



Report of the
Education and Economic
Development Subcommittee
To the House Appropriations Committee

2021 SESSION

Recommendations, Reductions, and Summary of
Action Pertaining to:
House Bill 588

General Assembly of Maryland
House Appropriations Committee
Education and Economic Development Subcommittee
2021 Session Membership Roster

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Recommended Reductions
Education and Economic Development Subcommittee

<u>Agency</u>	<u>General Funds</u>	<u>Special Funds</u>	<u>Federal Funds</u>	<u>Higher Ed Funds</u>	<u>Total Funds</u>	<u>Positions</u>
2022 Budget Request						
Maryland State Department of Education (MSDE) Funding for Educational Organizations	\$0	\$3,343,849	\$0	\$0	\$3,343,849	
MSDE Early Childhood Development	0	0	3,000,000	0	3,000,000	
<i>Subtotal Fiscal 2022 Regular Budget</i>	<i>\$0</i>	<i>\$3,343,849</i>	<i>\$3,000,000</i>	<i>\$0</i>	<i>\$6,343,849</i>	
Fiscal 2022 Total Budget	\$0	\$3,343,849	\$3,000,000	\$0	\$6,343,849	
Fiscal 2021 Deficiency Budget						
IA. Maryland Technology Development Corporation	\$250,000	\$0	\$0	\$0	\$250,000	
<i>Subtotal Fiscal 2021 Deficiency Budget</i>	<i>\$250,000</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$250,000</i>	
Total Fiscal 2021 Deficiency Budget	\$250,000	\$0	\$0	\$0	\$250,000	
Grand Total Budget Bill	\$250,000	\$3,343,849	\$3,000,000	\$0	\$6,593,849	

P00
Maryland Department of Labor

Supplemental Budget No. 2 – Fiscal 2021 Deficiency

P00H01.01 Office of Unemployment Insurance

Add the following language to the general fund appropriation:

, provided that \$1,000,000 of this appropriation made for the purpose of interest payments on unemployment insurance borrowing may not be expended for that purpose but instead may only be transferred by budget amendment to the Maryland Technology Development Corporation program T50T01.03 Maryland Stem Cell Research Fund to be used to support stem cell research and development. Funds not expended for this restricted purpose may not be transferred by budget amendment or otherwise to any other purpose and shall revert back to the General Fund.

Explanation: The language restricts \$1,000,000 in the fiscal 2021 deficiency appropriation for interest payments in the Office of Unemployment Insurance for the Maryland Stem Cell Research Fund in the Maryland Technology Development Corporation.

Amendment No. _____

R00A01
Headquarters
Maryland State Department of Education

Committee Narrative

Status Report on Maryland Comprehensive Assessment Program: In 2018, the Maryland State Department of Education (MSDE) announced the transition from the Partnership for Assessment of Readiness for College and Careers to the Maryland Comprehensive Assessment Program (MCAP). However due to COVID-19 school closures, the State could not give required assessments in spring 2020. To reflect this absence, July 2020 Board of Public Works cuts reduced MSDE’s budget for MCAP assessments by \$4.7 million to \$28.5 million. In the fiscal 2022 budget, MSDE again receives a total of \$33.2 million for this program, including the restoration of the \$4.7 million reduced as part of the fiscal 2021 cuts. The budget committees request that by November 1, 2021, MSDE report on:

- MCAP administration for the 2020-2021 and 2021-2022 school year;
- anticipated additional costs or savings from fiscal 2021 through 2024;
- updated timetable for statewide test administration for all MCAP tests; and
- plans, if any, to modify tests to accommodate student learning loss and missed test administration.

Information Request	Author	Due Date
Status report on MCAP	MSDE	November 1, 2021

Report on Accounting Practices: Due to a high amount of reversions identified in a 2019 audit, in calendar 2020, the budget committees requested that Maryland State Department of Education (MSDE) submit a closeout report documenting reversions and encumbrances that did not equal zero. MSDE submitted this report in 2020, which had valuable information on budget actions. The budget committees again request that MSDE submit a closeout report for fiscal 2021 by October 1, 2021. This report should include an explanation for encumbrances and reversions for all general, special, federal, and reimbursable funds for any amount that did not equal zero.

Information Request	Author	Due Date
Report on accounting practices	MSDE	October 1, 2021

R00A01

Report on Remote Learning: In May 2020, Maryland State Department of Education (MSDE) issued Maryland Together: Maryland’s Recovery Plan for Education, which contained suggestions on how local school systems (LSS) might best facilitate remote learning, reopen schools safely, and facilitate hybrid (a mix of remote and in-person) learning at the local level. In addition to this guidance, the Digital Learning Stakeholders Committee met several times under the direction of the Deputy State Superintendent for Teaching and Learning to provide LSS information and guidance on this emergent and important topic, including discussion of a State learning management system, a regional learning consortium, remote courses for students, and increased offerings for virtual educator professional development. The budget committees request that MSDE report by December 1, 2021, on actions taken in calendar 2020 and 2021 to address remote learning challenges and remedies for teachers and students, including but not limited to:

- meeting schedule and updated list of committee members;
- development of, and access to, virtual professional development courses, particularly on best practices for remote learning;
- State learning management system budget, procurement, and deployment;
- regional learning consortiums;
- future plans and budget, if any, for a State virtual school or other coordinated curriculum leading to a high school certificate or diploma.

Information Request	Author	Due Date
Report on virtual learning	MSDE	December 1, 2021

Report on Coronavirus Aid, Relief, and Economic Security (CARES) Act Funds: Due to school closures prompted by the COVID-19 pandemic, the Maryland State Department of Education (MSDE) received over \$400 million in federal funds through the CARES Act. Although some of these funds were distributed directly to local school systems (LSS), other programs were administrated by MSDE or address MSDE administrative costs. With this in mind, the budget committees request that MSDE report by September 1, 2021, on the following CARES Act fund distributions:

- \$10.8 million in discretionary funds for MSDE administrative costs from the Elementary and Secondary School Emergency Relief (ESSER) Fund;

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- \$10.0 million distributed to LSS, the SEED School, the Maryland School for the Deaf, and the Maryland School for the Blind, for costs related to school reopening from the ESSER Fund; and
- \$10.0 million in Competitive Innovative Grants for educational institutions with innovative approaches to addressing the COVID-19 pandemic from the Governor's Emergency Education Relief Fund.

Information Request	Author	Due Date
Report on CARES Act funds	MSDE	September 1, 2021

R00A01.10 Division of Early Childhood Development

Early Childhood Expansion Funding: The fiscal 2022 allowance allocates \$108.4 million in special funds from the Blueprint for Maryland's Future Grant Program to expand early childhood services through prekindergarten supplemental grants, prekindergarten expansion grants, workforce development programs, the Maryland Infants and Toddlers program, and supportive services offered at Judy Centers and Family Support Centers. By December 1, 2021, the Maryland State Department of Education (MSDE) should submit a report to the budget committees that provides year-to-date spending of these special funds by purpose and the number of Judy Centers and Family Support Centers created in fiscal 2022. MSDE should provide information on how the \$6.1 million grant to Johns Hopkins University for technical assistance and outreach was used under the Maryland EXCELS program, including the grantee's research, evaluation, and recommendations regarding the Maryland EXCELS program overall. The report should also provide the fiscal 2022 prekindergarten supplemental and expansion grant awards by jurisdiction and the number of slots created or improved with the additional funds.

Information Request	Author	Due Date
Report on early childhood expansion spending	MSDE	December 1, 2021

Child Care Scholarship Program Data Analysis: The Maryland State Department of Education (MSDE) had previously contracted with the Regional Economic Studies Initiative (RESI) at Towson University to conduct advanced research and data analysis to project Child Care Scholarship (CCS) program participation and costs. After more than two years without successfully procuring a competitive bid contract, MSDE has entered a new memorandum of understanding with RESI for the same services. By October 1, 2021, MSDE should submit a report with RESI's program participation forecast by income bracket. The report should also provide an analysis of how increased income eligibility, increased provider reimbursement rates, and the COVID-19 pandemic (including child care and K-12 school closures) have impacted

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CCS program participation and expenditures. Finally, the report should discuss any changes to MSDE's procurement process that would create efficiencies and expand the use of competitive bid procurements over interagency agreements in the future.

Information Request	Author	Due Date
Report on CCS program data analysis	MSDE	October 1, 2021

R00A02
Aid to Education
Maryland State Department of Education

Budget Amendments

R00A02.06 Maryland Prekindergarten Expansion Program Financing Fund

Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. Delete federal funds under the Prekindergarten Expansion Fund as a technical correction for a grant that expired in calendar 2019.	3,000,000	FF
 Total Reductions	 3,000,000	 0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Special Fund	26,644,000	26,644,000	0	
Federal Fund	3,000,000	0	3,000,000	
Total Funds	29,644,000	26,644,000	3,000,000	

Amendment No. _____

R00A02.07 Students With Disabilities

Add the following language to the general fund appropriation:

provided that \$500,000 of this appropriation made for the purpose of the Nonpublic Placement Program may not be expended for that purpose but instead may only be spent for the purpose of providing a grant to the Chesapeake Bay Foundation for educational programming. Funds not expended for this restricted purpose may not be transferred by budget amendment or otherwise and shall revert back to the General Fund.

Explanation: This action restricts a portion of funds provided for the Nonpublic Placement Program to provide a grant to the Chesapeake Bay Foundation for educational programming.

Amendment No. _____

R00A02

Committee Narrative

Closeout Report on Students with Disabilities, Nonpublic Placement Program: The budget committees are concerned about a recent report from the Maryland Department of Education (MSDE) on the Students with Disabilities, Nonpublic Placements program, which reported a \$40 million discrepancy in the disbursement amounts in fiscal 2020. MSDE reports that this discrepancy is due to final reconciliation delays caused by the pandemic as well as delays in mail service. The budget committees request that MSDE submit a closeout report on this program by August 1, 2021. This report should provide information by provider on enrollment, annual reimbursement cost, documentation on this discrepancy, and reasons for the reconciliation delay.

Information Request	Author	Due Date
Closeout report on the Nonpublic Placement program	MSDE	August 1, 2021

R00A02.13 Innovative Programs

Report on Federal Grants Allocated to Local School Systems (LSS) for COVID-19 Expenditures: Maryland schools received a considerable amount of federal aid in responding to the coronavirus pandemic. The budget committees are concerned with the tracking and reporting of funds allocated in response to the COVID-19 pandemic and, therefore, request that the Maryland State Department of Education (MSDE) submit a report by August 1, 2021, on the expenditures of federal Coronavirus Aid, Relief, and Economic Security Act and Coronavirus Response and Relief Supplemental Appropriations Act funds to LSS. This report should include details of LSS expenditures on COVID-19 expenditures by program and object; information on how funds were distributed; funds remaining, if any; and details on COVID-19 relief actions taken by LSS. This report should include information on the following federal fund grants:

- Elementary and Secondary School Emergency Relief Fund I and II grants allocated to LSS and the School for Education Evolution and Development school;
- Coronavirus relief funds for K-12 technology and tutoring;
- Governor’s Emergency Education Relief (GEER) I for K-12 Technology and Competitive Innovation Grants; and
- GEER II funds for Innovative Approaches to Connecting with Students.

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Information Request	Author	Due Date
Report on federal grants to LSS	MSDE	August 1, 2021

Report on Pathways to Technology Early College High School (P-TECH) Program Enrollment and Costs: The budget committees are concerned that since the inception of the P-TECH program, predicting costs for this program have proven to be very difficult. To help in continuing to evaluate this program, the budget committees direct the Maryland State Department of Education (MSDE) to report on P-TECH by August 1, 2021, including the following program information:

- current enrollment in all P-TECH programs by high school, community college, cohort, and entry year;
- projected enrollment in all P-TECH programs in school year 2021-2022 and 2022-2023;
- the total number of students who left the program in any given year and reasons for departure;
- the total number of students who have graduated by program and percentage completion rate;
- actual cost per student per program in fiscal 2020 and 2021; and
- projected costs per student per program in fiscal 2022 and 2023, including supplemental school and college grants by institution and local school system.

Information Request	Author	Due Date
Program enrollment and costs for P-TECH	MSDE	August 1, 2021

Medicaid Claims for School-based Health Services: A 2020 Joint Chairmen’s Report response found that the State and local education agencies (LEA) would need to take several steps to initiate Medicaid claiming for school-based health services. Specifically, this report noted that the Maryland State Department of Education (MSDE) and the Maryland Department of Health (MDH) are waiting on federal guidance to be updated so that these agencies can initiate this administrative claiming program. The committees are concerned that, due to the complexity of this process, MSDE and MDH will not continue to pursue steps to help LEAs implement this type of claiming system, which would potentially provide significant savings. The committees

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request that starting on September 1, 2021, MSDE and MDH provide quarterly updates on the progress of federal guidance and agency progress to implement Medicaid claims for school-based health services. Each report should include an updated timeline and approximate costs and savings for the State and LEAs if such a program were to be implemented.

Information Request	Authors	Due Date
Report on Medicaid claims for school-based health services	MDSE MDH	Quarterly starting on September 1, 2021

R00A02.59 Child Care Subsidy Program

Child Care Scholarship Program Quarterly Reports: Recent changes to the Child Care Scholarship (CCS) program, specifically expanding income eligibility and increasing provider reimbursement rates, have substantially increased program participation and expenditures. General fund support for the CCS program increased in the fiscal 2022 allowance for the first time since fiscal 2018. The rapid increase in program expenditures is especially concerning as the Maryland State Department of Education (MSDE) has implemented enrollment freezes in the past due to limited funding availability.

MSDE should report quarterly on CCS expenditures, including the amount from the Child Care and Development Fund (CCDF) being spent that was carried over from prior fiscal years, the amount of newly authorized federal funds, the amount of CCDF funding awarded for COVID-19-related uses, and the amount of general funds. These reports should disaggregate CCDF funding used directly for scholarships and funding used by MSDE Headquarters in support of the CCS program specified by purpose. MSDE should also report quarterly on the provider reimbursement rate as a percentile of the statewide market rate, by region. The reports should include the total number of children and families receiving CCS per month and the number of children and families receiving CCS who are newly eligible as a result of the emergency regulation effective August 1, 2018. MSDE should also provide quarterly updates on the number of family child care programs and child care centers that have reopened and the number of programs that have not reopened. This data should include the number of available child care slots and the number of slots that are unavailable due to programs remaining closed. Finally, MSDE should provide quarterly updates on whether it is maintaining a CCS waiting list and, if so, which income categories are impacted and how many children are on the waiting list.

In its August 1, 2021 report, MSDE should provide an update on how the CCDF supplemental award allocated through the Consolidated Appropriation Act of 2021 has been spent, how much funding remains, and how the remaining funds will be used. MSDE should provide information regarding the Child Care Pandemic Relief Grant program, including the number of child care providers receiving grants and grant allocations by jurisdiction and by child care provider type. This report should also include actual data as it relates to the CCS program in the final quarter of fiscal 2021 and fiscal 2022 overall.

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Information Request	Author	Due Date
CCS quarterly expenditure reports	MSDE	August 1, 2021 November 1, 2021 February 1, 2022 May 1, 2022

R00A02.60 Blueprint for Maryland’s Future Grant Program

Closeout Report on Blueprint for Maryland’s Future Programs: As part of the implementation of Chapter 771 of 2019, local school systems (LSS) are required to report to the General Assembly on the use of the funds allocated in fiscal 2020 and 2021. The budget committees are concerned that, based on data collected in the Department of Legislative Services survey of LSS in fiscal 2020 and 2021 Blueprint spending, that LSS may have amounts remaining in three programs. The budget committees request that the Maryland State Department of Education (MSDE) submit closeout reports on grants by October 1, 2021, for funds allocated for Transitional Supplemental Instruction, Special Education, and Concentration of Poverty Schools. This closeout report should provide details as to how LSS spent these funds as well as remaining fund balances.

Information Request	Author	Due Date
Closeout report on Blueprint for Maryland’s Future programs	MSDE	October 1, 2021

Report on Copyrighted Materials for Supplemental Reading and Tutoring Programs: The committees are concerned that when local education agencies (LEA) need to purchase materials for supplemental reading and tutoring programs, these materials are often copyrighted. The purchase of copyrighted materials is not only expensive for LEAs, but the use of copyrighted materials may involve limited access to these materials for students and parents. The committees request that by October 1, 2021, the Maryland State Department of Education (MSDE) report on the feasibility, current provision, or purchase of unrestricted or “open source” materials for supplemental reading and tutoring programs for LEAs. This report should include information on copyrighted and unrestricted materials for supplemental reading and tutoring programs including, but not limited to:

- availability of high-quality unrestricted materials that meet current State curriculum requirements;
- current LEA use of copyrighted materials versus unrestricted materials for supplemental reading and tutoring programs by program, grade level, and intended skill;

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- expenditures by LEA on copyrighted materials versus unrestricted materials; and
- the opportunity or feasibility of partnerships between LEA and Maryland higher education institutions or community colleges that use or work with unrestricted reading materials.

Information Request	Author	Due Date
Report on copyrighted materials for supplemental reading and tutoring programs	MSDE	October 1, 2021

R00A03
Funding for Educational Organizations
Maryland State Department of Education

Budget Amendments

R00A03.04 Aid to Non-Public Schools

Amend the following language:

, provided that this appropriation shall be for the purchase of textbooks or computer hardware and software and other electronically delivered learning materials ~~as permitted under Title IID, Section 241(b)(4), (6), and (7), of the No Child Left Behind Act~~ for loan to students in eligible nonpublic schools with a maximum distribution of \$65 per eligible nonpublic school student for participating schools, except that at schools where ~~at least 20%~~ from 20% to 40% of the students are eligible for the free or reduced-price lunch program there shall be a distribution of \$95 per student, and at schools where more than 40% of the students are eligible for the free or reduced-price lunch program there shall be a distribution of \$155 per student.

Explanation: This action amends language modifying the distribution of funding for the Aid to Non-Public Schools Program so that schools where more than 40% of the students are eligible for the free or reduced-price lunch program receive \$155 per student. Similar language has been included in the budget since fiscal 2017. It also strikes language regarding the No Child Left Behind Act due to technical differences with the reauthorized Elementary and Secondary Education Act.

Amendment No. _____

R00A03

Amend the following language:

- (2) Not charge more tuition to a participating student than the statewide average per pupil expenditure by the local education agencies, as calculated by the department, with appropriate exceptions for special education students as determined by the department; ~~and~~
- (3) Comply with Title VI of the Civil Rights Act of 1964, as amended; and
- (4) Submit its student handbook or other written policy related to student admissions to the Maryland State Department of Education for review to ensure compliance with program eligibility requirements.

Explanation: This action requires schools that participate in the Aid to Non-Public Schools Program to submit a student handbook or policy on student admissions to the Maryland State Department of Education in order to ensure compliance with program eligibility requirements.

Amendment No. _____

Add the following language:

Further provided that a nonpublic school participating in the Aid to Non-Public Schools Program R00A03.04 shall certify compliance with Title 20, Subtitle 6 of the State Government Article. A nonpublic school participating in the program may not discriminate in student admissions, retention, or expulsion, or otherwise discriminate against any student on the basis of race, color, national origin, sexual orientation, or gender identity or expression. Nothing herein shall require any school or institution to adopt any rule, regulation, or policy that conflicts with its religious or moral teachings. However, all participating schools must agree that they will not discriminate in student admissions, retention, or expulsion or otherwise discriminate against any student on the basis of race, color, national origin, sexual orientation, or gender identity or expression. Any school found to be in violation of the requirements to not discriminate shall be required to return to the Maryland State Department of Education all textbooks or computer hardware and software and other electronically delivered learning materials acquired through the fiscal 2022 allocation. The only other legal remedy for violation of these provisions is ineligibility for participating in the Aid to Non-Public Schools Program. Any school that is found in violation of the nondiscrimination requirements in fiscal 2021 or 2022 may not participate in the program in fiscal 2022. It is the intent of the General Assembly that a school that violates the nondiscrimination requirements is ineligible to participate in the Aid to Non-Public Schools Program, the Broadening Options and Opportunities for Students Today Program, the James E. “Ed” DeGrange Nonpublic Aging Schools Program, and the Nonpublic School Security Improvements Program in the year of the violation and the following two years.

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Explanation: This action requires a nonpublic school participating in the Aid to Non-Public Schools Program to certify compliance with Title 20, Subtitle 6 of the State Government Article (Discrimination in Employment). It also specifies that a participating school may not discriminate in student admissions, retention, or expulsion, or otherwise discriminate against any student on the basis of race, color, national origin, sexual orientation, or gender identity or expression. Violation of these provisions means that a school will be ineligible for the program. Similar language has been included in the budget since fiscal 2017. This action also specifies that schools that violate the provisions must return all textbooks and technology received through the program to the Maryland State Department of Education. It also states that a school that violates the nondiscrimination requirements in fiscal 2021 or 2022 is not eligible to participate in the program in fiscal 2022 and states legislative intent that any school that violates the nondiscrimination requirements is ineligible to participate in any program that provides funding to nonpublic schools for a total of three years.

Amendment No. _____

R00A03.05 Broadening Options and Opportunities for Students Today

Amend the following language:

- (a) ~~participate~~ have participated in Program R00A03.04 Aid to Non-Public Schools Program for textbooks and computer hardware and software administered by MSDE; during the 2020-2021 school year;

Explanation: This language specifies that in order to participate in the Broadening Options and Opportunities for Students Today (BOOST) Program during the 2021-2022 school year, a nonpublic school must have already participated in the Aid to Non-Public Schools Program during the 2020-2021 school year. This language eliminates ambiguity for the Maryland State Department of Education, specifying that nonpublic schools are eligible for BOOST for the 2021-2022 school year by participating in the Aid to Non-Public Schools Program in the previous school year.

Amendment No. _____

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Amend the following language:

- (c) ~~administer assessments to all students in accordance with federal and State law; and~~ administer national, norm-referenced standardized assessments chosen from the list of assessments published by the U.S. Department of Education to qualify nonpublic schools for the National Blue Ribbon Schools Program. The nonpublic schools must administer the assessments to all students as follows:
- (i) English/language arts and mathematics assessments each year for students in grades 3 through 8, and at least once for students in grades 9 through 12; and
- (ii) a science assessment at least once for students in grades 3 through 5, at least once for students in grades 6 through 9, and at least once for students in grades 10 through 12; and
- (d) comply with Title VI of the Civil Rights Act of 1964 as amended, Title 20, Subtitle 6 of the State Government Article, and not discriminate in student admissions, retention, or expulsion or otherwise discriminate against any student on the basis of race, color, national origin, ~~or~~ sexual orientation, or gender identity or expression. Nothing herein shall require any school or institution to adopt any rule, regulation, or policy that conflicts with its religious or moral teachings. However, all participating schools must agree that they will not discriminate in student admissions, retention, or expulsion or otherwise discriminate against any student based on race, color, national origin, ~~or~~ sexual orientation, or gender identity or expression. If a nonpublic school does not comply with these requirements, it shall reimburse MSDE all scholarship funds received under the BOOST Program for the 2021-2022 school year and may not charge the student tuition and fees instead. The only other legal remedy for violation of this provision is ineligibility for participating in the BOOST Program.
- (2) MSDE shall establish procedures for the application and award process for scholarships for students who are eligible for the free or reduced-price lunch program. The procedures shall include consideration for award adjustments if an eligible student becomes ineligible during the course of the school year.
- (3) MSDE shall compile and certify a list of applicants that ranks eligible students by family income expressed as a percent of the most recent federal poverty levels.
- (4) MSDE shall submit the ranked list of applicants to the BOOST Advisory Board.
- (5) There is a BOOST Advisory Board that shall be appointed as follows: 2 members appointed by the Governor, 2 members appointed by the President of the Senate,

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2 members appointed by the Speaker of the House of Delegates, and 1 member jointly appointed by the President and the Speaker to serve as the chair. A member of the BOOST Advisory Board may not be an elected official and may not have any financial interest in an eligible nonpublic school.

- (6) The BOOST Advisory Board shall review and certify the ranked list of applicants and shall determine the scholarship award amounts. The BOOST Advisory Board shall take into account the needs of students with disabilities on an Individualized Education Plan or 504 Plan when determining scholarship award amounts.
- (7) MSDE shall make scholarship awards to eligible students as determined by the BOOST Advisory Board.
- (8) ~~The~~ Unless the student has special needs due to a disability, the amount of a scholarship award may not exceed the lesser of:
 - (a) the statewide average per pupil expenditure by local education agencies, as calculated by MSDE; or
 - (b) the tuition of the nonpublic school.
- (9) In order to meet its BOOST Program reporting requirements to the budget committees, MSDE shall specify a date by which participating nonpublic schools must submit information to MSDE so that it may complete its required report. Any nonpublic schools that do not provide the necessary information by that specified date shall be ineligible to participate in the BOOST Program.
- (10) Students who received a BOOST Program scholarship award in the prior year who still meet eligibility criteria for a scholarship shall receive a scholarship renewal award. For students who are receiving a BOOST Program scholarship for the first time, priority shall be given to students who attended public schools in the prior school year.

Further provided that the BOOST Advisory Board shall make all scholarship awards no later than December 31, 2021, for the 2021-2022 school year to eligible individuals. Any unexpended funds not awarded to students for scholarships shall be encumbered at the end of fiscal 2022 and available for scholarships in the 2022-2023 school year.

Further provided that \$700,000 of this appropriation shall be used only to provide an additional award for each student with special needs that is at least equal in amount to the BOOST Program scholarship award that student is awarded in accordance with paragraph (6) above.

Further provided that MSDE shall submit a report to the budget committees by January 15, 2022, that includes the following:

- (1) the number of students receiving BOOST Program scholarships;

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- (2) the amount of the BOOST Program scholarships received;
- (3) the number of certified and noncertified teachers in core subject areas for each nonpublic school participating in the BOOST Program;
- (4) the assessments being administered by nonpublic schools participating in the BOOST Program and the results of these assessments. MSDE shall report the assessment results reported by nonpublic schools to the budget committees in an aggregate manner that does not violate student data privacy;
- (5) in the aggregate, for each BOOST Program scholarship awarded (a) the nonpublic school and grade level attended by the student; (b) the school attended in the 2020-2021 school year by the student; and (c) if the student attended the same nonpublic school in the 2020-2021 school year, whether, what type, and how much nonpublic scholarship aid the student received in the 2020-2021 school year and will receive in the 2021-2022 school year;
- (6) the average household income of students receiving BOOST Program scholarships;
- (7) the racial breakdown of students receiving BOOST Program scholarships;
- (8) the number of students designated as English language learners receiving BOOST Program scholarships;
- (9) the number of special education students receiving BOOST Program scholarships;
- (10) the county in which students receiving BOOST Program scholarships reside;
- (11) the number of students who were offered BOOST Program scholarships but declined them as well as their reasons for declining the scholarships and the breakdown of students attending public and nonpublic schools for students who declined scholarships;
- (12) the number of students who received BOOST Program scholarships for the 2020-2021 school year who are attending public school for the 2021-2022 school year as well as their reasons for returning to public schools; and
- (13) the number of students who received BOOST Program scholarships for the 2020-2021 school year who withdrew or were expelled from the nonpublic schools they were attending and the reasons for which they withdrew or were expelled; the schools they withdrew or were expelled from; and the length of time students receiving BOOST Program scholarships were enrolled at a nonpublic school before withdrawing or being expelled.

Explanation: This language specifies priorities for BOOST scholarship awards and makes nonpublic schools that do not provide required information to MSDE by a certain date ineligible

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for participating in the BOOST Program. The language also provides that for the 2021-2022 school year, the BOOST Advisory Board shall make all scholarship awards no later than December 31, 2021, and any unexpended funds not awarded to students shall be encumbered for scholarships in the next year. This language also requires MSDE to report by January 15, 2022, on the distribution of the BOOST scholarships, information on the students receiving BOOST scholarships, teacher certifications for nonpublic schools participating in the BOOST Program, and assessments being administered in nonpublic schools participating in the BOOST Program, including student performance. The language also requires that MSDE report on students who choose to decline scholarships or attend public schools after participating in the BOOST Program in the past, along with their reasons for doing so, and information on students receiving scholarships for the 2020-2021 school year who withdrew or were expelled from the nonpublic schools that they were attending. Finally, the language requires that the BOOST Advisory Board shall take into account the special needs of students with disabilities as it is determining scholarship award amounts and that \$700,000 of the BOOST appropriation shall be used to provide higher awards for these students.

Information Request	Author	Due Date
BOOST program participation	MSDE	January 15, 2022

Amendment No. _____

Amend the following language:

- (2) MSDE shall establish procedures for the application and award process for scholarships for students who are eligible for the free or reduced-price lunch program. The procedures shall include consideration for award adjustments if an eligible student becomes ineligible during the course of the school year. In order to be eligible to apply, a student must (1) have received a BOOST Program scholarship award for the 2020-2021 school year and will be entering any of grades 1, 2, 3, 4, 5, 6, 7, 8, 10, 11, or 12, or grade 9 if he or she is a student who attended during the 2020-2021 school year a nonpublic school that serves kindergarten through grade 12 or (2) have a sibling who received a BOOST Program scholarship award for the 2020-2021 school year.

Explanation: This language specifies that students who receive a BOOST award must have received a BOOST Program scholarship award for the 2020-2021 school year; be entering any of grades 1, 2, 3, 4, 5, 6, 7, 8, 10, 11, or 12, or grade 9 if he or she is a student who attended during the 2020-2021 school year a nonpublic school that serves kindergarten through grade 12; or have a sibling who received a BOOST Program scholarship award for the 2020-2021 school year.

Amendment No. _____

R00A03

Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. Reduce Cigarette Restitution Funding for the Broadening Options and Opportunities for Students Today Program.	3,343,849 SF	
Total Reductions	3,343,849	0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Special Fund	10,000,000	6,656,151	3,343,849	
Total Funds	10,000,000	6,656,151	3,343,849	

Amendment No. _____

Committee Narrative

Report on the Governor’s Emergency Education Relief (GEER) II Funding for Nonpublic Schools: In January 2021, the Governor announced \$35.8 million for Maryland nonpublic schools as part of the Coronavirus Response and Relief Supplemental Appropriation Act of 2021. This act provides \$2.75 billion in national assistance for the Emergency Assistance for Non-Public Schools program, which is offered as part of the second round of funding through the GEER II Fund. The Governor also recently announced that the Maryland School for the Blind will receive \$253,354 in GEER II funding. The budget committees request that the Maryland State Department of Education (MSDE) report by July 1, 2021, on the distribution of the nonpublic schools GEER II grant. This report should include the number of eligible nonpublic schools that applied and were selected for this grant program, amount distributed to each nonpublic school, intended grant expenses, and any remaining fund balance.

Information Request	Author	Due Date
Report on GEER II funding for nonpublic schools	MSDE	July 1, 2021

R00A07
Interagency Commission on School Construction

Budget Amendments

R00A07.01 Interagency Commission on School Construction

Add the following language to the general fund appropriation:

, provided that \$200,000 of this appropriation may not be expended until the Interagency Commission on School Construction submits to the budget committees a draft of the final report on the Statewide Facilities Assessment. This report shall incorporate the contractor's preliminary report and provide the following information:

- (1) data from the assessment pilot and a copy of the final assessment rubric;
- (2) facilities condition index data on all school facilities assessed; and
- (3) detail of project expenditures by object and subobject.

The report shall be submitted by September 1, 2021, and the budget committees shall have 45 days from the receipt of the report to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

Explanation: Chapter 14 of 2018 requires the Interagency Commission on School Construction (IAC) to conduct the Statewide Facilities Assessment (SFA) so that data on the condition of State school facilities are not more than four years old. The SFA started in October 2020; assessments are expected to be completed by July 2021 and a final report issued in January 2022. This language directs IAC to submit a draft of the final report following the collection of the facilities condition index data in order to provide the budget committees with timely information on the condition of school facilities.

Information Request	Author	Due Date
Draft of final report on SFA	IAC	September 1, 2021

Amendment No. _____

Add the following language to the general fund appropriation:

Further provided that \$190,035 of this appropriation made for the purpose of funding salary and fringe benefit expenses for 3 currently vacant positions shall be restricted for that purpose only

R00A07

and may only be expended if those positions are filled by October 1, 2021. The Interagency Commission on School Construction (IAC) shall submit a report to the budget committees by October 15, 2021, on the status of filling 3 of the 6 vacancies. The budget committees shall have 45 days from the date of receipt of the report to review and comment. Funds restricted pending the receipt of a report shall not be transferred by budget amendment or otherwise for any other purpose and shall revert to the General Fund if the requirements of this restriction are not met.

Further provided that IAC and the Maryland State Department of Education (MSDE) shall submit a status report by December 15, 2021, to the budget committees on IAC hires and vacancies in calendar 2021. This report shall include:

- current salary data and classification for all IAC personnel;
- an updated organizational chart with current vacancies and additional personnel needed to meet Chapter 14 of 2018 requirements;
- pending reclassifications and funds remaining for new hires; and
- MSDE's future plans to request funds for additional personnel to meet its enhanced responsibilities.

Explanation: Chapter 14 required MSDE to hire additional IAC staff to manage additional responsibilities with school facilities assessment, data collection and reporting, and serving local school system needs. Currently, the commission has 6 unfilled positions – 2 positions have remained vacant since fiscal 2019, and 4 positions have been recently vacated. This budget language directs MSDE to begin hiring IAC staff to fill prior obligations and current needs and submit a status report by December 15, 2021, assessing its current and future staffing requirements.

Information Request	Authors	Due Date
Certification of 3 new hires	IAC	October 15, 2021
Status report on IAC staffing	MSDE IAC	December 15, 2021

Amendment No. _____

R00A07

Committee Narrative

Status Update on Integrated Master Facilities Asset Library: Chapter 14 of 2018 required the Interagency Commission on School Construction (IAC) to build a cloud-based, asset library that would integrate preventive maintenance and facilities assessment data and allow local school systems (LSS) to access this data electronically. The budget committees are concerned with the delays in procuring a contract to create the integrated master facilities asset library (IMFAL). Although a new timeline has been developed estimating the project to be resolicited in February 2021 with a delivery date of September 2022, the committees recognize the importance of establishing this tool for LSS and are interested in continuing to monitor this issue. As such, the budget committees request that IAC submit a status report on the IMFAL procurement and implementation by August 1, 2021, in order to provide an update on the agency's progress in meeting Chapter 14 requirements.

Information Request	Author	Due Date
Status report on IMFAL	IAC	August 1, 2021

R13M00
Morgan State University

Budget Amendments

R13M00.00 Morgan State University

Add the following language to the general fund appropriation:

, provided that \$3,000,000 of this appropriation made for the purpose of launching the Center for Urban Health Equity may not be expended until Morgan State University submits a report to the budget committees documenting the strategic goals of the center and how additional funding streams will be leveraged to fund the center. The report shall be submitted by July 1, 2021, and the committees shall have 45 days from the date of receipt of the report to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall be reverted if the report is not submitted.

Explanation: The fiscal 2022 budget provides \$3.0 million specifically designated for the creation of the Center for Urban Health Equity. This language withholds the expenditure of these funds until Morgan State University (MSU) submits a report documenting the goals of, and funding streams for, the Center.

Information Request	Author	Due Date
Report on the Center for Urban Health Equity	MSU	July 1, 2021

Amendment No. _____

R30B36
University System of Maryland Office
University System of Maryland

Committee Narrative

Status of Implementing Universities at Shady Grove Financial Viability Report Recommendations: In 2019, concerns about the financial sustainability and continuing enrollment decline at the Universities at Shady Grove (USG) prompted the budget committees to ask the University System of Maryland Office (USMO) to submit a plan to ensure the fiscal viability of USG. USMO submitted a report that contained 33 recommendations that focused on leadership; governance; USG’s funding model; expansion of USG’s mission; and the transportation needs of USG students, faculty, and staff. Of the 33 recommendations, 2 have been completed, significant progress has been made on 24, and 7 have yet to be initiated. The committees request USMO to submit quarterly reports on the status of implementing the recommendations.

Information Request	Author	Due Date
Status of implementing USG financial viability report recommendations	USMO	September 1, 2021 December 1, 2021 March 1, 2022 June 1, 2022

R62I00
Maryland Higher Education Commission

Committee Narrative

R62I00.01 General Administration

Report on Best Practices and Annual Progress Toward the 55% Completion Goal: The budget committees understand that, in order to meet the State’s goal to have at least 55% of Maryland’s residents age 25 to 64 holding at least one degree credential by 2025, accurate and timely information on degree progression and best practices is needed to ensure that the State is on track to meet the goal. The budget committees request that the Maryland Higher Education Commission (MHEC) annually collect and analyze student- and transcript-level data on progression, graduation, and other relevant metrics from each public institution of higher education, including community colleges and regional higher education centers. MHEC should submit a report by December 15 each year that analyzes the data and shows each institution’s progress toward the State and institutional goals in 2025. The report should also include a summary of best practices and findings on the effectiveness of institutions’ programs as well as any concerns regarding lack of progress or best practices that are not being implemented by institutions.

Information Request	Author	Due Date
Report on best practices and annual progress toward 55% completion goal	MHEC	December 15, 2021

Institutional Aid, Pell Grants, and Loan Data by Expected Family Contribution (EFC) Category: In order to more fully understand all types of aid available to students, the committees request that data be submitted for each community college, public four-year institution, and independent institution on institutional aid, Pell grants, and student loans. Data should include, by EFC, the number of loans and average loan size of federal subsidized and unsubsidized loans and loans from private sources as reported to the Maryland Higher Education Commission (MHEC). Additionally, data should be provided on Pell grants, including the number and average award size by EFC. Finally, data should include the number of institutional aid awards and average award size by EFC for institutional grants, institutional athletic scholarships, and other institutional scholarships. The data in the response should differentiate between need-based aid and merit scholarships. Data should also include the number of institutional aid awards and average award size by EFC for tuition waivers/remissions of fees to employees and dependents and students. Waiver information for students should be reported by each type of waiver in State law. This report should cover fiscal 2020 data received by MHEC from State institutions and is to be submitted in an electronic format (Excel file).

R62I00

Information Request	Author	Due Date
Institutional aid, Pell grants, and loan data by EFC	MHEC	June 30, 2021

Report on Assessment Tools: The budget committees are concerned that the tests used to assess a student's need for remedial coursework may not provide an accurate indication of the student's ability to succeed in credit bearing courses. The committees request that the Maryland Higher Education Commission (MHEC) collect internal validity studies from institutions to identify the most effective assessment tools used to identify students needing remediation. The report should summarize the information from the institutions that can be used as a basis for a more in-depth study on assessment tools.

Information Request	Author	Due Date
Report on assessment tools	MHEC	December 15, 2021

Report on Students with Chronic Health Conditions: The budget committees request that the Maryland Higher Education Commission (MHEC) and the Maryland Department of Health (MDH) establish a workgroup to examine the data available on students with chronic health conditions attending institutions of higher education in the State. The data examined should include demographics of students with chronic health conditions and the type of conditions, challenges faced by these students, existing policies at higher education institutions regarding the rights and needs of these students, and resources and programs available to these students. The report should include recommendations on enhancing and continuing data collection on students with chronic health conditions; eliminating challenges faced by these students; and accommodating needs of these students, including resources and programs. The report should be submitted by September 30, 2021.

Information Request	Authors	Due Date
Report on students with chronic health conditions	MHEC MDH	September 30, 2021

Report on Workforce Shortage Student Assistance Grants: The budget committees request that the Maryland Higher Education Commission (MHEC) provide a report on the Workforce Shortage Student Assistance Grant program. The report should include information on the characteristics of the individuals who apply for the grant; the grant funding provided in each of the respective workforce shortage fields: (1) school teachers; (2) social workers; (3) nurses; (4) child care providers; (5) developmental disability; mental health; child welfare; and juvenile justice; (6) physical and occupational therapists and assistants; and (7) public servants; the total number of awardees by respective workforce shortage field; how the grants are allocated; how

R62I00

the areas where shortages exist are determined; the average award by workforce area; and waitlist total (if any) by workforce area. The report should be submitted by December 1, 2021.

Information Request	Author	Due Date
Report on Workforce Shortage Student Assistance Grant program	MHEC	December 1, 2021

Report on Impact of Credit Completion Requirement on Financial Aid Awards: Beginning in the 2018-2019 academic year and in a student's third academic year, students receiving the Educational Excellence Award (EEA) must successfully complete 30 credit hours in the prior academic year in order to receive the full award amount. Students who completed at least 24 credit hours but less than 30 credit hours will have their awards prorated, and those who do not complete at least 24 credit hours will lose their award. The committees are interested in the impact the 30-credit-hour requirement had on students in the 2020-2021 academic year and the 2021-2022 awarding year, specifically if students are meeting the requirement in order to receive the full amount of award, how many students had their awards prorated, and how many students lost eligibility. The report should also include the graduation rates of students who completed 30 credit hours compared to those who completed less than 30 credit hours. The report should provide summary data by segment (community colleges, four-year public, and independent institutions) and by institution. The report should also identify how the Maryland Higher Education Commission (MHEC) alerts community college EEA recipients that they are in danger of losing their award as this group was the most severely impacted by the credit completion requirement. The report should identify the updated funding disbursement, by EEA award type and by total credit attainment grouping, for the students from the most recent review cycle, as well as what the total funding amount was, by EEA award type, prior to those students having their award funding amounts revised.

Information Request	Author	Due Date
Report on impact of credit completion requirement on financial aid awards	MHEC	December 15, 2021

Report on the Next Generation Scholars Postsecondary Outcomes: The 2020-2021 academic year is the first academic year with a cohort of grade 12 students in the Next Generation Scholars (NGS) program. These seniors, should they meet certain eligibility requirements, are automatically prioritized to prequalify for a Guaranteed Access grant. The committees are interested in determining how many NGS seniors met the eligibility requirements and later enrolled in a postsecondary institution. The report should identify the number of NGS seniors for the 2020-2021 academic year, the number of NGS seniors who successfully met all of the eligibility requirements, and the number of seniors who later enrolled

R62I00

in a postsecondary institution of higher education in either the summer 2021 session or the fall 2021 semester and identify to which higher education segment those students enrolled.

Information Request	Author	Due Date
Report on postsecondary outcomes for NGS senior students	MHEC	December 1, 2021

Report on Transition to Student Aid Index: The budget committees request the Maryland Higher Education Commission (MHEC) provide quarterly reports on the transition of the State's financial aid and loan system away from the Expected Family Contribution to the Student Aid Index, as a result of changes to the Free Application for Federal Student Aid found in the Consolidated Appropriations Act of 2021. The report should include information on any needed upgrades to MHEC's computer system required for the changes to go into effect. The first report should be submitted by September 1, 2021.

Information Request	Author	Due Date
Report on transition to student aid index	MHEC	September 1, 2021 January 1, 2022 May 1, 2022 September 1, 2022

R75T0001
Higher Education

Budget Amendments

R75T00.01 Support for State Operated Institutions of Higher Education

Add the following language to the general fund appropriation:

, provided that \$3,000,000 of this appropriation made for the purpose of launching the Center for Urban Health Equity may not be expended until Morgan State University (MSU) submits a report to the budget committees documenting the strategic goals of the Center and how additional funding streams will be leveraged to fund the Center. The report shall be submitted by July 1, 2021, and the committees shall have 45 days from the date of receipt of the report to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall be reverted if the report is not submitted.

Explanation: The fiscal 2022 budget provides \$3.0 million specifically designated for the creation of the Center for Urban Health Equity. This language withholds the expenditure of these funds until MSU submits a report documenting the goals of, and funding streams for, the Center.

Information Request	Author	Due Date
Report on the Center for Urban Health Equity	MSU	July 1, 2021

Amendment No. _____

Committee Narrative

Instructional Faculty Workload Report: The committees request that the University System of Maryland (USM), Morgan State University (MSU), and St. Mary’s College of Maryland (SMCM) continue to provide annual instructional workload reports for tenured/tenure-track faculty. By focusing on these faculty, the committees gain a sense of the teaching activities for the regular core faculty. However, there are other types of instructional faculty at institutions, such as full- and part-time nontenured/nontenure-track faculty, including adjunct faculty, instructors, and lecturers. Focusing on only tenured/tenure-track faculty provides an incomplete picture of how students are taught. Therefore, the report should also include the instructional workload when all types of faculty are considered. Additional information may be included at the institution’s discretion. Furthermore, the USM report should include the percentage of faculty meeting or exceeding teaching standards for tenured/tenure-track faculty for the University of Maryland, Baltimore Campus.

R75T0001

Information Request	Authors	Due Date
Annual report on faculty workload	USM MSU SMCM	December 8, 2021

Report on Standardized Tests and Alternatives: The budget committees are concerned about racial bias in standardized tests and request that the University System of Maryland Office (USMO) and St. Mary's College of Maryland (SMCM) submit a report on how the institutions account for the racial bias in standardized tests used to determine admissions and alternatives to these tests.

Information Request	Authors	Due Date
Standardized tests and alternatives	USMO SMCM	August 30, 2021

R95C00
Baltimore City Community College

Committee Narrative

R95C00.00 Baltimore City Community College

Realignment Plan Status Update: Baltimore City Community College (BCCC) has begun implementing realignment tasks as a result of the required institutional realignment. A status report was provided October 8, 2020, that identified the progress that BCCC has achieved in meeting the 12 required realignment tasks. The budget committees request a report on the institutional realignment plan that further documents progress toward completion of the realignment plan’s objectives.

Information Request	Author	Due Date
Realignment plan update	BCCC	October 1, 2021

Enrollment and the Mayor’s Scholars Program: Baltimore City Community College (BCCC) had seen decreases in enrollment for full-time equivalent students (FTES) from the 2011-2012 through 2017-2018 academic years. FTES enrollment marginally increased in the 2018-2019 academic year as a result of multiple enrollment strategies and the initiation of the Mayor’s Scholars Program (MSP). However, enrollment once again declined in the 2019-2020 academic year. The committees request two reports on MSP: a June 2021 report that includes updated information on MSP for the 2020-2021 academic year; and a November 2021 report that identifies what actions are being taken to increase enrollment per FTES. Additionally, the November 2021 report should provide the following information on MSP: (1) the number of applications received for the first, second, third, and fourth cohort; the number of students who enrolled each semester; and the number of first-year students who enrolled in the second, third, and fourth year (where applicable); (2) the number of students who participated in the Summer Bridge program for the first, second, third, and fourth cohort; (3) the number of students in the first, second, and third cohort who have successfully completed at least 15 credits each semester or a total of 30 credits in their first academic year; and (4) the amount of financial aid provided to scholars in year one, two, three, and four by cohort, including the total amount each year and the average student award.

Information Request	Author	Due Date
Enrollment and MSP	BCCC	June 18, 2021 November 30, 2021

R95C00

Information Technology Infrastructure Renovations: Baltimore City Community College (BCCC) has faced numerous difficulties in updating its information technology (IT) infrastructure. This has resulted in many IT shortcomings for BCCC, including but not limited to, being unable to procure a new Enterprise Resource Planning (ERP) system, being unable to properly safeguard student data, and not adequately providing malware protection for its computers. In November 2020, BCCC received approval from the Board of Public Works to proceed with the acquisition and implementation of its identified ERP system, Banner by Ellucian. The committees request a report that documents the status of the implementation of the IT infrastructure renovation, including if internal timelines were met and if cost estimates were correct, as well as any additional findings that occurred as a result of the upgrade process.

Information Request	Author	Due Date
IT infrastructure plan update	BCCC	July 16, 2021

T00
Department of Commerce

Committee Narrative

OFFICE OF THE SECRETARY

T00A00.01 Office of the Secretary

Employee Stock Ownership Plans: The committees are interested in the potential of Employee Stock Ownership Plans (ESOP) to encourage economic growth and improve business performance and, therefore, are interested in the feasibility of following the practice of other states and establishing an Office of Employee Ownership. The Department of Commerce (Commerce) should submit a report, in consultation with the University System of Maryland (USM), detailing the potential benefits and funding sources for establishing such an office to encourage companies to develop ESOPs that give workers shares in the companies at which they work. Commerce and USM should consider the practices of other states in reporting on the structure and placement of such offices, potential sources of funding for an office and any programs in the office, and any incentives or other programs to support the creation of ESOPs.

Information Request	Author	Due Date
Report on encouraging the development of ESOPs	Commerce, in consultation with USM	November 1, 2021

DIVISION OF BUSINESS AND INDUSTRY SECTOR DEVELOPMENT

T00F00.23 Maryland Economic Development Assistance Authority and Fund

Restaurant and Hotel Relief Programs: The committees request a report detailing the use of restaurant and hotel relief funding by local jurisdictions, including the number of grants made by each jurisdiction under each program, details on the uses of grant funds, any demographic information collected, and the amount of any unused funds. The report should include information on grants made using initial program funding as well as grants made using funding from the RELIEF Act.

Information Request	Author	Due Date
Report on restaurant and hotel relief programs	Department of Commerce	August 1, 2021

T00

Child Care Special Loans: The committees are interested in the support provided to child care providers through the Maryland Economic Development Assistance Authority and Fund (MEDAAF). The Department of Commerce (Commerce) should submit a report detailing how many child care providers have applied for assistance in the form of a child care special loan through the MEDAAF program and a list of any loans made to child care providers under the program in the past 10 years, including the award amount, jurisdiction, and project description.

Information Request	Author	Due Date
Report on child care special loans	Commerce	September 1, 2021

T50T01
Maryland Technology Development Corporation

Fiscal 2021 Deficiency

T50T01.09 Maryland Technology Infrastructure Fund

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. The Maryland Technology Development Corporation (TEDCO) unintentionally received restricted funds in fiscal 2020 that were not reverted. This action increases TEDCO's fiscal 2021 negative general fund deficiency appropriation by the same amount.	250,000	GF
Total Reductions	250,000	0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
General Fund	-10,000,000	-10,250,000	250,000	
Total Funds	-10,000,000	-10,250,000	250,000	

Amendment No. _____

Sections

Budget Amendment

Add the following section:

SECTION 42. AND BE IT FURTHER ENACTED, That \$100,000 of the appropriation made for administration in the Department of Budget and Management (DBM) Office of the Secretary Executive Direction F10A01.01 and \$100,000 of the general fund appropriation made for administration in the University System of Maryland Office R75T00.01 may not be expended until DBM submits a report verifying the creation of a separate budget code for the Universities at Shady Grove. The report shall be submitted prior to the expenditure of the funds, and the budget committees shall have 45 days from the date of receipt of the report to review and comment. Funds restricted pending receipt of this report may not be transferred by budget amendment or otherwise to any other purpose and shall revert back to the General Fund if the report is not received.

Explanation: The language restricts \$100,000 each in the budgets of DBM and the University System of Maryland Office until DBM submits a report verifying that a separate budget code has been created for the Universities at Shady Grove (USG).

Information Request	Author	Due Date
Verification of a budget code for USG	DBM	45 days prior to expenditure of funds

Amendment No. _____

Budget Reconciliation and Financing Act of 2021 House Education and Economic Development Subcommittee

<u>APP Sub</u>	<u>Item #</u>	<u>BRFA Page(s)</u>	<u>Description</u>	<u>Related Budgetary Action and Comments</u>	<u>APP Action</u>	<u>B&T Action</u>	<u>CC Action</u>
EED	2	4-5	Alters the allowable uses of the Blueprint for Maryland's Future Fund to include early childhood, primary, and secondary education costs associated with the COVID-19 pandemic, including one-time grants to address enrollment declines related to the pandemic and to ensure that all jurisdictions receive an increase over fiscal 2021 (hold harmless grants).	The fiscal 2022 budget includes \$213.7 million of special funds from the Blueprint for Maryland's Future Fund for declining enrollment and special education transportation hold harmless grants.	Adopt		
EED	2-DLS alt	4-5	Alters the allowable uses of the Blueprint for Maryland's Future Fund to also include summer school and other activities to address learning loss, identify and support students dealing with trauma and behavioral health issues as a result of COVID-19, and grants to allow schools to safely reopen.	Supplemental Budget No. 1 allocates \$150 million from the Blueprint for Maryland's Future Funds for these items in fiscal 2021 and 2022.	Adopt		
EED	3	5-10	Rebases the John A. Cade Funding Formula to \$263,481,740 in fiscal 2022, specifies the distribution of that amount, and alters the future formula increases to the level of projected general fund revenue growth.	The fiscal 2022 budget includes a general fund contingent reduction of \$26,615,554 related to this item.	Reject		
EED	4	10-12	Rebases the Joseph A. Sellinger Formula to \$59,024,905 in fiscal 2022, specifies the distribution of that amount, and alters the future increases to 1 percentage point lower than the level of projected general fund revenue growth.	The fiscal 2022 budget includes a general fund contingent reduction of \$29,785,160 related to this item.	Reject		
EED	5	12-13	Requires funds not used by a student within two years in the Senatorial/Delegate Scholarship Program to be deposited into the Need-Based Student Financial Assistance Fund.		Reject		
EED	6	13	Repeals the mandate for the Maryland Loan Assistance Repayment Program for Foster Care Recipients and requires the other Loan Assistance Repayment Programs to serve foster care recipients.	The fiscal 2022 budget includes a general fund contingent reduction of \$100,000 related to this item.	Adopt		
EED	7	13-14	Repeals the mandate for the Maryland Public Broadcasting Commission.	The fiscal 2022 budget includes a general fund contingent reduction of \$775,994 related to this item.	Reject		
EED	16	21	Level funds the mandate for the Maryland State Arts Council in fiscal 2022 and alters the rate of increase in fiscal 2023 and beyond to 1 percentage point below the level of projected general fund revenue growth.	The fiscal 2022 budget includes a general fund contingent reduction of \$2,907,484 related to this item.	Reject		
EED	19	23-24	Authorizes the transfer of Marketplace Facilitator Revenues, otherwise distributed to the Blueprint for Maryland's Future Fund, to the Education Trust Fund in fiscal 2021 only to replace current and prior year revenue shortfalls.	The fiscal 2022 budget includes special fund contingent appropriations totaling \$174,845,017 in fiscal 2021 related to this item.	Adopt		
EED	32	31	Requires local funding for education in fiscal 2022 to exceed the fiscal 2021 level for the jurisdiction to be eligible for one-time education grants in fiscal 2022.		Adopt		

Budget Reconciliation and Financing Act of 2021
House Education and Economic Development Subcommittee

<u>APP Sub</u>	<u>Item #</u>	<u>BRFA Page(s)</u>	<u>Description</u>	<u>Related Budgetary Action and Comments</u>	<u>APP Action</u>	<u>B&T Action</u>	<u>CC Action</u>
EED	103-DLS add'l		Requires a reversion in the Maryland State Department of Education Headquarters of \$235,000 in general funds due to an improper encumbrance from July 2017 identified in the fiscal 2020 Statewide Closeout Audit.		Adopt		
EED	111-DLS add'l		Reduces fiscal 2020 spending in the Maryland State Department of Education Aid to Education by \$7.5 million due to unneeded accruals for nonpublic placements.		Adopt		
EED	301-APP add'l		Waives the requirement that the Maryland Stadium Authority submit economic impact reports for the Baltimore City Convention Center, Ocean City Convention Center, Hippodrome theater, and Montgomery County Conference Center for fiscal 2021.		Adopt		
EED	302-APP add'l		Provides that revenues from certain raffles are deposited into the Michael Erin Busch Sports Fund.		Adopt		



Report of the
**Health and Social
Services Subcommittee**

To the House Appropriations Committee

2021 SESSION

Recommendations, Reductions, and Summary of
Action Pertaining to:
House Bill 588

Report of the
HEALTH AND SOCIAL SERVICES
SUBCOMMITTEE

to the House Committee on Appropriations

2021 SESSION

Recommendations, Reductions, and Summary of
Action Pertaining to:
HOUSE BILL 588

General Assembly of Maryland
House Appropriations Committee
Health and Social Services Subcommittee
2021 Session Membership Roster

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Delegate Geraldine Valentino-Smith, Vice Chairman

Delegate Shaneka Henson
Delegate Nino Mangione
Delegate Patrick Young

Committee Staff

June Chung

Subcommittee Coordinator

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Support Staff

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Family Investment Administration.....	N00I00	46
Housing and Community Development		
Department of Housing and Community Development	S00A	49
Sections		
Sections		50
Budget Reconciliation and Financing Act of 2021 Items		55

**Recommended Reductions
Health and Social Services Subcommittee**

Agency	<u>General Funds</u>	<u>Special Funds</u>	<u>Federal Funds</u>	<u>Higher Ed Funds</u>	<u>Total Funds</u>	<u>Positions</u>
2022 Budget Request						
Department of Aging	\$300,000	\$0	\$0	\$0	\$300,000	
Maryland Department of Health (MDH) – Behavioral Health Administration	35,000,000	0	0	0	35,000,000	
MDH – Developmental Disabilities Administration	37,800,000	0	0	0	37,800,000	
MDH – Medical Care Programs Administration	330,193,849	0	0	0	330,193,849	
Department of Human Services (DHS) – Family Investment	950,000	0	0	0	950,000	
<i>Subtotal Fiscal 2022 Regular Budget</i>	<i>\$404,243,849</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$404,243,849</i>	
Fiscal 2022 Total Budget	\$404,243,849	\$0	\$0	\$0	\$404,243,849	
Fiscal 2021 Deficiency Budget						
MDH – Medical Care Programs Administration	\$112,300,000	\$0	\$0	\$0	\$112,300,000	
DHS – Social Services	1,543,103	0	0	0	1,543,103	
<i>Subtotal Fiscal 2021 Deficiency Budget</i>	<i>\$113,843,103</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$113,843,103</i>	
Total Fiscal 2021 Deficiency Budget	\$113,843,103	\$0	\$0	\$0	\$113,843,103	
Grand Total Budget Bill	\$518,086,952	\$0	\$0	\$0	\$518,086,952	

D11A0401
Office of the Deaf and Hard of Hearing

Committee Narrative

D11A04.01 Executive Direction

Sign Language Interpreter Complaint Data: In the 2020 session, the Office of the Deaf and Hard of Hearing (ODHH) testified that it frequently receives complaints about sign language interpreters. However, this data is not tracked. In evaluating ways to create standards for interpreters in Maryland, it is important to understand the frequency and nature of complaints received by ODHH. The budget committees request that ODHH include, beginning with its fiscal 2023 annual Managing for Results submission, information on:

- the number of complaints received about unsatisfactory interpreters by phone, email, or other electronic forum;
- the number of complaints received about interpreters that were unskilled or unqualified;
- the number of complaints received about interpreters that were fraudulent or unethical; and
- the number of complaints received about an unsatisfactory interpreter experienced by industry sector (i.e., education, medical, legal, governmental services, etc.), to the extent available from the complainant.

Information Request	Authors	Due Date
Sign language interpreter complaint data report	ODHH	Beginning with the submission of the fiscal 2023 Governor’s budget and each year thereafter

D12A02
Department of Disabilities

Committee Narrative

D12A02.01 General Administration

Statewide Information Technology Accessibility Initiative Update: For the second consecutive year, the committees have not received the requested assessment of the current nonvisual accessibility of State websites and documents. As the Maryland Department of Disabilities (MDOD) continues to develop its Statewide Information Technology Accessibility Initiative, the committees request that MDOD submit the following:

- a timeline with specific milestones that the initiative is planning to achieve in fiscal 2022 through 2025;
- an update on the development of a guideline document for State agencies to use when developing requests for proposals that are compliant with information technology accessibility standards;
- an assessment of the current nonvisual accessibility of State-evaluated websites at the time of review, including a summary of MDOD’s preliminary findings regarding commonly found barriers to nonvisual accessibility of State websites;
- the proportion of State websites that are anticipated to be evaluated by June 30, 2022;
- the proportion of State websites under the Department of Information Technology’s purview that are anticipated to have improved accessibility by June 30, 2022;
- the amount of funding designated for the initiative in fiscal 2022, including personnel costs, the costs of conferences, seminars, trainings, membership dues, and any other costs associated with the initiative;
- an estimate of out-year costs for the initiative in fiscal 2023 and 2024; and
- an assessment of the additional document accessibility training opportunities that will be provided in fiscal 2022 as compared to fiscal 2020 and 2021.

Information Request	Author	Due Date
Statewide Information Technology Accessibility Initiative update	MDOD	July 1, 2021

D26A07
Department of Aging

Budget Amendments

D26A07.01 General Administration

Add the following language to the general fund appropriation:

, provided that \$100,000 of this appropriation for general administration may not be expended until the Maryland Department of Aging (MDOA) submits two reports to the budget committees analyzing waitlists and the current administration and utilization of MDOA's two recently-created programs: the Community for Life (CFL) program; and the Durable Medical Equipment Reuse Program (DME). The first report shall include the following data as of July 1, 2021, and the second report shall include the following data as of January 1, 2022:

- (1) for all MDOA programs with waitlists, the number of individuals on the waitlist, by program, by Area Agency on Aging;
- (2) membership totals of each CFL program, the amount of funding each CFL was originally granted, the date each grant period commenced, the amount each CFL has expended to date, the amount of the State grant that is unencumbered to date, and the amount of funding, by source, that each grantee received to date from other sources to support operating expenses of the CFL program;
- (3) the number of pieces of durable medical equipment collected through DME, the dollar value of the equipment in inventory, the number of pieces of equipment distributed, and the dollar value of equipment distributed; and
- (4) for both CFL and DME, demographic data, by program, indicating the number of individuals utilizing each program of each age, racial group, gender identification, zip code, and annual household income.

The first report shall be submitted by August 1, 2021. The second report shall be submitted by February 1, 2022, and the committees shall have 45 days from the date of receipt of the second report to review and comment. Funds restricted pending the receipt of the report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted.

Explanation: The General Assembly is concerned that two new MDOA programs have seen low utilization, while waitlists in other MDOA programs indicate that there is more demand than resources available. In order to track these issues, this language restricts funding pending receipt of two reports providing waitlist, CFL utilization, and DME utilization data.

D26A07

Information Request	Author	Due Date
Program utilization data	MDOA	August 1, 2021 February 1, 2022

Amendment No. _____

Committee Narrative

Affordable Senior Housing: The committees are concerned with the adequacy of affordable senior housing in the State. The committees request that the Maryland Department of Aging (MDOA), in consultation with the Department of Housing and Community Development (DHCD), submit a report that:

- summarizes the housing security challenges that seniors in Maryland face;
- provides any available data on the prevalence of homelessness among Marylanders age 55 and over and identifies additional data that would be necessary to better understand senior homelessness;
- assesses the adequacy of affordable senior housing in the State now and in the next 10 years given the State's aging population;
- lists all federal, State, and local programs offered in Maryland that provide affordable senior housing or support housing security for seniors;
- determines whether the existing combination of federal, State, and local programs sufficiently meet seniors' housing security needs and, if not, describes the scope of unmet senior housing security needs;
- provides available data on program waitlists for any of the federal, State, and local programs intended to improve senior housing security in Maryland;
- evaluates how the State could improve the coordination of services provided to seniors in the State through the existing combination of federal, State, and local programs and describes how MDOA plans to work with other State agencies and local governments to improve the coordination of senior housing security services in the State; and
- offers a range of policy options that could be implemented in Maryland to improve housing security for seniors in the State.

D26A07

Information Request	Authors	Due Date
Affordable senior housing	MDOA, in consultation with DHCD	September 15, 2021

Budget Amendments

D26A07.03 Community Services

Add the following language to the general fund appropriation:

, provided that \$250,000 of this appropriation made for the purpose of the Durable Medical Equipment Reuse Program may not be expended for that purpose but instead shall be distributed to the Area Agencies on Aging to reduce waitlists in other State programs, such as the Senior Care Program or the Senior Assisted Living Subsidy Program. Funds not expended for this restricted purpose may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund.

Explanation: This language restricts funding to reduce waitlists for State programs, such as the Senior Care Program (with 2,372 waitlisted individuals as of January 1, 2021) or the Senior Assisted Living Subsidy Program (with 219 waitlisted individuals as of January 1, 2021).

Amendment No. _____

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Level fund the general fund appropriation for the Community for Life Program with fiscal 2021.	300,000 GF	
 Total Reductions	 300,000	 0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
General Fund	23,635,025	23,335,025	300,000	
Federal Fund	33,676,587	33,676,587	0	
Total Funds	57,311,612	57,011,612	300,000	

Amendment No. _____

D26A07

Committee Narrative

Improving Coordination of Durable Medical Equipment Donations and Distribution: The committees are concerned with the cost effectiveness of the Durable Medical Equipment Reuse Program (DME) and the degree to which activities related to durable medical equipment are coordinated across State agencies. The committees request that the Maryland Department of Aging (MDOA) submit a report that:

- identifies State agencies that may receive durable medical equipment donations or interact with constituents in need of durable medical equipment;
- describes MDOA’s plan for coordinating with these agencies to streamline durable medical equipment donations through DME;
- illustrates MDOA’s plan for increasing public awareness of DME; and
- indicates any challenges that MDOA has experienced in developing interdepartmental coordination and increasing public awareness of DME.

Information Request	Author	Due Date
Improving coordination of durable medical equipment donations and distribution	MDOA	September 15, 2021

D27L00
Maryland Commission on Civil Rights

Committee Narrative

Pending and Open Cases: The committees request a status update on the total inventory of pending and open cases that have been received for processing by the Maryland Commission on Civil Rights (MCCR) as well as the status of current investigator caseloads and case processing times. The report should include the current total number of open and pending cases, the number of cases that have been unresolved for more than one year, the number awaiting assignment, the current caseload per investigator, the estimated timeframe for assigning remaining outstanding cases to investigators, and a comparison of MCCR’s case processing times with those of other states or jurisdictions that have similar size caseloads.

Information Request	Author	Due Date
Status update on pending and open cases	MCCR	September 1, 2021

D78Y01
Maryland Health Benefit Exchange

Committee Narrative

D78Y01.01 Maryland Health Benefit Exchange

State Innovation Waiver Applications: The Maryland Health Benefit Exchange (MHBE) has indicated that it is considering submitting additional State Innovation Waiver applications, including to administer the Small Business Health Insurance Tax Credit, offer Individual Subsidies, and an extension of the State Reinsurance Program. Given the implications of these waivers on the activities of the agency and the budget for the agency, the committees are interested in remaining informed of MHBE’s activities in these areas. The committees request that MHBE notify the committees of any applications for a State Innovation Waiver that it submits during fiscal 2022 and the final decision on those applications.

Information Request	Author	Due Date
Notification of applications for a State Innovation Waiver and decisions on those applications	MHBE	As needed, within 20 days of any application and decision on any application

Options for Health Coverage and Cost Sharing for Individuals Not Eligible for Existing Programs: The committees are interested in understanding options for increasing affordable coverage to improve health equity for Marylanders who are uninsured or underinsured but are unable to enroll in Medicaid or Qualified Health Plans and are not eligible for the Advanced Premium Tax Credit. The committees request that the Maryland Health Benefit Exchange (MHBE) review options for providing coverage and subsidies to this population and make recommendations on options for health coverage and cost sharing. Specifically, the committees request that MHBE report on costs, feasibility, and a review of activity in other states to serve this population.

Information Request	Author	Due Date
Options for health coverage and cost sharing for individuals not eligible for existing programs	MHBE	November 1, 2021

D78Y01

D78Y01.03 Reinsurance Program

Reinsurance Program Costs and Forecast: The committees are interested in monitoring the costs of the State Reinsurance Program and future funding needs. The committees are also interested in understanding the impact of the COVID-19 pandemic on the reinsurance program. The committees request that the Maryland Health Benefit Exchange (MHBE) submit a report that provides the final 2020 plan year reinsurance payments, an updated forecast of spending and funding needs by fund source over the waiver period, and a discussion of the impact of the COVID-19 pandemic on 2020 plan year costs and implications for 2021 plan year costs.

Information Request	Author	Due Date
Reinsurance program costs and forecast	MHBE	September 30, 2021

M00A01
Maryland Department of Health
Office of the Secretary

Budget Amendments

M00A01.01 Executive Direction

Add the following language:

Further provided that \$1,000,000 of this appropriation made for the purposes of program direction may not be expended until the Maryland Department of Health (MDH) submits a report to the budget committees on the assisted reconciliation process. This report shall address steps made by the department during the reconciliation process, including:

- (1) affirming that MDH and the Behavioral Health Administrative Services Organization (BHASO) have provided behavioral health providers with a comprehensive claims history in an uploadable 835 format. These reports to providers shall comply with Health Insurance Portability and Accountability Act (HIPAA) standards and include HIPAA-standardized denial codes. The 835 report shall also include the original submission date of each claim, as well as reprocessing and denials. The claims history report shall also include corresponding check number and accurate check date for the full or partial amount paid on the claim;
- (2) providing detail on a neutral, independent third-party reconciliation mediator used during the process. This reconciliation mediator shall be selected in consultation with behavioral health providers and shall provide oversight and mediation in disputes of the reconciliation amounts between MDH and individual providers; and
- (3) outlining contract management steps employed by the department in response to challenges with the Administrative Services Organization (ASO). This shall include any liquidated damages and other fees and fines against the current BHASO under the ASO contract, including the totality of damages, fees, and fines that could be levied against BHASO as outlined under the contract as well as the total amount that has actually been imposed by the department, and, if applicable, why MDH did not impose the maximum amount.

The report shall be submitted by August 1, 2021, and the budget committees shall have 45 days to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

Explanation: The nearly eight-month estimated payments period required due to the failed launch of the new ASO resulted in overpayments to providers of over \$300 million. This language restricts funding pending a report on the specific types of reports provided by MDH

M00A01

and BHASO to assist the providers in the reconciliation process as well as use of a reconciliation mediator, and contract management steps taken by the department.

Information Request	Author	Due Date
Report on reconciliation process	MDH	August 1, 2021

Amendment No. _____

Add the following language to the general fund appropriation:

Further provided that \$1,000,000 of this appropriation made for the purposes of executive direction may not be expended until the Maryland Department of Health submits a report on the opening and operation of a mass COVID-19 vaccination site in Montgomery County. The report shall include the location of the vaccination site, the estimated amount of daily doses able to be administered at the site, and when the site will be operational. The report shall be submitted by July 1, 2021, and the budget committees shall have 45 days to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

Explanation: Equitable distribution of the COVID-19 vaccine is imperative for Marylanders to recover from the COVID-19 pandemic. At present, Montgomery County, the State’s most populous jurisdiction, does not have a large-scale mass vaccination site. This has resulted in Montgomery County residents traveling across the State to other jurisdictions’ vaccination sites to receive the COVID-19 vaccine. This budget bill language restricts funds pending a report on the opening and operation of a large-scale vaccination site in Montgomery County.

Information Request	Author	Due Date
Report on mass vaccination site in Montgomery County	Maryland Department of Health	July 1, 2021

Amendment No. _____

M00A01

M00A01.02 Operations

Add the following language to the general fund appropriation:

, provided that \$100,000 of this appropriation made for the purposes of executive direction may not be expended until the Maryland Department of Health (MDH) submits a report to the budget committees on staffing vacancies throughout MDH. The report shall address barriers to attracting and maintaining staff, including:

- (1) a salary review comparison between compensation at MDH and other comparable positions at the federal and local levels;
- (2) a comparison of compensation of direct care staff to other private and nonprofit health care settings; and
- (3) an evaluation of the impact of recent annual salary review adjustments and any other compensation benefits or incentives offered by MDH.

The report shall be submitted by December 15, 2021, and the budget committees shall have 45 days to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purposes and shall revert to the General Fund if the report is not submitted to the budget committees.

Explanation: The committees are concerned about the persistently high vacancy rates in MDH. As of December 31, 2020, the vacancy rate in the department was 10.5%, with key administrations such as Prevention and Health Promotion, Behavioral Health, Developmental Disabilities, and Medical Care Programs Administration all above this level. High vacancy rates are found in both direct care institutions as well as administration of major health care programs serving a significant number of Marylanders. The only area where vacancies are not a concern is in the Health Regulatory Commissions, which have independent salary setting authority. This language restricts funds pending a report on barriers to recruitment and retention throughout MDH, including salary comparisons to other similar positions elsewhere in government or in different care settings.

Information Request	Author	Due Date
MDH vacancy rates	MDH	December 15, 2021

Amendment No. _____

M00B0104
Maryland Department of Health
Health Professional Boards and Commissions

Committee Narrative

REGULATORY SERVICES

M00B01.04 Health Professional Boards and Commissions

Report on Funding and Milestones for Licensing and Regulatory Management System Project: Given the continued delays in a Major Information Technology project to assist the health occupation boards in improvements in the licensure and investigation process, the budget committees request a report on the progress of this project as well as the boards involved. This report should discuss which boards will be included in the funding, which boards will be benefiting from the project, and milestones for meeting project completion.

Information Request	Authors	Due Date
Report on Enterprise License Major Information Technology Project	Maryland Department of Health Associated Health Occupation Boards	September 1, 2021

M00F
Maryland Department of Health
Public Health Administration

Committee Narrative

DEPUTY SECRETARY FOR PUBLIC HEALTH SERVICES

M00F01.01 Executive Direction

Public Health Personnel Recruitment and Retention: The vacancy rate among public health personnel in the Maryland Department of Health (MDH) Public Health Administration (PHA) has improved from 12.6% as of December 2019 to 9.1% as of December 2020. However, this includes consistent vacancies in assistant medical examiner (ME) positions and, beginning in fiscal 2020, the chief ME position. Additionally, the COVID-19 pandemic has emphasized the State’s public health personnel deficiencies as the statewide response required significant support from State employees diverted from other programs and volunteers.

The budget committees are concerned that vacancy rates remain high in PHA and MDH Prevention and Health Promotion Administration (PHPA), which reported in December 2020 a vacancy rate of 12.1%. The committees request that the department, in consultation with Local Health Departments (LHD), submit a report by January 15, 2022, providing:

- an analysis of the causes of public health staffing shortages in PHA, PHPA, and LHDs;
- an update on MDH’s efforts to hire assistant MEs and a chief ME;
- LHD vacancy rates as of December 2019 and December 2020;
- an evaluation of how the State’s COVID-19 pandemic response activities in PHA and PHPA impacted recruitment and retention of regular personnel;
- a discussion of salary enhancements, programs, and any other strategies the department is implementing to recruit and retain public health staff; and
- a discussion of any partnerships or programs with higher education institutions to recruit students and recent graduates to work for the department.

Information Request	Author	Due Date
Report on public health personnel	MDH	January 15, 2022

M00F03
Maryland Department of Health
Prevention and Health Promotion Administration

Budget Amendments

M00F03.01 Infectious Disease and Environmental Health Services

Add the following language to the general fund appropriation:

, provided that \$117,799 of this appropriation made for the purpose of administration may not be expended for that purpose but instead may be used only to provide additional grant funding for the Center for Infant and Child Loss under the University of Maryland, Baltimore Campus Department of Pediatrics. Funds not expended for this restricted purpose may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund.

Explanation: This language restricts administrative funding to restore the grant to the Center for Infant and Child Loss under the University of Maryland, Baltimore Campus Department of Pediatrics to the prior funding level of \$137,799.

Amendment No. _____

Committee Narrative

M00F03.04 Family Health and Chronic Disease Services

Education and Outreach to Address Disparities in Diabetes Prevalence: In June 2020, the Maryland Department of Health (MDH) published a State Diabetes Action Plan that presented data on the prevalence and risk factors for diabetes in the State and proposed strategies the statewide health system could use to reduce the burden of diabetes. The committees are concerned with the persistent disparities in diabetes prevalence and outcomes based on race and ethnicity that were outlined in the action plan. Therefore, the committees request that the MDH Prevention and Health Promotion Administration (PHPA), in consultation with the Office of Minority Health and Health Disparities and Health Services Cost Review Commission, submit a report by October 1, 2021, that assesses areas of the State where there are gaps in diabetes prevention, education, and outreach programs. The report should also describe new programs and grant opportunities specifically focused on reaching underserved and minority communities and provide initial participation and outcomes for these diabetes prevention programs.

Information Request	Author	Due Date
Report on diabetes education and outreach	MDH PHPA	October 1, 2021

M00L
Maryland Department of Health
Behavioral Health Administration

DEPUTY SECRETARY FOR BEHAVIORAL HEALTH

M00K01.01 Executive Direction

Add the following language to the general fund appropriation:

, provided that \$500,000 of this appropriation made for the purposes of executive direction may not be expended until the Behavioral Health Administration submits a report to the budget committees detailing the increase in psychiatric rehabilitation program expenditures and utilization. The report shall also include reasons for the significant growth in psychiatric rehabilitation program expenditures, utilization, and providers. The report shall be submitted by October 1, 2021, and the budget committees shall have 45 days from the receipt of the report to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purposes and shall revert to the General Fund if the report is not submitted to the budget committees.

Explanation: Increases in psychiatric rehabilitation program (PRP) expenditures in prior years have resulted in PRPs owing a disproportionate amount to the department from the estimated payments period. One possible cause for this disparity would be actions already taken by the Behavioral Health Administration (BHA) to increase oversight over these provider types. This language requests that BHA submit a report on the increases in PRP expenditures and utilization seen in prior years and factors contributing to the overpayments to PRP providers.

Information Request	Author	Due Date
Causes for increases in PRP expenditures and steps already taken to increase PRP oversight	BHA	October 1, 2021

Amendment No. _____

Committee Narrative

Ongoing Reporting on the Functionality of the New Administrative Services Organization: Given the reports of ongoing struggles with the new Behavioral Health Administrative Services Organization (ASO) over a year after the initial go-live date, the budget committees request ongoing status updates of its functionality. The budget committees are requesting a series of reports, the first of which, in consultation with the providers in the Public Behavioral Health System, identifies which reports and features are required for a fully functional ASO. Subsequent

M00L

reports should identify progress made on each of these features, identify what is not fully functional, the steps needed to reach functionality, and the estimated completion date. The first report should be submitted by July 1, 2021, and subsequent reports shall be submitted quarterly through fiscal 2022, or until full functionality is achieved.

Information Request	Author	Due Dates
Status of ASO functionality	Maryland Department of Health	July 1, 2021 Oct. 1, 2021 Jan. 1, 2022 April 1, 2022

Budget Amendments

M00L01.02 Community Services

Add the following language:

Provided that these funds are to be used only for the purposes herein appropriated, and there shall be no transfer to any other program or purpose except that funds may be transferred to programs M00L01.03 Community Services for Medicaid State Fund Recipients or M00Q01.10 Medicaid Behavioral Health Provider Reimbursements. Funds not expended or transferred shall be reverted or canceled.

Explanation: This language restricts the entire appropriation for substance use disorder treatment, uninsured treatment, or other community service grants for that purpose or for provider reimbursements in M00L01.03 Community Services for Medicaid State Fund Recipients or M00Q01.10 Medicaid Behavioral Health Provider Reimbursements.

Amendment No. _____

M00L

Add the following language to the general fund appropriation:

Further provided that this appropriation shall be reduced by \$700,000 contingent upon enactment of legislation authorizing the transfer of excess special fund balance from the State Board of Examiners of Psychologists.

Explanation: This language provides a general fund reduction for the Community Service program contingent on a corresponding Budget Reconciliation and Financing Act recommendation made by the Department of Legislative Services to transfer surplus fund balance totaling \$700,000 to the Behavioral Health Administration from the State Board of Examiners of Psychologists.

Amendment No. _____

M00L01.03 Community Services for Medicaid State Fund Recipients

Add the following language:

Provided that these funds are to be used only for the purposes herein appropriated, and there shall be no transfer to any other program or purpose except that funds may be transferred to programs M00L01.02 Community Services or M00Q01.10 Medicaid Behavioral Health Provider Reimbursements. Funds not expended or transferred shall be reverted or canceled.

Explanation: This language restricts the entire appropriation for Medicaid State Funded Mental Health Services for that purpose or for provider reimbursements in M00L01.02 Community Services or M00Q01.10 Medicaid Behavioral Health Provider Reimbursements.

Amendment No. _____

M00M
Maryland Department of Health
Developmental Disabilities Administration

Budget Amendments

M00M01.01 Program Direction

Add the following language to the general fund appropriation:

, provided that \$1,000,000 of this appropriation made for the purpose of administration may not be expended until the Maryland Department of Health submits a report to the budget committees regarding community service utilization data and spending forecasts that will be made available as the Developmental Disabilities Administration (DDA) Community Services program transitions to a fee-for-service (FFS) reimbursement system. The report should include:

- (1) a plan and timeline for providing data to the Department of Legislative Services on utilization by service type on a monthly basis for DDA-funded services billed through the Long Term Services and Supports (LTSS) system;
- (2) a plan and timeline for forecasting general fund spending in the Community Services program in fiscal 2023 and beyond based on actual utilization and reimbursements billed through the LTSS system following the transition to an FFS reimbursement model;
- (3) the number of individuals receiving DDA-funded services and providers that transitioned to the LTSS system before the start of fiscal 2022 and the number of individuals and providers transitioned to the LTSS system in fiscal 2022 year to date;
- (4) a cost analysis of the rates paid to providers that were transitioned to the LTSS system as part of the initial LTSS pilot program and how DDA's reimbursements compare to the estimated payments that would have been made under the prospective payment model; and
- (5) a description of the utilization and spending data that is available through the LTSS system and would assist DDA in forecasting its spending needs.

The report shall be submitted by November 1, 2021, and the budget committees shall have 45 days from receipt of the report to review and comment. Funds restricted pending receipt of this report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

Explanation: DDA is overhauling its Community Services system by implementing new service definitions, establishing new rates based on an FFS reimbursement model, and transitioning to Medicaid's exiting LTSS system for billing and service authorization. These changes should improve DDA's data collection and spending forecast abilities compared to the

M00M

current prospective payment model. This language restricts funding budgeted for administration until the Maryland Department of Health (MDH) submits a report to the budget committees on data collection and spending forecasts following the transition to a new rate structure.

Information Request	Author	Due Date
Report on community services utilization data collection and spending forecasts	MDH	November 1, 2021

Amendment No. _____

Committee Narrative

State Facility Performance Measures on Staff and Resident Safety: The Maryland Department of Health (MDH) introduced a new performance measure for State psychiatric hospitals that measures staff safety as the incidence rate of patient to staff assaults per 1,000 patient days. The budget committees request that MDH provide this measure for each of the Developmental Disabilities Administration facilities in its fiscal 2023 Managing for Results (MFR) submission. Further, the committees request that the fiscal 2023 MFR submission report existing measures of resident-on-resident and resident-on-staff assault data separately for the Holly Center, the Potomac Center, and the Secure Evaluation and Therapeutic Treatment unit.

Information Request	Author	Due Date
Performance measures related to State facility staff and resident safety	MDH	With the submission of the fiscal 2023 allowance

Budget Amendments

M00M01.02 Community Services

Add the following language:

All appropriations provided for program M00M01.02 Community Services are to be used only for the purposes herein appropriated, and there shall be no budgetary transfer to any other program or purpose.

M00M

Explanation: The Maryland Department of Health has reported increasing net general fund transfers out of the Developmental Disabilities Administration Community Services program, mainly to cover shortfalls elsewhere in the department. This language restricts funds appropriated for the Community Services program to that use only and prevents budgetary transfers.

Amendment No. _____

Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. Reduce general funds based on unanticipated enhanced federal matching funds continuing through the COVID-19 public health emergency.	37,800,000	GF
 Total Reductions	 37,800,000	 0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	120.50	120.50		0.00
General Fund	779,548,146	741,748,146	37,800,000	
Special Fund	6,298,272	6,298,272	0	
Federal Fund	701,973,811	701,973,811	0	
Total Funds	1,487,820,229	1,450,020,229	37,800,000	

Amendment No. _____

M00Q01
Maryland Department of Health
Medical Care Programs Administration

Budget Amendments

Add the following language:

All appropriations provided for program M00Q01.03 Medical Care Provider Reimbursements are to be used for the purposes herein appropriated, and there shall be no budgetary transfer to any other program or purpose.

Explanation: This annual budget bill language restricts Medicaid provider reimbursements to the purpose.

Amendment No. _____

M00Q01.03 Medical Care Provider Reimbursements

Reduce appropriation for the purposes indicated:

	<u>Funds</u>		<u>Positions</u>
1. Reduce general funds based on the availability of special funds from the Board of Pharmacy Fund authorized in the Budget Reconciliation and Financing Act of 2020. The special funds were not included in the fiscal 2022 budget.	750,000	GF	
2. Reduce general funds based on the availability of special funds from the Cigarette Restitution Fund.	3,343,849	GF	
3. Reduce general funds for the non-emergency transportation program based on the most recent actual federal fund attainment.	4,500,000	GF	
4. Reduce general funds based on service utilization trends.	77,000,000	GF	
5. Reduce general funds based on the unanticipated availability of enhanced federal matching funds through calendar 2021.	244,600,000	GF	
 Total Reductions	 330,193,849		 0.00

M00Q01

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
General Fund	3,724,129,522	3,393,935,673	330,193,849	
Special Fund	705,963,656	705,963,656	0	
Federal Fund	6,592,096,258	6,592,096,258	0	
Total Funds	11,022,189,436	10,691,995,587	330,193,849	

Amendment No. _____

Add the following language to the special fund appropriation:

, provided that authorization is hereby provided to process a special fund budget amendment of up to \$3,343,849 from the Cigarette Restitution Fund to support Medicaid provider reimbursements.

Explanation: The language authorizes the transfer of up to just over \$3.3 million from the Cigarette Restitution Fund to support Medicaid reimbursements. This transfer is related to a reduction of a like amount of special funds for nonpublic schools.

Amendment No. _____

Committee Narrative

Calendar 2020 Managed Care Organization (MCO) Risk Corridor Settlements: Given the uncertainty around service utilization trends during the COVID-19 pandemic, the Maryland Department of Health (MDH) entered into risk corridor arrangements with MCOs for both calendar 2020 and 2021. Under these arrangements, the MCOs and State will share in any underspending when revenues exceed certain expenditure levels and also share risk when revenues fall short of expenditures. The specific details of the risk corridor arrangements vary between the two calendar years. It is anticipated that fiscal 2020 MCO spending will be below capitated revenue. However, settlements from the calendar 2020 risk corridor arrangement will not be known until after session. The committees are interested in the results of the calendar 2020 risk corridor process and request MDH to submit a report detailing results by individual MCO.

M00Q01

Information Request	Author	Due Date
Calendar 2020 MCO risk corridor settlements	MDH	July 1, 2021, or earlier if the results are known

Home- and Community-based Waiver Services Expansion: A draft report completed by the Hilltop Institute for the Maryland Department of Health (MDH) concluded that, on balance, there are costs to Medicaid associated with the expansion of home- and community-based waiver services although these costs were lower than cited in the past. However, the report noted opportunities that may exist for programming that allows the State to share in the savings that can accrue to Medicare from Medicaid-funded waiver services to the dual eligibles and using those savings to defray the costs of waiver expansion. The committees are interested in pursuing such opportunities and request that MDH submit a report with specific programmatic recommendations on ways to claim Medicare savings to apply to costs for waiver expansion.

Information Request	Author	Due Date
Home- and community-based waiver services expansion	MDH	December 1, 2021

Collaborative Care Pilot Updates: Chapters 683 and 684 of 2018 established a four-year pilot program in Medicaid aimed at improving the delivery of behavioral health care in primary care settings. The pilot provides for the delivery of behavioral health services in three primary care locations using a Collaborative Care Model (CCM), which is a validated, evidence-based intervention that has been shown to improve clinical outcomes and reduce hospitalizations and associated costs and is being used in Medicare, numerous state Medicaid agencies, and commercial carriers. The budget committees are interested in initial data and findings from the CCM pilot and whether the findings warrant full-scale implementation in Medicaid earlier than the pilot end date.

Information Request	Author	Due Date
CCM pilot	Maryland Department of Health	November 1, 2021

Fiscal 2021 Deficiency

M00Q01.03 Medical Care Provider Reimbursements

Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. Reduce general fund deficiency appropriations to reflect service utilization trends.	75,000,000	GF

M00Q01

2. Reduce general fund deficiency appropriations to reflect the availability of unrecognized fiscal 2020 enhanced federal match.	37,300,000	GF
Total Reductions	112,300,000	0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
General Fund	233,718,178	121,418,178	112,300,000	
Special Fund	10,000,000	10,000,000	0	
Federal Fund	482,651,672	482,651,672	0	
Total Funds	726,369,850	614,069,850	112,300,000	

Amendment No. _____

Budget Amendments

M00Q01.07 Maryland Children’s Health Program

Add the following language:

All appropriations provided for program M00Q01.07 Maryland Children’s Health Program are to be used for the purposes herein appropriated, and there shall be no budgetary transfer to any other program or purpose.

Explanation: The language restricts funding in the Maryland Children’s Health Program to that purpose.

Amendment No. _____

M00Q01

M00Q01.10 Medicaid Behavioral Health Provider Reimbursements

Add the following language:

Provided that these funds are to be used only for the purposes herein appropriated, and there shall be no transfer to any other program or purpose except that funds may be transferred to programs M00L01.03 Community Services for Medicaid State Fund Recipients or M00L01.02 Community Services. Funds not expended or transferred shall be reverted or canceled.

Explanation: This language restricts the entire appropriation for Medicaid behavioral health provider reimbursements for that purpose or for provider reimbursements in M00L01.03 Community Services for Medicaid State Funded Recipients or M00L01.02 Community Services.

Amendment No. _____

Add the following language to the general fund appropriation:

, provided that \$100,000 of this appropriation made for the purposes of behavioral health provider reimbursements may not be expended until the Maryland Department of Health submits a report on the Institutions for Mental Disease (IMD) designation for psychiatric hospitals in the State. This report shall address barriers to removing the IMD designation from psychiatric hospitals from the Centers for Medicare and Medicaid Services, opportunities for waivers to remove the designation from the hospitals currently designated as IMDs, and timeline for submission of necessary waivers to remove this designation. Further, the report shall address funding adequacy for these hospitals and steps taken by the department to ensure adequate funding. The report shall be submitted by August 1, 2021, and the budget committees shall have 45 days to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

Explanation: The IMD designation on certain hospitals in the State currently prohibits Medicaid federal match under the IMD exclusion. This language restricts funds pending a report from the Maryland Department of Health (MDH) on the opportunities from removing the IMD designation from certain Maryland hospitals through seeking a waiver from the federal Centers for Medicare and Medicaid Services. The report also requires MDH to review funding adequacy for the services currently under the IMD exclusion and measures taken by the department to ensure adequacy for these services.

M00Q01

Information Request	Authors	Due Date
Report on IMD designation	MDH	August 1, 2021
		Amendment No. _____

Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. Reduce general funds by \$35,000,000 to account for six months of extended enhanced federal fund match in the Medicaid program.	35,000,000	GF
 Total Reductions	 35,000,000	 0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
General Fund	642,665,447	607,665,447	35,000,000	
Special Fund	11,114,687	11,114,687	0	
Federal Fund	1,225,401,281	1,225,401,281	0	
Total Funds	1,879,181,415	1,844,181,415	35,000,000	

Amendment No. _____

M00Q01.11 Senior Prescription Drug Assistance Program

Amend the following language to the special fund appropriation:

Authorization is granted to process a special fund budget amendment of ~~\$4,363,720~~ \$1,863,720 contingent upon the enactment of legislation to increase the Senior Prescription Drug Assistance Program annual mandated appropriation.

Explanation: The language amends the contingent budget amendment authorization in the Senior Prescription Drug Assistance Program to reflect anticipated need.

Amendment No. _____

M00R01
Maryland Department of Health
Health Regulatory Commissions

Committee Narrative

M00R01.02 Health Services Cost Review Commission

Health Services Cost Review Commission Evaluation of the Maryland Primary Care Program (MDPCP): Given the role of the MDPCP in transforming care in the State under the total cost of care model and the prior findings that the MDPCP has yet to produce cost savings, the budget committees request information on the effectiveness of the program. In particular, this evaluation should focus on cost-savings from the MDPCP, reducing unnecessary utilization or hospitalization for patients participating in the MDPCP over the increased expenditures from provider incentives, and a consideration of racial equity within MDPCP, including racially diverse participation by providers and patients.

Information Request	Author	Due Date
Evaluation of MDPCP	Health Services Cost Review Commission	October 1, 2021

Budget Amendments

M00R01.03 Maryland Community Health Resources Commission

Amend the following language to the special fund appropriation:

, provided that this appropriation shall be reduced by ~~\$4,363,720~~ \$1,863,720 contingent upon the enactment of legislation to reduce the Community Health Resource Commission annual mandated appropriation.

Explanation: The language amends the contingent reduction to the Community Health Resources Commission to align with a corresponding Budget Reconciliation and Financing Act action.

Amendment No. _____

N00
Department of Human Services

Budget Amendments

Add the following language:

Provided that \$950,000 in general funds for administrative expenses in the Department of Human Services shall be reduced. The reduction shall be allocated among the programs and objects within the department.

Explanation: Language in the fiscal 2020 Budget Bill restricted \$950,000 of the general fund appropriation in the Department of Human Services Local Family Investment Program to be used for a grant to support the transition of community action agencies or other community organizations in the transition to a Two-Generation Model of Service Delivery. These funds were required to be reverted if not used for this purpose. The fiscal 2021 budget plan assumed that these funds would be reverted and a deficiency appropriation for fiscal 2020 replaced the restricted funds to allow the grant to be provided. However, the restricted funds were not reverted as required at closeout. This reduction may be allocated among subprograms and comptroller subobjects.

Amendment No. _____

N00A01
Department of Human Services
Office of the Secretary

Budget Amendments

N00A01.04 Maryland Legal Services Program

Add the following language to the general fund appropriation:

, provided that this appropriation made for the purpose of the Maryland Legal Services Program may be expended only for that purpose. Funds not used for this restricted purpose may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund.

Explanation: The language restricts the general fund appropriation of the Maryland Legal Services Program (MLSP) to that purpose and, if it is not needed for that purpose, requires that the funds revert to the General Fund. During the fiscal 2013 closeout process, the Department of Human Services recorded an unprovided for payable in the MLSP. That was the second consecutive year that an unprovided for payable was recorded and the fourth since fiscal 2007. Given the important functions of the MLSP, it remains necessary to ensure that the program is adequately funded. Similar language has been adopted in each of the last seven fiscal years.

Amendment No. _____

N00B
Department of Human Services
Social Services Administration

Budget Amendments

N00B00.04 General Administration – State

Add the following language to the general fund appropriation:

, provided that \$250,000 of the general fund appropriation in the General Administration – State program of the Department of Human Services (DHS) Social Services Administration made for the purpose of general operating expenses may not be expended until DHS submits a report to the budget committees on:

- (1) the number of youth in out-of-home placements served in emergency rooms for psychiatric evaluation or crises and the average length of stay (ALOS) by month for the period October 2019 through September 2021;
- (2) the number of youth in out-of-home placements served separately by medical hospitals and inpatient psychiatric hospital and ALOS by month for the period October 2019 through September 2021;
- (3) the number of days that youth in out-of-home placements served in hospitals were in the hospital longer than was deemed medically necessary by either the hospital or a judicial finding separately by type of hospital for calendar 2020 and 2021; and
- (4) the placement type after discharge separately by type of hospital, including identifying the number of youth placed out-of-state after discharge for fiscal 2021.

Data on youth served in medical hospitals should include all medical hospitalizations regardless of diagnosis. The report shall be submitted by November 30, 2021, and the budget committees shall have 45 days to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

Explanation: The General Assembly continues to be concerned about whether youth are remaining in emergency rooms or inpatient hospital settings longer than is medically necessary. The General Assembly has requested data on hospital stays for several years. However, DHS provided no updated information on hospital stays for fiscal 2020 beyond September 2019 due to limitations in the source of data used for the most recent report. In addition, the change in the source of the data related to youth in hospital settings and ALOS made the data that was provided not comparable to prior years. This language restricts funds until recent data on hospital stays, emergency room visits, stays beyond medical necessity, and placement after discharge is submitted.

N00B

Information Request	Author	Due Date
Report on emergency room visits, hospital stays, and placements after discharge	DHS	November 30, 2021

Amendment No. _____

Committee Narrative

Status of Implementation of the Families First Prevention Services Act (FFPSA): The committees are interested in understanding the impact of the FFPSA on families served through the child welfare system and the State budget. The committees request that the Department of Human Services (DHS) submit a report on:

- the status of the approval of the State’s revised Cost Allocation Plan and other Title IV-E Plan amendments, including those to add new prevention services, to allow the department to claim Title IV-E Funds for prevention services and Qualified Residential Treatment Programs (QRTP);
- the implementation of an application or certification process for QRTPs;
- if applicable, the number of approved or certified QRTPs; and
- any changes in the evidence-based practices implemented in fiscal 2022, including new practices implemented, practices no longer implemented, or changes in the jurisdictions implementing practices.

Information Request	Author	Due Date
Status of implementation of the FFPSA	DHS	October 15, 2021

N00F00
Department of Human Services
Office of Technology for Human Services

Committee Narrative

N00F00.02 Major Information Technology Development Projects

Maryland Total Human-services Integrated Network (MD THINK) Updates: The committees request that the Department of Human Services (DHS) provide three updates including the following information:

- monthly MD THINK expenditures by project component since the prior report, specifically identifying components supported by other agencies;
- the actual general/federal fund split for each category of expenditures;
- a description of the activities since the prior report;
- an update on the timeline for activities to be completed during the year; and
- a description of any schedule delays, scope changes, or cost increases, including the reason for the delay or changes.

The report submitted October 15, 2021, should include data for the period July 1, 2021, through September 30, 2021. The report submitted January 15, 2022, should include data for the period October 1, 2021, through December 31, 2021. The report submitted April 15, 2022, should include data for the period January 1, 2022, through March 31, 2022.

Information Request	Author	Due Date
MD THINK updates	DHS	October 15, 2021 January 15, 2022 April 15, 2022

Maryland Total Human-services Integrated Network (MD THINK) Spending and Development Timeline: The committees are interested in continuing to monitor the implementation status of MD THINK components and having a baseline to compare future information. The committees request that the Department of Human Services (DHS) submit a report identifying:

- the date each outstanding application or component of an application will be deployed to pilot counties;

N00F00

- the date each application or component of an application will be deployed statewide;
- expected quarterly expenditures in each quarter of the fiscal year; and
- challenges anticipated throughout fiscal 2022 that may impact the project timeline.

Information Request	Author	Due Date
MD THINK spending and development timeline	DHS	July 1, 2021

N00G00
Department of Human Services
Local Department Operations

Budget Amendments

N00G00.01 Foster Care Maintenance Payments

Add the following language to the general fund appropriation:

Further provided that these funds are to be used only for the purposes herein appropriated, and there shall be no budgetary transfer to any other program or purpose. Funds not expended shall revert to the General Fund.

Explanation: This annual language restricts general funds appropriated for foster care payments to that use only. This restriction prevents a transfer of general funds to other programs that might create or increase a deficit in spending in the Foster Care Maintenance Payments program (N00G00.01).

Amendment No. _____

Committee Narrative

Implementation of the New Foster Care Rate Structure: In a response to language included in the fiscal 2021 Budget Bill (Chapter 19), the Department of Human Services (DHS) indicated that a new provider rate structure for providers who have rates set by the Interagency Rates Committee would begin to be implemented in fiscal 2023 for residential child care providers. However, a change in vendor appears likely to delay this timeline. The committees are interested in receiving updates on the timeline for implementation and monitoring the impact of the new rate structure on the budget. The committees request that DHS submit a report on the status of implementation, including any updates on the status of the procurement of the vendor for the actuarial services and a revised timeline for implementation of the new structure. DHS should also discuss efforts to work with the Maryland Department of Health on the actuarial services that would be required for the new rate process and receipt of Medicaid reimbursement. The report should also include an update on the status and timeline of any amendments to the State Medicaid Plan to allow for clinical care costs to be eligible for reimbursement.

Information Request	Author	Due Date
Status and timeline for the new provider rate structure	DHS	December 15, 2021

N00G00

Savings for Foster Youth: Recent programs have led to increased savings for foster youth. The Foster Youth Savings Program deposits funds into accounts for transition-aged youth including annual deposits of varying amounts based on age and incentives for achieving specific goals. Chapters 815 and 816 of 2018 reduced the amount of federal benefits received on behalf of foster youth that can be used for the cost of care and required certain percentages of these funds to be conserved for youth based on age. The committees are interested in continuing to monitor these programs and request the Department of Human Services (DHS) to submit information on:

- the average number of accounts in which deposits have been made by jurisdiction and month as a result of Chapter 815 and 816 for fiscal 2021 and 2022 year to date;
- the average amount conserved by age group in Chapter 815 and 816 for fiscal 2021 and 2022 year to date;
- total amount conserved by age group in Chapter 815 and 816 for fiscal 2021 and 2022 year to date;
- the number of youth receiving a deposit into a Foster Youth Savings account separately by age and whether it is a new, additional annual deposit, or incentive deposit by type of incentive for fiscal 2020, 2021, and 2022 year to date; and
- the total amount deposited separate by age and whether it is an annual deposit or incentive for fiscal 2020, 2021, and 2022 year to date.

Information Request	Author	Due Date
Youth savings under the Foster Youth Savings Program and Chapters 815 and 816 of 2018	DHS	December 30, 2021

Fiscal 2021 Deficiency

N00G00.01 Foster Care Maintenance Payments

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Delete a general fund deficiency appropriation for a temporary provider rate increase because sufficient funding exists within the Foster Care Maintenance Program for these costs. The fiscal 2022 budget includes a deficiency appropriation to provide a 2% rate increase to providers who have rates set by the	1,543,103	GF

N00G00

Interagency Rates Committee from January 1, 2021, through June 30, 2020. Due to declines in average monthly placements, the Foster Care Maintenance Payments Program is forecasted to have a surplus of approximately \$2.9 million. This surplus is sufficient to fully fund the cost of the temporary 2% provider rate increase.

Total Reductions 1,543,103 0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
General Fund	1,543,103	0	1,543,103	
Total Funds	1,543,103	0	1,543,103	

Amendment No. _____

Supplemental Budget No. 2

N00G00.01 Foster Care Maintenance Payments

Add the following language to the general fund appropriation:

. provided that these funds are to be used only for the purposes herein appropriated, and there shall be no budgetary transfer to any other program or purpose. Funds not expended shall revert to the General Fund.

Explanation: This language is annually added to the general fund appropriation of N00G00.01 Foster Care Maintenance Payments program to restrict the funding to that use only. This restriction prevents a transfer of general funds to other programs that might create or increase a deficit in spending in the program. This action adds this annual language to the appropriation for the program included in Supplemental Budget No. 2.

Amendment No. _____

N00G00

Budget Amendments

N00G00.03 Child Welfare Services

Add the following language to the general fund appropriation:

, provided that these funds are to be used only for the purposes herein appropriated, and there shall be no budgetary transfer to any other program or purpose except that funds may be transferred to program N00G00.01 Foster Care Maintenance Payments. Funds not expended or transferred shall revert to the General Fund.

Explanation: This annual language restricts general funds appropriated for the Child Welfare Services program to that use only or for transfer to N00G00.01 Foster Care Maintenance Payments.

Amendment No. _____

Committee Narrative

Child Welfare Caseload Data: The committees believe that maintaining an adequate child welfare workforce is essential to improving outcomes for children entering the State's care. Therefore, in order to maintain oversight of this important issue, the committees request that the Department of Human Services (DHS) report to the committees on the number of cases and positions required based on the caseload to meet the Child Welfare League of America caseload standards, by jurisdiction, for the following caseload types current within 70 days:

- intake screening;
- child protective investigation;
- consolidated in-home services;
- interagency family preservation services;
- services to families with children – intake;
- foster care;
- kinship care;
- family foster care;

N00G00

- family foster homes – recruitment and new applications;
- family foster homes – ongoing and licensing;
- adoption;
- interstate compact for the placement of children; and
- caseworker supervision.

The committees also request that DHS provide information on reallocation of positions, including the number of positions reallocated by type (caseworker or supervisor) between jurisdictions and identifying the jurisdictions that these positions were transferred from and to, in order to assist jurisdictions to meet the caseload standard. DHS should also include information on efforts to fill vacant caseworker and caseworker supervisor positions in Baltimore and Prince George’s counties in order to assist those jurisdictions in meeting the caseload standards based on filled (not just available) positions.

Information Request	Author	Due Date
Report on caseload data and filled positions assigned by jurisdiction for specified caseload types and reallocation and filling of vacant positions	DHS	December 1, 2021

Child Welfare League of America (CWLA) Standards: Current Maryland statute requires the State to have sufficient child welfare staff to achieve caseload ratios consistent with CWLA caseload standards. However, CWLA currently recommends that caseload standards be defined based on a completed workload study that takes into account the appropriate caseload size given the work to be done. The budget committees request that the Department of Human Services (DHS) report on a timeline and activities that would be required to complete a workload study for child welfare services and implement recommendations from such a workload study. The report should also include information on any adjustments that would be required to transition the current Maryland statute regarding caseload standards to one in line with a completed workload study.

N00G00

Information Request	Author	Due Date
Child welfare caseworker workload study planning and timeline	DHS	October 1, 2021

N00G00.08 Assistance Payments

Reason for Case Closures: During a temporary end to six-month extensions of recertifications in calendar 2020, the number of Temporary Cash Assistance (TCA), Temporary Disability Assistance Program (TDAP), and Supplemental Nutrition Assistance Program (SNAP) case closures increased substantially. In addition, the primary cause of closures during this period was failure to reapply. The committees are interested in monitoring the impact of the end of waivers that once again allow for recertifications to be extended by six months. The committees request that the Department of Human Services (DHS) submit reports on the number of case closures by month and the reason for closure separately for TCA, TDAP, and SNAP. The first report should include data for the period of October 2020 through June 2021, and each subsequent report should provide data for the appropriate quarter (July through September 2021, October through December 2021, January through March 2022, and April and May 2022).

Information Request	Author	Due Date
TCA, TDAP, and SNAP case closures by month	DHS	July 20, 2021 October 20, 2021 January 20, 2022 April 20, 2022 June 20, 2022

Children Served in the Summer Supplemental Nutrition Assistance Program (SNAP): Chapters 635 and 636 of 2019 created a supplemental benefit for children receiving SNAP in jurisdictions that chose to implement the program. Fiscal 2021 was the first year of mandated funds, and the summer benefits were delayed as the State implemented pandemic-related programs. The fiscal 2022 allowance also includes the \$200,000 mandated funding. The committees are interested in continuing to monitor the implementation of the program with a more typical benefit distribution. The committees request that the Department of Human Services (DHS) provide two reports with the following information:

- the number of children served by jurisdiction;
- the benefit level provided by jurisdiction; and

N00G00

- the number of children in participating jurisdictions that are not able to receive benefits due to insufficient funding by jurisdiction.

In addition, the first report should also provide information on the number of jurisdictions that applied for the program funding; how the determination for funding was made by jurisdiction; the total funding available for benefits, including the local match by jurisdiction; and how jurisdictions determined which children would receive the benefit.

The first report should cover the summer portion of the program (June, July, and August 2021), while the second report should cover the winter portion of the program (December 2021).

Information Request	Author	Due Date
Children receiving benefits through the Summer SNAP for Children Act	DHS	October 1, 2021 February 1, 2022

Pandemic Electronic Benefits Transfer (P-EBT) Spending: The committees are interested in understanding the impact of the P-EBT program on the Supplemental Nutrition Assistance Program budget. The committees request that the Department of Human Services (DHS) and Department of Budget and Management (DBM) separately identify in subprogram detail spending related to the P-EBT program in the fiscal 2021 actual and, to the extent applicable, the fiscal 2022 working appropriation and fiscal 2023 allowance.

Information Request	Authors	Due Date
P-EBT costs	DHS DBM	With submission of the fiscal 2023 allowance

Application Processing Times and Denial Rates: The committees are concerned about the ability to process applications and recertifications timely, given the anticipated surge in recertifications following the end of extensions of this requirement. In addition, the committees are concerned that the ability to provide verification documents will continue to be problematic with the limited access to local departments of social services. The committees request that the Department of Human Services (DHS) submit three reports that contain:

- the average number of days to process applications by benefit type for Temporary Cash Assistance (TCA), Supplemental Nutrition Assistance Program (SNAP), and Temporary Disability Assistance Program (TDAP) separately by month of application;

N00G00

- the percentage of applications processed in 0 to 30 days, 31 to 45 days, and longer than 45 days by benefit type for TCA, SNAP, and TDAP separately by month of application; and
- the number and percentage of applications denied by reason for denial and by benefit type for TCA, SNAP, and TDAP.

The first report due on August 15, 2021, should cover the period of April 2021 through July 2021. The second report due on December 31, 2021, should cover the period August 2021 through November 2021. The third report due on June 30, 2022, should cover the period December 2021 through May 2022.

Information Request	Author	Due Date
Application processing times and denial rates	DHS	August 15, 2021 December 31, 2021 June 30, 2022

Review of Alternative Benefit Cliff Programs: The committees are interested in better understanding the impact of the current income thresholds for various State and federal programs on the benefit cliff, particularly for households with incomes just above these thresholds. The Department of Human Services (DHS) currently administers a Temporary Cash Assistance (TCA) transitional benefit that provides benefits for three months at the same level as the household received prior to leaving TCA due to employment or income. The committees request that the department evaluate and report on:

- the potential for adjusting income thresholds and/or benefit levels of programs for which the State sets eligibility levels to reduce the impact of the benefit cliff;
- the potential to alter the current TCA transitional benefit to a gradual, step-down approach from the current program to improve self-sufficiency; and
- a review of transitional benefit programs and any other programs to address the benefit cliff in other states.

Information Request	Author	Due Date
Report on options for addressing the benefit cliff	DHS	November 15, 2021

N00H00
Department of Human Services
Child Support Administration

Committee Narrative

N00H00.08 Child Support – State

Child Support Services Performance Reports: The federal government evaluates states' performance against five measures to determine federal incentive payments: paternity establishment; support order establishment; collections on current support; cases paying toward arrears; and cost effectiveness. In federal fiscal 2019, Maryland's performance against three of the five performance measures was below the national average. Baltimore City, the only privatized jurisdiction in the State, comprises the greatest share of the State's child support caseload. The committees request that the Department of Human Services (DHS) submit three reports on performance. The report submitted November 1, 2021, should include data for the period July 1, 2021, through September 30, 2021, and state whether any incentives or liquidated damages were assessed to the Baltimore City Office of Child Support Services (BCOCSS) vendor at the conclusion of the federal fiscal year and also state the cost effectiveness achieved for Baltimore City, each county, and the State overall in federal fiscal 2021. The report submitted February 1, 2022, should include data for the period October 1, 2021, through December 31, 2021. The report submitted May 1, 2022, should include data for the period January 1, 2022, through March 31, 2022. Each report should include the following:

- a discussion of factors affecting performance in the quarter;
- the State's aggregate performance set against four performance measures used to determine federal incentive payments (paternity establishment, support order establishment, collections on current support, and cases paying toward arrears);
- each county's performance set against four performance measures used to determine federal incentive payments (paternity establishment, support order establishment, collections on current support, and cases paying toward arrears);
- the BCOCSS performance set against four performance measures used to determine federal incentive payments (paternity establishment, support order establishment, collections on current support, and cases paying toward arrears);
- a statement of the BCOCSS privatization contract's minimum service levels and incentive payment goals; and
- a discussion of any changes to BCOCSS' privatization contract and the method used to make the change.

N00H00

Information Request	Author	Due Date
Child Support Services performance reports	DHS	November 1, 2021 February 1, 2022 May 1, 2022

Performance Measures for Temporary Cash Assistance (TCA)-related Child Support Cases: Since fiscal 2020, the Department of Human Services (DHS) has passed through a portion of the child support payments collected on behalf of TCA recipients. The committees request that DHS include annually, beginning with the fiscal 2023 Managing for Results submission, the average monthly collections for TCA-related cases, the number of families that received pass-through collections, the number of children that received pass-through collections, the total collections on arrears for TCA-related cases, the percentage of TCA-related cases with collections on arrears, the percentage of TCA-related cases receiving current support, and the percentage of TCA-related cases with a support order.

Information Request	Author	Due Date
Performance measures for TCA-related child support cases	DHS	With the submission of the fiscal 2023 allowance, and annually thereafter

Report on State Enforcement Measures: The committees are interested in the State's performance on child support enforcement measures compared to states with similar population sizes and median income levels, the frequency of enforcement actions taken, and the number of cases that receive collections on current support or arrearages when an enforcement action is applied. The committees request that the Department of Human Services (DHS) submit a report that provides:

- the number of cases for which an enforcement measure was applied during federal fiscal 2021, by type of enforcement activity;
- the number of cases for which an enforcement measure was applied in federal fiscal 2021, by reason for applying the enforcement measure;
- the number of cases with an enforcement action (excluding wage withholdings), by type of enforcement measure, that reports separately the number of cases for which no collections were received in federal fiscal 2021, the number of cases that received collections on current support in federal fiscal 2021, and the number of cases that received collections on arrears in federal fiscal 2021;
- a list of the State's child support enforcement practices that identifies which practices are

N00H00

and are not federally mandated;

- the full range of enforcement options that other states have implemented that are not currently adopted in Maryland and an assessment of the potential benefits and drawbacks of adopting each measure; and
- the State's relative performance in enforcement activities when compared with states that have similar population sizes and median income levels.

Information Request	Author	Due Date
Report on State enforcement measures	DHS	November 15, 2021

N00I00
Department of Human Services
Family Investment Administration

Committee Narrative

N00I00.04 Director's Office

Performance Data for the Supplemental Nutrition Assistance Program (SNAP) Employment and Training (E&T) Program: The committees continue to be interested in the participation in and performance of the SNAP E&T program. The committees request that the Department of Human Services (DHS) begin including in its annual Managing for Results submission:

- performance in each of the national performance measures for SNAP E&T separately for the total population and the able-bodied adults without dependents (ABAWD) population;
- performance in the State option measures for SNAP E&T identified in the State plan for program components serving 100 or more individuals separately for the total population and the ABAWD population; and
- participation in SNAP E&T by participant characteristic as defined in the performance measures, including education, gender, age, and ABAWD status.

Information Request	Author	Due Date
SNAP E&T participation and performance	DHS	With the submission of the fiscal 2023 budget and annually thereafter

Use of Temporary Assistance for Needy Families (TANF) Funds: The committees are interested in understanding more about the ability to use TANF to support the work of nonprofits and other non-State entities for case management and other services provided to households meeting TANF eligibility levels. The committees request that the Department of Human Services (DHS) submit a report on (1) whether TANF dollars can be used to support nonprofit organizations or non-State entities providing case management and services to households meeting TANF eligibility levels; (2) a review of the use of TANF for these types of activities in other states; and (3) any potential benefits (if authorized) to expanding case management and service provision with TANF dollars to nonprofits and/or other non-State entities.

N00I00

Information Request	Author	Due Date
Report on use of TANF for case management and services by non-State entities	DHS	November 1, 2021

N00I00.06 Office of Home Energy Programs

Energy Assistance Applications Processing Times and Denial Rates: The committees are interested in continuing to monitor the local administering agencies (LAA) energy assistance application processing times and overall program denial rates. The committees request that the Department of Human Services (DHS) provide by LAAs:

- the number of applications received;
- the average number of days to process applications; and
- the number and percentage of applications processed within 30 days, 55 days, and longer than 60 days.

In addition, the committees request that DHS provide application denial rates separately by benefit type as well as the most common causes for application denials separately by benefit type.

The report should note the date of the data. The data should be current through November 1, 2021, for the report due December 30, 2021, and current through May 1, 2022, for the report due June 30, 2022. In addition, for the application denial rate data, DHS should provide the fiscal 2021 actual data in the report due December 30, 2021.

Information Request	Author	Due Date
Application processing times and denial rates	DHS	December 30, 2021 June 30, 2022

Administrative and Eligibility Changes: The Department of Human Services (DHS) Office of Home Energy Programs intends to implement categorical eligibility for energy assistance programs to ease the application process. DHS indicates that it plans to submit details on this planned change to the Public Service Commission, with the submission of its fiscal 2022 proposed operations plan, and the U.S. Department of Health and Human Services, with submission of its Low Income Home Energy Assistance Program State Plan in calendar 2021. In addition to reviewing categorical eligibility, a report submitted by Eleventh House Solutions to DHS reviewed the potential for changing the method of service delivery for energy assistance.

N00100

The committees request that DHS submit a report providing an update on the status of the implementation of categorical eligibility for energy assistance, including information on programs that will be used for establishing categorical eligibility and regulatory or statutory changes needed. In addition, DHS should provide an update on the status of integration of energy assistance programs into the new Eligibility and Enrollment System and any other administrative changes to energy assistance programs, including a transition in the method of service delivery.

Information Request	Author	Due Date
Report on status of implementation of categorical eligibility and other administrative changes	DHS	October 15, 2021

S00A
Department of Housing and Community Development

Committee Narrative

OFFICE OF THE SECRETARY

S00A20.01 Office of the Secretary

Educational Broadband Network: The committees request two reports on the project status of the educational broadband network to be constructed with funding from the Coronavirus Aid, Relief, and Economic Security Act. The first report should include projected operational costs for each participating school district, the estimated construction costs and schedule for each school district and the overall project, and a specific plan for how the Department of Housing and Community Development (DHCD) plans to allocate any remaining funding after design and construction costs are covered. The second report should include a progress update and any changes to project costs or schedule.

Information Request	Authors	Due Date
Project costs and schedule for educational broadband network	DHCD, in consultation with the Maryland State Department of Education (MSDE)	June 1, 2021
Progress update on educational broadband network	DHCD, in consultation with MSDE	December 1, 2021

Resident Feedback in Low Income Housing Tax Credit Compliance Monitoring: The committees are interested in how the Department of Housing and Community Development (DHCD) solicits feedback from residents related to compliance monitoring for Low Income Housing Tax Credit (LIHTC) properties. The committees request that DHCD provide a report detailing the methods by which residents can submit complaints as well as how DHCD manages the follow-up and response to complaints, including any partnerships the department uses with regard to soliciting resident feedback (e.g. 2-1-1 Maryland or other organizations).

Information Request	Author	Due Date
Report on resident feedback in LIHTC compliance monitoring	DHCD	September 1, 2021

Sections

Budget Amendments

Add the following section:

Section 38 Maryland Total Human Services Integrated Network (MD THINK) Project Cost Estimates

SECTION 38. AND BE IT FURTHER ENACTED, That \$1,000,000, of the general fund appropriation made for the purpose of general administration in the Department of Human Services (DHS) Office of Technology for Human Services (N00F00.04); \$1,000,000, of the general fund appropriation made for the purpose MD THINK in the Department of Information Technology (DoIT) Major Information Technology Development Project Fund (F50A01.01); and \$100,000 of the general fund appropriation made for the purpose of general administration in the Department of Budget and Management (DBM) Office of the Secretary (F10A01.01) may not be expended until DHS, DoIT, and DBM, jointly submit a report with a full accounting by fund source of the MD THINK project's funding, funding cancellations, and expenditures for each year of the project's existence. The report should also include fiscal 2022 cost estimates by fund source. To the extent possible, the data shall be provided both in total, and by component system. The report should include affirmation from the Secretary of Human Services, the Secretary of Information Technology, and the Secretary of Budget and Management that the submitted cost estimates are the most updated and accurate reflection of project costs, informed by all available data on the project's expenditures. The report shall be submitted by July 1, 2021, and the budget committees shall have 45 days from the date of receipt of the report to review and comment. Funds restricted pending receipt of the report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if a report is not submitted.

Explanation: The committees have not been provided with sufficient, reliable documentation on MD THINK costs either in total, or by year. Accurate and reliable data on MD THINK expenditures and funding needs are perennially unavailable, obstructing any meaningful understanding or deliberation of the adequacy of project funding. This language restricts funds in DHS, DoIT, and DBM pending receipt of a report that provides actual prior year funding and expenditure data, and fiscal 2022 project cost estimates, regardless of the availability of funds in the fiscal 2022 budget.

Information Request	Authors	Due Date
MD THINK project cost estimates	DHS DoIT DBM	July 1, 2021

Amendment No. _____

Sections

Add the following section:

SECTION 43. AND BE IT FURTHER ENACTED, That \$100,000 of the general fund appropriation in the Department of Human Services Social Services Administration General Administration – State Program (N00B00.04) and \$100,000 of the general fund appropriation in the Maryland Department of Health Behavioral Health Administration Program Direction (M00L01.01) each made for the purpose of general operating expenses may not be expended until the agencies, in coordination with the Children’s Behavioral Health Coalition, the Maryland Association of Resources for Families and Youth, the Maryland State Department of Education, and other appropriate stakeholders, submit a report on:

- (1) current requirements and processes including those related to Voluntary Placement Agreements (VPA) that may present barriers for children requiring high intensity behavioral health services to access and sustain residential treatment including child support requirements, source and coverage of insurance, educational services, state-mandated family assessments, timely admission to residential treatment, and court intervention;
- (2) the reason for the current requirements and processes that may present barriers to access;
- (3) an explanation of the funding streams associated with VPA and residential treatment;
- (4) a review of processes in other states for assisting families in accessing high-intensity behavioral health services for their children including states that do not require custody relinquishment or a VPA; and
- (5) a description of statutory, regulatory, or other changes that could allow families to access high intensity behavioral health services without child welfare system involvement.

The report shall be submitted by November 1, 2021, and the budget committees shall have 45 days to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund or be canceled if the report is not submitted to the budget committees.

Explanation: The committees are interested in better understanding the VPA process used by families seeking to obtain high intensity behavioral health services for their children. The committees are also interested in better understanding barriers identified by families when seeking services and whether alternatives to relinquishment of physical custody to the State through the Department of Human Services (DHS) for obtaining services exist in other states. This language restricts funds in DHS and the Maryland Department of Health (MDH) until the agencies, in coordination with the Children’s Behavioral Health Coalition, the Maryland Association of Resources for Families and Youth, the Maryland State Department of Education, and other appropriate stakeholders, submit a report on current requirements and funding,

Sections

processes in other states for assisting families in this manner, and changes that would be required to provide these services outside of the child welfare system.

Information Request	Authors	Due Date
VPA review and access to intensive behavioral health services	DHS MDH	November 1, 2021

Amendment No. _____

Add the following section:

SECTION 44. AND BE IT FURTHER ENACTED, That \$100,000 of the general fund appropriation in the Department of Human Services (DHS) Family Investment Administration Director's Office (N00I00.04), \$100,000 of the general fund appropriation in the Maryland Department of Health Medical Care Programs Administration Deputy Secretary for Health Care Financing Program (M00Q01.01), \$100,000 of the general fund appropriation in the Maryland State Department of Education Office of the State Superintendent (R00A01.01), \$100,000 of the special fund appropriation of the Maryland Health Benefit Exchange (D78Y01.01), \$100,000 of the general fund appropriation of the State Department of Assessments and Taxation Property Tax Credit Programs (E50C00.08), and \$100,000 of the general fund appropriation in the Comptroller of Maryland Executive Direction program (E00A01.01) all made for the purpose of general operating expenses may not be expended until the agencies submit a report describing current coordination among agencies, planned actions to simplify applications to reduce the amount of information required, limit documentation, and improve coordination of documentation required as part of the application for benefits between public benefit programs including benefits in the Assistance Payments program of DHS, energy assistance programs, Medicaid, the Maryland Children's Health Program, Special Supplemental Nutrition Program for Women, Infants and Children, school meals programs, Child Care Scholarship program, Homestead Tax Credit and any other property tax credit programs, Maryland Earned Income Tax Credit, Poverty Level Income Credit, Maryland Dependent Care Credit, and any other assistance programs administered by the agencies. The agencies shall provide a timeline for completing each action. The agencies shall also describe any existing State or federal statutory and/or regulatory barriers to simplifying or coordinating application processes. The report shall be submitted by November 1, 2021, and the budget committees shall have 45 days to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund or be canceled if the report is not submitted to the budget committees.

Explanation: The General Assembly is interested in understanding the ways in which public benefit provision can be improved to simplify the process for households to receive benefits and to ensure that households receive all of the benefits for which they qualify by improving

Sections

coordination of required information at application. This language restricts funds until a report is submitted describing current coordination efforts among agencies administering public benefits, identifying a timeline for completing actions to address this concern, and any barriers to improving coordination or simplification of the application processes.

Information Request	Authors	Due Date
Report on options for simplifying applications and coordinating benefits	DHS Maryland Department of Health Maryland State Department of Education Maryland Health Benefit Exchange State Department of Assessments and Taxation Comptroller's Office	November 1, 2021

Amendment No. _____

Add the following section:

Section 46. Development of Cognitive Health Plan for Maryland's Aging Population

SECTION 46. AND BE IT FURTHER ENACTED, That \$50,000 of the general fund appropriation made for the purpose of general administration in program D26A07.01 General Administration and \$50,000 of the general fund appropriation made for the purpose of general administration in program M00L01.01 Program Direction may not be expended until the Maryland Department of Aging (MDOA) and Maryland Department of Health (MDH) jointly submit a report that:

- (1) defines the current cognitive and behavioral health needs of Maryland's aging population;
- (2) identifies the challenges that the State currently faces, and is expected to face over the next five years, in providing services that meet the cognitive and behavioral health needs of Maryland's aging population;
- (3) provides information on the adequacy of State services to meet the cognitive and behavioral health needs of Maryland's aging population;
- (4) develops a multi-year plan to meet the future cognitive and behavioral health needs of Maryland's aging population, including possible limitations in meeting these needs; and

Sections

- (5) provides a plan to coordinate MDOA and MDH Behavioral Health Administration services, specifically identifying programs that may benefit from interdepartmental collaboration, and a timeline, with specific goals to be achieved.

The report shall be submitted by October 1, 2021, and the budget committees shall have 45 days to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

Explanation: The budget committees are interested in the State’s preparedness for substantial increases to its population over the age of 65 and specifically the State’s ability to ensure the cognitive and behavioral health needs of its aging population are met. Given MDOA’s forthcoming State Plan on Aging, the budget committees are interested in using this opportunity to further examine the cognitive and behavioral health needs of its aging population. This report shall be submitted in coordination with, and in alignment to, the five-year State Plan on Aging, which takes effect on October 1, 2021, which had previously been extended one year. Further, this report should rely upon current data, as well as identify limitations in existing data, and identify ways to address these programmatic shortfalls, while also identifying best practices that would fully meet the needs for this population over the five-year outlay of the State’s Plan on Aging. This language restricts funds in MDOA and MDH until a report is submitted detailing the anticipated cognitive and behavioral health needs of Maryland’s aging population, an evaluation of the adequacy of existing State services, and a plan to work in partnership to collect data and coordinate services for older Marylanders in need of State services that support cognitive and behavioral health.

Information Request	Authors	Due Date
Development of cognitive health plan for Maryland’s aging population	MDOA MDH	October 1, 2021

Amendment No. _____

Budget Reconciliation and Financing Act of 2021 House Health and Social Services Subcommittee

<u>APP Sub</u>	<u>Item #</u>	<u>BRFA Page(s)</u>	<u>Description</u>	<u>Related Budgetary Action and Comments</u>	<u>APP Action</u>	<u>B&T Action</u>	<u>CC Action</u>
HSS	8	14-15,16-18	Alters the use of the Carefirst premium tax exemption beginning in fiscal 2022 to make the distribution to the Community Health Resources Commission a cap rather than a floor and make the distribution to the Senior Prescription Drug Assistance Program a floor rather than a cap.	The fiscal 2022 budget includes a special fund contingent reduction of \$4,363,720 related to this item.	Reject		
HSS	8-DLS alt		Phases in the change in the distribution of the Carefirst premium tax exemption for the Senior Prescription Drug Assistance Program to make it \$11.5 million in fiscal 2022 before going to \$14 million in fiscal 2023, increasing the funding available to the Community Health Resources Commission in fiscal 2022.	This action reduces the special fund contingent reduction in the Community Health Resources Commission to \$1.9 million.	Adopt		
HSS	9	15-16	Requires the transfer of \$100 million in each fiscal year, fiscal 2021 through 2026, from the provider assessment created for the State Reinsurance Program to Medicaid.	The fiscal 2022 budget includes general fund contingent reductions of \$100 million in each fiscal 2021 and 2022 related to this item. The fiscal 2022 budget also includes a special fund contingent appropriation of \$100 million in fiscal 2021 related to this item.	Modify – Authorizes transfers in fiscal 2021 and 2022 only from the provider assessment for the State Reinsurance Program to Medicaid.		
HSS	9-Tech	15-16	Clarifies that the required transfer can be from provider assessment revenue already received and held in the Maryland Health Benefit Exchange Fund rather than only new revenue and that the transfer is made by either the Governor or the Insurance Commissioner, depending on whether it is new revenue or fund balance.		Adopt		
HSS	10	18	Reduces the mandate, from the premium tax revenue, for the Maryland Health Benefit Exchange from \$35 million to \$32 million beginning in fiscal 2022.	The fiscal 2022 budget includes a special fund contingent reduction of \$3,000,000 and a federal fund contingent reduction of \$4,156,408 related to this item. The Administration budget plan assumes \$3,000,000 of general fund revenue related to this item.	Adopt		
HSS	23	29-30	Increases the Medicaid Deficit Assessment beginning in fiscal 2021 by \$35 million to \$329,825,000 from the amount authorized in the Budget Reconciliation and Financing Act of 2020 and maintains it at that level in the out-years.	The fiscal 2022 budget includes a general fund contingent reduction of \$35 million related to this item. The fiscal 2022 budget also contains a special fund contingent appropriation of \$35 million in fiscal 2021 related to this item.	Adopt		
HSS	25	30	Limits the increase in rates for providers who have rates set by the Interagency Rates Committee to 4% over the rates in effect on December 31,2020.		Modify – Changed the date to January 1, 2021, rather than December 31, 2020.		
HSS	26	30	Authorizes a transfer of \$500,000 from the State Board of Pharmacy Fund to the Maryland Department of Health (MDH) Office of Controlled Substances Administration in fiscal 2022.	The fiscal 2022 budget includes a general fund contingent reduction of \$500,000 related to this item.	Reject		
HSS	26-DLS alt		Reject the transfer of \$500,000 from the State Board of Pharmacy Fund to the Office of Controlled Substances Administration.		Adopt		
HSS	27	30	Authorizes a transfer of \$2 million from the State Board of Professional Counselors and Therapists Fund to the MDH Behavioral Health Administration (BHA) in fiscal 2022.	The fiscal 2022 budget includes a general fund contingent reduction of \$2 million related to this item.	Adopt		
HSS	28	30	Authorizes a transfer of \$6 million from the Natalie M. LaPrade Medical Cannabis Commission Fund to MDH BHA in fiscal 2022.	The fiscal 2022 budget includes a general fund contingent reduction of \$6 million related to this item.	Adopt		

**Budget Reconciliation and Financing Act of 2021
House Health and Social Services Subcommittee**

<u>APP Sub</u>	<u>Item #</u>	<u>BRFA Page(s)</u>	<u>Description</u>	<u>Related Budgetary Action and Comments</u>	<u>APP Action</u>	<u>B&T Action</u>	<u>CC Action</u>
HSS	101-DLS add'l		Authorizes a transfer of \$700,000 from the Board of Psychologists Fund to MDH BHA for community mental health services.		Adopt		
HSS	109-DLS add'l		Reduces fiscal 2020 spending in the MDH Behavioral Health Provider Reimbursement program due to unneeded accruals by \$5 million in general funds.		Adopt		
HSS	110-DLS add'l		Reduces fiscal 2021 spending in MDH Developmental Disabilities Administration Community Services program by \$16.8 million based on the amount of unclaimed enhanced Medicaid match in fiscal 2020.		Adopt		



Report of the
**Public Safety and
Administration Subcommittee**
To the House Appropriations Committee

2021 SESSION

Recommendations, Reductions, and Summary of
Action Pertaining to:
House Bill 588

General Assembly of Maryland
House Appropriations Committee
Public Safety and Administration Subcommittee
2021 Session Membership Roster

Delegate Keith E. Haynes, Chairman
Delegate Susie Proctor, Vice Chairman

Delegate Gabriel Acevero
Delegate Michael McKay

Committee Staff

June Chung
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Subcommittee Coordinator

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Recommended Reductions
Public Safety and Administration Subcommittee

<u>Agency</u>	<u>General Funds</u>	<u>Special Funds</u>	<u>Federal Funds</u>	<u>Higher Ed Funds</u>	<u>Total Funds</u>	<u>Positions</u>
2022 Budget Request						
Judiciary	\$13,700,243	\$842,065	\$0	\$0	\$14,542,308	
Governor's Office of Crime Prevention, Youth, and Victim Services	1,660,000	0	0	0	1,660,000	
Comptroller of Maryland	1,028,150	97,770	0	0	1,125,920	
Department of State Police	339,296	0	0	0	339,296	
<i>Subtotal Fiscal 2022 Regular Budget</i>	<i>\$16,727,689</i>	<i>\$939,835</i>	<i>\$0</i>	<i>\$0</i>	<i>\$17,667,524</i>	
II: Fiscal 2022 Total Budget	\$16,727,689	\$939,835	\$0	\$0	\$17,667,524	
Grand Total Budget Bill	\$16,727,689	\$939,835	\$0	\$0	\$17,667,524	

C00A00
Judiciary

Budget Amendments

Add the following language:

Provided that \$1,392,469 in general funds, \$43,013 in special funds, and \$14,443 in reimbursable funds are reduced to increase the turnover rate to 2%. The Chief Judge is authorized to allocate this reduction across the Judiciary.

Explanation: This action reduces funds to a level consistent with a turnover rate of 2.0% to be more in line with actual vacancies.

Amendment No. _____

Add the following language:

Further provided that \$4,776,357 in general funds, \$296,999 in special funds, and \$67,213 in reimbursable funds for fiscal 2022 general salary increases are reduced. The Chief Judge is authorized to allocate this reduction across the Judiciary.

Explanation: This action reduces funding in the fiscal 2022 budget provided for a 2.0% general salary increase beginning July 1, 2021. Legislative intent expressed in the fiscal 2021 budget indicated that funding for judicial employee compensation enhancements should be provided consistent with what is funded for Executive Branch employees and should be provided via the Department of Budget and Management. There is no funding provided in the Governor's fiscal 2022 allowance for statewide employee compensation enhancements.

Amendment No. _____

Add the following language:

Further provided that \$7,531,417 in general funds, \$502,053 in special funds, and \$113,598 in reimbursable funds for fiscal 2022 merit increases are reduced. The Chief Judge is authorized to allocate this reduction across the Judiciary.

C00A00

Explanation: This action reduces funds in the fiscal 2022 budget for a 3.5% merit increase beginning July 1, 2021. Legislative intent expressed in the fiscal 2021 budget indicated that funding for judicial employee compensation enhancements should be provided consistent with what is funded for Executive Branch employees and should be provided via the Department of Budget and Management. There is no funding provided in the Governor's fiscal 2022 allowance for statewide employee compensation enhancements.

Amendment No. _____

C00A00.04 District Court

Add the following language to the general fund appropriation:

, provided that \$8,250,000 of the general fund appropriation may be expended only for the purpose of providing attorneys for required representation at initial appearances before District Court Commissioners consistent with the holding of the Court of Appeals in DeWolfe v. Richmond. Any funds not expended for this purpose shall revert to the General Fund.

Explanation: This language restricts the use of \$8.25 million of the Judiciary's general fund appropriation for the implementation of DeWolfe v. Richmond.

Amendment No. _____

C00A00.06 Administrative Office of the Courts

Add the following language to the general fund appropriation:

, provided that \$50,000 of the general fund appropriation in the Judiciary Administrative Office of the Courts made for the purposes of administrative expenses may not be expended until the Judiciary submits a report on continuing legal education (CLE) and pro bono requirements for barred attorneys. This report should include the following information:

- (1) current CLE requirements in the State of Maryland;
- (2) the impact on increasing existing CLE requirements;
- (3) a comparison of Maryland CLE requirements to Virginia and Delaware; and
- (4) the impact of establishing a pro bono requirement for barred attorneys in Maryland, including how that compares to requirements in Virginia and Delaware.

C00A00

The report shall be submitted by July 1, 2021, and the budget committees shall have 45 days from the date of the receipt of the report to review and comment. Funds restricted for this report may not be transferred by budget amendment or otherwise to any other purpose and shall be reverted to the General Fund if the report is not submitted.

Explanation: The committees are interested in gaining a better understanding of CLE requirements in the State of Maryland and the impact that would result from increasing those requirements. Additionally, the committees are also interested in the potential impact of a pro bono requirement for barred attorneys in Maryland. This language restricts funds pending a report from the Judiciary exploring those issues.

Information Request	Author	Due Date
Report on CLE requirements and pro bono requirements for barred attorneys	Judiciary	July 1, 2021

Amendment No. _____

Committee Narrative

Appointed Attorney Program Costs and Utilization: The committees remain interested in the costs and operations of the Appointed Attorney Program. The committees request a report, to be submitted by October 1, 2021, detailing the fiscal 2021 costs and utilization of the Appointed Attorney Program.

Information Request	Author	Due Date
Appointed Attorney Program costs and utilization	Judiciary	October 1, 2021

Judiciary Status Report on Major Information Technology Development: The committees remain interested in the Judiciary's Major Information Technology Development Projects (MITDP). The committees request a report, to be submitted by December 15, 2021, detailing the MITDPs being undertaken by the Judiciary.

Information Request	Author	Due Date
Judiciary status report on MITDPs	Judiciary	December 15, 2021

C00A00

Judgeship Need for Fiscal 2023: The committees remain interested in the judgeship needs at the Judiciary. The committees request a report, to be submitted by December 1, 2021, detailing the fiscal 2023 judgeship needs.

Information Request	Author	Due Date
Judgeship need for fiscal 2023	Judiciary	December 1, 2021

Judiciary Report on Court Performance Measures: The committees remain interested in the court performance measures. The committees request a report on court performance measures, to be submitted by November 1, 2021.

Information Request	Author	Due Date
Judiciary report on court performance measures	Judiciary	November 1, 2021

C80B00
Office of the Public Defender

Committee Narrative

Public Defender Pay and Benefits Comparison Report: The committees are interested in learning how the compensation – including pay and benefits – for public defenders in Maryland compares to other jurisdictions. Additional information, including the hourly rates for appointed and panel attorneys and the number of cases that public defenders, appointed attorneys, and panel attorneys are responsible for, should also be included. For all of the above information, the report should include a comparison to Pennsylvania, Virginia, and Washington, DC. Additionally, the committees are interested in an evaluation of the effectiveness of the Workload Reduction Pilot Program, which was discontinued for fiscal 2021. The report shall be submitted by the Office of the Public Defender (OPD) no later than August 1, 2021.

Information Request	Author	Due Date
Public defender pay and benefits comparison report	OPD	August 1, 2021

D05E01
Board of Public Works

Committee Narrative

Maryland Zoo Operational Reporting: In continuance of the practice that began in July 2008, the committees request that the Maryland Zoological Society submit audited financial statements for fiscal 2021 and year-to-date monthly attendance figures for the zoo for fiscal 2022 by visitor group. This should include a breakdown of the kinds of passes allocated.

Information Request	Author	Due Date
Audited financials	Maryland Zoological Society	November 1, 2021
Monthly attendance	Maryland Zoological Society	Quarterly report by July 15, 2021 October 15, 2021 January 15, 2022 April 15, 2022

D15A05
Boards, Commissions, and Offices

Committee Narrative

D15A05.03 Governor’s Office of Small, Minority & Women Business Affairs

Liaison Vacancy Data: The committees are concerned that Small Business Reserve (SBR) and Minority Business Enterprise (MBE) program liaison positions remain vacant in some State agencies despite flexibilities provided to agencies in assigning the responsibility to other staff. As the Governor’s Office of Small, Minority, and Women Business Affairs (GOSBA) is in frequent communication with agencies’ liaisons, the committees request that GOSBA track and report on which agencies have, and have not, provided SBR and MBE liaison contact information to GOSBA each month. The committees also request that, in November 2021 and May 2022, GOSBA survey each agency with liaison positions assigned and identify whether the primary responsibility of the assigned individual is to serve as MBE or SBR liaison, or whether the assigned individual’s liaison responsibilities are a secondary component of the assigned individual’s responsibilities at each agency. The committees request that monthly data from July 2021 through December 2021 be reported with the submission of the report due on January 1, 2022, and monthly data from January 2022 through June 2022 be reported with the submission of the report due on June 30, 2022. In addition, the committees request that the November 2021 survey data for each agency be reported with the submission of the report due on January 1, 2022, and the May 2022 data be reported with the submission of the report due on June 30, 2022.

Information Request	Author	Due Date
Liaison vacancy data	GOSBA	January 1, 2022 June 30, 2022

D15A05

Agency Minority Business Enterprise (MBE) Participation Attainment Survey: The committees are concerned that statewide MBE participation was just 17.9% in fiscal 2019 and that the State has never met its 29% MBE participation goal since the goal has been set. To better understand how State agencies approach attaining MBE participation and whether there is room for improvement in specific agencies, the committees request that the Governor's Office of Small, Minority, and Women Business Affairs (GOSBA), in consultation with the Department of General Services (DGS), coordinate a survey of State agencies to evaluate their approach to attaining MBE participation in procurement. The committees request that GOSBA, in consultation with DGS, create a survey that asks agencies to indicate their approach to proactively encouraging MBE participation, distribute the survey no later than July 1, 2021, and request that agencies submit their responses no later than October 31, 2021. The committees request that GOSBA compile the results of the survey and report the data, by agency, to the committees on December 15, 2021. The committees request that GOSBA also submit a list of agencies that did not respond to the survey by the requested deadline. GOSBA may determine the optimal format for the survey, including whether agencies may select one or multiple predetermined answer options for each prompt or provide narrative responses to each prompt. The committees request that the survey ask agencies to provide, at a minimum, the following data and any other data that GOSBA or DGS believe will be informative in understanding the State's low proportion of MBE participation:

- the number of staff employed at the agency involved with procurement;
- the number of staff employed at the agency that work with MBEs, strategize ways to improve MBE participation, attend trainings about MBE participation in procurement, or are otherwise involved with the agency's implementation of MBE policy;
- the number of GOSBA trainings agency staff attended in fiscal 2021;
- the total dollar amount awarded in procurements in fiscal 2021;
- the total dollar amount expended on contracts in fiscal 2021;
- the total dollar amount awarded to MBEs in fiscal 2021;
- the total dollar amount expended that went to MBEs in fiscal 2021;
- the different approaches that each agency uses to attain MBE participation, including direct MBE solicitations for certain procurements, proactive outreach to MBEs, monitoring prime contractors to ensure that agreed upon MBE participation is achieved, or unbundling large contracts to increase opportunities;

D15A05

- challenges that the agency faces in attaining MBE participation, including lack of MBEs in the industries and services that the agency has contracts for, lack of MBE engagement with agency procurements, lack of MBE capacity to accommodate the scope of the contract, or lack of agency capacity to proactively encourage MBE participation; and
- each agency's training interests that would improve staff awareness and skills in making procurements more inclusive of a variety of vendors.

Information Request	Author	Due Date
Agency MBE participation survey	GOSBA	December 15, 2021

D21

Governor's Office of Crime Prevention, Youth, and Victim Services

Budget Amendments

Add the following language:

Provided that 2 regular positions (PIN 020543 and PIN 087450) may only be funded for the purpose of reclassifying the positions for the purposes of addressing staffing deficiencies related to the oversight and auditing of grants.

Explanation: The General Assembly has raised concerns regarding the Governor's Office of Crime Prevention, Youth, and Victim Services' ability to perform adequate grants management and grant audits due to the lack of staffing and resources. This language authorizes the reclassification of 2 vacant and unfunded positions in the agency's budget for the sole purpose of addressing these staffing shortages.

Amendment No. _____

ADMINISTRATIVE HEADQUARTERS

D21A01.01 Administrative Headquarters

Add the following language:

Provided that no funding provided under the federal Victims of Crime Act (VOCA) provided through the Governor's Office of Crime Prevention, Youth, and Victim Services (GOCPYVS) may be awarded to State agencies, programs, or held in reserve until each victim services provider who received funding during fiscal 2020 or 2021 has been awarded funding at no less than the same level as fiscal 2020 to continue services to victims of crime during fiscal 2022.

Further provided that if funding under the VOCA is reduced, funding shall be awarded in the following manner:

- (1) victim services providers who received funding during fiscal 2020 or 2021 shall receive all available VOCA funds, and funding for each provider may only be reduced by the same percentage as other providers, unless a provider submits a grant request for a lower amount; and
- (2) in the event that funding is not available, each grant shall be reduced by the same percentage unless a provider has requested reduced funding. Non-State providers shall be fully funded prior to any award to a State agency and prior to the retention of reserve funds. If additional federal funding becomes available as a result of COVID-19 relief, changes in the federal VOCA allocations to states, or otherwise, such cuts shall be restored.

D21

No VOCA funding may be awarded by GOCPYVS except in a manner that gives priority to continuing funding for non-State victim services providers who received funding during fiscal 2020 or 2021 and have the capacity to continue to provide services to victims.

Further provided that \$500,000 of the general fund appropriation for GOCPYVS made for the purposes of general administration may not be expended until, prior to providing fiscal 2022 awards and no later than August 1, 2021, GOCPYVS reports to the budget committees on:

- (1) each proposed grant award;
- (2) how priority has been given to non-State victim services providers;
- (3) whether each grant is equal to fiscal 2020 awards; and, if it is not, the identification of the difference in funding and justification for this difference; and
- (4) the amount of VOCA funding held in reserve.

The budget committees shall have 45 days from the receipt of the report to review and comment. Funds not expended for this restricted purpose may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted.

Further provided that \$500,000 of the general fund appropriation for the purposes of administration may not be expended until GOCPYVS submits a report by November 1, 2021, regarding the federal VOCA funding. The report should include:

- (1) total active VOCA grant awards as of January 1, 2021, including grant number, implementing agency, project title, start date, end date, amount of award, jurisdiction of implementation, and the brief description/abstract of the grant;
- (2) for each VOCA grant award in item (1) and for any other VOCA grant awards made subsequently, a description of whether for the federal fiscal year beginning October 1, 2021, the award was continued, awarded, or otherwise funded, including the grant number, implementing agency, project title, start date, end date, amount of award, jurisdiction of implementation, and the brief description/abstract of the grant;
- (3) for each VOCA grant award in items (1) and (2) identification of any decrease or other change in victim services funding between items (1) and (2), the justification for each grant award change, and the impact on the continuity of crime victim services;
- (4) the amount of unexpended funds for each open three-year VOCA grant, and the reason funds are unexpended, including whether they are held in reserve for future grants;
- (5) identification of the respective amount of funds expended for the purpose of direct provision of services, administration, and that which went unobligated for the federal fiscal 2015, 2016, 2017, and 2018 three-year funding cycles;

D21

- (6) identification of the legislative appropriation for VOCA and the actual level of spending for each State fiscal year, beginning with State fiscal 2015 through 2021; and
- (7) identification of any decrease or other change between the legislative appropriation for VOCA and the actual level of spending for VOCA for each State fiscal year identified in item (6), and the reason for any and all disparities that may exist between the legislative appropriation and the actual spending level.

Further provided that \$500,000 of this general fund appropriation made for the purposes of administration may not be expended until GOCPYVS publishes the total amount of funding from federal VOCA funds on GOCPYVS's website, including funds available from prior years and including the specific amounts held in reserve from each federal three-year award. GOCPYVS shall provide the budget committees with a letter, no later than November 1, 2021, indicating that this data has been made available on its website and provides the web address to this data. The budget committees shall have 45 days from the receipt of the report to review and comment. Funds not expended for this restricted purpose may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted.

Further provided that GOCPYVS is authorized to process a budget amendment recognizing additional federal funds to restore funding cuts to victim services providers if additional State or federal funding becomes available as a result of COVID relief or changes in the federal VOCA allocations to states or otherwise.

Further provided that it is the intent of the budget committees that the primary purpose of the programs funded through the VOCA grant awards be to ensure continuity of trauma-informed, high-quality services for victims of crime as the COVID pandemic progresses.

Explanation: There have been several concerns among members of the General Assembly and the advocacy community that reductions in federal VOCA funding will result in a loss of services for victims of crime in Maryland. Questions have arisen surrounding the impact of declining federal awards, the allocation of grant awards, and the levels of unspent funding.

This language requires the State fiscal 2022 VOCA awards to be awarded at a level equal to that of fiscal 2020 in order to ensure the continuity of victim services. Further, in the event that available funding is reduced, priority shall be given to non-State service providers such that funding remains equal to that which was provided in fiscal 2020.

The language restricts funds pending the submission of a report by GOCPYVS detailing how non-State providers were given funding priority and proposed VOCA awards for the fiscal 2022 grant cycle.

D21

The language restricts an additional \$1.0 million pending the submission of VOCA data by November 1, 2021. Of this funding, \$500,000 shall be released pending submission of a report providing information for all active VOCA grants as of January 1, 2021. The report should detail whether each of the grant recipients received the same level of VOCA funding during the federal fiscal 2020 VOCA grant cycle and the information on each of the grant programs receiving such funds. The report should specifically identify any changes in victim services funding between January 1, 2020, and October 1, 2020, and the subsequent impact on the continuity of crime victim services. For each open three-year grant cycle (federal fiscal 2019, 2020, and 2021), GOCPYVS should report the amount of currently unexpended funds, the reason these funds remain unspent, and whether they will be held in reserve.

The report should provide further detail regarding the expenditure of funds for the four most recently completed funding cycles: federal fiscal 2015; 2016; 2017; and 2018. Finally, the report should identify any differences between the legislative appropriation and actual spending levels for each closed out fiscal year, beginning with State fiscal 2015: State fiscal 2015; 2016; 2017; 2018; 2019; 2020; and 2021. For any differences between the authorized and actual spending levels during the aforementioned State fiscal years, the report should identify and discuss the reasons for these disparities.

An additional \$500,000 shall be released pending submission of a letter, no later than November 1, 2021, confirming that data related to available VOCA fund reserves is published to GOCPYVS's agency website.

Information Request	Author	Due Date
Report on proposed VOCA grant awards	GOCPYVS	August 1, 2021
Letter on VOCA data publication	GOCPYVS	November 1, 2021
Report of VOCA funding, expenditures, and continuity of service	GOCPYVS	November 1, 2021

Amendment No. _____

D21

Add the following language to the general fund appropriation:

Further provided that \$300,000 of this appropriation made for the purpose of agency administration may not be expended for that purpose but instead may be used only to contract and consult with a private accounting firm for the purposes of performing a fiscal audit of the Governor's Office of Crime Prevention, Youth, and Victim Services (GOCPYVS) grants management processes and all grants budgeted within its fiscal 2020 and 2021 legislative appropriations.

Further provided that an additional \$100,000 of this appropriation made for the purpose of administration may not be expended until GOCPYVS submits a report to the Governor and the budget committees detailing the following:

- (1) the findings of this audit;
- (2) an explanation of the corrective actions taken by GOCPYVS to address the findings of the audit identified in item (1);
- (3) the fiscal 2020 legislative appropriation and fiscal 2020 actual expenditure for all general, special, and federal fund grants budgeted within GOCPYVS; and,
- (4) the fiscal 2021 legislative appropriation and fiscal 2021 actual expenditure for all general, special, and federal fund grants budgeted within GOCPYVS.

The report shall be submitted by December 31, 2021, and the budget committees shall have 45 days from the receipt of the report to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

Explanation: GOCPYVS reported \$17.2 million in general fund reversions in fiscal 2020, which includes a significant number of erroneous grant reversions.

This language requires GOCPYVS to hire an accounting firm to audit the office's grant management processes and to reconcile the actual expenditures of its fiscal 2020 and 2021 grants. It requires submission of a report to the Governor and the budget committees discussing the findings of this audit, the corrective actions taken by the office to address the findings, and the actual expenditures for all grants budgeted within GOCPYVS in fiscal 2020 and 2021.

Information Request	Author	Due Date
Fiscal 2020 and 2021 audit report	GOCPYVS	December 31, 2021

Amendment No. _____

D21

Committee Narrative

D21A01.02 Local Law Enforcement Grants

Baltimore City Crime Reduction Strategy: The budget committees request that the Governor’s Office of Crime Prevention, Youth, and Victim Services (GOCPYVS), the Baltimore City Mayor’s Office, the Mayor’s Office of Criminal Justice, the Baltimore City State’s Attorney’s Office, and the Baltimore Police Department provide an update to the comprehensive five-year crime strategy submitted during the 2021 fiscal year. This update should be submitted no later than October 1, 2021, and provide specific measurable actions that the city will take to address crime, be based on a threat assessment, and include annual crime reduction targets for homicides, nonfatal shootings, violent crime, firearms-related offenses, and property crime. The budget committees further request that the Mayor’s Office of Criminal Justice, beginning October 1, 2021, and quarterly thereafter, provide performance reports on progress made on the crime reduction strategy.

Information Request	Authors	Due Date
Crime reduction strategy update	GOCPYVS	October 1, 2021
Quarterly performance metrics	GOCPYVS	October 1, 2021 January 1, 2022 April 1, 2022 July 1, 2022

Budget Amendments

D21A01.04 Violence Intervention and Prevention Program

Add the following language to the general fund appropriation:

, provided that this appropriation made for the purpose of funding mandated grants within the Maryland Violence Intervention and Prevention Program (VIPP) is reduced by \$1,660,000. The Governor’s Office of Crime Prevention, Youth, and Victim Services is authorized to submit a budget amendment recognizing an equivalent amount of special funds available from the VIPP fund balance to offset this reduction.

Explanation: The Maryland VIPP fund has maintained a special fund balance of \$4.7 million for the past three fiscal years. This language deletes the general fund appropriation for grants budgeted within VIPP and replaces it with available special fund balances in this fund.

Amendment No. _____

D50H01 Military Department

Committee Narrative

D50H01.05 State Operations

Freestate Challenge Academy: The Freestate Challenge Academy (FCA) is a program for Maryland’s at-risk youth, which has been operated by the Maryland National Guard since 1993. The academy provides intervention for youth aged 16 to 18 years old who are at risk of dropping out of high school. The budget committees remain committed to the success of this program and request that the Military Department provide the following information, no later than September 1, 2021:

- the department’s goals for annual program enrollment;
- a discussion of how the COVID-19 pandemic has impacted the academy’s operations;
- a discussion of any precautions taken by FCA to mitigate the spread of COVID-19;
- the department’s outreach efforts to encourage youth enrollment, both before the pandemic and moving forward after the pandemic; and
- the department’s anticipated timeline for restoring FCA to full operations after the pandemic.

Information Request	Author	Due Date
Impact of COVID-19 on FCA	Military Department	September 1, 2021

D50H01.06 Maryland Emergency Management Agency

William H. Amoss Fire, Rescue, and Ambulance Fund (Amoss Fund): The Amoss Fund is distributed by the Maryland Emergency Management Agency (MEMA) to the counties and Baltimore City to purchase fire and rescue equipment and for capital building improvements. The Director of MEMA is responsible for enforcing the maintenance of effort (MOE) provisions associated with grants provided through the Amoss Fund. Per Chapter 225 of 2014, MOE determinations are based upon a three-year base period as compared to the actual expenditures of the subsequent two fiscal years; because of these requirements, the fiscal 2021 disbursements are the first year any penalty would be applied. Statute dictates that the penalty to a county’s disbursement is equal to the percentage by which that county fails to meet the MOE requirement.

D50H01

The committees are interested in understanding how MEMA is implementing the Amoss Fund's MOE requirement and request a report, submitted no later than December 15, 2021, containing the following information:

- (1) an overview of the processes established by Chapter 225 to determine MOE for Amoss Fund disbursements;
- (2) identification of the three-year base period and the fiscal 2020 actual expenditures for each jurisdiction;
- (3) identification of whether each jurisdiction has met the necessary MOE requirement established by Chapter 225 for fiscal 2020 actual expenditures; and
- (4) for each jurisdiction that fails to meet the MOE requirement for fiscal 2020:
 - (a) the dollar amount and percentage by which that jurisdiction fails to meet the requirement;
 - (b) the fiscal 2022 disbursement prior to the application of a penalty;
 - (c) the amount of the penalty to be applied to the fiscal 2022 disbursement; and
 - (d) the fiscal 2022 disbursement after the application of a penalty.

Information Request	Author	Due Date
Report on fiscal 2022 Amoss Fund disbursement and MOE requirements	Military Department	December 15, 2021

E00A
Comptroller of Maryland

Budget Amendments

OFFICE OF THE COMPTROLLER

E00A01.01 Executive Direction

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Increase turnover to 7.75%. The budgeted turnover rate is 6.25%. The most recent vacancy rate in the department is 11.13%. The reduction is taken in Executive Direction but may be allocated across the department as appropriate. The Department of Legislative Services would note that even with this reduction, the Comptroller has adequate budget flexibility to absorb the extra responsibilities of the proposed RELIEF Act of 2021.	1,028,150 GF 97,770 SF	
Total Reductions	1,125,920	0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	36.00	36.00		0.00
General Fund	4,827,312	3,799,162	1,028,150	
Special Fund	1,005,200	907,430	97,770	
Total Funds	5,832,512	4,706,592	1,125,920	

Amendment No. _____

E00A

Committee Narrative

REVENUE ADMINISTRATION DIVISION

E00A04.02 Major Information Technology Development Projects

Report on the Integrated Tax System(ITS): The committees remain interested in the progress of the ITS Major Information Technology Development Project. The committees request a report providing an update on the project’s current status, cost projections, and timeline. The report should include details on the use of fiscal 2022 funding and project development costs.

Information Request	Author	Due Date
Report on the ITS project	Comptroller of Maryland	December 1, 2021

E50C
State Department of Assessments and Taxation

Committee Narrative

Maryland Jurisdiction Tax Lien Sale Information Report: The committees continue to be interested in tax lien sales occurring in local jurisdictions. Due to the fact that a home can be placed into a tax sale in some jurisdictions for relatively minor amounts due in delinquent property taxes and the fact that 10 counties and Baltimore City proceeded with scheduled tax lien sales in calendar 2020 despite the ongoing COVID-19 pandemic, the committees request an update from the State Department of Assessments and Taxation (SDAT) at the end of calendar 2021 including the following information:

- the total number of property tax lien sales by jurisdiction, including which jurisdictions canceled or postponed tax lien sales scheduled for calendar 2021;
- the neighborhood of each property tax lien sale;
- any changes to property tax delinquency thresholds or redemption periods that may have been implemented during the year; and
- a summary of outreach activities performed by the State Tax Sale Ombudsman during the year to assist homeowners in navigating the tax sale process and applying for any tax credits they may be eligible for.

Information Request	Author	Due Date
Property tax lien sale report	SDAT	December 31, 2021

Real Property Valuation Assessor Vacancy Report: The committees continue to be concerned about staffing and retention for assessor positions in the Real Property Valuation Division. While the State Department of Assessments and Taxation (SDAT) has reported on this issue in previous years, the committees wish to remain briefed on this situation. Therefore, the committees request a report that includes an update on the agency’s hiring activities for the division during fiscal 2021, including the following information by employee class title and jurisdiction:

- the number of employees in the program that have left State service;
- the number of new hires;
- the number of positions posted;

E50C

- the number of exemptions to the statewide hiring freeze that have been requested and granted for assessor positions;
- the number of qualified applications received in response to each posting;
- the length of time from the posting of each position to the acceptance of an offer of employment;
- details on adjustments to assessor salaries resulting from the annual salary review process;
- data on the comparison of agency salaries to salaries of assessors in neighboring jurisdictions; and
- an evaluation of exit interview data, including the main reasons cited for leaving the agency.

Information Request	Author	Due Date
Real property valuation assessor vacancy report	SDAT	December 1, 2021

F50
Department of Information Technology

Committee Narrative

Review of State Cybersecurity: The committees are concerned about cybersecurity risks to State networks and systems. Maintaining the integrity, confidentiality, and accessibility of State networks is a challenge. The State has a decentralized information technology network that is commonly viewed as complicating cybersecurity defenses. The Office of Legislative Audits identified 33 cybersecurity findings in calendar 2020. These cybersecurity findings include vulnerable personally identifiable information, inadequate personnel controls, and inadequate technical controls. Adding to this challenge is an increased number of remote workers, which increased from less than 1% in January 2020 to almost 50% in January 2021. There are concerns that threats from cybercriminals are evolving to target remote workers. The Department of Information Technology (DoIT) should report to the committees on cybersecurity risks and the State’s response to those risks. The report should include (1) recent audit findings, how the State has responded to these findings, and what needs to be done to reduce findings in future audits; (2) the role of the State Chief Information Security Officer (SCISO) and Maryland Cybersecurity Coordinating Council (MCCC) in addressing cybersecurity risks, including what has been achieved since the 2019 executive order creating SCISO and MCCC; (3) how remote work has increased risks and what the State’s response is to those risks; and (4) how cybersecurity risks are evolving and how the State response will need to evolve to address those risks.

Information Request	Author	Due Date
Review of State cybersecurity	DoIT	November 19, 2021

H00
Department of General Services

Committee Narrative

Report on Remote Work at Maryland State Agencies: The COVID-19 pandemic has forced many State agencies to have their employees work remotely. The Department of Budget and Management advises that the number of Executive Branch employees working remotely increased from 266 (0.8% of the workforce) in January 2020 to 15,449 employees (46.3% of the workforce) in January 2021. While many employees will be returning to the office after the pandemic is over, it is likely that the experience of working remotely for over a year has given many organizations the confidence and ability to increase the share of their workforce that works remotely. At this time, too little is known about the lasting effects of remote work during the pandemic. The Department of General Services (DGS) is responsible for providing office space for State agencies. The department should begin evaluating how State agency office space needs will be affected by the pandemic. DGS should report to the budget committees on State office space needs and how these needs have changed. The report should include (1) surveys of State agency needs; (2) an examination of different kinds of office space needs for different agencies; (3) estimates of the number and share of State employees that will be working remotely, working both remotely and in the office, and working solely in the office; (4) strategies for reducing office space needs; and (5) the costs and benefits associated with reducing office space if the need for office space is less after the pandemic than before the pandemic. The cost benefit analysis should be over a five-year period to capture savings against the costs such as prematurely breaking leases.

Information Request	Author	Due Date
Report on remote work at Maryland State agencies	DGS	December 15, 2021

Q00A
Administration and Offices
Department of Public Safety and Correctional Services

Committee Narrative

Justice Reinvestment Act (JRA) Report: The budget committees request that the Department of Public Safety and Correctional Services (DPSCS) submit a report by December 1, 2021, on the following items:

- annual updates on the number of offenders petitioning and approved for JRA provisions including, but not limited to, administrative release, medical/geriatric parole, certificates of rehabilitation, and graduated sanctions;
- the number of offenders affected by JRA diminution and earned compliance credit rules; and
- annual JRA cost savings updates along with any efforts/initiatives to increase savings.

Information Request	Author	Due Date
JRA report	DPSCS	December 1, 2021

Position Abolishments and Reclassifications Report: The budget committees request that the Department of Public Safety and Correctional Services (DPSCS) submit a report by September 1, 2021, on the following items:

- all fiscal 2021 and 2022 abolishments, reclassifications, and transfers including the position titles, what facility or division they came from, and what agency or division they are being transferred or reclassified into along with the effect these position changes are having on operations; and
- a briefing on the impact of the fiscal 2021 and 2022 changes in correctional officers (CO) compensation and the department's expectations regarding those changes on CO retention and recruitment.

Information Request	Author	Due Date
Position abolishments and reclassifications report	DPSCS	September 1, 2021

Q00A

Report on Recidivism: The budget committees are interested in the impact of incarceration on the future outcomes of returning citizens. The budget committees request that the Department of Public Safety and Correctional Services (DPSCS) submit a report by November 15, 2021, on the following:

- single-, two-, and three-year recidivism numbers for the fiscal 2016, 2017, and 2018 release cohorts;
- two-year recidivism numbers for the fiscal 2019 release cohort; and
- an analysis of recent recidivism trends, including a comparison to past years and a comparison to other states.

Information Request	Author	Due Date
Recidivism report	DPSCS	November 15, 2021

Q00B
Corrections
Department of Public Safety and Correctional Services

Budget Amendments

Add the following language:

Further provided that \$2,800,000 of the general fund appropriation for the Department of Public Safety and Correctional Services (DPSCS) made for the purpose of general operations may not be expended for that purpose but instead may only be used to continue operations of the Southern Maryland Pre-Release Unit (SMPRU) and the Eastern Pre-Release Unit (EPRU). It is the intent of the General Assembly that DPSCS postpone indefinitely the planned closure of SMPRU and EPRU. Funds not expended for this restricted purpose may not be transferred by budget amendment or otherwise and shall revert to the General Fund.

Explanation: The budget committees are concerned that the State will no longer provide adequate prerelease opportunities due to the decision to close SMPRU and EPRU at the end of fiscal 2021. Savings for closing the two facilities are only estimated to be about \$2.8 million each year due to the reassignment of fixed personnel costs and fixed medical contract costs to other facilities. The budget committees do not consider this cost-saving measure to be in the interest of the State and respectfully seek continuance of the services provided by SMPRU and EPRU. Sufficient funds are restricted across the entire department to enable continued operations of these facilities based on past spending trends.

Amendment No. _____

Committee Narrative

Q00A03.01 Maryland Correctional Enterprises

Maryland Correctional Enterprises (MCE) Staffing, Programs, and Sales Report: The budget committees are concerned that COVID-19 and recent trends in sales, employment, and staff vacancies may inhibit the ability of MCE to carry out its mission to improve employability upon release, enhance safety and security, reduce prison idleness, and produce quality goods and services. The budget committees direct the Department of Public Safety and Correctional Services (DPSCS) to submit a report by September 1, 2021, providing the following information:

- a breakdown of regular and special programs, including employment data;
- a review of efforts to address MCE legislative audit findings;

Q00B

- sales and vacancy data and any steps that can be taken to maximize sales and minimize vacancies; and
- an analysis of the impact of COVID-19 on operations, sales, and employment.

Information Request	Authors	Due Date
MCE staffing, programs, and sales report	MCE DPSCS	September 1, 2021

Budget Amendments

Q00B01.01 General Administration

Add the following language to the general fund appropriation:

, provided that \$200,000 of this appropriation may not be expended until the Department of Public Safety and Correctional Services submits the second of four quarterly hiring and attrition reports to the budget committees. The reports shall include a breakdown of all hires and separations for each of the three months in question by category of employee (correctional officer, community supervision agent, or administrative employee) and by reason for separation. The report shall also include narrative summarizing all hiring events and changes to the hiring process that occurred during the quarter; the quantity, type, and cost of bonuses disbursed; as well as overall applications received, tested, and interviewed. The first quarterly report shall be submitted to the budget committees no later than October 15, 2021, and the second report shall be submitted to the budget committees no later than January 15, 2022. The budget committees shall have 45 days to review and comment following submission of the second quarterly report. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

Explanation: Hiring within the Department of Public Safety and Correctional Services (DPSCS) has recently improved staffing levels after years of unsustainable employment decline. The department submitted monthly staffing reports in fiscal 2021 that demonstrated sustained improvements to hiring and attrition. The quarterly reports requested in fiscal 2022 will continue the cooperation between DPSCS and the budget committees to track all departmental hiring, the success of recent initiatives, and the impact of COVID-19 on public safety staffing.

Information Request	Author	Due Date
Quarterly hiring and attrition reports	DPSCS	October 15, 2021 January 15, 2022 April 15, 2022 July 15, 2022

Amendment No. _____

Q00C
Community Supervision
Department of Public Safety and Correctional Services

Budget Amendments

Q00C02.01 Division of Parole and Probation – Support Services

Add the following language to the general fund appropriation:

. provided that \$100,000 of this appropriation may not be expended until the Division of Parole and Probation (DPP) in collaboration with the Department of Budget and Management (DBM) submits a report on Drinking Driver Monitor Program (DDMP) monitor classifications. It is the intent of the General Assembly that a new grade 13 monitor III classification be created for DDMP monitors to mirror the career opportunities of DPP parole and probation agents. In the report, DPP and DBM shall identify a plan to create a new monitor III classification, including the current number of monitor II positions that could be promoted and the amount of funds necessary to support these changes. The report shall be submitted to the budget committees no later than November 15, 2021. The budget committees shall have 45 days to review and comment following submission of the report. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

Explanation: DDMP monitor positions are limited to monitor I, monitor II, and field supervisor positions, while parole and probation agents are able to rise an additional level to agent III. Public testimony and a previous Joint Chairman’s Report submission by DPP indicated that the lack of a senior monitor classification leads to declined morale among senior monitor II positions and is a factor in the departure of valued monitors. In order to improve attrition in DDMP and improve the overall delivery of services to those placed on DDMP supervision, this language expresses legislative intent that the career path in DDMP be extended by one grade. The language also directs DPP and DBM to collaborate to determine the appropriate number of senior positions and the process for promoting monitors to the new senior classification.

Information Request	Authors	Due Date
DDMP monitor classifications report	DPP DBM	November 15, 2021

Amendment No. _____

Q00C

Committee Narrative

Supervision Caseloads and Staffing: In recent fiscal years, the Division of Parole and Probation (DPP) has been working to reduce caseloads to a manageable level for its parole and probation agents. Caseload ratios improved, but vacancies worsened in fiscal 2020. The budget committees request a report due by September 15, 2021, from DPP on the following:

- efforts to maintain uniform caseloads below the national average in each region;
- the exact breakdown of support staff and general supervision caseloads by office into DPP supervision levels for fiscal 2020 and 2021;
- an evaluation of staff realignment between regions; and
- a review and analysis of monthly fiscal 2021 DPP agent and Drinking Driver Monitor Program monitor new hires, separations, and vacancies.

Information Request	Author	Due Date
DPP caseload report	DPP	September 15, 2021

Q00T04
Division of Pretrial Detention
Department of Public Safety and Correctional Services

Budget Amendments

Add the following language:

Further provided that \$7,091,738 of the appropriation for substance use disorder (SUD) treatment services subprograms may only be expended in those subprograms. Funds may be transferred between SUD treatment services subprograms throughout the Department of Public Safety and Correctional Services. Funds unexpended for this purpose at the end of the fiscal year shall revert to the General Fund or be canceled.

Explanation: Chapter 532 of 2019 directs the Department of Public Safety and Correctional Services (DPSCS) to create a medication assisted treatment program within the confines of the Baltimore Pretrial Complex as well as apply for funding to support local detention centers required to create its own treatment programs. DPSCS has historically underspent the appropriation for SUD services and does not have a contract in place for these services. This language ensures that funds for SUD services will only be spent for that purpose or shall revert to the General Fund or be canceled at the end of the fiscal year.

Amendment No. _____

Q00T04.01 Chesapeake Detention Facility

Add the following language to the general fund appropriation:

, provided that \$500,000 of this appropriation may not be expended until the Department of Public Safety and Correctional Services conducts a review of the agreement to operate the Chesapeake Detention Facility as a federal facility, reaches out to the U.S. Marshals Service to renegotiate the agreement, and submits a report on these efforts to the budget committees. The report shall include results of efforts to renegotiate the agreement, options to reduce the reliance on general funds for this facility (including the consequences of exiting the agreement prior to expiration), and plans for the facility following the conclusion of the agreement. The report shall be submitted by December 1, 2021, and the budget committees shall have 45 days from the date of the receipt of the report to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

Q00T04

Explanation: The Chesapeake Detention Facility (CDF) is used as a federal detention center for the U.S. Marshals Service but is operated by the Division of Pretrial Detention and Services (DPDS). DPDS received \$20 million as supplemental funding to construct the Dorsey Run Correctional Facility and receives a contractually negotiated per diem payment for each inmate housed. The per diem rate is no longer sufficient to support CDF operations, resulting in the State subsidizing the detainment of federal offenders. This language directs DPD to revisit the federal agreement, seek ways to increase the per diem rate, and report on these efforts to the General Assembly. The report will include a history of the Department of Public Safety and Correctional Services (DPSCS) actions regarding the contract and address plans for CDF usage following the conclusion of the contract.

Information Request	Author	Due Date
CDF renegotiation report	DPSCS	December 1, 2021

Amendment No. _____

Q00T04.04 Baltimore Central Booking and Intake Center

Add the following language:

. provided that \$100,000 of this appropriation made for the purpose of a substance use disorder (SUD) treatment services subprogram may not be expended until the Department of Public Safety and Correctional Services (DPSCS) submits a report on the new SUD treatment services provider and the Medication Assisted Treatment (MAT) Pilot Program in the Baltimore City Pretrial Complex. The report shall include a description of the new vendor and SUD treatment services that are provided at DPSCS facilities, a description of actions taken to establish an MAT Pilot Program at the Baltimore City Pretrial Complex, and a description of the planned use of restricted SUD treatment funds. The report shall be submitted by November 1, 2021, and the budget committees shall have 45 days from the date of receipt of the report to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

Explanation: Chapter 532 of 2019 directs DPSCS to create an MAT program within the confines of the Baltimore Pretrial Complex as well as apply for funding to support local detention centers required to create their own treatment programs. DPSCS has historically underspent the appropriation for SUD services and does not have a contract in place for these services. This language allows the budget committees to monitor the provision of live-saving and life-altering treatment services by DPSCS and the proper usage of allocated funds. This language restricts \$100,000 of the \$1.2 million general fund appropriation meant for SUD treatment at the Baltimore Central Booking and Intake Center.

Q00T04

Information Request

SUD and MAT report

Author

DPSCS

Due Date

November 1, 2021

Amendment No. _____

V00A
Department of Juvenile Services

Budget Amendments

OFFICE OF THE SECRETARY

V00D01.01 Office of the Secretary

Add the following language to the general fund appropriation:

, provided that \$100,000 of this appropriation made for the purpose of providing administrative support may not be expended until the Department of Juvenile Services (DJS) submits a report detailing updates on the operations of the Baltimore City Strategic Partnership to the budget committees. This report shall:

- (1) identify the entities participating in this partnership and the respective role and responsibilities of each;
- (2) detail the processing of cases under this partnership;
- (3) identify performance measures demonstrating the efficacy of this partnership and provide relevant performance data;
- (4) comment on how the partnership will impact juvenile caseloads; and
- (5) identify the funding associated with this partnership in DJS’s fiscal 2021 and 2022 budgets.

The report shall be submitted by December 31, 2021, and the budget committees shall have 45 days from the receipt of the report to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

Explanation: Governor Lawrence J. Hogan, Jr. and DJS announced the new Baltimore City Strategic Partnership in December 2019 with the goal to improve early intervention efforts for low-offending youth. Because of the COVID-19 pandemic, progress in developing this partnership has been impeded. This language requests a one-year update on the operations of this partnership, its impact on juvenile caseloads, relevant performance data, and the amount of departmental funds directed toward partnership programming.

Information Request	Author	Due Date
Update on the Baltimore City Strategic Partnership	DJS	December 31, 2021

Amendment No. _____

W00A
Department of State Police

Budget Amendments

W00A01.03 Criminal Investigation Bureau

Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. Increase turnover expectancy to 25% for new positions in the Licensing Division.	339,296	GF
Total Reductions	339,296	0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	463.00	463.00		0.00
General Fund	75,192,930	74,853,634	339,296	
Federal Fund	1,425,000	1,425,000	0	
Total Funds	76,617,930	76,278,634	339,296	

Amendment No. _____

Committee Narrative

W00A01.04 Support Services Bureau

National Incident Based Reporting System: The Federal Bureau of Investigation required that all State Uniform Crime Report (UCR) data be reported consistent with the National Incident Based Reporting System (NIBRS) by January 1, 2021. The Department of State Police (DSP), as the author of the Maryland UCR, has been tasked with leading the State's effort to achieve compliance. The budget committees request that DSP report the following information:

- (1) a list of all State and local agencies that are NIBRS compliant, specifically noting those who were compliant by the January 1, 2021 deadline;
- (2) a list of all State and local agencies that remain noncompliant; and
- (3) an update on the implementation of NIBRS in Maryland and how its implementation will impact the production of the UCR.

W00A

Information Request	Author	Due Date
One-year update on NIBRS implementation	DSP	January 1, 2022

Sections

Budget Amendments

Add the following section:

Section 22 Out-of-home Placements Report

Section 22. AND BE IT FURTHER ENACTED, That \$100,000 of the general fund appropriation made for the purpose of administrative expenses in D21A02.01 Governor's Office of Crime Prevention, Youth, and Victim Services' Children and Youth Division (CYD), \$100,000 of the general fund appropriation of the Department of Human Services Social Services Administration, \$100,000 of the general fund appropriation of the Department of Juvenile Services, \$100,000 of the general fund appropriation of the Maryland Department of Health Developmental Disabilities Administration, and \$100,000 of the general fund appropriation of the Maryland State Department of Education may not be expended until CYD submits a report on behalf of the Children's Cabinet to the budget committees on out-of-home placements containing:

- (1) the total number and one-day counts (as of January 1) of out-of-home placements and entries by jurisdiction, by agency, and by placement type for fiscal 2019, 2020, and 2021;
- (2) the total number and one-day counts (as of January 1) of out-of-state placements, including the number of family home, community-based, and non-community-based out-of-state placements for fiscal 2019, 2020, and 2021 categorized by state and by age category;
- (3) the costs associated with out-of-home placements;
- (4) an explanation of recent placement trends;
- (5) findings of child abuse and neglect occurring while families are receiving family preservation services or within one year of each case closure; and
- (6) areas of concern related to trends in out-of-home and/or out-of-state placements and potential corrective actions that the Children's Cabinet and local management boards can take to address these concerns.

Further provided that each agency or administration that funds or places children and youth in out-of-home placements shall assist CYD and comply with any data requests necessary for the timely production of the report. The report shall be submitted to the budget committees by January 1, 2022, and the budget committees shall have 45 days from the date of the receipt of the report to review and comment. Funds not expended for this restricted purpose may not be transferred by budget amendment or otherwise for any other purpose. Should the report not be submitted by the requested date, the restricted funds shall revert to the General Fund.

Sections

Explanation: The out-of-home placement report is a report mandated by Human Services Article, Section 8-703(e). It is also annually requested to be submitted to the budget committees. This report is a useful evaluative tool to assess the well-being of Maryland's youth and families and to identify areas of concern related to youth placed out of home. The 2020 submission of this report deviated significantly from prior submissions. This language restricts funds in each of the data reporting agencies and specifies the data of interest to the General Assembly, including agency-specific data for out-of-home and out-of-state placements.

Information Request	Authors	Due Date
Out-of-home placements report	Governor's Office of Crime Prevention, Youth, and Victim Services Department of Human Services Department of Juvenile Services Maryland Department of Health Maryland State Department of Education	January 1, 2022

Amendment No. _____

Add the following section:

Section 23 2020 Uniform Crime Report

SECTION 23. AND BE IT FURTHER ENACTED, That \$250,000 of the general fund appropriation within the Department of State Police (DSP) may not be expended until DSP submits the Crime in Maryland, 2020 Uniform Crime Report (UCR) to the budget committees. The budget committees shall have 45 days to review and comment following receipt of the report. Funds restricted pending the receipt of the report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

Further provided that, if DSP encounters difficulty obtaining, or validating the accuracy of, the necessary crime data by November 1, 2021, from local jurisdictions who provide the data for inclusion in the UCR, DSP shall notify the Governor's Office of Crime Prevention, Youth, and Victim Services (GOCPYVS). From each jurisdiction's third quarterly State Aid for Police Protection (SAPP) disbursement, the office shall withhold a portion, totaling at least 15% but no more than 50%, of that jurisdiction's SAPP grant for fiscal 2022 upon receipt of notification from DSP. GOCPYVS shall withhold SAPP funds until such a time that the jurisdiction submits

Sections

its crime data to DSP, and DSP verifies the accuracy of that data. DSP and GOCPYVS shall submit a report to the budget committees indicating any jurisdiction from which crime data was not received by November 1, 2021, and the amount of SAPP funding withheld from each jurisdiction.

Explanation: The annual language was originally added because DSP had not been submitting its annual crime report in a timely manner due to issues related to receiving crime data from the local jurisdictions. The 2017 UCR was not submitted until March 2019, and the 2018 UCR was not submitted until March 2020. The 2019 UCR was the first report submitted on time in several years.

This language withholds a portion of the general fund appropriation until the budget committees receive the 2020 UCR. The language also specifies that GOCPYVS, upon receipt of notification from DSP, must withhold a portion of a delinquent jurisdiction's SAPP grant until certain crime data is received by DSP. Finally, DSP and GOCPYVS must submit a report to the budget committees that includes information on any jurisdiction that did not report crime data by November 1, 2021, and the amount of SAPP funding that was withheld from each jurisdiction.

Information Request	Author	Due Date
2020 UCR data verification	DSP	November 1, 2021
2020 UCR	DSP	45 days prior to expenditure of funds

Amendment No. _____

Add the following section:

Section 41 Review of Workers' Compensation Agency Structure

SECTION 41. AND BE IT FURTHER ENACTED, That \$50,000 of the special fund appropriation in the Uninsured Employers' Fund (UEF), \$50,000 of the special fund appropriation in the Subsequent Injury Fund (SIF), \$50,000 of the special fund appropriation in the Workers' Compensation Commission (WCC), and \$50,000 of the general fund appropriation in the Department of Budget and Management made for the purpose of general operation expenses may not be expended unless the agencies provide a report to the budget committees analyzing the existing structure of UEF, SIF, and WCC. The report shall include:

- (1) an evaluation of the current structure of the UEF, SIF, and WCC, including but not limited to areas of overlapping responsibilities;
- (2) a recommendation of whether the agencies should be restructured, including but not limited to resource sharing and merging; and

Sections

- (3) if the recommendation does not call for restructuring, a thorough evaluation of the UEF's personnel needs.

The report shall be submitted by September 1, 2021, and the budget committees shall have 45 days from the date of the receipt of the report to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

Explanation: This language restricts funding in several agencies and requires the agencies to analyze the personnel needs of UEF and the structure of three workers' compensation related agencies.

Information Request

Authors

Due Date

Report on UEF personnel needs and potential restructuring

UEF
Department of Budget and Management
WCC
SIF

September 1, 2021

Amendment No. _____

**Budget Reconciliation and Financing Act of 2021
House Public Safety and Administration Subcommittee**

<u>APP Sub</u>	<u>Item #</u>	<u>BRFA Page(s)</u>	<u>Description</u>	<u>Related Budgetary Action and Comments</u>	<u>APP Action</u>	<u>B&T Action</u>	<u>CC Action</u>
PSA	1	4	Alters the mandate to provide funding for the Office of the Attorney General financial consumer protection to special funds rather than general funds.	The fiscal 2022 budget includes a general fund contingent reduction of \$700,000 related to this item.	Reject		
PSA	12	18-19	Reduces the mandate for services provided to the State by the City of Annapolis from \$750,000 to \$367,000 and eliminates the inflationary increase that was set to begin in fiscal 2022.	The fiscal 2022 budget includes a general fund contingent reduction of \$383,000 related to this item.	Reject		
PSA	18	22-23	Requires a 50% local cost share for settlements to individuals erroneously convicted entered into beginning in fiscal 2021.		Reject		
PSA	20	24-26	Phases-in increases of the local share of the administrative costs of the State Department of Assessments and Taxation beginning with an increase from 50% to 60% in fiscal 2022, increases the cost share by 10 percentage points per year until it reaches 90% in fiscal 2025, and maintains it at 90% thereafter.	The fiscal 2022 budget includes general fund contingent reductions totaling \$3,948,020 related to this item.	Reject		
PSA	31	31	Requires the Comptroller to transfer \$10 million of Consumer Protection Recoveries to the General Fund if the Office of the Attorney General does not transfer this amount on or before May 1, 2022.		Reject		
PSA	34	32	Requires employees in Department of Public Safety and Correctional Services facilities that are closed effective June 30, 2021 (two pre-release units) to be transferred to vacant positions in comparable classifications in other facilities without the loss of compensation, status, or benefits. The transfers are required to be effective no later than July 1, 2021.		Reject		
PSA	105-DLS add'l		Authorizes a transfer of \$1 million from the Charlotte Hall Veterans Home Fund to the General Fund in fiscal 2022.		Adopt		



Report of the
**Transportation and the
Environment Subcommittee**
To the House Appropriations Committee

2021 SESSION

Recommendations, Reductions, and Summary of
Action Pertaining to:
House Bill 588

General Assembly of Maryland
House Appropriations Committee
Transportation and the Environment Subcommittee
2021 Session Membership Roster

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Delegate Carol L. Krimm, Vice Chairman

Delegate Wendell R. Beitzel
Delegate Trent Kittleman
Delegate Jazz Lewis
Delegate Ric Metzgar

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Ken Weaver

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Recommended Reductions
Transportation and the Environment Subcommittee

Agency	<u>General Funds</u>	<u>Special Funds</u>	<u>Federal Funds</u>	<u>Higher Ed Funds</u>	<u>Total Funds</u>	<u>Positions</u>
2022 Budget Request						
Department of Planning	\$81,528	\$0	\$0	\$0	\$81,528	-1.0
State Lottery and Gaming Control Agency	0	3,000,000	0	0	3,000,000	
Fiscal 2022 Total Budget	\$81,528	\$3,000,000	\$0	\$0	\$3,081,528	-1.0
Grand Total Budget Bill	\$81,528	\$3,000,000	\$0	\$0	\$3,081,528	-1.0

C90G00
Public Service Commission

Committee Narrative

C90G00.01 General Administration and Hearings

Consumer Choice Websites: The committees are interested in increasing the use of the Public Service Commission’s (PSC) consumer choice websites for electric and gas supply. The committees request that PSC provide (to the extent available) data on the usage of the consumer choice websites by month since the launch of the websites. If this data is not currently tracked, the committees request that PSC begin tracking this information to allow for future reporting. The committees also request that PSC provide recommendations to increase usage on these websites among residential customers and any other efforts to increase consumer education related to electric and gas supplier shopping.

Information Request	Author	Due Date
Report on increasing usage of consumer choice websites	PSC	November 1, 2021

C91H00
Office of the People’s Counsel

Committee Narrative

C91H00.01 General Administration

Evaluation of Adequacy of Cap on Utility Assessment: The budget of the Office of People’s Counsel (OPC) is supported with assessments on public service companies based on the estimated expenses of OPC. The Public Service Commission (PSC) similarly assesses these companies based on PSC’s estimated expenses. Section 2-110 of the Public Utilities Article caps the assessments at the lower of (1) the expenses of PSC and OPC or (2) 0.05% of the public service company’s gross operating revenue derived from intrastate utility and electricity supplier operations in the preceding calendar year (or other 12-month period) for OPC and 0.25% of those revenues for PSC. The cap for PSC was increased to that 0.25% level in the 2020 session, while OPC’s cap remained at the same level. Given the potential for lower operating revenues, the committees are interested in evaluating the adequacy of the existing cap on assessment for OPC expenses. The committees request that OPC report on:

- the budget/spending of the agency relative to the cap for fiscal 2018 through 2022;
- a projection for fiscal 2023; and
- trends in responsibilities, spending, revenue subject to the assessment/cap, and the cap of OPC as a proportion of the PSC cap that might influence the agency’s ability to function effectively within the cap.

Information Request	Author	Due Date
Report on adequacy of the cap on utility assessment for OPC	OPC	October 15, 2021

D13A13
Maryland Energy Administration

Committee Narrative

D13A13.01 General Administration

Strategic Energy Investment Fund Revenue, Spending, and Fund Balance: The committees are interested in ensuring transparency in Regional Greenhouse Gas Initiative (RGGI) revenue assumptions and spending included in the budget as well as available fund balance. The committees request that the Department of Budget and Management (DBM) provide an annual report on the revenue from the RGGI carbon dioxide emission allowance auctions, set aside allowances, and interest income in conjunction with the submission of the fiscal 2023 budget as an appendix to the Governor’s Budget Books. The report shall include information on the actual fiscal 2021 budget, the fiscal 2022 working appropriation, and the fiscal 2023 allowance. The report shall detail:

- revenue assumptions used to calculate the available Strategic Energy Investment Fund (SEIF) from RGGI auctions for each fiscal year, including the number of auctions, the number of allowances sold, the allowance price in each auction, and the anticipated revenue from set-aside allowances;
- interest income received on the SEIF;
- amount of the SEIF from RGGI auction revenue available to each agency that receives funding through each required statutory allocation, dues owed to RGGI, Inc., and transfers or diversions of revenue made to other funds; and
- fund balance for each SEIF subaccount for the fiscal 2021 actual, the fiscal 2022 working appropriation, and the fiscal 2023 allowance.

Information Request	Author	Due Date
Report on revenue assumptions and use of RGGI auction revenue	DBM	With the submission of the Governor’s Fiscal 2023 Budget Books

D13A13

Budget Amendments

D13A13.08 Renewable and Clean Energy Programs and Initiatives

Add the following language to the special fund appropriation:

, provided that \$23,000,000 of this appropriation made for the purpose of Maryland Energy Infrastructure Grants, including the Contributions in Aid of Construction Dispensation Fund, the Anchor Customer Program, and the Local Distribution Company Program, and technical assistance from the Maryland Gas Expansion Fund may not be expended for that purpose but instead may be transferred by budget amendment to the Department of Human Services program N00I00.06 Office of Home Energy Programs to be used only for bill payment assistance and arrearage retirement for residential electric and natural gas customers. Funds not expended for this restricted purpose may not be transferred by budget amendment or otherwise to any other purpose and shall be canceled.

Explanation: This language restricts \$23.0 million of the \$26.32 million appropriation in the Renewable and Clean Energy Programs and Initiatives program of the Maryland Energy Administration from the Maryland Gas Expansion Fund created as a result of a condition of approval of the WGL Holdings, Inc. and AltaGas Ltd. to be used in the Department of Human Services for bill payment or arrearage assistance for residential electric and natural gas customers.

Amendment No. _____

Committee Narrative

Maryland Gas Expansion Fund Activities: Fiscal 2020 spending from the Maryland Gas Expansion Fund totaled \$4 million, and no activity is expected in fiscal 2021. The fiscal 2022 appropriation will be the second round of funding under the program. As a result, the committees request that the Maryland Energy Administration (MEA) submit a report providing information on the status of the application process, including applications received, evaluation criteria, and awards made. If awards have not been made as of the submission of the report, it should instead include information about the planned timeline for determining awards.

Information Request	Author	Due Date
Maryland Gas Expansion Fund	MEA	December 30, 2021

D13A13

Electric Vehicle Recharging Equipment Rebate Program Use in Multi-Unit Dwelling Developments: The committees are interested in understanding the extent to which the Electric Vehicle Recharging Equipment Rebate program has been used in multi-unit dwelling developments. Specifically, the committees request that the Maryland Energy Administration (MEA) submit a report providing information on the number of rebates provided for multi-unit dwelling developments in each fiscal year from fiscal 2017 to 2021. This information should be provided separately by fiscal year and, to the extent possible, by county or county equivalent.

Information Request	Author	Due Date
Report on electric vehicle recharging equipment rebate program use in multi-unit dwelling developments	MEA	October 1, 2021

**D40W01
Department of Planning**

Budget Amendments

D40W01.03 Planning Data and Research

Reduce appropriation for the purposes indicated:

1. Delete long-term vacant planner lead/advanced position (PIN 00518) and funding in the Planning Data and Research Program. The position has been vacant since December 5, 2018. The Maryland Department of Planning notes that the position is currently in the reclassification process, but the urgency to do so appears limited given the greater than two-year vacancy period.

Funds **Positions**

81,528 GF

Total Reductions 81,528 -1.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	24.00	25.00		-1.00
General Fund	2,836,102	2,754,574	81,528	
Total Funds	2,836,102	2,754,574	81,528	

Amendment No. _____

E75D
Maryland Lottery and Gaming Control Agency

Budget Amendments

E75D00.01 Administration and Operations

Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. Reduce funding for lottery advertising to a level more in line with historical spending.	3,000,000	SF
 Total Reductions	 3,000,000	 0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	163.10	163.10		0.00
Special Fund	87,639,279	84,639,279	3,000,000	
Total Funds	87,639,279	84,639,279	3,000,000	

Amendment No. _____

J00
Department of Transportation

Budget Amendments

Add the following language:

Provided that it is the intent of the General Assembly that projects and funding levels appropriated for capital projects, as well as total estimated project costs within the Consolidated Transportation Program, shall be expended in accordance with the plan approved during the legislative session. The department shall prepare a report to notify the budget committees of the proposed changes in the event that the department modifies the program to:

- (1) add a new project to the construction program or development and evaluation program meeting the definition of a “major project” under Section 2-103.1 of the Transportation Article that was not previously contained within a plan reviewed in a prior year by the General Assembly and will result in the need to expend funds in the current budget year; or
- (2) change the scope of a project in the construction program or development and evaluation program meeting the definition of a “major project” under Section 2-103.1 of the Transportation Article that will result in an increase of more than 10% or \$1,000,000, whichever is greater, in the total project costs as reviewed by the General Assembly during a prior session.

For each change, the report shall identify the project title, justification for adding the new project or modifying the scope of the existing project, current year funding levels, and the total project cost as approved by the General Assembly during the prior session compared with the proposed current year funding and total project cost estimate resulting from the project addition or change in scope.

Further provided that notification of project additions, as outlined in paragraph (1) above; changes in the scope of a project, as outlined in paragraph (2) above; or moving projects from the development and evaluation program to the construction program shall be made to the General Assembly 45 days prior to the expenditure of funds or the submission of any contract for approval to the Board of Public Works.

Explanation: This annual budget bill language requires the department to notify the budget committees of proposed changes to the transportation capital program that will add a new project that was not in the fiscal 2021-2026 Consolidated Transportation Program (CTP) or will increase a total project’s cost by more than 10%, or \$1 million, due to a change in scope. Reports are to be submitted with the draft and final versions of the CTP with each using the 2021 session CTP as the basis for comparison. In addition, notification is required as needed throughout the budget year if certain changes to projects are made.

J00

Information Request	Author	Due Date
Capital budget changes from one CTP version to the next	Maryland Department of Transportation (MDOT)	With draft CTP With final CTP
Capital budget changes throughout the year	MDOT	45 days prior to the expenditure of funds or seeking Board of Public Works approval

Amendment No. _____

Add the following language:

The Maryland Department of Transportation (MDOT) may not expend funds on any job or position of employment approved in this budget in excess of 9,057.5 positions and 115.0 contractual full-time equivalent (FTE) positions paid through special payments payroll (defined as the quotient of the sum of the hours worked by all such employees in the fiscal year divided by 2,080 hours) of the total authorized amount established in the budget for MDOT at any one time during fiscal 2022. The level of contractual FTE positions may be exceeded only if MDOT notifies the budget committees of the need and justification for additional contractual personnel due to:

- (1) business growth at the Helen Delich Bentley Port of Baltimore or Baltimore/Washington International Thurgood Marshall Airport, that demands additional personnel; or
- (2) emergency needs that must be met, such as transit security or highway maintenance.

The Secretary shall use the authority under Sections 2-101 and 2-102 of the Transportation Article to implement this provision. However, any authorized job or position to be filled above the regular position ceiling approved by the Board of Public Works shall count against the Rule of 100 imposed by the General Assembly. The establishment of new jobs or positions of employment not authorized in the fiscal 2022 budget shall be subject to Section 7-236 of the State Finance and Procurement Article and the Rule of 100.

Explanation: This annual budget bill language establishes a position ceiling for MDOT each year to limit growth in regular positions and contractual FTEs.

J00

Information Request

Author

Due Date

Need for additional regular or contractual positions

MDOT

As needed

Amendment No. _____

J00A01
Department of Transportation
The Secretary's Office

Budget Amendments

J00A01.01 Executive Direction

Add the following language to the special fund appropriation:

, provided that \$500,000 of this appropriation made for the purpose of departmental administration may not be expended until the Maryland Transit Administration (MTA) submits two reports to the budget committees on the results of the solicitation for a replacement design-build contractor for the Purple Line Light Rail project. The first report shall include information on:

- (1) the number of firms shortlisted through the request for qualifications process;
- (2) the number of proposals received in response to the request for proposals;
- (3) the details of the selected company or design-build team;
- (4) a description of and timeline for the transition of project management responsibilities from MTA to the new design-build contractor; and
- (5) a summary of revisions being proposed to the public-private partnership (P3) agreement including:
 - (a) the revised project cost estimate;
 - (b) the revised project schedule showing remaining milestones and estimated start date of revenue service;
 - (c) details of the financing revisions and changes to the availability payments;
 - (d) an accounting of the revised cost sharing among the federal, State, local and Concessionaire showing the revised amount each source is providing and the amount from each source expended to date; and
 - (e) a summary of significant changes to the P3 agreement not included in any item above.

The second report shall provide an update of the information required under items (4) and (5). The first report shall be submitted at least 14 days prior to seeking approval of modifications to the P3 agreement and the second report shall be provided on February 15, 2022. Half of the restricted funds shall be released when review of the first report is complete or 45 days have

J00A01

elapsed from the date that the report was received, and the remainder shall be released when review of the second report is complete or 45 days have elapsed from the date that the report was received. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall be canceled if the report is not submitted to the budget committees.

Explanation: The replacement of the design-build contractor for the Purple Line Light Rail will entail modifications to the P3 agreement and project structure. This language requires MTA to report on the proposed changes prior to seeking approval from the Board of Public Works (BPW) for these changes and to provide an update in February 2022.

Information Request	Author	Due Date
Report on selected design-build contractor replacement for the Purple Line and summary of modifications to the project structure and agreement	MTA	14 days prior to seeking approval from BPW
Update on information required in items (4) and (5)	MTA	February 15, 2022

Amendment No. _____

Add the following language to the special fund appropriation:

Further provided that \$100,000 of this appropriation made for the purpose of departmental administration may not be expended until the Maryland Department of Transportation submits a report to the budget committees providing data on sworn officers of the Maryland Transit Administration Police. The report should provide the following information, broken out by supervisory vs. nonsupervisory officers and further broken out by race and by gender, by calendar year for five years ending with calendar 2020. The report shall:

- (1) list the number of officers in each level of the pay scale; and
- (2) detail the number of officers that were:
 - (a) hired;
 - (b) provided training necessary for advancement;
 - (c) promoted;

J00A01

- (d) suspended with pay;
- (e) suspended without pay; and
- (f) dismissed.

The report shall be submitted by December 1, 2021, and the budget committees shall have 45 days to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall be canceled if the report is not submitted to the budget committees.

Explanation: The committees are interested in ensuring that human resource practices are fair and equitable.

Information Request	Author	Due Date
Report on sworn officer positions in the Maryland Transit Administration Police	Maryland Department of Transportation	December 1, 2021

Amendment No. _____

J00A01.02 Operating Grants-In-Aid

Add the following language to the special fund appropriation:

, provided that no more than \$5,390,710 of this appropriation may be expended for operating grants-in-aid, except for:

- (1) any additional special funds necessary to match unanticipated federal fund attainments;
or
- (2) any proposed increase either to provide funds for a new grantee or to expand funds for an existing grantee.

Further provided that no expenditures in excess of \$5,390,710 may occur unless the department provides notification to the budget committees to justify the need for additional expenditures due to either item (1) or (2) above, and the committees provide review and comment or 45 days elapse from the date such notification is provided to the committees.

J00A01

Explanation: This annual language caps the level of special funds provided for operating grants-in-aid. The cap may be increased to match unanticipated federal dollars or to provide new or expanded grant funding upon notification to the budget committees.

Information Request	Author	Due Date
Explanation of need for additional special funds for operating grants-in-aid	Maryland Department of Transportation	45 days prior to expenditure

Amendment No. _____

J00A01.03 Facilities and Capital Equipment

Add the following language to the special fund appropriation:

provided that no funds may be expended by the Secretary's Office for any system preservation or minor project with a total project cost in excess of \$500,000 that is not currently included in the fiscal 2021-2026 Consolidated Transportation Program, except as outlined below:

- (1) the Secretary shall notify the budget committees of any proposed system preservation or minor project with a total project cost in excess of \$500,000, including the need and justification for the project and its total cost; and
- (2) the budget committees shall have 45 days to review and comment on the proposed system preservation or minor project.

Explanation: This language provides legislative oversight of grants exceeding \$500,000 that are not listed in the current Consolidated Transportation Program (CTP).

Information Request	Author	Due Date
Notification of the intent to fund a capital grant exceeding \$500,000 that is not listed in the current CTP	Maryland Department of Transportation	45 days prior to expenditure

Amendment No. _____

J00A04
Department of Transportation
Debt Service Requirements

Budget Amendments

Add the following language:

Consolidated Transportation Bonds may be issued in any amount, provided that the aggregate outstanding and unpaid balance of these bonds and bonds of prior issues may not exceed \$3,475,580,000 as of June 30, 2022.

Explanation: Section 3-202 of the Transportation Article requires the General Assembly to establish the maximum debt outstanding each year in the budget bill. The level is based on the outstanding debt as of June 30, 2020, plus projected debt to be issued during fiscal 2021 and 2022 in support of the transportation capital program.

Amendment No. _____

Add the following language:

The Maryland Department of Transportation (MDOT) shall submit with its annual September and January financial forecasts information on:

- (1) anticipated and actual nontraditional debt outstanding as of June 30 of each year; and
- (2) anticipated and actual debt service payments for each outstanding nontraditional debt issuance from fiscal 2021 through 2031.

Nontraditional debt is defined as any debt instrument that is not a Consolidated Transportation Bond or a Grant Anticipation Revenue Vehicle bond; such debt includes, but is not limited to, Certificates of Participation; debt backed by customer facility charges, passenger facility charges or other revenues; and debt issued by the Maryland Economic Development Corporation or any other third party on behalf of MDOT.

Explanation: The General Assembly is interested in monitoring the use of nontraditional debt by MDOT. The information requested provides the budget committees with additional information on the usage and annual costs of nontraditional debt.

J00A04

Information Request	Author	Due Date
Nontraditional debt outstanding and anticipated debt service payments	MDOT	With the September forecast
Nontraditional debt outstanding and anticipated debt service payments	MDOT	With the January forecast

Amendment No. _____

Add the following language:

The total aggregate outstanding and unpaid principal balance of nontraditional debt, defined as any debt instrument that is not a Consolidated Transportation Bond or a Grant Anticipation Revenue Vehicle bond issued by the Maryland Department of Transportation (MDOT), exclusive of any draws on the federal Transportation Infrastructure Finance and Innovation Act (TIFIA) loan for the Purple Line Light Rail Project, may not exceed \$1,171,210,000 as of June 30, 2022. The total aggregate outstanding and unpaid principal balance on the Purple Line TIFIA loan may not exceed \$925,315,170 as of June 30, 2022. Provided, however, that in addition to the limits established under this provision, MDOT may increase the aggregate outstanding unpaid and principal balance of nontraditional debt so long as:

- (1) MDOT provides notice to the Senate Budget and Taxation Committee and the House Appropriations Committee stating the specific reason for the additional issuance and providing specific information regarding the proposed issuance, including information specifying the total amount of nontraditional debt that would be outstanding on June 30, 2022, and the total amount by which the fiscal 2022 debt service payment for all nontraditional debt would increase following the additional issuance; and
- (2) the Senate Budget and Taxation Committee and the House Appropriations Committee have 45 days to review and comment on the proposed additional issuance before the publication of a preliminary official statement. The Senate Budget and Taxation Committee and the House Appropriations Committee may hold a public hearing to discuss the proposed increase and shall signal their intent to hold a hearing within 45 days of receiving notice from MDOT.

Explanation: This language limits the amount of nontraditional debt outstanding at the end of fiscal 2022 for non-TIFIA debt to the total amount that was outstanding from all previous nontraditional debt issuances as of June 30, 2020, plus an anticipated issuance of \$215 million in refunding bonds and \$300 million for the concourse A/B connector and baggage handling

J00A04

system at the Baltimore/Washington International Thurgood Marshall Airport. TIFIA debt outstanding for the Purple Line Project is capped at the projected maximum debt outstanding level that will occur during the construction phase of the Purple Line Project. The language allows MDOT to increase the amount of nontraditional debt outstanding in fiscal 2022 by providing notification to the budget committees regarding the reason that the additional debt is required.

Information Request	Author	Due Date
Justification for increasing nontraditional debt outstanding	MDOT	45 days prior to publication of a preliminary official statement

Amendment No. _____

J00B01
Department of Transportation
State Highway Administration

Budget Amendments

J00B01.01 State System Construction and Equipment

Add the following language:

It is the intent of the General Assembly that when a county or municipality has direct notice of multiple suicides or attempted suicides from a bridge under its control it shall:

- (1) increase surveillance in a manner designed to prevent additional attempts; and
- (2) add or construct barriers on the bridge designed to prevent suicides.

Explanation: When knowledge of suicides or suicide attempts from a particular bridge becomes widespread, copycat behavior has been known to occur with additional suicides and/or attempts increasing in frequency. This language states the intent of the General Assembly that counties and municipalities should make modifications to bridges under their control when multiple suicides or attempts from the same structure become known.

Amendment No. _____

Committee Narrative

Road Construction Worker Safety: The committees are concerned about road construction worker injuries and fatalities occurring within road project work zones and wish to ensure that adequate safety policies are in place and safety procedures are being utilized. The committees request that the State Highway Administration (SHA) provide a report summarizing the measures utilized to keep workers safe. The report should include a discussion of specific measures used to protect workers working in trenches. The report should be submitted to the budget committees by August 1, 2021.

Information Request	Author	Due Date
Report on measures used and policies in place to ensure the safety of road construction workers	SHA	August 1, 2021

J00B01

Installation of Suicide Barriers on Bridges – Best Practices: The committees request that the State Highway Administration (SHA) review the policies that other state and local governments have adopted related to the installation of suicide prevention barriers on bridges and identify best practices for when such barriers should be included in bridge construction, reconstruction, or repair projects. SHA should then share the best practices identified through this effort with Maryland’s counties and municipalities. Finally, SHA is requested to provide a report to the committees summarizing the identified best practices and indicating the methods used to share this information with counties and municipalities in the State.

Information Request	Author	Due Date
Identification and dissemination of best practices related to installation of suicide barriers on bridges	SHA	December 1, 2021

J00B01.02 State System Maintenance

Microbrewery and Distillery Tourism Signs along State Roads: The committees are interested in supporting the diversification of agricultural-based businesses within the State and believe that the inclusion of microbreweries and distilleries in the Tourist Area and Corridor (TAC) Signing Program would further this effort. The State Highway Administration (SHA) is requested to provide a report summarizing the TAC Signing Program and discussing the pros and cons of expanding the program to include microbreweries and distilleries and a review of how other states promote microbreweries and distilleries through signage along state roads. The report should be submitted by October 1, 2021.

Information Request	Author	Due Date
Report on pros and cons of including microbreweries and distilleries in the TAC Signing Program	SHA	October 1, 2021

J00E00
Department of Transportation
Motor Vehicle Administration

Committee Narrative

Maryland REAL ID Act Implementation Report: The COVID-19 pandemic delayed implementation of the REAL ID Act. Federal law now requires that starting October 1, 2021, all state-issued driver’s licenses and identification cards be in compliance with the REAL ID Act requirements if an individual seeks to enter a federal facility or board a commercial domestic airline flight. Due to the potential consequences for Maryland residents who are not in compliance with the REAL ID Act when the deadline passes, the budget committees request that the Motor Vehicle Administration (MVA) submit a pre- and post-deadline report regarding the implementation of the new October 1, 2021 REAL ID deadline. These reports should include the number of Maryland residents not in compliance as of June 1, 2021, and November 1, 2021, respectively. The pre-deadline report should also include information on the number of outstanding recalled driver’s licenses and identification cards and MVA’s efforts to meet the deadline, and the post-deadline report should include information on MVA’s plan to deal with the Maryland residents still not in compliance. The reports shall be provided by July 1, 2021, and December 1, 2021, respectively.

Information Request	Author	Due Date
Pre-deadline report on REAL ID implementation	MVA	July 1, 2021
Post-deadline report on REAL ID implementation	MVA	December 1, 2021

J00H01
Department of Transportation
Maryland Transit Administration

Budget Amendments

J00H01.01 Transit Administration

Add the following language to the special fund appropriation:

, provided that \$100,000 of this appropriation made for the purpose of general administration may not be expended until the Maryland Transit Administration submits a report to the budget committees on the services provided by Locally Operated Transit Systems (LOTS), including Non-Emergency Medical Transportation (NEMT), to determine if these services are adequate to meet the local transportation requirements of the areas they serve. The study shall include the sources of funding and the amount of the funding provided by each source, by fiscal year, for fiscal 2015 through 2020. The study shall include a detailed examination of the NEMT services provided by Maryland LOTS during these fiscal years to determine whether adequate funding is available to meet the current and projected future service demands. The report shall be submitted by November 15, 2021, and the budget committees shall have 45 days from the receipt of the report to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall be canceled if the report is not submitted to the budget committees.

Explanation: This language restricts funds until a report on NEMT services provided by LOTS is submitted.

Information Request	Author	Due Date
Report on adequacy of NEMT services provided by LOTS	Maryland Transit Administration	November 15, 2021

Amendment No. _____

K00A
Department of Natural Resources

Committee Narrative

WILDLIFE AND HERITAGE SERVICE

K00A03.01 Wildlife and Heritage Service

Montgomery County Enhanced Deer Management Strategy: The budget committees are concerned that Montgomery County is experiencing uncontrollable deer population growth and that existing methods of lawfully mitigating the detrimental impact of this growth have proven ineffective. Therefore, the budget committees request that the Department of Natural Resources (DNR), in cooperation with and approval by Montgomery County officials, develop an enhanced deer management strategy to reduce the Montgomery County deer population by a measurable amount. The report shall be submitted by November 1, 2021.

Information Request	Author	Due Date
Montgomery County enhanced deer management strategy	DNR	November 1, 2021

Budget Amendments

RESOURCE ASSESSMENT SERVICE

K00A12.05 Power Plant Assessment Program

Add the following language to the special fund appropriation:

, provided that \$100,000 of this appropriation made for the purpose of technical assistance in environmental engineering may not be expended for that purpose and instead may be used only to issue a request for proposals and contract with a vendor to study the 20 coal combustion by-product storage, fill, and disposal sites in Maryland that were determined to have some potential for coal combustion by-product recovery and beneficial use by the Coal Combustion By-Product Storage, Use, and Disposal Sites in Maryland report by the Power Plant Research Program published in August 2019. The study shall conduct the following:

- (1) assess transportation methods and distances from the coal combustion by-product sites to potential users;
- (2) contact site owners to verify current and future land use and determine whether owners are amenable to coal combustion by-product recovery at the site;

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- (3) evaluate coal combustion by-product quality;
- (4) determine the extent and quantity of coal combustion by-products;
- (5) analyze the beneficial uses of coal combustion by-product deposits; and
- (6) recommend ways to ameliorate environmental problems caused by coal combustion by-products, including coal fly ash.

Further provided that the Power Plant Research Program shall submit a report to the budget committees based on the information provided in the vendor's completed study. The report shall be submitted by November 1, 2021, and the budget committees shall have 45 days from the date of receipt of the report to review and comment. Funds not expended for this restricted purpose may not be transferred by budget amendment or otherwise to any other purpose and shall be canceled if the Power Plant Research Program does not submit the report to the budget committees.

Explanation: This language restricts funding pending a vendor being selected to study coal combustion by-products and the Power Plant Research Program submitting a report to the budget committees based on the vendor's study. The Power Plant Research Program published the report Coal Combustion By-Product Storage, Use, and Disposal Sites in Maryland in August 2019, which included recommendations for next steps. In addition, there are environmental concerns related to coal combustion by-products that could be ameliorated by beneficial use or remediation of coal combustion by-product storage, fill, and disposal sites.

Information Request	Author	Due Date
Coal combustion by-products study and report	Department of Natural Resources	November 1, 2021

Amendment No. _____

Committee Narrative

CHESAPEAKE AND COASTAL SERVICE

K00A14.02 Chesapeake and Coastal Service

Summary of Chesapeake Bay Restoration Spending: The budget committees request that the Department of Budget and Management (DBM), the Department of Natural Resources (DNR), and the Maryland Department of the Environment (MDE) provide a report on Chesapeake Bay restoration spending. The report shall be drafted subject to the concurrence of the Department

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of Legislative Services (DLS) in terms of both electronic format to be used and data to be included. The scope of the report is as follows: Chesapeake Bay restoration operating and capital expenditures by agency, fund type, and particular fund source based on programs that have over 50% of their activities directly related to Chesapeake Bay restoration for the fiscal 2021 actual, fiscal 2022 working appropriation, and fiscal 2023 allowance to be included as an appendix in the fiscal 2023 budget volumes and submitted electronically in disaggregated form to DLS.

Information Request	Authors	Due Date
Summary of Chesapeake Bay restoration spending for programs that have over 50% of their activities directly related to Chesapeake Bay restoration	DBM DNR MDE	Fiscal 2023 budget submission

U00A
Department of the Environment

Budget Amendments

LAND AND MATERIALS ADMINISTRATION

U00A06.01 Land and Materials Administration

Add the following language to the general fund appropriation:

, provided that \$200,000 of this appropriation made for the purpose of general administrative expenses in the Land and Materials Administration may not be expended pending the submission of the Maryland Scrap Tire annual report. The requested report shall be submitted no later than November 1, 2022. The budget committees shall have 45 days from the date the report is received to review and comment. Funds restricted pending the receipt of the report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

Explanation: This action restricts funding pending the submission by November 1, 2021, of the Maryland Scrap Tire Annual Report. Section 9-275(c) of the Environment Article specifies that an annual status report is due on or before November 1 of each year, which has not been consistently met.

Information Request	Author	Due Date
Maryland Used Tire Cleanup and Recycling Fund annual report	Maryland Department of the Environment	November 1, 2021

Amendment No. _____

Committee Narrative

COORDINATING OFFICES

U00A10.01 Coordinating Offices

Budgeting of Prior Year Actual Personnel Expenditures: The Maryland Department of the Environment's (MDE) fiscal 2020 actual budget data incorrectly reflects the allocation of funding for personnel expenditures. The fringe benefit expenditures – health insurance, pension contributions, and turnover adjustments, among others – are almost entirely reflected as Social Security contributions, which makes it difficult to do historical data comparisons. The budget committees request that MDE reflect prior year actual personnel expenditures up to and including fiscal 2021 in the correct statewide subobjects with the fiscal 2023 budget submission.

U00A

Information Request	Author	Due Date
Budgeting of prior year actual personnel expenditures	MDE	Fiscal 2023 budget submission

U10B00
Maryland Environmental Service

Committee Narrative

U10B00.41 General Administration

Maryland Environmental Service Funding Statement: The committees request that the Maryland Environmental Service (MES) continue to provide a report on the following:

- undesignated unrestricted net assets for fiscal 2021, 2022, and 2023 estimated and an explanation for any changes between each of these years, including revenues credited to and expenditures debited from the net assets;
- overhead rate for fiscal 2021, 2022, and 2023 estimated, including a separate calculation for the water and wastewater overhead rate for each fiscal year from fiscal 2015 through 2023;
- project reserve fund status by beginning balance, approved retainage, funds used, and interest earned for fiscal 2021 and 2022 for the State Reimbursable Project Contingency Fund, the Eastern Correctional Institution Steam Turbine Contingency Fund, and the Department of Natural Resources Project Contingency Fund; and
- justification for the changes in reimbursable project funding for fiscal 2021, 2022, and 2023 estimated based on a discussion about how MES’s undesignated unrestricted net assets allow for reducing MES’s overhead rate for State reimbursable projects and how project reserve funds are available for any under budgeting.

The report should be submitted in coordination with the Department of Budget and Management (DBM) with the fiscal 2023 budget submission.

Information Request	Authors	Due Date
MES funding statement	MES DBM	Fiscal 2023 budget submission

Sections

Budget Amendments

Add the following section:

Section 21 Chesapeake Bay Restoration Spending

SECTION 21. AND BE IT FURTHER ENACTED, That \$200,000 of the general fund appropriation in the Maryland Department of Planning, \$200,000 of the general fund appropriation in the Department of Natural Resources, \$200,000 of the general fund appropriation in the Maryland Department of Agriculture, \$200,000 of the general fund appropriation in the Maryland Department of the Environment, and \$200,000 of the general fund appropriation in the Department of Budget and Management made for the purpose of general operating expenses may not be expended unless the agencies provide a report to the budget committees on Chesapeake Bay restoration spending. The report shall be drafted subject to the concurrence of the Department of Legislative Services (DLS) in terms of both electronic format to be used and data to be included. The report shall include:

- (1) fiscal 2021 annual spending by fund, fund source, program, and State government agency; associated nutrient and sediment reductions; and the impact on living resources and ambient water quality criteria for dissolved oxygen, water clarity, and “chlorophyll a” for the Chesapeake Bay and its tidal tributaries to be submitted electronically in disaggregated form to DLS;
- (2) projected fiscal 2022 to 2025 annual spending by fund, fund source, program, and State government agency; associated nutrient and sediment reductions; and the impact on living resources and ambient water quality criteria for dissolved oxygen, water clarity, and “chlorophyll a” for the Chesapeake Bay and its tidal tributaries to be submitted electronically in disaggregated form to DLS;
- (3) an overall framework discussing the needed regulations, revenues, laws, and administrative actions and their impacts on individuals, organizations, governments, and businesses by year from fiscal 2021 to 2025 in order to reach the calendar 2025 requirement of having all best management practices in place to meet water quality standards for restoring the Chesapeake Bay, to be both written in narrative form and tabulated in spreadsheet form that is submitted electronically in disaggregated form to DLS;
- (4) an analysis of the various options for financing Chesapeake Bay restoration including public-private partnerships, a regional financing authority, nutrient trading, technological developments, and any other policy innovations that would improve the effectiveness of Maryland and other states’ efforts toward Chesapeake Bay restoration;
- (5) an analysis on how cost effective the existing State funding sources, such as the Bay Restoration Fund, Chesapeake and Atlantic Coastal Bays 2010 Trust Fund, and Water

Sections

Quality Revolving Loan Fund among others, are for Chesapeake Bay restoration purposes; and

- (6) updated information on the Phase III Watershed Implementation Plan implementation and how the loads associated with the Conowingo Dam infill, growth of people and animals, and climate change will be addressed.

The report shall be submitted by December 1, 2021, and the budget committees shall have 45 days from the date of the receipt of the report to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

Explanation: This language restricts funding in the Maryland Department of Planning (MDP), the Department of Natural Resources (DNR), the Maryland Department of Agriculture (MDA), the Maryland Department of the Environment (MDE), and the Department of Budget and Management (DBM) unless the agencies provide a report by December 1, 2021, on recent and projected Chesapeake Bay restoration spending and associated impacts and the overall framework to meet the calendar 2025 requirement of having all best management practices in place to meet water quality standards for restoring the Chesapeake Bay. In addition, the language expresses the intent that the report include information on policy innovations that improve the effectiveness of Maryland and other states' efforts toward Chesapeake Bay restoration; an analysis of how cost effective the State funding sources are that are being used; updated information on the Phase III Watershed Implementation Plan implementation; and how Conowingo Dam infill, people and animal growth, and climate change will be addressed.

Information Request	Authors	Due Date
Historical and projected Chesapeake Bay restoration spending	MDP DNR MDA MDE DBM	December 1, 2021

Amendment No. _____

Add the following section:

Section 39 Maryland Transportation Authority Fiscal Stress Report

SECTION 39. AND BE IT FURTHER ENACTED, That \$500,000 of the special fund appropriation in the Maryland Port Administration and \$500,000 of the special fund appropriation in the Maryland Aviation Administration may not be expended for Maryland

Sections

Transportation Authority (MDTA) police reimbursement until MDTA submits a report that allays concerns about future fiscal stress resulting from reduced revenues, engaging in multiple major capital projects, and continuing to fund non-MDTA projects. Based on the current Consolidated Transportation Program and other known planned project costs, the report should specifically forecast bond issuance until 2031, projected total debt held through 2031, and projected toll increases through fiscal 2031. To the extent that the forecasted data provided in the report breaches or comes near to violating coverage ratios and other administrative fiscal policies, MDTA should discuss mechanisms for alleviating that fiscal stress. The report shall be submitted by July 1, 2021, and the budget committees shall have 45 days from the date of the receipt of the report to review and comment. Funds restricted pending receipt of this report may not be transferred by budget amendment or otherwise to any other purpose and shall be canceled if the report is not submitted.

Explanation: The committees are concerned about the ongoing fiscal stress that MDTA is under and its ability to continue to respond to the State's need for transportation projects. This language restricts funds until a report is provided outlining forecasted bond issuance until fiscal 2031, projected total debt held through 2031, and projected toll increases through 2031.

Information Request	Author	Due Date
MDTA fiscal stress report	MDTA	November 15, 2021

Amendment No. _____

Add the following section:

Section 45 Enforcement and Inspection Position Strength Assessment and Vacant Position Filling

SECTION 45. AND BE IT FURTHER ENACTED, That \$200,000 of the general fund appropriation in the Maryland Department of the Environment (MDE) and \$200,000 of the general fund appropriation in the Maryland Department of Agriculture (MDA) made for the purpose of general operating expenses may be expended only for the purpose of filling vacant compliance and enforcement positions, provided, however, that no funds may be expended until MDE and MDA jointly prepare and submit quarterly reports on July 1, 2021; October 1, 2021; January 1, 2022; and April 1, 2022, which shall include:

- (1) an evaluation of the adequacy of Maryland's current authorized compliance and enforcement positions in the departments. In completing the assessment, the departments shall:
 - (a) provide information on the delegation of authority to other entities; and

Sections

- (b) assess the impact of the role that technology has played on compliance and enforcement responsibilities;
- (2) a comparison of the size, roles, and responsibilities of the departments' compliance and enforcement positions to neighboring or similar states;
- (3) a list of all inspection activities conducted by the MDE Water and Science Administration, the Land and Materials Administration, the Air and Radiation Administration, and the MDA Office of Resource Conservation;
- (4) the number of:
 - (a) regular positions and contractual full-time equivalents associated with the inspections, including the number of vacancies for fiscal 2013 through 2021 actuals; and
 - (b) fiscal 2022 current and fiscal 2023 estimated appropriations;
- (5) PINs and titles for all positions filled with restricted funding and how the positions are being used; and
- (6) a description of the use of and outcomes from any next generation compliance techniques to increase compliance with Maryland's environmental regulations.

Further provided that funding restricted for this purpose may be released quarterly in \$50,000 installments for each agency upon receipt of the required quarterly reports by the budget committees. The budget committees shall have 45 days from the date the reports are received to review and comment. Funds restricted may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the reports are not submitted to the budget committees and the released funding is not used to fill vacant compliance and enforcement positions.

Explanation: This language restricts funding until the submission of quarterly reports from MDE and MDA to the budget committees on compliance and enforcement inspections and positions and then further restricts the funding for filling vacant compliance and enforcement positions. The 2020 Joint Chairmen's Report included the request for a similar report on compliance and enforcement inspections and positions for Chesapeake Bay restoration.

Sections

Information Request	Authors	Due Date
Enforcement and inspection position strength assessment and vacant position filling	MDA	July 1, 2021
	MDE	October 1, 2021
		January 1, 2022
		April 1, 2022

Amendment No. _____

Add the following section:

Section 47 Restrict funds for Maryland Transit Administration Operations

SECTION 48. AND BE IT FURTHER ENACTED, That contingent on the failure of at least \$67,116,000 being added to the Maryland Transit Administration's (MTA) fiscal 2022 operating budget through a supplemental budget during the 2021 legislative session:

- (1) \$6,516,000 of the appropriation in program J00A01.08 Major Information Technology made for the purpose of funding the MDOT AdPICS Refactoring Project may not be expended for that purpose but instead may be transferred by budget amendment to programs J00H01.01 Transit Administration, J00H01.02 Bus Operations, and J00H01.04 Rail Operations to be used only for operations of MTA; and
- (2) \$60,600,000 of the appropriation in program J00B01.01 State System Construction and Equipment made for the purpose of system preservation and minor projects may not be expended for that purpose but instead may be transferred by budget amendment to programs J00H01.01 Transit Administration, J00H01.02 Bus Operations, and J00H01.04 Rail Operations to be used only for operations of MTA.

Funds not expended for this restricted purpose may not be transferred by budget amendment or otherwise to any other purpose and shall be canceled.

Explanation: The fiscal 2022 budget as introduced fails to meet the mandated operating appropriation level for MTA by \$67,116,000. Since the capital program is the last call on Transportation Trust Fund revenues, if additional funding sufficient to satisfy the mandate is not provided through a supplemental budget, the necessary funding is restricted in the capital programs of the Secretary's Office and the State Highway Administration and may only be transferred to the MTA operating budget.

Amendment No. _____

Budget Reconciliation and Financing Act of 2021 House Transportation and the Environment Subcommittee

<u>APP Sub</u>	<u>Item #</u>	<u>BRFA Page(s)</u>	<u>Description</u>	<u>Related Budgetary Action and Comments</u>	<u>APP Action</u>	<u>B&T Action</u>	<u>CC Action</u>
T&E	11	18	Repeals, for fiscal 2022 only, the mandate for the Department of Natural Resources Fisheries Research and Development Fund.	The fiscal 2022 budget includes a general fund contingent reduction of \$1,794,000 related to this item.	Adopt		
T&E	102-DLS add'l		Authorizes a transfer in fiscal 2021 of \$5 million from the Rate Stabilization Fund to the General Fund that were identified in the fiscal 2020 Statewide Closeout Audit as being improperly retained.		Adopt		
T&E	107-DLS add'l		Repeals the requirement that the fiscal 2022 operating budget of the Maryland Transit Administration increase by at least 4.4% over the fiscal 2021 appropriation.		Reject		
T&E	303-APP add'l		Requires the Maryland-National Capital Park and Planning Commission to transfer up to \$5.0 million from its park taxes balance to the State General Fund on or before October 1, 2021.		Adopt		



Report of the
Capital Budget Subcommittee
To the House Appropriations Committee

2021 SESSION

Recommendations, Reductions, and Summary of
Action Pertaining to:
House Bill 588

Maryland General Assembly
House Appropriations Committee
Capital Budget Subcommittee
2021 Session Membership Roster

Delegate Ben Barnes, Chairman
Delegate Mark S. Chang, Vice Chairman

Delegate Wendell R. Beitzel
Delegate Jefferson L. Ghrist
Delegate Keith E. Haynes
Delegate Marc Korman
Delegate Susie Proctor
Delegate Kirill Reznik
Delegate Pat Young

Committee Staff

June Chung
Michele Lambert
Ken Weaver

Subcommittee Coordinator

Laura H. Hyde

Support Staff

Katylee M. Cannon

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Budget Reconciliation and Financing Act of 2021 House Capital Budget Subcommittee

<u>APP Sub</u>	<u>Item #</u>	<u>BRFA Page(s)</u>	<u>Description</u>	<u>Related Budgetary Action and Comments</u>	<u>APP Action</u>	<u>B&T Action</u>	<u>CC Action</u>
CPH	21	26-27	Diverts Transfer Tax revenue to the General Fund in fiscal 2022 only.	The fiscal 2022 budget includes special fund contingent reductions of \$69,567,000 in the Department of Natural Resources Outdoor Recreation Land Loan program and \$31,000,000 in the Maryland Department of Agriculture Capital Appropriation program related to this item. Equivalent authorizations are included in the Maryland Consolidated Capital Bond Loan for these activities. The Administration budget plan assumes \$100,567,000 in revenue related to this item.	Reject		
CPH	21-Admin alt		Strikes this provision.	Supplemental Budget no. 2 strikes the language reducing \$69,567,000 of the funding for Program Open Space and \$31,000,000 for the Maryland Agricultural Land Preservation Program contingent on this provision. This action allows a reduction of \$100,567,000 in general obligation bonds in the Maryland Consolidated Capital Bond Loan. Supplemental Budget no. 2 reduces the General Fund revenue assumption by \$100,567,000 due to this proposed amendment.	Adopt		
CPH	22	27-29	Alters the repayment of transfer tax revenue to eliminate the fiscal 2022 repayment and extend the repayment schedule by one year.	The fiscal 2022 budget includes a general fund contingent reduction of \$43,860,950 in the Dedicated Purpose Account related to this item.	Reject		
CPH	22-DLS alt	27-29	Repeals the repayment requirement for prior year transfers of transfer tax revenue to the General Fund.		Adopt		

Decision Document

**House Appropriations – Full Committee
2021 Session**

A15000
Payments to Civil Divisions of the State

<u>Amount Reduction</u>	<u>Position Reduction</u>	<u>Agency Response Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
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1. Concur with Governor's allowance.

Concur.

B75A01
General Assembly of Maryland

<u>Amount Reduction</u>	<u>Position Reduction</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
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1. Concur with the budget as approved by the Legislative Policy Committee.

Concur.

D38I01
State Board of Elections

<u>Amount Reduction</u>	<u>Position Reduction</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
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1. Adopt the following narrative:

Concur.

Local Cost Sharing: The committees are interested in the State’s cost-sharing structures with local boards of elections (LBE). The committees request that the State Board of Elections (SBE) submit a report identifying:

- how SBE interprets current statutory provisions governing the allocation of costs between SBE and LBEs, including identifying areas in which cost-sharing is viewed to be required and where it is discretionary, and how it makes those determinations;
- in as much detail as possible, each category of election expenditures and the current allocation of costs between SBE and LBEs for each category;
- any categories of expenditure in which the allocation of costs between SBE and LBEs has changed in the last two years; and
- categories of election expenditure for which the cost-sharing structure is defined on a case-by-case basis.

Information Request	Author	Due Date
Local cost-sharing	SBE	August 1, 2021

D38I01
State Board of Elections

<u>Amount Reduction</u>	<u>Position Reduction</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
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2. Adopt the following narrative:

Concur in part. SBE disagrees with scope of recommendation.

Quarterly Reports on Major Information Technology Development Project Activities and Spending: The committees request that the State Board of Elections (SBE) submit quarterly reports on Major Information Technology Development Project (MITDP) activities. The report submitted on July 15, 2021, should include projected costs in each month of fiscal 2022, a description of project milestones and the date that each milestone is planned to be achieved, and a description of anticipated contingency planning activities throughout the year. In addition, each report should include the following for each project:

- a description of activities undertaken in the quarter, complete with dates identifying whether project milestones were achieved or if delays were experienced, and an assessment of the resulting effect any delays experienced in the quarter have on the project’s overall timeline;
- actual project spending in each month of the quarter;
- an assessment of future risks to the project’s timeline and how SBE plans to mitigate those risks; and
- a summary of SBE’s contingency planning activities throughout the quarter.

Information Request	Author	Due Date
Quarterly reports on MITDP activities and spending	SBE	July 15, 2021 October 15, 2021 January 15, 2022 April 15, 2022

D38I01
State Board of Elections

<u>Amount Reduction</u>	<u>Position Reduction</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
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COLOR PAGE ITEM

CP1 Adopt the following narrative:

Quarterly Information Technology Development and Spending: The committees request that the State Board of Elections, in consultation with the Department of Information Technology (DoIT), submit quarterly reports on July 1, 2021; October 1, 2021; January 1, 2022; and April 1, 2022, providing a listing of all information technology projects, and for each project:

- the overall purpose of the project;
- the overall project schedule listing major decision points and milestones and indicating any changes from the prior report;
- an assessment of the effect any experienced changes will have on future development, costs, and project timelines;
- the initial cost and completion date estimated for the project at the time it commenced;
- an updated estimate of the project's total cost and completion date at the time of each quarterly report's submission, with a narrative explanation of any changes;
- a plain language description of the actions undertaken in that quarter;
- a listing of expenditures incurred in that quarter and a description of what each expenditure supports;

D38I01
State Board of Elections

<u>Amount Reduction</u>	<u>Position Reduction</u>	<u>Agency Response Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
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- an assessment of upcoming development and timeline challenges and how project staff plan to navigate these challenges;
- a listing of deficiencies, SBE’s concerns, or DoIT’s concerns related to the project; and
- the number of SBE employees, DoIT employees, other state employees, or contractors engaged on the project and their respective roles.

Information Request	Authors	Due Date
Quarterly information technology development and spending	SBE DoIT	July 1, 2021 October 1, 2021 January 1, 2022 April 1, 2022

F10A
Department of Budget and Management – Secretary

<u>Amount Reduction</u>	<u>Position Reduction</u>	<u>Agency Response Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
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1. Adopt the following narrative:

Concur.

Submission of Select Budget Detail: The committees request that the Department of Budget and Management (DBM) submit complete fiscal 2023 subobject detail by program for Comptroller Objects 08 and 12 by the third Wednesday of January 2022 in an electronic format subject to the concurrence of the Department of Legislative Services.

Information Request	Author	Due Date
Comptroller objects 08 and 12 budget detail	DBM	Third Wednesday of January 2022

2. Amend the following section:

Disagree.

SECTION 2. AND BE IT FURTHER ENACTED, That in order to carry out the provisions of these appropriations the Secretary of Budget and Management is authorized:

(a) To allot all or any portion of the funds herein appropriated to the various departments, boards, commissions, officers, schools and institutions by monthly, quarterly or seasonal periods and by objects of expense ~~and may place any funds appropriated but not allotted in contingency reserve available for subsequent allotment. Upon the Secretary's own initiative or upon the request of the head of any State agency, the Secretary may authorize a change in the amount of funds so allotted.~~

The Secretary shall, before the beginning of the fiscal year, file with the Comptroller of the Treasury ~~a schedule of allotments, if any a list limited to the appropriations restricted in this Act to be placed in contingency reserve.~~ The Comptroller shall not authorize any expenditure or obligation in excess of the allotment made and any expenditure so made shall be illegal.

F10A
Department of Budget and Management – Secretary

	<u>Amount Reduction</u>	<u>Position Reduction</u>	<u>Agency Response Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
<p>(b) To allot all or any portion of funds coming into the hands of any department, board, commission, officer, school and institution of the State, from sources not estimated or calculated upon in the budget.</p>					
<p>(e) (b) To fix the number and classes of positions, including temporary and permanent positions, or person years of authorized employment for each agency, unit, or program thereof, not inconsistent with the Public General Laws in regard to classification of positions. The Secretary shall make such determinations before the beginning of the fiscal year and shall base them on the positions or person years of employment authorized in the budget as amended by approved budgetary position actions. No payment for salaries or wages nor any request for or certification of personnel shall be made except in accordance with the Secretary's determinations. At any time during the fiscal year the Secretary may amend the number and classes of positions or person years of employment previously fixed by the Secretary; the Secretary may delegate all or part of this authority. The governing boards of public institutions of higher education shall have the authority to transfer positions between programs and campuses under each institutional board's jurisdiction without the approval of the Secretary, as provided in Section 15-105 of the Education Article.</p>					
<p>(d) (c) To prescribe procedures and forms for carrying out the above provisions.</p>					

Explanation: This language limits the amount of appropriations that can be placed into contingency reserve to only those items restricted by the Maryland General Assembly.

F10A
Department of Budget and Management – Secretary

<u>Amount Reduction</u>	<u>Position Reduction</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
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3. Amend the following section:

Disagree.

SECTION 17. AND BE IT FURTHER ENACTED, That funds appropriated to the various State agency programs and subprograms in Comptroller Objects 0152 (Health Insurance), 0154 (Retirees Health Insurance Premiums), 0175 (Workers' Compensation), 0217 (Health Insurance), 0305 (DBM Paid Telecommunications), 0839 (HR Shared Services), 0874 (Office of Attorney General Administrative Fee), 0876 (DoIT IT Services Allocation), 0894 (State Personnel System Allocation), 0897 (Enterprise Budget System Allocation), and 1303 (rent paid to DGS) are to be utilized for their intended purposes only. ~~The expenditure or transfer of these funds for other purposes requires the prior approval of the Secretary of Budget and Management.~~ Notwithstanding any other provision of law, the Secretary of Budget and Management may transfer amounts appropriated in Comptroller Objects 0152, 0154, 0217, 0305, and 0876 between State departments and agencies by approved budget amendment in fiscal 2021 and fiscal 2022. All funds budgeted in or transferred to Comptroller Objects 0152 and 0154 and any funds restricted in this budget for use in the employee and retiree health insurance program that are unspent shall be credited to the fund as established in accordance with Section 2-516 of the State Personnel and Pensions Article.

Further provided that each agency that receives funding in this budget in any of the restricted Comptroller Objects listed within this section shall establish within the State's accounting system a structure of accounts to separately identify for each restricted Comptroller Object, by fund source, the legislative appropriation, monthly transactions, and final expenditures. It is the intent of the General Assembly that an accounting detail be established so that the Office of Legislative Audits may review the disposition of funds appropriated for each restricted Comptroller Object as part of each closeout audit to ensure that funds are used only for the purposes for which they are restricted and that unspent funds are reverted or canceled.

Explanation: This language pertaining to restricted objects of expenditures is amended to disallow transfers to other purposes and makes it possible for the Office of Legislative Audits to track the disposition of funds in restricted statewide subobjects.

F10A
Department of Budget and Management – Secretary

<u>Amount Reduction</u>	<u>Position Reduction</u>	<u>Agency Response Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
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4. Add the following section:

Concur.

Section 24 Executive Long-term Forecast

SECTION 24. AND BE IT FURTHER ENACTED, That the Governor’s budget books shall include a forecast of the impact of the executive budget proposal on the long-term fiscal condition of the General Fund, the Transportation Trust Fund, and higher education Current Unrestricted Fund accounts. This forecast shall estimate aggregate revenues, expenditures, and fund balances in each account for the fiscal year last completed, the current year, the budget year, and four years thereafter. Expenditures shall be reported at such agency, program or unit levels, or categories as may be determined appropriate after consultation with the Department of Legislative Services. A statement of major assumptions underlying the forecast shall also be provided, including but not limited to general salary increases, inflation, and growth of caseloads in significant program areas.

Explanation: This annual language provides for the delivery of the executive’s General Fund, transportation, and higher education forecasts and defines the conditions under which they are to be provided.

Information Request	Author	Due Date
Executive forecasts	Department of Budget and Management	With submission of the Governor’s fiscal 2023 budget books

F10A
Department of Budget and Management – Secretary

<u>Amount Reduction</u>	<u>Position Reduction</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
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5. Add the following section: Concur.

Section 25 Across-the-board Reductions and Higher Education

SECTION 25. AND BE IT FURTHER ENACTED, That all across-the-board reductions applied to the Executive Branch, unless otherwise stated, shall apply to current unrestricted and general funds in the University System of Maryland, St. Mary’s College of Maryland, Morgan State University, and Baltimore City Community College.

Explanation: This section explicitly applies reductions intended for the full Executive Branch to the University System of Maryland, St. Mary’s College of Maryland, Morgan State University, and Baltimore City Community College unless their exclusion is specifically stated.

6. Add the following section: Concur.

Section 26 Reporting Federal Funds

SECTION 26. AND BE IT FURTHER ENACTED, That the Governor’s budget books shall include a summary statement of federal revenues by major federal program sources supporting the federal appropriations made therein along with the major assumptions underpinning the federal fund estimates. The Department of Budget and Management (DBM) shall exercise due diligence in reporting this data and ensure that they are updated as appropriate to reflect ongoing congressional action on the federal budget. In addition, DBM shall provide to the Department of Legislative Services (DLS) data for the actual, current, and budget years listing the components of each federal fund appropriation by Catalog of Federal Domestic Assistance number or equivalent detail for programs not in the catalog. Data shall be provided in an electronic format subject to the concurrence of DLS.

F10A
Department of Budget and Management – Secretary

<u>Amount Reduction</u>	<u>Position Reduction</u>	<u>Agency Response Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
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Explanation: This annual language provides for consistent reporting of federal monies received by the State.

Information Request	Author	Due Date
Reporting components of each federal fund appropriation	DBM	With submission of the Governor’s fiscal 2023 budget books

7. Add the following section: Concur.

Section 27 Federal Fund Spending

SECTION 27. AND BE IT FURTHER ENACTED, That in the expenditure of federal funds appropriated in this budget or subsequent to the enactment of this budget by the budget amendment process:

- (1) State agencies shall administer these federal funds in a manner that recognizes that federal funds are taxpayer dollars that require prudent fiscal management, careful application to the purposes for which they are directed, and strict attention to budgetary and accounting procedures established for the administration of all public funds.
- (2) For fiscal 2022, except with respect to capital appropriations, to the extent consistent with federal requirements:
 - (a) when expenditures or encumbrances may be charged to either State or federal fund sources, federal funds shall be charged before State funds are charged except that this policy does not apply to the Department of Human Services with respect to federal Temporary

F10A
Department of Budget and Management – Secretary

<u>Amount Reduction</u>	<u>Position Reduction</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
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Assistance for Needy Families funds to be carried forward into future years;

- (b) when additional federal funds are sought or otherwise become available in the course of the fiscal year, agencies shall consider, in consultation with the Department of Budget and Management (DBM), whether opportunities exist to use these federal revenues to support existing operations rather than to expand programs or establish new ones; and
- (c) DBM shall take appropriate actions to effectively establish the provisions of this section as policies of the State with respect to the administration of federal funds by executive agencies.

Explanation: This annual language defines the policies under which federal funds shall be used in the State budget.

8. Add the following section:

Concur.

Section 28 Reporting on Budget Data and Organizational Charts

SECTION 28. AND BE IT FURTHER ENACTED, That it is the intent of the General Assembly that all State departments, agencies, bureaus, commissions, boards, and other organizational units included in the State budget, including the Judiciary, shall prepare and submit items for the fiscal 2023 budget detailed by Comptroller subobject classification in accordance with instructions promulgated by the Comptroller of Maryland. The presentation of budget data in the Governor’s budget books shall include object, fund, and personnel data in the manner provided for in fiscal 2022 except as indicated elsewhere in this Act; however, this may not preclude the placement of additional information into the budget books. For actual fiscal 2021 spending, the fiscal 2022 working appropriation, and the fiscal 2023 allowance, the budget detail shall be available from the Department of Budget and Management (DBM) automated data system at the subobject level by subobject codes

F10A
Department of Budget and Management – Secretary

<u>Amount Reduction</u>	<u>Position Reduction</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
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and classifications for all agencies. To the extent possible, except for public higher education institutions, subobject expenditures shall be designated by fund for actual fiscal 2021 spending, the fiscal 2022 working appropriation, and the fiscal 2023 allowance. The agencies shall exercise due diligence in reporting this data and ensuring correspondence between reported position and expenditure data for the actual, current, and budget fiscal years. This data shall be made available on request and in a format subject to the concurrence of the Department of Legislative Services (DLS). Further, the expenditure of appropriations shall be reported and accounted for by the subobject classification in accordance with the instructions promulgated by the Comptroller of Maryland.

Further provided that due diligence shall be taken to accurately report full-time equivalent (FTE) counts of contractual FTEs in the budget books. For the purpose of this count, contractual FTEs are defined as those individuals having an employee-employer relationship with the State. This count shall include those individuals in higher education institutions who meet this definition but are paid with additional assistance funds.

Further provided that DBM shall provide to DLS with the allowance for each department, unit, agency, office, and institution, a one-page organizational chart in Microsoft Word or Adobe PDF format that depicts the allocation of personnel across operational and administrative activities of the entity.

Further provided that for each across-the-board reduction to appropriations or positions in the fiscal 2023 Budget Bill affecting fiscal 2022 or 2023, DBM shall allocate the reduction for each agency in a level of detail not less than the three-digit R*Stars financial agency code and by each fund type.

Further provided that DBM shall provide to DLS special and federal fund accounting detail for the fiscal year last completed, current year, and budget year for each fund. The account detail, to be submitted with the allowance, should at a minimum provide revenue and expenditure detail, along with starting and ending balances.

F10A
Department of Budget and Management – Secretary

<u>Amount Reduction</u>	<u>Position Reduction</u>	<u>Agency Response Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
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Further provided that DBM shall provide to DLS by September 1, 2021, a list of subprograms used by each department, unit, agency, office, and institution, along with a brief description of the subprograms’ purpose and responsibilities.

Explanation: This annual language provides for consistent reporting of fiscal 2021, 2022, and 2023 budget data and provides for the submission of department, unit, agency, office, and institutions’ organizational charts to DLS with the allowance. It also requires DBM to allocate across-the-board reductions to positions or funding to ensure transparency in budget allocations approved by the General Assembly. Finally, it requires DBM to provide information on special and federal fund accounts as well as a list and description of all subprograms used by State entities.

Information Request	Author	Due Date
Agency organizational charts and special and federal fund accounting detail	DBM	With submission of the Governor’s fiscal 2023 budget books
List of subprograms	DBM	September 1, 2021

9. Add the following section: Concur.

Section 29 Interagency Agreements

SECTION 29. AND BE IT FURTHER ENACTED, That on or before August 1, 2021, each State agency and each public institution of higher education shall report to the Department of Budget and Management (DBM) any agreements in place for any part of fiscal 2021 between State agencies and any public institution of higher education involving potential expenditures in excess of \$100,000 over the term of the agreement. Further provided that DBM shall provide direction and guidance to all State agencies and public institutions of higher education as to the procedures and specific elements of data to be reported with respect to these interagency agreements, to include at a minimum:

F10A
Department of Budget and Management – Secretary

	<u>Amount Reduction</u>	<u>Position Reduction</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
(1)	<u>a common code for each interagency agreement that specifically identifies each agreement and the fiscal year in which the agreement began;</u>					
(2)	<u>the starting date for each agreement;</u>					
(3)	<u>the ending date for each agreement;</u>					
(4)	<u>a total potential expenditure, or not-to-exceed dollar amount, for the services to be rendered over the term of the agreement by any public institution of higher education to any State agency;</u>					
(5)	<u>a description of the nature of the goods and services to be provided;</u>					
(6)	<u>the total number of personnel, both full- and part-time, associated with the agreement;</u>					
(7)	<u>contact information for the agency and the public institution of higher education for the person(s) having direct oversight or knowledge of the agreement;</u>					
(8)	<u>total indirect cost recovery or facilities and administrative (F&A) expenditures authorized for the agreement;</u>					
(9)	<u>the indirect cost recovery or F&A rate for the agreement and brief description of how the rate was determined;</u>					
(10)	<u>actual expenditures for the most recently closed fiscal year;</u>					
(11)	<u>actual base expenditures that the indirect cost recovery or F&A rate may be applied against during the most recently closed fiscal year;</u>					
(12)	<u>actual expenditures for indirect cost recovery or F&A for the most recently closed fiscal year; and</u>					

F10A
Department of Budget and Management – Secretary

<u>Amount Reduction</u>	<u>Position Reduction</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
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(13) total authorized expenditures for any subaward(s) or subcontract(s) being used as part of the agreement and a brief description of the type of award or contract.

Further provided that DBM shall submit a consolidated report to the budget committees and the Department of Legislative Services by December 1, 2021, that contains information on all agreements between State agencies and any public institution of higher education involving potential expenditures in excess of \$100,000 that were in effect at any time during fiscal 2021.

Further provided that no new higher education interagency agreement with State agencies with a projected value in excess of \$500,000 may be entered into during fiscal 2022 without prior approval of the Secretary of Budget and Management.

Explanation: This annual language requires DBM to report on all interagency agreements between State agencies and public institutions of higher education having a total potential expenditure over the term of the agreement in excess of \$100,000. This applies only to agreements for the purchase of goods and/or services and does not apply to grants or space agreements. Further, it requires that no new higher education interagency agreement with State agencies with a projected value in excess of \$500,000 be entered into during fiscal 2022 without prior approval of the Secretary of Budget and Management.

Information Request	Author	Due Date
Consolidated report on interagency agreements	DBM	December 1, 2021

F10A
Department of Budget and Management – Secretary

<u>Amount Reduction</u>	<u>Position Reduction</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
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10. Add the following section:

Concur.

Section 30 Budget Amendments

SECTION 30. AND BE IT FURTHER ENACTED, That any budget amendment to increase the total amount of special, federal, or higher education (current restricted and current unrestricted) fund appropriations, or to make reimbursable fund transfers from the Governor’s Office of Crime Prevention, Youth, and Victim Services or the Maryland Emergency Management Agency made in Section 1 of this Act shall be subject to the following restrictions:

- (1) This section may not apply to budget amendments for the sole purpose of:
 - (a) appropriating funds available as a result of the award of federal disaster assistance; and
 - (b) transferring funds from the State Reserve Fund – Economic Development Opportunities Account for projects approved by the Legislative Policy Committee (LPC).

- (2) Budget amendments increasing total appropriations in any fund account by \$100,000 or more may not be approved by the Governor until:
 - (a) that amendment has been submitted to the Department of Legislative Services (DLS); and
 - (b) the budget committees or LPC has considered the amendment or 45 days have elapsed from the date of submission of the amendment. Each amendment submitted to DLS shall include a statement of the amount, sources of funds and purposes of the amendment, and a summary of the impact on regular position or contractual full-time equivalent payroll requirements.

F10A
Department of Budget and Management – Secretary

	<u>Amount Reduction</u>	<u>Position Reduction</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
(3)	<u>Unless permitted by the budget bill or the accompanying supporting documentation or by any other authorizing legislation, and notwithstanding the provisions of Section 3-216 of the Transportation Article, a budget amendment may not:</u>					
(a)	<u>restore funds for items or purposes specifically denied by the General Assembly;</u>					
(b)	<u>fund a capital project not authorized by the General Assembly provided, however, that subject to provisions of the Transportation Article, projects of the Maryland Department of Transportation (MDOT) shall be restricted as provided in Section 1 of this Act;</u>					
(c)	<u>increase the scope of a capital project by an amount 7.5% or more over the approved estimate or 5.0% or more over the net square footage of the approved project until the amendment has been submitted to DLS, and the budget committees have considered and offered comment to the Governor or 45 days have elapsed from the date of submission of the amendment. This provision does not apply to MDOT; and</u>					
(d)	<u>provide for the additional appropriation of special, federal, or higher education funds of more than \$100,000 for the reclassification of a position or positions.</u>					
(4)	<u>A budget may not be amended to increase a federal fund appropriation by \$100,000 or more unless documentation evidencing the increase in funds is provided with the amendment and fund availability is certified by the Secretary of Budget and Management.</u>					
(5)	<u>No expenditure or contractual obligation of funds authorized by a proposed budget amendment may be made prior to approval of that amendment by the Governor.</u>					

F10A
Department of Budget and Management – Secretary

	<u>Amount Reduction</u>	<u>Position Reduction</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
(6)						
<u>Notwithstanding the provisions of this section, any federal, special, or higher education fund appropriation may be increased by budget amendment upon a declaration by the Board of Public Works that the amendment is essential to maintaining public safety, health, or welfare, including protecting the environment or the economic welfare of the State.</u>						
(7)						
<u>Budget amendments for new major information technology projects, as defined by Sections 3A-301 and 3A-302 of the State Finance and Procurement Article, must include an Information Technology Project Request, as defined in Section 3A-308 of the State Finance and Procurement Article.</u>						
(8)						
<u>Further provided that the fiscal 2022 appropriation detail as shown in the Governor’s budget books submitted to the General Assembly in January 2022 and the supporting electronic detail may not include appropriations for budget amendments that have not been signed by the Governor, exclusive of the MDOT pay-as-you-go capital program.</u>						
(9)						
<u>Further provided that it is the policy of the State to recognize and appropriate additional special, higher education, and federal revenues in the budget bill as approved by the General Assembly. Further provided that for the fiscal 2023 allowance, the Department of Budget and Management shall continue policies and procedures to minimize reliance on budget amendments for appropriations that could be included in a deficiency appropriation.</u>						

Explanation: This annual language defines the process under which budget amendments may be used.

F10A
Department of Budget and Management – Secretary

<u>Amount Reduction</u>	<u>Position Reduction</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
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COLOR PAGE ITEM

CP1 Add the following section:

Section 30 Budget Amendments

SECTION 30. AND BE IT FURTHER ENACTED, That any budget amendment to increase the total amount of special, federal, or higher education (current restricted and current unrestricted) fund appropriations, or to make reimbursable fund transfers from the Governor’s Office of Crime Prevention, Youth, and Victim Services or the Maryland Emergency Management Agency made in Section 1 of this Act shall be subject to the following restrictions:

- (1) This section may not apply to budget amendments for the sole purpose of:
 - (a) appropriating funds available as a result of the award of federal disaster assistance; and
 - (b) transferring funds from the State Reserve Fund – Economic Development Opportunities Account for projects approved by the Legislative Policy Committee (LPC).

- (2) Budget amendments increasing total appropriations in any fund account by \$100,000 or more may not be approved by the Governor until:
 - (a) that amendment has been submitted to the Department of Legislative Services (DLS); and
 - (b) the budget committees or LPC has considered the amendment or 45 days have elapsed from the date of submission of the amendment. Each amendment submitted to DLS shall include a statement of the amount, sources of funds and purposes of the amendment, and a

F10A
Department of Budget and Management – Secretary

<u>Amount Reduction</u>	<u>Position Reduction</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
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summary of the impact on regular position or contractual full-time equivalent payroll requirements.

- (3) Unless permitted by the budget bill or the accompanying supporting documentation or by any other authorizing legislation, and notwithstanding the provisions of Section 3-216 of the Transportation Article, a budget amendment may not:
- (a) restore funds for items or purposes specifically denied by the General Assembly;
 - (b) fund a capital project not authorized by the General Assembly provided, however, that subject to provisions of the Transportation Article, projects of the Maryland Department of Transportation (MDOT) shall be restricted as provided in Section 1 of this Act;
 - (c) increase the scope of a capital project by an amount 7.5% or more over the approved estimate or 5.0% or more over the net square footage of the approved project until the amendment has been submitted to DLS, and the budget committees have considered and offered comment to the Governor or 45 days have elapsed from the date of submission of the amendment. This provision does not apply to MDOT; and
 - (d) provide for the additional appropriation of special, federal, or higher education funds of more than \$100,000 for the reclassification of a position or positions.
- (4) A budget may not be amended to increase a federal fund appropriation by \$100,000 or more unless documentation evidencing the increase in funds is provided with the amendment and fund availability is certified by the Secretary of Budget and Management.

F10A
Department of Budget and Management – Secretary

	<u>Amount Reduction</u>	<u>Position Reduction</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
(5)						
<p><u>No expenditure or contractual obligation of funds authorized by a proposed budget amendment may be made prior to approval of that amendment by the Governor.</u></p>						
(6)						
<p><u>Notwithstanding the provisions of this section, any federal, special, or higher education fund appropriation may be increased by budget amendment upon a declaration by the Board of Public Works that the amendment is essential to maintaining public safety, health, or welfare, including protecting the environment or the economic welfare of the State.</u></p>						
(7)						
<p><u>Budget amendments for new major information technology projects, as defined by Sections 3A-301 and 3A-302 of the State Finance and Procurement Article, must include an Information Technology Project Request, as defined in Section 3A-308 of the State Finance and Procurement Article.</u></p>						
(8)						
<p><u>Further provided that the fiscal 2022 appropriation detail as shown in the Governor’s budget books submitted to the General Assembly in January 2022 and the supporting electronic detail may not include appropriations for budget amendments that have not been signed by the Governor, exclusive of the MDOT pay-as-you-go capital program.</u></p>						
(9)						
<p><u>Further provided that it is the policy of the State to recognize and appropriate additional special, higher education, and federal revenues in the budget bill as approved by the General Assembly. Further provided that for the fiscal 2023 allowance, the Department of Budget and Management shall continue policies and procedures to minimize reliance on budget amendments for appropriations that could be included in a deficiency appropriation.</u></p>						
(10)						
<p><u>EXCEPT AS PROVIDED IN PARAGRAPH (6) OF THIS SECTION OR AS AUTHORIZED IN HB 898 or SB 647 ENACTED AT THE 2021 SESSION OF THE GENERAL ASSEMBLY, AN AMENDMENT OF A FEDERAL FUND APPROPRIATION MAY NOT PERMIT THE EXPENDITURE OF MONEY FROM THE FEDERAL GOVERNMENT</u></p>						

F10A
Department of Budget and Management – Secretary

<u>Amount Reduction</u>	<u>Position Reduction</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
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IF THE FEDERAL FUNDS ARE APPROPRIATED BY THE U.S. CONGRESS IN THE AMERICAN RESCUE PLAN ACT of 2021 FROM THE CORONAVIRUS STATE FISCAL RECOVERY FUND.

(11) THIS SECTION OF THE BUDGET BILL MAY NOT BE WAIVED BY THE GOVERNOR WHEN EXERCISING THE AUTHORITY GRANTED UNDER SECTION 14-107 OF THE PUBLIC SAFETY ARTICLE.

Explanation: This annual language defines the process under which budget amendments may be used. **This action also adds language which alters the budget amendment process for certain federal funds allocated to Maryland. An additional provision in this language prohibits the Governor from waiving this section as part of authority granted during a declared state of emergency outlined in Section 14-107 of the Public Safety Article.**

11. Add the following section:

Concur.

Section 31 Maintenance of Accounting Systems

SECTION 31. AND BE IT FURTHER ENACTED, That:

(1) The Secretary of Health shall maintain the accounting systems necessary to determine the extent to which funds appropriated for fiscal 2021 in program M00Q01.03 Medical Care Provider Reimbursements and M00Q01.10 Medicaid Behavioral Health Provider Reimbursements have been disbursed for services provided in that fiscal year and shall prepare and submit the monthly reports by fund type required under this section for that program.

F10A
Department of Budget and Management – Secretary

	<u>Amount Reduction</u>	<u>Position Reduction</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
(2)						
<u>The State Superintendent of Schools shall maintain the accounting systems necessary to determine the extent to which funds appropriated for fiscal 2021 to program R00A02.07 Students With Disabilities for nonpublic placements have been disbursed for services provided in that fiscal year and to prepare monthly reports as required under this section for that program.</u>						
(3)						
<u>The Secretary of Human Services shall maintain the accounting systems necessary to determine the extent to which funds appropriated for fiscal 2021 in program N00G00.01 Foster Care Maintenance Payments have been disbursed for services provided in that fiscal year, including detail by placement type for the average monthly caseload, average monthly cost per case, and the total expended for each foster care program, and to prepare the monthly reports required under this section for that program.</u>						
(4)						
<u>For the programs specified, reports must indicate by fund type total appropriations for fiscal 2021 and total disbursements for services provided during that fiscal year up through the last day of the second month preceding the date on which the report is to be submitted and a comparison to data applicable to those periods in the preceding fiscal year.</u>						
(5)						
<u>Reports shall be submitted to the budget committees, the Department of Legislative Services, the Department of Budget and Management, and the Comptroller beginning August 15, 2021, and submitted on a monthly basis thereafter.</u>						
(6)						
<u>It is the intent of the General Assembly that general funds appropriated for fiscal 2021 to the programs specified that have not been disbursed within a reasonable period, not to exceed 12 months from the end of the fiscal year, shall revert.</u>						

Explanation: This annual language requires the maintenance of accounting systems for certain programs, states the intent of the General Assembly that general funds not disbursed be reverted, and requires reporting of disbursements by the Maryland

F10A
Department of Budget and Management – Secretary

<u>Amount Reduction</u>	<u>Position Reduction</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
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Department of Health (MDH), the Maryland State Department of Education (MSDE), and the Department of Human Services (DHS).

Information Request	Authors	Due Date
Report on appropriations and disbursements in M00Q01.03, M00Q01.10, R00A02.07, and N00G00.01	MDH MSDE DHS	August 15, 2021, and monthly thereafter

BRFA ACTION

30 Authorizes, for fiscal 2022 only, a reduced number of the Governor’s Budget Books to be printed due to the COVID-19 pandemic.

COLOR PAGE ITEM

CP2 Add the following section:

SECTION XX. AND BE IT FURTHER ENACTED, That all funds appropriated in Comptroller Object 07 (Motor Vehicles) for the purchase of light-duty vehicles across the various State departments and agencies, excluding the Department of General Services (H00), the Department of Natural Resources (K00), and the Department of State Police (W00), shall be used to purchase zero-emission vehicles with certain exceptions approved by the Department of Budget and Management. The Department of Budget and Management shall develop criteria for approving purchases of other types of vehicles that are not zero-emission when a zero-emission vehicle is not available or appropriate.

F10A
Department of Budget and Management – Secretary

<u>Amount Reduction</u>	<u>Position Reduction</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
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Further provided that the Department of Budget and Management shall submit a report to the budget committees on State fleet inventory and vehicle purchases by fuel type. The report shall be submitted by December 15, 2021, and shall include:

- (1) the number of active vehicles by fuel type (including gas, diesel, and zero emission) by agency in fiscal 2021 and 2022 year-to-date (as of November 15, 2021);
- (2) the number of zero-emission fully electric vehicles, plug-in hybrid electric vehicles, and fuel cell vehicles by agency in fiscal 2021 and 2022 year-to-date (as of November 15, 2021);
- (3) zero-emission vehicle purchases by agency in fiscal 2021 and 2022 year-to-date (as of November 15, 2021); and
- (4) a description of criteria for approving purchases of vehicles that are not zero-emission and a list of the common reasons an electric or zero-emission vehicle was not purchased.

Explanation: In a response to the 2020 *Joint Chairmen’s Report*, the Department of Budget and Management (DBM) reported that 6 electric vehicles were purchased compared to 585 gas or flex fuel vehicles purchased in fiscal 2020. This language requires that funds budgeted for vehicle purchases be used only to purchase zero-emission vehicles unless DBM approves the purchase of a different type of vehicle. The legislature is also interested in receiving state inventory and vehicle purchase tracking data from DBM.

Information Request	Author	Due Date
Report on State fleet purchases	DBM	December 15, 2021

F10A02
Department of Budget and Management – Personnel

<u>Amount Reduction</u>	<u>Position Reduction</u>	<u>Agency Response Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
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1. Adopt the following narrative:

Concur.

Health Insurance Account Closeout Report: The committees request a report on the fiscal 2021 closeout of the Employee and Retiree Health Insurance Account. This report shall include (1) closing fiscal 2021 fund balance; (2) actual provider payments due in the fiscal year broken out by medical payments for active employees, medical payments for non-Medicare-eligible retirees, medical payments for Medicare-eligible retirees, prescription drug payments for active employees, prescription drug payments for non-Medicare-eligible retirees, and prescription drug payments for Medicare-eligible retirees; (3) State employee and retiree contributions, broken out by active employees, non-Medicare-eligible retirees, and Medicare-eligible retirees; (4) an accounting of rebates, recoveries, and other costs, broken out into rebates, recoveries, and other costs associated with active employees, non-Medicare-eligible retirees, and Medicare-eligible retirees; (5) any closeout transactions processed after the fiscal year ended; and (6) actual incurred but not received costs.

Information Request	Author	Due Date
Report on fiscal 2021 closeout data for the Employee and Retiree Health Insurance Account	Department of Budget and Management	October 1, 2021

2. Adopt the following narrative:

Concur.

Quarterly Prescription Drug Plan Performance: The State entered into a pharmacy benefit manager contract with CVS Caremark effective January 1, 2018. The budget committees request that the Department of Budget and Management (DBM) provide quarterly prescription drug plan performance data to the budget committees in order to monitor the trends of prescription drug utilization and costs. The report should provide information on the highest cost prescription drugs by category of treatment; the prescription drugs accounting for the largest increases in drug spending; the top 25 most costly individual prescription drugs in generic, brand, biologics, and specialty drug categories; recent drug patent expirations; and

F10A02
Department of Budget and Management – Personnel

<u>Amount Reduction</u>	<u>Position Reduction</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
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upcoming new drug patent approvals. Additionally, the reports should include data on the cost drivers and drug trends by actives, non-Medicare retirees, and Medicare retirees.

Information Request	Author	Due Date
Quarterly State prescription drug plan performance	DBM	September 15, 2021 December 15, 2021 March 15, 2022 June 15, 2022

3. Adopt the following narrative:

Concur.

Quarterly Medical and Dental Plan Performance: In recent years, the State has implemented different strategies to contain medical costs. The budget committees request that the Department of Budget and Management (DBM) submit quarterly reports on plan performance of the State’s medical and dental plans. Reports should provide utilization and cost data broken out by plans as well as actives, non-Medicare-eligible retirees, and Medicare-eligible retirees. The reports should include utilization per 1,000 plan participants; unit cost and per member costs for hospital inpatient services; hospital outpatient services; professional inpatient services; professional outpatient services; and ancillary services, provided by the State’s health plans.

Information Request	Author	Due Date
Quarterly medical and dental plan performance reports	DBM	September 15, 2021 December 15, 2021 March 15, 2022 June 15, 2022

F10A02
Department of Budget and Management – Personnel

<u>Amount Reduction</u>	<u>Position Reduction</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
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4. Adopt the following narrative:

Concur.

Pharmacy Benefits Manager Reverse Auction Implementation: Chapter 434 of 2020 requires the Department of Budget and Management (DBM) to use a reverse auction to select a pharmacy benefits manager (PBM) for the Maryland Rx Program in the State Employee and Retiree Health and Welfare Benefits Program, and to procure a technology platform to evaluate PBMs. The budget committees request that DBM submit a report on the status of the procurement of the technology platform and its progress toward implementation of a reverse auction procedure.

Information Request	Author	Due Date
PBM reverse auction implementation	DBM	November 1, 2021

5. Adopt the following narrative:

Concur.

Quarterly Disaster Relief Fund Reporting: The State is anticipating significant amounts of COVID-19 disaster relief funds provided by the Federal Emergency Management Agency (FEMA) that are not currently reflected in the budget. The availability of these funds frees up the use of general funds or other federal stimulus money for other purposes. Tracking of these funds is therefore imperative to understanding the actual fiscal environment of the State. The budget committees request that the Department of Budget and Management (DBM) provide quarterly reports on this funding. The reports should include, by fiscal year:

- the amount of FEMA disaster relief funds provided;
- the purpose of the funds;

F10A02
Department of Budget and Management – Personnel

<u>Amount Reduction</u>	<u>Position Reduction</u>	<u>Agency Response Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
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- the program(s) to which the funds have been or will be allocated; and
- the amount of funds reflected in the budget.

Information Request	Author	Due Dates
Quarterly COVID-19 disaster relief fund reports	DBM	July 1, 2021 October 1, 2021 January 1, 2022 April 1, 2022

- | | | |
|--|-----------------|---------|
| 6. Delete general funds in the statewide program that are double-budgeted for salary actions for St. Mary’s College of Maryland. | \$ 305,604 GF | Concur. |
| 7. Delete funding for the SmartWork Program with the expectation that agencies can fund expenses in their budgets. | \$ 2,000,000 GF | Concur. |

F10A02
Department of Budget and Management – Personnel

<u>Amount Reduction</u>	<u>Position Reduction</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
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9. Add the following section:

Concur.

Section 37 Workers' Compensation Settlements

SECTION 37. AND BE IT FURTHER ENACTED, That the Department of Budget and Management (DBM) shall provide authorization to the Injured Workers' Insurance Fund (IWIF) to use up to \$15,000,000 in fiscal 2022 to make settlements on employee workers' compensation claims. DBM shall also instruct IWIF to transfer any surplus balance in the account provided for the payment of State employee workers' compensation costs at the close of fiscal 2022 to the account provided for unfunded workers' compensation liabilities.

Explanation: Significant reductions in State employee workers' compensation claims have led to significant savings to the State. This language directs DBM to use the savings to make settlements on workers' compensation claims, which reduces future costs and liabilities.

10. Add the following section:

Concur.

Section 32 Injured Workers' Insurance Fund Accounts

SECTION 32. AND BE IT FURTHER ENACTED, That the General Accounting Division of the Comptroller of Maryland shall establish a subsidiary ledger control account to debit all State agency funds budgeted under subobject 0175 (Workers' Compensation) and to credit all payments disbursed to the Injured Workers' Insurance Fund (IWIF) via transmittal. The control account shall also record all funds withdrawn from IWIF and returned to the State and subsequently transferred to the General Fund. IWIF shall submit monthly reports to the Department of Legislative Services concerning the status of the account.

Explanation: This section provides continuation of a system to track workers' compensation payments to IWIF Fund for payments of claims, current expenses, and funded liability for incurred losses by the State.

F10A02
Department of Budget and Management – Personnel

Information Request	Author	Due Date	<u>Amount Reduction</u>	<u>Position Reduction</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
Report on the status of ledger control account	IWIF	Monthly beginning on July 1, 2021						
11. Add the following section:								Concur.

Section 33 The “Rule of 100”

SECTION 33. AND BE IT FURTHER ENACTED, That the Board of Public Works (BPW), in exercising its authority to create additional positions pursuant to Section 7-236 of the State Finance and Procurement Article, may authorize during the fiscal year no more than 100 positions in excess of the total number of authorized State positions on July 1, 2021, as determined by the Secretary of Budget and Management. Provided, however, that if the imposition of this ceiling causes undue hardship in any department, agency, board, or commission, additional positions may be created for that affected unit to the extent that an equal number of positions authorized by the General Assembly for the fiscal year are abolished in that unit or in other units of State government. It is further provided that the limit of 100 does not apply to any position that may be created in conformance with specific manpower statutes that may be enacted by the State or federal government nor to any positions created to implement block grant actions or to implement a program reflecting fundamental changes in federal/State relationships. Notwithstanding anything contained in this section, BPW may authorize additional positions to meet public emergencies resulting from an act of God and violent acts of man that are necessary to protect the health and safety of the people of Maryland.

BPW may authorize the creation of additional positions within the Executive Branch provided that 1.25 contractual full-time equivalents (FTE) are abolished for each regular position authorized and that there be no increase in agency funds in the current budget and the next two subsequent budgets as the result of this action. It is the intent of the General Assembly that priority is given to converting individuals

F10A02
Department of Budget and Management – Personnel

<u>Amount Reduction</u>	<u>Position Reduction</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
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that have been in contractual FTEs for at least two years. Any position created by this method may not be counted within the limitation of 100 under this section.

The numerical limitation on the creation of positions by BPW established in this section may not apply to positions entirely supported by funds from federal or other non-State sources so long as both the appointing authority for the position and the Secretary of Budget and Management certify for each position created under this exception that:

- (1) funds are available from non-State sources for each position established under this exception; and
- (2) any positions created will be abolished in the event that non-State funds are no longer available.

The Secretary of Budget and Management shall certify and report to the General Assembly by June 30, 2022, the status of positions created with non-State funding sources during fiscal 2019 through 2022 under this provision as remaining, authorized, or abolished due to the discontinuation of funds.

Explanation: This annual language, the Rule of 100, limits the number of positions that may be added after the beginning of the fiscal year to 100 and provides exceptions to the limit.

Information Request	Author	Due Date
Certification of the status of positions created with non-State funding sources during fiscal 2019 through 2022	Department of Budget and Management	June 30, 2022

F10A02
Department of Budget and Management – Personnel

<u>Amount Reduction</u>	<u>Position Reduction</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
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12. Add the following section:

Concur.

Section 34 Annual Report on Authorized Positions

SECTION 34. AND BE IT FURTHER ENACTED, That immediately following the close of fiscal 2021, the Secretary of Budget and Management shall determine the total number of full-time equivalent (FTE) positions that are authorized as of the last day of fiscal 2021 and on the first day of fiscal 2022. Authorized positions shall include all positions authorized by the General Assembly in the personnel detail of the budgets for fiscal 2021 and 2022, including nonbudgetary programs, the Maryland Transportation Authority, the University System of Maryland self-supported activities, and the Maryland Correctional Enterprises.

The Department of Budget and Management shall also prepare a report during fiscal 2022 for the budget committees upon creation of regular FTE positions through Board of Public Works action and upon transfer or abolition of positions. This report shall also be provided as an appendix in the fiscal 2023 Governor’s budget books. It shall note, at the program level:

- (1) where regular FTE positions have been abolished;
- (2) where regular FTE positions have been created;
- (3) from where and to where regular FTE positions have been transferred; and
- (4) where any other adjustments have been made.

Provision of contractual FTE information in the same fashion as reported in the appendices of the fiscal 2022 Governor’s budget books shall also be provided.

Explanation: This annual language provides reporting requirements for regular positions and contractual FTEs.

F10A02
Department of Budget and Management – Personnel

	<u>Amount Reduction</u>	<u>Position Reduction</u>	<u>Agency Response Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
Information Request					
Author					
Due Date					
Total number of FTEs on June 30 and July 1, 2021		Department of Budget and Management (DBM)	July 14, 2021		
Report on the creation, transfer, or abolition of regular positions.		DBM	As needed		
13. Add the following section:				Concur.	

Section 35 Positions Abolished in the Budget

SECTION 35. AND BE IT FURTHER ENACTED, That no position identification number assigned to a position abolished in this budget may be reassigned to a job or function different from that to which it was assigned when the budget was submitted to the General Assembly. Incumbents in positions abolished may continue State employment in another position.

Explanation: This language prevents employees from being moved into positions abolished in the budget. It also allows that incumbents in abolished positions may continue State employment in another position.

F10A02
Department of Budget and Management – Personnel

<u>Amount Reduction</u>	<u>Position Reduction</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
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14. Add the following section:

Concur.

Section 36 Annual Report on Health Insurance Receipts and Spending

SECTION 36. AND BE IT FURTHER ENACTED, That the Secretary of Budget and Management shall include as an appendix in the fiscal 2023 Governor’s budget books an accounting of the fiscal 2021 actual, fiscal 2022 working appropriation, and fiscal 2023 estimated revenues and expenditures associated with the employees’ and retirees’ health plan. The data in this report should be consistent with the budget data submitted to the Department of Legislative Services. This accounting shall include:

- (1) any health plan receipts received from State agencies, as well as prescription rebates or recoveries, or audit recoveries, and other miscellaneous recoveries;
- (2) any health plan receipts received from employees and retirees, broken out by active employees, non-Medicare-eligible retirees, and Medicare-eligible retirees;
- (3) any premium, capitated, or claims expenditures paid on behalf of State employees and retirees for any health, mental health, dental, or prescription plan, as well as any administrative costs not covered by these plans, with health, mental health, and prescription drug expenditures broken out by medical payments for active employees, non-Medicare-eligible retirees, and Medicare-eligible retirees, and prescription drug expenditures broken out by active employees, non-Medicare-eligible retirees, and Medicare-eligible retirees; and
- (4) any balance remaining and held in reserve for future provider payments.

Explanation: This language provides an accounting of the health plan revenues received and expenditures made on behalf of State employees and retirees. The language proposes that the language in the report be consistent with the budget data submitted with the budget bill.

F10A02
Department of Budget and Management – Personnel

<u>Amount Reduction</u>	<u>Position Reduction</u>	<u>Agency Response Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
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BRFA ACTIONS

24 Authorizes a transfer of \$30 million from the reserve account established by the State to pay unemployment compensation benefits for State employees to the General Fund.

106- DLS Reduce fiscal 2021 spending in the Department of Budget and Management Statewide Program by \$1,784,036 in general funds due to excess funding for salary actions. Concur.

G20J01
State Retirement Agency

<u>Amount Reduction</u>	<u>Position Reduction</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
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1. Add the following language: Disagree.

Section 40 Supplemental Retirement Contribution

SECTION 40. AND BE IT FURTHER ENACTED, that in fiscal 2022 the Governor, Chief Judge, and Presiding Officers shall reduce the amount of supplemental retirement contributions by the following amounts:

<u>General Funds – Executive Branch:</u>	<u>\$61,280,773</u>
<u>General Funds – General Assembly:</u>	<u>\$323,894</u>
<u>General Funds – Judiciary:</u>	<u>\$1,395,333</u>
<u>Special Funds:</u>	<u>\$6,000,000</u>
<u>Federal Funds:</u>	<u>\$6,000,000</u>

The Governor shall allocate the statewide reduction to the supplemental retirement contributions across all State agencies. The Department of Budget and Management shall provide a schedule of the statewide reduction allocation to the budget committees and the Department of Legislative Services by June 15, 2021.

Explanation: This action eliminates a supplemental retirement contribution above the actuarially determined rates for fiscal 2022.

BRFA ACTION

- 104-** Reduce fiscal 2021 spending statewide by \$75 million due to not making the Disagree.
DLS supplemental retirement contribution.

G20J01
State Retirement Agency

<u>Amount Reduction</u>	<u>Position Reduction</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
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2. Adopt the following narrative:

Concur.

Investment Division Personnel Costs: Chapters 727 and 728 of 2018 allowed for the Investment Division to be moved off budget. With that change, Investment Division personnel costs reported with the Governor’s allowance have been inconsistent with the budget approved by the State Retirement Agency’s (SRA) Board of Trustees. The budget committees request that SRA provide a report that includes accurate personnel costs in the budget by subobject. The report should include fiscal 2019, 2020, and 2021 actual spending; the fiscal 2022 working appropriation; and the fiscal 2023 allowance.

Information Request	Author	Due Date
Investment Division personnel costs	SRA	With submission of Governor’s Budget Books

BRFA ACTION

33 Prevents individuals who retired from the Maryland Department of Health or the Maryland Department of Labor and were rehired for no more than two years to assist in the administration of federally funded grants or unemployment insurance related to the COVID-19 pandemic from being subject to a reduction in their retirement allowance for that service.

G50L00
Maryland Supplemental Retirement Plans

<u>Amount Reduction</u>	<u>Position Reduction</u>	<u>Agency Response Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
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1. Concur with Governor's allowance.

Concur.

R00A02
MSDE Aid to Education

<u>Amount Reduction</u>	<u>Position Reduction</u>	<u>Agency Response Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
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COLOR PAGE ITEMS

CP1. Add the following language to the special fund appropriation:

, provided that \$995,332 of this appropriation made for the purpose of providing Concentration of Poverty Schools program grants to four schools that are closing after the 2020-2021 school year may not be spent for that purpose, but may only be used for the purpose of providing fiscal 2022 grants to four schools that received a grant in fiscal 2021 but are not included in the fiscal 2022 allowance.

Further provided that \$746,499 of fiscal 2021 special funds from the Blueprint for Maryland's Future Fund appropriated to the Concentration of Poverty Schools program shall be canceled at the close of the fiscal year.

Explanation: This action redirects funds in the fiscal 2022 appropriation for the Concentration of Poverty Schools program from schools that will close prior to the use of those funds to schools that received a program grant in fiscal 2021 and so are eligible to receive a grant in fiscal 2022, but are not included in the fiscal 2022 allowance. This action also provides that funds appropriated to schools that closed prior to use of fiscal 2021 program funds be canceled at the end of the fiscal year.

CP2. Add the following language to the special fund appropriation:

Further provided that \$151,575,818 of this appropriation made for the purpose of Supplemental Instruction and Tutoring shall be distributed and used in accordance with Section XX of SB 965 or HB 1372, contingent on the enactment of SB 965 or HB 1372.

Explanation: This action distributes fiscal 2022 special funds allocated to Supplemental Instruction and Tutoring according to and contingent on Section XX of SB 965 or HB 1372 – Blueprint for Maryland's Future – Revisions.

R00A02

<u>Amount Reduction</u>	<u>Position Reduction</u>	<u>Agency Response Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
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CP3. Add the following language to the special fund appropriation:

Further provided that the Governor is authorized to process a fiscal 2022 budget amendment from the Blueprint for Maryland’s Future Fund to support the following programs established by Chapter 36 of 2021:

<u>Accountability and Implementation Board</u>	<u>\$4,800,000</u>
<u>Model Curriculum and Instructional Materials</u>	<u>\$2,500,000</u>
<u>Maryland State Department of Education Financial System</u>	<u>\$2,500,000</u>
<u>Blueprint for Maryland’s Future Program Training</u>	<u>\$2,000,000</u>
<u>Expert Review Teams</u>	<u>\$1,300,000</u>
<u>Career and Technology Education Committee</u>	<u>\$700,000</u>

Explanation: This budget amendment authorizes the Governor to process a budget amendment in fiscal 2022 for programs in Chapter 36 of 2021, Blueprint for Maryland’s Future – Implementation. The Blueprint for Maryland’s Future fund has sufficient fund balance of over \$550 million available to fund these programs.

CP4. Add the following language to the special fund appropriation:

, provided that \$2,985,996 of this appropriation made for the purpose of the Concentration of Poverty School grants may only be spent to provide personnel grants for twelve schools that received this grant in fiscal 2021, but are not included in the fiscal 2022 allowance.

Further provided that \$42,014,004 of this appropriation may only be spent to provide per pupil grants to schools eligible for this program in accordance with Section 5–223 of the Education Article, as amended by SB 965 or HB 1372, contingent on the enactment of SB 965 or HB 1372.

Explanation: This action restricts funds for the sole purpose of providing Concentration of Poverty School personnel grants in fiscal 2022 to schools that received the grant in fiscal 2021 and so are eligible to receive a grant in fiscal 2022,

R00A02

<u>Amount Reduction</u>	<u>Position Reduction</u>	<u>Agency Response Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
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but were not included in the fiscal 2022 allowance. This language also specifies that the remainder of the supplemental funding should be expended to provide Concentration of Poverty per pupil grants in accordance with related legislation.

CP5. Add the following language to the special fund appropriation:

, provided that \$25,000,000 of this appropriation made for the purpose of providing grants for summer school programs for those students most affected by learning loss shall be distributed and used in accordance with Section XX of SB 965 or HB 1372, contingent on the enactment of SB 965 or HB 1372.

Explanation: This action requires funding for summer school programs to address learning loss to local education agencies to be distributed and used according to Section XX of SB 965 or HB 1372, contingent on enactment of SB 965 or HB 1372.

CP6. Add the following language to the special fund appropriation:

, provided that \$15,000,000 of this appropriation made for the purpose of providing grants to identify and support students dealing with trauma and behavioral health issues as a result of the COVID-19 public health crisis shall be distributed and used in accordance with Section XX of SB 965 or HB 1372, contingent on the enactment of SB 965 or HB 1372.

Explanation: This action requires funding for grants to local education agencies to identify and support students dealing with trauma and behavioral health issues to be distributed and used according to Section XX of SB 965 or HB 1372 and contingent on its enactment.

R00A02

<u>Amount Reduction</u>	<u>Position Reduction</u>	<u>Agency Response Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
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CP7. Add the following language to the special fund appropriation:

, provided that \$20,000,000 of this appropriation made for the purpose of providing additional transitional supplemental instruction shall be distributed in accordance with Section XX of SB 965 or HB 1372, contingent on the enactment of SB 965 or HB 1372.

Explanation: This action requires funding for transitional supplemental instruction to be distributed according to Section XX of SB 965 or HB 1372 and contingent on its enactment.

CP8. Add the following language to the special fund appropriation:

, provided that \$25,000,000 of this appropriation made for the purpose of providing grants for summer school programs for those students most affected by learning loss shall be distributed and used in accordance with Section XX of SB 965 or HB 1372, contingent on the enactment of SB 965 or HB 1372.

Explanation: This action requires funding for summer school programs to address learning loss to local education agencies to be distributed and used according to Section XX of SB 965 or HB 1372 and contingent on its enactment.

R00A02

<u>Amount Reduction</u>	<u>Position Reduction</u>	<u>Agency Response Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
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CP9. Add the following language to the special fund appropriation:

, provided that \$10,000,000 of this appropriation made for the purpose of providing grants for summer school programs to identify and support students dealing with trauma and behavioral health issues as a result of the COVID-19 public health crisis shall be distributed and used in accordance with Section XX of SB 965 or HB 1372, contingent on the enactment of SB 965 or HB 1372.

Explanation: This action requires funding for grants to local education agencies to identify and support students dealing with trauma and behavioral health issues to be distributed and used according to Section XX of SB 965 or HB 1372 and contingent on its enactment.

CP10 Add the following language to the special fund appropriation:

, provided that \$10,000,000 of this appropriation made for the purpose of providing grants to help schools safely reopen for in-person instruction shall be distributed and used in accordance with Section XX of SB 965 or HB 1372, contingent on the enactment of SB 965 or HB 1372.

Further provided that priority shall be given to school systems that have a plan for reopening.

Explanation: This action requires funding provided to support schools in the process of reopening for in-person instruction to be distributed and used according to Section XX of SB 965 or HB 1372 and contingent on its enactment.

X00A00
Public Debt

	<u>Amount Reduction</u>	<u>Position Reduction</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
1. Reduce debt service costs to reflect March 2021 and summer 2021 issuances. The State Treasurer’s Office (STO) advises that the March 2021 bond sale will issue \$475 million (\$425 million in tax-exempt and \$50 million in taxable bonds). If the sale’s coupon rate is 5.00%, which is the standard assumption that is consistent with recent sales, fiscal 2022 debt service costs will be \$23.75 million in debt service appropriations. The Department of Budget and Management (DBM) included \$27 million in debt service appropriations. For the summer 2021 bond sale, DBM appropriates \$12.5 million for debt service. STO advises that \$545 million in issuances with a 5.00% coupon rate are anticipated, requiring \$13.625 million. Taken together, proposed appropriations for these bonds sale exceed the estimates by \$2 million.	\$ 2,000,000	GF		No response.		

BRFA ACTION

- 17** Alters the allowable uses of bond premiums in the Annuity Bond Fund to include capital projects that were included in previous authorizations of bonds, capital projects authorized after the issuance of the bonds for fiscal 2021 through 2023 only, and reducing the principal amount of the issuance of sales.

Y01A
State Reserve Fund

<u>Amount Reduction</u>	<u>Position Reduction</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
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1. Adopt the following narrative:

Concur.

Repayment of the Catastrophic Event Account and the Small, Minority, and Women-Owned Businesses Account: In September 2016, \$2.5 million was transferred from the Catastrophic Event Account, and \$2.3 million was transferred from the Small, Minority, and Women-Owned Businesses Account (SMWOBA) into the Department of Housing and Community Development (DHCD) Neighborhood BusinessWorks program to provide loans to businesses in Ellicott City. Another \$2.5 million was transferred from the Catastrophic Event Account in July 2018. As part of its review of the transfer of funds from the Catastrophic Event Account, the Legislative Policy Committee recommended that DHCD develop a process by which the funds or repaid loans are credited to the Catastrophic Event Account. DHCD and the Department of Budget and Management (DBM) should submit a report that provides data regarding the number and amount of loans provided, the outstanding balance of these loans, and the number and amount of any forgiven loans. This report should be submitted to the budget committees by January 15, 2022.

Information Request	Authors	Due Date
Report on Catastrophic Event Account and SMWOBA repayment	DHCD DBM	January 15, 2022

BRFA ACTION

13 Sets the amount of nonwithholding income tax revenue that must be subtracted from the general fund revenue estimate to \$0 in fiscal 2022 but does not otherwise change the phase-in to the 2% cap on the adjustment.

The Administration budget plan assumes \$80 million in general fund revenue related to this item.

Y01A
State Reserve Fund

<u>Amount Reduction</u>	<u>Position Reduction</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
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COLOR PAGE ITEM

CP1 Add a provision to the BRFA to provide a 4.5% COLA to members of AFSCME conditional on fund availability in the Fiscal Responsibility Fund

BRFA ACTIONS

14 Sets the fiscal 2022 funding to the Revenue Stabilization Account at \$103,763,517 leaving about a 5% fund balance.

The fiscal 2022 budget includes a general fund contingent reduction of \$422,024,965 related to this item.

15 Eliminates, for fiscal 2022 only, the mandate to distribute up to \$25 million of general fund surplus to the State Retirement and Pension Systems and up to \$25 million to the Post-Retirement Health Benefits Trust Fund.

The fiscal 2022 budget includes general fund contingent reductions totaling \$50 million related to this item.

29 Authorizes the Maryland Department of Health and other State agencies to temporarily charge expenditures related to the COVID-19 pandemic response that are eligible for federal Disaster Relief Funds to the Local Income Tax Reserve Fund and requires those funds to be repaid by any Disaster Relief Funds received or general funds if not all of the charged funds are reimbursed.

Y01A
State Reserve Fund

<u>Amount Reduction</u>	<u>Position Reduction</u>	<u>Agency Response Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
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COLOR PAGE ITEM

CP2. Amend the following language to the general fund appropriation:

~~provided that \$43,860,950 of this appropriation shall be reduced contingent upon the enactment of legislation adjusting the repayment schedule for programs supported by the transfer tax, provided that \$43,860,950 of this appropriation may not be expended for any program or purpose except that authorization is hereby granted to the Governor to process a budget amendment for \$43,860,950 of balance designated for Program Open Space Repayment in the Dedicated Purpose Account for the purpose of providing special fund appropriations only for the programs and purposes herein listed:~~

- (1) \$43,500,000 to program K00A05.10 Outdoor Recreation Land Loan for Critical Maintenance Program; and
- (2) \$360,950 to program K00A09.01 Engineering and Construction General Direction.

Explanation: This action authorizes the Governor to process a budget amendment from the balance in the Dedicated Purpose Account to provide Program Open Space repayments as specified for the Critical Maintenance Program and related operational costs.

Other Full Appropriations Committee Items

<u>Amount Reduction</u>	<u>Position Reduction</u>	<u>Agency Response</u>	<u>Hearing Notes</u>	<u>House Decisions</u>	<u>Senate Decisions</u>
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BRFA ACTION

Clarifies and streamlines the existing process for conducting property tax assessments for land actively used as a country club or golf course.