Chapter 3

# (Senate Bill 1188)

# AN ACT concerning

# Maryland Protecting Opportunities and Regional Trade (PORT) Act

FOR the purpose of establishing the Fallen Transportation Workers Scholarship Program and the Fallen Transportation Workers Scholarship Fund as a special, nonlapsing fund; requiring that the interest earnings of the Fund remain in the Fund; authorizing the Secretary of Labor to exempt an individual from the requirement to be actively seeking work for unemployment insurance benefits eligibility under certain circumstances; allowing a subtraction under the State income tax for certain benefit payments received by certain individuals; increasing a certain revenue bond cap for the Maryland Transportation Authority; requiring the Maryland Department of Labor and the Department of Commerce to establish certain temporary relief programs to provide assistance to individuals and certain entities impacted by a certain <del>closure</del> reduced operations of the Port of Baltimore; authorizing the Governor to transfer, by budget amendment, funds from the Revenue Stabilization Account to fund the temporary relief programs; authorizing the Maryland Department of Labor and the Department of Commerce to transfer available funding from existing programs and special funds to support certain programs; authorizing, subject to certain limitations, the disclosure of certain tax information to certain governmental entities for the purpose of assisting the Comptroller in certain tax compliance activity; requiring the Attorney General to pursue options, including filing actions, to recover for the State economic damages arising out of closure of the Port of Baltimore and the collapse of the Francis Scott Key Bridge; and generally relating to providing temporary relief for individuals and certain entities affected by the closure of the Port of Baltimore transportation and states of emergency.

#### BY adding to

<u>Article – Education</u>

Section 18–4001 through 18–4004 to be under the new subtitle "Subtitle 40. Fallen Transportation Workers Scholarship Program"

Annotated Code of Maryland

(2022 Replacement Volume and 2023 Supplement)

BY repealing and reenacting, without amendments,

Article – Labor and Employment

Section 8-611(a) and 8-903(a)(1)

Annotated Code of Maryland

(2016 Replacement Volume and 2023 Supplement)

BY repealing and reenacting, with amendments,

<u> Article – Labor and Employment</u>

Section 8–611(k)

<u>Annotated Code of Maryland</u> (2016 Replacement Volume and 2023 Supplement)

#### BY adding to

Article – Labor and Employment

<u>Section 8–903(d)</u>

Annotated Code of Maryland

(2016 Replacement Volume and 2023 Supplement)

# BY repealing and reenacting, without amendments,

Article – State Finance and Procurement

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

Annotated Code of Maryland

(2021 Replacement Volume and 2023 Supplement)

#### BY repealing and reenacting, with amendments,

<u>Article – State Finance and Procurement</u>

Section 6–226(a)(2)(ii)189. and 190.

Annotated Code of Maryland

(2021 Replacement Volume and 2023 Supplement)

# BY adding to

Article – State Finance and Procurement

Section 6-226(a)(2)(ii)191.

Annotated Code of Maryland

(2021 Replacement Volume and 2023 Supplement)

#### BY repealing and reenacting, without amendments,

Article - Tax - General

Section 10–207(a) and 10–208(a)

Annotated Code of Maryland

(2022 Replacement Volume and 2023 Supplement)

#### BY adding to

<u>Article – Tax – General</u>

Section 10–207(pp), 10–208(cc), and 13–203(c)(16)

Annotated Code of Maryland

(2022 Replacement Volume and 2023 Supplement)

#### BY repealing and reenacting, with amendments,

Article - Tax - General

Section 13–203(c)(14) and (15)

Annotated Code of Maryland

(2022 Replacement Volume and 2023 Supplement)

#### BY repealing and reenacting, without amendments,

<u>Article – Transportation</u>
<u>Section 3–101(a) and (l) and 4–101(a) and (h)</u>
<u>Annotated Code of Maryland</u>
(2020 Replacement Volume and 2023 Supplement)

BY repealing and reenacting, with amendments,

Article – Transportation
Section 4–306
Annotated Code of Maryland
(2020 Replacement Volume and 2023 Supplement)

#### Preamble

WHEREAS, At approximately 1:30 a.m. on March 26, 2024, a major section of the Francis Scott Key Bridge (Key Bridge) collapsed into the Patapsco River after the Dali, a 984–foot container ship, collided with one of the bridge's primary support pillars; and

WHEREAS, The collapse of the Key Bridge is a catastrophic event that resulted in a tragic loss of life and the <del>closure</del> <u>reduced operations</u> of the Port of Baltimore (Port); and

WHEREAS, The <u>elosure</u> <u>reduced operations</u> of the Port has severe economic implications for the entire region and nation; and

WHEREAS, The Port accounts for approximately \$3.3 billion in annual personal income for individuals, with approximately 15,300 jobs in Maryland directly generated by Port activity and approximately 140,000 total jobs linked to Port activity; and

WHEREAS, In 2023, the Port set several records for itself and also ranked first among ports in the nation for handling the highest volume in each of the following categories: autos and light trucks (847,158 vehicles); roll—on, roll—off heavy farm and construction machinery (1.3 million tons); and imported sugar and gypsum; and

WHEREAS, The Port also ranked ninth in the nation in 2023 for both the tonnage of international cargo handled (52.3 million tons) and total foreign cargo value (\$80.8 billion); and

WHEREAS, Additionally, in 2023, in total the Port exported more than \$111 billion and imported more than \$36 billion worth of goods; and

WHEREAS, It is critical to ensure that the individuals and businesses that are economically impacted by the <del>closure</del> <u>reduced operations</u> of the Port are supported at this vital juncture; now, therefore,

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

18–4001.

#### <u>Article - Education</u>

SUBTITLE 40. FALLEN TRANSPORTATION WORKERS SCHOLARSHIP PROGRAM.

- (A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.
  - (B) "FALLEN TRANSPORTATION WORKER" MEANS AN INDIVIDUAL:
- (1) WHOSE OCCUPATION IS IN THE CONSTRUCTION, REHABILITATION, OR OPERATION OF A TRANSPORTATION FACILITY OR TRANSPORTATION FACILITIES PROJECT IN THE STATE; AND
- (2) Who died, on or after January 1, 2022, as a result of an accident occurring while the individual was performing any job duty necessary for the construction, maintenance, rehabilitation, or operation of a transportation facility or transportation facilities project in the State.
- (C) "FUND" MEANS THE FALLEN TRANSPORTATION WORKERS SCHOLARSHIP FUND.
- (D) "PROGRAM" MEANS THE FALLEN TRANSPORTATION WORKERS SCHOLARSHIP PROGRAM.
- (E) "TRANSPORTATION FACILITY" HAS THE MEANING STATED IN § 3–101 OF THE TRANSPORTATION ARTICLE.
- (F) "TRANSPORTATION FACILITIES PROJECT" HAS THE MEANING STATED IN § 4–101 OF THE TRANSPORTATION ARTICLE.

# **18–4002.**

- (A) THERE IS A FALLEN TRANSPORTATION WORKERS SCHOLARSHIP PROGRAM.
- (B) THE PURPOSE OF THE PROGRAM IS TO PROVIDE TUITION ASSISTANCE TO A STUDENT WHO WAS A DEPENDENT OR IS THE SURVIVING SPOUSE OF A FALLEN TRANSPORTATION WORKER.

#### **18–4003.**

- (A) AN INDIVIDUAL MAY APPLY TO AN ELIGIBLE INSTITUTION OF POSTSECONDARY EDUCATION FOR A SCHOLARSHIP UNDER THIS SUBTITLE IF THE INDIVIDUAL IS:
- (1) (1) ACCEPTED FOR ADMISSION OR ENROLLED IN A REGULAR UNDERGRADUATE, GRADUATE, OR PROFESSIONAL PROGRAM AT AN ELIGIBLE INSTITUTION OF POSTSECONDARY EDUCATION; OR

#### (II) ENROLLED IN:

1. A 2-YEAR TERMINAL CERTIFICATE PROGRAM IN WHICH THE COURSE WORK IS ACCEPTABLE FOR TRANSFER CREDIT FOR AN ACCREDITED BACCALAUREATE PROGRAM AT AN ELIGIBLE INSTITUTION; OR

#### 2. A PRIVATE CAREER SCHOOL;

- (2) AT LEAST 16 YEARS OLD; AND
- (3) A RESIDENT OF THE STATE; AND
- (4) (3) THE CHILD, STEPCHILD, OR SURVIVING SPOUSE OF A FALLEN TRANSPORTATION WORKER.
  - (B) A SCHOLARSHIP AWARDED UNDER THIS SUBTITLE:
- (1) MAY BE USED FOR THE TUITION AND MANDATORY FEES AT ANY ELIGIBLE INSTITUTION OF POSTSECONDARY EDUCATION; AND
  - **(2)MAY NOT:**
- (I) EXCEED THE EQUIVALENT ANNUAL TUITION AND MANDATORY FEES OF A-RESIDENT AN UNDERGRADUATE STUDENT AT THE 4-YEAR INSTITUTION OF HIGHER EDUCATION WITHIN THE UNIVERSITY SYSTEM OF MARYLAND, OTHER THAN THE UNIVERSITY OF MARYLAND GLOBAL CAMPUS AND THE UNIVERSITY OF MARYLAND, BALTIMORE CAMPUS, WITH THE HIGHEST ANNUAL EXPENSES FOR A FULL-TIME RESIDENT UNDERGRADUATE; AND
  - (II) BE LESS THAN THE LESSER OF:
    - 1. \$3,000; OR
- 2. The equivalent tuition and mandatory fees of A resident of the institution attended by the recipient of the scholarship.

- (C) (1) EACH INSTITUTION OF POSTSECONDARY EDUCATION SHALL DETERMINE ELIGIBILITY OF INDIVIDUALS WHO APPLY TO THE INSTITUTION FOR THE PROGRAM.
- (2) FUNDS SUBJECT TO THE AVAILABILITY OF FUNDS, FUNDS FOR THE PROGRAM SHALL BE ALLOCATED BY THE COMMISSION TO EACH INSTITUTION OF POSTSECONDARY EDUCATION BASED ON THE NUMBER OF ELIGIBLE RECIPIENTS ATTENDING EACH INSTITUTION.
- (3) IN FEBRUARY AND OCTOBER EACH YEAR, BEGINNING IN 2024, EACH INSTITUTION OF POSTSECONDARY EDUCATION SHALL REPORT TO THE COMMISSION THE NUMBER OF ELIGIBLE RECIPIENTS ATTENDING THE INSTITUTION.
- (4) THE COMMISSION SHALL ALLOCATE FUNDS FOR AWARDS TO INSTITUTIONS OF POSTSECONDARY EDUCATION ON VERIFICATION OF ELIGIBLE RECIPIENTS ATTENDING THE INSTITUTIONS.
- (5) IF FUNDS CANNOT BE ALLOCATED IN THE FISCAL YEAR IN WHICH AWARDS ARE MADE, PRIORITY SHALL BE GIVEN TO ALLOCATING FUNDS FOR THOSE AWARDS IN THE IMMEDIATELY FOLLOWING FISCAL YEAR.
- (D) EACH RECIPIENT OF A SCHOLARSHIP UNDER THIS SUBTITLE MAY HOLD THE AWARD FOR 5 YEARS OF FULL-TIME STUDY OR 8 YEARS OF PART-TIME STUDY.
- (E) TO THE EXTENT PRACTICABLE, THE DEPARTMENT OF TRANSPORTATION, A LOCAL DEPARTMENT OF TRANSPORTATION, OR A CONTRACTOR THAT EMPLOYED FALLEN TRANSPORTATION WORKERS SHALL PROVIDE TO THE COMMISSION THE NAMES AND CONTACT INFORMATION FOR THE FAMILIES OF THE FALLEN TRANSPORTATION WORKERS.

#### 18–4004.

- (A) THERE IS A FALLEN TRANSPORTATION WORKERS SCHOLARSHIP FUND.
  - (B) THE COMMISSION SHALL ADMINISTER THE FUND.
- (C) (1) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT SUBJECT TO § 7–302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.
- (2) THE STATE TREASURER SHALL HOLD THE FUND SEPARATELY, AND THE COMPTROLLER SHALL ACCOUNT FOR THE FUND.

# (D) THE FUND CONSISTS OF:

- (1) MONEY APPROPRIATED IN THE STATE BUDGET TO THE FUND;
- (2) INTEREST EARNINGS; AND
- (3) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED BY THE COMMISSION FOR THE BENEFIT OF THE FUND IN ACCORDANCE WITH SUBSECTION (H) OF THIS SECTION.
- (E) THE FUND MAY BE USED ONLY TO AWARD SCHOLARSHIPS UNDER THE PROGRAM.
- (F) (1) THE STATE TREASURER SHALL INVEST THE MONEY OF THE FUND IN THE SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.
- (2) ANY INTEREST EARNINGS OF THE FUND SHALL BE CREDITED TO THE FUND.
- (G) EXPENDITURES FROM THE FUND MAY BE MADE ONLY IN ACCORDANCE WITH THE STATE BUDGET.
  - (H) THE COMMISSION:
- (1) MAY ACCEPT ANY GIFT OR GRANT FROM ANY PERSON FOR THE FUND; AND
- (2) SHALL DEPOSIT ANY GIFT OR GRANT THAT IT RECEIVES FOR THE PROGRAM WITH THE STATE TREASURER.
- (I) FUNDING FOR THE PROGRAM SHALL BE AS PROVIDED IN THE STATE BUDGET.

# **Article - Labor and Employment**

*8–611*.

- (a) For each employing unit, the Secretary shall keep an earned rating record that shows all benefits that are based on covered employment that was performed for the employing unit.
- (k) (1) [The] SUBJECT TO PARAGRAPH (3) OF THIS SUBSECTION, THE Secretary may waive the charge of benefits paid to a claimant against the earned rating record of an employing unit if:

- (i) the benefits are paid to the claimant during a period in which the claimant is temporarily unemployed because the employing unit shut down due to a natural disaster; and
- (ii) the Governor declared a state of emergency due to the natural disaster.
- (2) If the Secretary waives the charge of benefits under paragraph (1) of this subsection, the waiver may be in effect only until the earlier of:
  - (i) 4 months after the natural disaster; or
  - (ii) the date the employing unit reopens.
- (3) THE SECRETARY SHALL WAIVE THE CHARGE OF BENEFITS PAID TO A CLAIMANT AGAINST THE EARNED RATING RECORD OF AN EMPLOYING UNIT FOR ANY CLAIM OF BENEFITS IF:
- (I) THE CLAIM IS DETERMINED BY THE SECRETARY TO BE RELATED TO THE REDUCED OPERATIONS OF THE PORT OF BALTIMORE DUE TO THE COLLAPSE OF THE FRANCIS SCOTT KEY BRIDGE; AND
- (II) THE EMPLOYING UNIT HAD NO DIRECT OR INDIRECT CONTROL OVER THE ACTIONS LEADING TO THE DISRUPTION IN EMPLOYMENT.

<u>8–903.</u>

- (a) (1) Except as otherwise provided in this section, to be eligible for benefits an individual shall be:
  - (i) able to work;
  - (ii) available for work; and
  - (iii) actively seeking work.
- (D) NOTWITHSTANDING ANY OTHER PROVISION OF THIS TITLE, THE SECRETARY MAY EXEMPT AN INDIVIDUAL FROM THE WORK SEARCH REQUIREMENT UNDER SUBSECTION (A)(1)(III) OF THIS SECTION DURING A STATE OF EMERGENCY DECLARED BY THE GOVERNOR IF THE INDIVIDUAL:
- (1) IS TEMPORARILY LAID OFF FROM WORK AS A DIRECT RESULT OF THE EVENT OR OCCURRENCE LEADING TO THE STATE OF EMERGENCY THAT LED TO

# THE GOVERNOR DECLARING A STATE OF EMERGENCY VIA EXECUTIVE ORDER 01.01.2024.09: AND

(2) REMAINS ABLE TO WORK AND AVAILABLE FOR WORK IN ACCORDANCE WITH THIS SECTION AND WORK-ATTACHED.

#### **Article - State Finance and Procurement**

6-226.

- (a) (2) (i) Notwithstanding any other provision of law, and unless inconsistent with a federal law, grant agreement, or other federal requirement or with the terms of a gift or settlement agreement, net interest on all State money allocated by the State Treasurer under this section to special funds or accounts, and otherwise entitled to receive interest earnings, as accounted for by the Comptroller, shall accrue to the General Fund of the State.
- (ii) The provisions of subparagraph (i) of this paragraph do not apply to the following funds:
  - 189. the Teacher Retention and Development Fund; [and]
  - 190. the Protecting Against Hate Crimes Grant Fund; AND
  - 191. THE FALLEN TRANSPORTATION WORKERS

# SCHOLARSHIP FUND.

#### Article - Tax - General

10-207.

- (a) To the extent included in federal adjusted gross income, the amounts under this section are subtracted from the federal adjusted gross income of a resident to determine Maryland adjusted gross income.
- (PP) (1) IN THIS SUBSECTION, "BENEFIT PAYMENT" MEANS A PAYMENT THAT IS PROVIDED TO AN INDIVIDUAL OR THE FAMILY MEMBER OF AN INDIVIDUAL AS A RESULT OF THE INDIVIDUAL OR FAMILY MEMBER BEING INJURED OR KILLED IN THE COLLAPSE OF THE FRANCIS SCOTT KEY BRIDGE ON MARCH 26, 2024.
- (2) FOR A TAXABLE YEAR BEGINNING AFTER DECEMBER 31, 2023, BUT BEFORE JANUARY 1, 2026, THE SUBTRACTION UNDER SUBSECTION (A) OF THIS SECTION INCLUDES THE AMOUNT OF ANY BENEFIT PAYMENT RECEIVED BY AN INDIVIDUAL.

*10*−*20*8.

- (a) In addition to the modification under § 10–207 of this subtitle, the amounts under this section are subtracted from the federal adjusted gross income of a resident to determine Maryland adjusted gross income.
- (CC) FOR A TAXABLE YEAR BEGINNING AFTER DECEMBER 31, 2024, THE SUBTRACTION UNDER SUBSECTION (A) OF THIS SECTION INCLUDES THE AMOUNT OF TUITION ASSISTANCE PROVIDED TO STUDENTS WHO ARE ELIGIBLE DEPENDENTS OR SURVIVING SPOUSES OF FALLEN TRANSPORTATION WORKERS IN ACCORDANCE WITH TITLE 18, SUBTITLE 40 OF THE EDUCATION ARTICLE.

*13–203*.

- (c) <u>Tax information may be disclosed to:</u>
- (14) a hospital, the Health Services Cost Review Commission, the Department of Human Services, the Maryland Department of Health, and the State Department of Education, to the extent necessary to administer § 19–214.4 of the Health General Article; [and]
- (15) subject to subsection (e) of this section, the Maryland Small Business Retirement Savings Board and its authorized contractors for the purpose of administering the Maryland Small Business Retirement Savings Program and Trust as authorized under Title 12 of the Labor and Employment Article; AND
- (16) THE MARYLAND DEPARTMENT OF LABOR AND THE MARYLAND DEPARTMENT OF COMMERCE TO THE EXTENT NECESSARY TO:
- (I) ADMINISTER THE TEMPORARY RELIEF PROGRAMS
  ESTABLISHED UNDER CHAPTERS (S.B.1188/H.B.1526) OF THE ACTS OF THE
  GENERAL ASSEMBLY OF 2024; OR
- (II) <u>DETECT AND PREVENT FRAUDULENT CLAIMS FOR RELIEF OR</u>
  AVOIDANCE OF REQUIRED REPAYMENT UNDER THE TEMPORARY RELIEF PROGRAMS.

# <u>Article – Transportation</u>

3–101.

- (a) In this title the following words have the meanings indicated.
- (1) "Transportation facility" includes any one or more or combination of:
  - (1) Airport facilities;

- (2) Highway facilities;
- (3) Port facilities;
- (4) Railroad facilities; and
- (5) Transit facilities.

#### <u>4–101.</u>

- (a) In this title the following words have the meanings indicated.
- (h) "Transportation facilities project" includes:
- (1) The Susquehanna River Bridge, the Harry W. Nice/Thomas "Mac" Middleton Potomac River Bridge, the William Preston Lane, Jr. Memorial Chesapeake Bay Bridge and parallel Chesapeake Bay Bridge, the Baltimore Harbor Tunnel, the Fort McHenry Tunnel, the Francis Scott Key Bridge, and the John F. Kennedy Memorial Highway, together with their appurtenant causeways, approaches, interchanges, entrance plazas, toll stations, and service facilities;
- (2) A vehicle parking facility located in a priority funding area as defined in § 5–7B–02 of the State Finance and Procurement Article;
- (3) Any other project for transportation facilities that the Authority authorizes to be acquired or constructed; and
- (4) Any additions, improvements, or enlargements to any of these projects, whenever authorized.

#### 4 - 306.

- (a) Except as provided in subsection (b) of this section, revenue bonds may be issued by the Authority:
- (1) Without obtaining the consent of any instrumentality, agency, or unit of this State; and
- (2) Without any proceedings or the happening of any conditions or things other than those specifically required by this subtitle.
- (b) (1) Subject to subparagraph (ii) of this paragraph, revenue bonds secured by toll revenue may be issued in any amount as long as the aggregate outstanding and unpaid principal balance of the revenue bonds secured by toll revenue and revenue

bonds of prior issues does not exceed [\$3,000,000,000 or, in fiscal years 2015 through 2020, \$2,325,000,000,] **\$4,000,000,000** on June 30 of any year.

- (ii) The maximum aggregate amount of revenue bonds that may be outstanding and unpaid under subparagraph (i) of this paragraph shall be reduced by the amount of:
- <u>1. Any loan extended to the State under the federal</u> Transportation Infrastructure Finance and Innovation Act; and
- <u>2.</u> Any line of credit extended to the State under the federal Transportation Infrastructure Finance and Innovation Act, to the extent the State draws on the line of credit.
- (2) Except as otherwise provided in this section and § 4–205 of this title, without the approval of the General Assembly, the Authority may issue bonds to refinance all or any part of the cost of a transportation facility project for which the Authority previously issued bonds authorized under this subtitle.

# SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,

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

- (a) (1) In this section the following words have the meanings indicated.
- (2) "Closure Reduced operations of the Port" means a cessation in the operations of or the inability to access the suspension of vessel traffic or the inability of vessels to access the Port of Baltimore due to the collapse of the Francis Scott Key Bridge on March 26, 2024.
  - (3) "Port" means the Port of Baltimore.
- (b) Subject to subsection (e) of this section, <u>if the President of the United States</u> does not declare a major disaster as a result of the collapse of the Francis Scott Key Bridge, the Maryland Department of Labor, as soon as practicable, shall establish a temporary relief program to provide assistance to individuals who:
  - (1) are Maryland-based and regularly performed paid work at the Port;
- (2) are unable to <u>perform the</u> work through no fault of their own due to the <u>closure reduced operations</u> of the Port; and
- (3) (i) despite being able, available, and actively seeking work, are able to work and available for work, but unable to find suitable work; and

- (ii) <u>1.</u> do not qualify for unemployment insurance benefits under Title 8 of the Labor and Employment Article or any similar employer–provided benefit<u>: or</u>
- 2. qualify for an amount of unemployment insurance benefits that is less than the individual's earnings attributable to the individual's employment at the Port at the time the reduced operations of the Port began.
- (4) (i) This paragraph does not apply to wages paid in covered employment or to wages paid for employment by a disaster relief program using employment.
- (ii) Notwithstanding § 8–803 of the Labor and Employment Article, a payment to an individual under this subsection may not be included when computing the wages required to be subtracted under § 8–803(d)(1)(iii) of the Labor and Employment Article.
- (c) (1) Subject to paragraph (2) paragraphs (2), (3), and (4) of this subsection and subsection (e) of this section, the Department of Commerce Maryland Department of Labor, as soon as practicable, shall establish a temporary relief grant program to provide assistance to small businesses, <u>labor unions</u>, trade associations, or companies that contract with or are members of a trade association:
  - (i) the operations of which:
    - 1. rely on access to or the operation of the Port; and
- 2. are substantially hindered or halted entirely due to the electrical electr
- (ii) that, without the <del>reopening</del> <u>return to full operations</u> of the Port, are unable to retain their <u>Maryland-based</u> workforce at the same hours, rates of pay, and benefits in effect before the <del>closure</del> reduced operations of the Port; <del>and</del>
- (iii) that are committed to continuing operations, to the fullest extent practicable, at the Port once it reopens resumes full operations; and
- (iv) that has its principal business operations located in the State or will use any relief under the program established under this subsection for its workforce or operations within the State.
- (2) A small business, <u>labor union</u>, trade association, or company that contracts with a trade association that receives relief under the program established under this subsection shall, to the fullest extent practicable, use the relief to <u>avoid layoffs and</u> maintain its workforce at the same hours, rates of pay, and benefits in effect before the <del>closure</del> reduced operations of the Port.
  - (3) The Maryland Department of Labor shall, to the extent practicable:

- (i) incorporate the work sharing unemployment insurance program under Title 8, Subtitle 12 of the Labor and Employment Article in conjunction with, or as a condition or an extension of, the temporary relief program established under this subsection; or
- (ii) <u>substitute the work sharing unemployment insurance program</u> <u>under Title 8, Subtitle 12 of the Labor and Employment Article for the temporary relief</u> program established under this subsection.
- (4) (i) The program may use State funds to supplement federal funding for worker retention grants to small businesses, labor unions, or trade associations.
- (ii) The program may use federal funds only for worker retention grants to entities that do not qualify as a small business, labor union, or trade association.
- (d) Subject to subsection (e) of this section, the Department of Commerce, as soon as practicable, shall establish a temporary relief program to provide assistance to businesses:
  - (1) the operations <u>or shipments</u> of which:
    - (i) rely on the use of or access to the Port;
- (ii) are <del>substantially</del> hindered or halted entirely due to the <del>closure</del> reduced operations of the Port; and
  - (iii) are subsequently diverted to other regional ports; and
- (2) that are committed to continuing operations <u>or shipments</u>, to the fullest extent practicable, at the Port once it <del>reopens</del> <u>resumes full operations; and</u>
- (3) that have their principal business operations located in the State or that will use any relief under the program established under this subsection for their operations within the State.
  - (e) (1) The Maryland Department of Labor and the Department of Commerce:
- (i) shall establish procedures and eligibility criteria for the programs established under subsections (b) through (d) of this section, as applicable; and
- (ii) <u>may require individuals, businesses, labor unions, trade</u> associations, or companies that contract with or are members of a trade association to provide information to determine eligibility under the programs.

- (2) Any funds distributed under subsections (b) through (d) of this section shall be distributed on or before June 30, 2025.
- (2) In administering the temporary relief programs established under subsections (b) through (d) of this section, the Maryland Department of Labor and the Department of Commerce shall require an individual, business, trade association, or company that is compensated through indemnification or other similar means for the same purpose for which assistance is provided under the applicable program to repay any monetary assistance received under the applicable program within 6 months after receipt of the nonprogram compensation.
- (3) The Maryland Department of Labor and the Department of Commerce shall establish requirements regarding:
- (i) the prompt filing of insurance claims related to the reduced operations of the Port; and
- (ii) notifications of payments agreed to be made or made as a result of an insurance claim.
- (4) (i) In accordance with program requirements, a business, a labor union, a trade association, or a company that receives relief from a program established under this section shall reimburse the Maryland Department of Labor or the Department of Commerce, whichever is applicable, for monetary assistance received under the applicable relief program within 6 months after the receipt of proceeds from an insurance claim or other funds.
- (ii) The Maryland Department of Labor and the Department of Commerce shall:
- 1. <u>be subrogated to the cause of action of any business</u>, <u>labor union</u>, <u>trade association</u>, <u>or company against a business</u>, <u>a labor union</u>, <u>a trade association</u>, <u>or a company arising out of reduced operations of the Port to the extent of any monetary assistance received under the applicable relief program; and</u>
- 2. A. have a lien on the proceeds of any insurance claim filed in relation to the reduced operations of the Port from the time that the business, *labor union*, trade association, or company receives monetary assistance from the applicable relief program; and
- B. be entitled to advise any carrier with which the insurance claim has been filed of the rights and interest in the insurance proceeds.
- (3) (5) The In addition to the rights established under paragraph (4) of this subsection, the Maryland Department of Labor and the Department of Commerce may

make an assessment <u>or use other reasonable means of collection</u> against an individual, business, <u>labor union</u>, trade association, or company to recapture any amounts owed:

- (i) due to misappropriation, overpayment, or fraud; or
- (ii) in accordance with paragraph  $\frac{(2)}{(4)}$  of this subsection.
- (6) To carry out the programs established under subsections (b) through (d) of this section, on request and subject to applicable federal and State law, a unit of State or local government shall provide to the Maryland Department of Labor and the Department of Commerce information relevant to determining the identity and eligibility of an applicant of a program for the purpose of preventing and combating fraud.
- (f) (1) Notwithstanding § 7–311(i) of the State Finance and Procurement Article, after providing the Legislative Policy Committee at least 7 days to review and comment, the Governor may transfer by budget amendment any amounts necessary increments not greater than \$25,000,000 to fund and administer the temporary relief programs established under subsections (b) through (d) of this section from the existing fund balances within the Maryland Department of Labor and the Department of Commerce or the Revenue Stabilization Account established under § 7–311 of the State Finance and Procurement Article to:
- (i) for the <u>program programs</u> established under <del>subsection (b)</del> <u>subsections (b) and (c)</u> of this section, the expenditure account of the Maryland Department of Labor; or
- (ii) for the program established under subsection (e) (d) of this section, the expenditure account of the Department of Commerce<del>; or</del>
- (iii) for the program established under subsection (d) of this section, the Economic Development Opportunities Program Account established under § 7–314 of the State Finance and Procurement Article.
- (2) (i) The Governor shall provide monthly reports to the Legislative Policy Committee, in accordance with § 2–1257 of the State Government Article, on funds distributed under this subsection from the Revenue Stabilization Account established under § 7–311 of the State Finance and Procurement Article and funds distributed under Executive Order 01.01.2024.11.
- (ii) The reports required under subparagraph (i) of this paragraph shall include:
- 1. a full accounting of all federal and State funds provided for assistance for the immediately preceding month and in total, in the aggregate and disaggregated by program and by recipient of assistance in each program including jurisdiction of each recipient;

- <u>2.</u> <u>a delineation of assistance paid, loans distributed, and loans forgiven or uncollectible by each recipient of assistance for the immediately preceding month and in total;</u>
- 3. <u>a description of actions taken by State agencies in relation</u> to expenditures of federal and State assistance, including outreach efforts and requirements the State has placed on the distribution of funds, if any;
- 4. <u>a description of actions taken by businesses with assistance</u> provided under this Act, including how the funds are being used to assist the business and workers impacted by reduced operations of the Port;
- 5. <u>a description of layoffs, if any, undertaken by businesses</u> that received assistance under this Act; and
  - <u>6.</u> <u>a description of plans to allocate any remaining balance.</u>
- (iii) If the Legislative Policy Committee requests, the Governor shall provide a briefing to the Legislative Policy Committee on funds distributed under this section from the Revenue Stabilization Account established under § 7–311 of the State Finance and Procurement Article.
- (3) A copy of the budget amendment shall be sent to the Senate Finance Committee and the House Economic Matters Committee.

# (2) (4) (i) It is the intent of the General Assembly that,:

- (i) if <u>Except as otherwise provided in this section</u>, federal funds become <u>made</u> available for any purpose for which a program is established under this Act; the federal funds may shall be used to:
- (i) 1. supplant, rather than supplement, any funds otherwise used for the programs established under this Act; and
- (ii) <u>2.</u> to the extent authorized by federal law, reimburse the Revenue Stabilization Account, established under § 7–311 of the State Finance and Procurement Article, for any funds transferred under paragraph (1) of this subsection; and.
- (ii) the Maryland Department of Labor and the Department of Commerce shall prioritize the use of existing and available budgetary resources before requesting funds be transferred from the Revenue Stabilization Account.
- (5) Unspent funds distributed under this subsection from the Revenue Stabilization Account established under § 7–311 of the State Finance and Procurement Article shall revert back to the Revenue Stabilization Account.

- (6) Funds received by the State from a lawsuit or, in the instance of a subrogation claim, that are related to the collapse of the Francis Scott Key Bridge shall be deposited in the Revenue Stabilization Account established under § 7–311 of the State Finance and Procurement Article.
- (3) (7) Notwithstanding any other provision of law, the Maryland Department of Labor and the Department of Commerce may transfer available funding from their existing programs and special funds to support the programs established under subsections (b) through (d) of this section.

#### (g) The Attorney General shall:

- (1) pursue all available options, including filing actions against the applicable parties, to recover for the State all possible economic damages arising from the closure of the Port and the collapse of the Francis Scott Key Bridge; and
- (2) <u>beginning July 1, 2024, and each month thereafter until all available options pursued under item (1) of this subsection are exhausted or resolved, report to the General Assembly, in accordance with § 2–1257 of the State Government Article, on the status of pursuing and recovering the economic damages.</u>

SECTION <u>2.</u> <u>3.</u> AND BE IT FURTHER ENACTED, That this Act is an emergency measure, is necessary for the immediate preservation of the public health or safety, has been passed by a yea and nay vote supported by three—fifths of all the members elected to each of the two Houses of the General Assembly, and shall take effect from the date it is enacted.

Approved by the Governor, April 9, 2024.