

HOUSE BILL 1533

B1

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By: **The Minority Leader**

Introduced and read first time: March 8, 2010

Assigned to: Rules and Executive Nominations

A BILL ENTITLED

1 AN ACT concerning

2 **Deficit Reduction Financing Act of 2010**

3 FOR the purpose of repealing the Maryland Stem Cell Research Fund, the Stem Cell
4 Research Commission, and certain provisions of law providing for State-funded
5 stem cell research; repealing a certain grant program; repealing certain laws
6 authorizing and relating to senatorial and delegate scholarships; repealing
7 certain laws requiring certain contractors and subcontractors to pay certain
8 employees certain minimum wage rates under certain State procurement
9 contracts; altering certain funding requirements; requiring certain enrollment
10 calculations used for education aid to be based on the average daily attendance
11 in certain school years; repealing certain inflation adjustments for the
12 calculation of certain State funding requirements; altering the calculation of
13 certain State aid to community colleges; altering the calculation of certain State
14 funding for Baltimore City Community College; altering certain State aid
15 provided to certain nonpublic institutions of higher education; providing that
16 under certain circumstances retirees are not eligible for a certain prescription
17 drug benefit plan included in certain State employee health benefits; requiring
18 the State to provide a certain supplemental prescription drug benefit plan for
19 certain retirees; altering the distribution of certain motor fuel tax revenue;
20 altering the distribution of certain sales and use tax revenues from short-term
21 rental vehicles; requiring the Motor Vehicle Administration to issue a single
22 registration plate to all classes of vehicles; providing for the method of
23 attachment of the registration plate; making certain conforming changes and a
24 certain technical correction; authorizing the publisher of the Annotated Code to
25 make certain corrections; altering the distribution of certain highway user
26 revenues for a certain fiscal year; stating the intent of the General Assembly
27 regarding constraining spending in the State budget by implementation of
28 certain actions; making the provisions of this Act severable; providing for the
29 effective date and application of this Act; and generally relating to the financing
30 of State government.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



- 1 BY repealing
2 Article – Economic Development
3 Section 10–429 through 10–442 and the part “Part III. Stem Cell Research”
4 Annotated Code of Maryland
5 (2008 Volume and 2009 Supplement)
- 6 BY repealing
7 Article – Education
8 Section 5–202(f); 18–401 through 18–408 and the subtitle “Subtitle 4. Senatorial
9 Scholarships”; and 18–501 through 18–507 and the subtitle “Subtitle 5.
10 Delegate Scholarships”
11 Annotated Code of Maryland
12 (2008 Replacement Volume and 2009 Supplement)
- 13 BY repealing
14 Article – State Finance and Procurement
15 Section 18–101 through 18–109 and the title “Title 18. Living Wage”
16 Annotated Code of Maryland
17 (2009 Replacement Volume)
- 18 BY repealing and reenacting, with amendments,
19 Article – Education
20 Section 4–122(b)(2), 5–202(a), 5–205(c), 5–206(f), 14–405(b)(2), 16–305(c)(1)(i),
21 16–512(a)(1), and 17–104(a)
22 Annotated Code of Maryland
23 (2008 Replacement Volume and 2009 Supplement)
- 24 BY repealing and reenacting, without amendments,
25 Article – Education
26 Section 5–207(a)(4), 5–208(a)(6), 5–209(a)(7), 8–310.3(a)(4) and (b), and
27 8–317(a)(4), (b), and (c)
28 Annotated Code of Maryland
29 (2008 Replacement Volume and 2009 Supplement)
- 30 BY repealing and reenacting, with amendments,
31 Article – State Personnel and Pensions
32 Section 2–509.1
33 Annotated Code of Maryland
34 (2009 Replacement Volume and 2009 Supplement)
- 35 BY repealing and reenacting, with amendments,
36 Article – Tax – General
37 Section 2–1104 and 2–1302.1
38 Annotated Code of Maryland
39 (2004 Replacement Volume and 2009 Supplement)
- 40 BY repealing and reenacting, with amendments,
41 Article – Transportation

1 Section 13–410 and 13–411
2 Annotated Code of Maryland
3 (2009 Replacement Volume and 2009 Supplement)

4 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
5 MARYLAND, That Section(s) 10–429 through 10–442 and the part “Part III. Stem
6 Cell Research” of Article – Economic Development of the Annotated Code of Maryland
7 be repealed.

8 SECTION 2. AND BE IT FURTHER ENACTED, That Section(s) 5–202(f);
9 18–401 through 18–408 and the subtitle “Subtitle 4. Senatorial Scholarships”; and
10 18–501 through 18–507 and the subtitle “Subtitle 5. Delegate Scholarships” of Article
11 – Education of the Annotated Code of Maryland be repealed.

12 SECTION 3. AND BE IT FURTHER ENACTED, That Section(s) 18–101
13 through 18–109 and the title “Title 18. Living Wage” of Article – State Finance and
14 Procurement of the Annotated Code of Maryland be repealed.

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

17 **Article – Education**

18 4–122.

19 (b) (2) The service providing local education agency shall include a child
20 enrolled as the result of an out-of-county living arrangement in their full-time
21 equivalent enrollment as provided by [§ 5–202(a)(6)] **§ 5–202(A)** of this article.

22 5–202.

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

24 (2) **“ABSENTEEISM RATE” MEANS THE DIFFERENCE BETWEEN**
25 **1.00 AND THE AVERAGE DAILY ATTENDANCE RATE.**

26 [(2)] (3) “Annual per pupil foundation amount” means:

27 (i) For fiscal years 2004 through 2008, the sum, rounded to the
28 nearest dollar, of:

29 1. The fiscal year 2002 per pupil foundation amount of
30 \$4,124; and

31 2. The product of the difference between the target per
32 pupil foundation amount and \$4,124 and:

- 1 A. 0.40 in fiscal year 2004;
- 2 B. 0.52 in fiscal year 2005;
- 3 C. 0.71 in fiscal year 2006; and
- 4 D. 0.83 in fiscal year 2007; and

5 (ii) For fiscal year 2008 and each fiscal year thereafter, the
6 target per pupil foundation amount.

7 **[(3) (4)** “Assessed valuation of real property” means the most recent
8 estimate made by the State Department of Assessments and Taxation before the
9 annual State budget is submitted to the General Assembly, of the assessed value of
10 real property for State purposes as of July 1 of the first completed fiscal year before
11 the school year for which the calculation of State aid is made under this section.

12 **[(4) (5)** “Assessed value of personal property” means the most recent
13 estimate by the State Department of Assessments and Taxation before the annual
14 State budget is submitted to the General Assembly of the assessed value for county
15 purposes of personal property as of July 1 of the first completed fiscal year before the
16 school year for which the calculation is made under this section.

17 **(6) “AVERAGE DAILY ATTENDANCE RATE” MEANS THE SUM OF**
18 **STUDENTS ATTENDING SCHOOL EACH DAY DURING THE SECOND PRIOR SCHOOL**
19 **YEAR DIVIDED BY THE SUM OF STUDENT MEMBERSHIP FROM EACH DAY DURING**
20 **THE SECOND PRIOR SCHOOL YEAR.**

21 **[(5) (7)** “Foundation program” means the product of the annual per
22 pupil foundation amount and a county’s full-time equivalent enrollment.

23 **[(6) (8)** “Full-time equivalent enrollment” means the **[sum of]**
24 **DIFFERENCE BETWEEN:**

25 (i) **THE SUM OF:**

26 1. The number of students enrolled in **[grades 1**
27 **through] KINDERGARTEN THROUGH GRADE 12** or their equivalent in regular day
28 school programs on September 30 of the previous school year; **AND**

29 **[(ii)** Except as provided in item (iii) of this paragraph, the
30 product of the number of students enrolled in kindergarten programs on September 30
31 of the prior school year and:

32 1. 0.60 in fiscal year 2004;

- 1 2. 0.70 in fiscal year 2005;
- 2 3. 0.80 in fiscal year 2006;
- 3 4. 0.90 in fiscal year 2007; and
- 4 5. 1.00 in fiscal year 2008 and each fiscal year
- 5 thereafter;

6 (iii) In Garrett County, the number of students enrolled in

7 kindergarten programs on September 30 of the prior school year; and

8 (iv)] **2.** The number of full-time equivalent students, as

9 determined by a regulation of the Department, enrolled in evening high school

10 programs during the previous school year; **AND**

11 **(II) THE PRODUCT OF MULTIPLYING:**

12 **1. THE NUMBER DERIVED IN ITEM (I) OF THIS**

13 **PARAGRAPH; AND**

14 **2. THE ABSENTEEISM RATE.**

15 **[(7)] (9)** “Local contribution rate” means the figure that is calculated

16 as follows:

17 (i) Multiply the statewide full-time equivalent enrollment by

18 \$624, and multiply this product by:

- 19 1. 0.46 in fiscal year 2004;
- 20 2. 0.47 in fiscal year 2005;
- 21 3. 0.48 in fiscal year 2006;
- 22 4. 0.49 in fiscal year 2007; and
- 23 5. 0.50 in fiscal year 2008 and each fiscal year
- 24 thereafter;

25 (ii) Multiply the statewide full-time equivalent enrollment by

26 the amount that the annual per pupil foundation amount exceeds \$624, and multiply

27 this product by 0.50;

28 (iii) Add the two products calculated in items (i) and (ii) of this

29 paragraph, and divide the resulting sum by the sum of the wealth of all of the counties

30 in this State; and

1 (iv) Round the result obtained in item (iii) of this paragraph to
2 seven decimal places and express as a percent with five decimal places.

3 **[(8)] (10)** “Local share of the foundation program” means the product
4 of the local contribution rate and a county’s wealth.

5 **[(9)] (11)** “Net taxable income” means the amount certified by the
6 State Comptroller for the second completed calendar year before the school year for
7 which the calculation of State aid under this section is made, based on tax returns
8 filed on or before September 1 after this calendar year.

9 **[(10)] (12)** “Personal property” means all property classified as personal
10 property under § 8–101(c) of the Tax – Property Article.

11 **[(11)] (13)** “Real property” means all property classified as real
12 property under § 8–101(b) of the Tax – Property Article.

13 **[(12)] (14)** “State share of the foundation program” means the greater
14 of:

15 (i) The difference between the foundation program and the
16 local share of the foundation program; and

17 (ii) The result obtained by multiplying the annual per pupil
18 foundation amount by the county’s full–time equivalent enrollment, and multiplying
19 this product by:

20 1. 0.25 in fiscal year 2004;

21 2. 0.24 in fiscal year 2005;

22 3. 0.22 in fiscal year 2006;

23 4. 0.19 in fiscal year 2007; and

24 5. 0.15 in fiscal year 2008 and each fiscal year
25 thereafter.

26 **[(13)] (15)** “Target per pupil foundation amount” means[:

27 (i) In fiscal years 2008, 2009, and 2010,] \$6,694[;

28 (ii) Except as provided in item (iii) of this paragraph, in
29 subsequent fiscal years:

1 1. The target per pupil foundation amount for the prior
2 fiscal year increased by the same percentage as the lesser of:

3 A. The increase in the implicit price deflator for State
4 and local government expenditures for the second prior fiscal year;

5 B. The Consumer Price Index for all urban consumers for
6 the Washington–Baltimore metropolitan area, or any successor index, for the second
7 prior fiscal year; or

8 C. 5%; or

9 2. If there is no increase in the implicit price deflator for
10 State and local government expenditures for the second prior fiscal year or in the
11 Consumer Price Index for all urban consumers for the Washington–Baltimore
12 metropolitan area, or any successor index, for the second prior fiscal year, the target
13 per pupil foundation amount for the prior fiscal year; and

14 (iii) In fiscal year 2012:

15 1. The target per pupil foundation amount for the prior
16 fiscal year increased by the same percentage as the lesser of:

17 A. The increase in the implicit price deflator for State
18 and local government expenditures for the second prior fiscal year;

19 B. The Consumer Price Index for all urban consumers for
20 the Washington–Baltimore metropolitan area, or any successor index, for the second
21 prior fiscal year; or

22 C. 1%; or

23 2. If there is no increase in the implicit price deflator for
24 State and local government expenditures for the second prior fiscal year or in the
25 Consumer Price Index for all urban consumers for the Washington–Baltimore
26 metropolitan area, or any successor index, for the second prior fiscal year, the target
27 per pupil foundation amount for the prior fiscal year].

28 [(14)] (16) “Wealth” means the sum of:

29 (i) Net taxable income;

30 (ii) 100 percent of the assessed value of the operating real
31 property of public utilities;

32 (iii) 40 percent of the assessed valuation of all other real
33 property; and

1 (iv) 50 percent of assessed value of personal property.

2 5–205.

3 (c) (1) In this subsection, “full–time equivalent enrollment” has the
4 meaning stated in § 5–202 of this subtitle.

5 (2) [Subject to the limitations under paragraph (3) of this subsection,
6 for] **FOR** fiscal year [2004] **2011** and every year thereafter, the amount of a county’s
7 base grant for student transportation shall be equal to the amount of the county’s base
8 grant for student transportation for the previous year [increased by the same
9 percentage as the increase in the private transportation category of the Consumer
10 Price Index for all urban consumers, for the Washington–Baltimore metropolitan area,
11 as of July of the fiscal year preceding the year for which the amount is being
12 calculated,] plus an additional amount equal to the product of:

13 (i) The total amount of funds distributed by the State as base
14 grants for student transportation for the previous fiscal year divided by the statewide
15 full–time equivalent enrollment for the previous fiscal year; and

16 (ii) The difference between the full–time equivalent enrollment
17 in a county for the current fiscal year and the full–time equivalent enrollment in the
18 county for the previous fiscal year, or, if the full–time equivalent enrollment in a
19 county for the current fiscal year is less than the full–time equivalent enrollment in
20 the county for the previous fiscal year, zero.

21 [(3) (i) Except as provided in subparagraph (ii) of this paragraph,
22 the increase in the amount of a base grant for student transportation that is based on
23 the increase in the private transportation category of the Consumer Price Index may
24 not be less than 3 percent nor more than 8 percent of the amount of the grant for the
25 previous year.

26 (ii) For fiscal year 2012, the increase in the amount of a base
27 grant for student transportation that is based on the increase in the private
28 transportation category of the Consumer Price Index may not be more than 1 percent
29 of the amount of the grant for the previous year.]

30 5–206.

31 (f) (1) In fiscal year 2006 and in each fiscal year thereafter, the State
32 shall distribute grants to county boards under the Aging Schools Program
33 administered by the Interagency Committee on School Construction in amounts equal
34 to the funding level calculated under paragraph (2) of this subsection.

35 (2) The funding level for a county is:

1
2 counties:

(i) In fiscal year 2011, the following amounts for the following

- 3 1. Allegany County\$97,791;
- 4 2. Anne Arundel County\$506,038;
- 5 3. Baltimore City\$1,387,924;
- 6 4. Baltimore County\$874,227;
- 7 5. Calvert County\$38,292;
- 8 6. Caroline County.....\$50,074;
- 9 7. Carroll County\$137,261;
- 10 8. Cecil County.....\$96,024;
- 11 9. Charles County\$50,074;
- 12 10. Dorchester County\$38,292;
- 13 11. Frederick County.....\$182,622;
- 14 12. Garrett County\$38,292;
- 15 13. Harford County.....\$217,379;
- 16 14. Howard County.....\$87,776;
- 17 15. Kent County.....\$38,292;
- 18 16. Montgomery County.....\$602,651;
- 19 17. Prince George’s County.....\$1,209,426;
- 20 18. Queen Anne’s County.....\$50,074;
- 21 19. St. Mary’s County\$50,074;
- 22 20. Somerset County\$38,292;
- 23 21. Talbot County\$38,292;
- 24 22. Washington County.....\$134,904;
- 25 23. Wicomico County \$106,627; and

1		24.	Worcester County	\$38,292;
2				
3	counties:	[(ii)	In fiscal year 2012, the following amounts for the following	
4		1.	Allegany County	\$166,000;
5		2.	Anne Arundel County	\$859,000;
6		3.	Baltimore City	\$2,356,000;
7		4.	Baltimore County	\$1,484,000;
8		5.	Calvert County	\$65,000;
9		6.	Caroline County.....	\$85,000;
10		7.	Carroll County	\$233,000;
11		8.	Cecil County.....	\$163,000;
12		9.	Charles County	\$85,000;
13		10.	Dorchester County	\$65,000;
14		11.	Frederick County.....	\$310,000;
15		12.	Garrett County	\$65,000;
16		13.	Harford County.....	\$369,000;
17		14.	Howard County.....	\$149,000;
18		15.	Kent County.....	\$65,000;
19		16.	Montgomery County.....	\$1,023,000;
20		17.	Prince George's County.....	\$2,053,000;
21		18.	Queen Anne's County.....	\$85,000;
22		19.	St. Mary's County	\$85,000;
23		20.	Somerset County	\$65,000;
24		21.	Talbot County	\$65,000;

- 1 22. Washington County.....\$229,000;
- 2 23. Wicomico County \$181,000; and
- 3 24. Worcester County.....\$65,000;] and

4 [(iii) (II) [Except as provided in paragraph (3) of this
5 subsection, in] IN fiscal year [2013] 2012 and in each fiscal year thereafter, the
6 funding level for the county for the prior fiscal year [increased by the product of the
7 funding level for the county for the prior fiscal year and the percentage change in the
8 Consumer Price Index – all urban consumers – all items, as published by the Bureau
9 of Labor Statistics of the United States Department of Labor, for the second prior
10 fiscal year].

11 [(3) If the funding level calculated under paragraph (2)(ii) of this
12 subsection is less than the funding level for the prior fiscal year, the funding level for
13 the county shall be the funding level for the prior fiscal year.]

14 5–207.

15 (a) (4) “Compensatory education per pupil amount” means 97% of the
16 annual per pupil foundation amount calculated under § 5–202 of this subtitle
17 multiplied by the State share of compensatory education funding.

18 5–208.

19 (a) (6) “LEP per pupil amount” means 99% of the annual per pupil
20 foundation amount calculated under § 5–202 of this subtitle multiplied by the State
21 share of LEP funding.

22 5–209.

23 (a) (7) “Special education per pupil amount” means 74% of the annual per
24 pupil foundation amount calculated under § 5–202 of this subtitle multiplied by the
25 State share of special education funding.

26 8–310.3.

27 (a) (4) “Per pupil basic current expense figure” means the figure
28 calculated for each fiscal year by the Department in accordance with § 5–202 of this
29 article.

30 (b) (1) Except as provided in paragraph (2) of this subsection, the
31 Maryland School for the Deaf shall receive an appropriation equal to or greater than
32 the sum of:

1 (i) 75% of the prior year appropriation multiplied by the
2 product of:

3 1. The sum of the weighted enrollment growth plus one;
4 and

5 2. The sum of the growth in the per pupil basic current
6 expense figure plus one; and

7 (ii) 25% of the prior year appropriation multiplied by the sum of
8 the weighted enrollment growth plus one.

9 (2) The minimum appropriation required under paragraph (1) of this
10 subsection may be reduced to the extent reductions are made to the administrative
11 expenses of the Maryland School for the Deaf.

12 8-317.

13 (a) (4) "Per pupil basic current expense figure" means the figure
14 calculated for each fiscal year by the Department in accordance with § 5-202 of this
15 article.

16 (b) (1) Except as provided in paragraph (2) of this subsection and
17 subsection (c) of this section, the Maryland School for the Blind shall receive an
18 appropriation equal to or greater than the sum of:

19 (i) 75% of the prior year appropriation multiplied by the
20 product of:

21 1. The sum of the weighted enrollment growth plus one;
22 and

23 2. The sum of the growth in the per pupil basic current
24 expense figure plus one; and

25 (ii) 25% of the prior year appropriation multiplied by the sum of
26 the weighted enrollment growth plus one.

27 (2) The minimum appropriation required under paragraph (1) of this
28 subsection may be reduced to the extent reductions are made to the administrative
29 expenses of the Maryland School for the Blind.

30 (c) The "prior year appropriation" used to calculate the fiscal year 2000
31 appropriation to the Maryland School for the Blind shall be \$11,585,436.

32 14-405.

1 (b) (2) (i) For fiscal year 1993, the grant shall be as provided for in the
2 State fiscal year 1993 appropriation.

3 [(ii) For fiscal year 1994 and each year thereafter, the proposed
4 grant shall be equal to the grant of the prior year augmented by funds required to
5 offset inflation as indicated by the implicit price deflator for State and local
6 government.]

7 (II) IN EACH FISCAL YEAR BEGINNING WITH FISCAL YEAR
8 2011, THE PROPOSED GRANT SHALL BE EQUAL TO THE GRANT OF THE PRIOR
9 YEAR.

10 16-305.

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

14 1. In fiscal year 2009, not less than an amount equal to
15 26.25% of the State's General Fund appropriation per full-time equivalent student to
16 the 4-year public institutions of higher education in the State as designated by the
17 Commission for the purpose of administering the Joseph A. Sellinger Program under
18 Title 17 of this article in the previous fiscal year;

19 2. In fiscal year 2010, not less than an amount equal to
20 23.6% of the State's General Fund appropriation per full-time equivalent student to
21 the 4-year public institutions of higher education in the State as designated by the
22 Commission for the purpose of administering the Joseph A. Sellinger Program under
23 Title 17 of this article in the same fiscal year; **AND**

24 3. In fiscal year 2011 **AND IN EACH FISCAL YEAR**
25 **THEREAFTER**, not less than an amount equal to [24%] **20%** of the State's General
26 Fund appropriation per full-time equivalent student to the 4-year public institutions
27 of higher education in the State as designated by the Commission for the purpose of
28 administering the Joseph A. Sellinger Program under Title 17 of this article in the
29 same fiscal year[;

30 4. In fiscal year 2012, not less than an amount equal to
31 25% of the State's General Fund appropriation per full-time equivalent student to the
32 4-year public institutions of higher education in the State as designated by the
33 Commission for the purpose of administering the Joseph A. Sellinger Program under
34 Title 17 of this article in the same fiscal year;

35 5. In fiscal year 2013, not less than an amount equal to
36 27% of the State's General Fund appropriation per full-time equivalent student to the
37 4-year public institutions of higher education in the State as designated by the

1 Commission for the purpose of administering the Joseph A. Sellinger Program under
2 Title 17 of this article in the same fiscal year; and

3 6. In fiscal year 2014 and in each fiscal year thereafter,
4 not less than an amount equal to 29% of the State's General Fund appropriation per
5 full-time equivalent student to the 4-year public institutions of higher education in
6 the State as designated by the Commission for the purpose of administering the
7 Joseph A. Sellinger Program under Title 17 of this article in the same fiscal year].

8 16-512.

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

12 (i) In fiscal year 2009, not less than an amount equal to 67.25%
13 of the State's General Fund appropriation per full-time equivalent student to the
14 4-year public institutions of higher education in the State as designated by the
15 Commission for the purpose of administering the Joseph A. Sellinger Program under
16 Title 17 of this article in the previous fiscal year;

17 (ii) In fiscal year 2010, not less than an amount equal to 65.1%
18 of the State's General Fund appropriation per full-time equivalent student to the
19 4-year public institutions of higher education in the State as designated by the
20 Commission for the purpose of administering the Joseph A. Sellinger Program under
21 Title 17 of this article in the same fiscal year; **AND**

22 (iii) In fiscal year 2011 **AND EACH FISCAL YEAR THEREAFTER**,
23 not less than an amount equal to 65.5% of the State's General Fund appropriation per
24 full-time equivalent student to the 4-year public institutions of higher education in
25 the State as designated by the Commission for the purpose of administering the
26 Joseph A. Sellinger Program under Title 17 of this article in the same fiscal year];

27 (iv) In fiscal year 2012, not less than an amount equal to 66% of
28 the State's General Fund appropriation per full-time equivalent student to the 4-year
29 public institutions of higher education in the State as designated by the Commission
30 for the purpose of administering the Joseph A. Sellinger Program under Title 17 of
31 this article in the same fiscal year;

32 (v) In fiscal year 2013, not less than an amount equal to 67% of
33 the 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 same fiscal year; and

37 (vi) In fiscal year 2014 and each fiscal year thereafter, not less
38 than an amount equal to 68.5% of the State's General Fund appropriation per

1 full-time equivalent student to the 4-year public institutions of higher education in
2 the State as designated by the Commission for the purpose of administering the
3 Joseph A. Sellinger Program under Title 17 of this article in the same fiscal year].

4 17-104.

5 (a) The Maryland Higher Education Commission shall compute the amount
6 of the annual apportionment for each institution that qualifies under this subtitle by
7 multiplying the number of full-time equivalent students enrolled at the institution
8 during the fall semester of the fiscal year preceding the fiscal year for which the aid
9 apportionment is made, as determined by the Maryland Higher Education
10 Commission by:

11 (1) In fiscal year 2009, an amount not less than 16% of the State's
12 General Fund per full-time equivalent student appropriation to the 4-year public
13 institutions of higher education in this State for the preceding fiscal year;

14 (2) In fiscal year 2010, an amount not less than 12.85% of the State's
15 General Fund per full-time equivalent student appropriation to the 4-year public
16 institutions of higher education in the State for the same fiscal year; **AND**

17 (3) In fiscal year 2011 **AND EACH FISCAL YEAR THEREAFTER**, an
18 amount not less than [13%] **7.6%** of the State's General Fund per full-time equivalent
19 student appropriation to the 4-year public institutions of higher education in this
20 State for the same fiscal year[;

21 (4) In fiscal year 2012, an amount not less than 13.5% of the State's
22 General Fund per full-time equivalent student appropriation to the 4-year public
23 institutions of higher education in this State for the same fiscal year;

24 (5) In fiscal year 2013, an amount not less than 14% of the State's
25 General Fund per full-time equivalent student appropriation to the 4-year public
26 institutions of higher education in this State for the same fiscal year;

27 (6) In fiscal year 2014, an amount not less than 14.5% of the State's
28 General Fund per full-time equivalent student appropriation to the 4-year public
29 institutions of higher education in this State for the same fiscal year; and

30 (7) In fiscal year 2015 and each fiscal year thereafter, an amount not
31 less than 15.5% of the State's General Fund per full-time equivalent student
32 appropriation to the 4-year public institutions of higher education in this State for the
33 same fiscal year].

34 **Article – State Personnel and Pensions**

35 2-509.1.

1 **(A)** The State shall continue to include a prescription drug benefit plan in the
2 health insurance benefit options established under the Program [and available to
3 retirees under].

4 **(B) NOTWITHSTANDING** §§ 2-508 and 2-509 of this subtitle
5 [notwithstanding the enactment of], **TO THE EXTENT ALLOWED UNDER** the federal
6 Medicare Prescription Drug, Improvement, and Modernization Act of 2003 or any
7 other federal law [permitting states to discontinue], **BEGINNING IN FISCAL YEAR**
8 **2011:**

9 **(1) RETIREES WHO ARE ELIGIBLE TO ENROLL IN FEDERAL**
10 **PRESCRIPTION DRUG BENEFITS UNDER MEDICARE PART D MAY NOT**
11 **PARTICIPATE IN THE** prescription drug benefit [plans to retirees of a state] **PLAN**
12 **AVAILABLE TO ACTIVE STATE EMPLOYEES; AND**

13 **(2) THE STATE SHALL INCLUDE IN THE HEALTH INSURANCE**
14 **BENEFIT OPTIONS ESTABLISHED UNDER THE PROGRAM A SUPPLEMENTAL**
15 **PRESCRIPTION DRUG BENEFIT PLAN AVAILABLE TO RETIREES WHO ARE**
16 **ELIGIBLE FOR FEDERAL PRESCRIPTION DRUG BENEFITS UNDER MEDICARE**
17 **PART D.**

18 **Article – Tax – General**

19 2-1104.

20 [(a) Except as provided in subsections (b) and (c) of this section, after] **AFTER**
21 making the distributions required under §§ 2-1101 through 2-1103 of this subtitle,
22 from the remaining motor fuel tax revenue, the Comptroller shall distribute:

23 (1) 2.3% to the [Chesapeake Bay 2010 Trust Fund] **GENERAL FUND**
24 **OF THE STATE;** and

25 (2) any remaining balance to the Gasoline and Motor Vehicle Revenue
26 Account of the Transportation Trust Fund.

27 [(b) For the fiscal year beginning July 1, 2008, instead of the distribution
28 required under subsection (a)(1) of this section, the Comptroller shall distribute 2.3%
29 of the remaining motor fuel tax revenue as follows:

30 (1) \$6,500,000 to the General Fund of the State; and

31 (2) the balance to the Chesapeake Bay 2010 Trust Fund.

32 (c) For the fiscal year beginning July 1, 2009, instead of the distribution
33 required under subsection (a)(1) of this section, the Comptroller shall distribute 2.3%
34 of the remaining motor fuel tax revenue as follows:

1 (1) \$8,385,845 to the General Fund of the State; and

2 (2) the balance to the Chesapeake Bay 2010 Trust Fund.]

3 2-1302.1.

4 [(a) Except as provided in subsections (b) and (c) of this section, after] **AFTER**
5 making the distributions required under §§ 2-1301 and 2-1302 of this subtitle, of the
6 sales and use tax collected on short-term vehicle rentals under § 11-104(c) of this
7 article the Comptroller shall distribute:

8 (1) 45% to the Transportation Trust Fund established under § 3-216
9 of the Transportation Article; and

10 (2) the remainder to the [Chesapeake Bay 2010 Trust Fund]
11 **GENERAL FUND OF THE STATE.**

12 [(b) For the fiscal year beginning July 1, 2008, after the distribution required
13 under subsection (a)(1) of this section, the Comptroller shall distribute the remainder
14 of the sales and use tax collected on short-term vehicle rentals under § 11-104(c) of
15 this article as follows:

16 (1) \$18,500,000 to the General Fund of the State; and

17 (2) the remainder to the Chesapeake Bay 2010 Trust Fund.

18 (c) For the fiscal year beginning July 1, 2009, after the distribution required
19 under subsection (a)(1) of this section, the Comptroller shall distribute the remainder
20 of the sales and use tax collected on short-term vehicle rentals under § 11-104(c) of
21 this article as follows:

22 (1) \$13,100,711 to the General Fund of the State; and

23 (2) the remainder to the Chesapeake Bay 2010 Trust Fund.]

24 **Article – Transportation**

25 13-410.

26 (a) (1) [Except as otherwise provided in this title, when] **WHEN** it
27 registers a vehicle, the Administration shall issue [to the owner:

28 (i) **One] ONE** registration plate[, if the vehicle is a Class D
29 (motorcycle) vehicle, Class F (tractor) vehicle, or Class G (trailer) vehicle; and

1 (ii) Two registration plates for every other vehicle] **TO THE**
2 **OWNER OF THE VEHICLE.**

3 (2) [However, as to temporary registration, the] **THE** Administration
4 may provide for the issuance of [only] one temporary registration plate for any vehicle.

5 (b) (1) [Each] **THE** registration plate shall display:

6 (i) The registration number assigned to the vehicle for which it
7 is issued; and

8 (ii) The name of this State, which may be abbreviated.

9 (2) The registration number may consist of letters, numerals, or both.

10 (c) (1) This subsection applies only to the following vehicles:

11 (i) A Class A (passenger) vehicle;

12 (ii) A Class E (truck) vehicle registered or capable of
13 registration under § 13–917 of this title; and

14 (iii) A Class M (multipurpose) vehicle.

15 (2) At the option of the registered owner of a vehicle for which A
16 registration [plates are] **PLATE IS** issued under this title, in addition to the
17 information otherwise required to be shown on the registration [plates] **PLATE**, the
18 registration [plates] **PLATE** may display a sticker indicating the name of the county,
19 including Baltimore City, in which the owner of the vehicle resides.

20 (3) The Administration shall:

21 (i) Approve a sticker design option that complies with
22 paragraph (2) of this subsection; and

23 (ii) Offer to each vehicle owner applying for A new or
24 replacement registration [plates] **PLATE** under this title the option to select a sticker
25 that displays the owner's county of residence.

26 (4) In addition to the annual registration fee otherwise required under
27 this title, the Administration may charge a fee, not to exceed its costs, for issuing or
28 replacing the county sticker offered under this subsection.

29 (5) A vehicle owner may not display stickers that show a county name
30 other than the owner's county of residence.

1 (6) A county sticker issued under this subsection may not be placed on
2 a special registration plate or a commemorative registration plate issued under
3 Subtitle 6 of this title.

4 (d) Registration plates may be reflectorized and shall be manufactured of a
5 material warranted to have a durability of at least 5 years. However, prior to
6 registration plates being reflectorized, the Administration shall obtain approval of the
7 General Assembly through a budget item.

8 (e) (1) During subsequent registration years, the Administrator may
9 order the continued use of registration plates that are valid during any current
10 registration year, and, after so doing, the Administrator shall issue, at the time a
11 vehicle's registration is renewed, a validation tab to evidence payment of the vehicle's
12 annual registration fee.

13 (2) The tab shall be displayed on the [plates] **PLATE** of the vehicle in
14 the manner that the Administrator requires.

15 (3) The Administrator from time to time shall evaluate the condition
16 of registration plates issued under this title and may provide for the manufacture and
17 issuance of new registration plates. These new registration plates shall be issued and
18 subsequently validated in the manner required by this subtitle.

19 (f) Notwithstanding the provisions of subsection [(c)] **(D)** of this section, the
20 Administration may issue reflectorized registration plates under §§ 13-618 and
21 13-619 of this title.

22 (g) The dimensions of a registration plate issued for a Class D (motorcycle)
23 vehicle shall be 7 inches wide by 4 inches high.

24 13-411.

25 (a) [On a vehicle for which two registration plates are required, one plate
26 shall be attached on the front and the other on the rear of the vehicle.

27 (b) On a vehicle for which one registration plate is required, the] **THE**
28 **REGISTRATION** plate shall be attached on the:

29 (1) Front of the vehicle for a Class F (tractor) vehicle; and

30 (2) Rear of the vehicle for every other vehicle.

31 [(c)] **(B)** At all times, [each] **THE** registration plate shall be:

32 (1) Maintained free from foreign materials, including registration
33 plate covers as defined in § 13-411.1 of this subtitle, and in a condition to be clearly
34 legible; and

1 (2) Securely fastened to the vehicle for which it is issued:

2 (i) In a horizontal position;

3 (ii) In a manner that prevents the plate from swinging; and

4 (iii) In a place and position to be clearly visible.

5 **[(d)] (C)** Except as otherwise expressly permitted by the Maryland Vehicle
6 Law, as to any vehicle required to be registered under this title, a person may not
7 drive the vehicle on any highway in this State, unless there is attached to the vehicle
8 and displayed on it, as required in this title:

9 (1) A registration plate **[or plates]** issued for the vehicle by the
10 Administration for the current registration period; and

11 (2) Any validation tab issued for the vehicle under this subtitle.

12 **[(e)] (D)** Except as otherwise expressly permitted by the Maryland Vehicle
13 Law, as to any vehicle required to be registered under this title, the owner of the
14 vehicle may not permit the vehicle to be driven on any highway in this State, unless
15 there is attached to and displayed on the vehicle, as required in this title:

16 (1) A registration plate **[or plates]** issued by the Administration for
17 the current registration period; and

18 (2) Any validation tab issued for the vehicle under this subtitle.

19 **[(f)] (E)** Except as otherwise expressly permitted by the Maryland Vehicle
20 Law, a vehicle used or driven in this State may not display on either its front or rear
21 any expired registration plate issued by any state.

22 **[(g)] (F)** Except as otherwise expressly permitted by the Maryland Vehicle
23 Law, a person may not display or permit to be displayed on any vehicle used or driven
24 in this State any registration plate issued for another vehicle or to a person other than
25 the owner of the vehicle.

26 **[(h)] (G)** (1) A vehicle registered as a historic or antique vehicle (Class L)
27 in this State or in another state, when used or driven in this State, may display
28 vintage registration plates as an indication of the historic or antique nature of the
29 vehicle. Except as provided in paragraph (2) of this subsection, the place on the vehicle
30 provided for the display of A registration **[plates] PLATE** may only be used for the
31 display of **THE** current registration **[plates] PLATE** in accordance with subsections (a)
32 **[through (c)] AND (B)** of this section, and any vintage registration plates which are
33 used shall be displayed elsewhere on the vehicle.

1 (2) If the Administration authorizes the display of vintage registration
 2 plates in lieu of ~~THE~~ current registration [plates] ~~PLATE~~, as provided in § 13–936.1 of
 3 this title, the vintage registration plates shall be displayed as required under
 4 subsections (a) [through (c)] ~~AND (B)~~ of this section. However, the current registration
 5 [plates] ~~PLATE~~ shall be kept in the vehicle at all times.

6 [(i)] ~~(H)~~ It is the duty of every police officer to report to the Administration
 7 all vehicles operated in violation of this section. The Administration shall verify
 8 whether the owner of a reported vehicle has complied with this section.

9 SECTION 5. AND BE IT FURTHER ENACTED, That, notwithstanding § 12 of
 10 Chapter 487 of the Acts of the General Assembly of 2009, §§ 8–403 through 8–405 of
 11 the Transportation Article, or any other provision of law, for fiscal year 2011 only:

12 (a) The amounts otherwise required to be distributed to Baltimore City and
 13 the counties and municipalities under § 8–403 of the Transportation Article shall be
 14 distributed as follows:

15 (1) \$440,255,990 to the General Fund;

16 (2) Up to the next \$40,509,010 to Baltimore City and the counties and
 17 municipalities as follows:

18	Allegany County	0.767%
19	Anne Arundel County	1.446%
20	Baltimore City	76.320%
21	Baltimore County	2.754%
22	Calvert County	0.524%
23	Caroline County	0.510%
24	Carroll County	1.249%
25	Cecil County	0.666%
26	Charles County	0.801%
27	Dorchester County	0.569%
28	Frederick County	1.544%
29	Garrett County	0.649%
30	Harford County	1.387%
31	Howard County	1.030%
32	Kent County	0.271%
33	Montgomery County	2.178%
34	Prince George’s County	3.129%
35	Queen Anne’s County	0.510%
36	St. Mary’s County	0.676%
37	Somerset County	0.364%
38	Talbot County	0.302%
39	Washington County	1.068%
40	Wicomico County	0.954%
41	Worcester County	0.333%; and

1 (3) Any amounts in excess of \$480,765,000 as follows:

2 (i) 11.5% to Baltimore City; and

3 (ii) 88.5% among the counties and municipalities in accordance
4 with §§ 8–404 and 8–405 of the Transportation Article.

5 (b) (1) The distribution to the General Fund required under subsection (a)
6 of this section is in lieu of the distribution to the General Fund required for fiscal year
7 2011 under § 12 of Chapter 487 of the Acts of the General Assembly of 2009.

8 (2) The reductions required for fiscal year 2011 under § 12 of Chapter
9 487 of the Acts of the General Assembly of 2009 in the amounts to be distributed to
10 Baltimore City and the counties and municipalities are superseded by the required
11 distributions provided for under subsection (a) of this section.

12 SECTION 6. AND BE IT FURTHER ENACTED, That it is the intent of the
13 General Assembly that spending be further constrained in the annual State budget for
14 fiscal year 2011 by implementation of the following actions:

15 (1) Reducing General Fund appropriations for the State–operated
16 institutions of higher education in the University System of Maryland by at least \$50
17 million by eliminating 1,000 positions, reducing the budget for travel by 50%, and
18 substituting half–priced tuition in place of free tuition for employees;

19 (2) Reducing Medicaid spending by increasing Medicaid recoveries
20 through the use of claims and eligibility audits and utilization reviews;

21 (3) Reducing General Funds by at least \$6.3 million through
22 across–the–board reductions of 1% to State agency general operating budgets;

23 (4) Eliminating all State funding for abortions in the Medical
24 Assistance Program;

25 (5) Reducing all Office of Secretary budgets for cabinet level
26 departments by 2%;

27 (6) Excluding funding for the State Aid for Police Protection formula,
28 reducing General Fund grants for the Governor’s Office of Crime Control and
29 Prevention by 10%;

30 (7) Realizing a General Fund savings of at least \$1.8 million by
31 reducing State agency advertising and promotion budgets;

32 (8) Capping all executive branch salaries at an amount equal to \$1
33 less than the Governor’s salary;

- 1 (9) A moratorium on all out-of-state travel for State employees;
- 2 (10) Reducing State costs for electricity by 5%;
- 3 (11) Reducing the budget for Maryland Public Television by \$1.0
4 million;
- 5 (12) Realizing savings by closing the Maryland Correctional
6 Adjustment Center to State-sentenced inmates and maximizing the facility's use for
7 federal prisoners under a federal per diem agreement;
- 8 (13) Eliminating 500 positions;
- 9 (14) Reducing the appropriation in the Board of Public Works for the
10 Maryland Zoo at Baltimore by 10%;
- 11 (15) Eliminating the budget for chefs at Government House; and
- 12 (16) Eliminating 10 positions in the Maryland State Police intended to
13 implement Chapter 500 of the Acts of 2009 regarding the use of speed monitoring
14 systems.

15 SECTION 7. AND BE IT FURTHER ENACTED, That any reference in the
16 Annotated Code of Maryland to multiple registration plates rendered obsolete by this
17 Act shall be corrected by the publisher of the Annotated Code, in consultation with the
18 Department of Legislative Services, with no further action required by the General
19 Assembly. The publisher shall adequately describe corrections made under this
20 section in the editor's note following the section affected.

21 SECTION 8. AND BE IT FURTHER ENACTED, That if any provision of this
22 Act or the application thereof to any person or circumstance is held invalid for any
23 reason in a court of competent jurisdiction, the invalidity does not affect other
24 provisions or any other application of this Act which can be given effect without the
25 invalid provision or application, and for this purpose the provisions of this Act are
26 declared severable.

27 SECTION 9. AND BE IT FURTHER ENACTED, That this Act shall take effect
28 June 1, 2010.