

# SENATE BILL 1301

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CF HB 1801

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By: **The President (By Request – Administration)**

Introduced and read first time: May 14, 2012

Assigned to: Budget and Taxation

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## A BILL ENTITLED

1 AN ACT concerning

2 **Budget Reconciliation and Financing Act of 2012**

3 FOR the purpose of altering or repealing certain required appropriations; altering the  
4 distribution of certain revenues; altering or repealing certain funding  
5 requirements; altering the authorized use of certain funds; authorizing the  
6 transfer of certain funds; requiring certain appropriations to certain counties;  
7 altering the distribution of certain traffic conviction surcharges; requiring the  
8 State Court Administrator to submit a certain annual report on or before a  
9 certain date; altering certain categories required to be included in certain  
10 annual budgets of county boards of education; prohibiting a county council or  
11 board of county commissioners from reducing a certain budget amount for a  
12 county board of education; authorizing the State to deduct a certain amount  
13 under certain circumstances from certain State funds that would otherwise be  
14 paid to certain county boards of education in a certain fiscal year; requiring the  
15 State to provide a certain grant to a county board of education in a certain fiscal  
16 year if certain funding provided to a county board decreases by a certain  
17 amount; adding St. Mary's College of Maryland to the list of public senior higher  
18 education institutions eligible for money from the Higher Education Investment  
19 Fund; clarifying language relating to the Higher Education Investment Fund;  
20 providing a certain exception to a certain requirement that certain money is to  
21 be included in the budget bill; altering certain State education funding for  
22 certain fiscal years; authorizing the Department of Health and Mental Hygiene  
23 to impose a certain claims processing charge on certain Medicaid claims; setting  
24 a limit on the claims processing charge; requiring the Department of Health and  
25 Mental Hygiene to adopt certain regulations; repealing a requirement for a  
26 certain payment to certain nursing facilities under certain circumstances;  
27 altering a certain authority for the Health Services Cost Review Commission to  
28 adopt certain regulations under certain circumstances; requiring a certain  
29 nonprofit health service plan to provide a certain subsidy; altering the  
30 percentage of the amount that may be assessed in the aggregate on certain  
31 nursing facilities; requiring that certain proceeds of a certain account be

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 transferred into the Mental Hygiene Community-Based Services Fund;  
2 repealing a certain provision related to the Injured Workers' Insurance Fund;  
3 providing that the State has no interest in the assets of the Injured Workers'  
4 Insurance Fund and that all revenues, money, and assets of the Fund belong to  
5 the Fund and are held in trust for certain persons; prohibiting the State from  
6 borrowing, appropriating, or directing payments from the Fund for any purpose;  
7 prohibiting the dissolution of the Fund; providing that certain money received  
8 by the State or otherwise subject to the direction or control of a State official as  
9 a result of a certain settlement, judgment, or consent decree shall be deposited  
10 in the State treasury, shall be expended only in a certain manner, and may be  
11 transferred by budget amendment; providing for a certain exception;  
12 authorizing certain State officials to recommend certain restrictions on the use  
13 of certain payments; requiring certain State officials to make certain requests;  
14 establishing a Mortgage Loan Servicing Practices Settlement Fund as a  
15 continuing, nonlapsing fund; requiring certain funds to be credited to the  
16 Mortgage Loan Servicing Practices Settlement Fund; providing for the use of  
17 the Mortgage Loan Servicing Practices Settlement Fund; requiring the  
18 Governor to take certain actions in connection with each program, project, or  
19 activity receiving certain funds; exempting certain interest earnings from a  
20 requirement that certain interest accrue to the General Fund; altering certain  
21 commissions for certain licensed agents for a certain fiscal year; requiring  
22 county boards of education to pay a certain portion of certain employer  
23 contributions for certain members of the Teachers' Retirement System or the  
24 Teachers' Pension System; requiring the Board of Trustees for the State  
25 Retirement and Pension System to include a separate certification of a certain  
26 normal contribution rate in the certification of certain rates; providing for the  
27 manner of payment by certain county boards of education for certain employer  
28 contributions; requiring certain county boards of education to make certain  
29 payments of certain employer contributions in certain fiscal years; requiring the  
30 Comptroller to withhold certain delinquent amounts from any money due under  
31 certain circumstances; requiring the Maryland Aviation Administration Fire  
32 Rescue Service to charge a certain ambulance transport fee; prohibiting certain  
33 regulations adopted by the Secretary of Health and Mental Hygiene from  
34 applying to certain prior calendar years; authorizing the Department of Health  
35 and Mental Hygiene to make certain changes to a certain methodology in  
36 connection with a certain Value Based Purchasing Initiative for a certain  
37 calendar year; altering the time period during which a certain education index  
38 adjustment is to be updated; altering certain criteria and methodology to be  
39 used in updating a certain education index adjustment; prohibiting the payment  
40 of certain merit increases for certain State employees for a certain period;  
41 requiring certain reports to be submitted to certain committees of the General  
42 Assembly; authorizing a county board of education to spend certain funds after  
43 approval by the county fiscal authority; requiring the county fiscal authority to  
44 approve the amount of certain funds within a certain period of time; providing  
45 that failure to take action constitutes approval by the county fiscal authority  
46 under certain circumstances; requiring the Governor to include a certain  
47 transfer in the budget bill for a certain fiscal year; declaring the intent of the

1 General Assembly; repealing certain provisions relating to payment of  
2 overpayment of retirement contributions for certain members of the Teachers'  
3 Retirement System or the Teachers' Pension System; setting certain limits on  
4 increases in payments to certain providers for a certain fiscal year; requiring  
5 the Health Services Cost Review Commission to approve certain remittances to  
6 support the general operations of the Medicaid program; authorizing a certain  
7 reduction to the remittances; requiring that the Governor transfer a certain  
8 amount from the Injured Workers' Insurance Fund to a certain special fund  
9 under certain circumstances; providing that the Injured Workers' Insurance  
10 Fund and its successor are jointly liable for a certain payment to the State  
11 under certain circumstances; providing that a certain transfer resolves certain  
12 claims; requiring that certain money received by the State as a result of a  
13 certain approved merger between Exelon Corporation and Constellation Energy  
14 Group be expended only in a certain manner; providing that certain money  
15 received by the State is not subject to transfer by budget amendment, except  
16 under certain circumstances; requiring each county to appropriate to the county  
17 board of education certain amounts; requiring that for a certain fiscal year a  
18 certain maintenance of effort amount be calculated in a certain manner;  
19 requiring that for a certain fiscal year the maintenance of effort calculation for  
20 Baltimore City exclude certain reductions in the cost of health benefits for  
21 retired employees of the Baltimore City Public School System under certain  
22 circumstances; providing that a certain provision of law does not apply to a  
23 certain process for awarding a video lottery operation license; authorizing  
24 certain counties to reduce a certain education funding requirement in a certain  
25 fiscal year under certain circumstances; requiring the Governor to reduce  
26 certain appropriations by a certain amount and to propose certain additional  
27 reductions for a certain fiscal year under certain circumstances; reducing  
28 certain appropriations for a certain fiscal year in a certain manner; requiring  
29 the implementation of certain reductions in appropriations without the review  
30 or approval by the Board of Public Works; altering certain procedural  
31 requirements concerning the allocation of certain statewide reductions in  
32 appropriations; providing for the distribution of certain revenues for a certain  
33 fiscal year to a certain special fund, to be used only for certain purposes;  
34 authorizing for a certain fiscal year the use of certain funds for certain purposes  
35 subject to a certain budget amendment procedure; requiring a certain reversion  
36 of funds to the General Fund; altering the budget amendment process under  
37 certain circumstances; defining certain terms; altering certain definitions;  
38 providing for the construction of certain provisions of this Act; providing for the  
39 termination of certain provisions of this Act; making the provisions of this Act  
40 severable; providing for the effective dates of this Act; and generally relating to  
41 the financing of State and local government.

42 BY repealing

43 Article 24 – Political Subdivisions – Miscellaneous Provisions

44 Section 9–1104

45 Annotated Code of Maryland

46 (2011 Replacement Volume)

- 1 BY adding to  
2 Article 24 – Political Subdivisions – Miscellaneous Provisions  
3 Section 9–1105  
4 Annotated Code of Maryland  
5 (2011 Replacement Volume)
- 6 BY repealing and reenacting, with amendments,  
7 Article – Courts and Judicial Proceedings  
8 Section 7–301(f)  
9 Annotated Code of Maryland  
10 (2006 Replacement Volume and 2011 Supplement)
- 11 BY repealing and reenacting, with amendments,  
12 Article – Economic Development  
13 Section 10–523(a)(3)(i)  
14 Annotated Code of Maryland  
15 (2008 Volume and 2011 Supplement)
- 16 BY repealing and reenacting, with amendments,  
17 Article – Education  
18 Section 5–101(b)(4), 5–103(c), 5–105(c), 5–202(i), 5–206(f)(2), 15–106.6(a)(3) and  
19 (b)(9), 16–305(c)(1)(i), 16–512(a)(1), and 17–104(a)(1)  
20 Annotated Code of Maryland  
21 (2008 Replacement Volume and 2011 Supplement)
- 22 BY adding to  
23 Article – Education  
24 Section 5–105(d), 5–202(j), 16–305(c)(1)(iv), 16–512(a)(4), and 17–104(a)(3)  
25 Annotated Code of Maryland  
26 (2008 Replacement Volume and 2011 Supplement)
- 27 BY repealing and reenacting, with amendments,  
28 Article – Environment  
29 Section 7–604(b) and (h) and 9–1707(f)(6)  
30 Annotated Code of Maryland  
31 (2007 Replacement Volume and 2011 Supplement)
- 32 BY repealing and reenacting, without amendments,  
33 Article – Environment  
34 Section 9–1707(f)(1)  
35 Annotated Code of Maryland  
36 (2007 Replacement Volume and 2011 Supplement)
- 37 BY repealing and reenacting, with amendments,  
38 Article – Health – General  
39 Section 15–117(b) and (c), 19–214(b) and (c), 19–310.1(b)(2), and 24–1105

- 1 Annotated Code of Maryland  
2 (2009 Replacement Volume and 2011 Supplement)
- 3 BY adding to  
4 Article – Health – General  
5 Section 15–102.8  
6 Annotated Code of Maryland  
7 (2009 Replacement Volume and 2011 Supplement)
- 8 BY repealing and reenacting, with amendments,  
9 Article – Insurance  
10 Section 14–106(d)  
11 Annotated Code of Maryland  
12 (2011 Replacement Volume)  
13 (As enacted by Chapter 66 of the Acts of the General Assembly of 2012)
- 14 BY repealing and reenacting, with amendments,  
15 Article – Insurance  
16 Section 14–106.1 and 14–504(e)  
17 Annotated Code of Maryland  
18 (2011 Replacement Volume)
- 19 BY repealing  
20 Article – Labor and Employment  
21 Section 10–127  
22 Annotated Code of Maryland  
23 (2008 Replacement Volume and 2011 Supplement)
- 24 BY adding to  
25 Article – Labor and Employment  
26 Section 10–127  
27 Annotated Code of Maryland  
28 (2008 Replacement Volume and 2011 Supplement)
- 29 BY repealing and reenacting, without amendments,  
30 Article – State Finance and Procurement  
31 Section 6–226(a)(2)(i)  
32 Annotated Code of Maryland  
33 (2009 Replacement Volume and 2011 Supplement)
- 34 BY adding to  
35 Article – State Finance and Procurement  
36 Section 6–226(a)(2)(ii)64., 7–310.1, and 7–328  
37 Annotated Code of Maryland  
38 (2009 Replacement Volume and 2011 Supplement)
- 39 BY repealing and reenacting, with amendments,

- 1 Article – State Finance and Procurement  
2 Section 6–226(a)(2)(ii)62. and 63.  
3 Annotated Code of Maryland  
4 (2009 Replacement Volume and 2011 Supplement)
- 5 BY repealing and reenacting, with amendments,  
6 Article – State Government  
7 Section 9–117(a)(1) and 12–203  
8 Annotated Code of Maryland  
9 (2009 Replacement Volume and 2011 Supplement)
- 10 BY repealing and reenacting, without amendments,  
11 Article – State Personnel and Pensions  
12 Section 21–125(b) and 21–304(c)  
13 Annotated Code of Maryland  
14 (2009 Replacement Volume and 2011 Supplement)
- 15 BY repealing and reenacting, with amendments,  
16 Article – State Personnel and Pensions  
17 Section 21–304(a) and (b) and 21–308(a)(1)  
18 Annotated Code of Maryland  
19 (2009 Replacement Volume and 2011 Supplement)
- 20 BY adding to  
21 Article – State Personnel and Pensions  
22 Section 21–309.1  
23 Annotated Code of Maryland  
24 (2009 Replacement Volume and 2011 Supplement)
- 25 BY repealing  
26 Article – Tax – General  
27 Section 2–608(c), (d), (e), and (f)  
28 Annotated Code of Maryland  
29 (2010 Replacement Volume and 2011 Supplement)
- 30 BY repealing and reenacting, with amendments,  
31 Article – Tax – General  
32 Section 2–1104(b)  
33 Annotated Code of Maryland  
34 (2010 Replacement Volume and 2011 Supplement)
- 35 BY repealing and reenacting, with amendments,  
36 Article – Transportation  
37 Section 4–321(e)  
38 Annotated Code of Maryland  
39 (2009 Replacement Volume and 2011 Supplement)

- 1 BY adding to  
2 Article – Transportation  
3 Section 5–415  
4 Annotated Code of Maryland  
5 (2008 Replacement Volume and 2010 Supplement)
- 6 BY repealing and reenacting, with amendments,  
7 Article – Transportation  
8 Section 12–118(e)(2)  
9 Annotated Code of Maryland  
10 (2009 Replacement Volume and 2011 Supplement)  
11 (As enacted by Chapter 500 of the Acts of the General Assembly of 2009)
- 12 BY repealing and reenacting, with amendments,  
13 Chapter 193 of the Acts of the General Assembly of 2005  
14 Section 2 and 3
- 15 BY repealing and reenacting, with amendments,  
16 Chapter 2 of the Acts of the General Assembly of the Special Session of 2007  
17 Section 13(a)
- 18 BY repealing and reenacting, with amendments,  
19 Chapter 397 of the Acts of the General Assembly of 2011  
20 Section 11 and 24
- 21 BY repealing and reenacting, without amendments,  
22 Article – Education  
23 Section 5–105(a)  
24 Annotated Code of Maryland  
25 (2008 Replacement Volume and 2011 Supplement)
- 26 BY repealing  
27 Article – Education  
28 Section 5–203  
29 Annotated Code of Maryland  
30 (2008 Replacement Volume and 2011 Supplement)

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

33 **Article 24 – Political Subdivisions – Miscellaneous Provisions**

34 [9–1104.

35 The Governor shall include in the budget bill for each fiscal year a General  
36 Fund appropriation to Baltimore City of \$3,075,000.]

1 **9-1105.**

2 **THE GOVERNOR SHALL INCLUDE IN THE BUDGET BILL FOR EACH FISCAL**  
3 **YEAR A GENERAL FUND APPROPRIATION FOR THE FOLLOWING TEACHER**  
4 **RETIREMENT SUPPLEMENTAL GRANTS TO THE COUNTIES:**

5 (1) **ALLEGANY COUNTY – \$1,632,106;**

6 (2) **BALTIMORE CITY – \$10,047,596;**

7 (3) **BALTIMORE COUNTY – \$3,000,000;**

8 (4) **CAROLINE COUNTY – \$685,108;**

9 (5) **DORCHESTER COUNTY – \$308,913;**

10 (6) **GARRETT COUNTY – \$406,400;**

11 (7) **PRINCE GEORGE’S COUNTY – \$9,628,702;**

12 (8) **SOMERSET COUNTY – \$381,999; AND**

13 (9) **WICOMICO COUNTY – \$1,567,837.**

14 **Article – Courts and Judicial Proceedings**

15 7-301.

16 (f) (1) This subsection does not apply to a traffic case under § 21-202.1, §  
17 21-809, or § 21-810 of the Transportation Article or to a parking or impounding case.

18 (2) In a traffic case under subsection (a)(1) of this section the court  
19 shall add a \$7.50 surcharge to the court costs imposed by the court.

20 (3) (i) The Comptroller annually shall credit the surcharges  
21 collected under this subsection as provided in this paragraph.

22 (ii) An amount annually as set forth in the State budget shall be  
23 distributed for the Charles W. Riley Fire and Emergency Medical Services Tuition  
24 Reimbursement Program as established in § 18-603 of the Education Article.

25 (iii) After the distribution under subparagraph (ii) of this  
26 paragraph, [subject to subparagraph (iv) of this paragraph,] **\$200,000 SHALL BE**  
27 **DISTRIBUTED TO THE MARYLAND STATE FIREMEN’S ASSOCIATION.**



1                   **(IV) AFTER THE DISTRIBUTION UNDER SUBPARAGRAPHS (II)**  
2 **AND (III) OF THIS PARAGRAPH AND UNTIL A TOTAL OF \$20,000,000 HAS BEEN**  
3 **DISTRIBUTED TO THE VOLUNTEER COMPANY ASSISTANCE FUND SINCE THE**  
4 **ESTABLISHMENT OF THE SURCHARGE UNDER THIS SUBSECTION, THE**  
5 **REMAINDER SHALL BE CREDITED TO THE VOLUNTEER COMPANY ASSISTANCE**  
6 **FUND TO BE USED IN ACCORDANCE WITH THE PROVISIONS OF TITLE 8,**  
7 **SUBTITLE 2 OF THE PUBLIC SAFETY ARTICLE.**

8                   **(V) AFTER A TOTAL OF \$20,000,000 HAS BEEN**  
9 **DISTRIBUTED TO THE VOLUNTEER COMPANY ASSISTANCE FUND, 100% of the**  
10 remainder shall be credited to the Maryland Emergency Medical Systems Operation  
11 Fund established under § 13-955 of the Transportation Article.

12                   [(iv) For fiscal years 2012 and 2013 only, before the distribution  
13 to the Maryland Emergency Medical Systems Operation Fund under subparagraph  
14 (iii) of this paragraph, from the surcharges collected under this subsection, an amount  
15 equal to \$8,201,311 for fiscal year 2012 and \$2,114,000 for fiscal year 2013 shall be  
16 credited to the Volunteer Company Assistance Fund to be used in accordance with the  
17 provisions of Title 8, Subtitle 2 of the Public Safety Article.]

18                   **(VI) ON OR BEFORE SEPTEMBER 1 OF EACH YEAR UNTIL**  
19 **\$20,000,000 HAS BEEN DISTRIBUTED TO THE VOLUNTEER COMPANY**  
20 **ASSISTANCE FUND, THE STATE COURT ADMINISTRATOR SHALL SUBMIT A**  
21 **REPORT TO THE SENATE BUDGET AND TAXATION COMMITTEE AND THE HOUSE**  
22 **APPROPRIATIONS COMMITTEE, IN ACCORDANCE WITH § 2-1246 OF THE STATE**  
23 **GOVERNMENT ARTICLE, ON THE AMOUNT OF REVENUE DISTRIBUTED TO THE**  
24 **VOLUNTEER COMPANY ASSISTANCE FUND UNDER THIS PARAGRAPH.**

#### 25                   **Article – Economic Development**

26 10-523.

27                   (a)   (3)   (i)   To assist the Corporation in complying with subsection (c) of  
28 this section, the Governor shall include each year in the State budget bill an  
29 appropriation to the Corporation for rural business development and assistance as  
30 follows:

- 31                                   1.   for fiscal year 2011, \$2,750,000;
- 32                                   2.   for fiscal year 2012, \$2,750,000;
- 33                                   3.   for fiscal year 2013, [~~\$3,000,000~~] **\$2,875,000**; [and]
- 34                                   4.   **FOR FISCAL YEAR 2014, \$2,875,000; AND**



1 to the budget will be implemented, accompanied by reasonable supporting detail and  
2 analysis.

3 5–202.

4 (i) (1) In this subsection, “total direct education aid” means the total  
5 financial assistance provided by the State to a county board under the following  
6 programs:

7 (i) Funding for the foundation program including funds for the  
8 Geographic Cost of Education under this section;

9 (ii) Transportation aid under § 5–205 of this subtitle;

10 (iii) Funding for compensatory education under § 5–207 of this  
11 subtitle;

12 (iv) Funding for students with limited English proficiency under  
13 § 5–208 of this subtitle;

14 (v) Funding for special education students under § 5–209 of this  
15 subtitle;

16 (vi) Funding for the guaranteed tax base program under § 5–210  
17 of this subtitle; and

18 (vii) Funding for grants provided under this subsection.

19 (2) For fiscal year 2012 only, if a county board’s total direct education  
20 aid in the current fiscal year is less than the prior fiscal year by more than 6.5%, then  
21 the State shall provide a grant to the county board in an amount necessary to ensure  
22 that a decrease in total direct education aid is not more than 6.5%.

23 **(3) FOR FISCAL YEAR 2013 ONLY, IF A COUNTY BOARD’S TOTAL**  
24 **DIRECT EDUCATION AID IN THE CURRENT FISCAL YEAR IS LESS THAN THE**  
25 **PRIOR FISCAL YEAR BY MORE THAN 5%, THEN THE STATE SHALL PROVIDE A**  
26 **GRANT TO THE COUNTY BOARD IN AN AMOUNT NECESSARY TO ENSURE THAT A**  
27 **DECREASE IN TOTAL DIRECT EDUCATION AID IS NOT MORE THAN 5%.**

28 **(J) IF A FINAL COURT JUDGMENT REQUIRES THE STATE TO INCLUDE IN**  
29 **THE BUDGET BILL MONEY TO SATISFY A JUDGMENT AGAINST THE COUNTY**  
30 **BOARD OF EDUCATION, THE STATE MAY DEDUCT THAT AMOUNT FROM ANY**  
31 **OTHER STATE FUNDS THAT WOULD OTHERWISE BE PAID TO THE COUNTY BOARD**  
32 **OF EDUCATION UNDER THIS SUBTITLE IN THE FOLLOWING FISCAL YEAR.**

33 5–206.

1 (f) (2) [The] **IN FISCAL YEAR 2013 AND IN EACH FISCAL YEAR**  
 2 **THEREAFTER, THE** funding level for a county is[:

3 (i) In fiscal year 2011,] the following amounts for the following  
 4 counties:

5	[1.] (I)	Allegany County .....	\$97,791;
6	[2.] (II)	Anne Arundel County.....	\$506,038;
7	[3.] (III)	Baltimore City .....	\$1,387,924;
8	[4.] (IV)	Baltimore County .....	\$874,227;
9	[5.] (V)	Calvert County .....	\$38,292;
10	[6.] (VI)	Caroline County.....	\$50,074;
11	[7.] (VII)	Carroll County .....	\$137,261;
12	[8.] (VIII)	Cecil County.....	\$96,024;
13	[9.] (IX)	Charles County .....	\$50,074;
14	[10.] (X)	Dorchester County.....	\$38,292;
15	[11.] (XI)	Frederick County.....	\$182,622;
16	[12.] (XII)	Garrett County .....	\$38,292;
17	[13.] (XIII)	Harford County.....	\$217,379;
18	[14.] (XIV)	Howard County.....	\$87,776;
19	[15.] (XV)	Kent County.....	\$38,292;
20	[16.] (XVI)	Montgomery County .....	\$602,651;
21	[17.] (XVII)	Prince George's County .....	\$1,209,426;
22	[18.] (XVIII)	Queen Anne's County .....	\$50,074;
23	[19.] (XIX)	St. Mary's County .....	\$50,074;

- 1 [20.] (XX) Somerset County .....\$38,292;
- 2 [21.] (XXI) Talbot County .....\$38,292;
- 3 [22.] (XXII) Washington County .....\$134,904;
- 4 [23.] (XXIII) Wicomico County ..... \$106,627; and
- 5 [24.] (XXIV) Worcester County .....\$38,292[; and

6 (ii) In fiscal year 2012 and in each fiscal year thereafter, the  
 7 funding level for the county for the prior fiscal year].

8 15–106.6.

9 (a) (3) “Public Senior Higher Education Institution” has the meaning  
 10 stated in § [10–101(m)(1) and (2)] **10–101(m)** of this article.

11 (b) (9) Money in the Fund may be expended only:

12 (i) To supplement General Fund appropriations to [public  
 13 senior higher education institutions and] research institutes of the University System  
 14 of Maryland **AND PUBLIC SENIOR HIGHER EDUCATION INSTITUTIONS;**

15 (ii) For capital projects for [public senior higher education  
 16 institutions and] research institutes of the University System of Maryland **AND**  
 17 **PUBLIC SENIOR HIGHER EDUCATION INSTITUTIONS;**

18 (iii) For workforce development initiatives administered by the  
 19 Commission; and

20 (iv) For initiatives to address higher education needs related to  
 21 the United States Department of Defense Base Realignment and Closure process.

22 16–305.

23 (c) (1) (i) The total State operating fund per full–time equivalent  
 24 student to the community colleges for each fiscal year **OTHER THAN FISCAL YEAR**  
 25 **2013**, as requested by the Governor shall be:

26 1. In fiscal year 2009, not less than an amount equal to  
 27 26.25% of the State’s General Fund appropriation per full–time equivalent student to  
 28 the 4–year public institutions of higher education in the State as designated by the  
 29 Commission for the purpose of administering the Joseph A. Sellinger Program under  
 30 Title 17 of this article in the previous fiscal year;



1                   [9.] 8.       In fiscal year 2017, [not less than an amount  
2 equal to 22%] **AN AMOUNT THAT IS THE GREATER OF 19% OF THE STATE'S**  
3 **GENERAL FUND** appropriation per full-time equivalent student to the 4-year public  
4 institutions of higher education in the State as designated by the Commission for the  
5 purpose of administering the Joseph A. Sellinger Program under Title 17 of this article  
6 in the same fiscal year **OR \$1,839.47 PER FULL-TIME EQUIVALENT STUDENT;**

7                   [10.] 9.       In fiscal year 2018, not less than an amount  
8 equal to [23%] **20% OF THE STATE'S GENERAL FUND APPROPRIATION PER**  
9 **FULL-TIME** equivalent student to the 4-year public institutions of higher education in  
10 the State as designated by the Commission for the purpose of administering the  
11 Joseph A. Sellinger Program under Title 17 of this article in the same fiscal year;

12                   [11.] 10.       In fiscal year 2019, not less than an amount  
13 equal to [24%] **21%** of the State's General Fund appropriation per full-time  
14 equivalent student to the 4-year public institutions of higher education in the State as  
15 designated by the Commission for the purpose of administering the Joseph A.  
16 Sellinger Program under Title 17 of this article in the same fiscal year;

17                   [12.] 11.       In fiscal year 2020, not less than an amount  
18 equal to [25%] **23%** of the State's General Fund appropriation per full-time  
19 equivalent student to the 4-year public institutions of higher education in the State as  
20 designated by the Commission for the purpose of administering the Joseph A.  
21 Sellinger Program under Title 17 of this article in the same fiscal year;

22                   [13.] 12.       In fiscal year 2021, not less than an amount  
23 equal to [26%] **25%** of the State's General Fund appropriation per full-time  
24 equivalent 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 same fiscal year;

27                   [14.] 13.       In fiscal year 2022, not less than an amount  
28 equal to [27.5%] **27%** of the State's General Fund appropriation per full-time  
29 equivalent 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 same fiscal year; and

32                   [15.] 14.       In fiscal year 2023 and each fiscal year  
33 thereafter, not less than an amount equal to 29% of the State's General Fund  
34 appropriation per full-time equivalent student to the 4-year public institutions of  
35 higher education in the State as designated by the Commission for the purpose of  
36 administering the Joseph A. Sellinger Program under Title 17 of this article in the  
37 same fiscal year.

1                   **(IV) IN FISCAL YEAR 2013, THE TOTAL STATE OPERATING**  
 2 **FUNDS FOR COMMUNITY COLLEGES SHALL BE \$199,176,114, TO BE**  
 3 **DISTRIBUTED AS FOLLOWS:**

- 4                   1.   **ALLEGANY COLLEGE .....\$4,773,622;**
- 5                   2.   **ANNE                   ARUNDEL                   COMMUNITY**  
 6 **COLLEGE .....\$27,235,329;**
- 7                   3.   **COMMUNITY       COLLEGE       OF       BALTIMORE**  
 8 **COUNTY .....\$34,398,366;**
- 9                   4.   **CARROLL COMMUNITY COLLEGE .....\$6,851,515;**
- 10                  5.   **CECIL COMMUNITY COLLEGE .....\$4,645,751;**
- 11                  6.   **COLLEGE                   OF                   SOUTHERN**  
 12 **MARYLAND .....\$10,902,580;**
- 13                  7.   **CHESAPEAKE COLLEGE .....\$5,675,815;**
- 14                  8.   **FREDERICK COMMUNITY COLLEGE ...\$8,145,648;**
- 15                  9.   **GARRETT COLLEGE .....\$2,246,709;**
- 16                  10. **HAGERSTOWN                   COMMUNITY**  
 17 **COLLEGE .....\$6,965,064;**
- 18                  11. **HARFORD COMMUNITY COLLEGE .....\$9,990,806;**
- 19                  12. **HOWARD COMMUNITY COLLEGE .....\$12,584,485;**
- 20                  13. **MONTGOMERY COLLEGE .....\$35,998,553;**
- 21                  14. **PRINCE                   GEORGE’S                   COMMUNITY**  
 22 **COLLEGE .....\$22,013,074; AND**
- 23                  15. **WOR-WIC COMMUNITY COLLEGE .....\$6,748,796.**

24 16-512.

25           (a)   (1)   The total State operating fund per full-time equivalent student  
 26 appropriated to Baltimore City Community College for each fiscal year **OTHER THAN**  
 27 **FISCAL YEAR 2013**, as requested by the Governor shall be:



1 (i) In fiscal year 2009, not less than an amount equal to 67.25%  
2 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 (ii) In fiscal year 2010, not less than an amount equal to 65.1%  
7 of the State's General Fund appropriation per full-time equivalent student to the  
8 4-year public institutions of higher education in the State as designated by the  
9 Commission for the purpose of administering the Joseph A. Sellinger Program under  
10 Title 17 of this article in the same fiscal year;

11 (iii) In fiscal year 2011, not less than an amount equal to 65.5%  
12 of the State's General Fund appropriation per full-time equivalent student to the  
13 4-year public institutions of higher education in the State as designated by the  
14 Commission for the purpose of administering the Joseph A. Sellinger Program under  
15 Title 17 of this article in the same fiscal year;

16 (iv) In fiscal year 2012, not less than an amount equal to 63% of  
17 the State's General Fund appropriation per full-time equivalent student to the 4-year  
18 public institutions of higher education in the State as designated by the Commission  
19 for the purpose of administering the Joseph A. Sellinger Program under Title 17 of  
20 this article in the same fiscal year;

21 [(v) In fiscal year 2013, not less than an amount equal to 63.5%  
22 of the State's General Fund appropriation per full-time equivalent student to the  
23 4-year public institutions of higher education in the State as designated by the  
24 Commission for the purpose of administering the Joseph A. Sellinger Program under  
25 Title 17 of this article in the same fiscal year;]

26 [(vi) (V) In fiscal year 2014, [not less than an amount equal to  
27 64%] **AN AMOUNT THAT IS THE GREATER OF 61%** of the State's General Fund  
28 appropriation per full-time equivalent student to the 4-year public institutions of  
29 higher education in the State as designated by the Commission for the purpose of  
30 administering the Joseph A. Sellinger Program under Title 17 of this article in the  
31 same fiscal year **OR \$5,695.63 PER FULL-TIME EQUIVALENT STUDENT;**

32 [(vii) (VI) In fiscal year 2015, [not less than an amount equal to  
33 64.5%] **AN AMOUNT THAT IS THE GREATER OF 61%** of the State's General Fund  
34 appropriation per full-time equivalent student to the 4-year public institutions of  
35 higher education in the State as designated by the Commission for the purpose of  
36 administering the Joseph A. Sellinger Program under Title 17 of this article in the  
37 same fiscal year **OR \$5,695.63 PER FULL-TIME EQUIVALENT STUDENT;**

38 [(viii) (VII) In fiscal year 2016, [not less than an amount equal  
39 to 64.75%] **AN AMOUNT THAT IS THE GREATER OF 58%** of the State's General Fund

1 appropriation per full-time equivalent student to the 4-year public institutions of  
2 higher education in the State as designated by the Commission for the purpose of  
3 administering the Joseph A. Sellinger Program under Title 17 of this article in the  
4 same fiscal year **OR \$5,695.63 PER FULL-TIME EQUIVALENT STUDENT;**

5 **[(ix)] (VIII)** In fiscal year 2017, [not less than an amount equal  
6 to 65.25%] **AN AMOUNT THAT IS THE GREATER OF 58%** of the State's General Fund  
7 appropriation per full-time equivalent student to the 4-year public institutions of  
8 higher education in the State as designated by the Commission for the purpose of  
9 administering the Joseph A. Sellinger Program under Title 17 of this article in the  
10 same fiscal year **OR \$5,695.63 PER FULL-TIME EQUIVALENT STUDENT;**

11 **[(x)] (IX)** In fiscal year 2018, not less than an amount equal to  
12 **[65.75%] 60%** of the State's General Fund appropriation per full-time equivalent  
13 student to the 4-year public institutions of higher education in the State as designated  
14 by the Commission for the purpose of administering the Joseph A. Sellinger Program  
15 under Title 17 of this article in the same fiscal year;

16 **[(xi)] (X)** In fiscal year 2019, not less than an amount equal to  
17 **[66.25%] 61%** of the State's General Fund appropriation per full-time equivalent  
18 student to the 4-year public institutions of higher education in the State as designated  
19 by the Commission for the purpose of administering the Joseph A. Sellinger Program  
20 under Title 17 of this article in the same fiscal year;

21 **[(xii)] (XI)** In fiscal year 2020, not less than an amount equal to  
22 **[67%] 62.5%** of the State's General Fund appropriation per full-time equivalent  
23 student to the 4-year public institutions of higher education in the State as designated  
24 by the Commission for the purpose of administering the Joseph A. Sellinger Program  
25 under Title 17 of this article in the same fiscal year;

26 **[(xiii)] (XII)** In fiscal year 2021, not less than an amount equal to  
27 **[67.5%] 64.5%** of the State's General Fund appropriation per full-time equivalent  
28 student to the 4-year public institutions of higher education in the State as designated  
29 by the Commission for the purpose of administering the Joseph A. Sellinger Program  
30 under Title 17 of this article in the same fiscal year;

31 **[(xiv)] (XIII)** In fiscal year 2022, not less than an amount equal to  
32 **[68%] 66.5%** of the State's General Fund appropriation per full-time equivalent  
33 student to the 4-year public institutions of higher education in the State as designated  
34 by the Commission for the purpose of administering the Joseph A. Sellinger Program  
35 under Title 17 of this article in the same fiscal year; and

36 **[(xv)] (XIV)** In fiscal year 2023 and each fiscal year thereafter,  
37 not less than an amount equal to 68.5% of the State's General Fund appropriation per  
38 full-time equivalent student to the 4-year public institutions of higher education in

1 the State as designated by the Commission for the purpose of administering the  
2 Joseph A. Sellinger Program under Title 17 of this article in the same fiscal year.

3 **(4) IN FISCAL YEAR 2013, THE TOTAL STATE OPERATING FUNDS**  
4 **APPROPRIATED TO BALTIMORE CITY COMMUNITY COLLEGE UNDER THIS**  
5 **SECTION SHALL BE \$39,863,729.**

6 17-104.

7 (a) (1) Except as provided in paragraph (2) of this subsection, the  
8 Maryland Higher Education Commission shall compute the amount of the annual  
9 apportionment for each institution that qualifies under this subtitle by multiplying the  
10 number of full-time equivalent students enrolled at the institution during the fall  
11 semester of the fiscal year preceding the fiscal year for which the aid apportionment is  
12 made, as determined by the Maryland Higher Education Commission by:

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

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

19 (iii) In fiscal year 2011, an amount not less than 9.8% of the  
20 State's General Fund per full-time equivalent student appropriation to the 4-year  
21 public institutions of higher education in this State for the same fiscal year;

22 (iv) In fiscal year 2012, an amount not less than 9.2% of the  
23 State's General Fund per full-time equivalent student appropriation to the 4-year  
24 public institutions of higher education in this State for the same fiscal year;

25 [(v) In fiscal year 2013, an amount not less than 9.7% of the  
26 State's General Fund per full-time equivalent student appropriation to the 4-year  
27 public institutions of higher education in this State for the same fiscal year;]

28 [(vi) (V) In fiscal year 2014, [an amount not less than 10%] AN  
29 AMOUNT THAT IS THE GREATER OF 9.4% of the State's General Fund per  
30 full-time equivalent student appropriation to the 4-year public institutions of higher  
31 education in this State for the same fiscal year OR \$875.53 PER FULL-TIME  
32 EQUIVALENT STUDENT;

33 [(vii) (VI) In fiscal year 2015, an amount [not less than 10.6%]  
34 THAT IS THE GREATER OF 9.4% of the State's General Fund per full-time equivalent  
35 student appropriation to the 4-year public institutions of higher education in this  
36 State for the same fiscal year OR \$875.53 PER FULL-TIME EQUIVALENT STUDENT;



1           (3) Planning and training functions performed by the State or local  
2 instrumentalities as may be required by the federal Act including:

3           (i) Conducting:

4                   1. Incident response activities;

5                   2. Shelter in place and evacuation planning;

6                   3. Railroad, maritime, and transportation exercises; and

7                   4. Emergency response activities;

8           (ii) The collection of hazardous material commodity flow  
9 information;

10           (iii) The acquisition and maintenance of chemical reference  
11 materials;

12           (iv) Public outreach activities including case studies, school  
13 safety, and emergency planning for citizens; and

14           (v) Participation by emergency response personnel in related  
15 training conferences on local, State, and federal regulatory and compliance updates,  
16 incident command, and crisis control; **AND**

17           **(4) EMERGENCY RESPONSE ACTIVITIES OF THE DEPARTMENT.**

18           (h) The Department [shall] **MAY** use 50% of the moneys in the Fund to  
19 provide grants to local emergency planning committees.

20 9–1707.

21           (f) (1) There is a State Recycling Trust Fund.

22           (6) In accordance with the State budget, the Fund shall be used only:

23                   (i) To provide grants to the counties to be used by the counties  
24 to develop and implement local recycling plans;

25                   (ii) To provide grants to counties that have addressed methods  
26 for the separate collection and recycling of covered electronic devices in accordance  
27 with § 9–1703(c)(1) of this subtitle;

28                   (iii) To provide grants to municipalities to be used by the  
29 municipalities to implement local covered electronic device recycling programs; and

1 (iv) To carry out the purposes of the [Office of Recycling under  
2 this subtitle and under Title 6, Subtitle 9 of this article] **LAND MANAGEMENT**  
3 **ADMINISTRATION.**

4 **Article – Health – General**

5 **15–102.8.**

6 **(A) THE DEPARTMENT MAY IMPOSE A CLAIMS PROCESSING CHARGE ON**  
7 **ALL MEDICAID CLAIMS PROCESSED, APPROVED, AND PAID BY THE**  
8 **DEPARTMENT TO HOSPITALS LOCATED IN THE DISTRICT OF COLUMBIA FOR**  
9 **THE PROVISION OF INPATIENT AND OUTPATIENT HOSPITAL SERVICES.**

10 **(B) THE AMOUNT TO BE PAID UNDER SUBSECTION (A) OF THIS SECTION**  
11 **MAY NOT EXCEED 6% OF THE AMOUNT OF CLAIMS PAID.**

12 **(C) THE DEPARTMENT SHALL ADOPT REGULATIONS TO IMPLEMENT**  
13 **THIS SECTION.**

14 **15–117.**

15 (b) **[(1)]** To ensure that a bed is reserved for a Program recipient who is  
16 [absent temporarily from a nursing facility, the Program shall include the following  
17 payments for nursing facilities that have made a provider agreement with the  
18 Department.

19 (2) If the Program recipient is absent from a nursing facility due to  
20 hospitalization for an acute condition, the facility shall receive payment for each day  
21 that the Program recipient is hospitalized and a bed is reserved and made available  
22 for the return of that Program recipient.

23 (3) If a Program recipient is] on leave of absence from a nursing  
24 facility **THAT HAS MADE A PROVIDER AGREEMENT WITH THE DEPARTMENT**, the  
25 facility shall receive payment for each day that the Program recipient is absent and a  
26 bed is reserved and made available for the return of that Program recipient.

27 (c) (1) [Payments under subsection (b)(2) of this section may not be made  
28 for more than 15 days for any single hospital stay.

29 (2) (i) Payments under subsection [(b)(3)] **(B)** of this section may  
30 not be made for more than 18 days in any calendar year.

31 [(ii)] **(2)** Notwithstanding any rule or regulation, a leave of  
32 absence is not subject to any requirement that it may not exceed a particular number

1 of days a visit, except that the leave of absence may not exceed a total of 18 days  
2 during any calendar year.

3 19–214.

4 (b) The Commission may adopt regulations establishing alternative methods  
5 for financing the reasonable total costs of hospital uncompensated care **AND THE**  
6 **DISPROPORTIONATE SHARE HOSPITAL PAYMENT** provided that the alternative  
7 methods:

8 (1) Are in the public interest;

9 (2) Will equitably distribute the reasonable costs of uncompensated  
10 care **AND THE DISPROPORTIONATE SHARE HOSPITAL PAYMENT**;

11 (3) Will fairly determine the cost of reasonable uncompensated care  
12 **AND THE DISPROPORTIONATE SHARE HOSPITAL PAYMENT** included in hospital  
13 rates;

14 (4) Will continue incentives for hospitals to adopt fair, efficient, and  
15 effective credit and collection policies; and

16 (5) Will not result in significantly increasing costs to Medicare or the  
17 loss of Maryland’s Medicare Waiver under § 1814(b) of the Social Security Act.

18 (c) Any funds generated through hospital rates under an alternative method  
19 adopted by the Commission in accordance with subsection (b) of this section may only  
20 be used to finance the delivery of hospital uncompensated care **AND THE**  
21 **DISPROPORTIONATE SHARE HOSPITAL PAYMENT**.

22 19–310.1.

23 (b) (2) The amount assessed in the aggregate on all nursing facilities may  
24 not exceed **[5.5%] 6.0%** of the operating revenue for all nursing facilities subject to  
25 this section for the previous fiscal quarter.

26 24–1105.

27 (a) The Trust Fund may only be used in accordance with this section.

28 (b) In accordance with an appropriation approved by the General Assembly  
29 in the State budget, the Comptroller shall transfer **[the investment earnings of]**:

30 (1) The **INVESTMENT EARNINGS OF THE** Developmental Disabilities  
31 Administration account of the Trust Fund into the Waiting List Equity Fund  
32 established under § 7–205 of this article; and





1 (ii) The subsidy provided under this subsection to the  
2 Community Health Resources Commission may not be less than:

- 3 1. \$3,000,000 for each of fiscal years 2012 and 2013; and  
4 2. \$8,000,000 for fiscal year 2014 and each fiscal year  
5 thereafter.

6 (3) For any year, the subsidy and funding required under this  
7 subsection by a nonprofit health service plan subject to this section may not exceed the  
8 value of the nonprofit health service plan's premium tax exemption under § 6-101(b)  
9 of this article.

10 14-106.1.

11 Beginning in fiscal year 2006, a nonprofit health service plan shall transfer  
12 funds in the amounts provided under § 14-106(d)(2) of this subtitle to:

13 (1) the Community Health Resources Commission Fund established  
14 under § 19-2201 of the Health – General Article to support the costs of the  
15 Community Health Resources Commission as provided in § 14-106(d)(1)(v) of this  
16 subtitle; [and]

17 (2) the Department of Health and Mental Hygiene for the Kidney  
18 Disease Program under Title 13, Subtitle 3 of the Health – General Article; AND

19 **(3) THE DEPARTMENT OF HEALTH AND MENTAL HYGIENE FOR**  
20 **THE PROVISION OF MENTAL HEALTH SERVICES TO THE UNINSURED UNDER**  
21 **TITLE 10, SUBTITLE 2 OF THE HEALTH – GENERAL ARTICLE.**

22 14-504.

23 (e) (1) In addition to the operation and administration of the Plan, the  
24 Fund shall be used:

25 **(I) for the operation and administration of the Senior**  
26 **Prescription Drug Assistance Program established under Part II of this subtitle; AND**

27 **(II) TO SUPPORT THE DEPARTMENT OF HEALTH AND**  
28 **MENTAL HYGIENE FOR THE PROVISION OF MENTAL HEALTH SERVICES TO THE**  
29 **UNINSURED UNDER TITLE 10, SUBTITLE 2 OF THE HEALTH – GENERAL**  
30 **ARTICLE.**



1 (ii) The provisions of subparagraph (i) of this paragraph do not  
2 apply to the following funds:

3 62. Veterans Trust Fund; [and]

4 63. Transportation Trust Fund; AND

5 64. MORTGAGE LOAN SERVICING PRACTICES  
6 SETTLEMENT FUND.

7 7-310.1.

8 (A) ANY MONEY RECEIVED BY THE STATE OR OTHERWISE SUBJECT TO  
9 THE DIRECTION OR CONTROL OF A STATE OFFICIAL, AS A RESULT OF A  
10 SETTLEMENT, JUDGMENT, OR CONSENT DECREE MADE OR ENTERED INTO  
11 AFTER JANUARY 1, 2012:

12 (1) SHALL BE DEPOSITED IN THE STATE TREASURY; AND

13 (2) EXCEPT FOR FUNDS DESIGNATED AS RESTITUTION:

14 (I) SHALL BE EXPENDED ONLY AS AUTHORIZED IN THE  
15 STATE BUDGET BILL AS ENACTED; AND

16 (II) MAY BE TRANSFERRED BY BUDGET AMENDMENT.

17 (B) IN NEGOTIATING ANY STATE PAYMENT UNDER ANY NATIONAL OR  
18 MULTISTATE SETTLEMENT, JUDGMENT, OR CONSENT DECREE, A STATE  
19 OFFICIAL MAY RECOMMEND RESTRICTIONS ON THE USE OF THAT STATE  
20 PAYMENT BUT SHALL ALSO REQUEST THAT THE SETTLEMENT, JUDGMENT, OR  
21 CONSENT DECREE ALSO PROVIDE THAT THE FUNDS MAY BE USED FOR ANY  
22 PUBLIC PURPOSE, TO THE EXTENT THAT DOING SO IS NOT INCONSISTENT WITH  
23 THE STATE OR ITS CITIZENS SECURING THE MAXIMUM BENEFIT FROM THE  
24 SETTLEMENT, JUDGMENT, OR CONSENT DECREE.

25 7-328.

26 (A) THERE IS A MORTGAGE LOAN SERVICING PRACTICES SETTLEMENT  
27 FUND.

28 (B) (1) THE FUND IS A CONTINUING, NONLAPSING FUND THAT IS NOT  
29 SUBJECT TO § 7-302 OF THIS SUBTITLE.

30 (2) EXCEPT FOR RESTITUTION AND FUNDS DESIGNATED AS  
31 FINES, CIVIL PENALTIES, AND MONEY THAT ARE OTHERWISE REQUIRED UNDER

1 MARYLAND LAW, A JUDGMENT, OR A SETTLEMENT AGREEMENT TO BE PAID  
2 INTO THE GENERAL FUND OF THE STATE, THERE SHALL BE CREDITED TO THE  
3 FUND ALL REVENUES CONSISTING OF FUNDS RECEIVED BY THE STATE FROM  
4 ANY SOURCE RESULTING, DIRECTLY OR INDIRECTLY, FROM ANY JUDGMENT  
5 AGAINST OR SETTLEMENT WITH BANK MORTGAGE SERVICERS OR ANY OTHER  
6 PERSON IN THE MORTGAGE SERVICING INDUSTRY RELATING TO LITIGATION,  
7 ADMINISTRATIVE PROCEEDINGS, OR ANY OTHER CLAIMS MADE OR PROSECUTED  
8 BY THE STATE TO RECOVER DAMAGES FOR VIOLATIONS OF STATE LAW.

9 (C) THE TREASURER SHALL:

10 (1) INVEST AND REINVEST THE FUND IN THE SAME MANNER AS  
11 OTHER STATE FUNDS; AND

12 (2) CREDIT ANY INVESTMENT EARNINGS TO THE FUND.

13 (D) EXPENDITURES FROM THE FUND SHALL BE MADE BY AN  
14 APPROPRIATION IN THE ANNUAL STATE BUDGET OR MAY BE TRANSFERRED BY  
15 BUDGET AMENDMENT.

16 (E) (1) THE FUND SHALL BE EXPENDED SUBJECT TO ANY  
17 RESTRICTIONS ON ITS USE OR OTHER LIMITATIONS ON ITS ALLOCATION THAT  
18 ARE:

19 (I) EXPRESSLY PROVIDED BY STATUTE; OR

20 (II) REQUIRED AS A CONDITION OF THE ACCEPTANCE OF  
21 FUNDS.

22 (2) IT IS THE INTENT OF THE GENERAL ASSEMBLY THAT  
23 DISBURSEMENTS FROM THE FUND TO PROGRAMS FUNDED BY THE STATE OR  
24 WITH FEDERAL FUNDS ADMINISTERED BY THE STATE SHALL BE USED AS  
25 PROVIDED IN THIS SECTION SOLELY TO SUPPLEMENT, AND NOT TO SUPPLANT,  
26 FUNDS OTHERWISE AVAILABLE FOR THE PROGRAMS UNDER FEDERAL OR STATE  
27 LAW.

28 (F) (1) THE MORTGAGE LOAN SERVICING PRACTICES SETTLEMENT  
29 FUND SHALL BE USED FOR HOUSING AND FORECLOSURE-RELIEF PURPOSES  
30 AND FOR RELATED INVESTIGATION AND ENFORCEMENT ACTIVITIES,  
31 INCLUDING:

32 (I) THE PROVISION OF HOUSING COUNSELING;



1 9–117.

2 (a) (1) (i) Except as provided in subparagraph (ii) of this paragraph, a  
3 licensed agent shall receive regular commissions of 5.5% of the licensed agent's gross  
4 receipts from ticket sales.

5 (ii) For fiscal years 2010 through [2012] **2013** only, a licensed  
6 agent shall receive regular commissions of 5.0% of the licensed agent's gross receipts  
7 from ticket sales.

8 12–203.

9 [To] **EXCEPT AS PROVIDED IN TITLE 5 OF THE EDUCATION ARTICLE, TO**  
10 carry out this subtitle, the Governor shall include in the budget bill money that is  
11 adequate to satisfy a final judgment that, after the exhaustion of the rights of appeal,  
12 is rendered against the State or any of its officers or units.

13 **Article – State Personnel and Pensions**

14 21–125.

15 (b) (1) On the basis of actuarial assumptions that the Board of Trustees  
16 adopts, each year the actuary shall make a valuation of the assets and liabilities of the  
17 funds of the several systems.

18 (2) Each year the Board of Trustees shall certify to the Secretary of  
19 Budget and Management and to the Governor the rates of employer contributions.

20 (3) For purposes of actuarial valuation, the Board of Trustees may  
21 adopt a generally accepted method for determining the value of the assets held by the  
22 several systems.

23 (4) For general ledger accounting and financial reporting, the Board of  
24 Trustees shall use generally accepted accounting principles.

25 21–304.

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

27 **(2) WITH RESPECT TO LOCAL EMPLOYEES, “AGGREGATE ANNUAL**  
28 **EARNABLE COMPENSATION” MEANS THE TOTAL ANNUAL EARNABLE**  
29 **COMPENSATION PAYABLE BY A LOCAL EMPLOYER TO ALL OF ITS LOCAL**  
30 **EMPLOYEES, CALCULATED AS OF JUNE 30 OF THE SECOND PRIOR FISCAL YEAR**  
31 **BEFORE THE FISCAL YEAR FOR WHICH THE CALCULATION IS MADE UNDER THIS**  
32 **SECTION, ADJUSTED BY ANY ACTUARIAL ASSUMED SALARY INCREASES THAT**

1 WERE USED IN THE ACTUARIAL VALUATION PREPARED UNDER § 21-125(B) OF  
2 THIS TITLE FOR THE IMMEDIATE PRIOR FISCAL YEAR.

3 [(2)] (3) “Preliminary funding rate” means the sum of:

4 (i) the aggregate normal rate that is based on the normal  
5 contribution rate calculated under subsection (c) of this section; and

6 (ii) the aggregate unfunded accrued liability contribution rate  
7 that is based on the unfunded accrued liability contribution rate under subsection  
8 (d)(1)(i) and (ii)1 and 2 and (2) of this section.

9 [(3)] (4) “Funding ratio for the employees’ systems” means the  
10 actuarial value of assets for the employees’ systems divided by the actuarial accrued  
11 liability for the employees’ systems.

12 [(4)] (5) “Funding ratio for the teachers’ systems” means the  
13 actuarial value of assets for the teachers’ systems divided by the actuarial accrued  
14 liability for the teachers’ systems.

15 (6) **“LOCAL EMPLOYEE” MEANS A MEMBER OF THE TEACHERS’  
16 RETIREMENT SYSTEM OR THE TEACHERS’ PENSION SYSTEM WHO IS AN  
17 EMPLOYEE OF A DAY SCHOOL IN THE STATE UNDER THE AUTHORITY AND  
18 SUPERVISION OF A COUNTY BOARD OF EDUCATION OR THE BALTIMORE CITY  
19 BOARD OF SCHOOL COMMISSIONERS, EMPLOYED AS:**

20 (I) A CLERK;

21 (II) A HELPING TEACHER;

22 (III) A PRINCIPAL;

23 (IV) A SUPERINTENDENT;

24 (V) A SUPERVISOR; OR

25 (VI) A TEACHER.

26 (7) **“LOCAL EMPLOYER” MEANS A COUNTY BOARD OF EDUCATION  
27 OR THE BALTIMORE CITY BOARD OF SCHOOL COMMISSIONERS.**

28 [(5)] (8) “State member” does not include a member on whose behalf  
29 a participating governmental unit is required to make an employer contribution under  
30 § 21-305 or § 21-306 of this subtitle.

1           **(9) “TOTAL EMPLOYER CONTRIBUTION FOR LOCAL EMPLOYEES”**  
2 **MEANS THAT PORTION OF THE EMPLOYER CONTRIBUTION CALCULATED UNDER**  
3 **SUBSECTION (B) OF THIS SECTION THAT IS ATTRIBUTABLE TO ALL LOCAL**  
4 **EMPLOYEES.**

5           (b) (1) **[Each] SUBJECT TO PARAGRAPHS (4) AND (5) OF THIS**  
6 **SUBSECTION, EACH** fiscal year, on behalf of the State members of each State system,  
7 the State shall pay to the appropriate accumulation fund an amount equal to or  
8 greater than the sum of the amount, if any, required to be included in the budget bill  
9 under § 3–501(c)(2)(ii) of this article and the product of multiplying:

10                           (i) the aggregate annual earnable compensation of the State  
11 members of that State system; and

12                           (ii) 1. for State members of the Law Enforcement Officers’  
13 Retirement System, State Police Retirement System, and the Judges’ Retirement  
14 System, the sum of the normal contribution rate and the accrued liability contribution  
15 rate, as determined under this section;

16   2. for State members of the Employees’ Pension System,  
17 Employees’ Retirement System, Correctional Officers’ Retirement System, and  
18 Legislative Pension Plan, the employees’ systems contribution rate determined under  
19 subsection (e) of this section; or

20   3. for State members of the Teachers’ Pension System  
21 and Teachers’ Retirement System, the teachers’ systems contribution rate determined  
22 under subsection (f) of this section.

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

26                           (i) the entry–age actuarial cost method; and

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

28           (3) For the purpose of making the determinations required under this  
29 section:

30                           (i) the Employees’ Retirement System, the Employees’ Pension  
31 System, the Correctional Officers’ Retirement System, and the Legislative Pension  
32 Plan shall be considered together as one State system; and

33                           (ii) the Teachers’ Retirement System and the Teachers’ Pension  
34 System shall be considered together as one State system.



1           **(4) (I) SUBJECT TO § 21-309.1 OF THIS SUBTITLE, BEGINNING**  
 2 **ON JULY 1, 2012 AND EACH FISCAL YEAR THEREAFTER, EACH LOCAL EMPLOYER**  
 3 **SHALL PAY TO THE APPROPRIATE ACCUMULATION FUND AN AMOUNT EQUAL TO**  
 4 **THE LOCAL SHARE OF THE TOTAL EMPLOYER CONTRIBUTION FOR LOCAL**  
 5 **EMPLOYEES AS PROVIDED IN THIS PARAGRAPH.**

6           **(II) FOR FISCAL YEARS 2013 THROUGH 2016, EACH LOCAL**  
 7 **EMPLOYER SHALL PAY TO THE BOARD OF TRUSTEES ITS LOCAL SHARE, WHICH**  
 8 **SHALL BE EQUAL TO THE FOLLOWING AMOUNTS:**

9		FISCAL	FISCAL	FISCAL	FISCAL
10	LOCAL	YEAR	YEAR	YEAR	YEAR
11	EMPLOYER	2013	2014	2015	2016
12	ALLEGANY	1,487,742	1,885,754	2,412,465	2,773,677
13	ANNE ARUNDEL	11,493,684	14,568,567	18,637,716	21,428,297
14	BALTIMORE CITY	12,922,862	16,380,092	20,955,217	24,092,793
15	BALTIMORE	15,755,802	19,970,922	25,549,002	29,374,395
16	CALVERT	2,835,938	3,594,631	4,598,648	5,287,193
17	CAROLINE	793,934	1,006,334	1,287,413	1,480,175
18	CARROLL	4,005,782	5,077,441	6,495,621	7,468,196
19	CECIL	2,459,819	3,117,889	3,988,747	4,585,973
20	CHARLES	3,936,516	4,989,645	6,383,304	7,339,061
21	DORCHESTER	656,543	832,186	1,064,625	1,224,028
22	FREDERICK	5,893,461	7,470,128	9,556,610	10,987,499
23	GARRETT	664,714	842,544	1,077,874	1,239,262
24	HARFORD	5,529,741	7,009,102	8,966,815	10,309,396
25	HOWARD	9,821,066	12,448,477	15,925,463	18,309,945
26	KENT	366,147	464,102	593,730	682,628
27	MONTGOMERY	27,227,553	34,511,689	44,151,153	50,761,802
28	PRINCE GEORGE'S	19,554,579	24,785,979	31,708,954	36,456,662
29	QUEEN ANNE'S	1,105,527	1,401,286	1,792,679	2,061,093
30	ST. MARY'S	2,485,697	3,150,691	4,030,711	4,634,220
31	SOMERSET	480,124	608,570	778,550	895,121
32	TALBOT	628,456	796,586	1,019,080	1,171,665
33	WASHINGTON	3,094,113	3,921,875	5,017,294	5,768,522
34	WICOMICO	2,173,593	2,755,091	3,524,616	4,052,348
35	WORCESTER	1,271,561	1,611,739	2,061,914	2,370,640

36           **(III) BEGINNING IN FISCAL YEAR 2017, EACH LOCAL**  
 37 **EMPLOYER SHALL PAY TO THE BOARD OF TRUSTEES ITS LOCAL SHARE EQUAL**  
 38 **TO THE NORMAL CONTRIBUTION RATE FOR THE TEACHERS' RETIREMENT**  
 39 **SYSTEM AND THE TEACHERS' PENSION SYSTEM MULTIPLIED BY THE**

1 AGGREGATE ANNUAL EARNABLE COMPENSATION OF THE LOCAL EMPLOYEES OF  
2 THAT LOCAL EMPLOYER.

3 (5) THE DIFFERENCE BETWEEN THE TOTAL EMPLOYER  
4 CONTRIBUTION FOR LOCAL EMPLOYEES AND THE LOCAL SHARE OF THE TOTAL  
5 EMPLOYER CONTRIBUTION FOR ALL LOCAL EMPLOYEES SHALL BE THE  
6 OBLIGATION OF THE STATE.

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

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

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

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

16 21-308.

17 (a) (1) On or before December 1 of each year, the Board of Trustees shall:

18 (i) certify to the Governor and the Secretary of Budget and  
19 Management the rates to be used to determine the amounts to be paid by the State to  
20 the accumulation fund of each of the several systems during the next fiscal year,  
21 **INCLUDING A SEPARATE CERTIFICATION OF THE NORMAL CONTRIBUTION RATE**  
22 **FOR THE TEACHERS' RETIREMENT SYSTEM AND THE TEACHERS' PENSION**  
23 **SYSTEM;** and

24 (ii) provide to the Secretary of Budget and Management a  
25 statement of the total amount to be paid **BY THE STATE AS DETERMINED UNDER §**  
26 **21-304 OF THIS SUBTITLE** to the Teachers' Retirement System and the Teachers'  
27 Pension System expressed as a percentage of the payroll of all members of those State  
28 systems.

29 **21-309.1.**

30 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE  
31 MEANINGS INDICATED.

32 (2) "LOCAL EMPLOYEE" HAS THE MEANING STATED IN § 21-304  
33 OF THIS SUBTITLE.

1           **(3) “LOCAL EMPLOYER” HAS THE MEANING STATED IN § 21-304**  
2 **OF THIS SUBTITLE.**

3           **(B) ON OR BEFORE DECEMBER 1 OF EACH YEAR, THE BOARD OF**  
4 **TRUSTEES SHALL DETERMINE AND CERTIFY THE AMOUNTS PAYABLE BY EACH**  
5 **LOCAL EMPLOYER UNDER § 21-304(B)(4) OF THIS SUBTITLE FOR THE NEXT**  
6 **FISCAL YEAR.**

7           **(C) ON OR BEFORE OCTOBER 1, JANUARY 1, APRIL 1, AND JUNE 1 OF**  
8 **EACH FISCAL YEAR, EACH LOCAL EMPLOYER SHALL PAY TO THE BOARD OF**  
9 **TRUSTEES 25% OF THE AMOUNT OF THE CHARGES CERTIFIED TO THE LOCAL**  
10 **EMPLOYER BY THE BOARD OF TRUSTEES UNDER SUBSECTION (B) OF THIS**  
11 **SECTION.**

12           **(D) (1) THE SECRETARY OF THE BOARD OF TRUSTEES MAY ALLOW A**  
13 **GRACE PERIOD NOT TO EXCEED 10 CALENDAR DAYS FOR PAYMENT OF THE**  
14 **AMOUNTS CERTIFIED UNDER THIS SECTION.**

15           **(2) IF A LOCAL EMPLOYER DOES NOT PAY THE AMOUNTS**  
16 **REQUIRED UNDER THIS SECTION WITHIN THE TIME REQUIRED, ON**  
17 **NOTIFICATION BY THE SECRETARY OF THE BOARD OF TRUSTEES THAT A**  
18 **DELINQUENCY EXISTS, THE STATE COMPTROLLER IMMEDIATELY:**

19                   **(I) SHALL WITHHOLD THE DELINQUENT AMOUNTS,**  
20 **INCLUDING INTEREST ON THE DELINQUENT AMOUNTS AT A RATE OF 7.75% A**  
21 **YEAR, FROM ANY INSTALLMENT DUE THE LOCAL EMPLOYER FROM THE**  
22 **GENERAL STATE SCHOOL FUND; AND**

23                   **(II) SHALL PAY TO THE BOARD OF TRUSTEES THE**  
24 **DELINQUENT AMOUNTS, INCLUDING INTEREST, WITHHELD UNDER THIS**  
25 **PARAGRAPH.**

26           **(E) ON RECEIPT OF THE PAYMENTS FROM EACH LOCAL EMPLOYER OR**  
27 **THE STATE COMPTROLLER, THE BOARD OF TRUSTEES SHALL CREDIT THESE**  
28 **AMOUNTS TO THE ACCUMULATION FUND OF THE APPROPRIATE STATE SYSTEM.**

29                                   **Article – Tax – General**

30           2-608.

31           **[(c) For each of fiscal years 2013 through 2022, inclusive:**

32                   **(1) the Comptroller shall distribute \$36,677,863 of the remaining**  
33 **income tax revenue from individuals to the local reserve account established to comply**  
34 **with § 2-606 of this subtitle; and**

1           (2) the total amount distributed to the counties for each fiscal year  
2 under subsection (a) of this section shall be reduced by \$36,677,863.

3           (d) The Comptroller shall adjust the amount distributed under subsection (a)  
4 of this section to a county to allow for a proportionate part of the reduction made  
5 under subsection (c) of this section.

6           (e) To determine the pro rata share for a county under subsection (d) of this  
7 section, the Comptroller shall compute the amount equal to the product of multiplying  
8 \$36,677,863 by a fraction:

9           (1) the numerator of which is the amount of county income tax from  
10 individuals collected and attributable to residents of the county, calculated using tax  
11 returns filed with the Comptroller for the most recent preceding tax year; and

12           (2) the denominator of which is the total amount of county income  
13 taxes collected from individuals, calculated using tax returns filed with the  
14 Comptroller for the most recent preceding tax year.

15           (f) The pro rata share calculated under subsection (e) of this section shall be  
16 used for the quarterly distributions of local income tax revenue beginning in  
17 November and ending in August.]

18 2-1104.

19           (b) For each fiscal year beginning on or before July 1, 2015, instead of the  
20 distribution required under subsection (a)(1) of this section, the Comptroller shall  
21 distribute 2.3% of the remaining motor fuel tax revenue as follows:

22           (1) to the General Fund of the State:

23                   (i) \$5,000,000 for each fiscal year beginning on or before July 1,  
24 [2014] **2011**; [and]

25                   **(II) \$5,000,000 FOR EACH OF THE FISCAL YEARS**  
26 **BEGINNING JULY 1, 2012, JULY 1, 2013, AND JULY 1, 2014; AND**

27                   [(ii)] **(III) \$4,624,687 for the fiscal year beginning July 1, 2015;**  
28 [and]

29           **(2) \$8,000,000 TO THE BUDGET RESTORATION FUND FOR THE**  
30 **FISCAL YEAR BEGINNING JULY 1, 2012; AND**

31           **[(2)] (3)** the balance to the Chesapeake Bay 2010 Trust Fund.

**Article – Transportation**

4–321.

(e) The Governor shall transfer to the Authority for the Intercounty Connector:

(1) From the Transportation Trust Fund, at least \$30,000,000 each year for fiscal years 2007 through 2010;

(2) From the General Fund or general obligation bonds, an aggregate appropriation by fiscal year [~~2013~~] **2014** equal to \$264,913,000, as follows:

(i) \$53,000,000 for fiscal year 2007;

(ii) \$55,000,000 for fiscal year 2010;

(iii) At least \$80,000,000 for fiscal year 2011; and

(iv) The remaining balance for fiscal year 2012 [~~or~~], fiscal year 2013, **OR FISCAL YEAR 2014**; and

(3) At least \$10,000,000 federal aid from any source in amounts as deemed prudent.

**5–415.**

**(A) IN THIS SECTION, “FIRE RESCUE SERVICE” MEANS THE MARYLAND AVIATION ADMINISTRATION FIRE RESCUE SERVICE.**

**(B) SUBJECT TO SUBSECTION (C) OF THIS SECTION, THE FIRE RESCUE SERVICE SHALL CHARGE AN AMBULANCE TRANSPORT FEE SET IN REGULATIONS ADOPTED UNDER SUBSECTION (D) OF THIS SECTION TO AN INDIVIDUAL IF THE FIRE RESCUE SERVICE TRANSPORTS THE INDIVIDUAL TO A HOSPITAL FROM PROPERTY OWNED BY THE ADMINISTRATION OR PROPERTY SUBJECT TO A MUTUAL AID AGREEMENT TO WHICH THE ADMINISTRATION IS A PARTY.**

**(C) (1) THE FIRE RESCUE SERVICE MAY NOT:**

**(I) QUESTION AN INDIVIDUAL ABOUT ABILITY TO PAY THE AMBULANCE TRANSPORT FEE AT THE TIME THAT AMBULANCE TRANSPORTATION IS REQUESTED OR PROVIDED; OR**

1                   **(II) FAIL TO PROVIDE AMBULANCE TRANSPORTATION AND**  
 2 **EMERGENCY MEDICAL SERVICES BECAUSE OF AN INDIVIDUAL’S ACTUAL OR**  
 3 **PERCEIVED INABILITY TO PAY THE AMBULANCE TRANSPORT FEE.**

4                   **(2) THE ADMINISTRATION MAY PROCURE THE SERVICES OF A**  
 5 **THIRD PARTY BILLING COMPANY TO ADMINISTER ITS AMBULANCE TRANSPORT**  
 6 **FEE PROGRAM.**

7           **(D) THE ADMINISTRATION SHALL ADOPT REGULATIONS TO:**

8                   **(1) SET THE AMBULANCE TRANSPORT FEE; AND**

9                   **(2) ADMINISTER THE COLLECTION OF THE AMBULANCE**  
 10 **TRANSPORT FEE, INCLUDING REGULATIONS GOVERNING:**

11                   **(I) A WAIVER OF THE AMBULANCE TRANSPORT FEE IN THE**  
 12 **EVENT OF FINANCIAL HARDSHIP;**

13                   **(II) THE ACCEPTANCE OF REDUCED PAYMENTS BY**  
 14 **COMMERCIAL INSURERS AND OTHER THIRD-PARTY PAYORS, INCLUDING**  
 15 **MEDICARE AND MEDICAID; AND**

16                   **(III) A REQUIREMENT THAT EACH INDIVIDUAL RECEIVING**  
 17 **AN AMBULANCE TRANSPORT PROVIDE FINANCIAL INFORMATION, INCLUDING**  
 18 **THE INDIVIDUAL’S INSURANCE COVERAGE, AND ASSIGN INSURANCE BENEFITS**  
 19 **TO THE ADMINISTRATION.**

20           **(E) THE ADMINISTRATION SHALL DEPOSIT THE FEES COLLECTED**  
 21 **UNDER THIS SECTION IN THE TRANSPORTATION TRUST FUND.**

22 12-118.

23           (e) (2) The balance of the money in the special fund shall be distributed to  
 24 the [Transportation Trust Fund established under § 3-216 of this article]  
 25 **DEPARTMENT OF STATE POLICE TO FUND ROADSIDE ENFORCEMENT**  
 26 **ACTIVITIES.**

27                                   **Chapter 193 of the Acts of 2005**

28           SECTION 2. AND BE IT FURTHER ENACTED, That:

29           (a) Prior to making any adjustments to capitation payments for a managed  
 30 care organization, the Secretary of Health and Mental Hygiene, in consultation with  
 31 the Maryland Insurance Commissioner, shall adopt regulations to implement the  
 32 provisions of § 15-605(c)(5) of the Insurance Article.

1 (b) The regulations adopted under subsection (a) of this section shall:

2 (1) establish the definition of “loss ratio” for uniform application by all  
3 managed care organizations;

4 (2) establish procedures requiring the Secretary of Health and Mental  
5 Hygiene to consider the financial performance of a managed care organization in prior  
6 periods;

7 (3) establish standard data collection and reporting requirements for  
8 all managed care organizations;

9 (4) consistent with the provisions of § 15–605(c)(5) of the Insurance  
10 Article, establish a process for allowing a managed care organization to appeal a  
11 decision of the Secretary of Health and Mental Hygiene to adjust a managed care  
12 organization’s capitation payments; and

13 (5) establish a mechanism for, and conditions under which, an  
14 adjustment to the capitation rates of a managed care organization are made.

15 (c) The Secretary of Health and Mental Hygiene shall adopt any additional  
16 regulations necessary to carry out the provisions of § 15–605(c)(5) of the Insurance  
17 Article and the goals of the Health Choice Program.

18 **(D) ANY REGULATIONS ADOPTED BY THE SECRETARY OF HEALTH AND**  
19 **MENTAL HYGIENE THAT ADJUST CAPITATED PAYMENTS TO MANAGED CARE**  
20 **ORGANIZATIONS IF THE MEDICAL LOSS RATIO OF A MANAGED CARE**  
21 **ORGANIZATION IS LESS THAN 85% MAY NOT APPLY TO A CALENDAR YEAR**  
22 **PRECEDING THE CALENDAR YEAR IN WHICH THE REGULATIONS ARE ADOPTED.**

23 SECTION 3. AND BE IT FURTHER ENACTED, That, as part of the ongoing  
24 efforts of the Department of Health and Mental Hygiene to ensure that managed care  
25 organizations deliver quality health care to their members, the Department may  
26 modify, enhance, or replace the Value Based Purchasing Initiative in effect on January  
27 1, 2005, provided that:

28 (1) except as provided in [item (4)] **ITEMS (4) AND (5)** of this section,  
29 any changes to the core set of performance measures and the methodology for  
30 penalties, rewards, disincentives, or incentives shall be adopted by regulation prior to  
31 the calendar year for which the managed care organizations will be held accountable  
32 for compliance with the performance measures;

33 (2) except as provided in item (4) of this section, the Secretary of  
34 Health and Mental Hygiene shall notify managed care organizations of the core set of  
35 performance measures and targets at least 3 months prior to the calendar year for

1 which the managed care organizations will be held accountable for compliance with  
2 the performance measures;

3 (3) any penalty or capitation adjustment imposed under this section  
4 on a managed care organization may not be implemented by means of a capitation  
5 payment withhold; [and]

6 (4) with respect to the performance measures for calendar year 2005,  
7 the Secretary of Health and Mental Hygiene may modify the ranges or targets of the  
8 core set of performance measures without complying with the provisions of items (1)  
9 and (2) of this section, provided that the dollar amounts of any financial rewards or  
10 disincentives shall be calculated as set forth in the Value Based Purchasing Initiative  
11 in effect on January 1, 2005; AND

12 (5) WITH RESPECT TO CALENDAR YEAR 2012, THE DEPARTMENT  
13 MAY MAKE CHANGES TO THE METHODOLOGY FOR PENALTIES, REWARDS,  
14 DISINCENTIVES, OR INCENTIVES BY REGULATIONS ADOPTED DURING THE  
15 CALENDAR YEAR.

## 16 Chapter 2 of the Acts of the Special Session of 2007

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

18 (a) The Geographic Cost of Education Index (GCEI) Adjustment established  
19 in § 5-202(f) of the Education Article shall be updated [every 3 years beginning] IN  
20 September [2009] 2016 using the most current [data available and the same]  
21 methodology [set forth in the report entitled “Adjusting for Geographic Differences in  
22 the Cost of Education Provision in Maryland (December 31, 2003).”].

## 23 Chapter 397 of the Acts of 2011

24 SECTION 11. AND BE IT FURTHER ENACTED, That, notwithstanding any  
25 other provision of law, the Governor may transfer from the Senior Prescription Drug  
26 Assistance Program account of the Maryland Health Insurance Plan Fund established  
27 under § 14-504(e) of the Insurance Article to the Kidney Disease Program established  
28 under Title 13, Subtitle 3 of the Health – General Article up to \$3,000,000 in fiscal  
29 year 2012, and up to [ \$3,000,000 ] \$5,000,000 in fiscal year 2013.

30 SECTION 24. AND BE IT FURTHER ENACTED, That, notwithstanding any  
31 other provision of law:

32 (a) Except as otherwise provided in this section, State employees employed  
33 by any entity, including the University System of Maryland, Morgan State University,  
34 and St. Mary’s College of Maryland, may not receive merit increases prior to April 1,  
35 2014.



1 (b) This provision does not affect:

2 (1) salaries for constitutional officers or members of the General  
3 Assembly;

4 (2) increases necessary for the retention of faculty in the University  
5 System of Maryland, Morgan State University, or St. Mary's College of Maryland;

6 (3) payments pursuant to a collective bargaining agreement  
7 negotiated with an accredited representative in accordance with § 7-601 of the  
8 Transportation Article; or

9 (4) for fiscal [year] **YEARS 2012 [only] AND 2013**, operationally  
10 critical staff.

11 (c) On or before December 1, 2011, **AND DECEMBER 1, 2012**, in accordance  
12 with § 2-1246 of the State Government Article, the University System of Maryland,  
13 Morgan State University, and St. Mary's College of Maryland shall each submit a  
14 report to the Senate Budget and Taxation Committee and the House Appropriations  
15 Committee that details the policies adopted by the governing boards of those  
16 institutions to designate operationally critical staff, all staff identified as critical under  
17 subsection (b)(4) of this section, and any merit increases awarded as a consequence of  
18 this designation.

19 (d) On or before December 1, 2011, **AND DECEMBER 1, 2012**, in accordance  
20 with § 2-1246 of the State Government Article, the Department of Budget and  
21 Management shall submit a report to the Senate Budget and Taxation Committee and  
22 the House Appropriations Committee that details the policies adopted to designate  
23 operationally critical staff, all executive branch staff identified as critical under  
24 subsection (b)(4) of this section, and any merit increases awarded as a consequence of  
25 this designation.

26 SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland  
27 read as follows:

28 **Article – Education**

29 5-105.

30 (a) All revenues received by a county board shall be spent by the board in  
31 accordance with the major categories of its annual budget as provided under § 5-101  
32 of this subtitle.

33 (c) [Nonlocal] **EXCEPT AS PROVIDED IN SUBSECTION (D) OF THIS**  
34 **SECTION, NONLOCAL** funds received by a county board after the adoption of the  
35 annual budget by the county fiscal authority may be spent by the county board if the  
36 county fiscal authority is notified and approves of:

1 (1) The source and amount of the funds; and

2 (2) The manner of spending the funds.

3 **(D) (1) FUNDS RECEIVED BY THE COUNTY BOARD UNDER §**  
4 **2-608(A)(1) OF THE TAX – GENERAL ARTICLE AFTER THE ADOPTION OF THE**  
5 **ANNUAL BUDGET BY THE COUNTY FISCAL AUTHORITY MAY BE SPENT BY THE**  
6 **COUNTY BOARD AFTER APPROVAL BY THE COUNTY FISCAL AUTHORITY UNDER**  
7 **PARAGRAPH (2) OF THIS SUBSECTION.**

8 **(2) THE COUNTY FISCAL AUTHORITY SHALL APPROVE THE**  
9 **AMOUNT OF FUNDS RECEIVED BY THE COUNTY BOARD UNDER § 2-608(A)(1) OF**  
10 **THE TAX – GENERAL ARTICLE WITHIN 30 DAYS AFTER THE COMPTROLLER**  
11 **MAKES THE DISTRIBUTION TO THE COUNTY BOARD.**

12 **(3) IF THE COUNTY FISCAL AUTHORITY FAILS TO TAKE ACTION**  
13 **WITHIN 30 DAYS AFTER THE DISTRIBUTION BY THE COMPTROLLER, THE**  
14 **FAILURE TO TAKE ACTION CONSTITUTES APPROVAL.**

15 SECTION 3. AND BE IT FURTHER ENACTED, That Section(s) 5-203 of  
16 Article – Education of the Annotated Code of Maryland be repealed.

17 SECTION 4. AND BE IT FURTHER ENACTED, That, notwithstanding any  
18 other provision of law, on or before June 30, 2012, the Governor may transfer to the  
19 Budget Restoration Fund established under this Act:

20 \$1,000,000 of the funds in the Helicopter Replacement Fund established under §  
21 2-801 of the Public Safety Article; and

22 \$1,800,000 of the funds in the accounts of the Baltimore City Community  
23 College.

24 SECTION 5. AND BE IT FURTHER ENACTED, That, notwithstanding any  
25 other provision of law, on or before June 30, 2013, the Governor may transfer to the  
26 Budget Restoration Fund established under this Act:

27 \$500,000 of the funds in the Maryland Correctional Enterprises Revolving Fund  
28 established under § 3-507 of the Correctional Services Article;

29 \$500,000 of the funds in the Spinal Cord Injury Research Trust Fund  
30 established under § 13-1406 of the Health – General Article;

31 \$206,000 of the funds in the State Insurance Trust Fund established under §  
32 9-103 of the State Finance and Procurement Article;

1           \$96,350 of the funds in the State Board of Examiners for Audiologists, Hearing  
2 Aid Dispensers, and Speech–Language Pathologists established under §  
3 2–206 of the Health Occupations Article;

4           \$320,392 of the funds in the State Board of Physicians Fund established under §  
5 14–207 of the Health Occupations Article;

6           \$5,000,000 of the funds in the accounts of the University System of Maryland;

7           \$250,000 of the funds in the accounts of Morgan State University;

8           \$351,000 of the funds in the special fund established under § 11–401 of the  
9 Business Regulation Article;

10           \$50,000 of the funds in the special fund established under § 7–216.1 of the State  
11 Government Article; and

12           \$9,788 of the funds in the State Board of Morticians and Funeral Directors  
13 established under § 7–206 of the Health Occupations Article.

14           SECTION 6. AND BE IT FURTHER ENACTED, That, notwithstanding any  
15 other provision of law, on or before June 30, 2013, the Governor may transfer  
16 \$96,870,649 of the funds in the special fund established under § 13–209 of the Tax –  
17 Property Article to the Budget Restoration Fund established under this Act. A transfer  
18 of funds under this section from the special fund to the Budget Restoration Fund  
19 established under this Act may not be taken into account for purposes of determining  
20 any allocation or appropriation required under § 13–209(f) or (g) of the Tax – Property  
21 Article.

22           SECTION 7. AND BE IT FURTHER ENACTED, That, notwithstanding any  
23 other provision of law:

24           (1) On or before June 30, 2013, the Governor may transfer  
25 \$50,000,000 of the funds in the Injured Workers’ Insurance Fund to the Budget  
26 Restoration Fund established under this Act.

27           (2) If legislation is enacted during the 2012 Session of the General  
28 Assembly that requires a valuation study of the Injured Workers’ Insurance Fund, the  
29 Injured Workers’ Insurance Fund and its successor shall be jointly liable to pay to the  
30 General Fund the additional amount, in excess of \$50,000,000, that the Injured  
31 Workers’ Insurance Fund has realized from its association with the State, if the  
32 Insurance Commissioner determines that the additional amount would not impair the  
33 adequacy of the Injured Workers’ Insurance Fund’s surplus and reserves.

34           (3) The transfer of \$50,000,000 and the additional payment to the  
35 State, if any, shall resolve any claim the State has or may have to the property or  
36 assets of the Injured Workers Insurance Fund, except as provided under federal tax

1 law for dissolution of state sponsored workers' compensation reinsurance  
2 organizations.

3 SECTION 8. AND BE IT FURTHER ENACTED, That, notwithstanding any  
4 other provision of law, on or before June 30, 2012, the Governor may transfer up to  
5 \$1,867,000 of the funds in the Small, Minority, and Women-Owned Businesses  
6 Account established under § 9-1A-35 of the State Government Article to the  
7 Education Trust Fund established under § 9-1A-30 of the State Government Article.

8 SECTION 9. AND BE IT FURTHER ENACTED, That:

9 (1) The Governor shall include in the budget bill for fiscal year 2014  
10 the transfer of \$2,000,000 from the Fair Campaign Financing Fund to the Maryland  
11 Information Technology Development Project Fund (program F50A01.01) that was  
12 authorized by Section 38 of Chapter 487 of the Acts of 2009 for the purpose of funding  
13 the purchase of a new Optical Scan Voting System.

14 (2) It is the intent of the General Assembly that, beginning in fiscal  
15 year 2015, each county pay its share of one-half of any further cost of acquiring and  
16 operating the Optical Scan Voting System as required under Chapter 564 of the Acts  
17 of 2001.

18 SECTION 10. AND BE IT FURTHER ENACTED, That, notwithstanding any  
19 other provision of law, on or before June 30, 2012, the Governor may transfer up to  
20 \$950,000, and on or before June 30, 2013, the Governor may transfer up to \$209,000,  
21 of the funds in the Problem Gambling Fund established under § 9-1A-33(b) of the  
22 State Government Article to the Education Trust Fund established under § 9-1A-30  
23 of the State Government Article.

24 SECTION 11. AND BE IT FURTHER ENACTED, That, for fiscal year 2013,  
25 payments to providers of nonpublic placements under § 8-406 of the Education Article  
26 may not increase by more than 1% over the rates in effect on January 18, 2012.

27 SECTION 12. AND BE IT FURTHER ENACTED, That, for fiscal year 2013,  
28 payments to providers with rates set by the Interagency Rates Committee under §  
29 8-417 of the Education Article may not increase by more than 1% over the rates in  
30 effect on January 18, 2012.

31 SECTION 13. AND BE IT FURTHER ENACTED, That, in addition to any other  
32 revenue generated under § 19-214 of the Health – General Article, as amended by this  
33 Act, for fiscal year 2013, the Health Services Cost Review Commission shall approve  
34 remittances in the amount of \$9,100,000 to support the general operations of the  
35 Medicaid program. The Commission may reduce remittances by the amount of any  
36 reduction in State Medicaid expenditures that result from any Commission-approved  
37 changes in hospital rates or policies.

1 SECTION 14. AND BE IT FURTHER ENACTED, That the Department of  
2 Health and Mental Hygiene may transfer up to \$5,000,000 in general funds in the  
3 Developmental Disabilities Administration at the end of fiscal year 2012 into a  
4 dedicated account, to be used in fiscal year 2013 for the following expenditures:

5 (1) within the Community Services Program of the Developmental  
6 Disabilities Administration:

7 (i) providing community-based services to individuals eligible  
8 for services from the Developmental Disabilities Administration, including individuals  
9 on the Developmental Disabilities Administration Waiting List;

10 (ii) continuing the implementation of the hold harmless policy  
11 related to changes in fiscal year 2012 to reimbursement policies for absence days;

12 (iii) enhancing services and service coordination for individuals  
13 receiving services from the Developmental Disabilities Administration; and

14 (iv) providing grants consistent with the purpose of Title 7 of the  
15 Health – General Article, to enhance and provide services to individuals eligible for  
16 services from the Developmental Disabilities Administration; and

17 (2) within the Office of Health Care Quality, providing funding, up to  
18 \$750,000, for activities directly related to providers licensed by the Developmental  
19 Disabilities Administration in lieu of increasing licensure fees for developmental  
20 disability providers.

21 SECTION 15. AND BE IT FURTHER ENACTED, That, notwithstanding any  
22 other provision of law, the Governor may transfer up to \$2,000,000 of the funds in the  
23 administrative expense account in the Strategic Energy Investment Fund established  
24 under § 9–20B–05 of the State Government Article to the Office of Home Energy  
25 Programs in the Department of Human Resources established under § 5–5A–02 of the  
26 Human Services Article to provide low-income energy assistance.

27 SECTION 16. AND BE IT FURTHER ENACTED, That, notwithstanding any  
28 other provision of law, the Governor may transfer \$4,500,000 from the Senior  
29 Prescription Drug Assistance Program account of the Maryland Health Insurance  
30 Plan Fund established under § 14–504(e) of the Insurance Article to the Medical  
31 Assistance Program established under Title 15, Subtitle 1 of the Health – General  
32 Article in fiscal year 2013.

33 SECTION 17. AND BE IT FURTHER ENACTED, That:

34 (a) Except as provided in subsection (b) of this section, any money received  
35 by the State as a result of conditions of an approved merger between Exelon  
36 Corporation and Constellation Energy Group shall be expended only as authorized

1 through an act of the General Assembly or specifically authorized in the State budget  
2 bill as enacted and is not subject to transfer by budget amendment.

3 (b) For fiscal year 2013 only, money received by the State as a result of  
4 conditions of an approved merger between Exelon Corporation and Constellation  
5 Energy Group may be transferred by budget amendment if:

6 (1) the budget amendment is subject to review by the Legislative  
7 Policy Committee, the House Appropriations Committee, and the Senate Budget and  
8 Taxation Committee; and

9 (2) the Legislative Policy Committee, the House Appropriations  
10 Committee, and the Senate Budget and Taxation Committee have 45 days to review  
11 and comment on the proposed budget amendment.

12 SECTION 18. AND BE IT FURTHER ENACTED, That for fiscal years 2013  
13 through 2016, in addition to the required maintenance of effort amount calculated  
14 under § 5–202(d) of the Education Article, each county shall appropriate to the county  
15 board of education the following dollar amounts:

16		Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year
17	County	2013	2014	2015	2016
18	Allegany	1,487,742	1,885,754	1,847,253	2,202,813
19	Anne Arundel	11,493,684	14,568,567	15,930,477	18,693,986
20	Baltimore City	12,922,862	16,380,092	14,824,485	17,900,753
21	Baltimore	15,755,802	19,970,922	21,062,639	24,843,168
22	Calvert	2,835,938	3,594,631	4,071,110	4,754,380
23	Caroline	793,934	1,006,334	991,831	1,181,637
24	Carroll	4,005,782	5,077,441	5,736,837	6,701,824
25	Cecil	2,459,819	3,117,889	3,352,878	3,943,745
26	Charles	3,936,516	4,989,645	5,642,346	6,590,694
27	Dorchester	656,543	832,186	775,810	932,325
28	Frederick	5,893,461	7,470,128	8,438,605	9,858,314
29	Garrett	664,714	842,544	796,082	954,652
30	Harford	5,529,741	7,009,102	7,475,675	8,803,344
31	Howard	9,821,066	12,448,477	14,909,225	17,283,545
32	Kent	366,147	464,102	445,130	532,542
33	Montgomery	27,227,553	34,511,689	37,809,551	44,356,785
34	Prince George's	19,554,579	24,785,979	24,951,664	29,631,799
35	Queen Anne's	1,105,527	1,401,286	1,497,849	1,763,314
36	St. Mary's	2,485,697	3,150,691	3,417,429	4,014,805
37	Somerset	480,124	608,570	495,932	609,676
38	Talbot	628,456	796,586	792,752	943,073
39	Washington	3,094,113	3,921,875	4,099,702	4,841,754
40	Wicomico	2,173,593	2,755,091	2,719,329	3,239,009
41	Worcester	1,271,561	1,611,739	1,647,903	1,952,488

1 SECTION 19. AND BE IT FURTHER ENACTED, That for fiscal year 2017, the  
2 maintenance of effort amount calculated under § 5–202(d) of the Education Article  
3 shall be based on the total per pupil appropriation for fiscal 2016 including the amount  
4 each county was required to appropriate to the county board of education in fiscal year  
5 2016 under Section 18 of this Act.

6 SECTION 20. AND BE IT FURTHER ENACTED, That, notwithstanding §  
7 5–202(d) of the Education Article, for fiscal year 2013 only, the maintenance of effort  
8 calculation for Baltimore City shall exclude:

9 (1) a reduction in the cost of health benefits for retired employees of  
10 the Baltimore City Public School System if a similar reduction is made for all  
11 participants in the health benefits program for retired employees that is administered  
12 by Baltimore City and includes retired employees of both Baltimore City and the  
13 Baltimore City Public School System; and

14 (2) a reduction in the cost of health benefits for retired employees of  
15 the Baltimore City Public School System due to a change in the allocation of the costs  
16 of the health benefits program between retired employees of Baltimore City and the  
17 Baltimore City Public School System from the estimated number of retired employees  
18 for Baltimore City and for the Baltimore City Public School System to an estimate of  
19 the actual medical and prescription drug claims for the retired employees of Baltimore  
20 City and for the retired employees of the Baltimore City Public School System.

21 SECTION 21. AND BE IT FURTHER ENACTED, That, notwithstanding any  
22 other provision of law to the contrary, § 10–306 of the State Finance and Procurement  
23 Article does not apply to the process for awarding a video lottery operation license  
24 under §§ 9–1A–05(a)(4) and 9–1A–36(h)(1)(iii) of the State Government Article.

25 SECTION 22. AND BE IT FURTHER ENACTED, That, notwithstanding any  
26 other provision of law, on or before June 30, 2013, the Governor may transfer by  
27 budget amendment \$5,000,000 from the Revenue Stabilization Account established  
28 under § 7–311 of the State Finance and Procurement Article to fund teacher  
29 retirement supplemental grants under Article 24, § 9–1105 of the Code, as enacted  
30 under this Act.

31 SECTION 23. AND BE IT FURTHER ENACTED, That, notwithstanding any  
32 other provision of law, for a county that does not meet the maintenance of effort  
33 requirement under § 5–202(d) of the Education Article in fiscal year 2012 and did not  
34 approve a county income tax rate of 3.2% before July 1, 2011:

35 (1) For fiscal year 2013, if a county approves a county income tax rate  
36 of 3.2% and a county property tax rate that is at least the maximum amount allowable  
37 under the county's charter before July 1, 2012, the required fiscal year 2013  
38 maintenance of effort amount for the county shall be calculated based on the local  
39 funds appropriated to the school operating budget for fiscal year 2012.

1 (2) For fiscal year 2014:

2 (i) if a county approves a county income tax rate of 3.2% and a  
3 county property tax rate that is at least the maximum amount allowable under the  
4 county's charter before July 1, 2013, the required fiscal year 2014 maintenance of  
5 effort amount for the county shall be calculated based on the local funds appropriated  
6 to the school operating budget for fiscal year 2013; and

7 (ii) if the county does not approve a county income tax rate of  
8 3.2% and a county property tax rate that is at least the maximum amount allowable  
9 under the county's charter before July 1, 2013, the required fiscal year 2014  
10 maintenance of effort amount for the county shall be based on the required  
11 maintenance of effort amount for fiscal year 2012.

12 SECTION 24. AND BE IT FURTHER ENACTED, That the unexpended  
13 appropriations that were included in the Budget Bill for Fiscal Year 2012 as enacted  
14 during the 2011 Session (Chapter 395 of the Acts of 2011) are reduced by the amounts  
15 indicated below:

16			General	Federal
17	Appropriation		Fund	Fund
18	Code	Program Title	Reduction	Reduction
19	M00Q01.03	Department of Health and Mental		
20		Hygiene – Medical Care Programs		
21		Administration – Medical Care Provider		
22		Reimbursements	\$40,000,000	\$40,000,000
23	T00A00.08	Department of Business and Economic		
24		Development – Office of Administration		
25		and Technology	\$578,000	

26 SECTION 25. AND BE IT FURTHER ENACTED, That:

27 (a) In this section, "Budget Bill" means the Budget Bill for Fiscal Year 2013  
28 as enacted during the 2012 Regular Session (Chapter 148 of the Acts of 2012).

29 (b) Notwithstanding § 7–213 of the State Finance and Procurement Article  
30 or any other provision of law, the statewide General Fund reductions of Chapter 148, §  
31 43 of the Acts of 2012 shall be implemented by the Governor without review or  
32 approval by the Board of Public Works.

33 (c) Subject to subsection (d) of this section, the appropriations for fiscal year  
34 2013 for the following purposes that were included in the Budget Bill are reduced by  
35 the amounts indicated below:



	Appropriation Code	Program Title	General Fund Reduction	Special Fund Reduction	Federal Fund Reduction
1					
2					
3					
4	F50A01.01	Department of			
5		Information Technology			
6		– Major Information			
7		Technology			
8		Development Project			
9		Fund	\$5,000,000		
10	K00A05.10	Department of Natural			
11		Resources – Outdoor			
12		Recreation Land Loan		\$49,249,882	
13	K00A14.02	Department of Natural			
14		Resources – Watershed			
15		Services		\$8,000,000	
16	L00A11.11	Department of			
17		Agriculture – Capital			
18		Appropriation		\$16,253,258	
19	M00L01.02	Department of Health			
20		and Mental Hygiene –			
21		Mental Hygiene			
22		Administration –			
23		Community Services	\$6,247,276		
24	M00L01.03	Department of Health			
25		and Mental Hygiene –			
26		Mental Hygiene			
27		Administration –			
28		Community Services for			
29		Medicaid Recipients	\$750,000		\$750,000
30	M00Q01.03	Department of Health			
31		and Mental Hygiene –			
32		Medical Care Programs			
33		Administration –			
34		Medical Care Provider			
35		Reimbursements	\$6,909,654		
36	M00Q01.03	Department of Health			
37		and Mental Hygiene –			
38		Medical Care Programs			
39		Administration –			
40		Medical Care Provider			
41		Reimbursements	\$4,500,000		
42	M00Q01.03	Department of Health			
43		and Mental Hygiene –			
44		Medical Care Programs			
45		Administration –			
46		Medical Care Provider			

1		Reimbursements	\$1,250,000	\$1,250,000
2	M00Q01.03	Department of Health		
3		and Mental Hygiene –		
4		Medical Care Programs		
5		Administration –		
6		Medical Care Provider		
7		Reimbursements	\$40,000,000	\$40,000,000
8	M00Q01.03	Department of Health		
9		and Mental Hygiene –		
10		Medical Care Programs		
11		Administration –		
12		Medical Care Provider		
13		Reimbursements	\$10,000,000	
14	M00Q01.06	Department of Health		
15		and Mental Hygiene –		
16		Medical Care Programs		
17		Administration –		
18		Kidney Disease		
19		Treatment Services	\$2,000,000	
20	R00A02.01	State Department of		
21		Education – Aid to		
22		Education – State Share		
23		of Foundation Program	\$1,867,000	
24	R00A02.01	State Department of		
25		Education – Aid to		
26		Education – State Share		
27		of Foundation Program	\$6,100,000	
28	R00A02.03	State Department of		
29		Education – Aid to		
30		Education – Aid for		
31		Local Employee Fringe		
32		Benefits	\$136,644,952	
33	R62I00.03	Maryland Higher		
34		Education Commission		
35		– Joseph A. Sellinger		
36		Formula for Aid to		
37		Non–Public Institutions		
38		of Higher Education	\$1,344,148	
39	R75T00.01	Higher Education –		
40		Support for State		
41		Operated Institutions of		
42		Higher Education	\$246,160	
43	T00A00.08	Department of Business		
44		and Economic		
45		Development – Office of		
46		Administration and		
47		Technology	\$578,000	

1	W00A01.02	Department of State	
2		Police – Maryland State	
3		Police – Field	
4		Operations Bureau	\$4,173,658

5 (d) If this Act satisfies the contingency for a reduction provided in the  
6 Budget Bill for an appropriation, the amount of the reduction specified in subsection  
7 (c) of this section for that appropriation shall be limited to the amount, if any, by  
8 which the reduction specified in subsection (c) of this section exceeds the reduction  
9 specified in the Budget Bill.

10 (e) The statewide elimination of positions provided for in Chapter 148, § 43  
11 of the Acts of 2012, shall instead provide only that on or before June 1, 2012, the  
12 Governor shall allocate a statewide Executive Branch General Fund reduction of  
13 \$30,000,000 for salaries and fringe benefits. The Governor shall abolish an aggregate  
14 of 100 vacant positions as of January 2, 2013, inclusive of 64 vacant positions  
15 abolished under Chapter 148, § 47 of the Acts of 2012.

16 (f) The statewide increase in the employee share of health insurance costs  
17 provided for in Chapter 148, § 43 of the Acts of 2012, shall instead provide only that on  
18 or before June 1, 2012, the Governor shall allocate a statewide Executive Branch  
19 General Fund reduction of \$15,000,000 for health insurance costs.

20 SECTION 26. AND BE IT FURTHER ENACTED, That:

21 (a) In this section, “Budget Restoration Fund” means the special fund  
22 established under this section.

23 (b) (1) The Budget Restoration Fund is established as a special fund for  
24 the purpose of authorizing specified revenue to be used for specified purposes as  
25 provided in this section.

26 (2) The Budget Restoration Fund consists of:

27 (i) Revenues distributed to the Budget Restoration Fund under  
28 this section; and

29 (ii) Other funds transferred to the Budget Restoration Fund as  
30 authorized or required under this Act.

31 (3) The Treasurer shall separately hold, and the Comptroller shall  
32 account for, the Budget Restoration Fund.

33 (4) (i) The Budget Restoration Fund shall be invested and  
34 reinvested in the same manner as other State funds.

1 (ii) Any investment earnings shall be credited to the General  
2 Fund of the State.

3 (c) Notwithstanding Title 2, Subtitle 6 of the Tax – General Article or any  
4 other provision of law, for fiscal year 2013 only, the Comptroller shall distribute to the  
5 Budget Restoration Fund:

6 (1) \$247,300,000 from the State income tax revenue from individuals;

7 (2) \$7,428,400 from the General Fund share of the State income tax  
8 revenue from corporations;

9 (3) \$8,800,000 from State lottery revenues; and

10 (4) \$5,000,000 from the tobacco tax revenue.

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

14 (2) Except as otherwise provided by law, any unspent balance in the  
15 Budget Restoration Fund on June 30, 2013, shall revert to the General Fund.

16 (3) Notwithstanding the requirements of Chapter 148, § 29 of the Acts  
17 of 2012 and the budget amendment procedure provided in Title 7, Subtitle 2, of the  
18 State Finance and Procurement Article, of the moneys credited to the Budget  
19 Restoration Fund up to the following specified amounts may be used for fiscal year  
20 2013 for the following purposes in addition to amounts authorized under Chapter 148  
21 of the Acts of the General Assembly of 2012:

22	Appropriation Code	Program Title	Amount
23	A15O00.01	Disparity Grants	11,992,672
24	A15O00.01	Disparity Grants	19,583,662
25	D15A05.16	Governor's Office of Crime Control and	
26		Prevention	20,768,000
27	R00A02.01	State Share of Foundation Program	128,752,660
28	R00A02.55	Teacher Development	5,232,000
29	D40W01.12	Sustainable Communities Tax Credit	7,000,000
30	F10A02.08	Statewide Expenses	33,800,000

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1	M00L01.02	Community Services	800,000
2	M00L01.03	Community Services for Medicaid Recipients	2,300,000
3	M00L05.01	Services and Institutional Operations	3,250,000
4	M00L11.01	Services and Institutional Operations	3,250,000
5	M00M01.02	Community Services	8,600,000
6	N00G00.01	Foster Care Maintenance Payments	1,400,000
7	R00A02.07	Students with Disabilities	2,100,000
8	R62I00.03	Joseph A. Sellinger Formula for Aid to	
9		Non–Public Institutions of Higher Education	3,844,596
10	R62I00.05	The Senator John A. Cade Funding Formula	
11		for the Distribution of Funds to Community	
12		Colleges	19,917,611
13	R62I00.12	Senatorial Scholarships	6,486,000
14	R62I00.15	Delegate Scholarships	5,300,486
15	R75T00.01	Support for State Operated Institutions of	
16		Higher Education	38,499,856
17	T00F00.12	Maryland Biotechnology Investment Tax	
18		Credit Reserve Fund	8,000,000
19	T50T01.03	Maryland Stem Cell Research Fund	10,400,000
20	Statewide	Restore cut to employer share of health	
21		insurance costs	15,000,000
22	Statewide	Restore funding for positions	24,000,000
23	Statewide	Restore agency operating expenses cut of 8%	50,000,000

24           SECTION 27. AND BE IT FURTHER ENACTED, That, notwithstanding any  
 25 other provision of law, the salary of the State Superintendent of Schools shall be the  
 26 salary set by the State Board of Education on April 24, 2012, pursuant to § 2–302 of  
 27 the Education Article.

28           SECTION 28. AND BE IT FURTHER ENACTED, That, notwithstanding any  
 29 other provision of law, on or before June 30, 2013, the Governor may process a Special

1 Fund budget amendment to appropriate \$383,840 from the Higher Education  
2 Investment Fund to provide a grant to St. Mary's College of Maryland to offset a 2%  
3 increase in the in-State undergraduate tuition rate for fiscal year 2013.

4 SECTION 29. AND BE IT FURTHER ENACTED, That, if any provision of this  
5 Act or the application thereof to any person or circumstances is held invalid for any  
6 reason in a court of competent jurisdiction, the invalidity does not affect other  
7 provisions or any other application of this Act which can be given effect without the  
8 invalid provision or application, and for this purpose the provisions of this Act are  
9 declared severable.

10 SECTION 30. AND BE IT FURTHER ENACTED, That Section 26 of this Act  
11 shall take effect June 1, 2012. It shall remain effective for a period of 1 year and 1  
12 month and, at the end of June 30, 2013, with no further action required by the General  
13 Assembly, Section 26 of this Act shall be abrogated and of no further force and effect.

14 SECTION 31. AND BE IT FURTHER ENACTED, That § 12-118(e)(2) of the  
15 Transportation Article, as enacted by Section 1 of this Act, shall take effect October 1,  
16 2012.

17 SECTION 32. AND BE IT FURTHER ENACTED, That Section 3 of this Act  
18 shall take effect July 1, 2014.

19 SECTION 33. AND BE IT FURTHER ENACTED, That, except as otherwise  
20 provided in this Act, this Act shall take effect June 1, 2012.