By: Senator Stoltzfus Constitutional Requirements Complied with for Introduction in the last 35 Days of Session Introduced and read first time: March 9, 2007 Assigned to: Rules

A BILL ENTITLED

1 AN ACT concerning

2

Budget Reconciliation Act of 2007

3 FOR the purpose of altering certain provisions relating to State aid to certain local governments; altering certain provisions requiring the Governor to include 4 5 certain appropriations in the annual Budget Bill; altering the calculation of 6 certain State aid for public elementary and secondary education; altering the calculation of certain State funding for community colleges, the Baltimore City 7 8 Community College, and certain nonpublic institutions of higher education; 9 altering the calculation of certain State funding for local health services; requiring the Department of Health and Mental Hygiene to establish a 10 premium plan for Maryland Medical Assistance Program recipients as 11 authorized by and subject to the restrictions under a certain federal act; 12 repealing certain obsolete provisions; and generally relating to the financing of 13 14 State government.

- 15 BY repealing and reenacting, with amendments,
- 16 Article 24 Political Subdivisions Miscellaneous Provisions
- 17 Section 9–1101(a)(1) and 9–1102(a) and (b)
- 18 Annotated Code of Maryland
- 19 (2005 Replacement Volume and 2006 Supplement)
- 20 BY repealing and reenacting, with amendments,
- 21 Article 41 Governor Executive and Administrative Departments
- 22 Section 13–513(c)(5)(i)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW. [Brackets] indicate matter deleted from existing law.



1	Annotated Code of Maryland		
2	(2003 Replacement Volume and 2006 Supplement)		
3	BY repealing and reenacting, with amendments,		
4	Article 83A – Department of Business and Economic Development		
5	Section $4-208(g)$		
6	Annotated Code of Maryland		
7	(2003 Replacement Volume and 2006 Supplement)		
8	BY repealing and reenacting, with amendments,		
9	Article – Education		
10	Section 5–202(a)(13), 16–305(c)(1)(i), 16–512(a)(1), and 17–104(a)		
11	Annotated Code of Maryland		
12	(2006 Replacement Volume)		
13	BY repealing and reenacting, with amendments,		
14	Article – Health – General		
15	Section 2–302(b) and 15–103(a)(3)		
16	Annotated Code of Maryland		
17	(2005 Replacement Volume and 2006 Supplement)		
18	SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF		
19	MARYLAND, That the Laws of Maryland read as follows:		
20	Article 24 – Political Subdivisions – Miscellaneous Provisions		
21	9–1101.		
22	(a) (1) For each fiscal year, the Comptroller shall distribute to a county		
23	AN AMOUNT EQUAL TO 95% OF the amount determined for [each] THAT county		
24	under SUBSECTION (B) OF this section.		
25	9–1102.		
26	(a) [Except as provided in subsection (b) of this section, for] FOR each fiscal		
27	year THAT BEGINS ON OR BEFORE JULY 1, 2009, the State shall pay THE		
28	PERCENTAGE SPECIFIED IN SUBSECTION (B) OF THIS SECTION OF the following		
29	amounts to the following counties to reimburse the counties partially for the costs of		

30 the property tax exemption under § 7–237 of the Tax – Property Article:

31 Anne Arundel

\$7,820,202

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1	Baltimore City	453,421
2	Baltimore	1,794,835
3	Calvert	6,096,574
4	Charles	2,522,612
5	Dorchester	187,442
6	Garrett	11,907
7	Harford	860,767
8	Montgomery	2,765,553
9	Prince George's	7,744,806
10	Washington	$357,\!082$

11 (b) [For the fiscal year that begins on July 1, 2000, the State shall pay 50% 12 of] **OF** the amounts specified in subsection (a) of this section, **THE STATE SHALL PAY:**

13	(1) 75% FOR THE FISCAL YEAR THAT BEGINS ON JULY 1, 2007;		
14 15	(2) 50% FOR THE FISCAL YEAR THAT BEGINS ON JULY 1, 2008; AND		
16	(3) 25% FOR THE FISCAL YEAR THAT BEGINS ON JULY 1, 2009.		
17	Article 41 – Governor – Executive and Administrative Departments		
18	13–513.		
19 20 21 22	requirement specified in paragraph (4) of this subsection, the Governor shall include each year in the budget bill an appropriation to the Corporation for rural business		
23	1. For fiscal year 2008, [\$3,000,000] \$1,500,000 ;		

242.For fiscal year 2009, [\$3,500,000] \$2,000,000; and

1 3. For each of fiscal years 2010 through 2020, 2 [\$4,000,000] **\$2,500,000**. **Article 83A – Department of Business and Economic Development** 3 4 4 - 208.5 **[**(1) this subsection. "Governor's proposed (g) In General Fund appropriation" means the General Fund appropriation included by the Governor in the 6 annual budget bill as submitted to the General Assembly, including any proposed 7 8 supplemental budget, before any amendment by the General Assembly. 9 (2)The Governor shall include in the annual budget bill a proposed General Fund appropriation to the Fund in an amount not less than [\$6,000,000] 10 **\$5.000.000** for fiscal year [2006] **2008** and each fiscal year thereafter. 11 12 **Article – Education** 5 - 202.13 "Target per pupil foundation amount" means: 14 (a) (13)In fiscal year [2004, \$5,730] **2008, \$6,425**; and (i) 15 16 (ii) In subsequent fiscal years: 17 1. The target per pupil foundation amount for the prior fiscal year increased by the same percentage as the increase in the implicit price 18 deflator for State and local government expenditures for the second prior fiscal year: 19 20 or 21 2. If there is no increase in the implicit price deflator for 22 State and local government expenditures for the second prior fiscal year, the target per pupil foundation amount for the prior fiscal year. 23 24 16 - 305.The total State operating fund per full-time equivalent 25 (c) (1)(i) 26 student to the community colleges for each fiscal year as requested by the Governor 27 shall be:

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[In fiscal year 2007, not less than an amount equal to 1 1. 2 25% of the State's General Fund appropriation per full-time equivalent student to the 3 4-year public institutions of higher education in the State as designated by the 4 Commission for the purpose of administering the Joseph A. Sellinger Program under 5 Title 17 of this article in the previous fiscal year: 6 2.1 In fiscal year 2008, not less than an amount equal to 7 [25.5%] **23.5%** of the State's General Fund appropriation per full-time equivalent 8 student to the 4-year public institutions of higher education in the State as designated by the Commission for the purpose of administering the Joseph A. Sellinger Program 9 under Title 17 of this article in the previous fiscal year; 10 11 [3.] **2.** In fiscal year 2009, not less than an amount equal to [26.25%] **24.25%** of the State's General Fund appropriation per full-time equivalent 12 student to the 4-year public institutions of higher education in the State as designated 13 by the Commission for the purpose of administering the Joseph A. Sellinger Program 14 under Title 17 of this article in the previous fiscal year; 15 [4.] **3.** In fiscal year 2010, not less than an amount equal to 16 17 [27%] **25%** of the State's General Fund appropriation per full-time equivalent student to the 4-year public institutions of higher education in the State as designated by the 18 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 [5.] 4. In fiscal year 2011, not less than an amount equal to 22 [28%] **26**% of the State's General Fund appropriation per full-time equivalent student to the 4-year public institutions of higher education in the State as designated by the 23 24 Commission for the purpose of administering the Joseph A. Sellinger Program under 25 Title 17 of this article in the previous fiscal year; 26 [6.] **5.** In fiscal year 2012, not less than an amount equal to [29%] 27% of the State's General Fund appropriation per full-time equivalent student 27 to the 4-year public institutions of higher education in the State as designated by the 28 29 Commission for the purpose of administering the Joseph A. Sellinger Program under 30 Title 17 of this article in the previous fiscal year; and 31 [7.] 6. In fiscal year 2013 and in each fiscal year thereafter, not less than an amount equal to [30%] **28%** of the State's general fund appropriation 32 33 per full-time equivalent student to the 4-year public institutions of higher education in the State as designated by the Commission for the purpose of administering the 34

35 Joseph A. Sellinger Program under Title 17 of this article in the previous fiscal year. 1 16–512.

2 (a) (1) The total State operating fund per full-time equivalent student 3 appropriated to Baltimore City Community College for each fiscal year as requested by 4 the Governor shall be:

5 (i) [In fiscal year 2007, not less than an amount equal to 66% of 6 the State's General Fund appropriation per full-time equivalent student to the 4-year 7 public institutions of higher education in the State as designated by the Commission 8 for the purpose of administering the Joseph A. Sellinger Program under Title 17 of 9 this article in the previous fiscal year;

10 (ii)] In fiscal year 2008, not less than an amount equal to 11 [66.5%] **63.7**% of the State's General Fund appropriation per full-time equivalent 12 student to the 4-year public institutions of higher education in the State as designated 13 by the Commission for the purpose of administering the Joseph A. Sellinger Program 14 under Title 17 of this article in the previous fiscal year;

[(iii)] (II) In fiscal year 2009, not less than an amount equal to [67.25%] **64.45%** of the State's General Fund appropriation per full-time equivalent student to the 4-year public institutions of higher education in the State as designated by the Commission for the purpose of administering the Joseph A. Sellinger Program under Title 17 of this article in the previous fiscal year;

[(iv)] (III) In fiscal year 2010, not less than an amount equal to [68%] **65.2%** of the State's General Fund appropriation per full-time equivalent student to the 4-year public institutions of higher education in the State as designated by the Commission for the purpose of administering the Joseph A. Sellinger Program under Title 17 of this article in the previous fiscal year;

[(v)] (IV) In fiscal year 2011, not less than an amount equal to [69%] **66.2**% of the State's General Fund appropriation per full-time equivalent student to the 4-year public institutions of higher education in the State as designated by the Commission for the purpose of administering the Joseph A. Sellinger Program under Title 17 of this article in the previous fiscal year;

30 [(vi)] (V) In fiscal year 2012, not less than an amount equal to 31 [70%] 67.2% of the State's General Fund appropriation per full-time equivalent 32 student to the 4-year public institutions of higher education in the State as designated 33 by the Commission for the purpose of administering the Joseph A. Sellinger Program 34 under Title 17 of this article in the previous fiscal year; and [(vii)] (VI) In fiscal year 2013 and in each fiscal year thereafter, not less than an amount equal to [71%] **68.2%** of the State's General Fund appropriation per full-time equivalent student to the 4-year public institutions of higher education in the State as designated by the Commission for the purpose of administering the Joseph A. Sellinger Program under Title 17 of this article in the previous fiscal year.

7 17–104.

8 (a) The Maryland Higher Education Commission shall compute the amount 9 of the annual apportionment for each institution that qualifies under this subtitle by 10 multiplying:

11 (1) The number of full-time equivalent students enrolled at the 12 institution during the fall semester of the fiscal year preceding the fiscal year for 13 which the aid apportionment is made, as determined by the Maryland Higher 14 Education Commission times;

15 (2) [(i) In each of fiscal years 2003 and 2004, an amount not less 16 than 14.3% of the State's General Fund per full-time equivalent student appropriation 17 to the 4-year public institutions of higher education in this State for the preceding 18 fiscal year;

(ii) In fiscal year 2005, an amount not less than 15.2% of the
 State's General Fund per full-time equivalent student appropriation to the 4-year
 public institutions of higher education in this State for the preceding fiscal year; and

(iii)] In fiscal year [2006] 2008 and each fiscal year thereafter,
an amount not less than [16%] 12.5% of the State's General Fund per full-time
equivalent student appropriation to the 4-year public institutions of higher education
in this State for the preceding fiscal year.

 26
 Article – Health – General

 27
 2–302.

 28
 (b)

 29
 (1)

 [\$41.0 million] \$63,667,951 for fiscal year [1997] 2008; and

1 (2) For fiscal year [1998] **2009** and each subsequent fiscal year, the 2 amount of funding for fiscal year [1997] **2008** adjusted for:

3 (i) Inflation, as measured by the Consumer Price Index — all
4 urban consumers for the second preceding fiscal year, calculated by the U.S.
5 Department of Commerce; and

6 (ii) Population growth, as measured by the growth in the total 7 population of the State of Maryland for the second preceding fiscal year, according to 8 the most recent statistics available through the Department of Health and Mental 9 Hygiene.

10 15–103.

11 (a) (3) **(I)** Subject to restrictions in federal law or waivers, the 12 Department may impose cost-sharing on Program recipients.

(II) AS AUTHORIZED BY AND SUBJECT TO THE
 RESTRICTIONS UNDER THE FEDERAL DEFICIT REDUCTION ACT OF 2005 (P.L.
 109–171), THE DEPARTMENT SHALL ESTABLISH A PREMIUM PLAN FOR
 PROGRAM RECIPIENTS.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effectJuly 1, 2007.