

# HOUSE BILL 202

B1

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CF SB 183

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By: **The Speaker (By Request – Administration)**

Introduced and read first time: January 20, 2023

Assigned to: Appropriations

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Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 7, 2023

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Budget Reconciliation and Financing Act of 2023**

3 FOR the purpose of authorizing or altering the distribution of certain revenue; altering or  
4 repealing certain required appropriations; authorizing the use of certain funds for  
5 certain purposes; requiring the University of Maryland Medical System to assign  
6 certain faculty to provide clinical care at the University of Maryland Capital Region  
7 Medical Center; repealing a certain required appropriation to the Revenue  
8 Stabilization Account; reducing the budgeted Medicaid Deficit Assessment for a  
9 certain fiscal year; extending the date by which the Bainbridge Development  
10 Corporation is required to transfer a certain portion of a certain site to the  
11 Department of Natural Resources; and generally relating to the financing of State  
12 and local government.

13 BY repealing and reenacting, with amendments,

14 Article – Education

15 Section 12–120

16 Annotated Code of Maryland

17 (2022 Replacement Volume)

18 BY repealing and reenacting, with amendments,

19 Article – State Finance and Procurement

20 Section 7–311(j)(1)(v)

21 Annotated Code of Maryland

22 (2021 Replacement Volume and 2022 Supplement)

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### EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

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



1 BY repealing and reenacting, with amendments,  
2 Chapter 397 of the Acts of the General Assembly of 2011, as amended by Chapter  
3 425 of the Acts of the General Assembly of 2013, Chapter 464 of the Acts of  
4 the General Assembly of 2014, Chapter 489 of the Acts of the General  
5 Assembly of 2015, Chapter 23 of the Acts of the General Assembly of 2017,  
6 Chapter 10 of the Acts of the General Assembly of 2018, Chapter 16 of the  
7 Acts of the General Assembly of 2019, and Chapter 538 of the Acts of the  
8 General Assembly of 2020  
9 Section 16(c)

10 BY repealing and reenacting, with amendments,  
11 Chapter 717 of the Acts of the General Assembly of 2021  
12 Section 2

13 BY repealing and reenacting, with amendments,  
14 Chapter 718 of the Acts of the General Assembly of 2021  
15 Section 2

16 BY repealing and reenacting, with amendments,  
17 Chapter 39 of the Acts of the General Assembly of 2022  
18 Section 5

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

21 **Article – Education**

22 12–120.

23 (a) The University of Maryland School of Medicine shall provide clinical care at  
24 the University of Maryland Capital Region Medical Center by **THE UNIVERSITY OF**  
25 **MARYLAND MEDICAL SYSTEM** assigning to the Center faculty who specialize in [the  
26 following:

27 (1) Neuroscience;

28 (2) Obstetrics and gynecology;

29 (3) Oncology; and

30 (4) Vascular neurology] **IDENTIFIED ESSENTIAL AREAS.**

31 (b) (1) For fiscal years 2023 through 2025, the Governor shall include in the  
32 annual budget bill an appropriation of at least \$5,000,000 to implement the provisions of  
33 this section.

1           (2) Funds provided in accordance with this subsection shall supplement  
2 and may not supplant any other funding provided to the University of Maryland School of  
3 Medicine.

4                                   **Article – State Finance and Procurement**

5 7–311.

6           (j)   (1)   Except as provided in paragraph (2) of this subsection, for fiscal year  
7 2007 and for each subsequent fiscal year, the Governor shall include in the budget bill an  
8 appropriation:

9                                   (v)   for fiscal year 2024:

10                                   1.   to the Maryland Equity Investment Fund established  
11 under § 10–487 of the Economic Development Article an amount, up to \$10,000,000, that  
12 is equal to 10% of the amount by which the unappropriated General Fund surplus as of  
13 June 30 of the second preceding fiscal year exceeds \$10,000,000;

14                                   2.   to the accumulation funds of the State Retirement and  
15 Pension System an amount, up to a maximum of \$15,000,000, that is equal to 15% of the  
16 amount by which the unappropriated General Fund surplus as of June 30 of the second  
17 preceding fiscal year exceeds \$10,000,000; **AND**

18                                   3.   to the Postretirement Health Benefits Trust Fund  
19 established under § 34–101 of the State Personnel and Pensions Article an amount, up to  
20 a maximum of \$25,000,000, that is equal to 25% of the amount by which the unappropriated  
21 General Fund surplus as of June 30 of the second preceding fiscal year exceeds  
22 \$10,000,000[; and

23                                   4.   to the Account equal to the amount by which the  
24 unappropriated General Fund surplus as of June 30 of the second preceding fiscal year  
25 exceeds \$10,000,000, less the amount of the appropriations under items 1 through 3 of this  
26 item].

27           **Chapter 397 of the Acts of 2011, as amended by Chapter 425 of the Acts of 2013,**  
28           **Chapter 464 of the Acts of 2014, Chapter 489 of the Acts of 2015, Chapter 23 of**  
29           **the Acts of 2017, Chapter 10 of the Acts of 2018, Chapter 16 of the Acts of 2019,**  
30           **and Chapter 538 of the Acts of 2020**

31           SECTION 16. AND BE IT FURTHER ENACTED, That, in addition to any other  
32 revenue generated under § 19–214 of the Health – General Article, as amended by this Act:

33           (c)   (1)   For fiscal year 2015 and 2016, the Commission and the Maryland  
34 Department of Health shall adopt policies that will provide up to \$389,825,000 in special  
35 fund revenues from hospital assessment and remittance revenue.

1 (2) For fiscal year 2017, the Governor shall reduce the budgeted Medicaid  
2 Deficit Assessment by \$25,000,000 over the assessment level for the prior year.

3 (3) For fiscal year 2018, the budgeted Medicaid Deficit Assessment shall be  
4 \$364,825,000.

5 (4) For fiscal year 2019, the budgeted Medicaid Deficit Assessment shall be  
6 \$334,825,000.

7 (5) For fiscal year 2020, the budgeted Medicaid Deficit Assessment shall be  
8 \$309,825,000.

9 (6) [For] **EXCEPT AS PROVIDED IN PARAGRAPH (7) OF THIS**  
10 **SUBSECTION, FOR** fiscal year 2021 and each fiscal year thereafter, the budgeted Medicaid  
11 Deficit Assessment shall be \$294,825,000.

12 **(7) FOR FISCAL YEAR 2024 ONLY, THE BUDGETED MEDICAID**  
13 **DEFICIT ASSESSMENT SHALL BE \$244,825,000.**

14 [(7)] (8) To the extent that the Commission takes other actions that  
15 reduce Medicaid costs, those savings shall also be used to reduce the budgeted Medicaid  
16 Deficit Assessment.

17 [(8)] (9) To the maximum extent possible, the Commission and the  
18 Maryland Department of Health shall adopt policies that preserve the State's Medicare  
19 waiver.

20 **Chapter 717 of the Acts of 2021**

21 **SECTION 2. AND BE IT FURTHER ENACTED, That:**

22 (a) For taxable years beginning after June 30, 2017, but before July 1, 2021, the  
23 State Department of Assessments and Taxation shall determine whether a homeowner is  
24 owed additional State homeowners' property tax credits as a result of the property tax  
25 credit under § 9-104 of the Tax – Property Article, as enacted by Section 1 of this Act, and  
26 if so, the amount of the refund owed.

27 (b) The State Department of Assessments and Taxation shall notify the  
28 homeowner and the county within which the homeowner's dwelling is located of the amount  
29 of the refund determined under subsection (a) of this section.

30 (c) [(1) Subject to paragraph (2) of this subsection, on] **ON** certification by the  
31 State Department of Assessments and Taxation, the Comptroller shall pay to an eligible  
32 homeowner the refund determined under subsection (a) of this section from the Local  
33 Reserve Account established under § 2-606 of the Tax – General Article.

1 [(2) For each of the fiscal years 2023 through 2037, the Governor shall  
2 include in the annual budget bill an appropriation to the Local Reserve Account in an  
3 amount equal to one-fifteenth of the total refunds paid in accordance with paragraph (1) of  
4 this subsection from the Local Reserve Account during fiscal year 2022.]

5 (d) Notwithstanding any other provision of law, for the taxable year beginning  
6 after June 30, 2021, but before July 1, 2022, a refund paid to a homeowner in accordance  
7 with this section may not be included in the calculation of the homeowner's gross income  
8 for purposes of eligibility for the property tax credit under § 9-104 of the Tax – Property  
9 Article.

### 10 Chapter 718 of the Acts of 2021

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

12 (a) For taxable years beginning after June 30, 2017, but before July 1, 2021, the  
13 State Department of Assessments and Taxation shall determine whether a homeowner is  
14 owed additional State homeowners' property tax credits as a result of the property tax  
15 credit under § 9-104 of the Tax – Property Article, as enacted by Section 1 of this Act, and  
16 if so, the amount of the refund owed.

17 (b) The State Department of Assessments and Taxation shall notify the  
18 homeowner and the county within which the homeowner's dwelling is located of the amount  
19 of the refund determined under subsection (a) of this section.

20 (c) [(1) Subject to paragraph (2) of this subsection, on] ON certification by the  
21 State Department of Assessments and Taxation, the Comptroller shall pay to an eligible  
22 homeowner the refund determined under subsection (a) of this section from the Local  
23 Reserve Account established under § 2-606 of the Tax – General Article.

24 [(2) For each of the fiscal years 2023 through 2037, the Governor shall  
25 include in the annual budget bill an appropriation to the Local Reserve Account in an  
26 amount equal to one-fifteenth of the total refunds paid in accordance with paragraph (1) of  
27 this subsection from the Local Reserve Account during fiscal year 2022.]

28 (d) Notwithstanding any other provision of law, for the taxable year beginning  
29 after June 30, 2021, but before July 1, 2022, a refund paid to a homeowner in accordance  
30 with this section may not be included in the calculation of the homeowner's gross income  
31 for purposes of eligibility for the property tax credit under § 9-104 of the Tax – Property  
32 Article.

### 33 Chapter 39 of the Acts of 2022

34 SECTION 5. AND BE IT FURTHER ENACTED, That, on or before June 1, [2023]  
35 2024, the Bainbridge Development Corporation shall transfer to the Department of

1 Natural Resources a portion of the Bainbridge Naval Training Center site consisting of not  
 2 less than 120 acres and not more than 150 acres, including:

- 3           (1) the historic Tome School;  
 4           (2) the Snow Hill archaeological site; and  
 5           (3) the adjacent wooded conservation area.

6           SECTION 2. AND BE IT FURTHER ENACTED, That the unexpended  
 7 appropriation for the Assistance Payments Program (N00G00.08) within the Department  
 8 of Human Services, that was included in the fiscal year 2023 operating budget (Chapter  
 9 484 of the Acts of 2022) is reduced by \$7,500,000 in general funds.

10           SECTION 3. AND BE IT FURTHER ENACTED, That, notwithstanding any other  
 11 provision of law, \$9,250,000 shall be transferred from money derived from the AltaGas  
 12 LTD. and WGL Holdings, Inc. merger approved by the Public Service Commission in Case  
 13 No. 9449, Order No. 88631 on April 4, 2018, and deposited as the Maryland Gas Expansion  
 14 Fund into the Maryland Strategic Energy Investment Fund established under § 9-20B-05  
 15 of the State Government Article to the Public Service Commission in order to provide  
 16 funding to support the repair of existing natural gas infrastructure in the Washington Gas  
 17 service territory.

18           SECTION ~~2~~ 4. AND BE IT FURTHER ENACTED, That this Act shall take effect  
 19 June 1, 2023.

Approved:

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Governor.

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Speaker of the House of Delegates.

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President of the Senate.