C2, E4, R4 6lr0171 CF SB 389

By: The Speaker (By Request - Administration) and Delegates Adams, Afzali, Anderton, Arentz, Aumann, Beitzel, Bromwell, Buckel, Carozza, Cassilly, Ciliberti, Cluster, Fisher, Folden, Ghrist, Glass, Grammer, Hornberger, S. Howard, Impallaria, Jacobs, Kipke, Kittleman, Krebs, Long, Malone, Mautz, McComas, McConkey, McDonough, McKay, McMillan, Metzgar, Miele, W. Miller, Morgan, O'Donnell, Otto, Parrott, Reilly, Rose, Saab, Shoemaker, Simonaire, Szeliga, Vogt, West, B. Wilson, and Wivell

Introduced and read first time: January 29, 2016 Assigned to: Ways and Means and Appropriations

### A BILL ENTITLED

1 AN ACT concerning

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### Fee, Surcharge, and Tax Reduction Act of 2016

FOR the purpose of repealing a requirement that the Public Service Commission impose a certain environmental surcharge; altering certain application and renewal fees for certain licenses issued by the Maryland Home Improvement Commission; altering the fee that the State Court Administrator is required to charge for the special admission of an out-of-state attorney; repealing a requirement that the State Court Administrator pay a certain portion of a certain fee to a certain program; altering certain fees for certified copies of certain certificates; altering the portion of certain fees collected by local health departments required to be transferred to the General Fund; altering the distribution of certain proceeds from the sale of certain allowances; repealing the requirement that the Public Service Commission establish the amount of a certain surcharge; repealing a requirement that the Secretary of Natural Resources take certain actions in consultation with the Director of the Maryland Energy Administration; repealing a requirement that the Maryland Energy Administration receive certain administrative and fiscal support from a certain fund; providing the sales and use tax does not apply to certain sales in the form of a certain demurrage charge; altering a certain fee that certain vehicle owners are required to pay for the original and renewal application of certain special registrations; repealing the application and renewal fee for a certain handgun qualification license; altering certain fees for registering certain weight and measures used for certain commercial purposes; altering a certain fee related to certain wetlands and waterways authorizations; altering the annual license fees for certain fishing licenses; making conforming changes; providing for the delayed

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



$\frac{1}{2}$	effective date for certain provisions of this Act; and generally relating to altering certain fees, surcharges, and taxes and distribution of certain revenue.
3	BY repealing
$\overline{4}$	Article – Public Utilities
5	Section 7–203
6	Annotated Code of Maryland
7	(2010 Replacement Volume and 2015 Supplement)
8	BY repealing and reenacting, with amendments,
9	Article – Business Regulation
10	Section 8–303(a) and 8–308(d)(2)
11	Annotated Code of Maryland
12	(2015 Replacement Volume and 2015 Supplement)
13	BY repealing and reenacting, with amendments,
14	Article – Courts and Judicial Proceedings
15	Section 7–202(f)
16	Annotated Code of Maryland
17	(2013 Replacement Volume and 2015 Supplement)
18	BY repealing and reenacting, with amendments,
19	Article – Education
20	Section 18–1504(a) and (b)
21	Annotated Code of Maryland
22	(2014 Replacement Volume and 2015 Supplement)
23	BY repealing and reenacting, with amendments,
24	Article – Health – General
25	Section 4–217(c)(1)(ii) and (3)
26	Annotated Code of Maryland
27	(2015 Replacement Volume)
28	BY repealing and reenacting, with amendments,
29	Article-Environment
30	Section 2–1002(g) and 5–203.1(b)(1)
31	Annotated Code of Maryland
32	(2013 Replacement Volume and 2015 Supplement)
33	BY repealing and reenacting, with amendments,
34	Article – Natural Resources
35	Section 3-302, 4-604(f)(1) and (2), and 4-745(a) and (d)
36	Annotated Code of Maryland
37	(2012 Replacement Volume and 2015 Supplement)
38	BY repealing and reenacting, without amendments,
39	Article – Natural Resources

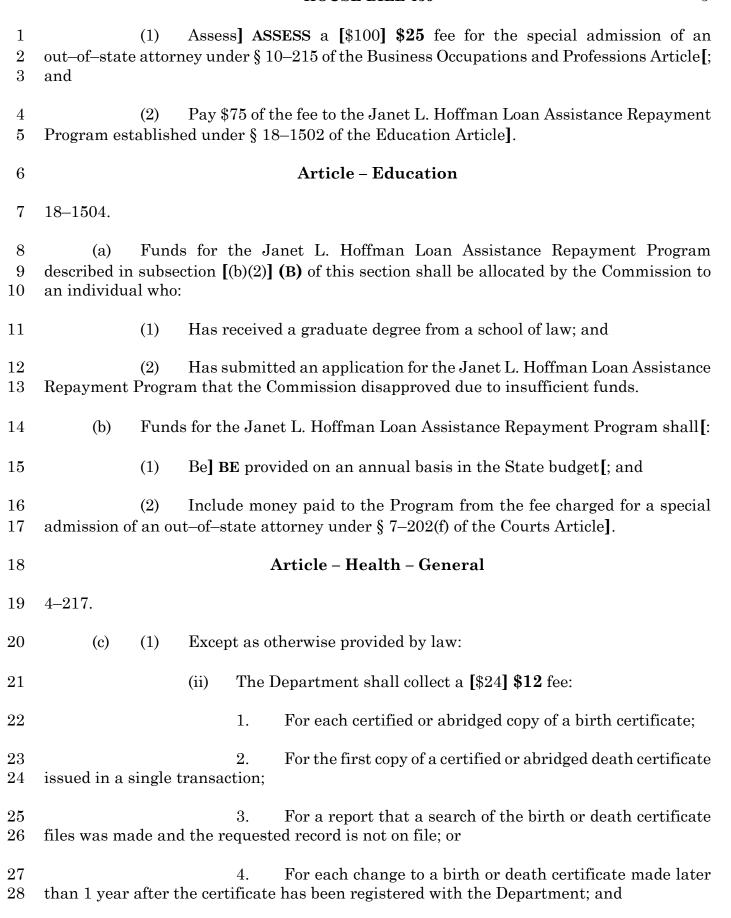
1 2 3	Section 4–604(a) Annotated Code of Maryland (2012 Replacement Volume and 2015 Supplement)
4 5 6 7 8	BY repealing and reenacting, without amendments, Article – State Government Section 9–20B–05(a) through (d) Annotated Code of Maryland (2014 Replacement Volume and 2015 Supplement)
9 10 11 12 13	BY repealing and reenacting, with amendments, Article – State Government Section 9–20B–05(e) Annotated Code of Maryland (2014 Replacement Volume and 2015 Supplement)
14 15 16 17 18	BY adding to  Article – Tax – General Section 11–202 Annotated Code of Maryland (2010 Replacement Volume and 2015 Supplement)
19 20 21 22 23	BY repealing and reenacting, with amendments, Article – Transportation Section 13–613 Annotated Code of Maryland (2012 Replacement Volume and 2015 Supplement)
24 25 26 27 28	BY repealing and reenacting, with amendments, Article – Public Safety Section 5–117.1(g) and (j) Annotated Code of Maryland (2011 Replacement Volume and 2015 Supplement)
29 30 31 32 33	BY repealing and reenacting, with amendments, Article – Agriculture Section 11–204.7 Annotated Code of Maryland (2007 Replacement Volume and 2015 Supplement)
34 35 36	SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That Section 7–203 of Article – Public Utilities of the Annotated Code of Maryland be repealed.

SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read

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as follows:

#### 1 Article - Business Regulation 2 8-303. 3 (a) (1) An applicant for a license shall: 4 submit to the Commission an application on the form that the 5 Commission provides; 6 submit to the Commission with the license application proof of (ii) 7 compliance with the insurance requirement of § 8–302.1 of this subtitle, if the applicant is 8 applying for a contractor license; 9 pay into the Fund the fee required under § 8–404(a) of this title, (iii) if the applicant is applying for a contractor license; and 10 11 (iv) pay to the Commission an application fee. 12 (2)The application fee: for a contractor license is [\$250] **\$225** for each place of business 13 (i) of the contractor: 14 for a subcontractor license is [\$150] **\$125**; or 15 (ii) for a salesperson license is [\$100] \$75. 16 (iii) (3)The fee for processing an application is [\$20] \$15. 17 18 8–308. 19 (d) **(2)** The renewal fee: 20 (i) for a contractor license is [\$250] **\$225** for each place of business 21 of the contractor: 22(ii) for a subcontractor license is [\$150] **\$125**; or 23 (iii) for a salesperson license is [\$100] \$75. **Article - Courts and Judicial Proceedings** 24257-202.26 (f) The State Court Administrator shall:



- 1 (3) (i) Any local health department may set and collect a fee for processing and issuing a birth certificate, or for a report that a search of the files was made and the requested record is not on file, that covers:
- 4 1. The administrative costs of providing this service; and
- 5 2. The requirements of subparagraph (iii) of this paragraph.
- 6 (ii) The fee set by the local health department for processing and issuing a birth certificate or for a report under subparagraph (i) of this paragraph may not exceed the actual costs to the local health department for processing and issuing a birth certificate or a report.
- 10 (iii) From the fee the local health department collects under subparagraph (i) of this paragraph, [\$20] **\$10** shall be transferred to the General Fund.
- 12 (iv) Prior to setting and collecting a fee for processing and issuing a 13 birth certificate or for a report under subparagraph (i) of this paragraph, the local health 14 department shall enter into a memorandum of understanding with the Department of 15 Health and Mental Hygiene that outlines the local health department's fee structure.

### 16 Article – Environment

- 17 2–1002.
- 18 (g) (1) In this subsection, "allowance" means one ton of carbon dioxide that 19 may be bought, sold, traded, or banked for use under the Regional Greenhouse Gas 20 Initiative.
- 21 (2) Not later than June 30, 2007, the Governor shall include the State as a 22 full participant in the Regional Greenhouse Gas Initiative among Mid–Atlantic and 23 Northeast states.
- 24 (3) The State may withdraw from the Initiative, as provided in the 25 December 20, 2005 memorandum of understanding of the Initiative, at any time after 26 January 1, 2009.
- 27 (4) If the Regional Greenhouse Gas Initiative expires and there is a 28 successor organization with the same purposes and goals, the Governor is encouraged to 29 join the State in the successor organization.
- 30 (5) Notwithstanding § 2–107 of this title, all of the proceeds from the sale of Maryland allowances under the Regional Greenhouse Gas Initiative shall be deposited in the Maryland Strategic Energy Investment Fund under § 9–20B–05 of the State Government Article, EXCEPT THAT UP TO \$10,000,000 ANNUALLY SHALL BE DEPOSITED DIRECTLY INTO THE ENVIRONMENTAL TRUST FUND ESTABLISHED

# 1 UNDER TITLE 3, SUBTITLE 3 OF THE NATURAL RESOURCES ARTICLE TO MEET THE 2 BUDGETARY NEEDS OF THE POWER PLANT RESEARCH PROGRAM.

- 3 (6) If the State's participation in the Regional Greenhouse Gas Initiative 4 ceases for any reason, the Governor shall report to the General Assembly, in accordance 5 with § 2–1246 of the State Government Article, regarding:
- 6 (i) Why participation ceased; and
- 7 (ii) A plan to reduce carbon dioxide emissions from power plants in 8 the State that considers the use of Maryland grown, native, warm season grasses as a 9 possible method of reducing carbon emissions.

### 10 Article - Natural Resources

11 3–302.

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- 12 (a) (1) There is an Environmental Trust Fund.
  - [(2) For the purpose of this subtitle, there is established as an added cost of electricity distributed to retail electric customers within the State, an environmental surcharge per kilowatt hour of electric energy distributed in the State to be paid by any electric company as defined in § 1–101 of the Public Utilities Article. The Public Service Commission shall impose the surcharge per kilowatt hour of electric energy distributed to retail electric customers within the State and shall authorize the electric companies to add the full amount of the surcharge to retail electric customers' bills. To the extent that the surcharge is not collected from retail electric customers, the surcharge shall be deemed a cost of distribution and shall be allowed and computed as such, together with other allowable expenses, for rate—making purposes. Revenues from the surcharge shall be collected by the Comptroller and placed in the Fund.]
  - (2) THE FUND CONSISTS OF PROCEEDS RECEIVED FROM THE SALE OF ALLOWANCES FROM THE REGIONAL GREENHOUSE GAS INITIATIVE IN ACCORDANCE WITH § 2–1002(G) OF THE ENVIRONMENT ARTICLE.
- [(b) (1) The Secretary, in consultation with the Director of the Maryland Energy Administration, annually shall coordinate the preparation of a budget required to carry out the provisions of this subtitle. Upon approval of the budget by the General Assembly, the Public Service Commission shall establish the amount of the surcharge per kilowatt hour for the fiscal year beginning July 1, 1972, and for each subsequent fiscal year.
- Notwithstanding any other provisions of this subtitle, the amount of the surcharge for each account for each retail electric customer may not exceed the lesser of 0.15 mill per kilowatt hour or \$1,000 per month and the surcharge may not continue beyond fiscal year 2020.

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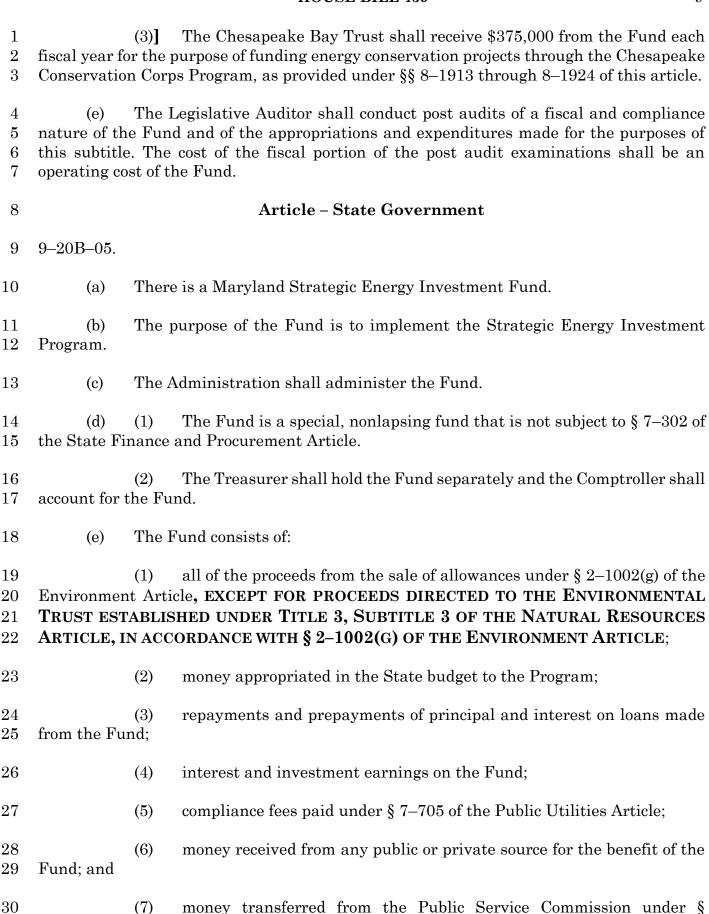
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1 (3) The Comptroller shall maintain the method of collection of the surcharge from the companies and the collections shall accrue to the Fund. The Department shall credit against the amount required to be paid into the Environmental Trust Fund by each electric company an amount equal to 0.75% of the total surcharge attributed to each company on the basis of the electricity distributed within Maryland.

# 6 (B) THE SECRETARY ANNUALLY SHALL COORDINATE THE PREPARATION OF 7 A BUDGET REQUIRED TO CARRY OUT THE PROVISIONS OF THIS SUBTITLE.

- 8 (c) (1) (i) The Secretary shall administer the Fund.
- 9 (ii) The Fund is subject to the provisions for financial management 10 and budgeting established by the Department of Budget and Management.
- 11 (iii) Any investment earnings of the Fund shall be credited to the 12 General Fund of the State.
- 13 (iv) The Fund is a special, nonlapsing fund that is not subject to § 14 7–302 of the State Finance and Procurement Article.
- 15 (v) Except as provided in paragraph (2) of this subsection, the 16 moneys in the Fund shall be used to carry out the provisions of this subtitle as provided for 17 in the budget.
  - (vi) For the purposes of this subtitle, the Secretary[, in consultation with the Director of the Maryland Energy Administration,] may execute appropriate contracts with any State or federal agency, research organization, industry, or academic institution to conduct the necessary research, construct or acquire, or both, real property including physical predictive models, laboratories, buildings, land, and appurtenances, or support the technological development of extraordinary systems related to power plants designed to minimize environmental impact.
- 25 (vii) The Secretary may utilize available expertise in any other State 26 unit in the development, execution, and management of contracts and agreements on 27 projects relating to their areas of prime responsibility.
- 28 (2) Moneys in the Fund may be used for administrative costs calculated in accordance with  $\S 1-103(b)(2)$  of this article.
- 30 (d) **[**(1) The Maryland Energy Administration shall receive administrative and 31 fiscal support from the Fund for studies relating to the conservation or production of electric 32 energy.
- 33 (2) Fiscal support to the Maryland Energy Administration from the Fund 34 may not exceed \$250,000 in any fiscal year.



7–207.2(c)(3) of the Public Utilities Article.

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#### Article - Tax - General 1 2 11-202. 3 THE SALES AND USE TAX DOES NOT APPLY TO A SALE IN THE FORM OF A 4 DEMURRAGE CHARGE MADE IN THE NATURE OF A PENALTY FOR FAILURE TO RETURN A GAS CYLINDER WITHIN A DESIGNATED PERIOD. 5 6 **Article - Transportation** 7 13–613. 8 The owner of any vehicle described in paragraph (2) of this subsection 9 may apply to the Administration for the assignment to that vehicle of a special, 10 personalized registration number. 11 (2)This section applies only as to: 12 (i) A Class A (passenger) vehicle; 13 A Class D (motorcycle) vehicle; (ii) 14 A Class E (truck) vehicle with a one ton or less manufacturer's (iii) 15 rated capacity; 16 (iv) A Class G (nonfreight trailer) vehicle; 17 A Class L (historic) vehicle; (v) A Class M (multipurpose) vehicle; or 18 (vi) 19 (vii) A Class N (street rod) vehicle. 20 (b) In addition to the annual registration fee otherwise required by this title, the 21applicant shall pay an additional annual fee of [\$50] \$25, payable with the original and 22 each renewal application for special registration under this section. 23A special registration number assigned under this section may consist 24of any combination of not more than 7 letters and numerals.

- 25 (2) In its discretion, the Administration may refuse any combination of letters and numerals.
- 27 (d) The proceeds collected annually from the additional fees charged under this section shall be distributed to the Transportation Trust Fund.

## Article - Public Safety

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required in subsection (f) of this section.

1 2 5-117.1.3 (g) An applicant for a handgun qualification license shall submit to the Secretary: 4 (1) an application in the manner and format designated by the Secretary; a nonrefundable application fee to cover the costs to administer the 5 (2)6 program of up to \$50; 7 (3)(i) proof of satisfactory completion of: 8 1. a firearms safety training course approved by the 9 Secretary; or 10 2. a course of instruction in competency and safety in the handling of firearms prescribed by the Department of Natural Resources under § 10-301.1 11 12 of the Natural Resources Article; or 13 (ii) a valid firearms instructor certification; 14 [(4)] (3) any other identifying information or documentation required by 15 the Secretary; and 16 [(5)] (4) a statement made by the applicant under the penalty of perjury that the applicant is not prohibited under federal or State law from possessing a handgun. 17 The handgun qualification license may be renewed for successive 18 (i) periods of 10 years each if, at the time of an application for renewal, the applicant [: 19 20possesses the qualifications for the issuance of the handgun (i) 21qualification license [; and 22(ii) submits a nonrefundable application fee to cover the costs to 23administer the program up to \$20]. 24An applicant renewing a handgun qualification license under this (2)subsection is not required to: 2526 complete the firearms safety training course required in (i) subsection (d)(3) of this section; or 27

submit to a State and national criminal history records check as

SECTION 3. AND BE IT FURTHER ENACTED, That the Laws of Maryland read 1 2 as follows: 3 Article - Agriculture 11 - 204.7.4 5 The fees for registering each weight and measure used for commercial purposes 6 under this subtitle are as follows: 7 Scales with a capacity of up to 100 pounds (maximum fee per business 8 [for each scale, plus \$50 for each business location]: 9 10 (2) Scales with a capacity of more than 100 pounds, up to 2,000 11 12 (3) 13 (4) 14 Railroad track scales \$300: (5)15 (6)16 (7)17 (8)Retail motor fuel dispenser meter of under 20 gallons per minute (MAXIMUM FEE PER BUSINESS LOCATION: \$375)......[\$12.50] \$15 18 [for each meter, plus \$50 for each business location]; 19 20 (9)Retail motor fuel dispenser meter of 20 gallons per minute or 2122 Bulk petroleum fuel meter of 20 gallons per minute, up to 150 gallons (10)23per minute......\$50; 24(11)Bulk petroleum fuel meter of 150 gallons per minute or more......\$85; 25(12)26 Point of sale system, as defined by the National Institute of Standards 27 and Technology (NIST) Handbook 44, connected to a weighing or measuring device (per business location)......\$100. 28

1	5–203.1.					
2 3 4 5 6	(b) (1) Except as provided under paragraphs (2) and (3) of this subsection, all applications for wetlands and waterways authorizations issued by the Department under §§ 5–503 and 5–906 of this title and §§ 16–202, 16–302, and 16–307 of this article or wetlands licenses issued by the Board of Public Works under § 16–202 of this article shall be accompanied by an application fee as follows:					
7 8	permit	(i)	For an application for a minor project or general[\$750] <b>\$500</b> ;			
9		(ii)	For an application for a minor modification \$250;			
10 11	impact of:	(iii)	For an application for a major project with a proposed permanent			
12			1. Less than 1/4 acre\$1,500;			
13			2. At least 1/4 acre, but less than 1/2 acre \$3,000;			
14			3. At least 1/2 acre, but less than 3/4 acre \$4,500;			
15			4. At least 3/4 acre, but less than 1 acre \$6,000; and			
16 17	\$7,500; and		5. 1 acre or morethe impact area in acres multiplied by			
18		(iv)	For an application for a major modification \$1,500.			
19			Article - Natural Resources			
20	4–604.					
21 22 23	(a) This section provides a fund to pay the expense of protecting and managing game and freshwater fish and preventing unauthorized persons from fishing or attempting to fish for any game and freshwater fish without first procuring an angler's license.					
24	(f) (1)	The f	following annual license fees shall apply:			
25		(i)	Resident			
26 27	valid for 7 consecu	(ii) ıtive da	Subject to paragraph (2)(ii) of this subsection, short–term license ays from date of issuance			
28		(iii)	Resident and nonresident blind personsNo fee			

1		(iv)	Comp	olimentary license
2	(2)	For a	nonre	sident:
3		(i)	The f	ee for an annual angler's license is the greater of:
4			1.	[\$30.50] <b>\$20.50</b> ; or
5 6	nonresident's hom	e state	2. e for a s	A fee equal to the fee charged a Maryland resident by the similar license; and
7 8	the date of issuance	(ii) ee is th		ee for a short–term license valid for 7 consecutive days from ter of:
9			1.	\$7.50; or
10 11 12				A fee equal to the fee charged a Maryland resident by the license that permits an equal number of days of fishing or as permitted by the Maryland license.
13 14	the date of issuance	(iii) ce is th		ee for a short–term license valid for 3 consecutive days from ter of:
15			1.	\$5; or
16 17 18				A fee equal to the fee charged a Maryland resident by the license that permits an equal number of days of fishing or as permitted by the Maryland license.
19	4–745.			
20 21 22 23 24 25	(a) (1) Except as provided in subsections (c) and (d) of this section and § 4–217 of this title, a person may not fish for finfish in the Chesapeake Bay or in its tributaries up to tidal boundaries or in State waters of the Atlantic Ocean and the Atlantic coastal bays and their tributaries without first obtaining a Chesapeake Bay and coastal sport fishing license or registration issued under subsection (d)(3) of this section and possessing evidence of the license or registration.			
26 27	(2) authorized agent of			e may be obtained from the Department or from any ment. The following annual license fees shall apply:
28		(i)	Resid	lent[\$15] <b>\$9</b>
29 30	date of issue	(ii)		term resident license valid for 7 consecutive days from

$\frac{1}{2}$	from date of issue	(iii)	For a short–term nonresident license valid for 7 consecutive days				
3		(iv)	Nonresident				
4		(v)	Resident and nonresident blind persons				
5 6	section	(vi)	Complimentary license under subsection (e) of this				
7 8 9	(3) Except as provided in subsection (d)(1) of this section, every Chesapeake Bay and coastal sport fishing license and registration shall be valid for 1 year following the date of issuance.						
10 11	(4) information reque	-	oplicant for a license issued under this section shall provide all the the Department on forms issued by the Department.				
12 13 14 15	(d) (1) The Department may provide by regulation for issuance of a special charter boat license that shall be effective for not more than 1 year and shall expire on August 31 and that would be valid for all individuals on a charter boat operated by a licensed fishing guide in tidal waters of the State. The fee shall be:						
16		(i)	For 6 fishermen or less				
17		(ii)	For 7 or more fishermen\$290.				
18 19 20 21 22 23	(2) (i) The Department may provide by regulation for issuance of an annual special Chesapeake Bay and coastal sport fishing license, which when permanently affixed to a boat registered in any state shall authorize any person on the boat to fish for finfish in the Chesapeake Bay or in its tributaries up to tidal boundaries or in State water of the Atlantic Ocean and the Atlantic coastal bays and their tributaries, except that such a license may not be used on a boat that has been hired to take such persons fishing.						
24		(ii)	The annual fee for this special license shall be [\$50] \$40.				
25 26 27 28 29 30 31 32 33	or the State wat tributaries, wheth on land, or elsewh coastal sport fishin paragraph. If a bo only the individua	ers of er the ere. The ng lice at to w al appl	If a boat owner purchases the special license under this er may fish anywhere in the Chesapeake Bay and its tributaries the Atlantic Ocean and the Atlantic coastal bays and their boat owner is fishing in the owner's boat, in another person's boat, he Department shall issue a complimentary Chesapeake Bay and nose to the boat owner who purchases a special license under this which the special license is affixed has more than one owner, then licant who signs the application for the special license shall be eary Chesapeake Bay and coastal sport fishing license under this				

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effect July 1, 2017.

- 1 (3)An individual shall register with the Department before fishing (i) 2 in any of the following areas that do not require a Chesapeake Bay and coastal sport fishing 3 license: A free fishing area established under § 4–214(b)(1) of this 4 1. title with hook and line; 5 6 2. On private real property bordering on tidal water as an 7 owner or tenant of the property, or a spouse or an immediate family member who resides 8 on the property with the owner or tenant; and 9 3. On a boat licensed under paragraph (2) of this subsection. 10 (ii) There is no fee for registration under this paragraph. 11 (iii) An individual required to register under this paragraph shall 12 provide all the information requested by the Department on forms issued by the 13 Department. 14 **(4)** (i) 1. The Department may provide by regulation for the issuance of a special commercial fishing pier license that is valid for all individuals fishing 15 from the pier in tidal waters of the State. 16 17 2. The annual fee for the special commercial fishing pier 18 license shall be \$290. 19 Individuals fishing from a licensed commercial fishing pier are (ii) 20 exempt from purchasing a Chesapeake Bay and coastal sport fishing license. The owner or operator of a licensed commercial fishing 211. (iii) 22pier shall maintain a log of the contact information of the persons fishing from that 23 structure each day. 24The logs required under subsubparagraph 1 of this 2.25subparagraph must be submitted electronically as prescribed or approved by the 26Department. 27 SECTION 4. AND BE IT FURTHER ENACTED, That Section 3 of this Act shall take
- SECTION 5. AND BE IT FURTHER ENACTED, That, except as provided in Section 4 of this Act, this Act shall take effect July 1, 2016.