HB0789/333128/1

BY: Appropriations Committee

<u>AMENDMENTS TO HOUSE BILL 789</u> (First Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 2, strike "**Public Safety – State Disaster Recovery Fund**" and substitute "<u>Catastrophic Event Account – Unit of Local Government –</u> <u>Authorized Fund</u>"; strike beginning with "establishing" in line 3 down through "Fund" in line 6 and substitute "<u>making alterations to the Catastrophic Event Account</u> <u>authorized uses to allow funds to be used by a unit of local government; and generally</u> <u>relating to the Catastrophic Event Account</u>"; and strike in their entirety lines 7 through 11, inclusive, and substitute:

"BY repealing and reenacting, with amendments,

<u>Article - State Finance and Procurement</u> <u>Section 7-324</u> <u>Annotated Code of Maryland</u> (2021 Replacement Volume and 2022 Supplement)".

AMENDMENT NO. 2

On pages 1 through 5, strike in their entirety the lines beginning with line 14 on page 1 through line 8 on page 5, inclusive, and substitute:

"Article – State Finance and Procurement

7-324.

(a) In this section, "Account" means the Catastrophic Event Account.

(b) Subject to the provisions of this section, the Account is established to enable the State OR A LOCAL GOVERNMENT to respond without undue delay to a

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natural disaster or other catastrophic situation, or federal civilian employee financial hardship from a full or partial federal government shutdown due to a lapse in federal appropriations that cannot be taken care of within the resources of existing appropriations.

(c) <u>The Governor may provide an appropriation in the budget bill to the</u> <u>Account.</u>

(d) (1) Subject to paragraph (2) of this subsection, after a 15-day review and comment period by the Legislative Policy Committee, the Governor may transfer funds by budget amendment from the Account to the expenditure accounts of the appropriate unit of State government **OR UNIT OF LOCAL GOVERNMENT**.

(2) If the federal government is in a full or partial shutdown due to a lapse in appropriations, after a 2-day review and comment period by the Legislative Policy Committee, the Governor may transfer funds by budget amendment from the Account to the Federal Government Shutdown Employee Assistance Loan Fund established under § 7-327 of this subtitle.

(e) <u>Funds appropriated to the Catastrophic Event Account:</u>

(1) may not be used to offset operating deficiencies in regular programs of State government; but

(2) may be expended to assist a unit of State government OR UNIT OF LOCAL GOVERNMENT in funding costs in connection with a natural disaster, a catastrophic situation, or a full or partial federal government shutdown due to a lapse in appropriations.

(f) (1) The Account is a continuing, nonlapsing fund which is not subject to § 7–302 of this subtitle.

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(2) <u>The Treasurer shall separately hold, and the Comptroller shall</u> <u>account for, the Account.</u>

(3) <u>The Account shall be invested and reinvested in the same manner</u> <u>as other State funds.</u>

(4) Any investment earnings shall be subject to § 7–311(d) of this subtitle.

(g) <u>Money appropriated to the Account does not revert to the Revenue</u> <u>Stabilization Account.</u>".