

SENATE BILL 323

Unofficial Copy  
B1

2002 Regular Session  
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By: **The President (Administration)**  
Introduced and read first time: January 25, 2002  
Assigned to: Budget and Taxation

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Committee Report: Favorable with amendments  
Senate action: Adopted with floor amendments  
Read second time: March 15, 2002

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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~~  
18 ~~certain pay increases for State employees under certain circumstances; making~~  
19 ~~the provisions of this Act severable; and generally relating to the financing of~~  
20 ~~State and local governments for certain fiscal years.~~

21 FOR the purpose of requiring the Governor to transfer to the General Fund certain  
22 amounts from certain special funds for certain fiscal years; altering the  
23 distribution of the transfer tax revenues for certain fiscal years; altering the  
24 determination of the required State contribution each year to the State  
25 Retirement and Pension System; repealing certain provisions relating to certain  
26 bonds previously issued by the State to provide funds for the Maryland Food  
27 Center Authority; repealing certain obligations of the Maryland Food Center

1 Authority for the repayment of the interest on and principal of certain bonds;  
2 directing the Maryland Food Center Authority to take certain actions as may be  
3 required under a certain revenue bond resolution; altering the minimum  
4 appropriation the Governor is required to include in the annual budget bill for  
5 the Maryland Tourism Development Board Fund; authorizing the use of the  
6 Health Claims Arbitration Fund for certain purposes; authorizing the use of the  
7 Law Enforcement and Correctional Training Fund for certain purposes; altering  
8 certain formulas for the computation of certain State aid to certain community  
9 colleges and nonpublic institutions of higher education for certain fiscal years;  
10 authorizing the Department of Natural Resources to use certain moneys in the  
11 Waterway Improvement Fund for certain purposes for certain fiscal years;  
12 prohibiting the inclusion of general fund capital appropriations as a source of  
13 funding in the 5-year capital program prepared by the Department of Budget  
14 and Management, with certain exceptions; requiring general fund capital  
15 appropriations to be budgeted in the operating budget in a certain manner;  
16 requiring the Governor to include in the budget bill for certain fiscal years  
17 certain appropriations to the Revenue Stabilization Fund; requiring that at  
18 least a certain percentage of the appropriations each year from the cigarette  
19 restitution fund shall be made for certain purposes; requiring the Comptroller to  
20 distribute certain unanticipated lottery revenues to a special fund, to be used  
21 only for certain purposes; requiring that the parties to certain collective  
22 bargaining for certain State employees conclude negotiations for certain items  
23 before a certain date; requiring the Governor to include in the budget bill  
24 submitted to the General Assembly certain amounts related to certain collective  
25 bargaining negotiations; altering the distribution of corporate income tax  
26 revenues; repealing the Right-of-Way Revolving Fund in the Transportation  
27 Trust Fund; delaying the effective date of a certain Act requiring each circuit  
28 court judge to have a law clerk employed by the State; requiring counties and  
29 Baltimore City to continue to fund employment of law clerks for a certain period  
30 at a certain rate; establishing a Special Reserve Fund to retain certain State  
31 revenues for certain purposes; requiring that certain moneys received during  
32 certain fiscal years by the State related to the settlement of certain litigation  
33 against tobacco manufacturers be credited to the Fund; providing that moneys  
34 in the Fund may only be used for certain purposes; providing that on a certain  
35 date the balance of the Fund shall be credited to a certain fund; reducing and  
36 transferring to the General Fund certain unexpended appropriations; altering a  
37 certain credit allowed a vendor for the expense of billing, collecting, and  
38 remitting a certain 911 fee paid by certain telephone service subscribers;  
39 altering certain time periods after which there is a presumption that certain  
40 property is abandoned under certain circumstances; altering a certain credit  
41 allowed a vendor for the expense of administering and paying a certain tire  
42 recycling fee; altering a certain credit allowed an electric company against a  
43 certain environmental surcharge required to be paid; authorizing the Director of  
44 the State Lottery Agency to enter into agreements to operate multijurisdictional  
45 lotteries with certain other political entities outside the United States or with  
46 certain licensees; altering the distribution of certain sales and use tax revenues  
47 from short-term vehicle rentals; altering a certain discount that a licensed  
48 dealer or licensed special fuel seller is allowed to deduct under the motor fuel

1 tax; altering a certain limit on the aggregate principal balance of certain  
2 transportation bonds that may be outstanding and unpaid at any one time;  
3 altering the distribution of certain filing fees for perfection of security interests  
4 in vehicles; altering the distribution of certain fees collected for certain  
5 personalized registration plates; altering the distribution of certain penalties for  
6 termination or lapse of the required security for a vehicle; repealing a  
7 termination provision applicable to the Vehicle Theft Prevention Council and  
8 the Vehicle Theft Prevention Fund; repealing a termination provision applicable  
9 to the School Bus Safety Enforcement Fund; altering a provision regarding the  
10 effect on the Maryland income tax of certain amendments of the Internal  
11 Revenue Code under certain circumstances; providing an addition modification  
12 under the Maryland income tax for certain tuition and related expenses  
13 deducted for federal income tax purposes; providing certain modifications to  
14 federal adjusted gross income for Maryland income tax purposes for a certain  
15 additional depreciation allowance and for a certain special net operating loss  
16 carryback period; altering the effect on the Maryland estate tax of an Act of  
17 Congress that repeals or reduces a certain credit allowed against the federal  
18 estate tax; altering a certain credit allowed for the expense of collecting and  
19 paying the sales and use tax; altering a certain credit allowed to a licensed  
20 vehicle dealer for collecting and remitting the motor vehicle excise tax;  
21 authorizing a certain reduction of a certain appropriation for a certain fiscal  
22 year; creating a certain fund; requiring that certain revenues from the Racing  
23 Facility Redevelopment Bond Fund be distributed to a special fund to be used  
24 only for certain purposes; requiring that certain purses be increased according  
25 to a certain formula; defining certain terms; repealing certain obsolete  
26 provisions; providing for the application of this Act; providing for the  
27 termination of part of this Act; and generally relating to the financing of State  
28 and local governments.

29 ~~BY adding to~~  
30 ~~Article - Tax - General~~  
31 ~~Section 10-724~~  
32 ~~Annotated Code of Maryland~~  
33 ~~(1997 Replacement Volume and 2001 Supplement)~~

34 BY repealing and reenacting, with amendments,  
35 Article - Tax - Property  
36 Section 13-209  
37 Annotated Code of Maryland  
38 (2001 Replacement Volume and 2001 Supplement)

39 BY repealing and reenacting, with amendments,  
40 Article - State Personnel and Pensions  
41 Section 21-304  
42 Annotated Code of Maryland  
43 (1997 Replacement Volume and 2001 Supplement)

- 1 BY repealing  
2 Article 41 - Governor - Executive and Administrative Departments  
3 Section 13-103(e) and 13-110  
4 Annotated Code of Maryland  
5 (1997 Replacement Volume and 2001 Supplement)
- 6 BY repealing  
7 Article - Tax - General  
8 Section 2-614 and 2-615  
9 Annotated Code of Maryland  
10 (1997 Replacement Volume and 2001 Supplement)
- 11 BY repealing and reenacting, with amendments,  
12 Article 83A - Department of Business and Economic Development  
13 Section 4-208(g)(2)  
14 Annotated Code of Maryland  
15 (1998 Replacement Volume and 2001 Supplement)
- 16 BY repealing and reenacting, with amendments,  
17 Article - Courts and Judicial Proceedings  
18 Section 3-2A-03A(d)(1)  
19 Annotated Code of Maryland  
20 (1998 Replacement Volume and 2001 Supplement)
- 21 BY repealing and reenacting, with amendments,  
22 Article - Correctional Services  
23 Section 8-304(c)(2)  
24 Annotated Code of Maryland  
25 (1999 Volume and 2001 Supplement)
- 26 BY repealing and reenacting, with amendments,  
27 Article - Education  
28 Section 16-305(c)(1), 16-512(a), and 17-104(a)  
29 Annotated Code of Maryland  
30 (2001 Replacement Volume)
- 31 BY adding to  
32 Article - Natural Resources  
33 Section 8-709(d)  
34 Annotated Code of Maryland  
35 (2000 Replacement Volume and 2001 Supplement)
- 36 BY repealing and reenacting, with amendments,

1 Article - State Finance and Procurement  
2 Section 3-603 and 7-317(g)  
3 Annotated Code of Maryland  
4 (2001 Replacement Volume)

5 BY adding to  
6 Article - State Finance and Procurement  
7 Section 7-122 and 7-311(j)  
8 Annotated Code of Maryland  
9 (2001 Replacement Volume)

10 BY repealing and reenacting, without amendments,  
11 Article - State Finance and Procurement  
12 Section 7-311(a), (e), and (f)  
13 Annotated Code of Maryland  
14 (2001 Replacement Volume)

15 BY repealing and reenacting, with amendments,  
16 Article - State Government  
17 Section 9-120  
18 Annotated Code of Maryland  
19 (1999 Replacement Volume and 2001 Supplement)

20 BY repealing and reenacting, with amendments,  
21 Article - State Personnel and Pensions  
22 Section 3-501(c)  
23 Annotated Code of Maryland  
24 (1997 Replacement Volume and 2001 Supplement)

25 BY repealing and reenacting, with amendments,  
26 Article - Tax - General  
27 Section 2-616 and 2-617  
28 Annotated Code of Maryland  
29 (1997 Replacement Volume and 2001 Supplement)

30 BY repealing and reenacting, with amendments,  
31 Article - Transportation  
32 Section 3-215(b)(2), 3-216(e), 8-206, 8-305, and 8-402(b)(4)  
33 Annotated Code of Maryland  
34 (2001 Replacement Volume)

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

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

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

1 Section 7-304, 7-309, and 11-105  
2 Annotated Code of Maryland  
3 (1997 Replacement Volume and 2001 Supplement)

4 BY repealing and reenacting, with amendments,  
5 Article - Transportation  
6 Section 13-812(a)  
7 Annotated Code of Maryland  
8 (1999 Replacement Volume and 2001 Supplement)

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

15 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
16 MARYLAND, That notwithstanding any other provision of law, on or before June 30,  
17 2002, the Governor shall transfer to the General Fund:

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

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

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

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

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

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

31 ~~\$400,000~~ \$200,000 of the funds in the Board of Nursing Fund established under  
32 § 8-206 of the Health Occupations Article;

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

35 \$24,854,673 of the funds in the Dedicated Purpose Fund of the State Reserve  
36 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 of the funds in the Dedicated Purpose Fund of the  
4 State Reserve Fund established under § 7-310 of the State Finance and Procurement  
5 Article which constitute funds that were appropriated in the fiscal year 2002 budget  
6 for the Wilson Bridge and the Metrorail Extension from Addison Road to Largo Town  
7 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 ~~\$11,000,000 of the funds in the State Insurance Trust Fund established under §~~  
13 ~~9-103 of the State Finance and Procurement Article;~~

14 \$2,000,000 of the funds in the account of the State Use Industries established  
15 under § 3-507 of the Correctional Services Article;

16 ~~\$1,000,000~~ \$2,500,000 of the funds in the State Used Tire Cleanup and  
17 Recycling Fund established under § 9-273 of the Environment Article;

18 ~~\$300,000 of the funds in the Universal Service Trust Fund established under §~~  
19 ~~3-807 of the State Finance and Procurement Article;~~

20 ~~\$8,000,000~~ \$4,000,000 of the funds in the Waterway Improvement Fund  
21 established under § 8-707 of the Natural Resources Article;

22 \$11,227,425 of the funds in the special fund established under § 13-209 of the  
23 Tax - Property Article, representing excess actual transfer tax collections for fiscal  
24 2001 allocated to the special fund as provided under § 13-209(f)(1) of the Tax -  
25 Property Article;

26 \$3,000,000 of the funds in the Maryland Heritage Areas Authority Financing  
27 Fund established under Title 13, Subtitle 11 of the Financial Institutions Article;

28 \$8,000,000 of the funds in the Joseph Fund established under § 7-327 of the  
29 State Finance and Procurement Article; and

30 \$3,000,000 of the funds in the Maryland Food Center Authority Fund  
31 established under Article 41, § 13-111 of the Code.

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

35 \$150,000 of the funds in the Central Collection Fund established under § 3-306  
36 of the State Finance and Procurement Article;

1 ~~\$50,000,000~~ \$39,300,000 of the funds in the Dedicated Purpose Fund of the  
2 State Reserve Fund established under § 7-310 of the State Finance and Procurement  
3 Article which constitute a portion of the funds appropriated in fiscal years 2000 and  
4 2001 for the Family Investment Program in the Department of Human Resources;

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

7 \$2,200,000 of the funds in the Cigarette Restitution Fund established under §  
8 7-317 of the State Finance and Procurement Article;

9 \$32,200,000 of the funds in the Injured Workers Insurance Fund reserve for  
10 actuarial liability for claims against the State, established under § 10-104 of the  
11 Labor and Employment Article;

12 \$3,700,000 of the funds placed from uncashed pari-mutuel tickets under §  
13 11-803 of the Business Regulation Article, in the Racing Facility Redevelopment  
14 Bond Fund established under § 11-1206 of the Business Regulation Article;

15 \$16,600,000 of the funds in the accounts of the University System of Maryland;  
16 and

17 ~~\$18,000,000 of the funds in the Transportation Authority Fund established~~  
18 ~~under § 4-313 of the Transportation Article to the extent such funds are not needed~~  
19 ~~for the payment of items specified in § 4-313(a)(2) and (b) of the Transportation~~  
20 ~~Article; and~~

21 \$400,000 of the funds in the Motor Vehicle Registration Enforcement Fund  
22 established under Article 88B, § 77 of the Code.

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

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

29 Article - Tax - Property

30 13-209.

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

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

1           (2)     For the fiscal year [commencing July 1, 1991] BEGINNING JULY 1,  
2 2002 and for subsequent fiscal years, up to 3% of the revenues in the special fund [not  
3 required under paragraph (1) of this subsection] may be appropriated in the State  
4 budget for salaries and related expenses in the Departments of General Services and  
5 Natural Resources and in the Department of Planning necessary to administer Title  
6 5, Subtitle 9 of the Natural Resources Article (Program Open Space).

7       (c)     (1)     Subject to subsection (e) of this section, FOR EACH OF THE FISCAL  
8 YEARS BEGINNING JULY 1, 2002 AND JULY 1, 2003, OF the balance of the revenue in the  
9 special fund, not required under subsection (b) of this section[,];

10           (I)     50% shall be allocated as provided in [this subsection]  
11 SUBSECTION (D) OF THIS SECTION; AND

12           (II)    50% SHALL BE ALLOCATED TO THE GENERAL FUND OF THE  
13 STATE.

14           (2)     SUBJECT TO SUBSECTION (E) OF THIS SECTION, FOR THE FISCAL  
15 YEARS BEGINNING JULY 1, 2004 AND EACH SUBSEQUENT FISCAL YEAR, THE  
16 BALANCE OF THE REVENUE IN THE SPECIAL FUND, NOT REQUIRED UNDER  
17 SUBSECTION (B) OF THIS SECTION SHALL BE ALLOCATED AS PROVIDED IN  
18 SUBSECTION (D) OF THIS SECTION.

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

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

25           (4)     For each of the fiscal years commencing July 1, 1995 and July 1,  
26 1996, 90% of the balance shall be allocated as provided under subsection (d) of this  
27 section and 10% shall be allocated to the General Fund of the State.

28           (5)     For each of the fiscal years commencing July 1, 1993 and July 1,  
29 1994, the percentage of the balance specified for the fiscal year under paragraph (2)  
30 or (3) of this subsection shall be allocated as follows:

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

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

35                           1.     84.2% in the State budget for the purposes specified in  
36 Title 5, Subtitle 9 of the Natural Resources Article (Program Open Space);

37                           2.     13.2% in the State budget for the Agricultural Land  
38 Preservation Fund established under § 2-505 of the Agriculture Article; and



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

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

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

8 (2) 17.05% FOR THE AGRICULTURAL LAND PRESERVATION FUND  
9 ESTABLISHED UNDER § 2-505 OF THE AGRICULTURE ARTICLE;

10 (3) 5% FOR THE RURAL LEGACY PROGRAM ESTABLISHED UNDER §  
11 5-9A-01 OF THE NATURAL RESOURCES ARTICLE; AND

12 (4) 1.8% FOR THE HERITAGE CONSERVATION FUND ESTABLISHED  
13 UNDER § 5-1501 OF THE NATURAL RESOURCES ARTICLE.

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

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

22 (2) For any fiscal year in which the actual transfer tax revenue  
23 collections are less than the revenue estimates used as the basis for the  
24 appropriations required under this section, the amount of the deficiency shall be  
25 reconciled as follows:

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

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

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

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

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

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

9 ~~Article—Tax—General~~

10 ~~10-724.~~

11 ~~FOR TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 2001 FOR EACH~~  
 12 ~~EXEMPTION THAT AN INDIVIDUAL OTHER THAN A FIDUCIARY MAY DEDUCT UNDER §~~  
 13 ~~10-211(1) OR (2) OF THIS TITLE TO DETERMINE MARYLAND TAXABLE INCOME FOR THE~~  
 14 ~~TAXABLE YEAR, THE INDIVIDUAL MAY CLAIM A CREDIT AGAINST THE COUNTY~~  
 15 ~~INCOME TAX IN AN AMOUNT EQUAL TO THE LESSER OF:~~

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

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

21 ~~SECTION 6. AND BE IT FURTHER ENACTED, That notwithstanding any~~  
 22 ~~other provision of law, the State contribution to the Maryland State Retirement and~~  
 23 ~~Pension System for all plans except for the Judges' Retirement System established~~  
 24 ~~under Division II of the State Personnel and Pensions Article for fiscal year 2003~~  
 25 ~~shall be \$530,520,472. This contribution includes any contributions that the State is~~  
 26 ~~required to make for any participant in any plan including participants who are not~~  
 27 ~~State employees but excluding participants in the Judges' Retirement System.~~

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

30 ~~Article - State Personnel and Pensions~~

31 ~~21-304.~~

32 (a) (1) ~~IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANING~~  
 33 ~~INDICATED.~~

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

35 (I) ~~THE AGGREGATE NORMAL RATE THAT IS BASED ON THE~~  
 36 ~~NORMAL CONTRIBUTION RATE CALCULATED UNDER SUBSECTION (C) OF THIS~~

1 SECTION AND ADJUSTED TO INCORPORATE LEGISLATIVE CHANGES IN BENEFITS TO  
2 REFLECT CHANGES TO THE NORMAL COST; AND

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

6 (3) "FUNDING RATIO FOR THE EMPLOYEES' SYSTEMS" MEANS THE  
7 ACTUARIAL VALUE OF ASSETS FOR THE EMPLOYEES' SYSTEMS DIVIDED BY THE  
8 ACTUARIAL ACCRUED LIABILITY FOR THE EMPLOYEES' SYSTEMS.

9 (4) "FUNDING RATIO FOR THE TEACHERS' SYSTEMS" MEANS THE  
10 ACTUARIAL VALUE OF ASSETS FOR THE TEACHERS' SYSTEMS DIVIDED BY THE  
11 ACTUARIAL ACCRUED LIABILITY FOR THE TEACHERS' SYSTEMS.

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

15 (b) (1) Each fiscal year, on behalf of the State members of each State system,  
16 the State shall pay to the appropriate accumulation fund an amount equal to or  
17 greater than the product of multiplying:

18 (i) the aggregate annual earnable compensation of the State  
19 members of that State system; and

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

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

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

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

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

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

36 (3) For the purpose of making the determinations required under this  
37 section:



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

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

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

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

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

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

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

17                   (1)       all unfunded liabilities or surpluses accrued as of June 30, 2000, over  
18 20 years; and

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

21                   (i)       experience gains and losses;

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

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

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

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

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

29                   (4)       If the accrued liability is increased by legislation effective June 1,  
30 1998, that provides for the early retirement of employees of the University System of  
31 Maryland who are members of the Employees' Pension System or the Employees'  
32 Retirement System, the additional liability shall be determined by the actuary and  
33 funded over a period of 5 years beginning on July 1, 1999 by payment of an annual  
34 accrued liability contribution by the University System of Maryland and the Medical  
35 System as provided in § 21-307(i) and (j) of this subtitle.

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

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

9                       (I)     THE EMPLOYEES' SYSTEM CONTRIBUTION RATE FOR THE  
10 PREVIOUS FISCAL YEAR; AND

11                       (II)    20% OF THE DIFFERENCE BETWEEN THE FULL FUNDING RATE  
12 FOR THE CURRENT FISCAL YEAR AND THE EMPLOYEES' SYSTEM CONTRIBUTION  
13 RATE FOR THE PREVIOUS FISCAL YEAR.

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

17                               1.     THE EMPLOYEES' SYSTEM CONTRIBUTION RATE FOR THE  
18 PREVIOUS FISCAL YEAR; AND

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

22       (F)     (1)     WHEN THE FUNDING RATIO FOR THE TEACHERS' SYSTEMS IS  
23 BETWEEN 90% AND 110%, THE TEACHERS' SYSTEM CONTRIBUTION RATE IS THE RATE  
24 CERTIFIED BY THE BOARD OF TRUSTEES FOR THE PREVIOUS FISCAL YEAR,  
25 ADJUSTED TO REFLECT LEGISLATIVE CHANGES THAT RESULT IN CHANGES IN  
26 NORMAL COST AND TO AMORTIZE OVER 25 YEARS ANY ACTUARIAL LIABILITIES OF  
27 THE TEACHERS' SYSTEMS.

28               (2)     WHEN THE FUNDING RATIO FOR THE TEACHERS' SYSTEMS IS BELOW  
29 90%, THE TEACHERS' SYSTEM CONTRIBUTION RATE SHALL BE THE SUM OF:

30                       (I)     THE TEACHERS' SYSTEM CONTRIBUTION RATE FOR THE  
31 PREVIOUS FISCAL YEAR; AND

32                       (II)    20% OF THE DIFFERENCE BETWEEN THE FULL FUNDING RATE  
33 FOR THE CURRENT FISCAL YEAR AND THE TEACHERS' SYSTEM CONTRIBUTION RATE  
34 FOR THE PREVIOUS FISCAL YEAR.

35               (3)     WHEN THE FUNDING RATIO FOR THE TEACHERS' SYSTEMS IS ABOVE  
36 110%, THE TEACHERS' SYSTEM CONTRIBUTION RATE SHALL BE THE DIFFERENCE  
37 BETWEEN:



1	Montgomery College .....	27,538,668
2	Prince George's Community College .....	19,225,871
3	Wor Wic Community College .....	4,706,099

4     ~~SECTION 10. AND BE IT FURTHER ENACTED, That notwithstanding §~~  
5 ~~17-104 of the Education Article or any other provision of law, the appropriations for~~  
6 ~~fiscal year 2003 required under § 17-104 of the Education Article shall be as follows:~~

7	Baltimore Hebrew University .....	\$149,733
8	Baltimore International College .....	689,678
9	Capitol College .....	725,029
10	College of Notre Dame .....	2,076,492
11	Columbia Union College .....	1,067,689
12	Goucher College .....	2,187,968
13	Hood College .....	1,395,821
14	The Johns Hopkins University .....	20,133,157
15	Loyola College .....	6,510,540
16	Maryland Institute College of Art .....	2,038,430
17	Mount St. Mary's College .....	2,115,136
18	St. John's College .....	901,783
19	Sojourner Douglass College .....	1,196,017
20	Villa Julie College .....	2,807,962
21	Washington College .....	1,902,354
22	Western Maryland College .....	3,209,895

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

1 ~~SECTION 12. AND BE IT FURTHER ENACTED, That notwithstanding §~~  
2 ~~17-302 of the Education Article or any other provision of law, the fiscal year 2002 and~~  
3 ~~2003 payments provided under § 17-302 of the Education Article for private donation~~  
4 ~~incentives shall be deferred until fiscal year 2004.~~

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

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

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

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

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

24 SECTION 7. AND BE IT FURTHER ENACTED, That Section(s) 2-614 and  
25 2-615 of Article - Tax - General of the Annotated Code of Maryland be repealed.

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

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

29 4-208.

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

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

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

34 (iii) \$6,000,000, for fiscal year 2001 and fiscal year 2002,

35 respectively; and

1 (iv) \$8,500,000, for fiscal year 2003 and each fiscal year thereafter]  
2 \$6,000,000 FOR EACH FISCAL YEAR.

3 **Article - Courts and Judicial Proceedings**

4 3-2A-03A.

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

7 **Article - Correctional Services**

8 8-304.

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

12 **Article - Education**

13 16-305.

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

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

22 (ii) In fiscal year [1999] 2005, not less than an amount equal to  
23 [22%] 23.8% of the State's General Fund appropriation per full-time equivalent  
24 student to the 4-year public institutions of higher education in the State as  
25 designated by the Commission for the purpose of administering the Joseph A.  
26 Sellinger Program under Title 17 of this article in the previous fiscal year;

27 (iii) In fiscal year [2000] 2006, not less than an amount equal to  
28 [23%] 24.4% of the State's General Fund appropriation per full-time equivalent  
29 student to the 4-year public institutions of higher education in the State as  
30 designated by the Commission for the purpose of administering the Joseph A.  
31 Sellinger Program under Title 17 of this article in the previous fiscal year; and

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

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

7 16-512.

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

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

16 (2) In fiscal year [2000] 2005, not less than an amount equal to [63%]  
17 60% of the State's General Fund appropriation per full-time equivalent student to the  
18 4-year public institutions of higher education in the State as designated by the  
19 Commission for the purpose of administering the Joseph A. Sellinger Program under  
20 Title 17 of this article in the previous fiscal year;

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

27 [(3)] (4) In fiscal year [2001] 2007 and each fiscal year thereafter,  
28 not less than an amount equal to 66% of the State's General Fund appropriation per  
29 full-time equivalent student to the 4-year public institutions of higher education in  
30 the State as designated by the Commission for the purpose of administering the  
31 Joseph A. Sellinger Program under Title 17 of this article in the previous fiscal year.  
32 17-104.

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

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

1           (2)     (I)     [An] IN EACH OF FISCAL YEARS 2003 AND 2004, AN amount  
2 equal to [16 percent] 14.5% of the State's General Fund per full-time equivalent  
3 student appropriation to the 4-year public institutions of higher education in this  
4 State for the preceding fiscal year;

5                   (II)     IN FISCAL YEAR 2005, AN AMOUNT EQUAL TO 15% OF THE  
6 STATE'S GENERAL FUND PER FULL-TIME EQUIVALENT STUDENT APPROPRIATION TO  
7 THE 4-YEAR PUBLIC INSTITUTIONS OF HIGHER EDUCATION IN THIS STATE FOR THE  
8 PRECEDING FISCAL YEAR;

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

13                   (IV)     IN FISCAL YEAR 2007 AND EACH FISCAL YEAR THEREAFTER, AN  
14 AMOUNT EQUAL TO 16% OF THE STATE'S GENERAL FUND PER FULL-TIME  
15 EQUIVALENT STUDENT APPROPRIATION TO THE 4-YEAR PUBLIC INSTITUTIONS OF  
16 HIGHER EDUCATION IN THIS STATE FOR THE PRECEDING FISCAL YEAR.

17                                   **Article - Natural Resources**

18 8-709.

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

24                                   **Article - State Finance and Procurement**

25 3-603.

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

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

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

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



1 7-122.

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

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

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

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

13 7-311.

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

15 (e) Except as provided in subsection (f) of this section, beginning in fiscal year  
16 1995 and for each subsequent fiscal year, the Governor shall include in the budget bill  
17 an appropriation to the Fund equal to at least the lesser of \$50,000,000 or whatever  
18 amount is required for the Fund balance to exceed 5% of the estimated General Fund  
19 revenues for that fiscal year.

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

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

27 (2) THE APPROPRIATION REQUIRED UNDER THIS SUBSECTION FOR ANY  
28 FISCAL YEAR MAY BE REDUCED BY THE AMOUNT OF ANY APPROPRIATION TO THE  
29 FUND REQUIRED TO BE INCLUDED FOR THAT FISCAL YEAR UNDER SUBSECTION (E)  
30 OF THIS SECTION.

31 7-317.

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

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





1 ~~[16%]~~ 24% of the remaining income tax revenue from corporations to the Gasoline  
2 and Motor Vehicle Revenue Account in the Transportation Trust Fund.

3 ~~[2-617.]~~ 2-615.

4 After making the distributions required under §§ 2-613 ~~[through 2-616]~~ AND  
5 2-614 of this subtitle, the Comptroller shall distribute the remaining income tax  
6 revenue from corporations to the General Fund of the State.

7 **Article - Transportation**

8 ~~3-215.~~

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

12 (2) The income tax revenue distributed under ~~[§§ 2-614 and 2-616]~~ §  
13 2-614 of the Tax - General Article;

14 ~~3-216.~~

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

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

19 ~~[(3)]~~ (2) Nothing in this section may adversely affect in any way the  
20 security of any of the following bonds while they are outstanding and unpaid:

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

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

23 (iii) County highway construction bonds; or

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

25 ~~[(4)]~~ (3) It is the intent of the General Assembly that, as long as any of  
26 the bonds listed in paragraph ~~[(3)]~~ (2) of this subsection are outstanding and unpaid:

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

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



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

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

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

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

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

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

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

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

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

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

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

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

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

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



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

4 (3) "Fund" means the Special Reserve Fund established under this  
5 section.

6 (4) "Tobacco settlement moneys" means moneys received by the State  
7 from any source resulting, directly or indirectly, from any judgment against or  
8 settlement with tobacco product manufacturers, tobacco research associations, or any  
9 other person in the tobacco industry relating to litigation, administrative proceedings,  
10 or any other claims made or prosecuted by the State to recover damages for violations  
11 of State law.

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

14 (2) The Fund is a continuing, nonlapsing fund which is not subject to §  
15 7-302 of the State Finance and Procurement Article.

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

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

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

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

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

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

34 (2) Any disbursement to the State as a result of a decision or settlement  
35 resolving the attorneys fees litigation from the joint escrow account established in the  
36 name of the State of Maryland and the Law Offices of Peter G. Angelos, P.C., by the  
37 Circuit Court of Baltimore City in the case of Maryland v. Phillip Morris Inc., et al.,  
38 Circuit Court for Baltimore City, No. 96-112017-CL211487, in excess of any of these  
39 moneys that the State is required to pay to the Law Offices of Peter G. Angelos, P.C.



1 during the fiscal year under the decision or settlement resolving the attorneys fees  
 2 litigation;

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

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

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

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

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

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

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

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

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

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

32 ~~SECTION 13. AND BE IT FURTHER ENACTED, That notwithstanding §§~~  
 33 ~~7-305 and 8-128 of the State Finance and Procurement Article or any other provision~~  
 34 ~~of law, the Board of Public Works shall terminate appropriations for capital projects~~  
 35 ~~that (1) were included in the Budget Bills for fiscal years 1999, 2000, 2001, and 2002;~~  
 36 ~~(2) are identified in Section 12 of the Maryland Consolidated Capital Bond Loan Bill~~  
 37 ~~of 2002; and (3) are included in Section 1(3) of the Maryland Consolidated Capital~~  
 38 ~~Bond Loan Bill of 2002. Further, the Board is not required to publish notice of the~~  
 39 ~~cancellation of these appropriations in the Maryland Register.~~

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

2 (a) The unexpended appropriations for the following capital projects that were  
 3 included in the fiscal year 1999 operating budget (Chapter 109, Acts of 1998), the  
 4 fiscal year 2000 operating budget (Chapter 118, Acts of 1999), the fiscal year 2001  
 5 operating budget (Chapter 204, Acts of 2000), or the fiscal year 2002 operating budget  
 6 (Chapter 102, Acts of 2001) are reduced by the amounts indicated below and are  
 7 hereby transferred to the State General Fund:

8 Fiscal		Original	
9 Year	Project	Appropriation	Reduction
10 1999	School Construction Program	\$88,500,000	\$784,000
11 2000	School Construction Program	165,000,000	2,728,000
12 2001	Centro de la Comunidad, Inc.	100,000	100,000
13 2001	Chesterwood Park	1,000,000	1,000,000
14 2001	Dundalk Revitalization	1,750,000	1,750,000
15 2001	Lone Oak Center	500,000	500,000
16 2001	Maryland Hall for the Creative Arts	250,000	250,000
17 2001	Maryland Historical Society	1,000,000	1,000,000
18 2001	Maryland Stadium Authority -		
19	Memorial Stadium Demolition	3,000,000	1,800,000
20 2001	North Point Indoor Soccer Facility	900,000	900,000
21 2001	Outward Bound - Leakin Park Campus	500,000	500,000
22 2001	Park Heights Community Men's Center	350,000	350,000
23 2001	Phelps Center	570,000	570,000
24 2001	Quiet Waters Amphitheater	200,000	200,000
25 2001	Rockville District Court	4,600,000	4,600,000
26 2001	Rockville Parking Garage	1,000,000	1,000,000
27 2001	School Construction Program	171,700,000	37,532,000
28 2001	Takoma Park Comm Learning Center	500,000	500,000
29 2001	University of Maryland, Baltimore - New		
30	Dental School	22,000,000	12,650,000
31 2001	Walters Art Gallery	1,000,000	1,000,000
32 2002	Allegheny Highlands	1,000,000	1,000,000
33 2002	Chesapeake Village Park	1,000,000	1,000,000
34 2002	Department of Business and Economic		
35	Development - Maryland Competitive		
36	Advantage Financing Fund	1,800,000	525,000
37 2002	Department of Business and Economic		
38	Development - Maryland Economic		
39	Development Assistance Fund	15,000,000	3,750,000
40 2002	Department of Business and Economic		
41	Development - Maryland Small Business		
42	Development Financing Authority	2,275,000	568,750

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1	<u>2002</u>	Department of Business and Economic		
2		Development - Smart Growth Economic		
3		Development Infrastructure Fund (One		
4		Maryland)	10,000,000	2,500,000
5	<u>2002</u>	Department of Housing and Community		
6		Development - Homeownership Programs	5,419,000	1,354,750
7	<u>2002</u>	Department of Housing and Community		
8		Development - Neighborhood Business		
9		Development Program	6,844,000	1,941,000
10	<u>2002</u>	Department of Housing and Community		
11		Development - Rental Housing Programs	7,871,000	1,967,750
12	<u>2002</u>	Department of Housing and Community		
13		Development - Special Loan Programs	6,042,000	1,510,500
14	<u>2002</u>	Department of Natural Resources -		
15		GreenPrint	5,000,000	5,000,000
16	<u>2002</u>	Department of Natural Resources - Oyster		
17		Restoration	2,000,000	500,000
18	<u>2002</u>	Department of Natural Resources - Park		
19		Improvement Program	3,000,000	750,000
20	<u>2002</u>	Department of Natural Resources -		
21		Community Parks & Playgrounds	11,000,000	5,500,000
22	<u>2002</u>	Economic Development Opportunities		
23		Program (Sunny Day Fund)	15,500,000	3,875,000
24	<u>2002</u>	Foundation School	1,000,000	1,000,000
25	<u>2002</u>	Great Blacks in Wax	750,000	750,000
26	<u>2002</u>	High Speed Data Network	10,000,000	2,500,000
27	<u>2002</u>	Legislative Facilities	22,700,000	15,000,000
28	<u>2002</u>	Link - Ages	50,000	50,000
29	<u>2002</u>	Maryland Department of Agriculture -		
30		Agricultural Cost Share Program	6,400,000	1,600,000
31	<u>2002</u>	Maryland Department of the Environment		
32		- Nutrient Removal	5,000,000	1,250,000
33	<u>2002</u>	Maryland Hall for Creative Arts	500,000	500,000
34	<u>2002</u>	Maryland Higher Education Commission -		
35		Community Colleges Grant Program	19,284,000	4,821,000
36	<u>2002</u>	Maryland Technology Development		
37		Corporation - Technology Development		
38		Investment Fund	5,000,000	1,250,000
39	<u>2002</u>	Montgomery County Family Services	250,000	250,000
40	<u>2002</u>	National Capitol Trolley Museum	100,000	100,000
41	<u>2002</u>	Olney Boys and Girls Club	100,000	100,000
42	<u>2002</u>	Olney Theatre	500,000	500,000
43	<u>2002</u>	Park Heights Golf Range	500,000	500,000
44	<u>2002</u>	Parole Plaza Improvements	500,000	500,000
45	<u>2002</u>	Public Safety Communication System	3,900,000	1,000,000
46	<u>2002</u>	Rockville Science, Cultural and Business		
47		Resource Center	500,000	500,000
48	<u>2002</u>	School Construction Program	133,501,000	47,956,000

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1	<u>2002</u>	<u>Takoma Park Community Learning Center</u>	<u>500,000</u>	<u>500,000</u>
2	<u>2002</u>	<u>The Johns Hopkins University School of</u>		
3		<u>Public Health</u>	<u>2,067,000</u>	<u>2,067,000</u>
4	<u>2002</u>	<u>Towson University - Fine Arts Building</u>	<u>7,443,000</u>	<u>7,443,000</u>
5	<u>2002</u>	<u>University of Maryland Biotechnology</u>		
6		<u>Institute - Center for Advanced Research</u>		
7		<u>in Biotechnology - Second Building</u>	<u>42,442,000</u>	<u>42,442,000</u>
8	<u>2002</u>	<u>University of Maryland, Baltimore - New</u>		
9		<u>Dental School</u>	<u>14,000,000</u>	<u>14,000,000</u>
10	<u>2002</u>	<u>University of Maryland, Baltimore County</u>		
11		<u>- Public Policy Institute</u>	<u>17,542,000</u>	<u>17,542,000</u>
12	<u>2002</u>	<u>University System of Maryland Office -</u>		
13		<u>New Hagerstown Higher Educational</u>		
14		<u>Center</u>	<u>13,264,000</u>	<u>12,394,000</u>
15	<u>2002</u>	<u>Wheaton Multi-purpose Youth</u>	<u>175,000</u>	<u>175,000</u>
16	<u>2002</u>	<u>YMCA of Central - Howard County Branch</u>	<u>1,500,000</u>	<u>1,500,000</u>

17 (b) The unexpended appropriations for the following capital projects that were  
 18 included in the fiscal year 1999 operating budget (Chapter 109, Acts of 1998), the  
 19 fiscal year 2000 operating budget (Chapter 118, Acts of 1999), the fiscal year 2001  
 20 operating budget (Chapter 204, Acts of 2000), or the fiscal year 2002 operating budget  
 21 (Chapter 102, Acts of 2001) are reduced by the amounts indicated below and are  
 22 hereby transferred to the State General Fund:

23	<u>Fiscal</u>		<u>Original</u>	
24	<u>Year</u>	<u>Project</u>	<u>Appropriation</u>	<u>Reduction</u>
25	<u>1999</u>	<u>Rockville Science, Cultural and Business</u>		
26		<u>Resource Center</u>	<u>\$200,000</u>	<u>\$200,000</u>
27	<u>2000</u>	<u>Old Blair High School Auditorium</u>		
28		<u>Renovation</u>	<u>500,000</u>	<u>500,000</u>
29	<u>2000</u>	<u>Takoma Park Community Learning Center</u>	<u>500,000</u>	<u>500,000</u>
30	<u>2001</u>	<u>Department of Health and Mental Hygiene</u>		
31		<u>- Western Maryland Center</u>	<u>57,000</u>	<u>57,000</u>
32	<u>2001</u>	<u>Frostburg State University - New Science</u>		
33		<u>Building</u>	<u>24,766,000</u>	<u>10,000,000</u>
34	<u>2001</u>	<u>Maryland Correctional Institution - Jessup</u>		
35		<u>- Perimeter Security/Gatehouse</u>	<u>3,147,000</u>	<u>3,000,000</u>
36	<u>2001</u>	<u>Maryland Higher Education Commission -</u>		
37		<u>Community College Grant Program</u>	<u>1,110,000</u>	<u>1,110,000</u>
38	<u>2001</u>	<u>Maryland Higher Education Commission -</u>		
39		<u>Bladen and Lanham Halls Renovation</u>	<u>525,000</u>	<u>525,000</u>
40	<u>2001</u>	<u>Maryland Science Center</u>	<u>4,000,000</u>	<u>4,000,000</u>
41	<u>2001</u>	<u>Maryland Stadium Authority - Memorial</u>		
42		<u>Stadium Demolition - Veterans' Memorial</u>	<u>3,000,000</u>	<u>1,200,000</u>
43	<u>2001</u>	<u>Patuxent Institution - Fence/Gatehouse</u>	<u>3,300,000</u>	<u>3,300,000</u>
44	<u>2001</u>	<u>Penn Place - Garrett Park</u>	<u>500,000</u>	<u>500,000</u>

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1	<u>2001</u>	School Construction Program - Solar		
2		Energy Pilot Projects	250,000	250,000
3	<u>2001</u>	St. Mary's College - Somerset Hall	1,087,000	1,087,000
4	<u>2001</u>	The Johns Hopkins University - School of		
5		Medicine	7,933,000	7,933,000
6	<u>2001</u>	The Johns Hopkins University - School of		
7		Public Health	2,067,000	2,067,000
8	<u>2001</u>	University of Maryland, Baltimore - Health		
9		Sciences Research Facility II	44,428,000	10,000,000
10	<u>2001</u>	University of Maryland, Baltimore - New		
11		Dental School	22,000,000	3,500,000
12	<u>2001</u>	University of Maryland, Baltimore County		
13		- Chemistry/Physics Building	14,100,000	8,100,000
14	<u>2001</u>	University of Maryland, College Park -		
15		Engineering & Applied Sciences Building	6,203,000	6,203,000
16	<u>2001</u>	University System of Maryland Office -		
17		Assateague Education & Research Center	1,500,000	1,000,000
18	<u>2002</u>	Bowie State University - Campuswide Site		
19		Improvements	1,300,000	1,300,000
20	<u>2002</u>	Coppin State College - Dining Facilities	5,000,000	1,500,000
21	<u>2002</u>	Doctors Community Hospital	2,000,000	2,000,000
22	<u>2002</u>	Frostburg State University - New Science		
23		Building	3,300,000	3,300,000
24	<u>2002</u>	Gateway Arts District	1,000,000	1,000,000
25	<u>2002</u>	High Speed Data Network	7,500,000	1,300,000
26	<u>2002</u>	Howard County Head Start Center	500,000	500,000
27	<u>2002</u>	Maryland Correctional Institution - Jessup		
28		- Perimeter Security/Gatehouse	2,557,000	2,557,000
29	<u>2002</u>	Morgan State University - Science		
30		Research Building with Greenhouse	3,210,000	3,210,000
31	<u>2002</u>	Salisbury University - New Science		
32		Building	939,000	939,000
33	<u>2002</u>	School Construction Program - Solar		
34		Energy Pilot Projects	250,000	250,000
35	<u>2002</u>	Springfield Hospital - Electrical		
36		Distribution System	70,000	70,000
37	<u>2002</u>	St. Mary's College - Somerset Hall	2,167,000	2,167,000
38	<u>2002</u>	Suitland Manor Revitalization	3,000,000	3,000,000
39	<u>2002</u>	The Johns Hopkins University - School of		
40		Medicine	7,933,000	7,933,000
41	<u>2002</u>	Towson University - 7800 York Road	1,600,000	1,600,000
42	<u>2002</u>	University of Baltimore - Charles Hall and		
43		Annex	1,325,000	1,300,000
44	<u>2002</u>	University of Maryland Center for		
45		Environmental Science - Aquaculture and		
46		Ecology Lab	19,527,000	14,000,000
47	<u>2002</u>	University of Maryland, Baltimore -		
48		Health Sciences Research Facility II	17,746,000	17,746,000

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1	<u>2002</u>	<u>University of Maryland, Baltimore County</u>		
2		<u>- Chemistry/Physics Building</u>	<u>17,446,000</u>	<u>14,600,000</u>
3	<u>2002</u>	<u>University of Maryland, Baltimore County</u>		
4		<u>- Information Technology/Engineering</u>		
5		<u>Facility</u>	<u>32,431,000</u>	<u>21,800,000</u>
6	<u>2002</u>	<u>University of Maryland, College Park -</u>		
7		<u>Chemistry Teaching Building</u>	<u>1,860,000</u>	<u>1,860,000</u>
8	<u>2002</u>	<u>University of Maryland, Eastern Shore -</u>		
9		<u>Food Science and Technology Center</u>	<u>5,250,000</u>	<u>1,300,000</u>
10	<u>2002</u>	<u>University of Maryland, Eastern Shore -</u>		
11		<u>Physical Plant/Central Receiving Building</u>	<u>972,000</u>	<u>972,000</u>
12	<u>2002</u>	<u>University of Maryland, Eastern Shore -</u>		
13		<u>Social Science, Education, &amp; Health</u>		
14		<u>Science Building</u>	<u>5,365,000</u>	<u>5,365,000</u>
15	<u>2002</u>	<u>University System of Maryland Office -</u>		
16		<u>Shady Grove Educational Center III</u>	<u>2,425,000</u>	<u>1,000,000</u>

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

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

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







**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, 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.

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 (3) AN AMOUNT IS ADDED TO OR SUBTRACTED FROM FEDERAL  
 23 ADJUSTED GROSS INCOME TO DETERMINE THE NET OPERATING LOSS DEDUCTION  
 24 ALLOWED UNDER § 172 OF THE INTERNAL REVENUE CODE WITHOUT REGARD TO THE  
 25 SPECIAL 5-YEAR CARRYBACK PERIOD PROVIDED UNDER § 172(B)(1)(H) OF THE  
 26 INTERNAL REVENUE CODE.

27 10-310.

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

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

34 **Article - Tax - General**

35 7-304.

36 (a) [In] SUBJECT TO § 7-309 OF THIS SUBTITLE, IN this section, "federal  
 37 credit" means the maximum credit for death taxes paid to any state that is allowable

1 under § 2011 of the Internal Revenue Code against the federal estate tax of a decedent  
2 as reduced by the proportion that the amount of the estate not included in the  
3 Maryland estate bears to the amount of the entire estate of the decedent.

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

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

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

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

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

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

18 7-309.

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

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

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

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

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

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

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

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

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

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

16 **Article - Tax - General**

17 11-105.

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

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

25 (2) For a vendor who files or is eligible to file a consolidated return under  
 26 § 11-502 of this title, the credit allowed under paragraph (1) of this subsection is  
 27 [1.2%] 0.6% of the first \$6,000 of the gross amount of sales and use tax that the  
 28 person is or would be required to pay with the consolidated return.

29 **Article - Transportation**

30 13-812.

31 (a) For collecting and remitting the tax, a licensed dealer who, on behalf of the  
 32 Administration, collects the excise tax imposed by this part may keep the lesser of  
 33 [\$24] \$12 per vehicle or [1.2] 0.6 percent of the gross excise tax the dealer collects.

34 SECTION 19. AND BE IT FURTHER ENACTED, That, notwithstanding any  
 35 other provision of law, to recognize the reduction in the general fund requirement for  
 36 debt service resulting from bond premiums, accrued interest, and refunding, for fiscal

1 year 2003 only, the General Assembly may reduce the general fund appropriation to  
2 program RA02.45 Public School Construction by up to \$14,000,000.

3 SECTION 20. AND BE IT FURTHER ENACTED, That the Laws of Maryland  
4 read as follows:

5 Article - Commercial Law

6 17-301.

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

12 (1) Any demand, savings, or matured time deposit account made with a  
13 banking organization, together with any interest or dividend on it, excluding any  
14 charges that lawfully may be withheld, unless, within [4] 3 years, the owner has:

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

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

17 (iii) Corresponded in writing with the banking organization  
18 concerning the deposit;

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

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

23 (2) Any funds paid toward the purchase of shares or other interest in a  
24 financial organization, or any deposit made with these funds, and any interest or  
25 dividends on these, excluding any charges that lawfully may be withheld, unless,  
26 within [4] 3 years, the owner has:

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

29 (ii) Corresponded in writing with the financial organization  
30 concerning the funds or deposit;

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

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

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

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

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

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

17 17-302.

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

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

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

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

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

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

36                   (iii)   Neither the insured nor any other person appearing to have an  
37 interest in the policy within the preceding [4] 3 years, according to the records of the  
38 company, has assigned, readjusted, or paid premiums on the policy, subjected the  
39 policy to a loan, corresponded in writing with the company concerning the policy, or



1 otherwise indicated an interest as evidenced by a memorandum or other record on file  
2 prepared by an employee of the company.

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

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

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

20 17-303.

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

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

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

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

35 17-304.

36 (a) Any stock or other certificate of ownership, or any dividend, profit,  
37 distribution, interest, payment on principal, or other sum held by a business  
38 association for or to a shareholder, certificate holder, member, bondholder or other  
39 security holder, or participating patron of a cooperative, who has not claimed it or

1 corresponded in writing with the business association concerning it within [4] 3  
2 years after the date prescribed for payment or delivery, is presumed abandoned if:

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

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

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

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

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

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

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

33       (d)     The running of the [4-year] 3-YEAR period of abandonment ceases  
34 immediately upon the occurrence of a communication referred to in subsection (b) of  
35 this section. If any future dividend, distribution, or other sum payable to the owner as  
36 a result of the interest is subsequently not claimed by the owner, a new period of  
37 abandonment commences and relates back to the time a subsequent dividend,  
38 distribution, or other sum became due and payable.

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

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

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

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

24 17-307.

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

29 17-308.

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

33       (b)       All intangible personal property, not otherwise covered by this title,  
34 including any income or increment on it and deducting any lawful charges, that is  
35 held or owing in the ordinary course of the holder's business and has remained  
36 unclaimed by the owner for more than [4] 3 years after it became payable or  
37 distributable, is presumed abandoned.

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

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

3 SECTION 21. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
4 MARYLAND, That:

5 (a) Notwithstanding § 11-1206 of the Business Regulation Article, cumulative  
6 receipts not to exceed \$4.5 million for fiscal year 2002 and fiscal year 2003 in the  
7 Racing Facility Redevelopment Bond Fund placed from the takeout allocation under §  
8 11-1206(c)(1) and (2) of the Business Regulation Article shall be distributed to a  
9 special fund that shall be created to be used only to increase purses at harness racing  
10 tracks, mile thoroughbred tracks, and Timonium Race Course and to supplement  
11 existing bred funds in accordance with this Act.

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

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

18 (1) 11% to increase the bred funds to be allocated as follows:

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

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

21 (2) 89% to increase purses at harness racing tracks and thoroughbred  
22 racing tracks to be allocated as follows:

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

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

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

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

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

35 (e) The purses shall be distributed at mile thoroughbred racetracks and  
36 Timonium Race Course according to a formula determined by the State Racing

1 Commission in consultation with the racetrack licensees and the organization that  
2 represents a majority of owners and trainers of thoroughbred horses in the State.

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

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

11 SECTION ~~22,23.~~ AND BE IT FURTHER ENACTED, That Sections 2 through  
12 11 and 14 through 19 of this Act shall take effect July 1, 2002.

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

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

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

28 SECTION ~~26, 27.~~ AND BE IT FURTHER ENACTED, That Section 20 of this  
29 Act shall take effect July 1, 2003.

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

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

