

HOUSE BILL 462

Q1

(6lr0156)

ENROLLED BILL

— Appropriations/Budget and Taxation —

Introduced by **The Speaker (By Request – Administration) and Delegates Adams, Afzali, Anderton, Arentz, Aumann, Beitzel, Bromwell, Buckel, Carozza, Cassilly, Ciliberti, Cluster, Fisher, Flanagan, Folden, Gaines, Ghrist, Glass, Hornberger, S. Howard, Jacobs, Kipke, Kittleman, Krebs, Long, Malone, Mautz, McComas, McDonough, McKay, Metzgar, Miele, W. Miller, Morgan, Otto, Reilly, Rose, Saab, Shoemaker, Simonaire, Szeliga, Vogt, West, B. Wilson, and Wivell**

Read and Examined by Proofreaders:

Proofreader.

Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this _____ day of _____ at _____ o'clock, _____ M.

Speaker.

CHAPTER _____

1 AN ACT concerning

2 ~~State Transfer Tax – Distribution of Revenue~~
3 Program Open Space – Transfer Tax Repayment – Use of Funds

4 FOR the purpose of increasing a certain statutory minimum grant to Baltimore City,
5 payable from the State’s share of the proceeds of Program Open Space, for certain
6 purposes related to Program Open Space; specifying that certain funds be used only
7 for certain capital projects; requiring certain appropriations from the General Fund
8 to the Program Open Space special fund to repay certain appropriations or transfers
9 from the special fund to the General Fund; requiring that certain appropriations to

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.

Italics indicate opposite chamber/conference committee amendments.



1 the special fund be distributed and used for certain purposes; requiring a certain
 2 appropriation to the ~~Agricultural Land Preservation Fund~~ Maryland Agricultural
 3 and Resource-Based Industry Development Corporation for a certain purpose;
 4 declaring the intent of the General Assembly; ~~requiring that certain funds be~~
 5 ~~allocated as a certain grant; authorizing the Governor to process a budget amendment~~
 6 for a certain purpose; reducing certain transfers from a certain special fund to the
 7 General Fund of the State for certain fiscal years; requiring in certain fiscal years
 8 the distribution of certain amounts from a certain special fund for certain purposes;
 9 altering, for certain fiscal years, a requirement that the Governor include a certain
 10 appropriation in the budget bill; providing that certain distributions may not be
 11 utilized or considered for certain purposes; and generally relating to ~~the distribution~~
 12 of State transfer tax revenue Program Open Space.

13 ~~BY repealing and reenacting, without amendments,~~

14 ~~Article – Tax – Property~~

15 ~~Section 13-209(f) and (g)~~

16 ~~Annotated Code of Maryland~~

17 ~~(2012 Replacement Volume and 2015 Supplement)~~

18 BY repealing and reenacting, with amendments,

19 Article – Natural Resources

20 Section 5-903(a)

21 Annotated Code of Maryland

22 (2012 Replacement Volume and 2015 Supplement)

23 BY repealing and reenacting, without amendments,

24 Article – Natural Resources

25 Section 5-903(b)

26 Annotated Code of Maryland

27 (2012 Replacement Volume and 2015 Supplement)

28 BY repealing and reenacting, with amendments,

29 Article – Tax – Property

30 Section ~~13-209(h)~~ 13-209

31 Annotated Code of Maryland

32 (2012 Replacement Volume and 2015 Supplement)

33 BY repealing and reenacting, with amendments,

34 Article – State Finance and Procurement

35 Section 7-311(j)

36 Annotated Code of Maryland

37 (2015 Replacement Volume)

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

40 **Article – Natural Resources**

1 5-903.

2 (a) (1) Of the funds distributed to Program Open Space under § 13-209 of the
3 Tax – Property Article, up to \$3,000,000 may be transferred by an appropriation in the
4 State budget, or by an amendment to the State budget under Title 7, Subtitle 2 of the State
5 Finance and Procurement Article, to the Maryland Heritage Areas Authority Financing
6 Fund established under Title 13, Subtitle 11 of the Financial Institutions Article to be used
7 for the purposes provided in that subtitle.

8 (2) (i) 1. Of the remaining funds not appropriated under paragraph
9 (1) of this subsection:

10 A. One half of the funds shall be used for recreation and open
11 space purposes by the Department and the Historic St. Mary’s City Commission; and

12 B. 20% of the funds or \$21,000,000, whichever is greater,
13 shall be appropriated to the Forest and Park Service in the Department to operate State
14 forests and parks.

15 2. Except as otherwise provided in this section, any funds the
16 General Assembly appropriates to the State under this subsection shall be used only for
17 land acquisition projects.

18 (ii) 1. **[At least \$1,500,000] AS SPECIFIED IN**
19 **SUBSUBPARAGRAPH 2 OF THIS SUBPARAGRAPH, A PORTION** of the State’s share of
20 **funds available under subparagraph (i)1A of this paragraph for this program shall be**
21 **utilized to make grants to Baltimore City for projects which meet park purposes. The grants**
22 **shall be in addition to any funds Baltimore City is eligible to receive under subsection (b)**
23 **of this section, and may be used for acquisition or development. In order for Baltimore City**
24 **to be eligible for a State grant, the Department shall review projects or land to be acquired**
25 **within Baltimore City, and upon the Department’s recommendation, the Board of Public**
26 **Works may approve projects and land including the cost. Title to the land shall be in the**
27 **name of the Mayor and City Council of Baltimore City. The State is not responsible for costs**
28 **involved in the development or maintenance of the land.**

29 2. **THE GRANTS TO BALTIMORE CITY UNDER**
30 **SUBSUBPARAGRAPH 1 OF THIS SUBPARAGRAPH SHALL BE MADE IN THE FOLLOWING**
31 **AMOUNTS:**

32 A. **FOR FISCAL YEAR 2017, \$1,500,000;**

33 B. **FOR FISCAL YEAR 2018, \$3,500,000;**

34 C. **FOR FISCAL YEAR 2019, \$5,500,000; AND**

1 **D. FOR FISCAL YEAR 2020, AND FOR EACH SUBSEQUENT**
2 **FISCAL YEAR, \$6,000,000.**

3 **3. THE GRANTS MADE UNDER THIS SUBPARAGRAPH**
4 **SUPPLEMENT RATHER THAN SUPPLANT ANY OTHER FUNDING FOR PARK PURPOSES**
5 **IN BALTIMORE CITY, NO MATTER THE SOURCE.**

6 **4. FOR FISCAL YEAR 2018, THE GRANT FUNDS TO**
7 **BALTIMORE CITY IN EXCESS OF \$1,500,000 UNDER SUBSUBPARAGRAPH 1 OF THIS**
8 **SUBPARAGRAPH MAY ONLY BE USED FOR CAPITAL PURPOSES RELATED TO THE**
9 **FOLLOWING PROJECTS IN THE AMOUNTS SPECIFIED:**

10 **A. \$500,000 FOR HERRING RUN PARK;**

11 **B. \$600,000 FOR CLIFTON PARK;**

12 **C. \$300,000 FOR DRUID HILL PARK TRAIL HEAD;**

13 **D. \$300,000 FOR JAMES MOSHER PARK; AND**

14 **E. \$300,000 FOR PATTERSON PARK.**

15 (iii) 1. A portion of the State's share of funds available under
16 subparagraph (i)1A of this paragraph for this program not to exceed \$8,000,000 for each
17 fiscal year may be transferred by an appropriation in the State budget to the Rural Legacy
18 Program under Subtitle 9A of this title.

19 2. In each fiscal year, up to \$2 million of the funds
20 transferred under this subparagraph to the Rural Legacy Program may be used to purchase
21 zero coupon bonds for easements.

22 3. Sums allocated to the Rural Legacy Program may not
23 revert to the General Fund of the State.

24 (iv) The Department may acquire real property under subparagraph
25 (i)1A of this paragraph based on an offer by the State that is less than the lowest approved
26 appraisal for the property.

27 (v) For each of fiscal years 2010 through 2015, \$1,217,000 of the
28 State's share of funds available under subparagraph (i)1A of this paragraph may be
29 appropriated in the budgets of the Department, the Department of General Services, and
30 the Department of Planning for expenses necessary to administer this Program.

31 (b) (1) The General Assembly shall appropriate the remaining funds not
32 appropriated under subsection (a) of this section to assist local governing bodies in

1 acquisition and development of land for recreation and open space purposes, including the
2 provision of public access to the land.

3 (2) Except as provided in paragraph (3) of this subsection, funds
4 appropriated under paragraph (1) of this subsection for development of land for recreation
5 and open space purposes may be used for indoor or outdoor recreation and open space
6 purposes, including the construction of indoor or outdoor recreational facilities such as
7 aquatic, golf, community, and nature centers.

8 (3) An indoor recreational facility funded under paragraph (1) of this
9 subsection shall:

10 (i) If the facility is 7,500 square feet or greater, meet or exceed the
11 current version of the U.S. Green Building Council's LEED Green Building Rating System
12 Silver rating, however, the facility is not required to be certified through the LEED
13 certification process; and

14 (ii) Incorporate, to the maximum extent practicable, the
15 nonstructural site design practices in the Maryland Stormwater Design Manual,
16 incorporated by reference in COMAR 26.17.02.

17 Article – Tax – Property

18 13–209.

19 (a) (1) Before any other distribution under this section, in any fiscal year that
20 bonds secured by a pledge of the State transfer tax are outstanding, the revenue from the
21 transfer tax shall be used to pay, as and when due, the principal of and interest on the
22 bonds.

23 (2) The Department shall deduct the cost of administering the transfer tax
24 from the taxes collected under this title and credit those revenues to the fund established
25 under § 1–203.3 of the Corporations and Associations Article.

26 (3) Except as provided in paragraph (4) of this subsection, after deducting
27 the revenues required under paragraphs (1) and (2) of this subsection, the revenue from
28 transfer tax is payable to the Comptroller for deposit in a special fund.

29 (4) In any fiscal year in which transfer tax revenue is used to pay debt
30 service on outstanding bonds under paragraph (1) of this subsection, the distribution of
31 revenues in the special fund under this section and as specified in § 5–903(a)(2)(i)1A of the
32 Natural Resources Article, for State land acquisition, or to the Agricultural Land
33 Preservation Fund to the extent any debt service is attributable to that Fund, shall be
34 reduced by an amount equal to the debt service for the fiscal year.

35 (b) For the fiscal year beginning July 1, 2002 and for subsequent fiscal years, up
36 to 3% of the revenues in the special fund may be appropriated in the State budget for

1 salaries and related expenses in the Departments of General Services and Natural
2 Resources and in the Department of Planning necessary to administer Title 5, Subtitle 9 of
3 the Natural Resources Article (Program Open Space).

4 (c) (1) Subject to subsection (e) of this section, of the balance of the revenue in
5 the special fund, not required under subsection (b) of this section:

6 (i) for the fiscal year beginning July 1, 2002, \$47,268,585 shall be
7 allocated to the General Fund of the State and the remainder shall be allocated as provided
8 in subsection (d) of this section;

9 (ii) for the fiscal year beginning July 1, 2003, \$102,833,869 shall be
10 allocated to the General Fund of the State and the remainder shall be allocated as provided
11 in the State budget;

12 (iii) for the fiscal year beginning July 1, 2004, \$147,374,444 shall be
13 allocated to the General Fund of the State, and the remainder shall be allocated as provided
14 in the State budget; and

15 (iv) for the fiscal year beginning July 1, 2005, \$68,223,132 shall be
16 allocated to the General Fund of the State and the remainder shall be allocated as provided
17 in subsection (d) of this section.

18 (2) Subject to subsection (e) of this section, for the fiscal years beginning
19 July 1, 2006 and each subsequent fiscal year, the balance of the revenue in the special fund,
20 not required under subsection (b) of this section shall be allocated as provided in subsection
21 (d) of this section.

22 (d) Subject to subsections (d-1) and (e) of this section, for the fiscal year beginning
23 July 1, 2002 and for each subsequent fiscal year, the balance of the revenue in the special
24 fund, not required under subsection (b) of this section and not allocated to the General Fund
25 under subsection (c)(1) of this section shall be allocated in the State budget as follows:

26 (1) (i) 75.15% for the purposes specified in Title 5, Subtitle 9 of the
27 Natural Resources Article (Program Open Space); and

28 (ii) an additional 1% for Program Open Space, for land acquisition
29 purposes as specified in § 5-903(a)(2) of the Natural Resources Article;

30 (2) 17.05% for the Agricultural Land Preservation Fund established under
31 § 2-505 of the Agriculture Article;

32 (3) 5% for the Rural Legacy Program established under § 5-9A-01 of the
33 Natural Resources Article; and

34 (4) 1.8% for the Heritage Conservation Fund established under § 5-1501
35 of the Natural Resources Article.

1 (d-1) (1) In this subsection, “eligible purpose” means a purpose, program, or fund
2 to which revenue in the special fund is required to be allocated under subsection (d) of this
3 section.

4 (2) For any fiscal year beginning on or after July 1, 2010, but before July
5 1, 2013, for which funding is provided for an eligible purpose through the State
6 Consolidated Capital Bond Funding Program or other bond enabling act:

7 (i) from the balance of the special fund, before the allocations under
8 subsection (d) of this section are made, an amount shall be allocated to the General Fund
9 of the State equal to the total amount of funding provided for eligible purposes through the
10 bond enabling act; and

11 (ii) except as otherwise expressly provided under the bond enabling
12 act through which the funding is provided, the allocations provided under subsection (d) of
13 this section shall be adjusted to reduce the amount that would otherwise be allocated for
14 each eligible purpose by the amount of funding provided for that purpose under the bond
15 enabling act.

16 (3) Notwithstanding any other provision of law, a transfer under this
17 subsection may not be taken into account for purposes of determining any allocation or
18 appropriation required under subsection (f) or (g) of this section.

19 (e) The sums allocated in subsection (d) of this section may not revert to the
20 General Fund of the State.

21 (f) (1) (i) Except as provided in subparagraphs (ii) and (iii) of this
22 paragraph, for any fiscal year in which the actual transfer tax revenue collections are
23 greater than the revenue estimates used as the basis for the appropriations required under
24 this section for the fiscal year, the amount of the excess shall be allocated to the special
25 fund under subsection (a) of this section as provided under subsections (c) and (d) of this
26 section for the second fiscal year following the fiscal year in which there is an excess.

27 (ii) Notwithstanding subparagraph (i) of this paragraph or any other
28 provision of law, \$21,776,868 of the transfer tax collected but not appropriated or
29 transferred in fiscal 2004 shall be transferred to the General Fund of the State.

30 (iii) Notwithstanding subparagraph (i) of this paragraph or any other
31 provision of law, in any fiscal year in which an appropriation or transfer is made from the
32 special fund to the General Fund, if the actual transfer tax revenue collections for the prior
33 fiscal year exceed the budget estimate for the prior fiscal year, the excess shall be allocated
34 in the current fiscal year for Program Open Space, the Agricultural Land Preservation
35 Fund, the Rural Legacy Program, and the Heritage Conservation Fund. Funds made
36 available under this subparagraph shall be allocated as provided under subsection (d) of
37 this section.

1 (2) For any fiscal year in which the actual transfer tax revenue collections
2 are less than the revenue estimates used as the basis for the appropriations required under
3 this section, the amount of the deficiency shall be reconciled as follows:

4 (i) for the first \$3,000,000 of any deficiency, the allocation to the
5 special fund under subsection (a) of this section as provided under subsections (c) and (d)
6 of this section for the second fiscal year following the deficiency shall be reduced by either
7 the amount of the deficiency or \$3,000,000, whichever is less;

8 (ii) for any deficiency in excess of \$3,000,000, the amount in excess
9 of \$3,000,000 shall be reconciled either by the reduction of the allocation to the special fund
10 under subsection (a) of this section as provided under subsections (c) and (d) of this section
11 for the second fiscal year following the deficiency or by the deauthorization of projects
12 authorized in prior fiscal years;

13 (iii) for the allocation of the special fund under subsection (a) of this
14 section, in the fiscal year beginning July 1, 2016, transfer tax revenue under-attainment
15 from the fiscal year beginning July 1, 2014, will not be applied; and

16 (iv) transfer tax revenue in fiscal year 2015, that is in excess of
17 \$161,016,000 may be transferred by budget amendment in fiscal year 2016 for:

- 18 1. administrative expenses related to land acquisition for
19 Program Open Space;
- 20 2. critical maintenance projects in the Department of
21 Natural Resources;
- 22 3. Natural Resources Development Fund projects in the
23 Department of Natural Resources; and
- 24 4. replacement of General Fund appropriations in the
25 Maryland Park Service.

26 (3) (i) Any amounts to be deauthorized from prior fiscal years under
27 paragraph (2)(ii) of this subsection shall be proposed by the Governor in the budget of the
28 second fiscal year following the fiscal year in which there is a deficiency.

29 (ii) An amount may be deauthorized under this paragraph only as
30 provided in the State budget bill, as enacted.

31 ~~(g) (1) Notwithstanding § 7-311(j) of the State Finance and Procurement~~
32 ~~Article, subject to paragraph (3) of this subsection, for fiscal year 2019 and for each~~
33 ~~subsequent fiscal year, if the unappropriated General Fund surplus as of June 30 of the~~
34 ~~second preceding year exceeds \$10,000,000, the Governor shall include in the budget bill a~~
35 ~~General Fund appropriation to the special fund under subsection (a) of this section in an~~
36 ~~amount equal to at least the lesser of \$50,000,000 or the excess surplus over \$10,000,000.~~

1 ~~(2) For any fiscal year to which this subsection applies:~~

2 ~~(i) unless the unappropriated General Fund surplus as of June 30~~
3 ~~of the second preceding fiscal year exceeds the sum of \$10,000,000 and the amount required~~
4 ~~to be appropriated to the special fund under paragraph (1) of this subsection, the~~
5 ~~appropriation to the Revenue Stabilization Account under § 7-311(j) of the State Finance~~
6 ~~and Procurement Article is not required; and~~

7 ~~(ii) if the unappropriated General Fund surplus as of June 30 of the~~
8 ~~second preceding fiscal year exceeds the sum of \$10,000,000 and the amount required to be~~
9 ~~appropriated to the special fund under paragraph (1) of this subsection, the appropriation~~
10 ~~required to the Revenue Stabilization Account under § 7-311(j) of the State Finance and~~
11 ~~Procurement Article shall equal the amount by which that surplus exceeds the sum of~~
12 ~~\$10,000,000 and the amount appropriated to the special fund under paragraph (1) of this~~
13 ~~subsection.~~

14 ~~(3) (i) The cumulative amount required to be appropriated to the~~
15 ~~special fund under paragraph (1) of this subsection for all fiscal years shall equal the~~
16 ~~cumulative amount of any appropriation or transfer from the special fund to the General~~
17 ~~Fund for fiscal year 2006 and for each subsequent fiscal year, reduced by:~~

18 ~~1. the amount of any appropriation or transfer from the~~
19 ~~General Fund to the special fund for any fiscal year in excess of the amount required under~~
20 ~~paragraph (1) of this subsection for that fiscal year; and~~

21 ~~2. the amount of any appropriation or transfer from the~~
22 ~~General Fund to the special fund for any fiscal year in which the appropriation under~~
23 ~~paragraph (1) of this subsection is not required.~~

24 ~~(ii) This subsection does not apply to any fiscal year if a cumulative~~
25 ~~amount has been appropriated to the special fund for prior fiscal years under this~~
26 ~~subsection equal to the cumulative amount of any appropriation or transfer from the special~~
27 ~~fund to the General Fund for fiscal year 2006 and for each subsequent fiscal year, reduced~~
28 ~~by:~~

29 ~~1. the amount of any appropriation or transfer from the~~
30 ~~General Fund to the special fund for any fiscal year in excess of the amount required under~~
31 ~~paragraph (1) of this subsection for that fiscal year; and~~

32 ~~2. the amount of any appropriation or transfer from the~~
33 ~~General Fund to the special fund for any fiscal year in which the appropriation under~~
34 ~~paragraph (1) of this subsection is not required.~~

35 **(G) (1) (I) THE GOVERNOR SHALL INCLUDE IN THE BUDGET BILL FOR**
36 **FISCAL YEAR 2018 A GENERAL FUND APPROPRIATION IN THE AMOUNT OF**

~~\$5,000,000 TO THE AGRICULTURAL LAND PRESERVATION FUND ESTABLISHED UNDER § 2-505 OF THE AGRICULTURE ARTICLE MARYLAND AGRICULTURAL AND RECOURSE RESOURCE-BASED INDUSTRY DEVELOPMENT CORPORATION TO PROVIDE GRANTS FOR THE USE OF THE NEXT GENERATION FARMLAND ACQUISITION PROGRAM AUTHORIZED UNDER § 10-523(A)(3)(II) OF THE ECONOMIC DEVELOPMENT ARTICLE.~~

(II) THE APPROPRIATION REQUIRED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH:

1. REPRESENTS REIMBURSEMENT FOR 5.6% OF THE CUMULATIVE AMOUNT APPROPRIATED OR TRANSFERRED FROM THE SPECIAL FUND TO THE GENERAL FUND FOR FISCAL YEAR 2006; AND

2. IS NOT SUBJECT TO THE PROVISIONS OF SUBSECTIONS (A) THROUGH (F) OF THIS SECTION.

(2) (I) THE GOVERNOR SHALL INCLUDE IN EACH OF THE ANNUAL BUDGET BILLS FOR FISCAL YEARS 2019, 2020, AND 2021 A GENERAL FUND APPROPRIATION TO THE SPECIAL FUND IN THE AMOUNT OF \$15,000,000.

(II) THE APPROPRIATIONS REQUIRED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH:

1. CUMULATIVELY REPRESENT REIMBURSEMENT FOR 50% OF THE CUMULATIVE AMOUNT OF ANY APPROPRIATION OR TRANSFER FROM THE SPECIAL FUND TO THE GENERAL FUND FOR FISCAL YEAR 2006;

2. ARE NOT SUBJECT TO THE PROVISIONS OF SUBSECTIONS (A), (B), (C), AND (F) OF THIS SECTION;

3. SHALL BE ALLOCATED AS PROVIDED IN SUBSECTION (D) OF THIS SECTION AND § 5-903 OF THE NATURAL RESOURCES ARTICLE; AND

4. SHALL BE REDUCED BY THE AMOUNT OF ANY APPROPRIATION FROM THE GENERAL FUND TO THE SPECIAL FUND THAT:

A. EXCEEDS THE REQUIRED APPROPRIATION UNDER THIS PARAGRAPH; AND

B. IS IDENTIFIED AS AN APPROPRIATION FOR REIMBURSEMENT UNDER THIS PARAGRAPH.

1 **(3) (I) THE GOVERNOR SHALL INCLUDE IN EACH OF THE ANNUAL**
2 **BUDGET BILLS FOR FISCAL YEAR 2019 THROUGH FISCAL YEAR 2024 A GENERAL**
3 **FUND APPROPRIATION TO THE SPECIAL FUND IN THE AMOUNT OF \$6,000,000 AND**
4 **FOR FISCAL YEAR 2025 A GENERAL FUND APPROPRIATION TO THE SPECIAL FUND**
5 **IN THE AMOUNT OF \$4,000,000 FOR *PARK DEVELOPMENT AND THE CRITICAL***
6 **MAINTENANCE OF STATE PROJECTS LOCATED ON LANDS MANAGED BY THE**
7 **DEPARTMENT OF NATURAL RESOURCES FOR PUBLIC PURPOSES.**

8 **(II) THE APPROPRIATIONS REQUIRED UNDER SUBPARAGRAPH**
9 **(I) OF THIS PARAGRAPH:**

10 **1. REPRESENT REIMBURSEMENT FOR 44.4% OF THE**
11 **CUMULATIVE AMOUNT OF ANY APPROPRIATION OR TRANSFER FROM THE SPECIAL**
12 **FUND TO THE GENERAL FUND FOR FISCAL YEAR 2006;**

13 **2. ARE NOT SUBJECT TO THE PROVISIONS OF**
14 **SUBSECTIONS (A), (B), (C), AND (F) OF THIS SECTION;**

15 **3. SHALL BE MADE UNTIL THE CUMULATIVE TOTAL**
16 **AMOUNT APPROPRIATED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH IS EQUAL**
17 **TO \$40,000,000; AND**

18 **4. SHALL BE REDUCED BY THE AMOUNT OF ANY**
19 **APPROPRIATION FROM THE GENERAL FUND TO THE SPECIAL FUND THAT:**

20 **A. EXCEEDS THE REQUIRED APPROPRIATION UNDER**
21 **THIS PARAGRAPH;**

22 **B. IS IDENTIFIED AS AN APPROPRIATION FOR**
23 **REIMBURSEMENT UNDER THIS PARAGRAPH; AND**

24 **C. SUPPLEMENTS RATHER THAN SUPPLANTS THE**
25 **DEPARTMENT OF NATURAL RESOURCES FUNDING FOR THE CRITICAL**
26 **MAINTENANCE OF STATE PROJECTS ON STATE LANDS, BASED ON THE AVERAGE**
27 **CRITICAL MAINTENANCE BUDGET OF THE 10 YEARS PRECEDING THE**
28 **APPROPRIATION.**

29 **(4) (I) THE GOVERNOR SHALL INCLUDE IN EACH OF THE BUDGET**
30 **BILLS FOR FISCAL YEARS 2021, 2025, AND 2029 A GENERAL FUND APPROPRIATION**
31 **TO THE SPECIAL FUND EQUAL TO ONE THIRD OF THE CUMULATIVE AMOUNT OF THE**
32 **APPROPRIATIONS OR TRANSFERS FROM THE SPECIAL FUND TO THE GENERAL FUND**
33 **FOR FISCAL YEARS 2016, 2017, AND 2018, LESS ANY GENERAL OBLIGATION BONDS**
34 **AUTHORIZED FOR PROGRAM OPEN SPACE IN CHAPTER 2 OF THE ACTS OF THE**
35 **GENERAL ASSEMBLY OF 2016.**

1 **(4) (I) SUBJECT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH, THE**
 2 **GOVERNOR SHALL APPROPRIATE FROM THE GENERAL FUND TO THE SPECIAL FUND**
 3 **AN AMOUNT EQUAL TO THE CUMULATIVE AMOUNT OF THE APPROPRIATIONS OR**
 4 **TRANSFERS FROM THE SPECIAL FUND TO THE GENERAL FUND FOR FISCAL YEARS**
 5 **2016, 2017, AND 2018, LESS \$72,000,000.**

6 **(II) THE GOVERNOR SHALL APPROPRIATE AT LEAST:**

7 **1. ONE-THIRD OF THE AMOUNT REQUIRED UNDER**
 8 **SUBPARAGRAPH (I) OF THIS PARAGRAPH ON OR BEFORE JUNE 30, 2021;**

9 **2. TWO-THIRDS OF THE AMOUNT REQUIRED UNDER**
 10 **SUBPARAGRAPH (I) OF THIS PARAGRAPH ON OR BEFORE JUNE 30, 2025; AND**

11 **3. THE TOTAL AMOUNT REQUIRED UNDER**
 12 **SUBPARAGRAPH (I) OF THIS PARAGRAPH ON OR BEFORE JUNE 30, 2029.**

13 **~~(H)~~ (III) THE ~~APPROPRIATION~~ APPROPRIATIONS REQUIRED**
 14 **UNDER ~~SUBPARAGRAPH (I)~~ SUBPARAGRAPHS (I) AND (II) OF THIS PARAGRAPH:**

15 **1. ~~REPRESENTS~~ REPRESENT REIMBURSEMENT FOR THE**
 16 **CUMULATIVE AMOUNT OF ANY APPROPRIATION OR TRANSFER FROM THE SPECIAL**
 17 **FUND TO THE GENERAL FUND FOR FISCAL YEARS 2016, 2017, AND 2018, LESS**
 18 **\$72,000,000;**

19 **2. ~~IS~~ ARE NOT SUBJECT TO THE PROVISIONS OF**
 20 **SUBSECTIONS (A), (B), (C), AND (F) OF THIS SECTION;**

21 **3. SHALL BE ALLOCATED AS PROVIDED IN SUBSECTION**
 22 **(D) OF THIS SECTION AND § 5-903 OF THE NATURAL RESOURCES ARTICLE;**

23 **4. SHALL BE MADE UNTIL THE CUMULATIVE TOTAL**
 24 **APPROPRIATED UNDER ~~SUBPARAGRAPH (I)~~ SUBPARAGRAPHS (I) AND (II) OF THIS**
 25 **PARAGRAPH IS EQUAL TO THE CUMULATIVE AMOUNT OF ANY APPROPRIATION OR**
 26 **TRANSFER FROM THE SPECIAL FUND TO THE GENERAL FUND FOR FISCAL YEARS**
 27 **2016, 2017, AND 2018, LESS \$72,000,000; AND**

28 **5. SHALL BE REDUCED BY THE AMOUNT OF ANY**
 29 **APPROPRIATION FROM THE GENERAL FUND TO THE SPECIAL FUND THAT:**

30 **A. EXCEEDS THE REQUIRED APPROPRIATION UNDER**
 31 **THIS PARAGRAPH; AND**

1 B. IS IDENTIFIED AS AN APPROPRIATION FOR
2 REIMBURSEMENT UNDER THIS PARAGRAPH.

3 (H) (1) IF AN APPROPRIATION OR A TRANSFER FROM THE SPECIAL FUND
4 TO THE GENERAL FUND OCCURS AFTER THE FISCAL YEAR ENDING JUNE 30, 2018,
5 THE GOVERNOR SHALL INCLUDE IN THE ANNUAL BUDGET BILLS FOR EACH OF THE
6 3 SUCCESSIVE FISCAL YEARS FOLLOWING THE FISCAL YEAR IN WHICH A TRANSFER
7 IS MADE A GENERAL FUND APPROPRIATION TO THE SPECIAL FUND EQUAL TO
8 ONE-THIRD OF THE CUMULATIVE AMOUNT OF THE APPROPRIATION OR TRANSFER
9 FROM THE SPECIAL FUND TO THE GENERAL FUND FOR THE APPLICABLE FISCAL
10 YEAR.

11 (2) THE APPROPRIATION REQUIRED UNDER PARAGRAPH (1) OF THIS
12 SUBSECTION:

13 (I) REPRESENTS REIMBURSEMENT FOR THE CUMULATIVE
14 AMOUNT OF ANY APPROPRIATION OR TRANSFER FROM THE SPECIAL FUND TO THE
15 GENERAL FUND FOR THE APPLICABLE FISCAL YEAR;

16 (II) IS NOT SUBJECT TO THE PROVISIONS OF SUBSECTIONS (A),
17 (B), (C), AND (F) OF THIS SECTION;

18 (III) SHALL BE ALLOCATED AS PROVIDED IN SUBSECTION (D) OF
19 THIS SECTION AND § 5-903 OF THE NATURAL RESOURCES ARTICLE;

20 (IV) SHALL BE MADE UNTIL THE CUMULATIVE TOTAL
21 APPROPRIATED UNDER PARAGRAPH (1) OF THIS SUBSECTION IS EQUAL TO THE
22 CUMULATIVE AMOUNT OF ANY APPROPRIATION OR TRANSFER FROM THE SPECIAL
23 FUND TO THE GENERAL FUND FOR THE APPLICABLE FISCAL YEAR; AND

24 (V) SHALL BE REDUCED BY THE AMOUNT OF ANY
25 APPROPRIATION FROM THE GENERAL FUND TO THE SPECIAL FUND THAT:

26 1. EXCEEDS THE REQUIRED APPROPRIATION UNDER
27 THIS SUBSECTION; AND

28 2. IS IDENTIFIED AS AN APPROPRIATION FOR
29 REIMBURSEMENT UNDER THIS SUBSECTION.

30 ~~(h)~~ (I) (1) The distributions required under this subsection may not be
31 utilized or considered for the purposes of calculating any allocation or appropriation under
32 subsection (f) or (g) of this section.

1 (2) Notwithstanding any other provision of law, the Governor may transfer
2 funds from the special fund established under this section to the General Fund as follows:

3 (i) on or before June 30, 2014, \$89,198,555;

4 (ii) for the fiscal year beginning July 1, 2014, \$144,188,544;

5 (iii) for the fiscal year beginning July 1, 2015, \$115,366,700;

6 (iv) for the fiscal year beginning July 1, 2016, [\$82,771,000]
7 **\$62,771,000**; and

8 (v) for the fiscal year beginning July 1, 2017, [\$86,028,000]
9 **\$46,028,000**.

10 **Article – State Finance and Procurement**

11 7-311.

12 (i) (1) Except as provided in paragraph (2) of this subsection [and § 13-209(g)
13 of the Tax – Property Article], for fiscal year 2007 and for each subsequent fiscal year, the
14 Governor shall include in the budget bill an appropriation:

15 (i) for each of [the] fiscal years [2017 through 2020:

16 1.] 2017, 2018, AND 2019, to the accumulation funds of the
17 State Retirement and Pension System an amount, up to a maximum of \$50,000,000, that is
18 equal to one-half of the amount by which the unappropriated General Fund surplus as of
19 June 30 of the second preceding fiscal year exceeds \$10,000,000; [and]

20 (II) [2.] FOR FISCAL YEAR 2020:

21 1. TO THE ACCUMULATION FUNDS OF THE STATE
22 RETIREMENT AND PENSION SYSTEM AN AMOUNT, UP TO A MAXIMUM OF
23 \$50,000,000, THAT IS EQUAL TO ONE-HALF OF THE AMOUNT BY WHICH THE
24 UNAPPROPRIATED GENERAL FUND SURPLUS AS OF JUNE 30 OF THE SECOND
25 PRECEDING FISCAL YEAR EXCEEDS \$10,000,000; AND

26 2. to the Account equal to the amount by which the
27 unappropriated General Fund surplus as of June 30 of the second preceding fiscal year
28 exceeds \$10,000,000, less the amount of the appropriation under item 1 of this paragraph;
29 and

1 [(ii)] (III) for fiscal year 2021 and each fiscal year thereafter, to the
2 Account equal to the amount by which the unappropriated General Fund surplus as of June
3 30 of the second preceding fiscal year exceeds \$10,000,000.

4 (2) The appropriation required under this subsection for any fiscal year may
5 be reduced by the amount of any appropriation to the Account required to be included for
6 that fiscal year under subsection (e) of this section.

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

8 (a) Notwithstanding any other provision of law:

9 (1) in the fiscal year beginning July 1, 2016, \$20,000,000 shall be
10 distributed from the special fund established in § 13–209 of the Tax – Property Article as
11 follows:

12	Program Open Space – State.....	\$4,000,000
13	Program Open Space – Local.....	\$5,000,000 \$4,500,000 <u>\$5,000,000</u>
14	Rural Legacy	\$4,862,000
15	Critical Maintenance	\$2,000,000
16	Natural Resources Development Fund	\$138,000
17	Ocean City Beach Maintenance	\$500,000
18	Maryland Zoo in Baltimore.....	\$500,000
19	Maryland Agricultural Land Preservation Fund	\$3,500,000; and

20 (2) in the fiscal year beginning July 1, 2017, \$40,000,000 shall be
21 distributed from the special fund established in § 13–209 of the Tax – Property Article as
22 follows:

23	Program Open Space – State.....	\$3,412,000
24	Program Open Space – Local.....	\$11,000,000
25	Rural Legacy	\$9,000,000
26	Critical Maintenance	\$2,000,000
27	Natural Resources Development Fund	\$5,088,000
28	Ocean City Beach Maintenance	\$500,000

1 Maryland Agricultural Land Preservation Fund\$9,000,000.

2 (b) The distributions required under this section of this Act may not be utilized
3 or considered for the purposes of calculating any allocation or appropriation under §
4 13–209(f) or (g) of the Tax – Property Article.

5 SECTION 3. AND BE IT FURTHER ENACTED, That it is the intent of the General
6 Assembly that, beginning in fiscal year 2019, the special fund under § 13–209 of the
7 Tax – Property Article return to full funding through the distribution of State transfer tax
8 revenues in accordance with the provisions of this Act.

9 SECTION 4. AND BE IT FURTHER ENACTED, That it is the intent of the General
10 Assembly that, beginning in fiscal year 2018, if the Governor appropriates or transfers
11 funds from the special fund under § 13–209 of the Tax – Property Article to the General
12 Fund, the Department of Budget and Management shall submit, in accordance with §
13 2–1246 of the State Government Article, to the Senate Budget and Taxation Committee
14 and the House Appropriations Committee a report that:

15 (1) specifies a plan for reimbursement of the appropriation or transfer in
16 future fiscal years; and

17 (2) identifies alternative funding sources in the fiscal year in which the
18 funds are to be appropriated or transferred for the ongoing operations of programs affected
19 by the appropriation or transfer.

20 ~~SECTION 5. AND BE IT FURTHER ENACTED, That, notwithstanding the~~
21 ~~provisions of the budget bill for fiscal year 2017, \$500,000 of the \$5,000,000 allocated to~~
22 ~~Program Open Space – Local from the \$20,000,000 reduction in transfers from the special~~
23 ~~fund to the General Fund for fiscal year 2017 be allocated as a grant to the Maryland Zoo~~
24 ~~in Baltimore for expenses related to zoo operations.~~

25 SECTION 5. AND BE IT FURTHER ENACTED, That the Governor is authorized in
26 fiscal year 2017 to process a budget amendment from the unencumbered balance in the
27 accounts of the Program Open Space established under Title 5, Subtitle 9 of the Natural
28 Resources Article to create an appropriation of \$500,000 to be allocated as a grant to the
29 Maryland Zoo in Baltimore for expenses related to zoo operations.

30 SECTION 6. AND BE IT FURTHER ENACTED, That it is the intent of the General
31 Assembly that the changes to § 7–311(j) of the State Finance and Procurement Article, as
32 enacted by Section 1 of this Act, are necessary in order to assure that sufficient general funds
33 are available to support this Act.

34 ~~SECTION 6.~~ SECTION 7. AND BE IT FURTHER ENACTED, That this Act shall take effect
35 July 1, 2016.