

HB0072/429137/1

BY: Budget and Taxation Committee

AMENDMENTS TO HOUSE BILL 72
(Third Reading File Bill)

AMENDMENT NO. 1

On page 1, strike beginning with “providing” in line 22 down through “years;” in line 24 and substitute “altering the applicability of a certain provision of law relating to the percentage of a community provider’s total operating expenses that must be spent on certain employee salaries, wages, and fringe benefits; altering the calculation of the percentage of a community provider’s total operating expenses that must be spent on certain employee salaries, wages, and fringe benefits;”.

On pages 1 and 2, strike beginning with “altering” in line 24 on page 1 down through “rates;” in line 1 on page 2 and substitute “expanding the purposes for which the Maryland Energy Administration is required to use a certain fund;”.

On page 2, strike beginning with “altering” in line 3 down through “issue;” in line 5 and substitute “providing an exemption from the personal property tax for an interest of a person in cranes at Maryland Port Administration facilities; authorizing, rather than requiring, the Maryland Aviation Administration Fire Rescue Service to charge a certain ambulance transport fee; making conforming and clarifying changes to provisions of law relating to a certain ambulance transport fee;”; in line 12, after “circumstances;” insert “altering the requirements of a study to be performed by the Maryland Transportation Authority;”; in line 15, after “employees;” insert “altering a certain required appropriation so as to require an appropriation of a certain amount to certain accumulation funds of the State Retirement and Pension System;”; and in line 26, after “circumstances;” insert “prohibiting certain plans of compensation for State positions of employment to be amended to provide a rate of compensation lower than the rate in effect on a certain date; requiring that the amount of salary lost by a State employee as a result of a certain reduction in the employee’s rate of compensation on or after a certain date be included in the calculation of the employee’s earnable compensation by the State Retirement and Pension System for the purpose of”

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determining retirement benefits; authorizing the Board of Trustees for the State Retirement and Pension System to adopt certain policies and procedures; requiring certain reports:”.

On page 3, strike beginning with “setting” in line 2 down through “facility;” in line 4; in line 31, after “Section” insert “5-202(a)(13)(ii), (iii), and (iv).”; in line 32, after “16-305(c)(1)(i),” insert “16-512(a)(1)(x) and (xi)”; and in line 39, after “Section” insert “5-202(a)(13)(v) and (vi) and”.

On page 4, after line 35, insert:

“BY repealing and reenacting, with amendments,
Article - Health - General
Section 7-306.3(b)(1) and (2) and 7-307(d)
Annotated Code of Maryland
(2009 Replacement Volume and 2014 Supplement)”;

and strike in its entirety line 38 and substitute “Section 8-709(d)”.

On page 5, in line 15, strike “17-220(d)(2) and 17-222(a)” and substitute “7-311(j)(1)”; after line 17, insert:

“BY repealing and reenacting, with amendments,
Article - State Government
Section 9-20B-05(f)
Annotated Code of Maryland
(2014 Replacement Volume)”;

in line 26, strike “10-730(f)(1),”; in line 36, after “Section” insert “7-211(d) and”; in the same line, strike “, (g),”; and after line 38, insert:

“BY repealing

Article – Tax – Property
Section 13–209(g)
Annotated Code of Maryland
(2012 Replacement Volume and 2014 Supplement)

BY repealing and reenacting, with amendments,

Article - Transportation
Section 5-415
Annotated Code of Maryland
(2008 Replacement Volume and 2014 Supplement)”.

On page 6, after line 14, insert:

“BY repealing and reenacting, with amendments,

Chapter 397 of the Acts of the General Assembly of 2014
Section 1(b)

BY repealing and reenacting, with amendments,

Article - State Finance and Procurement
Section 7-311(j)(1)
Annotated Code of Maryland
(2009 Replacement Volume and 2014 Supplement)
(As enacted by Section 1 of this Act)”.

AMENDMENT NO. 2

On page 12, after line 22, insert:

“(a) (13) “Target per pupil foundation amount” means:

(ii) Except as provided in items (iii) [and], (iv), (V), AND (VI) of
this paragraph, in subsequent fiscal years:

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

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

B. The Consumer Price Index for All Urban Consumers for the Washington–Baltimore metropolitan area, or any successor index, for the second prior fiscal year; or

C. 5%; or

2. If there is no increase in the implicit price deflator for State and local government expenditures for the second prior fiscal year or in the Consumer Price Index for All Urban Consumers for the Washington–Baltimore metropolitan area, or any successor index, for the second prior fiscal year, the target per pupil foundation amount for the prior fiscal year:

(iii) In fiscal year 2012, \$6,694; [and]

(iv) In each of fiscal years 2013 through 2015:

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

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

B. The Consumer Price Index for All Urban Consumers for the Washington–Baltimore metropolitan area, or any successor index, for the second prior fiscal year; or

C. 1%; or

2. If there is no increase in the implicit price deflator for State and local government expenditures for the second prior fiscal year or in the Consumer Price Index for All Urban Consumers for the Washington–Baltimore metropolitan area, or any successor index, for the second prior fiscal year, the target per pupil foundation amount for the prior fiscal year;

(V) IN FISCAL YEAR 2016, \$6,954; AND

(VI) IN EACH OF FISCAL YEARS 2017 THROUGH 2020:

1. THE TARGET PER PUPIL FOUNDATION AMOUNT FOR THE PRIOR FISCAL YEAR INCREASED BY THE SAME PERCENTAGE AS THE LESSER OF:

A. THE INCREASE IN THE IMPLICIT PRICE DEFLATOR FOR STATE AND LOCAL GOVERNMENT EXPENDITURES FOR THE SECOND PRIOR FISCAL YEAR;

B. THE CONSUMER PRICE INDEX FOR ALL URBAN CONSUMERS FOR THE WASHINGTON–BALTIMORE METROPOLITAN AREA, OR ANY SUCCESSOR INDEX, FOR THE SECOND PRIOR FISCAL YEAR; OR

C. 1.5%; OR

2. IF THERE IS NO INCREASE IN THE IMPLICIT PRICE DEFLATOR FOR STATE AND LOCAL GOVERNMENT EXPENDITURES FOR THE SECOND PRIOR FISCAL YEAR OR IN THE CONSUMER PRICE INDEX FOR ALL URBAN CONSUMERS FOR THE WASHINGTON–BALTIMORE METROPOLITAN AREA,

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OR ANY SUCCESSOR INDEX, FOR THE SECOND PRIOR FISCAL YEAR, THE TARGET PER PUPIL FOUNDATION AMOUNT SHALL BE THE AMOUNT FOR THE PRIOR FISCAL YEAR.”.

AMENDMENT NO. 3

On page 14, in line 17, strike “21.0%” and substitute “**20.75%**”; in line 22, strike “22.0%” and substitute “**21%**”; and in line 27, strike “23%” and substitute “**21%**”.

AMENDMENT NO. 4

On page 17, after line 10, insert:

“16-512.

(a) (1) The total State operating fund per full-time equivalent student appropriated to Baltimore City Community College for each fiscal year other than fiscal year 2013, as requested by the Governor shall be:

(x) In fiscal year 2019, not less than an amount equal to [61%] 60% of the State’s General Fund appropriation per full-time equivalent student to the 4-year public institutions of higher education in the State as designated by the Commission for the purpose of administering the Joseph A. Sellinger Program under Title 17 of this article in the same fiscal year;

(xi) In fiscal year 2020, not less than an amount equal to [62.5%] 60% of the State’s General Fund appropriation per full-time equivalent student to the 4-year public institutions of higher education in the State as designated by the Commission for the purpose of administering the Joseph A. Sellinger Program under Title 17 of this article in the same fiscal year;”.

AMENDMENT NO. 5

On page 18, in line 4, strike “10.1%” and substitute “9.6%”; in line 7, strike “10.5%” and substitute “9.6%”; in line 10, strike “10.8%” and substitute “9.6%”; and in line 13, strike “11.1%” and substitute “9.6%”.

AMENDMENT NO. 6

On page 25, after line 2, insert:

“Article – Health - General

7–306.3.

(b) (1) (I) [This] EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH, THIS subsection applies in fiscal [2015] YEAR 2016 and each fiscal year thereafter before the earlier of:

[(i)] 1. The implementation of the payment system required under § 7–306.2 of this subtitle; or

[(ii)] 2. The end of fiscal year 2019.

(II) THIS SUBSECTION DOES NOT APPLY IN ANY FISCAL YEAR IN WHICH THE RATE INCREASE FOR COMMUNITY SERVICE PROVIDERS IS LESS THAN 3.0% OVER THE FUNDING PROVIDED IN THE LEGISLATIVE APPROPRIATION FOR OBJECT 08 CONTRACTUAL SERVICES PROGRAM M00M01.02 COMMUNITY SERVICES IN THE PRIOR FISCAL YEAR.

(2) The percentage of a community provider’s total reported operating expenses, excluding interest on capital and other capital expenses, that is spent on direct support employee salaries, wages, and fringe benefits for a fiscal year, as reported to the Department by the provider in its fiscal year cost report data form, may not be less than the percentage of the community provider’s total reported operating expenses

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spent on direct support employee salaries, wages, and fringe benefits for [fiscal year 2014] THE LAST FISCAL YEAR IN WHICH THE RATE INCREASE FOR COMMUNITY SERVICE PROVIDERS IS LESS THAN 3.0% OVER THE FUNDING PROVIDED IN THE LEGISLATIVE APPROPRIATION FOR OBJECT 08 CONTRACTUAL SERVICES IN PROGRAM M00M01.02 COMMUNITY SERVICES IN THE PRIOR FISCAL YEAR.”.

AMENDMENT NO. 7

On page 25, before line 3, insert:

“7-307.

(d) (1) The Governor’s proposed budget for fiscal year 2016 shall include a [3.5%] 3.0% rate increase for community service providers over the funding provided in the legislative appropriation for Object 08 Contractual Services in Program M00M01.02 Community Services for fiscal year 2015.

(2) The Governor’s proposed budget for fiscal year 2017 shall include a [3.5%] 3.0% rate increase for community service providers over the funding provided in the legislative appropriation for Object 08 Contractual Services in Program M00M01.02 Community Services for fiscal year 2016.

(3) The Governor’s proposed budget for fiscal year 2018 shall include a [3.5%] 3.0% rate increase for community service providers over the funding provided in the legislative appropriation for Object 08 Contractual Services in Program M00M01.02 Community Services for fiscal year 2017.

(4) The Governor’s proposed budget for fiscal year 2019 shall include a [3.5%] 3.0% rate increase for community service providers over the funding provided in the legislative appropriation for Object 08 Contractual Services in Program M00M01.02 Community Services for fiscal year 2018.

(5) THE GOVERNOR’S PROPOSED BUDGET FOR FISCAL YEAR 2020 SHALL INCLUDE A 3.0% RATE INCREASE FOR COMMUNITY SERVICE PROVIDERS OVER THE FUNDING PROVIDED IN THE LEGISLATIVE APPROPRIATION FOR OBJECT 08 CONTRACTUAL SERVICES IN PROGRAM M00M01.02 COMMUNITY SERVICES FOR FISCAL YEAR 2019.”.

AMENDMENT NO. 8

On page 25, strike in their entirety lines 4 through 18, inclusive.

AMENDMENT NO. 9

On page 27, after line 6, insert:

“7–311.

(j) (1) Except as provided in paragraph (2) of this subsection [and § 13–209(g) of the Tax – Property Article], for fiscal year 2007 and for each subsequent fiscal year, the Governor shall include in the budget bill an appropriation to the Account equal to the amount by which the unappropriated General Fund surplus as of June 30 of the second preceding fiscal year exceeds \$10,000,000.”.

On pages 31 and 32, strike in their entirety the lines beginning with line 5 on page 31 through line 8 on page 32, inclusive.

On page 32, in line 9, strike “(h)” and substitute “**(G)**”; and in line 11, strike “or (g)”.

AMENDMENT NO. 10

On pages 27 and 28, strike in their entirety the lines beginning with line 29 on page 27 through line 6 on page 28, inclusive.

AMENDMENT NO. 11

On page 28, after line 6, insert:

“Article – State Government

9–20B–05.

(f) The Administration shall use the Fund:

(1) to invest in the promotion, development, and implementation of:

(i) cost-effective energy efficiency and conservation programs, projects, or activities, including measurement and verification of energy savings;

(ii) renewable and clean energy resources;

(iii) climate change programs directly related to reducing or mitigating the effects of climate change; and

(iv) demand response programs that are designed to promote changes in electric usage by customers in response to:

1. changes in the price of electricity over time; or

2. incentives designed to induce lower electricity use at times of high wholesale market prices or when system reliability is jeopardized;

(2) to provide targeted programs, projects, activities, and investments to reduce electricity consumption by customers in the low-income and moderate-income residential sectors;

(3) to provide supplemental funds for low-income energy assistance through the Electric Universal Service Program established under § 7–512.1 of the

Public Utilities Article and other electric assistance programs in the Department of Human Resources;

(4) to provide rate relief by offsetting electricity rates of residential customers, including an offset of surcharges imposed on ratepayers under § 7–211 of the Public Utilities Article;

(5) to provide grants, loans, and other assistance and investment as necessary and appropriate to implement the purposes of the Program as set forth in § 9–20B–03 of this subtitle;

(6) to implement energy–related public education and outreach initiatives regarding reducing energy consumption and greenhouse gas emissions;

(7) to provide rebates under the Electric Vehicle Recharging Equipment Rebate Program established under § 9–2009 of this title; [and]

(8) TO PROVIDE GRANTS TO ENCOURAGE COMBINED HEAT AND POWER PROJECTS AT INDUSTRIAL FACILITIES; AND

[(8)] (9) to pay the expenses of the Program.”.

AMENDMENT NO. 12

On page 29, strike in their entirety lines 28 through 33, inclusive.

AMENDMENT NO. 13

On page 30, after line 8, insert:

“7–211.

(d) (1) In this subsection, “port facility” includes at least 1 or a combination of:

(i) lands, piers, docks, wharves, warehouses, sheds, transit sheds, elevators, compressors, refrigeration storage plants, buildings, structures, and other facilities, appurtenances, and equipment that is useful or designed for use in connection with shipbuilding, ship repair, or the operation of a port;

(ii) every kind of terminal, storage structure, or facility that is useful or designed for use in handling, storing, loading, or unloading freight or passengers at marine terminals; and

(iii) every kind of transportation facility that is useful or designed for use in connection with any of these.

(2) An interest of a person in property in a port facility that is owned by the federal government or the State, any of their agencies or instrumentalities, or a county or municipal corporation is not subject to the property tax.

(3) AN INTEREST OF A PERSON IN CRANES USED AT MARYLAND PORT ADMINISTRATION FACILITIES IS NOT SUBJECT TO THE PROPERTY TAX.”

On page 47, after line 23, insert:

“SECTION 26. AND BE IT FURTHER ENACTED, That § 7-211(d) of the Tax – Property Article, as enacted by Section 1 of this Act, shall be applicable to all taxable years beginning after December 31, 2015.”

AMENDMENT NO. 14

On page 32, after line 19, insert:

“Article – Transportation

5-415.

(a) In this section, “Fire Rescue Service” means the Maryland Aviation Administration Fire Rescue Service.

(b) Subject to [subsection (c)] SUBSECTIONS (C) AND (E) of this section, the Fire Rescue Service [shall] MAY 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)] (1) Question an individual about ability to pay [the] AN ambulance transport fee at the time that ambulance transportation is requested or provided; or

[(ii)] (2) Fail to provide ambulance transportation and emergency medical services because of an individual’s actual or perceived inability to pay [the] AN ambulance transport fee.

[(2)] (D) The Administration may procure the services of a third party billing company to administer [its] AN ambulance transport fee program UNDER THIS SECTION.

[(d)] (E) [The] BEFORE THE FIRE RESCUE SERVICE MAY CHARGE AN AMBULANCE TRANSPORT FEE UNDER THIS SECTION, THE Administration shall adopt regulations to:

(1) Set the AMOUNT OF THE ambulance transport fee; and

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(2) Administer the collection of the ambulance transport fee, including regulations governing:

(i) A waiver of the ambulance transport fee in the event of financial hardship;

(ii) The acceptance of reduced payments by commercial insurers and other third-party payors, including Medicare and Medicaid; and

(iii) A requirement that each individual receiving an ambulance transport provide financial information, including the individual's insurance coverage, and assign insurance benefits to the Administration.

~~[(e)] (F)~~ The Administration shall deposit the fees collected under this section in the Transportation Trust Fund."

AMENDMENT NO. 15

On page 33, in line 37, strike "\$20,000,000" and substitute "\$25,000,000".

AMENDMENT NO. 16

On page 34, after line 34, insert:

"Chapter 397 of the Acts of 2014

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That:

(b) (1) The Authority shall complete a study and submit a report on the status of its initiative to implement all-electronic tolling in accordance with this subsection.

(2) The study shall include:

(i) an analysis of all–electronic tolling in other states and a description of various all–electronic tolling programs;

(ii) an analysis of electronic toll collection interoperability;

(iii) an analysis of:

1. alternative payment methods that do not exceed the existing cash toll rate at each project;

2. a video toll rate based on an analysis of actual costs and potential savings to collect video tolls; [and]

3. a toll rate needed to address concerns with video toll collection associated with trucks **AND CORRESPONDING AXLE COMBINATIONS;**

4. **INNOVATIVE PROCUREMENT MODELS IMPLEMENTED IN OTHER STATES, INCLUDING MODELS FOR SELECTING THE BEST ROADSIDE AND BACK OFFICE SYSTEMS FOR TOLL COLLECTION AND SYSTEM PROCESSING; AND**

5. **THE ECONOMIC BENEFITS OF ENSURING A HIGHLY COMPETITIVE PROCUREMENT MODEL;**

(iv) an analysis of issues and factors related to all–electronic tolling that must be addressed before all–electronic tolling becomes effective at each project;

(v) an overview of revisions, if any, to the Authority's initial all-electronic tolling proposal; and

(vi) proposed legislation, if required, relating to the implementation of all-electronic tolling.

(3) The Authority shall submit a report of its findings and recommendations on or before January 1, 2016, to:

(i) the County Executive and County Council of Cecil County;

(ii) the County Executive and County Council of Harford County;

(iii) the Mayor and Town Commission of the Town of Perryville;

(iv) the Mayor and City Council of the City of Havre de Grace; and

(v) in accordance with § 2-1246 of the State Government Article, the House Committee on Ways and Means and the Senate Finance Committee.”.

AMENDMENT NO. 17

On page 36, after line 5, insert:

“Article – State Finance and Procurement

7-311.

(i) (1) Except as provided in paragraph (2) of this subsection, for fiscal year [2007] 2017 and for each subsequent fiscal year, the Governor shall include in the budget bill an appropriation to:

(I) the Account equal to ONE-HALF OF the amount by which the unappropriated General Fund surplus as of June 30 of the second preceding fiscal year exceeds \$10,000,000; AND

(II) THE ACCUMULATION FUNDS OF THE STATE RETIREMENT AND PENSION SYSTEM EQUAL TO ONE-HALF OF THE AMOUNT BY WHICH THE UNAPPROPRIATED GENERAL FUND SURPLUS AS OF JUNE 30 OF THE SECOND PRECEDING FISCAL YEAR EXCEEDS \$10,000,000.”.

AMENDMENT NO. 18

On page 42, in line 19, strike “or”; and in line 21, after the second “Maryland” insert “;

(iii) increased payments under a collective bargaining agreement negotiated with an accredited representative in accordance with § 7-601 of the Transportation Article; or

(iv) operationally critical staff”;

and before line 22, insert:

“(d) On or before December 1, 2015, in accordance with § 2-1246 of the State Government Article, the University System of Maryland, Morgan State University, and St. Mary’s College of Maryland shall each submit a report to the Senate Budget and Taxation Committee and the House Appropriations Committee that details the policies adopted by the governing boards of those institutions to designate operationally critical staff, all staff identified as operationally critical under subsection (b)(4) of this section, and any merit increases awarded as a consequence of this designation.

(e) On or before December 1, 2015, in accordance with § 2-1246 of the State Government Article, the Department of Budget and Management shall submit a report

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to the Senate Budget and Taxation Committee and the House Appropriations Committee that details the policies adopted to designate operationally critical staff, all Executive Branch staff identified as operationally critical under subsection (b)(4) of this section, and any merit increases awarded as a consequence of this designation.”.

AMENDMENT NO. 19

On page 42, in line 13, after “(a)” insert “(1)”; in line 17, strike “(b)” and substitute “(2)”; in the same line, strike “provision” and substitute “subsection”; in lines 18 and 20, strike “(1)” and “(2)”, respectively, and substitute “(i)” and “(ii)”, respectively; and after line 21, insert:

“(b) (1) This subsection does not apply to the Executive Pay Plan.

(2) No plan of compensation for any State position of employment may be amended to provide a rate of compensation lower than the rate provided for the position in effect on January 1, 2015.

(c) (1) The amount of salary lost by a State employee as a result of any reduction in the employee’s rate of compensation on or after July 1, 2015, below the rate of compensation of the employee in the same position in effect on January 1, 2015, attributable to the failure to include in the fiscal 2016 budget an appropriation sufficient to continue to fund the cost-of-living adjustments for State employees that took effect on January 1, 2015, shall be included by the State Retirement and Pension Systems in the calculation of the employee’s earnable compensation for the purpose of determining retirement benefits.

(2) The Board of Trustees for the State Retirement and Pension System may adopt any policies and procedures necessary to carry out the provisions of this subsection.”.

AMENDMENT NO. 20

On page 43, in line 17, strike “\$4,000,000” and substitute “\$3,500,000”.

AMENDMENT NO. 21

On page 47, strike in their entirety lines 6 through 11, inclusive.

AMENDMENT NO. 22

On page 47, after line 15, insert:

“SECTION 23. AND BE IT FURTHER ENACTED, That, notwithstanding any other provision of law, on or before June 30, 2016, the Governor may transfer from the Special Fund for Preservation of Cultural Arts in Maryland established under § 4-801 of the Economic Development Article:

- (1) \$50,000 as a grant to the Board of Trustees of Sotterley Plantation Museum;
- (2) \$125,000 as a grant to the Maryland Historical Society;
- (3) \$225,000 as a grant to the Maryland Humanities Council;
- (4) \$790,042 as a grant to the Maryland State Arts Council for the purpose of making grants to arts organizations;
- (5) \$467,000 as a grant to the Maryland Academy of Sciences; and
- (6) \$342,958 to the General Fund.”.

AMENDMENT NO. 23

On page 47, in lines 12, 24, 26, and 28, strike “23.”, “26.”, “27.”, and “28.”, respectively, and substitute “22.”, “27.”, “28.”, and “29.”, respectively; and in line 29, strike “26 and 27” and substitute “27 and 28”, respectively.