subdivision; and

32 (iii) Any future Department of State Police post site related to a
33 project described in this subsection.

34 (2) For purposes of this subsection, the costs of acquisition include:

35 (i) The cost of preliminary and other engineering of the project;

36 (ii) The consideration, including consequential damages, paid to
37 property owners in acquiring the property; and

1 (iii) The cost of appraisals, legal services, court costs, recording fees,
2 and other related and necessary services incurred in acquiring the property.

3 (c) (1) Except as otherwise provided in this subsection, the Administration
4 may spend not more than \$5-million from the Right-of-Way Revolving Fund in any
5 fiscal year.

6 (2) If the Administration spends less than \$5-million from the Fund in
7 any one fiscal year, the balance may be spent in any other fiscal year for any purpose
8 permitted by this section.

9 (d) (1) When a contract is awarded for any project for which property was
10 purchased from the Right-of-Way Revolving Fund, the Fund shall be reimbursed or
11 credited as provided in this subsection.

12 (2) If the property was acquired for a Department of State Police post
13 site, the Department of State Police shall reimburse the Fund for the money spent,
14 including interest from the date of acquisition to the date of repayment at the rate
15 paid by the Administration for the money.

16 (3) If the property was acquired for a highway project, the
17 Administration shall charge the entire cost of acquiring the property against the
18 contract and credit that amount to the Fund.

19 (e) The Right-of-Way Revolving Fund shall be designated specially on the
20 books of the Department.

21 (f)1 (A) Upon a preliminary determination by the Administration to
22 undertake acquisition of any property for any project in advance of a public hearing
23 on that project at which proposed right-of-way lines are identified, and prior to the
24 obtainment of appraisals and property surveys, the Administration shall:

25 (1) Notify the local governing body of any county and any municipality
26 within which the property is located of the intent to acquire the property and the
27 purpose for which it is to be acquired; and

28 (2) Provide such local governing bodies at least 30 days in which to
29 submit comments on the proposed acquisition.

30 (B) Acquisitions for traffic signals, safety and resurfacing and spot
31 improvement projects are exempt from these requirements.

32 8-402.

33 (b) All revenues collected from the following, after deductions provided by law,
34 shall be credited to the Gasoline and Motor Vehicle Revenue Account:

35 (4) The revenue disbursed to this account under [§§ 2-614 and 2-616] §
36 2-614 of the Tax - General Article; and

Chapter 677 of the Acts of 2001

1
2 SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall take
3 effect [July] ~~November 1, 2002~~ *January 1, 2003.*

4 SECTION 9. AND BE IT FURTHER ENACTED, That, notwithstanding any
5 other provision of law, the provisions of § 16-512(b) of the Education Article do not
6 apply to the State appropriation to Baltimore City Community College requested by
7 the Governor for fiscal year 2004.

8 SECTION 10. AND BE IT FURTHER ENACTED, That each county and
9 Baltimore City shall continue to provide funds to employ one law clerk for each circuit
10 court judge in the county or Baltimore City, through ~~October 31~~ *December 31, 2002*, at
11 the rate of compensation set by the judge for a law clerk who begins employment after
12 June 30, 2002; provided that this provision may not be construed to prevent a county
13 or Baltimore City from providing additional funds for employment of additional law
14 clerks.

15 SECTION 11. AND BE IT FURTHER ENACTED, That any balance remaining
16 in the Right-of-Way Revolving Fund on June 30, 2002 shall be credited to the
17 Transportation Trust Fund.

18 SECTION 12. AND BE IT FURTHER ENACTED, That:

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

20 (2) "Attorneys fees litigation" means:

21 (i) The case of State of Maryland, et al. v. Law Offices of Peter G.
22 Angelos, P.C., Circuit Court of Baltimore City, No. 24-C-99-005702; and

23 (ii) The appeals of the Law Offices of Peter G. Angelos, a
24 Professional Corporation, before the Maryland State Board of Contract Appeals,
25 MSBCA Nos. 2161 and 2168.

26 (3) "Fund" means the Special Reserve Fund established under this
27 section.

28 (4) "Tobacco settlement moneys" means moneys received by the State
29 from any source resulting, directly or indirectly, from any judgment against or
30 settlement with tobacco product manufacturers, tobacco research associations, or any
31 other person in the tobacco industry relating to litigation, administrative proceedings,
32 or any other claims made or prosecuted by the State to recover damages for violations
33 of State law.

34 (b) (1) A Special Reserve Fund is established to retain State revenues for
35 special needs as provided in this section.

36 (2) The Fund is a continuing, nonlapsing fund which is not subject to §
37 7-302 of the State Finance and Procurement Article.

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

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

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

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

8 (c) Notwithstanding § 7-317(b)(2) of the State Finance and Procurement
9 Article or any other provision of law, for each of fiscal years 2002 and 2003 only, there
10 shall be credited to the Fund any moneys received by the State during the fiscal year
11 from any of the following sources:

12 (1) Payments made by tobacco manufacturers for the State's legal fees
13 and costs for outside counsel in the State's litigation against tobacco manufacturers,
14 as determined by an arbitration panel established under the Master Settlement
15 Agreement dated November 23, 1998, through which that litigation was settled, in
16 excess of any of these moneys that the State is required to pay to the Law Offices of
17 Peter G. Angelos, P.C. during the fiscal year under a decision or settlement resolving
18 the attorneys fees litigation;

19 (2) Any disbursement to the State as a result of a decision or settlement
20 resolving the attorneys fees litigation from the joint escrow account established in the
21 name of the State of Maryland and the Law Offices of Peter G. Angelos, P.C., by the
22 Circuit Court of Baltimore City in the case of Maryland v. Phillip Morris Inc., et al.,
23 Circuit Court for Baltimore City, No. 96-112017-CL211487, in excess of any of these
24 moneys that the State is required to pay to the Law Offices of Peter G. Angelos, P.C.
25 during the fiscal year under the decision or settlement resolving the attorneys fees
26 litigation;

27 (3) Any amounts paid to the State from the Law Offices of Peter G.
28 Angelos, P.C. as a result of a decision or settlement resolving the attorneys fees
29 litigation; and

30 (4) Of any tobacco settlement moneys paid to the State after a decision
31 or settlement resolving the attorneys fees litigation, the portion of the payment that
32 but for the decision or settlement resolving the attorneys fees litigation would have
33 been distributed to the joint escrow account described in item (2) of this subsection, in
34 excess of any of these moneys that the State is required to pay to the Law Offices of
35 Peter G. Angelos, P.C. during the fiscal year under the decision or settlement
36 resolving the attorneys fees litigation.

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

1 (2) Of the moneys credited to the Fund, subject to the budget
 2 amendment procedure provided for in § 7-209 of the State Finance and Procurement
 3 Article:

4 ~~(i)~~ The first \$102,500,000 may be used only for the purposes of the
 5 Maryland Medical Assistance Program;

6 ~~(ii)~~ (i) The next first \$20,000,000 may be used only to fund:

7 1. The Tobacco Use Prevention and Cessation Program
 8 established under Title 13, Subtitle 10 of the Health - General Article; and

9 2. The Cancer Prevention, Education, Screening, and
 10 Treatment Program established under Title 13, Subtitle 11 of the Health - General
 11 Article; and

12 (ii) The next \$73,000,000 may be used only for the purposes of the
 13 Maryland Medical Assistance Program; and

14 (iii) Subject to subsection (e) of this section, any excess over the
 15 amounts used under item (i) or item (ii) of this paragraph shall be retained in reserve
 16 and may not be spent for any purpose.

17 (e) On July 1, 2003 the entire balance of the Fund shall be credited to the
 18 Cigarette Restitution Fund established under § 7-317 of the State Finance and
 19 Procurement Article.

20 SECTION 13. AND BE IT FURTHER ENACTED, That notwithstanding §§
 21 7-305 and 8-128 of the State Finance and Procurement Article or any other provision
 22 of law, the Board of Public Works shall terminate appropriations for capital projects
 23 that (1) were included in the Budget Bills for fiscal years 1999, 2000, 2001, and 2002;
 24 (2) are identified in Section 12 of the Maryland Consolidated Capital Bond Loan Bill
 25 of 2002; and (3) are included in Section 1(3) of the Maryland Consolidated Capital
 26 Bond Loan Bill of 2002. Further, the Board is not required to publish notice of the
 27 cancellation of these appropriations in the Maryland Register.

28 SECTION 13. AND BE IT FURTHER ENACTED, That:

29 (a) The unexpended appropriations for the following capital projects that were
 30 included in the fiscal year 1999 operating budget (Chapter 109, Acts of 1998), the
 31 fiscal year 2000 operating budget (Chapter 118, Acts of 1999), the fiscal year 2001
 32 operating budget (Chapter 204, Acts of 2000), or the fiscal year 2002 operating budget
 33 (Chapter 102, Acts of 2001) are reduced by the amounts indicated below and are
 34 hereby transferred to the State General Fund:

Fiscal		Original	
Year	Project	Appropriation	Reduction
1999	School Construction Program	\$88,500,000	\$784,000

1	2000	School Construction Program	165,000,000	2,728,000
2	2001	Centro de la Comunidad, Inc.	100,000	100,000
3	2001	Chesterwood Park	1,000,000	1,000,000
4	2001	Dundalk Revitalization	1,750,000	1,750,000
5	2001	Lone Oak Center	500,000	500,000
6	2001	Maryland Hall for the Creative Arts	250,000	250,000
7	2001	Maryland Historical Society	1,000,000	1,000,000
8	2001	Maryland Stadium Authority -		
9		Memorial Stadium Demolition	3,000,000	1,800,000
10	2001	North Point Indoor Soccer Facility	900,000	900,000
11	2001	Outward Bound - Leakin Park Campus	500,000	500,000
12	2001	Park Heights Community Men's Center	350,000	350,000
13	2001	Phelps Center	570,000	570,000
14	2001	Quiet Waters Amphitheater	200,000	200,000
15	2001	Rockville District Court	4,600,000	4,600,000
16	2001	Rockville Parking Garage	1,000,000	1,000,000
17	2001	School Construction Program	171,700,000	37,532,000
18	2001	Takoma Park Comm Learning Center	500,000	500,000
19	2001	University of Maryland, Baltimore - New		
20		Dental School	22,000,000	12,650,000
21	2001	Walters Art Gallery	1,000,000	1,000,000
22	2002	Allegheny Highlands	1,000,000	1,000,000
23	2002	Chesapeake Village Park	1,000,000	1,000,000
24	2002	Department of Business and Economic		
25		Development - Maryland Competitive		
26		Advantage Financing Fund	1,800,000	525,000
27	2002	Department of Business and Economic		
28		Development - Maryland Economic		
29		Development Assistance Fund	15,000,000	3,750,000
30	2002	Department of Business and Economic		
31		Development - Maryland Small Business		
32		Development Financing Authority	2,275,000	568,750
33	2002	Department of Business and Economic		
34		Development - Smart Growth Economic		
35		Development Infrastructure Fund (One		
36		Maryland)	10,000,000	2,500,000
37	2002	Department of Housing and Community		
38		Development - Homeownership Programs	5,419,000	1,354,750
39	2002	Department of Housing and Community		
40		Development - Neighborhood Business		
41		Development Program	6,844,000	1,941,000
42	2002	Department of Housing and Community		
43		Development - Rental Housing Programs	7,871,000	1,967,750
44	2002	Department of Housing and Community		
45		Development - Special Loan Programs	6,042,000	1,510,500

1	2002	Department of Natural Resources -		
2		GreenPrint	5,000,000	5,000,000
3	2002	Department of Natural Resources - Oyster		
4		Restoration	2,000,000	500,000
5	2002	Department of Natural Resources - Park		
6		Improvement Program	3,000,000	750,000
7	2002	Department of Natural Resources -		
8		Community Parks & Playgrounds	11,000,000	5,500,000
9	2002	Economic Development Opportunities		
10		Program (Sunny Day Fund)	15,500,000	3,875,000
11	2002	Foundation School	1,000,000	1,000,000
12	2002	Great Blacks in Wax	750,000	750,000
13	2002	High Speed Data Network	10,000,000	2,500,000
14	2002	Legislative Facilities	22,700,000	15,000,000
15	2002	Link - Ages	50,000	50,000
16	2002	Maryland Department of Agriculture -		
17		Agricultural Cost Share Program	6,400,000	1,600,000
18	2002	Maryland Department of the Environment		
19		- Nutrient Removal	5,000,000	1,250,000
20	2002	Maryland Hall for Creative Arts	500,000	500,000
21	2002	Maryland Higher Education Commission -		
22		Community Colleges Grant Program	19,284,000	4,821,000
23	2002	Maryland Technology Development		
24		Corporation - Technology Development		
25		Investment Fund	5,000,000	1,250,000
26	2002	Montgomery County Family Services	250,000	250,000
27	2002	National Capitol Trolley Museum	100,000	100,000
28	2002	Olney Boys and Girls Club	100,000	100,000
29	2002	Olney Theatre	500,000	500,000
30	2002	Park Heights Golf Range	500,000	500,000
31	2002	Parole Plaza Improvements	500,000	500,000
32	2002	Public Safety Communication System	3,900,000	1,000,000
33	2002	Rockville Science, Cultural and Business		
34		Resource Center	500,000	500,000
35	2002	School Construction Program	133,501,000	47,956,000
36	2002	Takoma Park Community Learning Center	500,000	500,000
37	2002	The Johns Hopkins University School of		
38		Public Health	2,067,000	2,067,000
39	2002	Towson University - Fine Arts Building	7,443,000	7,443,000
40	2002	University of Maryland Biotechnology		
41		Institute - Center for Advanced Research		
42		in Biotechnology - Second Building	42,442,000	42,442,000
43	2002	University of Maryland, Baltimore - New		
44		Dental School	14,000,000	14,000,000

1	2002	University of Maryland, Baltimore County		
2		- Public Policy Institute	17,542,000	17,542,000
3	2002	University System of Maryland Office -		
4		New Hagerstown Higher Educational		
5		Center	13,264,000	12,394,000
6	2002	Wheaton Multi-purpose Youth	175,000	175,000
7	2002	YMCA of Central - Howard County Branch	1,500,000	1,500,000

8 (b) The unexpended appropriations for the following capital projects that were
9 included in the fiscal year 1999 operating budget (Chapter 109, Acts of 1998), the
10 fiscal year 2000 operating budget (Chapter 118, Acts of 1999), the fiscal year 2001
11 operating budget (Chapter 204, Acts of 2000), or the fiscal year 2002 operating budget
12 (Chapter 102, Acts of 2001) are reduced by the amounts indicated below and are
13 hereby transferred to the State General Fund:

14	Fiscal		Original	
15	Year	Project	Appropriation	Reduction
16	1999	Rockville Science, Cultural and Business		
17		Resource Center	\$200,000	\$200,000
18	2000	Old Blair High School Auditorium		
19		Renovation	500,000	500,000
20	2000	Takoma Park Community Learning Center	500,000	500,000
21	2001	Department of Health and Mental Hygiene		
22		- Western Maryland Center	57,000	57,000
23	2001	Frostburg State University - New Science		
24		Building	24,766,000	10,000,000
25	2001	Maryland Correctional Institution - Jessup		
26		- Perimeter Security/Gatehouse	3,147,000	3,000,000
27	2001	Maryland Higher Education Commission -		
28		Community College Grant Program	1,110,000	1,110,000
29	2001	Maryland Higher Education Commission -		
30		Bladen and Lanham Halls Renovation	525,000	525,000
31	2001	Maryland Science Center	4,000,000	4,000,000
32	2001	Maryland Stadium Authority - Memorial		
33		Stadium Demolition - Veterans' Memorial	3,000,000	1,200,000
34	2001	Patuxent Institution - Fence/Gatehouse	3,300,000	3,300,000
35	2001	Penn Place - Garrett Park	500,000	500,000
36	2001	School Construction Program - Solar		
37		Energy Pilot Projects	250,000	250,000
38	2001	St. Mary's College - Somerset Hall	1,087,000	1,087,000
39	2001	The Johns Hopkins University - School of		
40		Medicine	7,933,000	7,933,000
41	2001	The Johns Hopkins University - School of		
42		Public Health	2,067,000	2,067,000

1	2001	University of Maryland, Baltimore - Health		
2		Sciences Research Facility II	44,428,000	10,000,000
3	2001	University of Maryland, Baltimore - New		
4		Dental School	22,000,000	3,500,000
5	2001	University of Maryland, Baltimore County		
6		- Chemistry/Physics Building	14,100,000	8,100,000
7	2001	University of Maryland, College Park -		
8		Engineering & Applied Sciences Building	6,203,000	6,203,000
9	2001	University System of Maryland Office -		
10		Assateague Education & Research Center	1,500,000	1,000,000
11	2002	Bowie State University - Campuswide Site		
12		Improvements	1,300,000	1,300,000
13	2002	Coppin State College - Dining Facilities	5,000,000	1,500,000
14	2002	Doctors Community Hospital	2,000,000	2,000,000
15	2002	Frostburg State University - New Science		
16		Building	3,300,000	3,300,000
17	2002	Gateway Arts District	1,000,000	1,000,000
18	2002	High Speed Data Network	7,500,000	1,300,000
19	2002	Howard County Head Start Center	500,000	500,000
20	2002	Maryland Correctional Institution - Jessup		
21		- Perimeter Security/Gatehouse	2,557,000	2,557,000
22	2002	Morgan State University - Science		
23		Research Building with Greenhouse	3,210,000	3,210,000
24	2002	Salisbury University - New Science		
25		Building	939,000	939,000
26	2002	School Construction Program - Solar		
27		Energy Pilot Projects	250,000	250,000
28	2002	Springfield Hospital - Electrical		
29		Distribution System	70,000	70,000
30	2002	St. Mary's College - Somerset Hall	2,167,000	2,167,000
31	2002	Suitland Manor Revitalization	3,000,000	3,000,000
32	2002	The Johns Hopkins University - School of		
33		Medicine	7,933,000	7,933,000
34	2002	Towson University - 7800 York Road	1,600,000	1,600,000
35	2002	University of Baltimore - Charles Hall and		
36		Annex	1,325,000	1,300,000
37	2002	University of Maryland Center for		
38		Environmental Science - Aquaculture and		
39		Ecology Lab	19,527,000	14,000,000
40	2002	University of Maryland, Baltimore -		
41		Health Sciences Research Facility II	17,746,000	17,746,000
42	2002	University of Maryland, Baltimore County		
43		- Chemistry/Physics Building	17,446,000	14,600,000

1	2002	University of Maryland, Baltimore County		
2		- Information Technology/Engineering		
3		Facility	32,431,000	21,800,000
4	2002	University of Maryland, College Park -		
5		Chemistry Teaching Building	1,860,000	1,860,000
6	2002	University of Maryland, Eastern Shore -		
7		Food Science and Technology Center	5,250,000	1,300,000
8	2002	University of Maryland, Eastern Shore -		
9		Physical Plant/Central Receiving Building	972,000	972,000
10	2002	University of Maryland, Eastern Shore -		
11		Social Science, Education, & Health		
12		Science Building	5,365,000	5,365,000
13	2002	University System of Maryland Office -		
14		Shady Grove Educational Center III	2,425,000	1,000,000

15 (c) The unexpended appropriations for the following purposes that were
 16 included in the fiscal year 2002 operating budget (Chapter 102, Acts of 2001) are
 17 reduced by the amounts indicated below and are hereby transferred to the State
 18 General Fund:

19				<u>Amount of Reduction</u>		
20				<u>Current</u>		
21	<u>Fiscal</u>	<u>Program</u>	<u>Entitled</u>	<u>General</u>	<u>Unrestricted</u>	<u>Special</u>
22	<u>Year</u>			<u>Fund</u>	<u>Fund</u>	<u>Fund</u>
23	2002	RA02.01	State Share of Basic			
24			Current Expenses	\$450,000		
25	2002	RA02.56	Governor's Teacher			
26			Salary Challenge			
27			Program	550,000		
28	2002	RT00.01	Support for State			
29			Operated			
30			Institutions of			
31			Higher Education	8,581,011		
32	2002	RB21.00	University of			
33			Maryland, Baltimore		1,472,527	
34	2002	RB22.00	University of			
35			Maryland, College			
36			Park		3,455,257	
37	2002	RB23.00	Bowie State			
38			University		218,514	
39	2002	RB24.00	Towson University		654,458	
40	2002	RB25.00	University of			
41			Maryland Eastern			
42			Shore		226,586	
43	2002	RB26.00	Frostburg State			
44			University		275,580	

1	2002	RB27.00	Coppin State College	197,246
2	2002	RB28.00	University of	
3			Baltimore	235,328
4	2002	RB29.00	Salisbury University	283,657
5	2002	RB30.00	University of	
6			Maryland University	
7			College	162,777
8	2002	RB31.00	University of	
9			Maryland Baltimore	
10			County	729,031
11	2002	RB34.00	University of	
12			Maryland Center for	
13			Environmental	
14			Science	129,606
15	2002	RB35.00	University of	
16			Maryland	
17			Biotechnology	
18			Institute	158,351
19	2002	RB36.00	University System of	
20			Maryland Office	116,312
21	2002	RM00.00	Morgan State	
22			University	265,781
23	2002	DI01.01	State Board of	
24			Elections	1,979,000
25	2002	DA03.02	Maryland Stadium	
26			Authority	1,000,000

27 ~~SECTION 14. AND BE IT FURTHER ENACTED, That notwithstanding §~~
 28 ~~7-302 of the State Finance and Procurement Article or any other provision of law, any~~
 29 ~~part of the fiscal year 2002 appropriation for the Office of Information Technology in~~
 30 ~~the Department of Budget and Management that is unspent and unencumbered as of~~
 31 ~~June 30, 2002 shall be transferred to the Information Technology Investment Fund~~
 32 ~~and shall not revert to the General Fund.~~

33 ~~SECTION 15. AND BE IT FURTHER ENACTED, That notwithstanding any~~
 34 ~~provision of law, merit increases for State employees shall be delayed by 6 months in~~
 35 ~~fiscal year 2003. If a Memorandum of Understanding under Title 3 of the State~~
 36 ~~Personnel and Pensions Article provides an alternative salary action that provides~~
 37 ~~substantially equivalent savings to the State, the Secretary of Budget and~~
 38 ~~Management may implement the merit increments in accordance with the~~
 39 ~~Memorandum of Understanding.~~

40 SECTION 14. AND BE IT FURTHER ENACTED, That the Laws of Maryland
 41 read as follows:

Article 41 - Governor - Executive and Administrative Departments

2 18-105.

3 (b) (1) For purposes of this subtitle, there is a 911 fee to be paid by the
4 subscribers to switched local exchange access service, wireless telephone service, or
5 other 911-accessible service. The 911 fee is 10 cents per month payable at the time
6 when the bills for telephone service are due.

7 (2) The Public Service Commission shall direct the telephone companies
8 to add the 911 fee to all current bills rendered for switched local exchange access
9 service in the State. The telephone companies shall act as collection agents for the 911
10 Trust Fund with respect to the fee, and shall remit all proceeds to the Comptroller on
11 a monthly basis. The telephone companies shall be entitled to credit against the
12 proceeds of the 911 fee to be remitted an amount equal to [1 1/2] 0.75 percent of the
13 911 fee to cover the expenses of billing, collecting, and remitting the 911 fee and any
14 additional charges. The Comptroller shall deposit the funds in the 911 Trust Fund.

15 (3) The 911 service carriers shall add the 911 fee to all current bills
16 rendered for wireless telephone service or other 911-accessible service in the State.
17 The 911 service carriers shall act as collection agents for the 911 Trust Fund with
18 respect to the fee and shall remit all proceeds to the Comptroller on a monthly basis.
19 The 911 service carriers shall be entitled to credit against the proceeds of the 911 fee
20 to be remitted an amount equal to [1 1/2] 0.75 percent of the 911 fee to cover the
21 expenses of billing, collecting, and remitting the 911 fee and any additional charges.
22 The Comptroller shall deposit the funds in the 911 Trust Fund.

23 [(4) Notwithstanding the provisions of paragraph (3) of this subsection,
24 for calendar years 1996, 1997, and 1998 only, a 911 service carrier other than a
25 telephone company shall be entitled to credit against the proceeds of the 911 fee to be
26 remitted an amount equal to 2 1/2 percent of the 911 fee to cover the expenses of
27 billing, collecting, and remitting the 911 fee and any additional charges.]

28 **Article - Commercial Law**

29 17-301.

30 (a) The following property held by a banking or financial organization, or
31 business association is presumed abandoned, if the depositor has been issued a notice
32 by first class mail to the depositor's last known address of the fact that the property
33 will be considered abandoned and there is no response within 30 days to the
34 notification:

35 (1) Any demand, savings, or matured time deposit account made with a
36 banking organization, together with any interest or dividend on it, excluding any
37 charges that lawfully may be withheld, unless, within [5] 4 years, the owner has:

38 (i) Increased or decreased the amount of the deposit;

39 (ii) Presented evidence of the deposit for the crediting of interest;

1 (iii) Corresponded in writing with the banking organization
2 concerning the deposit;

3 (iv) Engaged in any credit, trust, or other deposit transaction with
4 the banking organization; or

5 (v) Otherwise indicated an interest in the deposit as evidenced by a
6 memorandum on file with the banking organization;

7 (2) Any funds paid toward the purchase of shares or other interest in a
8 financial organization, or any deposit made with these funds, and any interest or
9 dividends on these, excluding any charges that lawfully may be withheld, unless,
10 within [5] 4 years, the owner has:

11 (i) Increased or decreased the amount of the funds or deposit, or
12 presented an appropriate record for the crediting of interest or dividends;

13 (ii) Corresponded in writing with the financial organization
14 concerning the funds or deposit;

15 (iii) Engaged in any credit, share, or other deposit transaction with
16 the financial organization; or

17 (iv) Otherwise indicated an interest in the funds or deposit as
18 evidenced by a memorandum on file with the financial organization;

19 (3) Any sum payable on a check certified in this State or on a written
20 instrument issued in this State on which a banking or financial organization or
21 business association is directly liable, including any certificate of deposit, draft,
22 traveler's check, and money order, that has been outstanding for more than [5] 4
23 years from the date it was payable (or 15 years in the case of a traveler's check) or, if
24 payable on demand, from the date of its issuance, unless, within [5] 4 years or 15
25 years in the case of a traveler's check, the owner has:

26 (i) Corresponded in writing with the banking or financial
27 organization or business association concerning it; or

28 (ii) Otherwise indicated an interest as evidenced by a
29 memorandum on file with the banking or financial organization or business
30 association; and

31 (4) Any property removed from a safekeeping repository on which the
32 lease or rental period has expired or any surplus amounts arising from the sale of the
33 property pursuant to law, that have been unclaimed by the owner for more than [5]
34 4 years from the date on which the lease or rental period expired.

35 17-302.

36 (a) Funds held or owing under any life or endowment insurance policy or
37 annuity contract that has matured or terminated are presumed abandoned if

1 unclaimed for more than [5] 4 years after the funds become due and payable as
2 established from the records of the insurance company holding or owing the funds.

3 (b) If a person other than the insured or annuitant is entitled to the funds and
4 an address of the person is not known to the company or it is not definite and certain
5 from the records of the company who is entitled to the funds, it is presumed that the
6 last known address of the person entitled to the funds is the same as the last known
7 address of the insured or annuitant according to the records of the company.

8 (c) For purposes of this subtitle, a life or endowment insurance policy or
9 annuity contract not matured by actual proof of the death of the insured or annuitant
10 according to the records of the company is matured and the proceeds due and payable
11 if:

12 (1) The company knows that the insured or annuitant has died; or

13 (2) (i) The insured has attained, or would have attained if he were
14 living, the limiting age under the mortality table on which the reserve is based;

15 (ii) The policy was in force at the time the insured attained, or
16 would have attained, the limiting age specified in item (i) of this paragraph; and

17 (iii) Neither the insured nor any other person appearing to have an
18 interest in the policy within the preceding [5] 4 years, according to the records of the
19 company, has assigned, readjusted, or paid premiums on the policy, subjected the
20 policy to a loan, corresponded in writing with the company concerning the policy, or
21 otherwise indicated an interest as evidenced by a memorandum or other record on file
22 prepared by an employee of the company.

23 (d) (1) "Unclaimed funds", as defined in paragraph (2) of this subsection,
24 held by a fire, casualty, or surety insurance corporation, shall be presumed
25 abandoned if the last known address of the person entitled to the funds, according to
26 the records of the corporation, is in this State. If a person other than the insured, the
27 principal, or the claimant is entitled to the funds and the address of the person is not
28 known to the corporation or if it is not definite and certain from the records of the
29 corporation which person is entitled to the funds, it is presumed that the last known
30 address of the person entitled to the funds is the same as the last known address of
31 the insured, the principal, or the claimant according to the records of the corporation.

32 (2) "Unclaimed funds", as used in this subsection, means all money held
33 by any fire, casualty, or surety insurance corporation unclaimed and unpaid for more
34 than [5] 4 years after the money becomes due and payable, as established from the
35 records of the corporation, either to an insured, a principal, or a claimant under any
36 fire, casualty, or surety insurance policy or contract.

37 (e) Money otherwise payable according to the records of the corporation is
38 considered due and payable although the policy or contract has not been surrendered
39 as required.

1 17-303.

2 The following funds held by any utility are presumed abandoned:

3 (1) Any deposit made by a subscriber with a utility to secure payment
4 for, or any sum paid in advance for, utility services to be furnished in the State, less
5 any lawful deduction, that has remained unclaimed by the person who appears on the
6 records of the utility as entitled to it for more than [5] 4 years after the termination
7 of the services for which the deposit or advance payment was made;

8 (2) Any sum which a utility has been ordered to refund and which was
9 received for utility services rendered in the State, together with any interest on it,
10 less any lawful deduction, that has remained unclaimed by the person appearing on
11 the records of the utility as entitled to it for more than [5] 4 years after the date it
12 became payable in accordance with the final determination or order providing for the
13 refund; and

14 (3) Any sum paid to a utility for a utility service, which service has not
15 been rendered within [5] 4 years of the payment.

16 17-304.

17 (a) Any stock or other certificate of ownership, or any dividend, profit,
18 distribution, interest, payment on principal, or other sum held by a business
19 association for or to a shareholder, certificate holder, member, bondholder or other
20 security holder, or participating patron of a cooperative, who has not claimed it or
21 corresponded in writing with the business association concerning it within [5] 4
22 years after the date prescribed for payment or delivery, is presumed abandoned if:

23 (1) It is held by a business association organized under the laws of or
24 created in this State;

25 (2) It is held by a business association doing business in this State but
26 not organized under the laws of this State, and the records of the business association
27 indicate that the last known address of the person entitled to it is in this State; or

28 (3) It is held by a business association not doing business in this State
29 and not organized under the laws of this State, but the records of the business
30 association indicate that the last known address of the person entitled to it is in this
31 State.

32 (b) This section shall apply to the stock or other certificate of ownership on, for
33 or from which the amounts described in subsection (a) of this section have been
34 presumed abandoned if the owner of said underlying stock or certificate has not,
35 within the [5-year] 4-YEAR period giving rise to the presumption of abandonment:

36 (1) Communicated in writing with the association regarding the interest
37 or a dividend, distribution, or other sum payable as a result of the interest; or

1 (2) Otherwise communicated with the association regarding the interest
2 or a dividend, distribution, or other sum payable as a result of the interest, as
3 evidenced by a memorandum or other record on file with the association prepared by
4 an employee of the association.

5 (c) At the expiration of a [5-year] 4-YEAR period following the failure of the
6 owner to claim a dividend, distribution, or other sum payable to the owner as a result
7 of the interest, the interest is not presumed abandoned unless there have been at
8 least [5] 4 dividends, distributions, or other sums paid during the period, none of
9 which has been claimed by the owner. If [5] 4 dividends, distributions, or other sums
10 are paid during the [5-year] 4-YEAR period, the period leading to a presumption of
11 abandonment commences on the date payment of the first such unclaimed dividend,
12 distribution, or other sum became due and payable. If [5] 4 dividends, distributions,
13 or other sums are not paid during the presumptive period, the period continues to run
14 until there have been [5] 4 dividends, distributions, or other sums that have not been
15 claimed by the owner.

16 (d) The running of the [5-year] 4-YEAR period of abandonment ceases
17 immediately upon the occurrence of a communication referred to in subsection (b) of
18 this section. If any future dividend, distribution, or other sum payable to the owner as
19 a result of the interest is subsequently not claimed by the owner, a new period of
20 abandonment commences and relates back to the time a subsequent dividend,
21 distribution, or other sum became due and payable.

22 (e) At the time an interest is presumed abandoned under this section, any
23 dividend, distribution, or other sum then held for or owing to the owner as a result of
24 the interest, and not previously presumed abandoned, is presumed abandoned.

25 (f) This section does not apply to any stock or other intangible ownership
26 interest enrolled in a plan that provides for the automatic reinvestment of dividends,
27 distributions, or other sums payable as a result of the interest unless the records
28 available to the administrator of the plan show, with respect to any intangible
29 ownership interest not enrolled in the reinvestment plan, that the owner has not
30 within [5] 4 years communicated in any manner described in subsection (b) of this
31 section.

32 (g) The holder of an interest under this section shall deliver a duplicate
33 certificate or other evidence of ownership if the holder does not issue certificates of
34 ownership to the administrator. Upon delivery of a duplicate certificate to the
35 administrator, the holder and any transfer agent, registrar, or other person acting for
36 or on behalf of a holder in executing or delivering the duplicate certificate is relieved
37 of all liability of every kind in accordance with the provision of § 17-313 to every
38 person, including any person acquiring the original certificate or the duplicate of the
39 certificate issued to the administrator, for any losses or damages resulting to any
40 person by the issuance and delivery to the administrator of the duplicate certificate.

1 17-306.

2 All intangible personal property and any income or increment on it, held in a
 3 fiduciary capacity for the benefit of another person, is presumed abandoned unless,
 4 within [5] 4 years after it becomes payable or distributable, the owner has increased
 5 or decreased the principal, accepted payment of principal or income, corresponded in
 6 writing concerning the property, or otherwise indicated an interest as evidenced by a
 7 memorandum on file with the fiduciary.

8 17-307.

9 All intangible personal property held for the owner by any court, public
 10 corporation, public authority, or public officer of this State or any political subdivision
 11 of it that has remained unclaimed by the owner for more than [5] 4 years is presumed
 12 abandoned.

13 17-308.

14 (a) All unclaimed wages or outstanding payroll checks held or owing in the
 15 ordinary course of the holder's business, that have remained unclaimed by the owner
 16 for more than [5] 4 years after they became payable, are presumed abandoned.

17 (b) All intangible personal property, not otherwise covered by this title,
 18 including any income or increment on it and deducting any lawful charges, that is
 19 held or owing in the ordinary course of the holder's business and has remained
 20 unclaimed by the owner for more than [5] 4 years after it became payable or
 21 distributable, is presumed abandoned.

22 (c) Property is payable or distributable for the purpose of this title
 23 notwithstanding the owner's failure to make demand or to present any instrument or
 24 document required to receive payment.

25 (d) Property is reportable to this State under subsection (b) of this section
 26 under the priority rules established under § 17-301(c) of this subtitle.

27 **Article - Environment**

28 9-228.

29 (g) (5) A tire dealer who timely files a tire recycling fee return and pays the
 30 tire recycling fees due is allowed, for the expense of administering and paying the fee,
 31 a credit equal to [1.2%] 0.6% of the gross amount of tire recycling fees that the tire
 32 dealer is to pay to the Comptroller.

33 **Article - Public Utility Companies**

34 7-203.

35 (d) (2) The Department of Natural Resources shall credit against the
 36 amount the Commission requires each electric company to pay into the

1 Environmental Trust Fund [1.5%] 0.75% of the total surcharge amount attributed to
 2 the electric company on the basis of the amount of the electricity distributed in the
 3 State.

4 **Article - State Government**

5 9-111.

6 (b) ~~With the approval of the Commission and the Legislative Policy~~
 7 ~~Committee, the Director may enter into [an agreement] AGREEMENTS to operate [a~~
 8 ~~multi-state lottery] MULTIJURISDICTIONAL LOTTERIES with:~~

9 (1) ~~any other political entity outside the State OR OUTSIDE THE UNITED~~
 10 ~~STATES that operates a lottery; OR~~

11 (2) ~~A PRIVATE LICENSEE OF A STATE OR A FOREIGN NATION.~~

12 **Article - Tax - General**

13 2-1302.1.

14 [(a)] ~~After making the distributions required under §§ 2-1301 and 2-1302 of~~
 15 ~~this subtitle, the Comptroller monthly shall distribute 45% of the sales and use tax~~
 16 ~~collected on short-term vehicle rentals under § 11-104(c) of this article to the~~
 17 ~~Transportation Trust Fund established under § 3-216 of the Transportation Article.~~

18 [(b) ~~For the period from January 1, 2002 through June 30, 2002 and for fiscal~~
 19 ~~years beginning on or after July 1, 2002 but before July 1, 2007, after making the~~
 20 ~~distribution under subsection (a) of this section, the Comptroller shall distribute the~~
 21 ~~remaining sales and use tax collected on short-term vehicle rentals under § 11-104(c)~~
 22 ~~of this article to the Transportation Trust Fund established under § 3-216 of the~~
 23 ~~Transportation Article.]~~

24 9-315.

25 (a) ~~A licensed dealer or licensed special fuel seller shall deduct [1%] 0.5% of~~
 26 ~~the 1st 10 cents of the motor fuel tax on each gallon of motor fuel, as a discount:~~

27 (1) ~~instead of an allowance for evaporation, shrinkage, and handling;~~
 28 ~~and~~

29 (2) ~~to reimburse the licensed dealer or licensed special fuel seller for~~
 30 ~~expenses incurred for the State in:~~

31 (i) ~~keeping records;~~

32 (ii) ~~collecting and paying the tax; and~~

33 (iii) ~~preparing reports.~~

Article - Transportation

1
2 3-202.

3 (a) The Department from time to time may issue its bonds on behalf of this
4 State to finance the cost of any one or more or combination of transportation facilities.

5 (b) The bonds shall be known as "consolidated transportation bonds" and may
6 be issued in any amount as long as the aggregate outstanding and unpaid principal
7 balance of these bonds and bonds of prior issues does not exceed at any one time the
8 sum of [~~\$1.2~~] ~~\$1.4~~ \$1.5 billion.

9 (c) The maximum outstanding and unpaid principal balance of consolidated
10 transportation bonds and bonds of prior issues as of June 30 for the next fiscal year:

11 (1) Shall be established each year by the General Assembly in the State
12 budget; and

13 (2) May not exceed the limit established in subsection (b) of this section.
14 3-215.

15 (b) The tax levied and imposed by this section consists of that part of the
16 following taxes that are retained to the credit of the Department after distributions to
17 the political subdivisions:

18 (1) The motor fuel tax revenue distributed under §§ 2-1103(2) and
19 2-1104(4) of the Tax - General Article;

20 (2) The income tax revenue distributed under ~~§§ 2-614 and 2-616~~ §
21 2-614 of the Tax - General Article;

22 (3) The excise tax imposed on vehicles by Part II of Title 13, Subtitle 8 of
23 this article; and

24 (4) The sales and use tax revenues distributed under [~~§ 2-1302.1(a)~~] §
25 2-1302.1 of the Tax - General Article.

26 8-402.

27 (b) All revenues collected from the following, after deductions provided by law,
28 shall be credited to the Gasoline and Motor Vehicle Revenue Account:

29 (1) All of the motor vehicle fuel tax;

30 (2) Except as otherwise provided by law, 80 percent of the vehicle titling
31 tax;

32 (3) Except for revenues collected under Parts III and IV of Title 13,
33 Subtitle 9 of this article, vehicle registration fees;

1 (4) The revenue disbursed to this account under §§ ~~2-614~~ and ~~2-616~~ §
2 2-614 of the Tax - General Article; and

3 (5) 80 percent of the funds distributed on short-term vehicle rentals
4 under [§ 2-1302.1(a)] § 2-1302.1 of the Tax - General Article to the Transportation
5 Trust Fund from the sales and use tax.

6 13-208.

7 (a) [(1) Except as provided in paragraph (2) of this subsection, of each filing
8 fee received under this subtitle, the Administration shall deposit \$9 in the
9 Transportation Trust Fund and \$5 in the General Fund.

10 (2) For the fiscal year beginning July 1, 2001, of] OF each filing fee
11 received under this subtitle, the Administration shall deposit \$14 in the General
12 Fund.

13 (b) For each fiscal year, the Comptroller shall distribute to Baltimore City an
14 amount equal to \$5 [of the General Fund portion of] FOR each filing fee received
15 under this subtitle.

16 13-613.

17 (d) Except as provided in subsection (e) of this section, of the proceeds
18 collected annually from the additional fees charged under this section:

19 (1) The first \$180,000 shall be paid into a special fund administered by
20 the Maryland Higher Education Commission for use in the medical, dental, legal,
21 nursing, social work, and pharmaceutical scholarship programs provided by this
22 State;

23 (2) The next \$200,000 shall be used solely for the purposes of the
24 scholarship program authorized by §§ 18-1101 through 18-1105 of the Education
25 Article; and

26 (3) Except as otherwise provided by law, any balance shall be
27 distributed];

28 (i) To] TO the General Fund of the State [for the fiscal year
29 beginning July 1, 2001; and

30 (ii) To the Transportation Trust Fund for each fiscal year beginning
31 on or after July 1, 2002].

32 17-106.

33 (e) (2) (i) A penalty assessed under this subsection shall be paid as
34 follows:

35 1. 70% to be allocated as provided in subparagraphs (ii)
36 through [(vii)] (IV) of this paragraph; and

1 2. 30% to the Administration, which may be used by the
 2 Administration, subject to subsection (f) of this section, to provide funding for
 3 contracts with independent ~~insurance producers~~ AGENTS to assist in the recovery of
 4 evidences of registration as authorized in subsection (d)(3) of this section.

5 (ii) For the fiscal year beginning July 1, 2001, the percentage of the
 6 penalties specified under subparagraph (i)1 of this paragraph shall be allocated
 7 among THE VEHICLE THEFT PREVENTION FUND, the Motor Vehicle Registration
 8 Enforcement Fund, the School Bus Safety Enforcement Fund, the Transportation
 9 Trust Fund, and the General Fund as follows:

- 10 1. \$400,000 to the Motor Vehicle Registration Enforcement
 11 Fund;
- 12 2. \$600,000 to the School Bus Safety Enforcement Fund;
- 13 3. \$2,000,000 TO THE VEHICLE THEFT PREVENTION FUND;
- 14 ~~3.~~ 4. ~~\$11,600,000~~ \$9,600,000 to the Transportation Trust
 15 Fund; and
- 16 ~~4.~~ 5. The balance to the General Fund.

17 (iii) For the fiscal year beginning July 1, 2002, the percentage of the
 18 penalties specified under subparagraph (i)1 of this paragraph shall be allocated
 19 among the VEHICLE THEFT PREVENTION FUND, THE MARYLAND AUTOMOBILE
 20 INSURANCE FUND, THE Motor Vehicle Registration Enforcement Fund, the School
 21 Bus Safety Enforcement Fund, and the [Transportation Trust Fund] GENERAL FUND
 22 as follows:

- 23 1. \$400,000 to the Motor Vehicle Registration Enforcement
 24 Fund;
- 25 2. \$600,000 to the School Bus Safety Enforcement Fund;
 26 [and]
- 27 3. \$2,000,000 TO THE VEHICLE THEFT PREVENTION FUND;
- 28 4. \$2,000,000 TO THE MARYLAND AUTOMOBILE INSURANCE
 29 FUND; AND
- 30 5. The balance to the [Transportation Trust Fund] GENERAL
 31 FUND.

32 (iv) For each fiscal year beginning ON OR AFTER July 1, 2003 [or
 33 July 1, 2004], the percentage of the penalties specified under subparagraph (i)1 of
 34 this paragraph shall be allocated [between] AMONG the School Bus Safety
 35 Enforcement Fund, THE VEHICLE THEFT PREVENTION FUND, THE MARYLAND
 36 AUTOMOBILE INSURANCE FUND, and the [Transportation Trust Fund] GENERAL
 37 FUND as follows:

Chapter 332 of the Acts of 2000

SECTION 6. AND BE IT FURTHER ENACTED, That, subject to the provisions of Section 5 of this Act, this Act shall take effect July 1, 2000. [Sections 1 and 2 of this Act shall remain effective for a period of 5 years and, at the end of June 30, 2005, with no further action required by the General Assembly, Sections 1 and 2 of this Act shall be abrogated and of no further force or effect. Any balance in the School Bus Safety Enforcement Fund after June 30, 2005, shall be transferred to the State General Fund.]

SECTION 15. AND BE IT FURTHER ENACTED, That Section(s) 10-221 of Article - Tax - General of the Annotated Code of Maryland be renumbered to be Section(s) 10-108.

SECTION 16. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:

Article - Tax - General

10-108.

(a) [Unless] EXCEPT AS PROVIDED IN SUBSECTION (C) OF THIS SECTION AND UNLESS expressly provided otherwise by law, an amendment of the Internal Revenue Code that, [during the] FOR A taxable year THAT BEGINS IN THE CALENDAR YEAR in which the amendment is enacted, eliminates [or reduces], REDUCES, ADDS, OR INCREASES a deduction [or substitutes], SUBSTITUTES a credit for a deduction, OR SUBSTITUTES A DEDUCTION FOR A CREDIT AFFECTS THE DETERMINATION OF FEDERAL ADJUSTED GROSS INCOME OR FEDERAL TAXABLE INCOME, does not affect the [deduction for purposes of] DETERMINATION OF MARYLAND TAXABLE INCOME UNDER this title [during that] FOR ANY TAXABLE year THAT BEGINS IN THE CALENDAR YEAR IN WHICH THE AMENDMENT IS ENACTED.

(b) Within 60 days after an amendment of the Internal Revenue Code is enacted, the Comptroller shall prepare and submit to the Governor and, subject to § 2-1246 of the State Government Article, the President of the Senate and the Speaker of the House a report that outlines:

(1) the changes in the Internal Revenue Code; and

(2) the impact of those changes on State revenue and on various classes and types of taxpayers.

(C) SUBSECTION (A) OF THIS SECTION DOES NOT APPLY TO AN AMENDMENT OF THE INTERNAL REVENUE CODE IF THE COMPTROLLER DETERMINES THAT THE IMPACT OF THE AMENDMENT ON STATE INCOME TAX REVENUE FOR THE FISCAL YEAR THAT BEGINS DURING THE CALENDAR YEAR IN WHICH THE AMENDMENT IS ENACTED WILL BE LESS THAN \$1,000,000 \$5,000,000.

1 10-204.

2 (a) To the extent excluded from federal adjusted gross income, the amounts
3 under this section are added to the federal adjusted gross income of a resident to
4 determine Maryland adjusted gross income.

5 (H) THE ADDITION UNDER SUBSECTION (A) OF THIS SECTION INCLUDES THE
6 AMOUNT DEDUCTED UNDER § 222 OF THE INTERNAL REVENUE CODE FOR QUALIFIED
7 TUITION AND RELATED EXPENSES PAID DURING THE TAXABLE YEAR.

8 10-210.1.

9 IN ADDITION TO THE MODIFICATIONS UNDER §§ 10-204 THROUGH 10-210 OF
10 THIS SUBTITLE, TO DETERMINE MARYLAND ADJUSTED GROSS INCOME OF AN
11 INDIVIDUAL:

12 ~~(1) AN AMOUNT IS ADDED TO FEDERAL ADJUSTED GROSS INCOME TO~~
13 ~~DETERMINE THE DEPRECIATION DEDUCTION PROVIDED UNDER § 167(A) OF THE~~
14 ~~INTERNAL REVENUE CODE WITHOUT REGARD TO ANY ADDITIONAL ALLOWANCE~~
15 ~~UNDER § 168(K)(1) OF THE INTERNAL REVENUE CODE;~~

16 ~~(2) AN AMOUNT IS SUBTRACTED FROM FEDERAL ADJUSTED GROSS~~
17 ~~INCOME TO DETERMINE THE ADJUSTED BASIS OF PROPERTY AS TO WHICH THE~~
18 ~~ADDITIONAL ALLOWANCE UNDER § 168(K)(1)(A) OF THE INTERNAL REVENUE CODE~~
19 ~~HAS BEEN ALLOWED FOR FEDERAL INCOME TAX PURPOSES WITHOUT REGARD TO~~
20 ~~THE REDUCTION REQUIRED UNDER § 167(K)(1)(B) OF THE INTERNAL REVENUE CODE;~~
21 ~~AND~~

22 ~~(1) AN AMOUNT IS ADDED TO OR SUBTRACTED FROM FEDERAL~~
23 ~~ADJUSTED GROSS INCOME TO REFLECT THE DETERMINATION OF THE~~
24 ~~DEPRECIATION DEDUCTION PROVIDED UNDER § 167(A) OF THE INTERNAL REVENUE~~
25 ~~CODE AND THE ADJUSTED BASIS OF PROPERTY WITHOUT REGARD TO THE~~
26 ~~ADDITIONAL ALLOWANCE UNDER § 168(K) OF THE INTERNAL REVENUE CODE; AND~~

27 ~~(3) (2) AN AMOUNT IS ADDED TO OR SUBTRACTED FROM FEDERAL~~
28 ~~ADJUSTED GROSS INCOME TO DETERMINE THE NET OPERATING LOSS DEDUCTION~~
29 ~~ALLOWED UNDER § 172 OF THE INTERNAL REVENUE CODE WITHOUT REGARD TO THE~~
30 ~~SPECIAL 5-YEAR CARRYBACK PERIOD PROVIDED UNDER § 172(B)(1)(H) OF THE~~
31 ~~INTERNAL REVENUE CODE.~~

32 10-310.

33 IN ADDITION TO THE MODIFICATIONS UNDER §§ 10-305 THROUGH 10-309 OF
34 THIS SUBTITLE, TO DETERMINE MARYLAND MODIFIED INCOME THE FEDERAL
35 TAXABLE INCOME OF A CORPORATION SHALL BE ADJUSTED AS PROVIDED FOR AN
36 INDIVIDUAL UNDER § 10-210.1 OF THIS TITLE.

37 SECTION 17. AND BE IT FURTHER ENACTED, That the Laws of Maryland
38 read as follows:

Article - Tax - General

2 7-304.

3 (a) [In] SUBJECT TO § 7-309 OF THIS SUBTITLE, IN this section, "federal
4 credit" means the maximum credit for death taxes paid to any state that is allowable
5 under § 2011 of the Internal Revenue Code against the federal estate tax of a decedent
6 as reduced by the proportion that the amount of the estate not included in the
7 Maryland estate bears to the amount of the entire estate of the decedent.

8 (b) (1) Except as otherwise provided in this subsection, the Maryland estate
9 tax is the amount, if any, by which the federal credit exceeds the total of death taxes
10 other than the Maryland estate tax that:

11 (i) are imposed by a state on property included in the Maryland
12 estate;

13 (ii) are allowable in computing the federal credit; and

14 (iii) except as provided in § 13-906 of this article, have actually been
15 paid out of the Maryland estate and received by the appropriate unit of this State.

16 (2) [The] SUBJECT TO § 7-309 OF THIS SUBTITLE, THE Maryland estate
17 tax may not exceed the amount whose timely payment in accordance with federal law
18 would reduce the amount of the federal estate tax payable out of the Maryland estate
19 had this subtitle not been enacted.

20 (c) The Maryland estate tax is not affected by a failure to take or preserve the
21 federal credit.

22 7-309.

23 (A) [If Congress passes an act] NOTWITHSTANDING AN ACT OF CONGRESS
24 that repeals OR REDUCES the federal credit under § 2011 of the Internal Revenue
25 Code, [and does not enact a similar statute as a substitute:

26 (1) the provisions of this subtitle [that are] in effect before the passage
27 of the Act of Congress shall apply with respect to a decedent who [died before the end
28 of the period covered by a budget bill that the General Assembly passed before the
29 effective date of the Act of Congress; and

30 (2) this subtitle is void with respect to a decedent who dies after the
31 effective date of the Act of Congress] DIES AFTER THE EFFECTIVE DATE OF THE ACT
32 OF CONGRESS SO AS TO CONTINUE THE MARYLAND ESTATE TAX IN FORCE WITHOUT
33 REDUCTION IN THE SAME MANNER AS IF THE FEDERAL CREDIT HAD NOT BEEN
34 REPEALED OR REDUCED.

35 (B) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION,
36 AFTER THE EFFECTIVE DATE OF AN ACT OF CONGRESS DESCRIBED IN SUBSECTION
37 (A) OF THIS SECTION, THE MARYLAND ESTATE TAX SHALL BE DETERMINED USING:

1 (I) THE FEDERAL CREDIT ALLOWABLE BY § 2011 OF THE INTERNAL
 2 REVENUE CODE AS IN EFFECT BEFORE THE REDUCTION OR REPEAL OF THE
 3 FEDERAL CREDIT PURSUANT TO THE ACT OF CONGRESS; AND

4 (II) OTHER PROVISIONS OF FEDERAL ESTATE TAX LAW, INCLUDING
 5 THE APPLICABLE UNIFIED CREDIT ALLOWED AGAINST THE FEDERAL ESTATE TAX,
 6 AS IN EFFECT ON THE DATE OF THE DECEDENT'S DEATH.

7 (2) IF THE FEDERAL ESTATE TAX IS NOT IN EFFECT ON THE DATE OF
 8 THE DECEDENT'S DEATH, THE MARYLAND ESTATE TAX SHALL BE DETERMINED
 9 USING:

10 (I) THE FEDERAL CREDIT ALLOWABLE BY § 2011 OF THE INTERNAL
 11 REVENUE CODE AS IN EFFECT BEFORE THE REDUCTION OR REPEAL OF THE
 12 FEDERAL CREDIT PURSUANT TO THE ACT OF CONGRESS; AND

13 (II) OTHER PROVISIONS OF FEDERAL ESTATE TAX LAW, INCLUDING
 14 THE APPLICABLE UNIFIED CREDIT ALLOWED AGAINST THE FEDERAL ESTATE TAX,
 15 AS IN EFFECT ON THE DATE IMMEDIATELY PRECEDING THE EFFECTIVE DATE OF
 16 THE REPEAL OF THE FEDERAL ESTATE TAX.

17 SECTION 18. AND BE IT FURTHER ENACTED, That the Laws of Maryland
 18 read as follows:

19 **Article - Tax - General**

20 11-105.

21 (a) Except as provided in subsection (b) of this section, a person who timely
 22 files a sales and use tax return is allowed, for the expense of collecting and paying the
 23 tax, a credit equal to [0.9%] 0.45% of the gross amount of sales and use tax that the
 24 person is to pay to the Comptroller.

25 (b) (1) Subject to paragraph (2) of this subsection, the credit allowed under
 26 this section is [1.2%] 0.6% of the first \$6,000 of the gross amount of sales and use tax
 27 that the person is to pay with each return.

28 (2) For a vendor who files or is eligible to file a consolidated return under
 29 § 11-502 of this title, the credit allowed under paragraph (1) of this subsection is
 30 [1.2%] 0.6% of the first \$6,000 of the gross amount of sales and use tax that the
 31 person is or would be required to pay with the consolidated return.

32 **Article - Transportation**

33 13-812.

34 (a) For collecting and remitting the tax, a licensed dealer who, on behalf of the
 35 Administration, collects the excise tax imposed by this part may keep the lesser of
 36 [\$24] \$12 per vehicle or [1.2] 0.6 percent of the gross excise tax the dealer collects.

1 (iv) Otherwise indicated an interest in the funds or deposit as
2 evidenced by a memorandum on file with the financial organization;

3 (3) Any sum payable on a check certified in this State or on a written
4 instrument issued in this State on which a banking or financial organization or
5 business association is directly liable, including any certificate of deposit, draft,
6 traveler's check, and money order, that has been outstanding for more than [4] 3
7 years from the date it was payable (or 15 years in the case of a traveler's check) or, if
8 payable on demand, from the date of its issuance, unless, within [4] 3 years or 15
9 years in the case of a traveler's check, the owner has:

10 (i) Corresponded in writing with the banking or financial
11 organization or business association concerning it; or

12 (ii) Otherwise indicated an interest as evidenced by a
13 memorandum on file with the banking or financial organization or business
14 association; and

15 (4) Any property removed from a safekeeping repository on which the
16 lease or rental period has expired or any surplus amounts arising from the sale of the
17 property pursuant to law, that have been unclaimed by the owner for more than [4]
18 3 years from the date on which the lease or rental period expired.

19 17-302.

20 (a) Funds held or owing under any life or endowment insurance policy or
21 annuity contract that has matured or terminated are presumed abandoned if
22 unclaimed for more than [4] 3 years after the funds become due and payable as
23 established from the records of the insurance company holding or owing the funds.

24 (b) If a person other than the insured or annuitant is entitled to the funds and
25 an address of the person is not known to the company or it is not definite and certain
26 from the records of the company who is entitled to the funds, it is presumed that the
27 last known address of the person entitled to the funds is the same as the last known
28 address of the insured or annuitant according to the records of the company.

29 (c) For purposes of this subtitle, a life or endowment insurance policy or
30 annuity contract not matured by actual proof of the death of the insured or annuitant
31 according to the records of the company is matured and the proceeds due and payable
32 if:

33 (1) The company knows that the insured or annuitant has died; or

34 (2) (i) The insured has attained, or would have attained if he were
35 living, the limiting age under the mortality table on which the reserve is based;

36 (ii) The policy was in force at the time the insured attained, or
37 would have attained, the limiting age specified in item (i) of this paragraph; and

1 (iii) Neither the insured nor any other person appearing to have an
2 interest in the policy within the preceding [4] 3 years, according to the records of the
3 company, has assigned, readjusted, or paid premiums on the policy, subjected the
4 policy to a loan, corresponded in writing with the company concerning the policy, or
5 otherwise indicated an interest as evidenced by a memorandum or other record on file
6 prepared by an employee of the company.

7 (d) (1) "Unclaimed funds", as defined in paragraph (2) of this subsection,
8 held by a fire, casualty, or surety insurance corporation, shall be presumed
9 abandoned if the last known address of the person entitled to the funds, according to
10 the records of the corporation, is in this State. If a person other than the insured, the
11 principal, or the claimant is entitled to the funds and the address of the person is not
12 known to the corporation or if it is not definite and certain from the records of the
13 corporation which person is entitled to the funds, it is presumed that the last known
14 address of the person entitled to the funds is the same as the last known address of
15 the insured, the principal, or the claimant according to the records of the corporation.

16 (2) "Unclaimed funds", as used in this subsection, means all money held
17 by any fire, casualty, or surety insurance corporation unclaimed and unpaid for more
18 than [4] 3 years after the money becomes due and payable, as established from the
19 records of the corporation, either to an insured, a principal, or a claimant under any
20 fire, casualty, or surety insurance policy or contract.

21 (e) Money otherwise payable according to the records of the corporation is
22 considered due and payable although the policy or contract has not been surrendered
23 as required.

24 17-303.

25 The following funds held by any utility are presumed abandoned:

26 (1) Any deposit made by a subscriber with a utility to secure payment
27 for, or any sum paid in advance for, utility services to be furnished in the State, less
28 any lawful deduction, that has remained unclaimed by the person who appears on the
29 records of the utility as entitled to it for more than [4] 3 years after the termination
30 of the services for which the deposit or advance payment was made;

31 (2) Any sum which a utility has been ordered to refund and which was
32 received for utility services rendered in the State, together with any interest on it,
33 less any lawful deduction, that has remained unclaimed by the person appearing on
34 the records of the utility as entitled to it for more than [4] 3 years after the date it
35 became payable in accordance with the final determination or order providing for the
36 refund; and

37 (3) Any sum paid to a utility for a utility service, which service has not
38 been rendered within [4] 3 years of the payment.

1 17-304.

2 (a) Any stock or other certificate of ownership, or any dividend, profit,
3 distribution, interest, payment on principal, or other sum held by a business
4 association for or to a shareholder, certificate holder, member, bondholder or other
5 security holder, or participating patron of a cooperative, who has not claimed it or
6 corresponded in writing with the business association concerning it within [4] 3
7 years after the date prescribed for payment or delivery, is presumed abandoned if:

8 (1) It is held by a business association organized under the laws of or
9 created in this State;

10 (2) It is held by a business association doing business in this State but
11 not organized under the laws of this State, and the records of the business association
12 indicate that the last known address of the person entitled to it is in this State; or

13 (3) It is held by a business association not doing business in this State
14 and not organized under the laws of this State, but the records of the business
15 association indicate that the last known address of the person entitled to it is in this
16 State.

17 (b) This section shall apply to the stock or other certificate of ownership on, for
18 or from which the amounts described in subsection (a) of this section have been
19 presumed abandoned if the owner of said underlying stock or certificate has not,
20 within the [4-year] 3-YEAR period giving rise to the presumption of abandonment:

21 (1) Communicated in writing with the association regarding the interest
22 or a dividend, distribution, or other sum payable as a result of the interest; or

23 (2) Otherwise communicated with the association regarding the interest
24 or a dividend, distribution, or other sum payable as a result of the interest, as
25 evidenced by a memorandum or other record on file with the association prepared by
26 an employee of the association.

27 (c) At the expiration of a [4-year] 3-YEAR period following the failure of the
28 owner to claim a dividend, distribution, or other sum payable to the owner as a result
29 of the interest, the interest is not presumed abandoned unless there have been at
30 least [4] 3 dividends, distributions, or other sums paid during the period, none of
31 which has been claimed by the owner. If [4] 3 dividends, distributions, or other sums
32 are paid during the [4-year] 3-YEAR period, the period leading to a presumption of
33 abandonment commences on the date payment of the first such unclaimed dividend,
34 distribution, or other sum became due and payable. If [4] 3 dividends, distributions,
35 or other sums are not paid during the presumptive period, the period continues to run
36 until there have been [4] 3 dividends, distributions, or other sums that have not been
37 claimed by the owner.

38 (d) The running of the [4-year] 3-YEAR period of abandonment ceases
39 immediately upon the occurrence of a communication referred to in subsection (b) of
40 this section. If any future dividend, distribution, or other sum payable to the owner as
41 a result of the interest is subsequently not claimed by the owner, a new period of

1 abandonment commences and relates back to the time a subsequent dividend,
2 distribution, or other sum became due and payable.

3 (e) At the time an interest is presumed abandoned under this section, any
4 dividend, distribution, or other sum then held for or owing to the owner as a result of
5 the interest, and not previously presumed abandoned, is presumed abandoned.

6 (f) This section does not apply to any stock or other intangible ownership
7 interest enrolled in a plan that provides for the automatic reinvestment of dividends,
8 distributions, or other sums payable as a result of the interest unless the records
9 available to the administrator of the plan show, with respect to any intangible
10 ownership interest not enrolled in the reinvestment plan, that the owner has not
11 within [4] 3 years communicated in any manner described in subsection (b) of this
12 section.

13 (g) The holder of an interest under this section shall deliver a duplicate
14 certificate or other evidence of ownership if the holder does not issue certificates of
15 ownership to the administrator. Upon delivery of a duplicate certificate to the
16 administrator, the holder and any transfer agent, registrar, or other person acting for
17 or on behalf of a holder in executing or delivering the duplicate certificate is relieved
18 of all liability of every kind in accordance with the provision of § 17-313 to every
19 person, including any person acquiring the original certificate or the duplicate of the
20 certificate issued to the administrator, for any losses or damages resulting to any
21 person by the issuance and delivery to the administrator of the duplicate certificate.
22 17-306.

23 All intangible personal property and any income or increment on it, held in a
24 fiduciary capacity for the benefit of another person, is presumed abandoned unless,
25 within [4] 3 years after it becomes payable or distributable, the owner has increased
26 or decreased the principal, accepted payment of principal or income, corresponded in
27 writing concerning the property, or otherwise indicated an interest as evidenced by a
28 memorandum on file with the fiduciary.

29 17-307.

30 All intangible personal property held for the owner by any court, public
31 corporation, public authority, or public officer of this State or any political subdivision
32 of it that has remained unclaimed by the owner for more than [4] 3 years is presumed
33 abandoned.

34 17-308.

35 (a) All unclaimed wages or outstanding payroll checks held or owing in the
36 ordinary course of the holder's business, that have remained unclaimed by the owner
37 for more than [4] 3 years after they became payable, are presumed abandoned.

38 (b) All intangible personal property, not otherwise covered by this title,
39 including any income or increment on it and deducting any lawful charges, that is
40 held or owing in the ordinary course of the holder's business and has remained

1 unclaimed by the owner for more than [4] 3 years after it became payable or
2 distributable, is presumed abandoned.

3 (c) Property is payable or distributable for the purpose of this title
4 notwithstanding the owner's failure to make demand or to present any instrument or
5 document required to receive payment.

6 (d) Property is reportable to this State under subsection (b) of this section
7 under the priority rules established under § 17-301(c) of this subtitle.

8 SECTION 21. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
9 MARYLAND, That:

10 (a) Notwithstanding § 11-1206 of the Business Regulation Article, cumulative
11 receipts not to exceed \$4.5 million for fiscal year 2002 and fiscal year 2003 in the
12 Racing Facility Redevelopment Bond Fund placed from the takeout allocation under §
13 11-1206(c)(1) and (2) of the Business Regulation Article shall be distributed to a
14 special fund that shall be created to be used only to increase purses at harness racing
15 tracks, mile thoroughbred tracks, and Timonium Race Course and to supplement
16 existing bred funds in accordance with this Act.

17 (b) In accordance with § 7-209 of the State Finance and Procurement Article,
18 the Governor by budgetary amendment shall allocate money from the special fund
19 created under subsection (a) of this section in the manner specified under subsection
20 (c) of this section.

21 (c) The amount credited to the special fund created under subsection (a) of
22 this section shall be used as follows:

23 (1) 11% to increase the bred funds to be allocated as follows:

24 (i) 70% to the Maryland-Bred Race Fund; and

25 (ii) 30% to the Maryland Standardbred Race Fund; and

26 (2) 89% to increase purses at harness racing tracks and thoroughbred
27 racing tracks to be allocated as follows:

28 (i) 70% to purses at the mile thoroughbred racing tracks and
29 Timonium; and

30 (ii) 30% to purses at the harness racing tracks which shall be
31 allocated 85% for Rosecroft Raceway and 15% for Ocean Downs.

32 (d) All funds provided for purses and bred funds at harness racing tracks, mile
33 thoroughbred racing tracks, and Timonium Race Course by this Act shall be in
34 addition to and may not supplant:

1 (1) Amounts allocated for purses and bred funds under current
2 agreements between the harness racing tracks and the organization that represents a
3 majority of owners and trainers of standardbred horses in the State; and

4 (2) Amounts otherwise provided in statute for purses and bred funds at
5 mile thoroughbred racing tracks and Timonium Race Course.

6 (e) The purses shall be distributed at mile thoroughbred racetracks and
7 Timonium Race Course according to a formula determined by the State Racing
8 Commission in consultation with the racetrack licensees and the organization that
9 represents a majority of owners and trainers of thoroughbred horses in the State.

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

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

12 (2) "Fund" means the special fund established under this section.

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

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

19 (2) The Fund is a continuing, nonlapsing fund which is not subject to §
20 7-302 of the State Finance and Procurement Article.

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

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

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

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

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

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

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

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

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

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

7 SECTION 23. AND BE IT FURTHER ENACTED, That:

8 (a) Subject to subsection (b) of this section, notwithstanding the provisions of §
9 13-209(c)(1) of the Tax - Property Article as enacted under Section 3 of this Act, for
10 each of the fiscal years beginning July 1, 2002 and July 1, 2003 only, the balance of the
11 revenue in the special fund established under § 13-209 of the Tax - Property Article,
12 not required under § 13-209(b) of the Tax - Property Article shall be allocated in the
13 State budget as follows:

14 (1) \$52,068,585 shall be allocated to the General Fund of the State; and

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

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

21 SECTION 24. AND BE IT FURTHER ENACTED, That, notwithstanding any
22 other provision of law, up to \$1,500,000 of general funds appropriated for fiscal year
23 2002 in connection with the Medicaid waiver for home- and community-based
24 services for adult individuals with disabilities under § 15-131 of the Health - General
25 Article that remain unexpended by the Department of Human Resources on June 30,
26 2002 may not revert to the General Fund and shall remain available for expenditure in
27 fiscal year 2003.

28 SECTION 25. AND BE IT FURTHER ENACTED, That notwithstanding §
29 16-319 or § 7-302 of the Education Article or any other provision of law, the portion of
30 fiscal year 2002 and 2003 payments required under § 16-319 of the Education Article
31 for private technology donation incentives or under § 17-302 of the Education Article
32 for private donation incentives that are not funded in the fiscal 2003 budget shall be
33 deferred until fiscal year 2004.

34 SECTION 26. AND BE IT FURTHER ENACTED, That:

35 (a) Notwithstanding any other provision of law, for fiscal year 2002 only,
36 \$953,000 of the funds in the Dedicated Purpose Fund of the State Reserve Fund
37 established under § 7-310 of the State Finance and Procurement Article which
38 constitute funds that were appropriated in the fiscal year 2002 budget for the Wilson
39 Bridge and the Metrorail Extension from Addison Road to Largo Town Center may be
40 transferred by approved budget amendment to the appropriate administering agency

1 for the following purposes:

2 <u>Budget</u>	<u>Program</u>	<u>Amount</u>
3 <u>Code</u>		
4 <u>DP00.05</u>	<u>Purchase of care services at the Charlotte Hall Veterans Home</u>	<u>\$661,000</u>
5 <u>HC01.01</u>	<u>Security at Department of General Services facilities</u>	<u>292,000</u>

6 (b) Notwithstanding any other provision of law, for fiscal year 2003 only,
7 \$15,980,353 of the funds in the Dedicated Purpose Fund of the State Reserve Fund
8 established under § 7-310 of the State Finance and Procurement Article which
9 constitute funds that were appropriated in the fiscal year 2002 budget for the Wilson
10 Bridge and the Metrorail Extension from Addison Road to Largo Town Center may be
11 transferred by approved budget amendment to the appropriate administering agency
12 for the following purposes:

13 <u>Budget</u>	<u>Program</u>	<u>Amount</u>
14 <u>Code</u>		
15 <u>CC00.01</u>	<u>Governor's Salary Commission recommendation for the</u>	
16	<u>Attorney General</u>	<u>\$ 13,280</u>
17 <u>CC00.14</u>	<u>Civil Litigation Division for legal fees associated with the</u>	
18	<u>tobacco settlement lawsuit</u>	<u>850,000</u>
19 <u>DA01.01</u>	<u>Governor's Salary Commission recommendation for the</u>	
20	<u>Governor and Lt. Governor</u>	<u>29,217</u>
21 <u>DA06.01</u>	<u>Governor's Salary Commission recommendation for the</u>	
22	<u>Secretary of State</u>	<u>9,296</u>
23 <u>DE01.11</u>	<u>Grant to the Office of the State's Attorney for Baltimore City for</u>	
24	<u>gun prosecution cases</u>	<u>1,000,000</u>
25 <u>DE02.01</u>	<u>Acquisition and demolition for development of the East</u>	
26	<u>Baltimore Biotechnology Park</u>	<u>2,000,000</u>
27 <u>DE02.01</u>	<u>Annapolis Government Complex Security</u>	<u>1,400,000</u>
28 <u>DP00.05</u>	<u>Management services fee-based contract for the Charlotte Hall</u>	
29	<u>Veterans Home</u>	<u>2,600,000</u>
30 <u>EA01.01</u>	<u>Governor's Salary Commission recommendation for the</u>	
31	<u>Comptroller</u>	<u>13,280</u>
32 <u>EB01.01</u>	<u>Governor's Salary Commission recommendation for the</u>	
33	<u>Treasurer</u>	<u>13,280</u>
34 <u>HC01.01</u>	<u>Security at Department of General Services facilities</u>	<u>500,000</u>
35 <u>MF03.02</u>	<u>Grant to University of Maryland Medical System Primary Care</u>	
36	<u>& Mental Health</u>	<u>3,000,000</u>
37 <u>MF03.02</u>	<u>Maryland Primary Care Program</u>	<u>1,111,000</u>
38 <u>QA01.05</u>	<u>Design, Construct, and Equip the Hagerstown Central Kitchen</u>	<u>3,441,000</u>

39 (c) Notwithstanding any other provision of law, if Chapter _____ (S.B. 856) or
40 Chapter _____ (H.B. 1294) of the Acts of the General Assembly of 2002 is enacted
41 increasing the tobacco tax rate for cigarettes, for fiscal year 2003 only \$23,138,000 of

1 the funds in the Dedicated Purpose Fund of the State Reserve Fund established under
 2 § 7-310 of the State Finance and Procurement Article which constitute funds that were
 3 appropriated in the fiscal year 2002 budget for the Wilson Bridge and the Metrorail
 4 Extension from Addison Road to Largo Town Center may be transferred by approved
 5 budget amendment to the appropriate administering agency for the following
 6 purposes:

7 <u>Budget</u>	8 <u>Program</u>	9 <u>Amount</u>
10	<u>DE02.01 Design, Construct, and Equip the UMBC Public Policy Institute</u>	<u>\$15,338,000</u>
11	<u>RI00.07 Educational Grants: Baltimore City Community College</u>	<u>160,000</u>
12	<u>RI00.07 Educational Grants: Aid to Community Colleges</u>	<u>840,000</u>
13	<u>RI00.07 Educational Grants: University System of Maryland Deferred</u> <u>Maintenance</u>	<u>2,800,000</u>
14	<u>RI00.07 Educational Grants: Morgan State University Deferred</u> <u>Maintenance</u>	<u>1,000,000</u>
15	<u>RI00.07 Educational Grants: University of Maryland, Baltimore only to</u> <u>offset clinical revenue shortfalls in the School of Medicine</u>	<u>3,000,000</u>

18 (d) Notwithstanding any other provisions of law, if neither Chapter _____ (S.B.
 19 856) nor Chapter _____ (H.B. 1294) of the Acts of the General Assembly of 2002 is
 20 enacted increasing the tobacco tax rate for cigarettes, in addition to the \$4,928,647
 21 required to be transferred to the General Fund under Section 1 of this Act, the
 22 Governor, on or before June 30, 2002, shall transfer to the General Fund \$23,138,000
 23 of the funds in the Dedicated Purpose Fund of the State Reserve Fund established
 24 under § 7-310 of the State Finance and Procurement Article which constitute funds
 25 that were appropriated in the fiscal year 2002 budget for the Wilson Bridge and the
 26 Metrorail Extension from Addison Road to Largo Town Center.

27 SECTION ~~16. 21. 22.~~ 27. BE IT FURTHER ENACTED, That if any provision
 28 of this Act or the application thereof to any person or circumstance is held invalid for
 29 any reason in a court of competent jurisdiction, the invalidity does not affect other
 30 provisions or any other application of this Act which can be given effect without the
 31 invalid provision or application and for this purpose the provisions of this Act are
 32 severable.

33 SECTION 17. ~~AND BE IT FURTHER ENACTED, That this Act shall take~~
 34 ~~effect June 1, 2002.~~

35 SECTION ~~22. 23.~~ 28. AND BE IT FURTHER ENACTED, That:

36 (a) Except as otherwise provided in this Section, Sections 2 through 11 and 14
 37 through 19 of this Act shall take effect July 1, 2002.

38 (b) Section 7-327(h)(10) of the State Finance and Procurement Article as
 39 enacted under Section 8 of this Act shall take effect June 1, 2002.

1 (c) Pursuant to Article III, Section 35 of the Constitution of Maryland, this Act
2 may not be construed to extend or apply to the salary or compensation of the
3 Comptroller, Treasurer, Attorney General, or Secretary of State in office on the effective
4 date of this Act, but the provisions of this Act concerning the salary or compensation of
5 the Comptroller, Treasurer, Attorney General, or Secretary of State shall take effect at
6 the beginning of the next following term of office.

7 (d) The changes to Title 17, Subtitle 3 of the Commercial Law Article under
8 Section 14 of this Act shall take effect June 1, 2002 and shall be applicable to all
9 property presumed abandoned for reporting periods ending on or after June 30, 2002.

10 (e) The changes to § 17-106(e)(2) of the Transportation Article under Section
11 14 of this Act shall take effect June 1, 2002.

12 SECTION ~~23, 24, 29.~~ AND BE IT FURTHER ENACTED, That, except as
13 otherwise provided in this Section, Section 16 of this Act shall be applicable to all
14 taxable years beginning after December 31, 2001. The provisions of §§ 10-210.1 and
15 10-310 of the Tax - General Article as enacted under Section 16 of this Act shall be
16 applicable to any taxable year to which the additional allowance for depreciation
17 under § 168(k)(1)(A) of the Internal Revenue Code or the special 5-year net operating
18 loss carryback period provided under § 172(b)(1)(H) of the Internal Revenue Code
19 applies.

20 SECTION ~~24, 25, 30.~~ AND BE IT FURTHER ENACTED, That Section 17 of
21 this Act shall be applicable to any Act of Congress enacted on or after January 1, 2001
22 with respect to decedents dying after December 31, 2001.

23 SECTION ~~25, 26, 31.~~ AND BE IT FURTHER ENACTED, That Section 18 of
24 this Act shall remain effective for a period of 2 years and, at the end of June 30, 2004,
25 with no further action required by the General Assembly, Section 18 of this Act shall
26 be abrogated and of no further force or effect.

27 SECTION ~~26, 27, 32.~~ AND BE IT FURTHER ENACTED, That Section 20 of
28 this Act shall take effect ~~July~~ June 1, 2003 and shall be applicable to all property
29 presumed abandoned for reporting periods ending on or after June 30, 2003.

30 SECTION ~~28, 33.~~ AND BE IT FURTHER ENACTED, That Section 21 of this
31 Act shall remain effective for the period of 1 year and 1 month and, at the end of June
32 30, 2003, with no further action required by the General Assembly, Section 21 of this
33 Act shall be abrogated and of no further force and effect.

34 SECTION ~~27, 29, 34.~~ AND BE IT FURTHER ENACTED, That, except as
35 provided in Sections ~~22 through 26 23 through 28 28 through 33~~ of this Act, this Act
36 shall take effect June 1, 2002.

