Chapter 741

(Senate Bill 172)

AN ACT concerning

Maryland Health Equity Resource Act

FOR the purpose of establishing a Pathways to Health Equity Program in the Community Health Resources Commission; providing for the purpose of the Program; requiring the Program to provide grant funding for a certain purpose; requiring the Commission to issue a certain request for proposals and establish certain criteria; providing for the duration of certain grants; requiring the Commission to give certain consideration to certain proposals; requiring certain staff support for the Commission; requiring the Commission to report to the Governor and the General Assembly on or before certain dates; establishing a Pathways to Health Equity Fund in the Commission as a special, nonlapsing fund; specifying the purpose of the Fund; requiring the Commission to administer the Fund; requiring the State Treasurer to hold the Fund and the Comptroller to account for the Fund; specifying the contents of the Fund; specifying the purpose for which the Fund may be used; altering the purposes of the Maryland Health Benefit Exchange Fund; altering the purposes for which the Maryland Health Benefit Exchange Fund may be used; requiring the Governor to transfer and appropriate a certain amount to the Health Equity Resource Community Reserve Fund in certain fiscal years; requiring the Secretary of Health Community Health Resources Commission to designate certain areas as Health Equity Resource Communities in a certain manner; specifying the purpose of establishing Health Equity Resource Communities; authorizing, beginning on a certain date, the Secretary Commission to adopt certain regulations; requiring the Secretary to consult with the Office of Minority Health and Health Disparities to provide certain technical assistance in implementing certain provisions of this Act; requiring any other unit in the Maryland Department of Health to provide certain assistance at the request of the Commission in implementing certain provisions of this Act; requiring the Secretary to allocate staff and resources to carry out certain provisions of this Act; requiring the Secretary Commission to establish a Health Equity Resource Community Advisory Committee on or before a certain date; establishing the duties of the Advisory Committee; providing for the composition, ecchairs chair, and meetings of the Advisory Committee; specifying the terms and conditions for the removal of Advisory Committee members; prohibiting a member of the Advisory Committee from receiving certain compensation, but authorizing the reimbursement of certain expenses; authorizing the Commission to convene certain working and advisory groups; authorizing federally qualified health centers, nonprofit community-based organizations, nonprofit hospitals, institutions of higher education, and local government agencies to apply to the Secretary Commission on behalf of certain areas for designation as Health Equity Resource Communities; establishing certain procedures and requirements in connection with the application process; authorizing requiring an application to include certain elements; requiring the application to allocate certain funding to cover certain costs for a certain

employee; authorizing nonprofit community-based organizations, nonprofit hospitals, institutions of higher education, federally qualified health centers, and local government agencies to contract with a historically black college or university in the State to provide certain services under certain circumstances; requiring the Secretary Commission to consider certain factors and prioritize certain applications when designating areas as Health Equity Resource Communities; authorizing the Secretary Commission to conduct certain outreach for a certain purpose; establishing certain requirements for an employee to be designated as an evaluator; establishing that the Secretary's Commission's decision to designate an area as a Health Equity Resource Community is final; authorizing certain health care providers who practice in Health Equity Resource Communities to receive certain tax eredits, assistance, and grants; authorizing certain nonprofit community-based organizations, nonprofit hospitals, institutions of higher education, and local government agencies to receive certain grants; establishing a Health Equity Resource Community Reserve Fund; establishing the purpose and contents of the Fund; requiring the Secretary Commission to administer the Fund; requiring the Fund to provide certain money to the Maryland Department of Health to supplement and not supplant existing funding for certain programs; requiring the State Treasurer to invest the money of the Fund in a certain manner; requiring the interest earnings of the Fund to be credited to the Fund; exempting the Fund from a certain provision of law requiring interest earnings on State money to accrue to the General Fund of the State; requiring certain nonprofit community-based organizations, nonprofit hospitals, institutions of higher education, federally qualified health centers, and local government agencies to submit certain reports; authorizing the Secretary Commission to revoke a designation of an area as a Health Equity Resource Community under certain circumstances; requiring the Secretary Commission to submit certain reports; establishing that a designation of an area as a Health Equity Resource Community has a term of a certain length and may be renewed in a certain manner; authorizing certain credits against the State income tax for certain health care providers and organizations under certain circumstances; authorizing certain nonprofit community-based organizations, nonprofit hospitals, institutions of higher education, and local government agencies to apply for certain tax credits under certain circumstances for certain health care providers; authorizing a health care practitioner or community-based organization to claim a certain refundable tax credit, under certain circumstances; establishing certain procedures and requirements for certifying certain tax credits; establishing a certain limit on the amount of certain tax credits allowed for a fiscal year; requiring the Secretary, in consultation with the Comptroller, to adopt certain regulations; altering the sales and use tax rate for the sale of certain alcoholic beverages; requiring a certain percentage of revenues generated from a certain tax to be credited to the Fund; defining certain terms; providing for the construction of certain provisions of this Act; making this Act an emergency measure; providing for the termination of certain provisions of this Act; and generally relating to health improvement and the reduction of health disparities.

Article - Health - General

Section <u>19–2112</u>; and <u>20–1401</u> through <u>20–1408</u> to be under the new subtitle "Subtitle 14. Health Equity Resource Communities"

Annotated Code of Maryland

(2019 Replacement Volume and 2020 Supplement)

BY repealing and reenacting, without amendments,

Article – Insurance

Section 31–107(a)

Annotated Code of Maryland

(2017 Replacement Volume and 2020 Supplement)

BY repealing and reenacting, with amendments,

<u>Article – Insurance</u>

Section 31-107(b) and (f)

Annotated Code of Maryland

(2017 Replacement Volume and 2020 Supplement)

BY repealing and reenacting, without amendments,

Article – State Finance and Procurement

Section 6-226(a)(2)(i)

Annotated Code of Maryland

(2015 Replacement Volume and 2020 Supplement)

BY repealing and reenacting, with amendments,

Article – State Finance and Procurement

Section 6–226(a)(2)(ii)122. and 123.

Annotated Code of Maryland

(2015 Replacement Volume and 2020 Supplement)

BY adding to

Article - State Finance and Procurement

Section 6-226(a)(2)(ii)124.

Annotated Code of Maryland

(2015 Replacement Volume and 2020 Supplement)

BY adding to

Article - Tax - General

Section 10-731

Annotated Code of Maryland

(2016 Replacement Volume and 2020 Supplement)

BY repealing and reenacting, with amendments,

Article - Tax - General

Section 11-104(g)

Annotated Code of Maryland

(2016 Replacement Volume and 2020 Supplement)

Preamble

WHEREAS, Chapter 3 of 2012, the Maryland Health Improvement and Disparities Reduction Act of 2012, established Health Enterprise Zones to target State resources to reduce health disparities, improve health outcomes, and reduce health costs and hospital admissions and readmissions in specific areas of the State; and

WHEREAS, The provisions of that Act abrogated June 30, 2017; and

WHEREAS, A 2018 study concluded that the net cost savings under that Act far outweighed the initiative's cost to the State and that implementing such an initiative would be a viable way to reduce inpatient admissions and reduce health care costs; and

WHEREAS, The COVID-19 pandemic has made it clear that certain communities lack the health care resources they need, leading to disturbing health disparities; now, therefore,

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

Article - Health - General

19-2112.

- (A) (1) THE COMMISSION SHALL ESTABLISH A PATHWAYS TO HEALTH EQUITY PROGRAM.
- (2) (I) THE PURPOSE OF THE PROGRAM IS TO PROVIDE THE FOUNDATION AND GUIDANCE FOR A PERMANENT HEALTH EQUITY RESOURCE COMMUNITY PROGRAM UNDER TITLE 20, SUBTITLE 14.
- (II) CRISP SHALL PROVIDE TECHNICAL ASSISTANCE TO THE COMMISSION BY MAINTAINING A DATA SET AND SUPPORTING PROGRAM EVALUATION FOR THE PROGRAM.
- (3) (I) THE PROGRAM SHALL PROVIDE GRANT FUNDING TO REDUCE HEALTH DISPARITIES, IMPROVE HEALTH OUTCOMES, IMPROVE ACCESS TO PRIMARY CARE, PROMOTE PRIMARY AND SECONDARY PREVENTION SERVICES, AND REDUCE HEALTH CARE COSTS AND HOSPITAL ADMISSIONS AND READMISSIONS.
- (II) THE COMMISSION SHALL ISSUE A REQUEST FOR PROPOSALS FOR APPLICANTS WITH PROPOSALS FOR PROGRAMS THAT:

- 1. ADDRESS THE CRITERIA LISTED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH; AND
- 2. <u>Demonstrate how the proposed program</u> <u>Could be self-sustainable as a Health Equity Resource Community</u> <u>Under Title 20, Subtitle 14 of this article.</u>
- (III) THE COMMISSION SHALL ESTABLISH THE CRITERIA TO QUALIFY FOR GRANT FUNDING UNDER THIS SUBSECTION.
- (IV) GRANTS AWARDED THROUGH THE PROGRAM SHALL BE FOR 2 YEARS.
- (V) THE COMMISSION SHALL GIVE SPECIAL CONSIDERATION TO PROPOSALS FROM AREAS PREVIOUSLY DESIGNATED AS A HEALTH ENTERPRISE ZONE.
- (4) ONE ADDITIONAL STAFF SHALL BE ADDED TO THE COMMISSION TO PROVIDE STAFF SUPPORT FOR THE PROGRAM.
- (5) (I) ON OR BEFORE DECEMBER 1, 2021, THE COMMISSION SHALL ISSUE AN INTERIM REPORT TO THE GOVERNOR AND, IN ACCORDANCE WITH § 2–1257 OF THE STATE GOVERNMENT ARTICLE, THE GENERAL ASSEMBLY ON THE GRANTS AWARDED UNDER PARAGRAPH (3) OF THIS SUBSECTION, INCLUDING:
 - 1. A LIST AND SUMMARY OF THE GRANTS AWARDED;
- 2. <u>AN OVERVIEW OF KEY INTERVENTIONS IN THE</u> GRANTS AWARDED;
- 3. SPECIFIC HEALTH DISPARITIES THAT WILL BE ADDRESSED BY THE GRANTS; AND
- 4. KEY MEASURES TO EVALUATE THE IMPACT OF EACH GRANT.
- (II) ON OR BEFORE JANUARY 1, 2023, THE COMMISSION SHALL ISSUE A FINAL REPORT TO THE GOVERNOR AND, IN ACCORDANCE WITH § 2–1257 OF THE STATE GOVERNMENT ARTICLE, THE GENERAL ASSEMBLY ON:
- 1. THE GRANTS AWARDED UNDER PARAGRAPH (3) OF THIS SUBSECTION, INCLUDING A DESCRIPTION OF THE GRANTEE'S PROGRAM AND ANY DATA RELATED TO COST SAVINGS ACHIEVED UNDER THE PROGRAM;

- <u>2.</u> <u>OPTIONS TO DEVELOP, SUSTAIN, AND ESTABLISH A</u>
 <u>PERMANENT HEALTH EQUITY RESOURCE COMMUNITY PROGRAM IN THE</u>
 DEPARTMENT;
- 3. Cost-effective ways to measure the impact of a Health Equity Resource Community:
- 4. WORKFORCE AND RECRUITMENT STRATEGIES TO BE USED BY A HEALTH EQUITY RESOURCE COMMUNITY; AND
- 5. ANY RECOMMENDATIONS, INCLUDING LEGISLATIVE RECOMMENDATIONS, RELATED TO HEALTH EQUITY RESOURCE COMMUNITIES ESTABLISHED UNDER TITLE 20, SUBTITLE 14 OF THE HEALTH GENERAL ARTICLE.
- (B) (1) THERE IS A PATHWAYS TO HEALTH EQUITY FUND IN THE COMMISSION.
- (2) THE PURPOSE OF THE FUND IS TO IMPLEMENT THE REQUIREMENTS OF SUBSECTION (A) OF THIS SECTION THROUGH GRANT FUNDING AND STAFF SUPPORT.
 - (3) THE COMMISSION SHALL ADMINISTER THE FUND.
- (4) (1) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT SUBJECT TO § 7–302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.
- (II) THE STATE TREASURER SHALL HOLD THE FUND SEPARATELY, AND THE COMPTROLLER SHALL ACCOUNT FOR THE FUND.
 - (5) THE FUND CONSISTS OF:
- (I) THE \$14,000,000 AUTHORIZED FOR THE COMMISSION UNDER CHAPTER 39 OF THE ACTS OF THE GENERAL ASSEMBLY OF 2021; AND
- (II) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED FOR THE BENEFIT OF THE FUND.
- (6) THE FUND SHALL BE SUBJECT TO AN AUDIT BY THE OFFICE OF LEGISLATIVE AUDITS AS PROVIDED FOR IN § 2–1220 OF THE STATE GOVERNMENT ARTICLE.

- (7) THE FUND MAY BE USED ONLY TO IMPLEMENT THE REQUIREMENTS OF SUBSECTION (A) OF THIS SECTION AND TO EVALUATE THE IMPACT OF GRANTS AWARDED UNDER THE PROGRAM.
- (8) (I) MONEY EXPENDED FROM THE FUND TO IMPLEMENT THE REQUIREMENTS OF SUBSECTION (A) OF THIS SECTION AND TO EVALUATE THE IMPACT OF GRANTS AWARDED UNDER THE PROGRAM IS NOT INTENDED TO SUPPLANT FUNDING THAT IS APPROPRIATED TO THE COMMISSION IN ACCORDANCE WITH § 14–106(D)(2)(II) OF THE INSURANCE ARTICLE AND DEPOSITED IN THE COMMUNITY HEALTH RESOURCES COMMISSION FUND FOR THE PURPOSES SET FORTH UNDER § 19–2201 OF THIS TITLE.
- (II) THE FUND MAY NOT BE COMMINGLED OR COMBINED WITH THE COMMUNITY HEALTH RESOURCES COMMISSION FUND.

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

Article - Health - General

SUBTITLE 14. HEALTH EQUITY RESOURCE COMMUNITIES.

20-1401.

- (A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.
- (B) "ADVISORY COMMITTEE" MEANS THE HEALTH EQUITY RESOURCE COMMUNITY ADVISORY COMMITTEE.
- (C) "COMMISSION" MEANS THE COMMUNITY HEALTH RESOURCES COMMISSION.
- (C) (D) "COMMUNITY HEALTH WORKER" HAS THE MEANING STATED IN § 13–3701 OF THIS ARTICLE.
- (D) (E) "FEDERALLY QUALIFIED HEALTH CENTER" HAS THE MEANING STATED IN § 24–1301 OF THIS ARTICLE.
- (E) (F) "FUND" MEANS THE HEALTH EQUITY RESOURCE COMMUNITY RESERVE FUND ESTABLISHED UNDER § 20–1407 OF THIS SUBTITLE.
- (F) (G) "HEALTH CARE PRACTITIONER" MEANS AN INDIVIDUAL OR, COLLECTIVELY, A GROUP OF INDIVIDUALS WORKING TOGETHER WITHIN THE SAME

PRACTICE, EACH OF WHOM IS LICENSED, CERTIFIED, OR OTHERWISE AUTHORIZED BY LAW TO PROVIDE HEALTH CARE SERVICES UNDER THE HEALTH OCCUPATIONS ARTICLE.

- (G) (H) "HEALTH DISPARITY" MEANS A PARTICULAR TYPE OF HEALTH DIFFERENCE, SUCH AS A DIFFERENCE IN RATES OF HYPERTENSION, HEART DISEASE, ASTHMA, DIABETES, SUBSTANCE ABUSE, MENTAL HEALTH DISORDERS, AND MATERNAL AND INFANT MORTALITY, THAT:
- (1) IS CLOSELY LINKED WITH SOCIAL, ECONOMIC, OR ENVIRONMENTAL DISADVANTAGE; AND
- (2) ADVERSELY AFFECTS GROUPS OF INDIVIDUALS WHO HAVE SYSTEMATICALLY EXPERIENCED GREATER OBSTACLES TO HEALTH CARE BASED ON THEIR:
 - (I) RACE OR ETHNICITY;
 - (II) RELIGION;
 - (III) SOCIOECONOMIC STATUS;
 - (IV) GENDER, GENDER IDENTITY, OR SEXUAL ORIENTATION;
 - (V) AGE;
 - (VI) MENTAL HEALTH STATUS;
 - (VII) COGNITIVE, SENSORY, OR PHYSICAL DISABILITY;
 - (VIII) GEOGRAPHIC LOCATION; OR
- (IX) OTHER CHARACTERISTIC HISTORICALLY LINKED TO DISCRIMINATION OR EXCLUSION.
- (H) (I) "HEALTH EQUITY RESOURCE COMMUNITY" MEANS A CONTIGUOUS GEOGRAPHIC AREA THAT:
- (1) DEMONSTRATES MEASURABLE AND DOCUMENTED HEALTH DISPARITIES AND POOR HEALTH OUTCOMES;
- (2) IS SMALL ENOUGH TO ALLOW FOR THE INCENTIVES OFFERED UNDER THIS SUBTITLE TO HAVE A SIGNIFICANT IMPACT ON IMPROVING HEALTH

OUTCOMES AND REDUCING HEALTH DISPARITIES, INCLUDING RACIAL, ETHNIC, GEOGRAPHIC, AND DISABILITY RELATED HEALTH DISPARITIES;

- (3) IS DESIGNATED BY THE SECRETARY <u>COMMISSION</u> IN ACCORDANCE WITH THE PROVISIONS OF THIS SUBTITLE; AND
 - (4) HAS A MINIMUM POPULATION OF 5,000 RESIDENTS.
- (1) (J) "Hospital" has the meaning stated in § 19–301 of this article.
- (4) (K) "Institution of higher education" has the meaning stated in § 10–101 of the Education Article.

20-1402.

- (A) THE PURPOSE OF ESTABLISHING HEALTH EQUITY RESOURCE COMMUNITIES IS TO TARGET STATE RESOURCES TO SPECIFIC AREAS OF THE STATE TO:
 - (1) REDUCE HEALTH DISPARITIES;
 - (2) IMPROVE HEALTH OUTCOMES;
 - (3) IMPROVE ACCESS TO PRIMARY CARE;
- (4) PROMOTE PRIMARY AND SECONDARY PREVENTION SERVICES; AND
- (5) REDUCE HEALTH CARE COSTS AND HOSPITAL ADMISSIONS AND READMISSIONS.
- (B) (1) THE SECRETARY COMMISSION MAY ADOPT REGULATIONS TO CARRY OUT THE PROVISIONS OF THIS SUBTITLE AND TO SPECIFY ELIGIBILITY CRITERIA AND APPLICATION, APPROVAL, AND MONITORING PROCESSES FOR THE RESOURCES ALLOCATED UNDER THIS SUBTITLE.
- (2) (I) THE SECRETARY SHALL CONSULT WITH THE OFFICE OF MINORITY HEALTH AND HEALTH DISPARITIES SHALL PROVIDE TECHNICAL ASSISTANCE TO THE COMMISSION IN IMPLEMENTING THE PROVISIONS OF THIS SUBTITLE.

- (II) AT THE REQUEST OF THE COMMISSION, ANY OTHER UNIT IN THE DEPARTMENT SHALL PROVIDE TECHNICAL ASSISTANCE TO THE COMMISSION IN IMPLEMENTING THE PROVISIONS OF THIS SUBTITLE.
- (C) THE SECRETARY SHALL ALLOCATE STAFF AND RESOURCES AS NECESSARY TWO ADDITIONAL STAFF SHALL BE ADDED TO THE COMMISSION TO CARRY OUT THE PROVISIONS OF THIS SUBTITLE.

20-1403.

- (A) (1) ON OR BEFORE DECEMBER JULY 1, 2021, THE SECRETARY COMMISSION SHALL ESTABLISH A HEALTH EQUITY RESOURCE COMMUNITY ADVISORY COMMITTEE.
 - (2) THE DUTIES OF THE ADVISORY COMMITTEE INCLUDE:
- (I) PROVIDING INITIAL AND ONGOING ASSISTANCE AND GUIDANCE REGARDING ELIGIBILITY CRITERIA AND APPLICATION, APPROVAL, AND MONITORING PROCESSES PROGRAM EVALUATION AND DATA COLLECTION METRICS FOR HEALTH EQUITY RESEARCH PRACTITIONERS;
- (II) COORDINATING WITH THE SECRETARY AS TO ASSISTING THE COMMISSION IN PREPARING THE REQUIRED ANNUAL REPORT DESCRIBED IN § 20–1408(B) OF THIS SUBTITLE AND § 19–2112 OF THIS ARTICLE; AND
- (III) PROPOSING STRATEGIES FOR TAX INCENTIVES AND LOAN REPAYMENTS TO ASSIST HEALTH EQUITY RESOURCE COMMUNITIES IN ACHIEVING THEIR MISSION; AND
- (IV) PROVIDING GUIDANCE, AS DETERMINED BY THE COMMISSION, TO THE SECRETARY COMMISSION AS NECESSARY TO IMPLEMENT THE PROVISIONS OF THIS SUBTITLE.
 - (B) THE ADVISORY COMMITTEE CONSISTS OF:
- (1) THE CHAIR OF THE COMMUNITY HEALTH RESOURCES COMMISSION, OR THE CHAIR'S DESIGNEE;
- (2) THE DIRECTOR OF THE OFFICE OF MINORITY HEALTH AND HEALTH DISPARITIES, OR THE DIRECTOR'S DESIGNEE;

- (1) (3) Three members appointed by the Governor, including:
- (I) ONE INDIVIDUAL REPRESENTING THE MARYLAND DEPARTMENT OF HEALTH; AND
- (II) ONE INDIVIDUAL WITH EXPERTISE IN HEALTH CARE FINANCING;
- (4) THREE MEMBERS APPOINTED BY THE PRESIDENT OF THE SENATE. INCLUDING:
- (I) ONE INDIVIDUAL WITH EXPERTISE IN THE SOCIAL DETERMINANTS OF HEALTH; AND
- (II) ONE INDIVIDUAL WHO IS A MEMBER OF THE GENERAL PUBLIC RESIDING IN AN AREA THAT HAS BEEN OR MAY BE DESIGNATED A HEALTH EQUITY RESOURCE COMMUNITY; AND
- (5) THREE MEMBERS APPOINTED BY THE SPEAKER OF THE HOUSE, INCLUDING:
 - (I) ONE INDIVIDUAL WITH EXPERTISE IN HEALTH EQUITY; AND
- (II) ONE INDIVIDUAL WHO IS A MEMBER OF THE GENERAL PUBLIC RESIDING IN AN AREA THAT HAS BEEN OR MAY BE DESIGNATED A HEALTH EQUITY RESOURCE COMMUNITY. THE FOLLOWING MEMBERS, APPOINTED BY THE GOVERNOR:
- (1) ONE REPRESENTATIVE OF THE MARYLAND MEDICAL ASSISTANCE PROGRAM;
- (II) ONE REPRESENTATIVE OF THE OFFICE OF POPULATION HEALTH IMPROVEMENT;
- (III) ONE REPRESENTATIVE OF THE PREVENTION AND HEALTH PROMOTION ADMINISTRATION:
- (IV) ONE REPRESENTATIVE OF THE DEPARTMENT OF HUMAN SERVICES:
- (V) ONE REPRESENTATIVE OF THE DEPARTMENT OF TRANSPORTATION;

(VI) ONE REPRESENTATIVE OF THE HEALTH SERVICES COST REVIEW COMMISSION: AND

(VIII) ONE REPRESENTATIVE WHO IS A MEMBER OF THE GENERAL PUBLIC AND WHO RESIDES IN AN AREA WHICH HAS BEEN OR MAY BE DESIGNATED AS A HEALTH EQUITY RESOURCE COMMUNITY: AND

- (2) THE FOLLOWING MEMBERS, APPOINTED BY THE PRESIDENT OF THE SENATE:
 - (I) ONE REPRESENTATIVE OF PHYSICIANS;
 - (H) ONE REPRESENTATIVE OF NURSES;
 - (III) ONE REPRESENTATIVE OF HOSPITALS:
 - (IV) ONE REPRESENTATIVE OF DENTISTS;
- (V) ONE REPRESENTATIVE FROM THE BEHAVIORAL HEALTH COMMUNITY:
- (VI) ONE REPRESENTATIVE OF THE CHESAPEAKE REGIONAL INFORMATION SYSTEM FOR OUR PATIENTS;
- (VII) ONE REPRESENTATIVE OF ACCOUNTABLE HEALTH COMMUNITIES;
- (VIII) ONE REPRESENTATIVE OF A CARE TRANSFORMATION ORGANIZATION; AND
- (IX) ONE REPRESENTATIVE WHO IS A MEMBER OF THE GENERAL PUBLIC AND RESIDES IN AN AREA WHICH HAS BEEN OR MAY BE DESIGNATED AS A HEALTH EQUITY RESOURCE COMMUNITY; AND
- (3) THE FOLLOWING MEMBERS, APPOINTED BY THE SPEAKER OF THE HOUSE:
- (I) ONE REPRESENTATIVE OF A STATEWIDE HEALTH CARE ADVOCACY COALITION;
- (II) ONE REPRESENTATIVE OF A STATEWIDE CONSUMER ADVOCACY GROUP:

- (III) ONE REPRESENTATIVE OF A STATEWIDE ADVOCACY ORGANIZATION FOR SENIORS:
- (IV) ONE REPRESENTATIVE OF A STATEWIDE ORGANIZATION FOR DIVERSE COMMUNITIES;
 - (V) ONE REPRESENTATIVE OF A LABOR UNION;
- (VI) ONE REPRESENTATIVE OF AN AREA PREVIOUSLY DESIGNATED AS A HEALTH ENTERPRISE ZONE:
- (VII) ONE REPRESENTATIVE OF A STATEWIDE IMMIGRANT ADVOCACY GROUP; AND
- (VIII) ONE REPRESENTATIVE WHO IS A MEMBER OF THE GENERAL PUBLIC AND RESIDES IN AN AREA WHICH HAS BEEN OR MAY BE DESIGNATED AS A HEALTH EQUITY RESOURCE COMMUNITY.
- (C) (1) COLLECTIVELY, THE MEMBERS OF THE ADVISORY COMMITTEE SHALL HAVE KNOWLEDGE OF THE FOLLOWING:
- (I) EXISTING OR POTENTIAL HEALTH DISPARITIES IN THE STATE:
- (II) GROUPS OF RESIDENTS NEGATIVELY AFFECTED BY HEALTH DISPARITIES;
- (III) SYSTEMS, POLICIES, AND METHODS LIKELY TO IMPROVE HEALTH OUTCOMES AND REDUCE HEALTH DISPARITIES;
 - (IV) EFFECTIVE PREVENTION SERVICES;
 - (V) HEALTH CARE COSTS, TRENDS, AND DRIVERS;
 - (VI) CLINICAL AND HEALTH SERVICES RESEARCH; AND
 - (VII) CONSUMER OR PATIENT PERSPECTIVES; AND
- (VII) INNOVATIVE WAYS TO ADDRESS SOCIAL DETERMINANTS OF HEALTH THROUGH THE USE OF COMMUNITY HEALTH WORKERS.
- (2) TO THE EXTENT PRACTICABLE AND CONSISTENT WITH FEDERAL AND STATE LAW, THE MEMBERSHIP OF THE ADVISORY COMMITTEE SHALL REFLECT THE RACIAL, ETHNIC, GEOGRAPHIC, AND GENDER DIVERSITY OF THE STATE.

- (3) THE SECRETARY SHALL DESIGNATE THREE COCHAIRS FROM AMONG THE MEMBERS OF THE ADVISORY COMMITTEE.
- (3) THE CHAIR OF THE MARYLAND COMMUNITY HEALTH RESOURCES COMMISSION SHALL CHAIR THE ADVISORY COMMITTEE.
- (D) (1) THE TERM OF A MEMBER OF THE ADVISORY COMMITTEE IS 4 YEARS.
- (2) THE SECRETARY COMMISSION SHALL STAGGER THE TERMS OF THE INITIAL APPOINTED MEMBERS.
- (3) AT THE END OF A TERM, A MEMBER CONTINUES TO SERVE UNTIL A SUCCESSOR IS APPOINTED AND QUALIFIES.
- (4) A MEMBER WHO IS APPOINTED AFTER A TERM HAS BEGUN SERVES ONLY FOR THE REMAINDER OF THAT TERM AND UNTIL A SUCCESSOR IS APPOINTED AND QUALIFIES.
- (5) THE <u>Secretary</u> <u>Commission</u> may remove an appointed member for incompetence, misconduct, or failure to perform the duties of the position.
 - (E) A MEMBER OF THE ADVISORY COMMITTEE:
- (1) MAY NOT RECEIVE COMPENSATION AS A MEMBER OF THE ADVISORY COMMITTEE; BUT
- (2) IS ENTITLED TO REIMBURSEMENT FOR EXPENSES UNDER THE STANDARD STATE TRAVEL REGULATIONS, AS PROVIDED IN THE STATE BUDGET.
 - (F) THE ADVISORY COMMITTEE SHALL:
- (1) ON OR BEFORE JANUARY 1, 2022, HOLD AN INITIAL MEETING; AND
 - (2) MEET AT LEAST ONCE EVERY 6 MONTHS THEREAFTER.
- (G) THIS SECTION MAY NOT BE CONSTRUED TO PREVENT THE SECRETARY FROM CONVENING OTHER FORMAL OR INFORMAL WORKING OR ADVISORY GROUPS TO FACILITATE THE IMPLEMENTATION OF THIS SUBTITLE.

(G) THE COMMISSION MAY CONVENE WORKING OR ADVISORY GROUPS TO FACILITATE THE IMPLEMENTATION OF THIS SUBTITLE THAT SHALL INCLUDE INDIVIDUALS WHO RESIDE IN AN AREA THAT HAS BEEN OR MAY BE DESIGNATED AS A HEALTH EQUITY RESOURCE COMMUNITY.

20-1404.

- (A) FOR AN AREA TO RECEIVE A DESIGNATION AS A HEALTH EQUITY RESOURCE COMMUNITY, A NONPROFIT COMMUNITY-BASED ORGANIZATION, A NONPROFIT HOSPITAL, AN INSTITUTION OF HIGHER EDUCATION, <u>A FEDERALLY</u> QUALIFIED HEALTH CENTER, OR A LOCAL GOVERNMENT AGENCY SHALL APPLY:
- (1) APPLY TO THE SECRETARY COMMISSION ON BEHALF OF THE AREA TO RECEIVE THE DESIGNATION; AND
- (2) INCLUDE FEDERALLY QUALIFIED HEALTH CENTERS OR OTHER COMMUNITY-BASED ORGANIZATIONS TO PROVIDE HEALTH OR WRAPAROUND SUPPORT SERVICES WITHIN THE HEALTH EQUITY RESOURCE COMMUNITY.
- (B) SUBJECT TO SUBSECTIONS (C) AND (E) OF THIS SECTION, THE APPLICATION SHALL BE IN THE FORM AND MANNER AND CONTAIN THE INFORMATION THAT THE SECRETARY COMMISSION REQUIRES.
- (C) (1) THE APPLICATION SHALL CONTAIN AN EFFECTIVE AND SUSTAINABLE PLAN TO REDUCE HEALTH DISPARITIES, REDUCE COSTS OR PRODUCE SAVINGS TO THE HEALTH CARE SYSTEM, AND IMPROVE HEALTH OUTCOMES.
 - (2) THE APPLICATION SHALL INCLUDE:
- (I) A DESCRIPTION OF HOW THE PLAN WILL EXPAND FEDERALLY QUALIFIED HEALTH CENTERS' OR OTHER COMMUNITY-BASED ORGANIZATIONS' CAPACITY TO PROVIDE HEALTH CARE SERVICES OR WRAPAROUND SERVICES TO ADDRESS SOCIAL DETERMINANTS OF HEALTH; AND
- (II) A DESCRIPTION OF HOW FUNDING AVAILABLE UNDER THIS SUBTITLE WILL BE USED TO ADDRESS HEALTH DISPARITIES THROUGH EVIDENCE-BASED, CROSS-SECTOR STRATEGIES THAT MAY INCLUDE:
 - 1. BUILDING HEALTH CARE PROVIDER CAPACITY;
 - 2. IMPROVING HEALTH SERVICES DELIVERY;
 - 3. EFFECTUATING COMMUNITY IMPROVEMENTS;

- 4. CONDUCTING OUTREACH AND EDUCATION EFFORTS;
- 5. IMPLEMENTING SYSTEMIC STRATEGIES TO IMPROVE COORDINATION AND COMMUNICATION ACROSS ORGANIZATIONS THAT PROVIDE HEALTH CARE SERVICES;
- 6. SUPPORTING COMMUNITY LEADERSHIP DEVELOPMENT EFFORTS;
- 7. FACILITATING POLICY INTERVENTIONS TO ADDRESS UPSTREAM DETERMINANTS OF HEALTH; AND
- 8. IMPLEMENTING SCALABLE APPROACHES TO MEET THE NONMEDICAL SOCIAL NEEDS OF POPULATIONS IDENTIFIED IN THE MOST RECENT COMMUNITY HEALTH NEEDS ASSESSMENT, SUCH AS UNSTABLE HOUSING, INADEQUATE FOOD, OR JOB DEVELOPMENT; AND
- (II) A PROPOSAL TO USE FUNDING AVAILABLE UNDER THIS SUBTITLE TO PROVIDE FOR LOAN REPAYMENT INCENTIVES TO INDUCE HEALTH CARE PRACTITIONERS TO PRACTICE IN THE AREA.
 - (D) THE APPLICATION MAY INCLUDE:
- (1) A PLAN TO USE TAX CREDITS AVAILABLE UNDER THIS SUBTITLE AND § 10-731 OF THE TAX GENERAL ARTICLE AND OTHER RESOURCES TO ENCOURAGE HEALTH CARE PRACTITIONERS AND COMMUNITY HEALTH WORKERS TO ESTABLISH OR EXPAND HEALTH CARE PRACTICES IN THE AREA A PROPOSAL TO USE FUNDING AVAILABLE UNDER THIS SUBTITLE TO PROVIDE FOR LOAN REPAYMENT INCENTIVES TO INDUCE HEALTH CARE PRACTITIONERS TO PRACTICE IN THE AREA;
- (2) A PROPOSAL TO USE INNOVATIVE PUBLIC HEALTH STRATEGIES TO REDUCE HEALTH DISPARITIES IN THE AREA THAT MAY BE SUPPORTED BY GRANTS AWARDED UNDER THIS SUBTITLE, SUCH AS THE USE OF COMMUNITY HEALTH WORKERS, COMMUNITY HEALTH CENTERS, FEDERALLY QUALIFIED HEALTH CENTERS, INSTITUTIONS OF HIGHER EDUCATION, AND COMMUNITY—BASED DISEASE MANAGEMENT ACTIVITIES; AND
- (3) A PROPOSAL TO USE OTHER INCENTIVES OR MECHANISMS TO ADDRESS HEALTH DISPARITIES THAT FOCUS ON WAYS TO EXPAND ACCESS TO CARE, EXPAND ACCESS TO NONMEDICAL INTERVENTIONS THAT PROMOTE IMPROVED HEALTH OUTCOMES, PROMOTE HIRING, AND REDUCE COSTS TO THE HEALTH CARE SYSTEM.

(E) THE APPLICATION SUBMITTED IN ACCORDANCE WITH THIS SECTION SHALL ALLOCATE SUFFICIENT FUNDING TO COVER SALARY AND BENEFIT COSTS FOR THE EVALUATOR REQUIRED UNDER § 20–1406 OF THIS SUBTITLE.

20-1405.

(A) (1) THE SECRETARY SHALL ON OR BEFORE OCTOBER 1, 2022, THE COMMISSION SHALL ISSUE A REQUEST FOR PROPOSALS TO DESIGNATE AREAS AS HEALTH EQUITY RESOURCE COMMUNITIES IN ACCORDANCE WITH THIS SUBTITLE.

(2) THE SECRETARY COMMISSION:

- (I) SHALL CONSIDER GEOGRAPHIC DIVERSITY, AMONG OTHER FACTORS, WHEN DESIGNATING AREAS AS HEALTH EQUITY RESOURCE COMMUNITIES; AND
- (II) MAY CONDUCT OUTREACH EFFORTS TO FACILITATE A GEOGRAPHICALLY DIVERSE POOL OF APPLICANTS, INCLUDING EFFORTS TO FACILITATE SUBMISSION OF APPLICATIONS FROM RURAL AREAS.
- (3) AFTER RECEIVING ALL APPLICATIONS SUBMITTED TO THE SECRETARY COMMISSION, THE SECRETARY COMMISSION SHALL REPORT TO THE SENATE FINANCE COMMITTEE AND THE HOUSE HEALTH AND GOVERNMENT OPERATIONS COMMITTEE, IN ACCORDANCE WITH § 2–1257 OF THE STATE GOVERNMENT ARTICLE, ON THE NAMES OF APPLICANTS AND GEOGRAPHIC AREAS IN WHICH APPLICANTS ARE LOCATED.
- (B) THE <u>Secretary</u> <u>Commission</u> shall give priority to applications that demonstrate:
- (1) SUPPORT FROM AND PARTICIPATION OF KEY STAKEHOLDERS IN THE PUBLIC AND PRIVATE SECTORS, INCLUDING RESIDENTS OF THE AREA AND LOCAL GOVERNMENT;
- (2) A PLAN FOR LONG-TERM FUNDING AND SUSTAINABILITY SELF-SUSTAINABILITY;
 - (3) INCLUSION OF SUPPORTING FUNDS FROM THE PRIVATE SECTOR;
- (4) INTEGRATION WITH THE STATE HEALTH IMPROVEMENT PROCESS AND THE GOALS SET OUT IN THE STRATEGIC PLAN OF THE LOCAL HEALTH IMPROVEMENT COALITION;

- (5) A PLAN FOR EVALUATION OF THE IMPACT OF DESIGNATION OF THE PROPOSED AREA AS A HEALTH EQUITY RESOURCE COMMUNITY AND STRATEGIES FOR QUALITY IMPROVEMENT; AND
- (6) OTHER FACTORS THAT THE SECRETARY COMMISSION DETERMINE ARE APPROPRIATE TO DEMONSTRATE A COMMITMENT TO REDUCE HEALTH DISPARITIES AND IMPROVE HEALTH OUTCOMES; AND
- (7) A PREVIOUS DESIGNATION AS A HEALTH ENTERPRISE ZONE OR INCLUSION OF AREAS PREVIOUSLY INCLUDED IN A HEALTH ENTERPRISE ZONE.
- (C) (1) AN APPLICATION FOR DESIGNATION OF AN AREA AS A HEALTH EQUITY RESOURCE COMMUNITY SUBMITTED BY A NONPROFIT COMMUNITY—BASED ORGANIZATION, A NONPROFIT HOSPITAL, AN INSTITUTION OF HIGHER EDUCATION, A FEDERALLY QUALIFIED HEALTH CENTER, OR A LOCAL GOVERNMENT AGENCY SHALL PROVIDE FOR THE EMPLOYMENT AND SUPERVISION OF EMPLOYMENT OF ONE FULL—TIME EMPLOYEE TO SERVE AS AN EVALUATOR OF THE OPERATION, IMPACT, AND EFFECTIVENESS OF THE HEALTH EQUITY RESOURCE COMMUNITY DESIGNATED UNDER THIS SUBTITLE.
- (2) TO BE DESIGNATED AS AN EVALUATOR UNDER THIS SUBSECTION, THE EMPLOYEE MUST DEMONSTRATE EXPERIENCE IN METHODS OF QUALITATIVE AND QUANTITATIVE RESEARCH METHODOLOGY.
- (3) AN EMPLOYEE DESIGNATED AS AN EVALUATOR UNDER THIS SUBSECTION SHALL COORDINATE WITH THE SECRETARY AND THE ADVISORY COMMITTEE COMMISSION TO:
- (I) MONITOR THE OPERATION, EFFECTIVENESS, AND IMPACT OF THE HEALTH EQUITY RESOURCE COMMUNITY; AND
- (II) PROVIDE DATA, STATISTICS, AND ANALYSIS TO THE SECRETARY AND THE HEALTH EQUITY RESOURCE ADVISORY COMMITTEE COMMISSION THAT SHALL ADDRESS THE REPORTING ELEMENTS SPECIFIED UNDER § 20–1408(B) OF THIS SUBTITLE.
- (D) NOTWITHSTANDING THE REQUIREMENT TO HIRE A FULL-TIME EMPLOYEE TO SERVE AS AN EVALUATOR UNDER SUBSECTION (C) OF THIS SECTION, A NONPROFIT COMMUNITY-BASED ORGANIZATION, A NONPROFIT HOSPITAL, AN INSTITUTION OF HIGHER EDUCATION, A FEDERALLY QUALIFIED HEALTH CENTER, OR A LOCAL GOVERNMENT AGENCY MAY CONTRACT WITH A HISTORICALLY BLACK COLLEGE OR UNIVERSITY IN THE STATE TO PROVIDE EVALUATOR SERVICES.

- (E) THE DECISION OF THE SECRETARY COMMISSION TO DESIGNATE AN AREA AS A HEALTH EQUITY RESOURCE COMMUNITY SHALL BE A FINAL DECISION.
- (E) (F) A DESIGNATION BY THE SECRETARY COMMISSION OF AN AREA AS A HEALTH EQUITY RESOURCE COMMUNITY SHALL HAVE A TERM OF 5 YEARS AND MAY BE RENEWED IN ACCORDANCE WITH AN APPLICATION APPROVED BY THE SECRETARY COMMISSION.

20–1406.

- (A) HEALTH CARE PRACTITIONERS AND COMMUNITY HEALTH WORKERS THAT PRACTICE IN A HEALTH EQUITY RESOURCE COMMUNITY MAY RECEIVE:
- (1) TAX CREDITS AGAINST THE STATE INCOME TAX AS PROVIDED UNDER § 10–731 OF THE TAX—GENERAL ARTICLE; AND
- (2) LOAN LOAN REPAYMENT ASSISTANCE, AS PROVIDED FOR IN THE APPLICATION FOR DESIGNATION FOR THE HEALTH EQUITY RESOURCE COMMUNITY AND APPROVED BY THE SECRETARY COMMISSION UNDER THIS SUBTITLE.
- (B) (1) A HEALTH CARE PRACTITIONER OR COMMUNITY HEALTH WORKER MAY APPLY TO THE SECRETARY COMMISSION FOR A GRANT TO DEFRAY THE COSTS OF CAPITAL OR LEASEHOLD IMPROVEMENTS TO, OR MEDICAL OR DENTAL EQUIPMENT TO BE USED IN, A HEALTH EQUITY RESOURCE COMMUNITY.
- (2) TO QUALIFY FOR A GRANT UNDER PARAGRAPH (1) OF THIS SUBSECTION, A HEALTH CARE PRACTITIONER OR A COMMUNITY HEALTH WORKER SHALL:
 - (I) OWN OR LEASE THE HEALTH CARE FACILITY; AND
 - (II) PROVIDE HEALTH CARE FROM THAT FACILITY.
- (3) (I) A GRANT TO DEFRAY THE COST OF MEDICAL OR DENTAL EQUIPMENT MAY NOT EXCEED THE LESSER OF \$25,000 OR 50% OF THE COST OF THE EQUIPMENT.
- (II) GRANTS FOR CAPITAL OR LEASEHOLD IMPROVEMENTS SHALL BE FOR THE PURPOSES OF IMPROVING OR EXPANDING THE DELIVERY OF HEALTH CARE IN THE HEALTH EQUITY RESOURCE COMMUNITY.
- (C) (1) A NONPROFIT COMMUNITY-BASED ORGANIZATION, A NONPROFIT HOSPITAL, AN INSTITUTION OF HIGHER EDUCATION, A FEDERALLY QUALIFIED

HEALTH CENTER, OR A LOCAL GOVERNMENT AGENCY THAT RECEIVES APPROVAL OF AN APPLICATION SUBMITTED UNDER § 20–1403 OF THIS SUBTITLE MAY SUBMIT AN APPLICATION, ON ITS OWN BEHALF, TO RECEIVE GRANTS FOR CAPITAL OR LEASEHOLD IMPROVEMENTS, AS DETERMINED BY THE SECRETARY COMMISSION, FOR THE PURPOSES DESCRIBED UNDER SUBSECTION (B)(3)(II) OF THIS SECTION.

(2) Subject to § 20–1408(A)(2) of this subtitle, the term of any grant awarded to a nonprofit community–based organization, a nonprofit hospital, an institution of higher education, <u>a federally qualified health center</u>, or a local government agency for capital or leasehold improvements under this subsection shall have a term of 5 years, and may be renewed in accordance with an application approved by the Secretary Commission.

20-1407.

- (A) THERE IS A HEALTH EQUITY RESOURCE COMMUNITY RESERVE FUND.
- (B) THE PURPOSE OF THE FUND IS TO:
- (1) SUPPORT AREAS DESIGNATED BY THE SECRETARY COMMISSION AS HEALTH EQUITY RESOURCE COMMUNITIES BY PROVIDING GRANTS OR TAX CREDITS TO COMMUNITY-BASED ORGANIZATIONS, NONPROFIT HOSPITALS, INSTITUTIONS OF HIGHER EDUCATION, FEDERALLY QUALIFIED HEALTH CENTERS, LOCAL GOVERNMENT AGENCIES, HEALTH CARE PRACTITIONERS, AND COMMUNITY HEALTH WORKERS TO FACILITATE REDUCTION OF HEALTH DISPARITIES, IMPROVE HEALTH OUTCOMES, PROVIDE DRUG TREATMENT AND REHABILITATION, AND REDUCE HEALTH COSTS AND HOSPITAL ADMISSIONS AND READMISSIONS IN SPECIFIC AREAS OF THE STATE; AND
- (2) PROVIDE FUNDING TO THE DEPARTMENT TO SUPPLEMENT AND NOT SUPPLANT EXISTING FUNDING FOR BEHAVIORAL HEALTH PROGRAMS THAT PROVIDE PREVENTION, RECOVERY SUPPORT, AND HARM REDUCTION SERVICES FOR INDIVIDUALS WITH SUBSTANCE USE AND MENTAL HEALTH DISORDERS.
 - (C) THE SECRETARY COMMISSION SHALL ADMINISTER THE FUND.
- (D) (1) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT SUBJECT TO § 7–302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.
- (2) ANY UNSPENT PORTION OF THE FUND MAY NOT BE TRANSFERRED OR REVERT TO THE GENERAL FUND BUT SHALL REMAIN IN THE FUND TO BE USED FOR THE PURPOSES SPECIFIED IN THIS SUBTITLE.

- (3) THE STATE TREASURER SHALL HOLD THE FUND SEPARATELY, AND THE COMPTROLLER SHALL ACCOUNT FOR THE FUND.
 - (E) THE FUND CONSISTS OF:
- (1) 10% of the income generated from alcoholic beverage tax revenue under § 11–104(g) of the Tax General Article;
- (2) MONEY APPROPRIATED IN THE STATE BUDGET TO THE FUND IN ACCORDANCE WITH § 31–107 OF THE INSURANCE ARTICLE;
 - (3) (2) INTEREST EARNINGS OF THE FUND; AND
- (4) (3) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED FOR THE BENEFIT OF THE FUND.
- (F) THE FUND ANNUALLY SHALL PROVIDE MONEY TO THE DEPARTMENT TO SUPPLEMENT AND NOT SUPPLANT EXISTING FUNDING FOR BEHAVIORAL HEALTH PROGRAMS THAT PROVIDE PREVENTION, RECOVERY SUPPORT, AND HARM REDUCTION SERVICES FOR INDIVIDUALS WITH SUBSTANCE USE AND MENTAL HEALTH DISORDERS IN THE FOLLOWING AMOUNTS:
 - (1) \$1,000,000 FOR FISCAL YEAR 2022; AND
 - (2) \$2,000,000 FOR EACH FISCAL YEAR THEREAFTER.
- (G) EXCEPT AS PROVIDED IN SUBSECTION (F) OF THIS SECTION, THE THE FUND MAY BE USED ONLY TO PROVIDE FUNDING TO THE SECRETARY COMMISSION FOR THE SUPPORT OF AREAS DESIGNATED AS HEALTH EQUITY RESOURCE COMMUNITIES BY PROVIDING GRANTS OR TAX CREDITS TO COMMUNITY-BASED ORGANIZATIONS, NONPROFIT HOSPITALS, INSTITUTIONS OF HIGHER EDUCATION, LOCAL GOVERNMENT AGENCIES, HEALTH CARE PRACTITIONERS, FEDERALLY QUALIFIED HEALTH CENTERS, COMMUNITY HEALTH WORKERS, AND INSTITUTIONS OF HIGHER EDUCATION TO REDUCE HEALTH DISPARITIES, IMPROVE HEALTH OUTCOMES, PROVIDE ADDICTION AND MENTAL HEALTH SERVICES, AND REDUCE HEALTH COSTS AND HOSPITAL ADMISSIONS AND READMISSIONS.
- (H) (G) (1) THE STATE TREASURER SHALL INVEST THE MONEY OF THE FUND IN THE SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.
- (2) ANY INTEREST EARNINGS OF THE FUND SHALL BE CREDITED TO THE FUND.

- (H) (H) EXPENDITURES FROM THE FUND MAY BE MADE ONLY IN ACCORDANCE WITH THE STATE BUDGET.
- (J) (I) MONEY EXPENDED FROM THE FUND TO SUPPORT AREAS DESIGNATED BY THE SECRETARY COMMISSION AS HEALTH EQUITY RESOURCE COMMUNITIES UNDER THIS SUBTITLE IS SUPPLEMENTAL TO AND IS NOT INTENDED TO SUPPLANT FUNDING THAT OTHERWISE WOULD BE APPROPRIATED FOR THOSE PURPOSES.

20-1408.

- (A) (1) ON OR BEFORE SEPTEMBER 15 EACH YEAR, EACH EACH NONPROFIT COMMUNITY-BASED ORGANIZATION, NONPROFIT HOSPITAL, INSTITUTION OF HIGHER EDUCATION, FEDERALLY QUALIFIED HEALTH CENTER, OR LOCAL GOVERNMENT AGENCY THAT HAS SUBMITTED A SUCCESSFUL APPLICATION FOR DESIGNATION OF AN AREA AS A HEALTH EQUITY RESOURCE COMMUNITY UNDER § 20–1403 OF THIS SUBTITLE SHALL SUBMIT TO THE SECRETARY COMMISSION A REPORT THAT INCLUDES:
- (I) A DESCRIPTION OF PROGRESS MADE TOWARD THE OBJECTIVES SET FORTH IN THE APPLICATION; $\frac{AND}{C}$
- (II) A DESCRIPTION OF OBJECTIVES TO BE MET DURING THE IMMEDIATELY FOLLOWING YEAR; AND
- (III) ANY OTHER INFORMATION AS REQUESTED BY THE COMMISSION.
- (2) THE REPORTING REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL BE SUBMITTED PERIODICALLY IN ACCORDANCE WITH A SCHEDULE DETERMINED BY THE COMMISSION.
- (2) (3) THE SECRETARY COMMISSION MAY REVOKE A DESIGNATION OF AN AREA AS A HEALTH EQUITY RESOURCE COMMUNITY IF THE NONPROFIT COMMUNITY-BASED ORGANIZATION, NONPROFIT HOSPITAL, INSTITUTION OF HIGHER EDUCATION, FEDERALLY QUALIFIED HEALTH CENTER, OR LOCAL GOVERNMENT AGENCY THAT HAS SUBMITTED A SUCCESSFUL APPLICATION FOR DESIGNATION OF AN AREA AS A HEALTH EQUITY RESOURCE COMMUNITY FAILS TO MEET THE OBJECTIVES PROVIDED TO THE SECRETARY COMMISSION UNDER SUBSECTION (A)(1) OF THIS SECTION FOR A GIVEN YEAR.
- (B) (1) ON OR BEFORE DECEMBER 15 EACH YEAR, THE SECRETARY COMMISSION SHALL SUBMIT TO THE GOVERNOR AND, IN ACCORDANCE WITH §

2–1257 OF THE STATE GOVERNMENT ARTICLE, THE GENERAL ASSEMBLY A REPORT THAT INCLUDES:

- (I) THE NUMBER AND TYPES OF INCENTIVES GRANTED IN EACH HEALTH EQUITY RESOURCE COMMUNITY;
- (II) EVIDENCE OF THE IMPACT OF THE TAX AND LOAN REPAYMENT INCENTIVES IN ATTRACTING HEALTH CARE PRACTITIONERS AND COMMUNITY HEALTH WORKERS TO HEALTH EQUITY RESOURCE COMMUNITIES;
- (III) EVIDENCE OF THE IMPACT OF THE INCENTIVES OFFERED IN HEALTH EQUITY RESOURCE COMMUNITIES IN REDUCING HEALTH DISPARITIES AND IMPROVING HEALTH OUTCOMES; AND
- (IV) EVIDENCE OF THE PROGRESS IN REDUCING HEALTH COSTS AND HOSPITAL ADMISSIONS AND READMISSIONS IN HEALTH EQUITY RESOURCE COMMUNITIES.
- (2) THE REPORT DESCRIBED IN PARAGRAPH (1) OF THIS SUBSECTION SHALL INCLUDE DATA DISAGGREGATED BY THE FOLLOWING:
 - (I) RACE;
 - (II) ETHNICITY;
 - (III) PRIMARY LANGUAGE;
 - (IV) GENDER;
 - (V) SOCIOECONOMIC STATUS; AND
 - (VI) ZIP CODE.

<u>Article – Insurance</u>

31-107.

- (a) There is a Maryland Health Benefit Exchange Fund.
- (b) (1) The purpose of the Fund is to:
- (i) provide funding for the operation and administration of the Exchange in carrying out the purposes of the Exchange under this subtitle; [and]

- (ii) provide funding for the establishment and operation of the State Reinsurance Program authorized under this subtitle; AND
- (III) PROVIDE FUNDING FOR THE ESTABLISHMENT AND OPERATION OF HEALTH EQUITY RESOURCE COMMUNITIES UNDER TITLE 20, SUBTITLE 14 OF THE HEALTH GENERAL ARTICLE.
- (2) The operation and administration of the Exchange and the State Reinsurance Program may include functions delegated by the Exchange to a third party under law or by contract.
 - (f) (1) The Fund may be used only:
- [(1)] (I) for the operation and administration of the Exchange in carrying out the purposes authorized under this subtitle; [and]
- [(2)] (II) for the establishment and operation of the State Reinsurance Program; AND
- (III) FOR APPROPRIATIONS TO THE HEALTH EQUITY RESOURCE COMMUNITY RESERVE FUND UNDER § 20–1407 OF THE HEALTH GENERAL ARTICLE.
- (2) IN EACH OF FISCAL YEARS 2023 THROUGH 2025, THE GOVERNOR SHALL:
- (I) TRANSFER \$15,000,000 TO THE HEALTH EQUITY
 RESOURCE COMMUNITY RESERVE FUND; AND
- (II) INCLUDE THE FUNDS TRANSFERRED IN ACCORDANCE WITH ITEM (I) OF THIS PARAGRAPH IN THE ANNUAL BUDGET BILL AS AN APPROPRIATION TO THE HEALTH EQUITY RESOURCE COMMUNITY RESERVE FUND UNDER § 20–1407 OF THE HEALTH GENERAL ARTICLE.

Article - State Finance and Procurement

6-226.

(a) (2) (i) Notwithstanding any other provision of law, and unless inconsistent with a federal law, grant agreement, or other federal requirement or with the terms of a gift or settlement agreement, net interest on all State money allocated by the State Treasurer under this section to special funds or accounts, and otherwise entitled to receive interest earnings, as accounted for by the Comptroller, shall accrue to the General Fund of the State.

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

122. the Racing and Community Development Financing Fund;

[and]

123. the Racing and Community Development Facilities Fund;

AND

124. THE HEALTH EQUITY RESOURCE COMMUNITY

Article - Tax - General

10 - 731.

RESERVE FUND.

- (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.
- (2) "COMMUNITY-BASED ORGANIZATION" MEANS A PUBLIC OR PRIVATE ORGANIZATION THAT IS REPRESENTATIVE OF A COMMUNITY OR SIGNIFICANT SEGMENTS OF A COMMUNITY AND PROVIDES EDUCATIONAL, HEALTH, OR SOCIAL SERVICES TO INDIVIDUALS IN THE COMMUNITY.
- (3) "COMMUNITY HEALTH WORKER" HAS THE MEANING STATED IN § 13–3701 OF THE HEALTH GENERAL ARTICLE.
- (4) "DEPARTMENT" MEANS THE MARYLAND DEPARTMENT OF HEALTH.
- (5) "FUND" MEANS THE HEALTH EQUITY RESOURCE COMMUNITY RESERVE FUND ESTABLISHED UNDER § 20–1407 OF THE HEALTH—GENERAL ARTICLE.
- (6) "HEALTH CARE PRACTITIONER" HAS THE MEANING STATED IN § 20–1401 OF THE HEALTH CENERAL ARTICLE.
- (7) "HEALTH EQUITY RESOURCE COMMUNITY" HAS THE MEANING STATED IN § 20–1401 OF THE HEALTH GENERAL ARTICLE.
- (8) "INSTITUTION OF HIGHER EDUCATION" HAS THE MEANING STATED IN § 10–101 OF THE EDUCATION ARTICLE.

- (9) "QUALIFIED EMPLOYEE" MEANS A HEALTH CARE PRACTITIONER, A COMMUNITY HEALTH WORKER, AN INDIVIDUAL DESIGNATED AS AN EVALUATOR UNDER § 20–1405 OF THE HEALTH GENERAL ARTICLE, OR ANY OTHER INDIVIDUAL WHO:
- (I) PROVIDES DIRECT SUPPORT TO A HEALTH CARE PRACTITIONER OR A COMMUNITY HEALTH WORKER; AND
- (II) EXPANDS ACCESS TO SERVICES IN A HEALTH EQUITY RESOURCE COMMUNITY.
- (10) (I) "QUALIFIED POSITION" MEANS A QUALIFIED EMPLOYEE POSITION THAT:
 - 1. PAYS AT LEAST 150% OF THE FEDERAL MINIMUM

WAGE;

- 2. IS FULL-TIME AND OF INDEFINITE DURATION;
- 3. IS LOCATED IN A HEALTH EQUITY RESOURCE

COMMUNITY:

- 4. IS NEWLY CREATED AS A RESULT OF THE ESTABLISHMENT OF, OR EXPANSION OF SERVICES IN, A HEALTH EQUITY RESOURCE COMMUNITY; AND
 - 5. IS FILLED.
- (II) "QUALIFIED POSITION" DOES NOT INCLUDE A POSITION THAT IS FILLED FOR A PERIOD OF LESS THAN 12 MONTHS.
 - (11) "SECRETARY" MEANS THE SECRETARY OF HEALTH.
- (B) A HEALTH CARE PRACTITIONER OR A COMMUNITY HEALTH WORKER WHO PRACTICES HEALTH CARE IN A HEALTH EQUITY RESOURCE COMMUNITY DESIGNATED UNDER TITLE 20, SUBTITLE 14 OF THE HEALTH—GENERAL ARTICLE MAY SUBMIT TO THE SECRETARY A REQUEST FOR CERTIFICATION OF ELIGIBILITY FOR INCOME TAX CREDITS ESTABLISHED UNDER SUBSECTION (D) OF THIS SECTION IN ACCORDANCE WITH AN APPROVED APPLICATION FOR DESIGNATION OF AN AREA AS A HEALTH EQUITY RESOURCE COMMUNITY IF THE INDIVIDUAL:
- (1) DEMONSTRATES COMPETENCY IN CULTURAL, LINGUISTIC, AND HEALTH LITERACY IN A MANNER DETERMINED BY THE SECRETARY:

- (2) ACCEPTS AND PROVIDES CARE FOR PATIENTS ENROLLED IN THE MARYLAND MEDICAL ASSISTANCE PROGRAM AND FOR UNINSURED PATIENTS;
- (3) UNDERGOES TRAINING IN ANTIRACISM AND CULTURAL COMPETENCE THROUGH A PROGRAM APPROVED BY THE SECRETARY; AND
 - (4) MEETS ANY OTHER CRITERIA ESTABLISHED BY THE SECRETARY.
- (C) A NONPROFIT COMMUNITY-BASED ORGANIZATION, A NONPROFIT HOSPITAL, AN INSTITUTION OF HIGHER EDUCATION, OR A LOCAL GOVERNMENT AGENCY THAT SUBMITS AN APPLICATION TO THE SECRETARY TO ESTABLISH A HEALTH EQUITY RESOURCE COMMUNITY MAY SUBMIT TO THE SECRETARY A REQUEST FOR CERTIFICATION OF ELIGIBILITY FOR INCOME TAX CREDITS ESTABLISHED UNDER SUBSECTION (D) OF THIS SECTION IN ACCORDANCE WITH THE APPLICATION FOR DESIGNATION OF AN AREA AS A HEALTH EQUITY RESOURCE COMMUNITY ON BEHALF OF A HEALTH CARE PRACTITIONER OR A COMMUNITY HEALTH WORKER WHO:
- (1) IS PRACTICING OR SEEKING TO PRACTICE IN A HEALTH EQUITY RESOURCE COMMUNITY; AND
- (2) SATISFIES THE REQUIREMENTS OF SUBSECTION (B) OF THIS SECTION.
- (D) (1) IF THE SECRETARY APPROVES A REQUEST FOR CERTIFICATION SUBMITTED UNDER SUBSECTION (B) OR (C) OF THIS SECTION, A HEALTH CARE PRACTITIONER OR A COMMUNITY HEALTH WORKER MAY CLAIM A CREDIT AGAINST THE STATE INCOME TAX IN AN AMOUNT EQUAL TO 100% OF THE AMOUNT OF THE STATE INCOME TAX EXPECTED TO BE DUE FROM THE HEALTH CARE PRACTITIONER OR COMMUNITY HEALTH WORKER FROM INCOME DERIVED FROM PRACTICE IN THE HEALTH EQUITY RESOURCE COMMUNITY, AS CERTIFIED BY THE SECRETARY FOR THE TAXABLE YEAR.
- (2) (1) IN ADDITION TO THE STATE INCOME TAX CREDIT PROVIDED UNDER PARAGRAPH (1) OF THIS SUBSECTION, A HEALTH CARE PRACTITIONER OR A COMMUNITY-BASED ORGANIZATION MAY CLAIM A REFUNDABLE CREDIT OF \$10,000 AGAINST THE STATE INCOME TAX FOR HIRING FOR A QUALIFIED POSITION IN THE HEALTH EQUITY RESOURCE COMMUNITY, AS CERTIFIED BY THE SECRETARY FOR THE TAXABLE YEAR.
- (II) TO BE ELIGIBLE FOR THE CREDIT PROVIDED UNDER THIS PARAGRAPH, A HEALTH CARE PRACTITIONER OR A COMMUNITY-BASED

ORGANIZATION MAY CREATE ONE OR MORE QUALIFIED POSITIONS DURING ANY 24 MONTH PERIOD.

- (III) THE CREDIT EARNED UNDER THIS PARAGRAPH SHALL BE TAKEN OVER A 24-MONTH PERIOD, WITH 50% OF THE CREDIT AMOUNT ALLOWED EACH YEAR BEGINNING WITH THE FIRST TAXABLE YEAR IN WHICH THE CREDIT IS CERTIFIED.
- (IV) IF THE QUALIFIED POSITION IS FILLED FOR A PERIOD OF LESS THAN 24 MONTHS, THE CREDIT SHALL BE RECAPTURED AS FOLLOWS:
- 1. THE CREDIT SHALL BE RECOMPUTED AND REDUCED ON A PRORATED BASIS, BASED ON THE PERIOD OF TIME THE POSITION WAS FILLED, AS DETERMINED BY THE DEPARTMENT AND REPORTED TO THE COMPTROLLER; AND
- 2. THE HEALTH CARE PRACTITIONER OR COMMUNITY-BASED ORGANIZATION WHICH RECEIVED THE CREDIT SHALL REPAY ANY AMOUNT OF THE CREDIT THAT MAY HAVE ALREADY BEEN REFUNDED TO THE HEALTH CARE PRACTITIONER OR COMMUNITY-BASED ORGANIZATION THAT EXCEEDS THE AMOUNT RECOMPUTED BY THE SECRETARY IN ACCORDANCE WITH ITEM 1 OF THIS SUBPARAGRAPH.
- (3) TO BE CERTIFIED AS ELIGIBLE FOR THE CREDITS ESTABLISHED UNDER THIS SUBSECTION, A HEALTH CARE PRACTITIONER, COMMUNITY HEALTH WORKER, OR COMMUNITY-BASED ORGANIZATION MAY APPLY FOR CERTIFICATION THROUGH THE NONPROFIT COMMUNITY-BASED ORGANIZATION, NONPROFIT HOSPITAL, INSTITUTION OF HIGHER EDUCATION, OR LOCAL GOVERNMENT THAT RECEIVES APPROVAL FROM THE SECRETARY TO ESTABLISH A HEALTH EQUITY RESOURCE COMMUNITY.
- (4) (I) ELIGIBILITY FOR THE CREDITS PROVIDED UNDER THIS SUBSECTION IS LIMITED BY AVAILABILITY OF BUDGETED FUNDS FOR THAT PURPOSE, AS DETERMINED BY THE SECRETARY.
- (II) CERTIFICATES OF ELIGIBILITY SHALL BE SUBJECT TO APPROVAL BY THE SECRETARY ON A FIRST-COME, FIRST-SERVED BASIS, AS DETERMINED BY THE SECRETARY IN THE SECRETARY'S SOLE DISCRETION.
- (E) THE SECRETARY SHALL CERTIFY TO THE COMPTROLLER THE APPLICABILITY OF THE CREDITS PROVIDED UNDER THIS SECTION FOR EACH HEALTH CARE PRACTITIONER, COMMUNITY HEALTH WORKER, OR COMMUNITY-BASED ORGANIZATION AND THE AMOUNT OF EACH CREDIT ASSIGNED

- TO A HEALTH CARE PRACTITIONER, COMMUNITY HEALTH WORKER, OR COMMUNITY BASED ORGANIZATION, FOR EACH TAXABLE YEAR.
- (F) THE CREDITS ALLOWED UNDER THIS SECTION FOR A FISCAL YEAR MAY NOT EXCEED THE AMOUNT PROVIDED FOR IN THE STATE BUDGET FOR THAT FISCAL YEAR.
- (G) THE SECRETARY, IN CONSULTATION WITH THE COMPTROLLER, SHALL ADOPT REGULATIONS TO IMPLEMENT THE TAX CREDIT UNDER THIS SECTION.

11-104.

- (g) (1) (I) IN THIS SUBSECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.
- (II) "ALCOHOLIC BEVERAGE" HAS THE MEANING STATED IN § 1–101 OF THE ALCOHOLIC BEVERAGES ARTICLE.
- (III) "OFF-SALE RETAILERS" MEANS RETAIL SELLERS AND OTHER ENTITIES HOLDING A STATE OR LOCAL LICENSE TO SELL PACKAGED ALCOHOLIC BEVERAGES FOR OFF-SITE CONSUMPTION.
- (IV) "ON-SALE RETAILERS" MEANS RESTAURANTS, BARS, BREWERIES, WINERIES, DISTILLERIES, AND OTHER ENTITIES HOLDING A STATE OR LOCAL LICENSE TO MANUFACTURE OR SELL ALCOHOLIC BEVERAGES:
 - 1. FOR CONSUMPTION ON SITE: OR
- 2. TO SELL ALCOHOLIC BEVERAGES ON SITE AS CARRY-OUT PRODUCTS FOR CONSUMPTION OFF SITE.
- (2) The sales and use tax rate for the sale of an alcoholic beverage[, as defined in § 5-101 of this article.] is:
 - (1) 9% of the charge for the alcoholic beverage; and
- (I) 1. FOR SALES OF ALCOHOLIC BEVERAGES BY OFF-SALE RETAILERS AFTER OCTOBER 1, 2021, 10% OF THE CHARGE FOR THE ALCOHOLIC BEVERAGE:
- 2. FOR SALES OF ALCOHOLIC BEVERAGES BY ON-SALE RETAILERS BETWEEN OCTOBER 1, 2021, AND SEPTEMBER 30, 2023, INCLUSIVE, 9% OF THE CHARGE FOR THE ALCOHOLIC BEVERAGE: AND

- 3. FOR SALES OF ALCOHOLIC BEVERAGES BY ON SALE RETAILERS AFTER OCTOBER 1, 2023, 10% OF THE CHARGE FOR THE ALCOHOLIC BEVERAGE: AND
- [(2)] (II) 6% of a charge that is made in connection with the sale of an alcoholic beverage and is stated as a separate item of the consideration and made known to the buyer at the time of sale for:

(i) 1. any labor or service rendered;

(ii) 2. any material used; or

[(iii)] 3. any property sold.

(3) 10% OF THE REVENUES GENERATED UNDER THIS SUBSECTION SHALL BE CREDITED TO THE HEALTH EQUITY RESOURCE COMMUNITY RESERVE FUND ESTABLISHED UNDER § 20–1407 OF THE HEALTH – GENERAL ARTICLE.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2021.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act is an emergency measure, is necessary for the immediate preservation of the public health or safety, has been passed by a yea and nay vote supported by three—fifths of all the members elected to each of the two Houses of the General Assembly, and shall take effect from the date it is enacted. Section 1 of this Act shall remain effective through June 30, 2023, and, at the end of June 30, 2023, Section 1 of this Act, with no further action required by the General Assembly, shall be abrogated and of no further force and effect.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 30, 2021.