

HOUSE BILL 27

B1

EMERGENCY BILL

8lr4528

By: **Delegates Eckardt, Aumann, Elmore, Frank, Haddaway, Jennings, Kach, Kipke, Krebs, Miller, O'Donnell, Schuh, and Smigiel**

Introduced and read first time: October 29, 2007

Assigned to: Appropriations

A BILL ENTITLED

1 AN ACT concerning

2 **Budget – Mandated Appropriations – Review**

3 FOR the purpose of requiring a certain itemized statement to be included in the
4 budget books with certain statutory references; requiring a certain summary
5 statement to be included in the budget books; requiring the synopses for certain
6 bills to include a certain statement; requiring certain bills to include certain
7 reporting and termination provisions; requiring certain fiscal notes and a
8 certain report to contain certain information; defining certain terms; making
9 this Act an emergency measure; and generally relating to the review of
10 mandated appropriations.

11 BY repealing and reenacting, with amendments,
12 Article – State Finance and Procurement
13 Section 7–121(a)
14 Annotated Code of Maryland
15 (2006 Replacement Volume and 2007 Supplement)

16 BY adding to
17 Article – State Finance and Procurement
18 Section 7–121.1
19 Annotated Code of Maryland
20 (2006 Replacement Volume and 2007 Supplement)

21 BY repealing and reenacting, with amendments,
22 Article – State Government
23 Section 2–1501, 2–1504, and 2–1505(e) and (j)
24 Annotated Code of Maryland
25 (2004 Replacement Volume and 2007 Supplement)

26 BY adding to

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 Article – State Government
2 Section 2–1504.1
3 Annotated Code of Maryland
4 (2004 Replacement Volume and 2007 Supplement)

5 BY repealing and reenacting, without amendments,
6 Article – State Government
7 Section 2–1505(c)(1)
8 Annotated Code of Maryland
9 (2004 Replacement Volume and 2007 Supplement)

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

12 **Article – State Finance and Procurement**

13 7–121.

14 (a) The budget books shall contain a section that, by unit of the State
15 government, sets forth, for each program or purpose of that unit:

16 (1) the total number of officers and employees and the number in each
17 job classification:

18 (i) authorized in the State budget for the last full fiscal year
19 and the current fiscal year; and

20 (ii) requested for the next fiscal year;

21 (2) the total amount for salaries of officers and employees and the
22 amount for salaries of each job classification:

23 (i) spent during the last full fiscal year;

24 (ii) authorized in the State budget for the current fiscal year;
25 and

26 (iii) requested for the next fiscal year;

27 (3) an itemized statement of the expenditures for contractual services,
28 supplies and materials, equipment, land and structures, fixed charges, and other
29 operating expenses:

30 (i) made in the last full fiscal year;

31 (ii) authorized in the State budget for the current fiscal year;
32 and

1 (iii) requested for the next fiscal year; [and]

2 (4) the StateStat or managing for results agency strategic plan
3 required under this article that shall be limited to a description of the agency's
4 mission, goals, objectives, and performance measures; **AND**

5 (5) **AN ITEMIZED STATEMENT OF THE APPROPRIATIONS THAT ARE**
6 **REQUIRED BY THE MARYLAND CONSTITUTION OR OTHER LAW TO BE INCLUDED**
7 **IN THE BUDGET BILL WITH THE APPROPRIATE STATUTORY REFERENCE.**

8 **7-121.1.**

9 **THE BUDGET BOOKS FOR EACH FISCAL YEAR SHALL CONTAIN A SUMMARY**
10 **OF THE APPROPRIATIONS INCLUDED IN THE BUDGET BILL IN ACCORDANCE**
11 **WITH § 7-108 OF THIS SUBTITLE.**

12 **Article – State Government**

13 2-1501.

14 (a) In this Part I of this subtitle the following words have the meanings
15 indicated.

16 (b) “Bill” includes a joint resolution.

17 (c) “Mandate” means a directive in a bill requiring a local government unit to
18 perform a task or assume a responsibility that has a discernible fiscal impact on the
19 local government unit.

20 (D) **“MANDATED APPROPRIATION” MEANS A REQUIREMENT IN A BILL**
21 **THAT THE GOVERNOR PROVIDE A MINIMUM LEVEL OF FUNDING IN THE ANNUAL**
22 **BUDGET BILL FOR A SPECIFIC PROGRAM IN THE STATE.**

23 2-1504.

24 (a) For each regular or special session of the General Assembly, the
25 Department of Legislative Services shall prepare and distribute, in serial order:

26 (1) a synopsis of each Senate bill that is introduced; and

27 (2) a synopsis of each House bill that is introduced.

28 (b) If the Department determines that a bill imposes a mandate on a local
29 government unit, the synopsis shall include a statement that “This bill imposes a
30 mandate on a local government unit.”

1 **(C) IF THE DEPARTMENT DETERMINES THAT A BILL REQUIRES A**
2 **MANDATED APPROPRIATION, THE SYNOPSIS SHALL INCLUDE A STATEMENT**
3 **THAT “THIS BILL REQUIRES A MANDATED APPROPRIATION IN THE ANNUAL**
4 **BUDGET BILL.”**

5 **2-1504.1.**

6 **A BILL THAT REQUIRES A MANDATED APPROPRIATION SHALL CONTAIN A**
7 **PROVISION THAT REQUIRES:**

8 **(1) ON OR BEFORE DECEMBER 1, WITHIN 2 YEARS AFTER THE**
9 **EFFECTIVE DATE OF THE ACT, A REPORT FROM THE APPROPRIATE STATE**
10 **AGENCY THAT:**

11 **(I) SUBJECT TO § 2-1246 OF THIS ARTICLE, IS PROVIDED**
12 **TO:**

13 **1. THE STANDING COMMITTEES OF THE GENERAL**
14 **ASSEMBLY WITH PRIMARY JURISDICTION OVER THE ACT; AND**

15 **2. THE STANDING BUDGET COMMITTEES OF THE**
16 **GENERAL ASSEMBLY; AND**

17 **(II) INCLUDES THE TOTAL FUNDING PROVIDED FOR THE**
18 **PROGRAM FROM ALL SOURCES SINCE THE EFFECTIVE DATE OF THE ACT,**
19 **INCLUDING THE PERCENTAGE OF MANDATED FUNDS; AND**

20 **(2) THE TERMINATION OF THE MANDATED APPROPRIATION**
21 **PROVISION IN THE BILL 3 YEARS AFTER THE EFFECTIVE DATE OF THE BILL**
22 **WITH NO FURTHER ACTION REQUIRED BY THE GENERAL ASSEMBLY.**

23 **2-1505.**

24 **(c) (1) The Executive Director of the Department of Legislative Services**
25 **shall have that Department prepare a fiscal note for each bill.**

26 **(e) (1) A fiscal note for a bill shall contain an estimate of the fiscal impact**
27 **of the bill on the revenues and expenditures of the State government and of local**
28 **governments:**

29 **(i) during the year in which the bill is to become effective and**
30 **the next 4 years after that year; and**

31 **(ii) if the full fiscal impact of a bill is not expected to occur**
32 **during those years, during each year until and the first year during which that impact**
33 **is expected to occur.**

1 (2) If a bill, as introduced or amended, imposes a mandate on a local
2 government unit, the fiscal note for the bill shall contain:

3 (i) a statement that clearly identifies the imposition of the
4 mandate; and

5 (ii) an estimate of the fiscal impact of the mandate and, if
6 applicable and if data is available, the effect on local property tax rates.

7 **(3) IF A BILL, AS INTRODUCED OR AMENDED, REQUIRES A**
8 **MANDATED APPROPRIATION, THE FISCAL NOTE FOR THE BILL SHALL CONTAIN:**

9 **(I) A STATEMENT THAT CLEARLY IDENTIFIES THE**
10 **IMPOSITION OF THE MANDATED APPROPRIATION; AND**

11 **(II) AN ESTIMATE OF THE FISCAL IMPACT OF THE**
12 **MANDATED APPROPRIATION.**

13 **[(3)] (4)** A fiscal note shall identify the sources of the information
14 that the Department used in preparing the estimates of fiscal impact.

15 (j) (1) In its summary report of legislation enacted by the General
16 Assembly that has a fiscal impact, the Department of Legislative Services shall
17 include a list of legislation that:

18 **(I) affects local government units and indicate which legislation**
19 **imposes mandates on local government units; OR**

20 **(II) REQUIRES A MANDATED APPROPRIATION IN THE**
21 **ANNUAL BUDGET BILL.**

22 (2) Where applicable and if data is available, the report shall indicate:

23 (i) the fiscal impact of the bill on local government units;

24 (ii) the impact of the bill on local property tax rates; [and]

25 (iii) the cumulative fiscal impact of all legislation imposing
26 mandates on more than one local government unit; **AND**

27 **(IV) THE CUMULATIVE FISCAL IMPACT OF ALL LEGISLATION**
28 **REQUIRING MANDATED APPROPRIATIONS.**

29 SECTION 2. AND BE IT FURTHER ENACTED, That this Act is an emergency
30 measure, is necessary for the immediate preservation of the public health or safety,

1 has been passed by a yea and nay vote supported by three-fifths of all the members
2 elected to each of the two Houses of the General Assembly, and shall take effect from
3 the date it is enacted.