

HOUSE BILL 475

Q6
HB 1294/06 – W&M & APP

71r1710

By: **Delegates Healey, Cardin, G. Clagett, V. Clagett, Davis, Gaines, Gilchrist, Haynes, Heller, Hixson, Howard, Hubbard, Ivey, James, Kaiser, N. King, Love, Montgomery, Niemann, Pendergrass, Rice, Ross, Stukes, F. Turner, and Walker**

Introduced and read first time: February 6, 2007
Assigned to: Ways and Means and Appropriations

A BILL ENTITLED

1 AN ACT concerning

2 **Public School Construction Assistance Act of 2007**

3 FOR the purpose of imposing recordation and transfer taxes on the transfer of
4 controlling interest in certain entities owning certain interests in real property
5 in Maryland; requiring the counties and Baltimore City for certain fiscal years
6 to dedicate certain recordation tax revenues to public school construction and
7 renovation; requiring the filing of a certain report; providing for a filing fee;
8 establishing the rate of taxation and the method of calculation of tax liability;
9 exempting certain transfers; providing for interest and a penalty for certain
10 filings; requiring the State Department of Assessments and Taxation to adopt
11 certain regulations; requiring the Department to deduct and credit certain
12 revenues to a certain fund; defining certain terms; providing for a delayed
13 effective date; and generally relating to the taxation of transfers of controlling
14 interests in certain entities.

15 BY repealing and reenacting, with amendments,
16 Article – Tax – Property
17 Section 12–110(d) and 13–209(a)
18 Annotated Code of Maryland
19 (2001 Replacement Volume and 2006 Supplement)

20 BY adding to
21 Article – Tax – Property

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 Section 12-110(e), 12-116, and 13-103
 2 Annotated Code of Maryland
 3 (2001 Replacement Volume and 2006 Supplement)

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

6 **Article - Tax - Property**

7 12-110.

8 (d) (1) **THE DEPARTMENT SHALL DEDUCT THE COST OF**
 9 **ADMINISTERING THE RECORDATION TAX FROM THE TAXES COLLECTED UNDER**
 10 **THIS TITLE AND CREDIT THOSE REVENUES TO THE FUND ESTABLISHED UNDER**
 11 **§ 1-203.3 OF THE CORPORATIONS AND ASSOCIATIONS ARTICLE.**

12 (2) [The] **AFTER DEDUCTING THE REVENUES REQUIRED UNDER**
 13 **PARAGRAPH (1) OF THIS SUBSECTION, THE** recordation tax collected under
 14 [§ 12-103(d)] §§ **12-103(D) AND 12-116** of this title shall be paid to the Comptroller.
 15 [After deduction of the cost to the Department of collecting the tax, the] **THE**
 16 Comptroller shall distribute the revenue to the counties in the ratio that the
 17 recordation tax collected in the prior fiscal year in each county bears to the total
 18 recordation tax collected in all counties in that year.

19 (E) (1) **EXCEPT AS PROVIDED IN PARAGRAPHS (2) AND (3) OF THIS**
 20 **SUBSECTION, FOR EACH FISCAL YEAR BEGINNING ON OR AFTER JULY 1, 2007,**
 21 **BUT BEFORE JULY 1, 2011, FROM THE RECORDATION TAX REVENUE RECEIVED**
 22 **FOR THE FISCAL YEAR, EACH COUNTY AND BALTIMORE CITY SHALL**
 23 **DISTRIBUTE THE FOLLOWING AMOUNT TO A SPECIAL FUND, TO BE USED TO PAY**
 24 **ONLY FOR THE COSTS OF PUBLIC SCHOOL CONSTRUCTION AND RENOVATION,**
 25 **INCLUDING PAYMENT OF DEBT SERVICE ON BONDS ISSUED TO PAY FOR PUBLIC**
 26 **SCHOOL CONSTRUCTION AND RENOVATION:**

27	ALLEGANY	\$ 194,483
28	ANNE ARUNDEL	5,423,188
29	BALTIMORE CITY	5,503,842
30	BALTIMORE	10,010,535
31	CALVERT	206,249

1	CAROLINE	103,244
2	CARROLL	572,629
3	CECIL	275,983
4	CHARLES	635,051
5	DORCHESTER	237,941
6	FREDERICK	1,259,692
7	GARRETT	185,564
8	HARFORD	1,578,950
9	HOWARD	3,419,937
10	KENT	122,344
11	MONTGOMERY	14,739,815
12	PRINCE GEORGE'S	8,950,826
13	QUEEN ANNE'S	203,578
14	ST. MARY'S	660,986
15	SOMERSET	33,310
16	TALBOT	400,653
17	WASHINGTON	626,786
18	WICOMICO	316,216
19	WORCESTER	758,200

20 **(2) FOR THE FISCAL YEAR BEGINNING JULY 1, 2007, THE**
 21 **AMOUNT REQUIRED TO BE DISTRIBUTED TO A SPECIAL FUND BY EACH COUNTY**
 22 **AND BALTIMORE CITY IS ONE-HALF OF THE AMOUNT SPECIFIED IN PARAGRAPH**
 23 **(1) OF THIS SUBSECTION.**

24 **(3) FOR ANY FISCAL YEAR, THE AMOUNT THAT A COUNTY IS**
 25 **REQUIRED TO DISTRIBUTE TO A SPECIAL FUND UNDER THIS SECTION MAY NOT**
 26 **EXCEED THE AMOUNT BY WHICH THE TOTAL REVENUE COLLECTED BY THE**

1 COUNTY FROM RECORDATION AND TRANSFER TAXES FOR THAT FISCAL YEAR
2 EXCEEDS THE TOTAL REVENUE COLLECTED BY THE COUNTY FROM
3 RECORDATION AND TRANSFER TAXES FOR FISCAL YEAR 2007, AFTER
4 ADJUSTING FOR ANY CHANGE IN TAX RATES.

5 (4) RECORDATION TAX REVENUES DEDICATED TO PUBLIC
6 SCHOOL CONSTRUCTION AND RENOVATION UNDER THIS SUBSECTION ARE
7 INTENDED TO SUPPLEMENT FUNDING FOR PUBLIC SCHOOL CONSTRUCTION AND
8 RENOVATION AND MAY NOT SUPPLANT OTHER COUNTY OR STATE FUNDING FOR
9 PUBLIC SCHOOL CONSTRUCTION AND RENOVATION.

10 12-116.

11 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE
12 MEANINGS INDICATED.

13 (2) "CONTROLLING INTEREST" MEANS:

14 (I) MORE THAN 80% OF THE TOTAL VALUE OF ALL CLASSES
15 OF STOCK OF A CORPORATION;

16 (II) MORE THAN 80% OF THE TOTAL INTEREST IN CAPITAL
17 AND PROFITS OF A PARTNERSHIP, ASSOCIATION, LIMITED LIABILITY COMPANY,
18 OR OTHER UNINCORPORATED FORM OF DOING BUSINESS; OR

19 (III) MORE THAN 80% OF THE BENEFICIAL INTEREST IN A
20 TRUST.

21 (3) "FINAL TRANSFER" MEANS THAT TRANSFER OF ANY PORTION
22 OF A CONTROLLING INTEREST THAT COMPLETES THE TRANSFER OF A
23 CONTROLLING INTEREST IN A REAL PROPERTY ENTITY.

24 (4) (I) "PLAN OF TRANSFER" MEANS AN INTENTIONAL PLAN
25 OR PROGRAM TO TRANSFER THE CONTROLLING INTEREST IN A REAL PROPERTY
26 ENTITY.

27 (II) "PLAN OF TRANSFER" DOES NOT INCLUDE A SERIES OF
28 SALES OF SHARES OF A PUBLICLY TRADED ENTITY.

1 (5) (I) **“REAL PROPERTY” MEANS REAL PROPERTY LOCATED**
2 **IN THE STATE.**

3 (II) **“REAL PROPERTY” DOES NOT INCLUDE:**

4 1. **A LEASEHOLD, UNLESS CREATED BY A LEASE**
5 **THAT IS REQUIRED TO BE RECORDED UNDER § 3-101(A) OF THE REAL**
6 **PROPERTY ARTICLE; OR**

7 2. **ANY MORTGAGE, DEED OF TRUST, OR OTHER LIEN**
8 **ON OR SECURITY INTEREST IN REAL PROPERTY THAT SECURES AN**
9 **INDEBTEDNESS.**

10 (6) (I) **“REAL PROPERTY ENTITY” MEANS A CORPORATION,**
11 **PARTNERSHIP, ASSOCIATION, LIMITED LIABILITY COMPANY, LIMITED LIABILITY**
12 **PARTNERSHIP, OTHER UNINCORPORATED FORM OF DOING BUSINESS, OR TRUST**
13 **THAT DIRECTLY OR BENEFICIALLY OWNS REAL PROPERTY THAT:**

14 1. **CONSTITUTES AT LEAST 80% OF THE VALUE OF**
15 **ITS ASSETS; AND**

16 2. **HAS AN AGGREGATE VALUE OF AT LEAST**
17 **\$1,000,000.**

18 (II) **FOR THE PURPOSES OF THIS PARAGRAPH, THE VALUE**
19 **OF REAL PROPERTY SHALL BE DETERMINED WITHOUT REDUCTION FOR ANY**
20 **MORTGAGE, DEED OF TRUST, OR OTHER LIEN ON OR SECURITY INTEREST IN**
21 **THE REAL PROPERTY.**

22 (III) **“REAL PROPERTY ENTITY” DOES NOT INCLUDE AN**
23 **ENTITY WITH LAND HOLDINGS THAT, OTHER THAN HOMESITES OR AREAS OF**
24 **COMMERCIAL ACTIVITY RELATED TO AGRICULTURAL PRODUCTION, ARE**
25 **ENTIRELY SUBJECT TO AN AGRICULTURAL USE ASSESSMENT UNDER § 8-209 OF**
26 **THIS ARTICLE.**

27 (B) (1) **THE RECORDATION TAX IS IMPOSED ON THE TRANSFER OF A**
28 **CONTROLLING INTEREST IN A REAL PROPERTY ENTITY, AS IF THE REAL**
29 **PROPERTY DIRECTLY OR BENEFICIALLY OWNED BY THE REAL PROPERTY**
30 **ENTITY, WAS CONVEYED BY AN INSTRUMENT OF WRITING THAT IS RECORDED**

1 WITH THE CLERK OF THE CIRCUIT COURT FOR A COUNTY OR FILED WITH THE
2 DEPARTMENT UNDER § 12-102 OF THIS SUBTITLE.

3 (2) (I) THE RECORDATION TAX IS IMPOSED ON THE
4 CONSIDERATION PAYABLE FOR THE TRANSFER OF THE CONTROLLING INTEREST
5 IN THE REAL PROPERTY ENTITY.

6 (II) THE CONSIDERATION TO WHICH THE RECORDATION TAX
7 APPLIES INCLUDES THE AMOUNT OF:

8 1. ANY MORTGAGE, DEED OF TRUST, OR OTHER LIEN
9 ON OR SECURITY INTEREST IN THE REAL PROPERTY DIRECTLY OR
10 BENEFICIALLY OWNED BY THE REAL PROPERTY ENTITY; AND

11 2. ANY OTHER DEBT OR ENCUMBRANCE OF THE
12 REAL PROPERTY ENTITY.

13 (III) THE CONSIDERATION TO WHICH THE RECORDATION
14 TAX APPLIES IS REDUCED BY THE AMOUNT ALLOCABLE TO THE ASSETS OF THE
15 REAL PROPERTY ENTITY OTHER THAN REAL PROPERTY.

16 (IV) THE REAL PROPERTY ENTITY HAS THE BURDEN OF
17 ESTABLISHING TO THE SATISFACTION OF THE DEPARTMENT THE
18 CONSIDERATION REFERRED TO IN SUBPARAGRAPH (I) OF THIS PARAGRAPH AND
19 THE AMOUNT OF ANY CONSIDERATION ALLOCABLE TO ASSETS OTHER THAN
20 REAL PROPERTY REFERRED TO IN SUBPARAGRAPH (III) OF THIS PARAGRAPH.

21 (V) IF THE REAL PROPERTY ENTITY FAILS TO ESTABLISH
22 THE AMOUNT OF CONSIDERATION REFERRED TO IN SUBPARAGRAPH (I) OF THIS
23 PARAGRAPH, THE RECORDATION TAX IS IMPOSED ON THE VALUE OF THE REAL
24 PROPERTY, DIRECTLY OR BENEFICIALLY OWNED BY THE REAL PROPERTY
25 ENTITY, DETERMINED BY THE DEPARTMENT AT THE DATE OF FINALITY
26 IMMEDIATELY BEFORE THE DATE OF THE FINAL TRANSFER.

27 (3) EXCEPT AS OTHERWISE PROVIDED IN § 12-103(D) OF THIS
28 SUBTITLE, THE RECORDATION TAX IS APPLIED AT THE RATE SET UNDER
29 § 12-103(B) OF THIS SUBTITLE BY THE COUNTY WHERE THE REAL PROPERTY IS
30 LOCATED.

1 **(C) (1) THE TRANSFER OF A CONTROLLING INTEREST IN A REAL**
2 **PROPERTY ENTITY IS NOT SUBJECT TO RECORDATION TAX IF THE TRANSFER OF**
3 **THE REAL PROPERTY BY AN INSTRUMENT OF WRITING BETWEEN THE SAME**
4 **PARTIES AND UNDER THE SAME CIRCUMSTANCES WOULD HAVE BEEN EXEMPT**
5 **UNDER § 12-108 OF THIS SUBTITLE.**

6 **(2) THE RECORDATION TAX IS NOT IMPOSED ON THE TRANSFER**
7 **OF A CONTROLLING INTEREST IN A REAL PROPERTY ENTITY EFFECTED IN MORE**
8 **THAN ONE TRANSACTION IF:**

9 **(I) THE TRANSFER IS COMPLETED OVER A PERIOD OF**
10 **MORE THAN 12 MONTHS; OR**

11 **(II) THE TRANSFER IS NOT MADE IN ACCORDANCE WITH A**
12 **PLAN OF TRANSFER.**

13 **(3) THE RECORDATION TAX IS NOT IMPOSED ON THE TRANSFER**
14 **OF A CONTROLLING INTEREST IN A REAL PROPERTY ENTITY TO ANOTHER**
15 **BUSINESS IF THE OWNERSHIP INTERESTS IN THE TRANSFEREE BUSINESS**
16 **ENTITY ARE HELD BY THE SAME PERSONS AND IN THE SAME PROPORTION AS IN**
17 **THE REAL PROPERTY ENTITY THE CONTROLLING INTEREST OF WHICH WAS**
18 **TRANSFERRED.**

19 **(4) THE RECORDATION TAX IS NOT IMPOSED ON THE TRANSFER**
20 **OF A CONTROLLING INTEREST IN A REAL PROPERTY ENTITY IF EACH**
21 **TRANSFEROR, EACH TRANSFEREE, AND EACH REAL PROPERTY ENTITY IS:**

22 **(I) A SUBSIDIARY CORPORATION, ALL OF THE STOCK OF**
23 **WHICH IS OWNED, DIRECTLY OR INDIRECTLY, BY A COMMON PARENT**
24 **CORPORATION;**

25 **(II) A PARTNERSHIP, ALL OF THE INTERESTS IN WHICH ARE**
26 **OWNED, DIRECTLY OR INDIRECTLY, BY ONE OR MORE SUBSIDIARIES OR THE**
27 **COMMON PARENT CORPORATION; OR**

28 **(III) THE COMMON PARENT CORPORATION.**

29 **(5) THE RECORDATION TAX IS NOT IMPOSED ON THE TRANSFER**
30 **OF A CONTROLLING INTEREST IN A REAL PROPERTY ENTITY IF THE**

1 TRANSFEREE OF THE CONTROLLING INTEREST IN THE REAL PROPERTY ENTITY
2 IS:

3 (I) A NONSTOCK CORPORATION ORGANIZED UNDER TITLE
4 5, SUBTITLE 2 OF THE CORPORATIONS AND ASSOCIATIONS ARTICLE; AND

5 (II) REGISTERED WITH THE DEPARTMENT OF AGING AS A
6 CONTINUING CARE RETIREMENT COMMUNITY UNDER ARTICLE 70B, § 9 OF THE
7 CODE.

8 (6) THE REAL PROPERTY ENTITY HAS THE BURDEN OF
9 ESTABLISHING TO THE SATISFACTION OF THE DEPARTMENT THE
10 APPLICABILITY OF ANY EXEMPTION REFERRED TO IN PARAGRAPHS (1)
11 THROUGH (5) OF THIS SUBSECTION.

12 (D) (1) THE REAL PROPERTY ENTITY SHALL FILE WITH THE
13 DEPARTMENT A REPORT OF ANY TRANSFER OF A CONTROLLING INTEREST IN
14 THE REAL PROPERTY ENTITY THAT IS COMPLETED WITHIN A PERIOD OF 12
15 MONTHS OR LESS WITHIN 30 DAYS FOLLOWING THE DATE OF THE FINAL
16 TRANSFER.

17 (2) THE REPORT SHALL INCLUDE ALL INFORMATION TO
18 ESTABLISH TO THE SATISFACTION OF THE DEPARTMENT:

19 (I) THE CONSIDERATION REFERRED TO IN SUBSECTION
20 (B)(2)(I) OF THIS SECTION;

21 (II) THE AMOUNT OF ASSETS OTHER THAN REAL ESTATE
22 REFERRED TO IN SUBSECTION (B)(2)(II) OF THIS SECTION; AND

23 (III) ANY EXEMPTION PROVIDED FOR IN SUBSECTION (C) OF
24 THIS SECTION.

25 (3) THE REPORT SHALL BE ACCOMPANIED BY PAYMENT OF:

26 (I) A \$20 FILING FEE; AND

27 (II) ANY TAX, INTEREST, AND PENALTY THAT IS DUE.

1 **(E) (1) IF ANY TAX DUE UNDER THIS SECTION REMAINS UNPAID FOR**
2 **30 DAYS AFTER THE DATE OF THE FINAL TRANSFER:**

3 **(I) INTEREST ON THE UNPAID AMOUNT SHALL ACCRUE**
4 **THEREAFTER AT THE RATE OF 1% PER MONTH; AND**

5 **(II) A PENALTY OF 10% OF THE UNPAID AMOUNT SHALL BE**
6 **DUE.**

7 **(2) ANY TAX, INTEREST, AND PENALTY DUE UNDER THIS SECTION**
8 **IS AN OBLIGATION OF THE REAL PROPERTY ENTITY.**

9 **(3) FOR REASONABLE CAUSE, THE DEPARTMENT MAY WAIVE THE**
10 **IMPOSITION OF INTEREST OR PENALTY.**

11 **(F) THIS SECTION DOES NOT APPLY TO:**

12 **(1) A PLEDGE OF STOCK OR OTHER INTEREST IN A REAL**
13 **PROPERTY ENTITY AS SECURITY FOR A LOAN; OR**

14 **(2) THE ADMISSION TO THE REAL PROPERTY ENTITY OF**
15 **ADDITIONAL SHAREHOLDERS, PARTNERS, BENEFICIAL OWNERS, OR OTHER**
16 **MEMBERS INCIDENT TO THE RAISING OF ADDITIONAL CAPITAL THROUGH A**
17 **PUBLIC OR PRIVATE OFFERING OF STOCK OR OTHER INTERESTS IN THE REAL**
18 **PROPERTY ENTITY IF:**

19 **(I) THE EFFECTIVE MANAGEMENT OF THE REAL PROPERTY**
20 **ENTITY IS NOT SUBSTANTIALLY CHANGED; AND**

21 **(II) UNDER THE TERMS OF THE OFFERING, NONE OF THE**
22 **NEW MEMBERS IS EXPECTED TO PARTICIPATE IN THE DAY-TO-DAY**
23 **MANAGEMENT OF THE REAL PROPERTY ENTITY.**

24 **(G) (1) THE DEPARTMENT SHALL ADOPT REGULATIONS TO**
25 **ADMINISTER THIS SECTION.**

26 **(2) THE REGULATIONS SHALL INCLUDE ANY ADDITIONAL**
27 **STANDARDS AND EXEMPTIONS TO ASSURE THAT:**

1 (I) A TAX IS IMPOSED WHEN A TRANSACTION IS
2 STRUCTURED INVOLVING A CONTROLLING INTEREST IN A REAL PROPERTY
3 ENTITY TO AVOID PAYMENT OF THE RECORDATION TAX;

4 (II) EXEMPTIONS PROVIDED BY LAW WHEN REAL PROPERTY
5 IS TRANSFERRED BY AN INSTRUMENT OF WRITING ARE APPLICABLE; AND

6 (III) THERE IS NO DOUBLE TAXATION OF A SINGLE
7 TRANSACTION.

8 **13-103.**

9 (A) IN THIS SECTION, "CONTROLLING INTEREST", "REAL PROPERTY",
10 AND "REAL PROPERTY ENTITY" HAVE THE MEANINGS STATED IN § 12-116 OF
11 THIS ARTICLE.

12 (B) (1) THE TAXES UNDER THIS TITLE ARE IMPOSED ON THE
13 TRANSFER OF A CONTROLLING INTEREST IN A REAL PROPERTY ENTITY AS IF
14 THE REAL PROPERTY, DIRECTLY OR BENEFICIALLY OWNED BY THE REAL
15 PROPERTY ENTITY, WAS CONVEYED BY AN INSTRUMENT OF WRITING THAT IS
16 RECORDED WITH THE CLERK OF THE CIRCUIT COURT FOR A COUNTY OR FILED
17 WITH THE DEPARTMENT UNDER § 13-202 OF THIS TITLE.

18 (2) THE TAXES UNDER THIS SECTION ARE IMPOSED ON THE
19 CONSIDERATION PAYABLE FOR THE TRANSFER OF THE CONTROLLING INTEREST
20 IN THE REAL PROPERTY ENTITY OR ON THE VALUE OF THE REAL PROPERTY
21 DIRECTLY OR BENEFICIALLY OWNED BY THE REAL PROPERTY ENTITY, AS
22 PROVIDED IN § 12-116(B)(2) OF THIS ARTICLE.

23 (3) (I) EXCEPT FOR THE COUNTY TRANSFER TAX, THE TAXES
24 UNDER THIS SECTION SHALL BE APPLIED AT THE RATES ESTABLISHED IN THIS
25 TITLE.

26 (II) THE COUNTY TRANSFER TAX SHALL BE APPLIED AT THE
27 RATE IMPOSED BY THE COUNTY WHERE THE REAL PROPERTY IS LOCATED.

28 (C) THE TAXES UNDER THIS TITLE ARE NOT IMPOSED ON THE
29 TRANSFER OF A CONTROLLING INTEREST IN A REAL PROPERTY ENTITY IN ANY
30 OF THE CIRCUMSTANCES DESCRIBED:

1 **(1) IN § 13-207 OF THIS TITLE THAT EXEMPTS AN INSTRUMENT**
2 **OF WRITING FROM THE TRANSFER TAX; OR**

3 **(2) IN § 12-116(C) OF THIS ARTICLE THAT EXEMPTS THE**
4 **TRANSFER OF A CONTROLLING INTEREST IN A REAL PROPERTY ENTITY FROM**
5 **THE RECORDATION TAX.**

6 **(D) IN EACH INSTANCE IN WHICH A CONTROLLING INTEREST IN A REAL**
7 **PROPERTY ENTITY IS TRANSFERRED, THE PROVISIONS OF § 12-116(D) AND (E)**
8 **OF THIS ARTICLE ARE APPLICABLE.**

9 **(E) THIS SECTION DOES NOT APPLY IN THE CIRCUMSTANCES**
10 **DESCRIBED IN § 12-116(F) OF THIS ARTICLE.**

11 **(F) THE DEPARTMENT SHALL ADOPT REGULATIONS TO ADMINISTER**
12 **THIS SECTION IN THE SAME MANNER AS IN § 12-116(G) OF THIS ARTICLE.**

13 13-209.

14 **(a) (1) THE DEPARTMENT SHALL DEDUCT THE COST OF**
15 **ADMINISTERING THE TRANSFER TAX FROM THE TAXES COLLECTED UNDER THIS**
16 **TITLE AND CREDIT THOSE REVENUES TO THE FUND ESTABLISHED UNDER**
17 **§ 1-203.3 OF THE CORPORATIONS AND ASSOCIATIONS ARTICLE.**

18 **(2) [The] AFTER DEDUCTING THE REVENUES REQUIRED UNDER**
19 **PARAGRAPH (1) OF THIS SUBSECTION, THE** revenue from transfer tax is payable to
20 the Comptroller for deposit in a special fund.

21 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
22 January 1, 2008.